



THAI WAH  
PUBLIC COMPANY LIMITED

# Creating Innovation and Sustainability from Farm to Shelf

Thai Wah  
Public Company Limited

## Annual Report 2023

(Form 56-1 One Report)





For over 75 years, Thai Wah has been operating  
in the Food and Agriculture Industry  
in Thailand and Southeast Asia  
with a commitment to continuous business growth  
and sustainably creating value for all stakeholders.

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## Message from the Chairman



*“I extend my sincerest gratitude to our shareholders for your continued trust and support. Together, we have achieved significant milestones, and together, we will navigate the future with confidence, seizing opportunities to Create Innovation and Sustainability from Farm to Shelf.”*

### Dear Friends and Family of Thai Wah,

Over the last 7 decades, Thai Wah has built resilience and continued to thrive due to the commitment and dedication of our associates. In this dynamic global landscape, characterized by geopolitics and constantly changing consumer needs, we remain steadfast in delivering value to all our stakeholders across the 35 countries we serve.

As we look to the next decade, we are cautiously optimistic yet excited about the opportunities that lie ahead in our transformation towards 2030. Investing in research and development, exploring new technologies, and driving portfolio shift to over 80% high-value-added product mix by 2030 is the centerpiece of our strategy and the way forward. Thai Wah’s strong geographical diversification has created resilience in its business model and enabled us to weather the uncertainty of climate change, supply chains and geopolitical risks. As our current product sales stretches across Southeast Asia, China, India, and parts of Europe and North America, developing reliable and secure supply chains emerging from post-Covid has been a key strategic thrust for the Company.

We remain dedicated to fostering strong partnerships and to working collaboratively to build a more resilient and sustainable food system. Thai Wah’s ongoing transformation in portfolio design, cost management, and new platforms is central to its key mission to be a leading agri-food player in Southeast Asia and beyond. The Company has strategically diversified its business channels across distribution channels, key accounts, go-to-direct customer accounts, capitalizing on a long-term trend for growing food demand in Asia-Pacific. Today, we proudly serve over 1 million consumers in Southeast Asia with our food products and over 100 key accounts across the region, including building the fastest growing brand in Vietnam which has doubled in profit.

Our commitment to sustainability, innovation, and customer satisfaction has been the cornerstone of our success. We have embraced sustainable farming practices and certified over 2,000 farmers in Thailand and Cambodia, ensuring the responsible stewardship of our natural resources for future generations. Moreover, our relentless pursuit of innovation to transform our B2B and B2C product portfolio, optimizing supply chain efficiency to build trust, and meet the evolving needs of consumers in an increasingly dynamic market continues. In effect, our customer satisfaction improved by 2% year on year for our B2B business. Our ready-to-eat vermicelli noodle cup continue to dominate the Thai market while also receiving the coveted Nielson IQ award for best breakthrough innovative product in 2023.

In 2024, sustainability remains a central focus for us. We recognize the importance of responsible corporate citizenship and have integrated sustainability into our daily operations. By enhancing resource efficiency and fostering inclusive growth, we aim to create lasting value while making positive contributions to the environment and society. Agriculture and food continues to be a key tenet for the success of Southeast Asia’s long term economic potential and the Company remains firmly committed to be a leader in our space with inclusive, affordable, and innovative food products serving our value chain of customers and partners. For 2 years in a row, Thai Wah is proud to have been recognized as a Best Company to Work For by HR Asia and a leader in the SET Sustainability Rankings.

Change is inevitable, and yet our values are timeless. Over multiple generations of Thai Wah, we continue to forge the future, moving ahead with consistency, passion, and purpose.

I extend my sincere gratitude to our shareholders for your continued trust and support. Together, we have achieved significant milestones, and together, we will navigate the future with confidence, seizing opportunities to Create Innovation and Sustainability from Farm to Shelf.

Mr. Ho Kwon Ping  
Chairman of the Board





## Message from the Chief Executive Officer

*“I extend my sincerest gratitude to our associates, partners, and stakeholders for your continued support on our journey. Together we will continue to catalyze a better tomorrow for all in Southeast Asia as well as our global customers.”*

### Dear Friends and Family of Thai Wah,

As we reflect on the milestones and achievements of 2023, we are filled with gratitude for the resilience, dedication, and unwavering support demonstrated by our team and partners. Amidst a dynamic global landscape, we have continued to evolve, innovate, and uphold our commitment to Creating Innovation and Sustainability from Farm to Shelf every single day.

We continued our regional expansion plans in 2023 to roll out more balanced and diversified footprint of products and portfolio. Our new sustainable Cambodia green field investment project has been completed, with official commissioning targeted for January 2024. In the fourth quarter, we were awarded the FSA Silver Award from the SAI Platform for cultivating and scaling sustainable agriculture practices in Cambodia for over 800 organic tapioca farmers. Our solar energy plans continue per plan as we target that 50% of our Company will be powered by renewable energy within the medium term, from 2026 to 2027. Regionally, the execution of our commercial plans has enabled strong double-digit growth for our high-value-added ingredients, outperforming growth in our Vietnam and Indonesia market segments.

I am delighted to share that we sustained our Baht 10 billion in sales revenue despite the macro challenges from climate and economy in 2023. This achievement is the fruit of the strategy designed to transform towards food and high value-added B2B ingredients. As the next phase of our transformation journey begins, we will continue to accelerate investments in new ventures, and expand our footprint into fast growth APAC markets such as India, Indonesia, and the Philippines. All these efforts are a testament to the Company's transformation strategy, deepening our local sales, marketing, and technical development capabilities with regional offices and R&D labs.

Our food business continues to thrive in 2023 with 7% growth in sales and 10% growth in profit. Notable growth in Vietnam and Thailand were due to successful launches of innovative products, and shift in partnership strategies. Our instant Ready to Eat Vermicelli cup noodles remains number one in the market and have received the Nielson IQ innovation award. With the changing macro and consumer trends, we continue to invest in serving our consumers better every day through taste, texture, and nutrition.

Last year has been challenging for our B2B ingredients and starch solution business due to the severe El Niño leading to 25% to 30% decrease in tapioca productivity in the region. Due to the strategic sourcing plan and strong execution on the ground, the supply shortage for the Company was less than 5% year on year. Delivering on our promise to our consumers is our priority and we have strived to ensure minimal supply chain disruptions. We remain the market leader for tapioca food products in China, and have built stronger footprint in Middle East, North America, and APAC. Building on our foundation and strength in tapioca-based products, we have continued to diversify into new ranges of organic, modified, and pre-gelatinized starches as higher-value ingredients to serving growing global demand for food.

Our proactive approach to managing inflationary pressures, coupled with our commitment to sustainability, has enabled us to deliver value for our shareholders. All in all, the Company's sales remain over the Baht 10 billion mark and net profit for the period from 1 January to 31 December 2023 based on its consolidated financial statements amounted to Baht 28 million (Baht 0.05/share). On this note, the Board of Directors has resolved to recommend a dividend payment of Baht 0.091 per share in respect of the full financial year ended December 31, 2023 which is subjected to shareholder's approval at the Company's Annual General Meeting on April 24, 2024.

As we embark on the next phase of our journey, we promise to continue to build our legacy and to remain at the forefront of innovation. We are deeply committed and excited for the next phase of Thai Wah's transformation. I extend my sincerest gratitude to our associates, partners, and stakeholders for your continued support on our journey. Together we will continue to catalyze a better tomorrow for all in Southeast Asia as well as our global customers.

Mr. Ho Ren Hua  
Chief Executive Officer



# Board of Directors and Senior Executives

As of December 31, 2023



**Mr. Ho KwonPing**

Chairman of the Board of Directors



**Mr. Vudhiphol Suriyabhivadh**

Independent Director / Audit, Risk and  
Corporate Governance Committee Chairman



**Mr. Ho Ren Hua**

Director / Chief Executive Officer



**Mr. Chanin Archjananun**

Independent Director



**Mr. Subhak Siwaraksa**

Independent Director



**Mr. Ariel P Vera**

Director



**Mr. Ho KwonCjan**

Director



**Ms. Ho Ren Yung**

Director



**Mrs. Supattra Paopiamsap**

Independent Director



**Ms. Parnsiree Amatayakul**

Independent Director



**Dr. Jingjai Hanchanlash**

Independent Director

*Directorship term completed on April 21, 2023*



**Mr. Umnad Sukprasongphol**

Director / Senior Advisor to CEO



**Mr. Prateep Lertvatanakijkul**

Director / Chief Operating Officer



**Ms. Orn-A-Nong Witchucharn**

Group Chief Financial Officer



**Dr. Naruemon Srisuma**

Vice President-Group Research and Development

Profile of Board of Directors and Senior Executives

As of December 31, 2023

Mr. Ho KwonPing  
Chairman of the Board of Directors

Age 71 years

Appointed

- October 1, 2015
- April 26, 2016 (re-elected)
- April 26, 2019 (re-elected)
- April 22, 2022 (re-elected)

Highest Educational Background /  
Director Certificate Program

- Honorary Doctorate of Business Administration in Hospitality Management, Johnson & Wales University, USA
- Honorary Doctorate of Business Administration, Hong Kong Polytechnic University
- Bachelor of Arts (Economics), National University of Singapore

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Chairman of the Board, Thai Wah Public Company Limited
- Chairman of the Board / Executive Chairman of the Group, Laguna Resorts & Hotels Public Company Limited
- Director / Executive Chairman, Banyan Tree Holdings Limited

2013 - 2020

- Non-Executive Director / Audit Committee Member / Nomination Committee Member / Remuneration Committee Member, Diageo plc.

In Non-Listed Companies

Present

- Chairman of the Board / Director, Certain related companies of Banyan Tree Holdings Limited

- Director, Alosa Holdings Ltd.
- Director, Baruto Investments Ltd.
- Director, Bibace Investments Ltd.
- Director, Bibace Management Company Limited
- Director, Campion Investments Pte. Ltd.
- Director, Chang Fung Company Limited
- Director, Freesia Investments Ltd.
- Director, International Commercial Development Company Limited
- Director, ICD (HK) Limited
- Director, KAP Holdings Ltd.
- Director, Li-Ho Holdings (Private) Limited
- Director, Li-Ho (BVI) Ltd.
- Director, Mae Samart Land Limited
- Director, Maypole Ltd. and certain related companies
- Director, Platinum Enterprise Limited
- Director, Recourse Investments Ltd.
- Director, RHYC Pte. Ltd.
- Director, Sin-Hai Offshore Company Limited

2013 - 2018

- Chairman, School of Hotel and Tourism Management of the Hong Kong Polytechnic

2012 - 2023

- Director, United Insulation Services Pte. Ltd.

1997 - 2022

- Chairman of the Board of Trustees, Singapore Management University

1990 - 2019

- Chairman of the Board / Director, Tropical Resorts Limited

Shareholding in the Company

- 6.50% (57,194,534 shares, also including total number of shares held by spouse)

Family Relation between Directors & Management

- Mr. Ho KwonCjan's elder brother
- Mr. Ho Ren Hua's father
- Ms. Ho Ren Yung's father

Profile of Board of Directors and Senior Executives

As of December 31, 2023

Mr. Vudhiphol Suriyabhivadh  
Independent Director /  
Audit, Risk and Corporate Governance Committee Chairman

Age 79 years

Appointed

- October 1, 2015
- April 26, 2016 (re-elected)
- April 26, 2019 (re-elected)
- April 22, 2022 (re-elected)

Highest Educational Background /  
Director Certificate Program

- Bachelor of Commerce (Accountancy), University of New South Wales, Australia
- Bachelor of Law, Sukhothai Thammathirat University
- Directors Certification Program (DCP 36/2003), Thai Institute of Directors Association
- Audit Committee Program (ACP 7/2005), Thai Institute of Directors Association
- Executive Course, IMD, Lausanne, Switzerland

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Independent Director / Audit, Risk and Corporate Governance Committee Chairman / Nomination and Remuneration Committee Member / Strategic and Innovation Committee Member / Sustainability Committee Member, Thai Wah Public Company Limited
- Independent Director / Audit, Risk and Corporate Governance Committee Chairman / Nomination and Remuneration Committee Member, Laguna Resorts & Hotels Public Company Limited
- Independent Director / Audit Committee Chairman / Vice Chairman of the Board of Directors, L.P.N. Development Public Company Limited

2015-2020

- Independent Director / Audit Committee Chairman / Nomination and Remuneration Committee Chairman, Bangkok Ranch Public Company Limited

2015-2018

- Nomination, Remuneration and Good Corporate Governance Committee Chairman, L.P.N. Development Public Company Limited

In Non-Listed Companies

- None

Shareholding in the Company

- 0.02% (213,053 shares held by spouse)

Family Relation between Directors & Management

- None

Profile of Board of Directors and Senior Executives

As of December 31, 2023

Mr. Ho Ren Hua  
Director / Chief Executive Officer

Age 41 years

Appointed

- October 1, 2015
- April 20, 2017 (re-elected)
- April 27, 2020 (re-elected)
- April 21, 2023 (re-elected)

Highest Educational Background /  
Director Certificate Program

- Bachelor of Science in Economics with Honors, concentrating in Finance and Management, The Wharton School, University of Pennsylvania, USA
- Chartered Director Class (CDC 10/2015), Thai Institute of Directors Association
- Directors Certification Program (DCP 214/2015), Thai Institute of Directors Association
- Diploma Examination (47/2016), Thai Institute of Directors Association

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Director / Chief Executive Officer, Thai Wah Public Company Limited
- Director, Laguna Resorts & Hotels Public Company Limited
- Non-Executive and Non-Independent Director, Banyan Tree Holdings Limited

In Non-Listed Companies

Present

- Board of Commissioner, PT Thai Wah Indonesia

- Chairman of the Board / Director, Certain related companies of Banyan Tree Holdings Limited
- Chairman of the Board, Thai Wah International Trade (Shanghai) Company Limited
- Director, Bibace Management Company Limited
- Director, Campion Investments Pte. Ltd.
- Director, Casita Holdings Ltd.
- Director, Dawina Investments Ltd.
- Director, ICD (HK) Limited
- Director, KPCC Management Company Ltd.
- Director, Maypole Ltd.
- Director, RH Ltd.
- Director, Rocket International Investments Limited
- Director, Sandstone Ventures International Limited
- Director, Sin-Hai Offshore Company Limited
- Director, Tapioca Development Corporation Limited
- Director, Thai Wah Agri Biotech Company Limited
- Director, Thai Wah International (India) Private Limited
- Director, Thai Wah International (USA) Corp
- Director, Thai Wah Vietnam Company Limited
- Director, Thai Wah Ventures Company Limited
- Director, TWPC Investment (Cambodia) Co., Ltd.
- Director, United Insulation Services Pte. Ltd.

2008-2020

- Director, Bibace Investments Ltd.

Shareholding in the Company

- 1.13% (9,929,124 shares)

Family Relation between Directors & Management

- Mr. Ho KwonPing's son
- Mr. Ho KwonCjan's nephew
- Ms. Ho Ren Yung's elder brother

Profile of Board of Directors and Senior Executives

As of December 31, 2023

Mr. Chanin Archjananun  
Independent Director

Age 59 years

Appointed

- October 1, 2015
- April 27, 2018 (re-elected)
- April 23, 2021 (re-elected)

Highest Educational Background /  
Director Certificate Program

- Master of Business Administration, Western Illinois University, USA
- Directors Certification Program (DCP 231/2016), Thai Institute of Directors Association
- Advanced Audit Committee Program (AACP 34/2019), Thai Institute of Directors Association

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Independent Director / Audit, Risk and Corporate Governance Committee Member / Nomination and Remuneration Committee Member / Strategic and Innovation Committee Member / Sustainability Committee Member, Thai Wah Public Company Limited
- Independent Director / Audit Committee Member / Nomination and Remuneration Committee Member / Aurora Design Public Company Limited
- Independent Director / Member of the Audit Committee, Sappe Public Company Limited

In Non-Listed Companies

Present

- Director, Gourmet Enterprise Company Limited
- Director, Vision Ventures Company Limited
- Director, Intermart (Thailand) Company Limited
- Director, Natura Harvest Company Limited
- Director, JS Asset Plus Company Limited
- Director, PKN Inter Holding Company Limited

Shareholding in the Company

- None

Family Relation between Directors & Management

- None



Profile of Board of Directors and Senior Executives

As of December 31, 2023

Mr. Subhak Siwaraksa  
Independent Director

Age 67 years

Appointed

- February 21, 2017
- April 27, 2018 (re-elected)
- April 27, 2020 (re-elected)
- April 21, 2023 (re-elected)

Highest Educational Background /  
Director Certificate Program

- Doctor of Philosophy in Economics, University of Pennsylvania, USA
- Master in Law and Diplomacy, Fletcher School of Law and Diplomacy, Tufts University, Massachusetts, USA
- Bachelor in English Literature Honors Program and Economics, Georgetown University, Washington D.C., USA
- Advanced Audit Committee Program (AACP 26/2017), Thai Institute of Directors Association
- Financial Institutions Governance Program (FGP 3/2011), Thai Institute of Directors Association
- Directors Certification Program (DCP 72/2006), Thai Institute of Directors Association
- Directors Accreditation Program (DAP 42/2005), Thai Institute of Directors Association
- The National Defense College (Class 2007)
- Certificate, Financial Executive Seminar, Bangkok (FINEX IV)
- Certificate, Capital Market Academy Leadership Program, The Stock Exchange of Thailand

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Independent Director / Audit, Risk and Corporate Governance Committee Member / Nomination and Remuneration Committee Member / Strategic and Innovation Committee Member / Sustainability Committee Member, Thai Wah Public Company Limited

- Independent Director / Member of Risk Management Committee / Member of Audit Committee, Bangkok Dusit Medical Services Public Company Limited
- Independent Director / Member of the Governance Committee, Siam City Cement Public Company Limited

In Non-Listed Companies

Present

- Board Director / Chairman of Risk Oversight Committee / Member of Audit Committee / Member of Financial Institutions Policy Committee, Bank of Thailand
- Country Chairman, Jardine Matheson Group in Thailand
- Commissioner / Member of Risk Management Committee, The Securities and Exchange Commission, Thailand
- Independent Director / Chairman of Audit Committee / Member of Risk Committee, Prudential Life Assurance (Thailand) Public Company Limited

2017 - 2023

- Member of Monetary Policy Committee, Bank of Thailand

2018 - 2022

- Independent Director / Member of Audit Committee, Samitivej Public Company Limited

2016 -2018

- Governor / Member of the Audit Committee / Member of the Corporate Governance and Social Responsibility Committee, The Stock Exchange of Thailand

Shareholding in the Company

- None

Family Relation between Directors & Management

- None

Profile of Board of Directors and Senior Executives

As of December 31, 2023

Mr. Ariel P Vera  
Director

Age 71 years

Appointed

- October 1, 2015
- April 26, 2016 (re-elected)
- April 26, 2019 (re-elected)
- April 22, 2022(re-elected)

Highest Educational Background /  
Director Certificate Program

- Master of Business Administration, National University of Singapore
- Bachelor of Science in Business Administration, University of the East, Philippines
- Certified Public Accountant of Philippines

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Non-Executive Director, Thai Wah Public Company Limited
- Independent Director, Laguna Resorts & Hotels Public Company Limited

2014 – 2020

- Non-Independent and Non-Executive Director, Banyan Tree Holdings Limited

In Non-Listed Companies

2015 - 2020

- Director, ICD (HK) Limited

Shareholding in the Company

- 0.22% (1,926,105 shares)

Family Relation between Directors & Management

- None

## Profile of Board of Directors and Senior Executives

As of December 31, 2023

### Mr. Ho KwonCjan

#### Director

**Age** 67 years

#### Appointed

- October 1, 2015
- April 20, 2017 (re-elected)
- April 26, 2019 (re-elected)
- April 23, 2021 (re-elected)

#### Highest Educational Background / Director Certificate Program

- Bachelor of Architecture (Hons), National University of Singapore

#### Working Experiences for the Past 5 Years

##### In Listed Companies

Present

- Non-Executive Director, Thai Wah Public Company Limited
- Director, Laguna Resorts & Hotels Public Company Limited
- Senior Vice President / Group Chief Designer, Banyan Tree Holdings Limited

#### In Non-Listed Companies

Present

- Director, Certain related companies of Laguna Resorts & Hotels Public Company Limited
- Director, Certain related companies of Banyan Tree Holdings Limited
- Director, Chang Fung Company Limited
- Director, Freesia Investments Ltd.
- Director, International Commercial Development Company Limited
- Director, Lanna Land Development Company Limited
- Director, Li-Ho Holdings (Private) Limited
- Director, Li-Ho (BVI) Ltd.
- Director, Mae Malai Doi Resorts Company Limited
- Director, Platinum Enterprise Limited
- Director, Profit Chain Ltd.
- Director, PT Bintan Hotels
- Director, Vail Enterprises Group Corp.

#### Shareholding in the Company

- 3.91% (34,416,488 shares)

#### Family Relation between Directors & Management

- Mr. Ho KwonPing's younger brother
- Mr. Ho Ren Hua's uncle
- Ms. Ho Ren Yung's uncle

## Profile of Board of Directors and Senior Executives

As of December 31, 2023

### Ms. Ho Ren Yung

#### Director

**Age** 38 years

#### Appointed

- April 27, 2020
- April 21, 2023 (re-elected)

#### Highest Educational Background / Director Certificate Program

- Bachelor of Science in Sociology and Economic Development, London School of Economics
- A Certificate in Accounting and Finance, National University of Singapore

#### Working Experiences for the Past 5 Years

##### In Listed Companies

Present

- Non-Executive Director, Thai Wah Public Company Limited
- Non-Executive Director, Laguna Resorts & Hotels Public Company Limited
- Senior Vice President / Head of Brand and Commercial / Deputy Managing Director of Hospitality Management, Banyan Tree Holdings Limited

#### In Non-Listed Companies

Present

- Director, Bibace Management Company Limited
- Director, ICD (HK) Limited
- Director, KPCC Management Company Ltd.
- Director, Mamaboss Pte Ltd.
- Director, RY Ltd.
- Business Unit Head, Banyan Tree Spa and Gallery
- Co-Founder, Matter Prints

2008-2020

- Director, Bibace Investments Ltd.

#### Shareholding in the Company

- None

#### Family Relation between Directors & Management

- Mr. Ho KwonPing's daughter
- Mr. Ho KwonCjan's niece
- Mr. Ho Ren Hua's younger sister

Profile of Board of Directors and Senior Executives

As of December 31, 2023

Ms. Parnsiree Amatayakul  
Independent Director

Age 53 years

Appointed

- April 27, 2018
- April 23, 2021 (re-elected)

Highest Educational Background /  
Director Certificate Program

- Master of Business Administration,  
Anderson School of Management, UCLA, USA
- Bachelor of Business Administration,  
Chulalongkorn University
- Directors Certification Program (DCP 99/2008),  
Thai Institute of Directors Association

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Independent Director / Strategic and Innovation  
Committee Member / Sustainability Committee  
Member, Thai Wah Public Company Limited
- Independent Director / Audit Committee Member /  
Remuneration Committee Member,  
Siam Cement Public Company Limited
- Independent Director / Member of Corporate  
Governance Committee, Bangkok Bank Public  
Company Limited
- Independent Director / Audit Committee Member /  
Chairman of Risk Management Committee,  
Thai Union Group Public Company Limited

- Independent Director / Member of Audit and  
Corporate Governance Committee / Member of the  
Nomination and Remuneration Committee,  
Central Pattana Public Company Limited

In Non-Listed Companies

2019-2021

- General Manager, Sales Enterprise and Commercial,  
IBM ASEAN

2011-2018

- Managing Director, IBM Thailand Company Limited

Shareholding in the Company

- None

Family Relation between Directors & Management

- None

Profile of Board of Directors and Senior Executives

As of December 31, 2023

Mrs. Supattra Paopiamsap  
Independent Director

Age 60 years

Appointed

- February 24, 2021
- April 22, 2022 (re-elected)

Highest Educational Background /  
Director Certificate Program

- Master of Business Administration (Marketing),  
Georgia State University, Atlanta, Georgia, USA
- Bachelor of Business Administration (Accounting)  
(Honor), Assumption University
- Directors Certification Program (DCP 264/2018),  
Thai Institute of Directors Association

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Independent Director / Strategic and Innovation  
Committee Member / Sustainability Committee  
Member, Thai Wah Public Company Limited
- Consultant, Berli Jucker Public Company Limited

2017-2020

- Deputy Group CEO, Pruksa Holding Public Company  
Limited

In Non-Listed Companies

Present

- Managing Director, Meragie Company Limited
- Advisor, New Zealand Trader & Enterprize

2019-2020

- CEO, Pruksa Real Estate Public Company Limited

2017-2018

- Non-Executive Chairman, Unilever Thailand

2014-2017

- CEO Thailand, Unilever Thailand

Shareholding in the Company

- None

Family Relation between Directors & Management

- None



Profile of Board of Directors and Senior Executives

As of December 31, 2023

Mr. Umnad Sukprasongphol

Director / Senior Advisor to CEO

Age 60 years

Appointed

- October 1, 2015
- April 27, 2018 (re-elected)
- April 27, 2020 (re-elected)
- April 21, 2023 (re-elected)

- Highest Educational Background / Director Certificate Program**
- Master of Business Administration, Central State University (Currently known as University of Central Oklahoma), USA
  - Directors Certification Program (DCP 15/2011), Thai Institute of Directors Association
  - Financial Statements for Directors (FSD 17/2012), Thai Institute of Directors Association
  - Ethical Leadership Program (ELP 10/2017), Thai Institute of Directors Association

Working Experiences for the Past 5 Years

In Listed Companies

- Present
- Executive Director / Senior Advisor to CEO, Thai Wah Public Company Limited

- 2015-2021
- Managing Director (Starch Business), Thai Wah Public Company Limited

In Non-Listed Companies

- Present
- Chairman / Director, Subsidiaries companies of Thai Wah Public Company Limited
  - Vice President / Chairman of Starch sub-committee, The Thai Tapioca Trade Association (TTTA)

- Shareholding in the Company**
- 0.03% (7,240 shares, also including total number of shares held by spouse)

Family Relation between Directors & Management

- None

Profile of Board of Directors and Senior Executives

As of December 31, 2023

Mr. Prateep Lertvatanakijkul

Director / Chief Operating Officer

Age 59 years

Appointed

- April 27, 2018
- April 23, 2021 (re-elected)

- Highest Educational Background / Director Certificate Program**
- Master of Business Administration (Marketing), National Institute of Development Administration
  - Bachelor of Agro-Industry, Kasetsart University
  - Ethical Leadership Program (ELP 10/2017), Thai Institute of Directors Association
  - Directors Certification Program (DCP 267/2018), Thai Institute of Directors Association

Working Experiences for the Past 5 Years

In Listed Companies

- Present
- Executive Director / Chief Operating Officer, Thai Wah Public Company Limited

- 2016-2021
- Managing Director (Food Business), Thai Wah Public Company Limited

In Non-Listed Companies

- Present
- Chairman / Director, Subsidiaries companies of Thai Wah Public Company Limited

- Shareholding in the Company**
- 0.01% (100,000 shares)

- Family Relation between Directors & Management**
- None

Profile of Board of Directors and Senior Executives

As of December 31, 2023

Dr. Jingjai Hanchanlash

Independent Director

Directorship term completed on April 21, 2023

Age 81 years

Appointed

- October 1, 2015
- April 20, 2017 (re-elected)
- April 27, 2020 (re-elected)

Term Completion

- April 21, 2023

Highest Educational Background / Director Certificate Program

- Doctorate University de Caen (Mention droit), France
- Certificate in Project Analysis, University of Connecticut, USA
- Certificate in Mid-Career Management training, University of Western Ontario, Canada
- Director Accreditation Program (DAP 1/2003), Thai Institute of Directors Association
- Audit Committee Program (ACP 19/2007), Thai Institute of Directors Association

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Independent Director / Audit, Risk and Corporate Governance Committee Member / Nomination and Remuneration Committee Chairman, Laguna Resorts & Hotels Public Company Limited
- Vice Chairman, Muang Thai Insurance Public Company Limited
- Advisor to Chairman, Loxley Public Company Limited
- Director / Executive Director, Asian Phytoceuticals Public Company Limited

2015-2023

- Independent Director / Nomination and Remuneration Committee Chairman / Audit, Risk and Corporate Governance Committee Member / Strategic and Innovation Committee Member, Thai Wah Public Company Limited

2017-2019

- Vice-Chairman of the Executive Board, Loxley Public Company Limited

2014-2019

- Director, Loxley Public Company Limited

In Non-Listed Companies

Present

- Chairman / CEO, Rutnin-Gimbel Excimer Laser Eye Centre
- Chairman, Loxley Simulation Technology Company Limited
- Director of the Executive Board, King Prajadhipok's Institute
- Member, Chumbhot-Pantip Foundation Council
- Board Member, Development Cooperation Foundation
- Chairman, Thai-Canada Economic Cooperation Foundation
- Member of the Risk Committee, National Science and Technology Development Agency (NSTDA)

2003-2020

- Board Member, SPIE Oil & Gas Services (Thailand) Limited

1996-2022

- President, Alliance Francaise

Shareholding in the Company

- 0.30% (2,643,039 shares held by spouse)

Family Relation between Directors & Management

- None

Profile of Board of Directors and Senior Executives

As of December 31, 2023

Ms. Orn-A-Nong Witchucharn

Group Chief Financial Officer

Age 51 years

Appointed

- January 1, 2019

Highest Educational Background / Director Certificate Program

- Master of Business Administration, The American Graduate School of International Management (Thunderbird), Arizona, USA
- Succeeding as a Strategic CFO 2022/11, Harvard Business School
- 20<sup>th</sup> Thai Overseas Investment Support Center, Board of Investment Thailand
- Director Certificate Program (DCP 224/2016), Thai Institute of Directors Association
- Diploma Examination (52/2016), Thai Institute of Directors Association
- Ethical Leadership Program (ELP 10/2017), Thai Institute of Directors Association
- CMA-GMS International Program (5/2019), Capital Market Academy
- Director Leadership Certification Program (DLCP 3/2021), Thai Institute of Directors Association

Remark:

- As of December 31, 2023, Mrs. Orn-A-Nong Witchucharn held the position of the person taking highest responsibility in finance and accounting (Chief Financial Officer), the person supervising accounting (Chief Accountant), Company Secretary, Head of Compliance, and Head of Investor Relations.
- Ms. Orn-A-Nong Witchucharn resigned from the Company, effective from March 1, 2024.

Dr. Naruemon Srisuma

Vice President-Group Research and Development

Age 65 years

Appointed

- January 1, 2021

Highest Educational Background / Director Certificate Program

- Doctor of Philosophy (Food Science and Human Nutrition), Michigan State University, USA

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Vice President-Group Research and Development, Thai Wah Public Company Limited

Remark:

- No directors of the Company have any record of committing any illegal action.
- As of December 31, 2023, the Company's executives according to the SEC's definition comprises Mr. Ho Ren Hua, Mr. Umnad Sukprasongphol, Mr. Prateep Lertvatanakijkul, Ms. Orn-A-Nong Witchucharn, and Dr. Naruemon Srisuma.

- Company Secretary Program (CSP 136/2023), Thai Institute of Directors Association

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Group Chief Financial Officer, Thai Wah Public Company Limited
- Company Secretary / Chief Accountant / Head of Compliance, Thai Wah Public Company Limited

2017-2018

- Chief Financial Officer, Thai Wah Public Company Limited

In Non-Listed Companies

Present

- Chairwoman / Director, Subsidiaries companies of Thai Wah Public Company Limited

Shareholding in the Company

- 0.00% (10,000 shares)

Family Relation between Directors & Management

- None

In Non-Listed Companies

Present

- Director, Subsidiaries companies of Thai Wah Public Company Limited

2017-2019

- Director, Tapioca Development Corporation Limited
- Director, Tay Ninh Tapioca Joint Stock Company

Shareholding in the Company

- None

Family Relation between Directors & Management

- None

## Vision

Creating innovation and sustainability from farm to shelf

## Mission

To be a leading regional agri-food company serving our customers with pride, integrity, and consistency

## Core Values



### Pride

We take pride in everything we do as individuals and one team to deliver excellence to our associates, customers, and stakeholder.



### Integrity

We lead with integrity and the highest values of excellence, honesty, and transparency.



### Consistency

We act with consistency to always learn, improve, and innovate every day.

# About Us

## Our Business

### Global portfolio

7 Countries :

Thailand | Vietnam | China | Indonesia | Cambodia | USA | India

### Core business activities

Tapioca starch and starch-related products

Food products

Biodegradable products

### Number of countries we sell in

Over 35 countries worldwide

## Detail of Security

Market: The Stock Exchange of Thailand (SET)

Security Name: TWPC

Industry: Agro & Food Industry | Sector: Food & Beverage

## General Information

### Company Name

Thai Wah Public Company Limited

### Business Registration Number

0107558000423

Registered Capital: Bath 880,420,930

Paid-up Capital: Bath 880,420,930

Ordinary Shares: 880,420,930 shares

Par Value: Bath 1 per share

### Head Office:

Thai Wah Tower I, No. 21/11, 21/13,  
6<sup>th</sup> Floor, South Sathorn Road,  
Tungmahamek, Sathorn,  
Bangkok 10120, Thailand  
Telephone:  
+ 66 2285 0040

### Website:

[www.thaiwah.com](http://www.thaiwah.com)

### Email:

Investor Relations: [ir@thaiwah.com](mailto:ir@thaiwah.com)

Company Secretary: [ca@thaiwah.com](mailto:ca@thaiwah.com)

Marketing: [thaiwah.marketing@thaiwah.com](mailto:thaiwah.marketing@thaiwah.com)



Financial Highlights

	(Unit : Million Baht)		
	2023	2022	2021
Total current assets	4,546	4,044	4,058
Total non-current assets	4,857	4,678	4,546
Total assets	9,403	8,722	8,604
Total current liabilities	2,572	1,571	2,233
Total non-current liabilities	1,436	1,507	837
Total liabilities	4,008	3,078	3,070
Total shareholders’ equity	5,394	6,018	5,534
Sales	10,231	10,421	9,105
Dividend income	-	-	-
Share of gain from investments in associated companies	-	-	-
Total revenues	10,290	10,468	9,197
Cost of sales	8,687	8,563	7,309
Total expenses	10,179	10,042	8,701
Operating profit	117	426	493
EBITDA	604	923	969
Earnings before finance cost and income tax expense	111	426	496
Finance cost	78	60	67
Income tax expense	12	66	66
Net profit for the year	28	300	363
Net profit attributable to non-controlling interest	-20	2	40
Net profit attributable to equity holders of the Company	47	298	323
Other information			
Earnings Per Share (Baht)	0.05	0.34	0.37
Dividend Per Share (Baht)	*0.091	0.2159	0.2159
Book Value Per Share (Baht)	6.13	6.84	6.29

Remark: \* The rights to receive dividend of the Company’s shareholders is subjected to the shareholders’ approval at the 2024 Annual General Meeting of Shareholders.

Financial Ratios

	2023	2022	2021
Profitability ratio			
Gross profit margin (%)	15	18	20
Operating profit ratio (%)	1	4	5
Other income ratio (%)	-	-	0.03
Cash to operating profit ratio (%)	18	159	90
Return on total revenue (%)	0	3	4
Return on total equity (%)	0	5	7
Efficiency ratio			
Return on total assets ratio (%)	0	3	4
Return on fixed assets ratio (%)	13	22	23
Assets turnover ratio (times)	1.14	1.21	1.10
Liquidity ratio			
Liquidity ratio (times)	2	3	2
Quick liquidity ratio (times)	1	1	1
Cash flow liquidity ratio (times)	0.01	0.36	0.27
Average collection period (day)	35	30	30
Average sale period (day)	54	47	47
Average payment period (day)	20	22	21
Cash cycle (day)	69	56	56
Financial policy ratio			
Debts to equity ratio (times)	0.74	0.51	0.55
Interest coverage ratio (times)	1	13	8
Repayment ability ratio (cash basis) (times)	0.02	0.60	0.33
Dividend payout ratio (%)	167	64	59



## Our Brands



### ROSE BRAND

Thai Wah Public Company Limited created **ROSE BRAND** to promote balance and wellbeing through its innovative range of high-quality farmed materials to enhance the value of food solutions, from tapioca starch to starch-related food ingredients including tapioca starch, modified starch, glucose syrup, rice starch, and others. Championing a natural and clean way of life, bringing scale, science, and sustainable sourcing together to enable perfect product solutions. ROSE BRAND believes everyone deserves sustainable and clean food.

Our ROSE BRAND team is constantly exploring the ever-changing world we live in to ensure we provide food innovations and solutions to meet the global consumer.

Visit us at [www.rosestarch.com](http://www.rosestarch.com)



### DOUBLE DRAGON

The “Double Dragon” brand represents a top-tier product designed for individuals who enjoy home cooking, catering to both seasoned home chefs and those embarking on their culinary journey.

### DOUBLE KIRIN

The “Double Kirin brand” is the food operators’ trusted partner, offering a range of high-quality products that truly meet the needs of street food entrepreneurs.

### PHOENIX

The “Phoenix” brand is a high-quality product, priced affordably, and stands out for its distinctive feature of enhancing flavors with every bite.





# Corporate Profile

## Company History & Milestones

### OUR HISTORY



1947

Thai Wah Starch Public Company Limited (“TWS”) (originally known as Thai Wah Co., Ltd.) was incorporated in 1947 to initially buy wolframite, an iron oxide of tungsten.



1952

- TWS entered into the tapioca business by buying flour from many existing small factories in order to export to the United States of America. TWS decided to expand the tapioca business by buying cassava roots and processing its own tapioca flour.
- TWS opened its first tapioca factory, known as Thai Wah 1, and sold tapioca flour marketed under the Company's own “ROSE” brand and was welcomed by international buyers because its quality met international standards.
- While TWS continued to develop its tapioca business, Thai Wah Food Products Public Company Limited (“TWFP”) was pioneering the vermicelli business in Thailand.
- In 1952, TWFP established a 13.5 rai factory in Bangna, Bangkok, producing a superb quality mung bean vermicelli.

1963

By 1963, TWS had become Thailand's largest exporter of tapioca and its production of flour continued to increase steadily for the next 20 years. The main location of the cassava plantations had expanded to Thailand's northeast, leading TWS to build factories in Nakorn Ratchasima, Udon Thani, Kalasin, and Kamphaeng Phet.



1985

Over the years TWFP successfully grew its business and is widely recognized today as the leader in the local vermicelli market with approximately more than 40 percent market share coverage. Its products are well recognized under the “Double Dragon”, “Phoenix” and “Double Kirin” brands. TWFP expanded its business by establishing the largest vermicelli factory in Thailand in Banglane District, Nakorn Pathom Province.



1989

TWFP was successfully listed on The Stock Exchange of Thailand.



1994

TWS set up starch plant in Vietnam and expanded line to glucose business by co-investing with a state enterprise in Vietnam to establish a joint venture company, Tay Ninh Tapioca Joint Stock Company originally known as Tay Ninh Tapioca Company Limited, to produce and distribute tapioca starch and glucose syrup. TWS held a 70 percent interest in the Vietnamese company.



2014

TWFP started production and distribution of rice noodles. TWFP expanded its rice noodle and rice vermicelli production capacity by constructing a new factory in the same area as the vermicelli factory.



2015

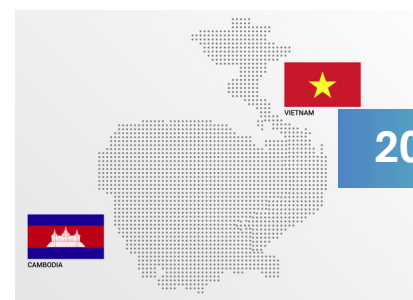
The shareholders' meeting of TWS and TWFP approved the amalgamation of TWS and TWFP and also approved “Thai Wah Public Company Limited” as the name of the amalgamated entity.



2016

Thai Wah International Trade (Shanghai) Company Limited was established in China.





2017

- TWPC Investment (Cambodia) Company Limited was established in Cambodia.
- Thai Wah Vietnam Company Limited was established in Vietnam.
- Thai Wah Bio Power Limited acquired 33.33% shares of Tapioca Development Corporation Limited.



2019

Acquisition of Maesot Starch Co., Ltd and Maesot Biogas Co., Ltd., and increased the shareholding proportion of Tapioca Development Corporation Limited (TDC) to 100%, supporting the tapioca starch business, meeting customer needs worldwide, and aiming to become the leading food-grade tapioca starch provider in Asia.



2020

- Thai Wah Group increased the shareholding proportion of Asia Tapioca Products Co., Ltd. to 100% supporting tapioca starch business in Vietnam.
- PT Thai Wah Indonesia was established in Indonesia.

**THAI WAH  
VENTURES**

2021

- Thai Wah Ventures Company Limited was established in Thailand.

**ROSECO**

2022

- Launched bioplastic products under the brand “ROSECO” (Rose+Eco / circular economy) to add value to agricultural products.



2023

- Thai Wah Agri Biotech Company Limited was established in Thailand.
- Thai Wah International (USA) Corp was established in the USA.
- Thai Wah International (India) Private Limited was established in India.
- The “TWPC” security, listed within the Agro & Food Industry group in the SET, was reclassified from industry group “Agribusiness” to “Food & Beverage.”

## Significant Development in the Past 3 Years

2021

December

Thai Wah Ventures Company Limited was established in Thailand to invest in overseas startups.

2022

January

Introduced the bioplastic product under the “ROSECO” brand to enhance the value of agricultural products.

2023

January

Thai Wah Agri Biotech Company Limited was established in Thailand to design, develop, and distribute products or goods, including services, utilizing comprehensive biotechnology in agriculture.

June

The “TWPC” security, listed within the Agro & Food Industry group in the SET, was reclassified from industry group “Agribusiness” to “Food & Beverage.”

April

Thai Wah International (USA) Corp was established in the USA for sales, marketing, distribution of tapioca, bioplastic and agri-food related products.

October

Thai Wah International (India) Private Limited was established in India for production, sales, marketing, distribution of tapioca, starch, bioplastic, and agri-food related products.

Business Overview

Since our establishment in 1947, Thai Wah has been a prominent player in the agriculture and food industry. Our commitment to excellence and sustainable practices has fueled our growth, establishing us as a reputable entity in the market.

A pivotal moment in our journey occurred in 2015 when Thai Wah Public Company Limited was formed through the amalgamation of Thai Wah Starch Public Company Limited and Thai Wah Food Products Public Company Limited. This strategic merger has allowed us to leverage synergies, enhance operational efficiency, and strengthen our position in the industry.

Presently, our operations can be categorized as follows:

Tapioca Starch and Starch-Related Products

We lead the market in providing high-quality tapioca starch and starch-related products, catering to both domestic and international markets.

Biodegradable Products

Embracing sustainability, we are actively involved in the production and distribution of biodegradable products, aligning with the growing global focus on eco-friendly alternatives.

Food Products

Our commitment to delivering premium food products extends across various categories, meeting the diverse needs of consumers globally.

Non-Core Business

In addition, we also invest in ordinary shares of other companies engaged in businesses beyond our core operations. Furthermore, we invest in real estate, holding potential lands nationwide as well as investing in startup businesses in different countries.

Our Vision, Mission, and Business Strategy

Vision

Creating innovation and sustainability from farm to shelf

Mission

To be a leading regional agri-food company serving our customers with pride, integrity, and consistency

Business Strategy

The Company’s goal is to deliver a premium range of B2C and B2B agri-food products to enhance the quality of the communities that we operate in, adding value to the agriculture sector in Thailand and Southeast Asia, and source sustainable raw materials that help develop thriving and resilient communities with minimal environmental impact.

The Company is deeply committed to Creating Innovation and Sustainability from Farm to Shelf for all our global customers and consumers. Across all our group portfolios, we deepen our reach to global customers while striving to create shared value for our Farmers, Associates, and Stakeholders. With now 16 operations in 7 countries, we continue to expand our businesses globally and in 2023 we opened our India and USA offices, one of the fastest growing and biggest economies in the world.

2023 was faced with challenges and opportunities across our businesses with both headwinds and tailwinds from macro economy, continued geopolitical conflicts and climate change. The Company stayed on course to deliver our strategic priorities; to transform our portfolio, to drive cost excellence across our value chain, and to develop new business platforms.

Our plan for the next 5 years, we will continue on the journey to create sustainability across the value chain; Farm, Factory, Family, Food. We have completed 5 key programs per our committed to the UN SDG goals. We will continue to lead the industry to catalyze change for a greener and better tomorrow.

Our Global Portfolio



- A Thailand**

  - Head office | Bangkok
  - 7 tapioca starch and starch-related product factories  
Mae Sot, Thakhantho, Pimai, Udon Thani, Kamphaeng Phet, Rayong
  - food product factory, Banglane
  - biodegradable product factory, Rayong
- B Vietnam**

  - 2 tapioca starch and starch-related product factories, Tay Ninh
  - food product factory, Ho Chi Minh
  - sales office, Ho Chi Minh
- C Cambodia**

  - tapioca starch and starch-related product factory (under construction as of December 31, 2023: ), Oddar Meanchey
- D China**

  - sales office, Shanghai
- E Indonesia**

  - sales office, Jakarta
- F India**

  - sales office, Bangalore
- G USA**

  - sales office, California

## Revenue Structure

The Company’s revenue structure of the sale and services are described as follows:

Products/Services	2023		2022		2021	
	Revenue		Revenue		Revenue	
	MB	%	MB	%	MB	%
Starch business revenue						
● Tapioca starch	4,530	44	4,786	46	4,224	46
● High value-added starch	897	9	772	7	683	7
● Modified starch	1,441	14	1,267	12	1,055	12
● Sago	298	3	393	4	330	4
● Glucose	624	6	853	8	823	9
● By products and other	262	3	209	2	193	2
Total Starch business revenue	8,052	79	8,280	79	7,308	80
Food business revenue						
● Vermicelli and Bean Sheet	1,630	16	1,554	15	1,349	15
● Rice Noodle and Rice Vermicelli	386	4	367	4	287	3
● Mong starch and other starch	122	1	79	1	120	1
● By products and other	15	-	14	-	13	-
Total Food business revenue	2,153	21	2,014	20	1,769	19
Investment properties						
● Gain on sale of investment property	-	-	-	-	3	-
Other income						
● Service income	26	-	127	1	28	-
● Gain on exchange	15	-	24	-	56	1
● Interest income	6	-	3	-	3	-
● Other income	38	-	18	-	30	-
Total	10,290	100	10,466	100	9,197	100

## Type of Business

### Starch & Starch-Related Products

Our starch & starch-related products include tapioca flour & starch, modified tapioca starch, tapioca pearl, products from rice flour, rice starch, glutinous rice flour and glutinous rice starch, pre-gelatinized starch or alpha starch, and glucose syrup. We also produce these products in organic form to meet consumer demands.

### Characteristics of Products

#### 1. Tapioca flour & starch

Tapioca flour & starch is a product derived from cassava roots. Apart from direct consumption, it has many other applications in the food industry including a raw material for production of seasoning powder (MSG) and sweetener products as well as uses in other industries, including the paper and textile industries.

We manufacture our tapioca flour & starch under the brand "ROSE BRAND", featuring various products including:

##### (1) Native tapioca starch

Native tapioca starch is extracted from cassava roots, characterized by their white and fine texture which are widely used as ingredients or raw materials in food and animal feed industries, as well as paper and textile industries.



##### (2) Coarse flour

Coarse flour is manufactured by transforming native tapioca starch into flakes which contributing to the crispiness of food. Importantly, it is gluten-free, making it suitable for preparing coated fried food as a substitute for breadcrumbs.

##### (3) Cassava flour

Cassava flour is a product with a white color and a fine texture. When mixed with water, it becomes clear and odorless, without any taste. When used in food preparation, it enhances the texture of the food, providing crispiness and freshness. It can also retain moisture during baking. Currently, it is popularly used as a substitute for wheat flour due to its gluten-free nature. Cassava flour is suitable for making cakes, brownies, and various other bakery items.

##### (4) Waxy tapioca starch

Waxy tapioca starch is a product that is clear and glossy, with a high-water absorption capacity. It is suitable for the food industry, especially for applications that require flexibility, colorlessness, and softness. Currently, it is commonly used as a component for coating nuts, making waffles, or producing extruded snacks in various shapes and forms. As a leading innovator in waxy tapioca starch products, ROSE BRAND has formulated non-GMO breeding technologies of the natural cassava plant variety to enable the development of a starch with high amylopectin content. Waxy tapioca starch offers high viscosity and high swelling properties. The high amylopectin content allows for a lower pasting temperature and higher viscosity than normal starches.

Our tapioca flour & starch products are manufactured by the Company's and its subsidiaries' factories which have maintained high-quality standards and are certified according to the international standards which includes:

- Thai Wah Public Company Limited (Mae Sot District, Tak Province / Thakhantho District, Kalasin Province / Pimai District, Nakhon Ratchasima Province)
- Thai Nam Tapioca Company Limited. (Muang Udon Thani District, Udon Thani Province)
- D I Company Limited (Khanu Worakabsaburi District, Kamphaeng Phet Province)

Regarding distribution channels, our tapioca flour & starch products are distributed 20 percent domestically and 80 percent internationally, exported to various countries including China, Taiwan, and the USA.

The Company primarily targets customers in the food industry, accounting for more than 90 percent of our total product distribution. The focus is especially on those who require premium-grade products.

In addition to Thailand, we also produce and distribute native tapioca starch through our subsidiaries in Vietnam. These subsidiaries include Vietnam Tapioca Company Limited (VTC), which markets products under the "THAI FLOWER" brand, and Tay Ninh Tapioca Joint Stock Company (TNT), which distributes products under the "TAYNIN TAPIOCA" brand. For the distribution channels in Vietnam, VTC and TNT distribute native tapioca starch products, with approximately 84 percent for domestic sales and around 16 percent for export to countries in Asia and to the USA. The main customer group are leading food manufacturing companies.

#### 2. Modified tapioca starch

Modified tapioca starch refers to the product derived from modification of native tapioca starch to achieve desired properties. This modification can involve changes in characteristics such as viscosity as well as heat, acid, and shear force resistance by employing various methods including chemical, physical, enzymatic, or microbial processes. Modified tapioca starch finds applications in various industries including the food industry, paper industry, textile industry, and others.

The Company sells modified tapioca starch under the brand "ROSE BRAND," operated by Tapioca Development Corporation (TDC), a subsidiary of the Company located in Ban Chang District, Rayong Province.

Regarding distribution channels, our modified tapioca starch products are distributed 30 percent domestically and 70 percent internationally, exported to various countries including Indonesia, China, Japan, the USA, countries in Europe and the Middle East. The main customer group are leading food manufacturing companies.



#### 3. Pre-gelatinized starch or Alpha starch

Pre-gelatinized starch is a type of modified tapioca starch that undergoes a physical modification process to achieve a certain level of viscosity, often used in various industries, including the aquatic animal feed industry, mosquito repellent industry, metal casting industry, as well as in the production of crispy snacks and cakes.

The Company distributes the pre-gelatinized starch under the brand "ALPHA BRAND" which operated by Thai Wah Alpha Starch Company Limited, a subsidiary of the Company located in Pimai District, Nakhon Ratchasima Province.

For distribution channels, the Company sells its pre-gelatinized starch both domestically and internationally. The international markets include countries in Europe, Japan, and Taiwan which we specifically target customers in the food and animal feed industries.





4. Tapioca pearls

Tapioca pearls are made from tapioca starch that undergoes a production process to form small, round granules suitable for both savory and sweet dishes. We have expanded our tapioca pearl product line to offer wide variety options.

We produce and distributes tapioca pearls under the brand “ROSE BRAND,” operated by the Company’s factories, with one located in Pimai District, Nakhon Ratchasima Province, and another in Thakhantho District, Kalasin Province.

For distribution channels, we engage in both domestic and international distribution. The majority of products are exported to countries in Asia such as China and Taiwan. Additionally, a portion of the products is exported to countries in Europe and to the USA. The target customers primarily include manufacturers, distributors, and suppliers in the food, dessert, and beverage industries.

5. Rice flour,Rice starch,Glutinous rice flour, Glutinous rice starch

Products made from rice flour and glutinous rice flour are processed from rice using modern water milling machinery. The production involves selecting high-quality raw materials to achieve consistently clean and white flour with an appropriate level of viscosity. This high-quality flour stands out as it is gluten-free, making it suitable for various customer needs.

Thai Wah Group produces and distributes the products under the brand “ROSE BRAND,” operated by Tay Ninh Tapioca Joint Stock Company, located in Tay Ninh Province, Vietnam.

For distribution, we supply our products both domestically in Vietnam and internationally. The target customer groups include industrial factories and retail customers.

6. Glucose syrup

Glucose syrup is a product derived from the hydrolysis of tapioca starch. It has a liquid, clear, non-settling, and non-crystallizing nature. It is thick and slightly viscous with a mildly sweet taste, no color, and can be utilized as an ingredient in various food products. Some examples include lollipops, fruit purees, powdered fruit drinks, ice cream, artificial cream, and various beverages.

The Company produces and distributes glucose syrup products under the brand “ROSE BRAND” and “TAYNIN TAPIOCA,” operated by Tay Ninh Tapioca Joint Stock Company, located in Tay Ninh Province, Vietnam.

The Company primarily distributes its glucose syrup products within Vietnam, constituting approximately 80 percent. The remaining 20 percent is exported to various countries, including those in the European continent and the USA. The main target customer groups are the artificial cream and candy producers.

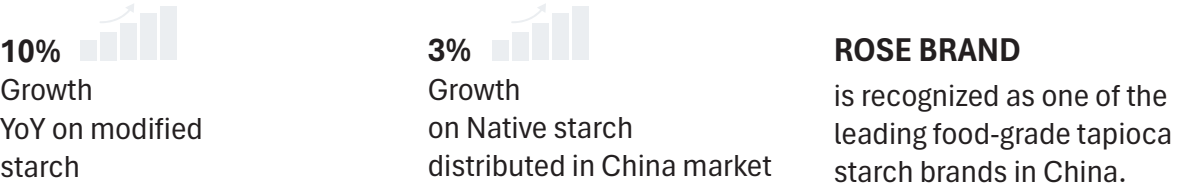
7. Organic products

In order to provide a diverse range of options for customers and respond to the current trend where consumers prefer products from nature processed through agricultural practices that are free from any harmful chemicals to humans, animals, and the environment, and to promote sustainable agriculture, we have developed various products in an organic format. These products undergo production processes certified by the Sustainable Agriculture Initiative (SAI) standards. The Company distributes organic products both domestically and internationally, with a primary customer base in the USA and European countries, where there is a growing preference for organic products. This initiative aims to promote sustainable agriculture practices and establish partnerships with farmers involved in sustainable agriculture.

Marketing and Distribution Channel

The Company aims to promptly and efficiently reach and respond to customer needs by focusing on the continuous development of diverse products that meet the specific requirements of each customer group. The strategy includes expanding branches in growth-driver countries, serving as key points for product distribution to its neighboring countries. Our branch in China mainly targets customers in the native tapioca starch group.

Additionally, the Company is concentrating efforts in Indonesia, aiming to access customers in the modified tapioca starch group. Recently, we have opened a sales office in India, a country with a population of over 1,400 million. We believe that having local producers and distributors will enable effective communication, understanding, and proximity to consumers in the area.



Industry Outlook and Competition

At present, the market is quite competitive, particularly in an international level. In addition to competition among domestic manufacturers in Thailand, the Company also faces competition from producers in the ASEAN region, such as Vietnam, which offers starch products at a lower price than Thailand. Nevertheless, the Company focuses on markets that prioritize consistently high quality over price.

For the competitive landscape within the industry in the past year, the Company faced competition from 4-5 potential or larger companies in the country. These competitors primarily adopted a pricing strategy for competition in this industry. Meanwhile, we concentrated on timely and high-quality product delivery, particularly in global markets which we have gained a competitive edge in terms of reputation, quality, and on-time product delivery. The “ROSE BRAND” trademark is widely recognized and accepted in the food industry, particularly in China and Taiwan.

In 2023, the export volume of tapioca starch from Thailand decreased by approximately 24 percent compared to the year 2022. The quantity of tapioca starch exports to China from Thailand also decreased by around 20 percent, attributed to a shortage of tapioca roots and the economic slowdown in China, which led to a delayed demand for such products. Furthermore, the import of tapioca starch from various countries has also decreased due to a shortage of tapioca roots and reduced demand.

In 2023, the price of tapioca starch increased from 2022 from approximately USD 500 per ton to around USD 590 per ton. Simultaneously, the price of tapioca roots also experienced a significant increase, resulting in a higher cost of tapioca starch in China compared to cornstarch, at around RMB 1,364 per ton.

During the year 2023, Thailand exported a total of 3.93 million tons of tapioca starch, including modified tapioca starch and tapioca pearls. This marked a 20 percent decrease from the previous year, 2022, which had an export quantity of 4.93 million tons. In terms of export value, including both modified tapioca starch and tapioca pearls, Thailand's exports decreased by 12 percent compared to the year 2022.

Remark: The information is referred from the Thai Tapioca Starch Association.

Procurement of Raw materials

The key raw material in the production of starch and its related products is fresh cassava roots. In Thailand, the Company's factories purchase cassava roots directly from farmers as well as from root yards. When the cassava roots in the area around our factories are insufficient, cassava roots would be sourced from root yards in nearby provinces to ensure a continuous supply for production. We are increasingly focusing on direct purchases from farmers as a means of supporting local agriculture. For our factories in Vietnam (VTC and TNT), all cassava roots are sourced from root yards.



The movement of prices for fresh cassava roots depends on the supply and demand conditions for raw materials. However, the selling prices of finished products often fluctuate in accordance with the costs of raw materials as well as its substitute products. In 2023, the purchase prices for fresh cassava roots for the group of companies in Thailand ranged from Bath 3,400 - 4,000 per ton. Meanwhile, the purchase prices for fresh cassava roots in Vietnam were approximately VND 3,400 - 4,000 per ton.



Production

Our factories and production capacity

Thailand

The Company and its subsidiaries have a total of 7 tapioca manufacturing plants, strategically located in different regions of Thailand. These facilities include: (1) Thai Wah Public Company Limited, Mae Sot District, Tak Province (2) Thakhantho District, Kalasin Province (3) Pimai District, Nakhon Ratchasima Province (4) Thai Nam Tapioca Company Limited (Muang Udon Thani District, Udon Thani Province) (5) D I Company Limited (Khanu Worakabsaburi District, Kamphaeng Phet Province) (6) Thai Wah Alpha Starch Company Limited Pimai District, Nakhon Ratchasima Province and (7) Tapioca Development Corporation (Ban Chang District, Rayong Province.)



Our production facilities have been certified with various standards:

- 1. ISO 9001:2015 Quality Management System
- 2. ISO 14001:2015 Environmental Management System (Thai Nam's factory)
- 3. GHPs Standard (Good Hygiene Practices)
- 4. Hazard Analysis and Critical Control Points (HACCP)
- 5. United States Food & Drug Administration (USFDA)
- 6. FSSC 22000 (Food Safety System Certification 22000) (Thai Wah Pimai's factory and Tapioca Development Corporation's factory)
- 7. HALAL certification
- 8. KOSHER certification
- 9. National Organic Program (NOP) Certification (for pregelatinized starch from Thai Wah Pimai's factory, Thai Wah Alpha Starch Company Limited)
- 10. European Union (EU) organic farming standard (for pregelatinized starch from Thai Wah Pimai's factory, Thai Wah Alpha Starch Company Limited)

Vietnam

Thai Wah Group has two production facilities for tapioca starch and related products in Vietnam. These facilities are Tay Ninh Tapioca Joint Stock Company (TNT) and Vietnam Tapioca Company Limited (VTC), both located in the Tay Ninh province of Vietnam.

Both the TNT and VTC factories have obtained certifications for various standards, including FSSC 22000 (Food Safety System Certification 22000), Good Manufacturing Practices (GMP), Hazard Analysis and Critical Control Points (HACCP), HALAL certification, KOSHER certification, and Food Safety Modernization Act (FSMA) which is a standardized system for ensuring food safety in production. Additionally, they have been certified by the National Organic Program (NOP), operating under the supervision of the United States Department of Agriculture (USDA), and comply with the European Union (EU) standards for organic product certification.

Production capacity:

450,000 tons per year	tapioca starch, coarse flour, and tapioca pearl	60,000 tons per year	modified tapioca starch
60,000 tons per year	glucose syrup	6,000 tons per year	rice starch products

Production policy

The Company's production is contingent on the accessibility of raw materials. It aims to optimize production capacity in the harvest season, spanning from October to April annually. Given the comparatively lower cost of cassava roots during this period, the Company intends to increase production to generate a maximum volume, strategically building up stock to mitigate the anticipated low output and higher root prices during the off-season.

Environment impact

The Company is committed to environmental sustainability in its production processes, aiming to minimize negative environmental impacts and optimize the use of limited resources. Initiatives include wastewater treatment system and biogas system.

Wastewater from the starch production line has been adequately treated before discharge to prevent environmental impact and avoid disturbances to surrounding communities. The Company utilizes the LAGOONING wastewater treatment system, which includes an anaerobic pond and an oxidation pond, to appropriately treat the wastewater before reusing it in agriculture, utilities, production processes, and the biogas system.

Regarding the biogas system implemented at various factories, the system utilizes biogases from treatment ponds as a sustainable alternative to furnace oil in the manufacturing process. This energy-saving initiative not only reduces the consumption of natural resources but also lessens greenhouse gas emissions. Additionally, it mitigates the unpleasant odors from wastewater treatment ponds, positively impacting the environment in local communities. Furthermore, the Company harnesses the remaining biogas to generate electricity for in-factory use, operating two power plants in Udon Thani province and in Kalasin province.

We recognize the importance of energy conservation and has therefore incorporated solar energy in electricity production through the Solar Roof project. In the first phase in the year 2023, installations were carried out at the factories in Kalasin and Pimai. In the second phase in 2024, installations are planned at the factory in Udon Thani

In 2024, we initiate a project to promote the cultivation of napier grass for farmers in the vicinity of the factory. The Company utilizes treated wastewater that meets the industrial wastewater standards set by the Department of Industrial Works to support farmers in this project. The benefits of napier grass include its use as animal feed for cattle and buffalo, or it can be processed into biogas for electricity production. This initiative aims to increase income for farmers. The implementation of the project is expected to take two to three years.



Food Products

Our food products include Bean vermicelli, Rice noodles and rice vermicelli, Bean sheet, Tapioca starch and tapioca pearls, Ready-to-cook products, and Instant products

Characteristics of Products

1. Bean vermicelli can be classified by quality, price, and customer’s group as follows:



The “Double Dragon” brand represents a top-tier product designed for individuals who enjoy home cooking, catering to both seasoned home chefs and those embarking on their culinary journey.



The “Double Kirin” brand is food operators’ trusted partner, offering a range of high-quality products that truly meet the needs of street food entrepreneurs. In 2023, new products were introduced, including Korean-style glass noodles made from high-grade sweet potato starch, suitable for creating both Thai and Korean-style noodle dishes.



The "Phoenix" brand is a high-quality product, priced affordably, and stands out for its distinctive feature of enhancing flavors with every bite.



2. Rice noodles and rice vermicelli

We manufacture and markets rice noodles and rice vermicelli in dry and fresh variants under the “Double Kirin” brand. Positioned as a quality product with a moderate price range, the brand emphasizes production standards for cleanliness and hygiene. Products within this category come in different forms, including rice stick noodles, rice noodles for Pad Thai, wide rice noodles, and rice vermicelli.

3. Bean sheet

Distributed under the brand “Double Dragon”, the products can be categorized based on their types. Available in sheet form, they are convenient for consumption and can be used in various culinary applications according to preferences.



4. Tapioca starch and tapioca pearls

Tapioca starch and tapioca pearls are marketed under the “Double Kirin” and “New Grade” brand, available in retail packaging for households and restaurants. Additionally, bulk packaging is provided for industrial plants and renowned restaurants that require large quantities.



5. Ready-to-cook products

Ready-to-cook products are offered under the “Double Dragon Asian Inspire” label cater to those who prefer convenient and delicious meals that can be easily prepared at home.

6. Instant products

Sold under the brand “Double Dragon Ready” in a variety of flavors and readily accessible, these products are aimed at a demographic of young consumers and working-class individuals."





Marketing

Vermicelli

Focusing on the development of new products to meet the lifestyles of consumers in each age group with different consumption behaviors, we continue to emphasize the creation of brand recall to connect with both existing and new customer groups through online media. In 2023, we have expanded our consumer outreach channels for the Double Dragon brand by creating the TikTok channel “Double\_Dragon\_official” showcasing a diverse range of noodle and wonton soup dishes to inspire Gen Z customers.

For customers in the street food segment, we have expanded our presence with the TikTok channel “Double\_Kirin\_Official” creating promotional clips for various types of street food restaurants, including those specializing in Thai-style salads (Yum), noodles, and various fast-food dishes. This serves as a channel and amplifier for public relations efforts to make these renowned restaurants more widely recognized through TikTok, complemented by engaging content.

Fresh and dry rice noodle and rice vermicelli

Emphasizing research and development to cater to diverse consumption behaviors and cultural preferences in different regions, we maintain a standard of production that ensures quality from raw materials to clean and environmentally friendly manufacturing processes.

Our products are readily available nationwide in both modern trade and traditional trade channels. In terms of quality, we are the first in Thailand to be certified with BRC (Global Standard Food Safety) for the production of fresh rice stick noodles and fresh vermicelli products.

Bean sheet

The distinctive appeal lies in the exceptional texture of bean sheet and the visually appealing curled strips they form when cooked.

Additionally, the Company holds the distinction of being the inaugural and sole producer of high-quality dried bean sheet in Thailand.

Instant products

In December 2020, the Company launched instant vermicelli product in cup packaging under the brand “Double Dragon Ready”. It featured three flavors: Tom Yum Kung, Boat Noodle, and Super Soup. The standout selling point was the soft and chewy texture of the vermicelli, combined with rich and bold flavors. These products were made available through convenience stores and online platforms to provide consumers with easy access. In 2022, the Company introduced the product with Yentafo (pink sauce soup) flavor, which received positive feedback from customers. In 2023, the Company launched the instant vermicelli product with a non-spicy Vietnamese-noodle flavor, catering to the preferences of those who do not consume spicy food. It offered a taste similar to restaurant dining and a fried onions aroma. In the same year, Thai Wah received the Breakthrough Innovation 2023 award for the brand “Double Dragon Ready” product in the Boat Noodle flavor, recognizing it as a regional innovation in Southeast Asia.

The Company emphasizes the production of health-conscious items, providing nutritional value and convenience that align with the evolving preferences of today’s consumers.



Distribution Channels

Domestic customers

The domestic customer base accounts for 85 percent of the total sales for food products. Within the domestic market, we distribute our products through various channels, including wholesalers, retailers, department stores, super stores, supermarkets, convenience stores, cash van units, nationwide restaurants, industrial customers, and online platforms. The primary customer segments within the country include wholesale retailers (40 percent), general retail stores and modern trade (45 percent), and industrial customers and export channels (15 percent).

In terms of distribution channels, there has been a shift from traditional formats, such as traditional markets, to more modern and well-equipped fresh markets, reflecting an improved environment with amenities like air conditioning. For modern trade, customers have transitioned from hypermarkets to smaller convenience stores or supermarkets.

Export customers

The Company has an export share of 15 percent of the total sales for food products. Currently, we distribute noodle and vermicelli products to more than 20 countries worldwide. In 2023, we focused on expanding the production and distribution of organic products, including organic noodles, organic rice noodles, and organic tapioca flour. The main exported products include dry noodle and dry vermicelli. We continue to focus on high-quality products, excellent export standards, and unique packaging designs under the “Double Dragon Asian Inspired” brand.

The Company targets customers such as department stores, food service establishments, HORECA groups, and provides private labeling services to various global brands in Europe and America.

Additionally, the Company's factory has received global recognition with a British Retail Consortium (BRC) certification at the AA grade level, the highest standard, maintained for six consecutive years. This certification assures customers of the company's commitment to quality, standards, and continuous improvement.

The primary export regions are the European Union, Asia, Middle East, and the Australia continent.





Industry Outlook and Competition

Vermicelli

Outlook

In the Thai vermicelli industry, there are 2-3 major players and 10-15 medium to small-scale competitors. Although vermicelli products may appear similar externally, they vary significantly in terms of quality, properties, texture, and pricing. Each manufacturer continually strives to innovate and offer products that meet consumer demands, such as low glycemic index bean vermicelli, ready-to-cook vermicelli, and instant vermicelli. Additionally, the products cater

to food operators by providing various sizes suitable for different types of establishments. The local consumption of vermicelli is estimated to range from 38,000 to 40,000 tons per year, with a market value of approximately THB 3,550 to 3,600 million. The Company stands as the largest vermicelli manufacturer in Thailand, boasting a diverse range of vermicelli types and a total production capacity of 23,000 tons per year.

Growth rate

Although some consumers may have returned to more normal lifestyles, such as dining out more frequently in 2023, preparing meals at home is still considered essential by health-conscious individuals. This has kept the overall vermicelli market growing at an annual

rate of approximately 5 percent. The ease of preparing and the versatility of vermicelli as a homemade dish contribute to its sustained popularity. Additionally, it remains a healthy choice for consumers of all ages and genders.

Competition

As vermicelli production is relatively straightforward, numerous manufacturers operate in the market. Competition primarily revolves around pricing, distribution, and product quality. The quality of vermicelli varies to cater to diverse customer segments in various locations. Consumers typically place trust in specific brands. The competitive landscape in the vermicelli industry can be outlined as follows:

Competition on pricing

Typically, each producer determines its selling price based on market trends and marketing promotions to gain consumer acceptance and capture a larger market share. However, local competitors offer more favorable margins compared to Thai Wah. This underscores the need for us to consistently promote brand trust and quality to maintain demand at the consumer or end-user level.

Venturing into a new market segment

Entering a new market segment involves enhancing convenience and addressing consumer demands. This includes introducing fresh vermicelli, straight-cut vermicelli, noodle kits with a variety of new flavors, ready-to-cook vermicelli options, and sweet-potato starch vermicelli.

Alternative Products

Presently, there is no direct substitute for vermicelli due to its distinct characteristics. However, there are comparable food items like rice vermicelli, egg noodles, or rice noodles.

Noodles

Outlook

Noodles are a favored culinary choice among Thai people and Asians, following from rice as a staple food. The scale of the noodle industry, including various types such as rice noodles and Thai rice noodles (Kanom Jeen), is approximately ten times larger in quantity and five times larger in value compared to the vermicelli industry. This translates to a production volume of around 350,000 - 370,000 tons per year or an estimated value of Bath 1.5 billion. The market shows growth both domestically and internationally, supported by the Company's existing customer base for vermicelli products.

In light of this industry's size and considering the existing customer base, we have decided to enter the noodle industry. We commenced trials of producing and selling rice stick noodles in 2009 and began

manufacturing rice vermicelli in 2010 with an initial production capacity of 2,000 tons per year. The Company has achieved success in this venture, experiencing consistent annual growth rates exceeding 100 percent. As a result, the Company has decided to expand its production capacity for noodles, establishing a new factory within the same area as the vermicelli factory in late 2015. Currently, the initial production capacity is 14,750 tons per year.

Our noodle products come in both dry and fresh varieties, with a sales distribution ratio of approximately 50 percent domestically and 50 percent internationally in 2023.

Procurement of Raw Materials

The key raw materials for production are pea starch, potato starch, tapioca starch, and rice, which are agricultural products. Therefore, their prices fluctuate according to the season and market demand and supply. Additionally, agricultural products are influenced by natural environmental conditions and soil and weather conditions, such as droughts and floods, which can affect production and product prices. The Company has the strategy to procure raw materials in the harvest season to maintain sufficient inventory for production and stabilize raw material costs throughout the year.

The Company imports pea starch, potato starch, and corn starch directly or through distributors from countries in the European Union or China. Exchange rates between currencies directly impact the cost of imported starch. However, the Company does not rely exclusively on any particular manufacturer or distributor. It mitigates supply risks by sourcing raw materials from various suppliers, both locally and internationally.

Production

In Thailand, the Company operates a single manufacturing facility dedicated to the production of food products. Situated in Banglen district,

Nakorn Pathom Province, the factory spans an area of 230 rai, 3 ngan and 50 square wa, with a factory floor covering approximately 48,700 square meters.

Production capacity

23,000 tons  
per year | vermicelli

15,175 tons  
per year | Rice noodle and rice  
vermicelli

We utilize advanced and efficient manufacturing technology, with a production process that prioritizes both product quality and safety. Production ecisions are primarily guided by a production plan that esponds to customer demand. Currently, the factory operates at a capacity utilization rate of approximately 70 percent.

Our production facilities have been certified with various standards, including ISO 9001:2015 Quality Management System, ISO 14001:2015 Environmental Management System, ISO 45001:2018 (Occupational Health and Safety Management System), GHPs Standard (Good Hygiene Practices), HALAL certification, KOSHER certification, BRC Certificate (Food Safety), Organic Product Standard by ECO CERT, and Social Audit Standard (SMETA.)

Environment Impact

Due to the nature of processing agricultural products such as vermicelli and noodles, all resulting by-products, including agricultural residue, are available for sale by the Company. Consequently, there are no issues related to waste from the production process. Regarding wastewater from the manufacturing process, the Company has a wastewater treatment pond, employing natural methods for treatment, resulting in relatively low costs and maintenance for wastewater treatment.

In addition to an efficien water system and wastewater treatment, the Company has incorporated solar energy systems to reduce electricity consumption in production. This initiative also helps minimize the release of greenhouse gases into the atmosphere. Furthermore, the Company has adopted environmentally friendly packaging made from a concept known as "Green Carton," replacing traditional paper boxes with 100 percent recycled paper packaging.

Biodegradable Products



The Company offers biodegradable products through our brand "ROSECO." As the foremost innovator in Asia, we have pioneered the commercial production of tapioca-based bioplastics. Our products are crafted from bioplastics derived from natural raw materials that undergo natural decomposition, transforming into biomass, carbon dioxide, and water within a span of 60 days.

This process contributes to mitigating environmental issues arising from the escalating use of plastic waste. Furthermore, our production process for tapioca-based bioplastics generates fewer reenhouse gas emissions in comparison to the production of traditional plastics which caters specifically to consumers who are concerned about global warming.

Characteristics of Products



We offer Thermoplastic starch and Bio-compost compound as key components in the production of biodegradable packaging and to support agricultural-related products.

1. **Thermoplastic starch** is derived from tapioca starch. Its structure is modified to create plastic beads that naturally decompose. This type of plastic is well-suited for blending with other plastics, introducing a natural component into the products. These materials are entirely natural and can decompose in home compost conditions within 60 days.

2. **The Bio-compost compound** is a bioplastic made from tapioca, designed to naturally decompose. It can be molded into various products suitable for use in hotels, households, restaurants, and agriculture, including bags, films, trays, straws, spoons, forks, and more.

## Marketing and Distribution Channels

There is a growing demand for biodegradable products as both consumers and entrepreneurs increasingly prioritize environmental impact. Organizations are actively engaging in programs that advocate for environmentally friendly products and services. The awareness of issues like global warming and PM 2.5 underscores the crucial need for environmental preservation. People are showing a heightened concern for the environment in response to these pressing challenges.

Products from ROSECO address the increasing demand for environmentally friendly alternatives. We are dedicated to developing sustainable and socially responsible solutions, providing products that serve as substitutes for petrochemical-based plastics to mitigate the impacts of climate change. Our goal is to cater to both B2B and B2C customers, contributing to a more sustainable and responsible future.

## Industry Outlook

In the face of global warming and escalating waste concerns, consumers are increasingly aware of the detrimental effects of plastic waste. Current trends advocate for reduced plastic usage and disposable packaging, aligning with the ESG framework (environment, social, and governance). For waste management, policies and measures emerge as pivotal drivers, overshadowing the role of technology or materials. Both public and private sectors worldwide are championing Extended Producer Responsibility (EPR) initiatives to bolster preparedness for investments in waste management, ultimately striving towards the overarching goal of concluding the entire product life cycle.

Several countries have initiated the prohibition of plastic usage in disposable packaging, motivated by concerns about waste management efficiency and reduction. However, certain countries or states have implemented exemptions specifically for biodegradable products.

In Thailand, comprehensive research is underway to address waste management, focusing specifically on plastics such as PE plastic bags, PP packaging, and PET bottles, all of which pose environmental challenges. The study encompasses various methods, including recycling, waste-to-energy processes like combustion or Methane biogas, and the production of fertilizer from waste or biological sources. As a result of

these findings, the plastics and bioplastics industry are compelled to adapt swiftly to these evolving practices. The increasing preference for biodegradable products as substitutes for petrochemical-based plastics aligns seamlessly with our business objectives.

The ambition of “Net Zero,” a key component of the European Green Deal, is the commitment to achieving climate neutrality by 2050, together with the Paris Agreement’s objective to limit the global temperature increase to 1.5 degrees Celsius are drivers of demand growth for bioplastics.

Thailand is considered as the third largest global bioplastic manufacturing. It is forecasted that the consumption and production of bioplastic will increase in the year 2024. Currently, the government has tax incentives to promote the use of biodegradable plastic packaging that can decompose naturally and has been certified by the Ministry of Industry by exempting corporate income tax at a rate of 125 percent of the expenses incurred for purchasing such products. However, these measures may not be motivating enough.

ROSECO is addressing to the target group by coordinating with brand owners and end users, 50 to 60 percent of the projects have been approved in the fourth quarter of 2023, some have been postponed to the second quarter of 2024.

As per the European Bioplastic Association, the global bioplastic sector is anticipated to experience significant growth, more than doubling its market size, with a compound annual growth rate (CAGR) exceeding 15 percent from 2022 to 2027. This growth is reinforced by recent announcements of increased industry supply and production of biopolymer resins in China, including PBAT (+1 million tpa), PLA (+2 ktpa), and PHA, with commissioning scheduled between 2024 and 2026. These developments are particularly noteworthy in China, Korea, and India, contributing to the long-term affordability and sustainability of

bioplastics. The ongoing development of industrial applications is a key factor supporting the sector's sustainable growth.

Anticipating an over 10 percent surge, high-performance bio compounds tailored for industrial applications are set to bring forth enhanced sustainability and superior functionality. This growth is expected to manifest through the utilization of bio-composite materials across a diverse range of applications, including food, consumer goods, agricultural solutions, automotive, and more.

## Competition

The heightened prices of petroleum and gas, coupled with an economic downturn resulting from the Russia-Ukraine conflict, have led to a weakened demand for bioplastics consumption. This impact is particularly pronounced in Europe, the largest market for bioplastics. Adding to the challenges, Chinese suppliers have successfully captured a significant market share by enticing most European customers with their biopolymer and compound resin offerings, leveraging a substantial 40 percent price reduction on compound resin, PBAT, and TPS.

China, having achieved the highest global market share, capitalized on this shift during the Zero Covid lockdown campaign. Despite interruptions in the Thai market supply, driven by the importation of Chinese products due to a robust Thai currency, a reversal in this trend could occur if the Chinese market returns to normalcy.

Looking ahead to 2024, there is an anticipation of a gradual increase in demand in the second quarter, with prices expected to climb back gradually in the latter half of the year. This positive outlook is influenced by encouraging trends in domestic bioplastic consumption in China.

## Procurement of Raw Materials

The Company utilizes cassava starch and biomass as raw materials in the production of bioplastic. We have the capability to manage the production of cassava starch, reducing the risk associated with controlling

the primary raw material. Additionally, other raw materials are secured through annual contracts as a risk mitigation measure.

## Production

The bioplastic production facility of ROSECO is situated in Banchang, Rayong province, co-located with the Company's modified starch factory.

The initial manufacturing phase of 3,000 tons commenced in 2022, with a production capacity of 3,000 tons per year, adhering to the ISO 9000 standard.



## Non-Core Business

### Real Estate Investment

The Company and its subsidiaries have engaged in real estate investment by acquiring various plots of land with significant growth potential in different regions across Thailand, including the north, upper part of the northeast, central, east, and west. Investing in land is considered less risky compared to other assets since land typically does not depreciate. The Company anticipates returns through potential increases in the selling price, particularly as the economic conditions in Thailand continue to improve. As of now, there are no development plans outlined for these properties.

### Equity Investment

The Company has ventured into equity investments by holding ordinary shares in Laguna Resorts & Hotels Public Company Limited and Tropical Resort Limited. The Company currently holds 2.09 percent and 19.80 percent of the total paid-up capital of each respective company. The primary aim of these non-core business investments is to diversify the Company's risk portfolio. By holding ordinary shares, the Company expects to receive returns in the form of dividends.

### Investment in International Startups

The Company also engages in investments with venture capital firms and startups, aiming to harness technology and explore potential business synergies for long-term collaboration.

Company/Fund	Country	Type of shares	Shareholding
FTW Ventures Fund II L.P.	USA	Preference shares	1.5652% by Thai Wah Public Company Limited
Plantabl Holdings Pty Ltd. (Great Wrap)	Australia	Series A Preference shares	1.43% by Thai Wah Ventures Company Limited
Agriaku Pte,Ltd.	Indonesia	SAFE Preference shares	0.28% by Thai Wah Ventures Company Limited
Omnivore	Singapore	Class A Participating Shares	0.54% Omnivore VCC (Feeder Fund, based on Commitment amount)  0.28% Omnivore Agritech and Climate Sustainability Fund (Master Fund, on a look through basis)
Plantible Foods Inc.	USA	Series A Preferred Stock	0.672% by Thai Wah Ventures Company Limited
Alt material innovations private limited (altM)	India	Seed CCPS	0.40% by Thai Wah Ventures Company Limited

## Shareholding Structure

### Shareholders

Major Shareholders as at December 28, 2023\*

	Name of Shareholder	No. of Shares Held	Total No. of Shares Held	Shareholding Proportion
1.	Mr. Ho KwonPing Group		108,449,979	12.32%
	Mr. Ho KwonPing	56,740,573		
	KAP Holdings Limited	45,976,945 <sup>(1)</sup>		
	Bibace Investments Ltd.	5,278,500 <sup>(2)</sup>		
	MDM. Chiang See Nghoh	453,961		
2.	Chang Fung Company Limited <sup>(3)</sup>	89,093,634	89,093,634	10.12%
3.	Laguna Resorts & Hotels Public Company Limited <sup>(4)</sup>	88,347,051	88,347,051	10.03%
4.	Mr. Ho KwonCjan Group		63,755,859	7.24%
	Mr. Ho KwonCjan	34,416,488		
	Li-Ho Holdings (Private) Limited	29,339,371		
5.	ICD Group		39,248,150	4.46%
	International Commercial Development Company Limited <sup>(5)</sup>	34,708,545		
	ICD (HK) Limited	4,539,605		
6.	Bualuang Basic Dividend LTF	35,123,200	35,123,200	3.99%
7.	Thai NVDR Company Limited <sup>(6)</sup>	35,044,993	35,044,993	3.98%
8.	Dawina Investments Ltd.	24,279,072 <sup>(7)</sup>	24,279,072	2.76%
9.	Mr. Kittiwuth Vathanakamsang	19,356,258	19,356,258	2.20%
10.	Bualuang Basic RMF	12,686,400	12,686,400	1.44%
	Other shareholders	365,036,334	365,036,334	41.46%
	<b>Total</b>	<b>880,420,930</b>	<b>880,420,930</b>	<b>100.00%</b>

#### Remark

- \* The latest book closing date
- (1) Including 38,733,163 shares held by the Hongkong and Shanghai Banking Corporation Limited, Singapore Branch on behalf of KAP Holdings Limited.
  - (2) Held by the Hongkong and Shanghai Banking Corporation Limited, Singapore Branch.
  - (3) Company registered overseas as a general investment business.
  - (4) Listed on the Stock Exchange of Thailand as a hotel and property development business.
  - (5) Company registered in Thailand as a property rental business.
  - (6) Shareholders of Thai NVDR Company Limited who hold the Non-Voting Depository Receipt (NVDR), are ineligible to vote at shareholders' meeting except in the case of exercising their voting rights on the delisting of shares from SET.
  - (7) Including 13,901,290 shares held by Credit Suisse AG, Singapore Branch on behalf of Dawina Investments Ltd.

Amongst the major shareholders, the Company does not have any shareholding agreement which might affect its issuance and offer for sale of securities or the business operations.



Dividend Policy

1. The Company's dividend policy

The Company's dividend policy seeks to maximize shareholder value and encourage shareholder loyalty with predictable annual growth in dividend payout which is not impacted by profit volatility. With that objective, the Company's dividend policy is based on the principles of stability, predictability and managed growth.

2. The Subsidiary's dividend policy

The Subsidiary's dividend policy is subject to its Board of Directors' discretion on the availability of cash after taking into account major capital expenditure and debt repayment obligations in the following year.

Shareholding Structure in Subsidiaries and Related Companies

As of December 31,2023



Subsidiaries and related companies (shareholding above 10 percent)

Company	Type of Business	Registered Capital	Par Value per Share	Paid-up Capital	Shareholding Proportion (Direct & Indirect) (%)
<b>TWPC Investment (Cambodia) Co.,Ltd (TWIC)</b> Osrârnâ Village, Trâpeang Tao Commune, Anlong Veng District, Oddar Meanchey Province, Cambodia	Manufacture and distribution of tapioca starch	KHR 28,000,000,000	KHR 4,000	KHR 28,000,000,000	100.00
<b>TWPC Property (Cambodia) Co.,Ltd (TWPP)</b> Osrârnâ Village, Trâpeang Tao Commune, Anlong Veng District, Oddar Meanchey Province, Kingdom of Cambodia.	Landholding	KHR 400,000,000	KHR 4,000	-	49.00
<b>Thai Wah Vietnam Company Limited (TWVC)</b> Lot C1-6 (Lo C1-6), Street N8, Zone C1, Tân Phu Trung Industrial Park, Tân Phu Trung Commune, Cu Chi District, Ho Chi Minh City, Vietnam	Manufacture and distribution of food products (Vermicelli and others)	VND 151,115,000,000	-	VND 151,115,000,000	100.00
<b>Thai Wah International Trade (Shanghai) Co.,Ltd (TWIT)</b> Room 2007, 2 <sup>nd</sup> floor, Building 1, No.310 Fa Sai Road, Pilot Free Trade Zone, Shanghai, China	Distribution of tapioca starch and related products and food products	CNY 1,000,000	-	CNY 1,000,000	100.00
<b>Thai Wah Alpha Starch Company Limited (TWAS)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Manufacture and distribution of pregelatinized starch (or alpha starch)	THB 68,000,000	THB 100	THB 68,000,000	100.00
<b>Thai Nam Tapioca Company Limited (TN)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Manufacture and distribution of tapioca starch	THB 86,600,000	THB 100	THB 86,600,000	70.00
<b>D I Company Limited (DI)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Manufacture of tapioca starch	THB 60,000,000	THB 1,000	THB 60,000,000	99.99
<b>Tay Ninh Tapioca Joint Stock Company (TNT)</b> Tan Binh Hamlet, Tay Ninh City, Tay Ninh Province, Vietnam	Manufacture and distribution of tapioca starch, glucose, and candy	VND 225,007,788,243.30	VND 10,000	VND 112,081,200,000	69.99

Company	Type of Business	Registered Capital	Par Value per Share	Paid-up Capital	Shareholding Proportion (Direct & Indirect) (%)
<b>Thai Wah Agri Biotech Company Limited (TWAG)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Distribution of agri-biotech products	THB 5,000,000	THB 100	THB 5,000,000	100.00
<b>Thai Wah Bio Power Limited (TWBP)</b> Thai Wah Tower 1, 6th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Generate and sale of electricity	THB 450,000,000	THB 1,000	THB 450,000,000	99.99
<b>Tapioca Development Corporation Limited (TDC)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13, South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120, Thailand Telephone +66 2 677 4466 Facsimile +66 2 285 0281	Manufacture and distribution of modified tapioca starch	THB 50,000,400	THB 100	THB 50,000,400	100.00
<b>Bang Thao (6) Company Limited (BT6)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	THB 21,500,000	THB 100	THB 21,500,000	100.00
<b>Thai Wah (6) Company Limited (TW6)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	THB 69,000,000	THB 100	THB 69,000,000	100.00
<b>PT Thai Wah Indonesia (TWIN)</b> Wisma Presisi 5 <sup>th</sup> Floor, Jalan Taman Aries Block A1 No. 1, Meruya Utara, Kembangan, Jakarta Barat 11620, Indonesia.	Distribution of tapioca starch and related products and food products	Rp. 20,000,000,000	Rp. 1,000,000	Rp. 10,000,000,000	100.00
<b>Asia Tapioca Products Company Limited (ATP)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Holding company	THB 140,000,000	THB 100	THB 105,250,000	99.50
<b>Vietnam Tapioca Co.,Ltd (VTC)</b> 043 Cau Hamlet, Tan Phong Commune, Tan Bien District, Tay Ninh Province, Vietnam	Manufacturing and distribution of tapioca starch and related products	VND 75,778,422,475	-	VND 75,778,422,475	70.00
<b>Thai Wah International (India) Private Limited (TWI India)</b> Unit No :706-707-708, 7 <sup>th</sup> Floor, A Wing, Mittal Towers, MG Road, Bangalore 560001, India	Distribution of tapioca starch and related products and bioplastics	INR 11,000,000	INR 100	INR 2,750,000	100.00

Company	Type of Business	Registered Capital	Par Value per Share	Paid-up Capital	Shareholding Proportion (Direct & Indirect) (%)
<b>Thai Wah International (USA) Corp (TWI USA)</b> 1620 Montgomery ST, 310 San Francisco, CA 94111	Distribution of tapioca starch and related products	USD 146,541.61	-	-	100.00
<b>Bangpakong Turakij Company Limited (BPT)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	THB 91,000,000	THB 100	THB 91,000,000	100.00
<b>Thai Nam Tapioca (1) Company Limited (TN1)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	THB 1,000,000	THB 100	THB 1,000,000	69.95
<b>Thai Wah Ventures Company Limited (TWVT)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Investment in overseas startups	THB 100,000,000	THB 1,000	THB 100,000,000	100.00
<b>Thai Sin Tapioca (1989) Company Limited (TS1989)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	THB 5,000,000	THB 100	THB 5,000,000	100.00
<b>Tropical Resorts Limited (TRL)</b> Suite 2401, 24/F, China Insurance Group Building, 141 Des Voeux Road Central Hong Kong Telephone +65 6849 5888 Facsimile +65 6849 5713	Resort investment and development	USD 21,000,000	USD 1	USD 21,000,000	19.80
<b>Chiang Saen Land Co.,Ltd (CSL)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Under liquidation process	THB 75,000,000	THB 100	THB 75,000,000	100.00
<b>Phang Nga Resorts Limited (PNR)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Under liquidation process	THB 30,600,000	THB 100	THB 30,600,000	100.00

Company	Type of Business	Registered Capital	Par Value per Share	Paid-up Capital	Shareholding Proportion (Direct & Indirect) (%)
<b>Bang Thao (5) Co.,Ltd (BT5)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Under liquidation process	THB 19,500,000	THB 100	THB 19,500,000	100.00
<b>Mae Hong Son Land Development Limited (MHSL)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Under liquidation process	THB 2,000,000	THB 100	THB 2,000,000	84.99
<b>Thai Modified Starch Co.,Ltd (TMS)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Under liquidation process	THB 40,000,000	THB 1,000	THB 10,000,000	94.75
<b>Tha Thungna Land Company Limited (TTL)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Under liquidation process	THB 15,000,000	THB 100	THB 15,000,000	100.00
<b>Mae Joe Land Company Limited (MJ)</b> Thai Wah Tower 1, 6 <sup>th</sup> Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Dormant	THB 19,000,000	THB 100	THB 19,000,000	50.01



# Risk Management

## Risk Management Policy and Plan

To ensure the Company's functionality and goal attainment, it acknowledges the significance of risk management as a tool to eliminate or alleviate impediments and potential harm. The Company is committed to disseminating knowledge on risk management to executives and employees across all levels, with the aim of fostering awareness regarding the crucial role of risk management. Through ongoing efforts, the Company engages in the mitigation of risks, adhering to the principles of risk management outlined in the international standard COSO ERM framework. This framework encompasses the identification of risk factors, the management of risks, ongoing monitoring, and the communication and reporting of the risk management plan.

Every executive and employee is cognizant of their duty to adhere to the risk management policy to maintain risks at an acceptable level. To meet its goals while safeguarding and enhancing value for stakeholders, risk management procedures are implemented across the entire Company. The Company conducts risk management on two levels: Corporate Risk and Unit Risk.

## The Risk Management Structure

The Company's Board of Directors oversees and supports risk management. The responsibility has been delegated to the Audit, Risk, and Governance Committee, which operate independently according to good corporate governance principles. Their duties include reviewing, screening, and ensuring the effectiveness of the internal control system. Additionally, they ensure that the company adheres to the risk management guidelines consistently.

The Risk Management Committee consists of 10 members, with Mr. Ho Ren Hua serving as the Chairman. Senior executives of the Company also serve as members of the Risk Management Committee. Each department is responsible for defining its objectives, creating a risk assessment schedule, determining risk indicators, and preparing reports related to risks. The risk management processes practiced by the Company are systematically developed to maintain risks at an acceptable level. All employees are required to promptly report any identified or acknowledged risks that may impact the Company. These reports are then managed accordingly. Continuous monitoring and evaluation of risk management practices are conducted, and the risk management plan is reviewed and adjusted regularly. Reports on monitoring and performance evaluations are presented to the Risk Management Committee at least quarterly.

The Company actively supports continuous development of risk management processes to align with corporate goals, missions, and changing environmental factors, ultimately adding value to the organization.

## Risk factors

The analysis of risks to the Company's business operations involves considering the likelihood of the events and consequences, the nature and magnitude of consequences, complexity and connectivity, time-related factors and volatility, effectiveness of existing controls, sensitivity, and confidence levels. This includes evaluating the opportunities for the occurrence of events and their impacts.

Due to the fact that one of the main raw materials in the production of the Company's products is fresh cassava roots, which is a high-starch crop used in cassava starch production, the quantity of cassava roots in the year 2023 was approximately eight percent lower than in the year 2022. This decrease can be attributed to various factors such as the spread of plant diseases and pests affecting the quantity of cassava roots in the market, the quality of starch content in cassava roots, changes in weather conditions, drought or flooding situations in certain areas, crop rotation changes by farmers, and the establishment of new starch production facilities in nearby regions. While the quantity of cassava roots in the market has decreased, the demand for cassava starch has increased, leading to occasional shortages of raw materials. These have contributed to the price volatility of cassava in the country, impacting the production costs of the Company, which have increased. Consequently, the Company has to adapt its production planning, raw material sourcing processes, and adjust its machinery to align closely with the current situation and events. This ensures the continuous business operations of the Company.

The Company has an existing internal control framework and has developed a risk management plan, closely monitoring the identified risks. Initiatives have been undertaken to remotely acquire cassava reserves in proximity to the Company's factories, accompanied by adjustments to the purchasing standards for cassava roots to match the demand. Analytical data from geospatial technology is utilized to track growth of cassava through the Thai Farmer Network project. The Company provides knowledge to farmers on cultivating cassava for optimal production in terms of quantity and quality. Furthermore, it analyzes the market situation and trends in cassava prices to plan procurement adequately, ensuring continuous production in line with the production schedule. In this regard, the company is confident in its ability to adjust distribution strategies to align with the increasing costs of raw materials.

### 1. Risk Relating to the Government Policy

The plantation area and tapioca production increased in 2022, partly due to the continuous actions by Ministry of Commerce and Ministry of Agriculture and Cooperatives in launching the price guarantee scheme for the tapioca farmers for consecutive years 2022/2023 by guaranteeing the price of fresh tapioca roots at 25 percent starch content at Baht 2.50 per kilogram. The aim was to mitigate the hardship faced by tapioca farmers in line with government policy amid the downturn in tapioca root prices. This initiative sought to enhance the earnings of farmers, with the government providing compensation through the Bank of Agriculture and Agricultural Cooperatives for the disparity between the guaranteed price and the market price. The government had launched the program to increase efficiency of cassava cultivation as well as the soft loans for collecting cassava and creating value by farmers institutions, etc. On the other hand, if such projects were discontinued, it may impact the plantation which may result in the lower plantation area and production yield of the cassava roots.

The Ministry of Commerce collaborated with cassava associations to encourage their members to establish prices aligned with the actual market demand. This collaborative effort aimed to prevent indiscriminate reduction of selling prices, which could subsequently influence the value of fresh tapioca roots. In Addition, the parties worked together to validate any rumors or incorrect information that could potentially impact prices and have repercussions on stakeholders.

Also, strict regulations related to the quality and verified quantity measures had been issued on the importing of tapioca and tapioca related products from neighboring countries. And such measures have an impact on the prices of tapioca and tapioca related products even for the entrepreneurs.

The Company has carried out initiatives to mitigate the impact of risk relating to the government policy by closely monitoring the market situation and the raw materials situation, exchanging information and knowledge with other cassava root buyers in Thailand and other countries, and with other organizations involved in the cassava root industry. This is the best way the Company can be prepared for government intervention in the future and ensure that its finished products bear competitive costs and generate profits for the Company.

### 2. Risk relating to Overseas Investment

The Company has invested in tapioca businesses in Vietnam and Cambodia. Overseas investment is usually exposed to possible risks relating to changes in political conditions, laws, foreign exchange rates, and economy of the relevant country where the investment has been made. An adverse significant change in any of these factors could unfavorably impact the Company's business in such country and could result in the income and profits from the operation of its foreign business to miss the expected target.

The Company's aware of the above country risks and as a result closely monitors news information related to Vietnam and Cambodia and the areas nearby and also exchanges information on a timely basis about the market and economic conditions with other cassava root buyers in Thailand and other countries, as well as with other organizations involved in the cassava root industry. Furthermore, the Company has embedded a team of its executives to oversee the operation at the subsidiary's plant in Vietnam and requires the team to submit a report on the operating results to the head office in Thailand on a monthly basis.

### 3. Risk relating to Sustainability and ESG (Environmental, Social, and Governance)

The Company has assessed environmental risks, specifically in water management, addressing water quality, scarcity, and related factors. Recognizing the importance of water, the Company is committed to efficient and sustainable water management, taking into account stakeholders' interests. The management and various departments have undertaken a thorough evaluation of water usage risks within the Company's operations including data collection, risk assessment, and regular monitoring of water quantity in the area, conducted quarterly. A water management risk registration has been established, reporting to the management team, the Audit, Risk and Corporate Governance Committee, and the Board of Directors.

Embracing an evolving business landscape globally, sustainability in environmental and social aspects has become increasingly crucial. Adhering to the regulations, particularly those in European Union countries, is of utmost importance for the Company to maintain competitiveness. The Company has developed various strategies to ensure that its production processes are safe, environmentally friendly, and socially responsible. Recognizing the significance of sustainability, the Company has implemented measures to guarantee the safety and healthiness of its production processes, environmental friendliness, and social responsibility. By adopting these initiatives, the company aims to lead the way in the market, securing success in the everchanging global business environment.

The Company has assessed the risks associated with ESG as follows:

**(1) Risk relating to human rights and fair labor practices**

The Company has implemented a human rights risk assessment within its group of companies to identify preventive measures and mitigate the impacts of human rights risks. This encompasses critical steps such as defining the scope of the review, identifying human rights issues, assessing human rights risks, mitigating risks, monitoring, and reviewing risks, and implementing remediation mechanisms. The criteria for assessing human rights risks consider two factors: the likelihood of occurrence and the severity of the impact, covering human rights comprehensively, including individuals who may be affected. This encompasses employees, communities, and the environment, as well as suppliers, contractors, and customers. Following the risk assessment, the Company has established control measures and mitigation strategies for potential impacts and evaluated the remaining residual risks. In the year 2023, the Company's operational areas showed a low level of human rights risks, as per the human rights risk registry. TCere were no reported incidents of human rights violations within the past year. The Company has developed guidelines for preventing and addressing human rights issues in its business operations to ensure effective management of human rights aspects. The Company is committed to overseeing the overall impact and control of human rights, including the existence of a welfare committee that represents employees in negotiating agreements related to welfare benefits and any changes in regulations affecting employees.

**(2) Risk relating to climate change**

Before the year 2023, the impacts of climate change had begun to manifest clearly. Thailand was heavily affected by natural disasters such as flooding and erratic weather conditions, causing damage to agricultural yields, and halting the Company's production. To ensure safety of the Company's factories, production processes, and employees throughout the upcoming year, the company meticulously prepared a budget. This allowed the Company to provide essential assistance to its employees during challenging times while consistently delivering high-quality products to its customers with minimal delays. Despite facing natural disasters, the company demonstrated resilience and overcame these challenges.

The Company implemented a risk management plan by monitoring information from agricultural areas, providing knowledge, promoting cultivation projects, and deploying personnel to educate farmers through the Thai Farmer Network project. The Company also conducted experiments in cultivating crops such as cassava to generate knowledge and disseminate sustainable practices to farmers. This commitment to sustainable farming practices ensured the consistent supply of the Company's products to customers.

**4. Risks from Fluctuations in the World's Economy**

Due to the economic impact of the COVID-19 pandemic from the year 2020 until the first quarter of 2022, there have been repercussions affecting life safety, reduced purchasing power of both domestic and international customers. Additionally, the Company has faced challenges arising from the Russia-Ukraine war since March 2022, leading to rapid changes in agricultural product prices and elevated energy costs.

The global currency exchange rate risk has widened, resulting in worldwide interest rate adjustments and exchange rate fluctuations. This has contributed to a worsening economic situation in several countries, with declining consumer purchasing power and increased costs for importing raw materials. Uncertainties in the political landscape between China and Taiwan, as well as political instability in Thailand, may further impact the Company. In the first scenario, it could lead to sales instability in those crucial markets for the Company's business. In the second scenario, it may directly affect agricultural policies, such as price insurance, energy costs, and other factors influencing the Company's production costs.

These factors collectively pose severe challenges to the Company. Constantly monitoring economic and social landscapes is crucial for the Company. To address these risks, the Company has implemented a risk management plan by securing alternative sources of raw materials, adjusting product formulations to be more suitable and compliant with trade standards. This ensures the continuous operation of the business. The management has assigned relevant departments to monitor market price movements in each region, exchange information with partners and customers regularly, and continuously improve the company's strategies to adapt to market dynamics. Analysis of internal and external factors is ongoing, along with the development of new products for new customer groups. Additionally, there is an ongoing effort to enhance the quality of existing products for the satisfaction and efficiency of the loyal customer base.

**5. Risk from the Spread of Plant Disease and Pests**

In the past year, the area for cultivating cassava experienced the spread of pests, specifically the cassava mealybug, a plant pest, or other plant diseases to a minimal extent. However, there has been an outbreak of cassava mosaic disease in Vietnam and Cambodia, impacting the cassava industry by causing a shortage of quality raw materials. This, in turn, affects the livelihoods and income of farmers. In Thailand, the disease has spread to some areas, and if not effectively contained, it could significantly impact the cassava industry.

The Ministry of Agriculture and Cooperatives, Ministry of Commerce, Thai Tapioca Development Institute, and four private cassava associations collaborated with the Company to swiftly respond to the spread of cassava mosaic disease in Thailand. This collaboration involved surveying and monitoring affected areas, collecting, and analyzing outbreak data, publicizing information to raise awareness, assisting affected farmers, enforcing relevant laws, inspecting, and controlling the importation of cassava products, developing a cooperative network to prevent disease, and developing cassava varieties resistant to the disease. The Company, in partnership with the Thai Tapioca Development Institute, initiated a plan to expand resilient cassava varieties, urgently constructing greenhouses to expedite the multiplication of plant varieties up to 20 to 80 times faster than usual. Additionally, studies were conducted on cassava varieties with disease resistance properties in Vietnam to address the issue.

The Company also organized a team of field crop experts to conduct training and knowledge transfer for the company's relevant teams, aiming to continuously disseminate information to farmers, monitor, and implement ongoing preventive measures.

**6. Risk from Substitute Products**

The changes in the preferences and demand for substitute products, such as corn starch and potato starch, have resulted in fluctuations in the prices of these products. The price of corn starch in China, for example, has experienced adjustments, leading to potential changes in the price of cassava starch. In the past year, the price of corn starch in China increased, impacting the pricing dynamics between corn starch and cassava starch. This factor contributed to an increase in the import of cassava starch from Thailand to China.

To mitigate the impact of these risk factors, the Company has been actively managing its operations. This includes closely monitoring market conditions and the production of substitute products, exchanging knowledge and information with producers of cassava starch both domestically and internationally, and collaborating with relevant associations and organizations in the cassava industry. The Company has closely tracked the situation of substitute products to assess, plan ahead, and take timely actions in response to market developments.

**7. Risk from the Quantity of Raw Material**

The survey results of cassava cultivation from 4 associations (The Thai Tapioca Trade Association, Thai Tapioca Products Factory Association, Northeastern Tapioca Trade Association and Thai Tapioca Starch Association) together with the Office of Agricultural Economics, Department of Agricultural Extension had forecasted that the output of tapioca roots in the year 2022/2023 would be approximately 34.98 million tons or four percent higher compared to 2022/2023. The increase in the amount of tapioca roots was due to the increase in cultivation by switching from sugarcane and maize to tapioca due to incentives from higher tapioca prices and the price guarantee scheme for the tapioca farmers, along with favourable weather conditions for tapioca cultivation and the demand from China for using tapioca chips as a raw material for producing alcohol instead of the expensive maize that increase the prices of tapioca roots. However, the quantity of cassava roots may not be as expected as there might be some damages caused to the cassava crops from the flood during June to September last year and some farmers early harvest the cassava roots for selling.



The Company has implemented risk management measures to mitigate the impact of fluctuations in the quantity of cassava entering the market, whether in cases of high or low quantities that may not align with the production needs of the Company's factories. Additionally, the Company has initiated the establishment of rootyards or cassava collection points strategically located near key cultivation areas. This allows the Company to directly purchase cassava roots from farmers, providing them with the convenience to sell directly to collection points, thereby saving time and transportation costs when selling to the factories.

Moreover, the Company has implemented an online system to monitor the quantity of cassava roots purchased in real-time. This system enhances transparency and efficiency in managing cassava root quantities. Incentive programs are also launched to encourage farmers to sell cassava roots directly to the Company. These programs include bonus support, profit-sharing incentives, knowledge-sharing initiatives, and assistance with essential machinery and equipment, as well as soil improvement substances for cultivation. This comprehensive approach aims to increase farmers' yields. Furthermore, the Company has expanded its sources of cassava cultivation by increasing imports from Laos and Cambodia, contributing to better production planning and estimating cassava root quantities.

8. Operational Risk  
Raw material price volatility

• Tapioca starch products

The Company is the manufacturer and distributor of tapioca starch products. Cassava roots are the key raw material and account for approximately 70 to 80 percent of the total production cost. The prices of fresh cassava roots fluctuate seasonally, depending on the demand and supply in the market, the climate, and the quantity of roots in each season. Because these factors are beyond the Company's control, the Company faces risk related to its projections of raw material costs and selling price of finished products, and risk related to its ability to manage inventory levels. These risks can directly impact the Company's financial position and operating results. Due to factors beyond the Company's influence, there are associated risks concerning the Company's forecasts of raw material expenses and the selling prices of finished products, as well as risks linked to its capacity to regulate inventory levels. These risks have the potential to directly affect the Company's financial status and operational outcomes.

Therefore, in order to mitigate these risks, the Company closely monitors the market situation for raw materials, surveying the cultivation sources in Thailand, Vietnam, Laos, Cambodia and Indonesia in order to exchange information and knowledge with other tapioca products entrepreneurs in Thailand and other countries as well as other organizations related to the cassava root industry etc., where its focus is mainly on procuring the raw materials during the peak harvest period when there is a large supply and prices are low. Furthermore, the Company also uses satellites technology for assessing important cassava plantation areas together with other technologies for tracking and forecasting the growth and yield of cassava. The Company fosters strong connections and engages in knowledge-sharing with local cassava root farmers. This collaborative approach enables the Company to obtain valuable insights and predictions regarding market trends for cassava roots, facilitating informed planning and sustainable management practices.

• Food products

Raw material is the single highest cost component amounting to approximately 50 to 70 percent of total production cost. The fluctuation of raw material prices therefore has a large direct impact on the Company's performance. The key raw materials for manufacturing vermicelli and noodle are pea starch, potato starch and rice which are agricultural products whose prices fluctuate according to seasonal availability, and demand and supply in the market.

In view of the above factors, the Company closely monitors the market situation of its raw materials and has established good relationships with its suppliers in order to forecast market trends and be better able to plan and manage its inventories. If necessary, the Company may stock-up raw materials to ensure that there is adequate supply for production and cost stability throughout the year. When market conditions allow, the Company may also consider the option of passing on any unforeseen increase in raw material prices to its customers by increasing the selling price of its products. However, the Company is always very cautious of such a move due to the very competitive and price sensitive nature of the vermicelli market.

The Company directly and indirectly imports or buys pea starch and potato starch through distributors in the EU and China to be payable in both local and foreign currencies. The movement of foreign exchange rates has a direct impact on the cost of imported starch.

• Bioplastics

The production of bioplastic is directly impacted by factors such as electricity usage, raw material prices, labor shortages in the Eastern Economic Corridor (EEC), regional growth, and overall exchange rates. Electricity cost is a critical factor affecting production costs, which has been adjusted since the fourth quarter of 2022. The trend shows an increase in electricity costs, with a 13 percent rise in industrial production electricity costs (from the previous year). This adjustment raises the cost from Baht 4.72 per unit in 2022 to Baht 5.33 baht per unit starting from January 2023. Thailand's electricity costs were on the rise and increased further. In the short term, the Company will discuss and raise the prices of each product. Additionally, it will explore solar energy as an alternative solution to address the medium-term challenges.

Since the second quarter of 2022 to the first quarter of 2023, the strength of the Thai Baht against the U.S. Dollar and Euro has significantly impacted raw material prices and product selling prices, exceeding a 10 percent fluctuation from 2022. The Company plans to diversify its customer portfolio both domestically and internationally to mitigate risks. Additionally, a strategy is being developed to source raw materials locally.

9. Financial Risk

Fluctuations in the foreign exchange rate

The Company's products are mainly exported to other countries, so most of its income is principally linked to the US dollar and CNY. As such, the Company may face risks relating to the fluctuation in the foreign exchange rate, which is caused by the conversion of its sales income denominated in the US Dollar or CNY into the Thai Baht. The downside risk occurs when the US Dollar or CNY depreciates against the Thai Baht, which may result in a decrease in the income to be received in Thai Baht. On the contrary, the Company may obtain an increase in the value of income if the US Dollar or CNY appreciates against the Thai Baht. The appreciation of Thai Baht against US Dollar is resulting in a disadvantage for the Thai exports over its significant international competitors, such as Vietnam, which the currency is weak and has relatively stable exchange rates against the US Dollar.

The Company can partially manage its foreign exchange risk through the natural hedge which means that the Company can reduce the risk of fluctuation in exchange rates by creating a balance between foreign-currency sales revenues and foreign-currency expenditures. In this regard, the Company's main foreign-currency sales revenues are from exported starch while the Company's main foreign-currency expenditures are from imported pea starch and potato starch, which are the main raw materials for producing vermicelli.

Since the portion of export proceeds is greater than that of import expenditures, the Company is required to manage the remaining exchange rate exposure by entering into foreign currency forward sales contracts and regularly monitoring the movement of the foreign exchange rate. Other appropriate financial instruments have also been used to mitigate this risk.

10. Risks Arising from the Impact of Rising Energy Costs

Since the surge in oil prices from 2020 onwards and the escalation of the Russia-Ukraine conflict in early 2023, the Company has faced significant risk due to the increased production costs. These increased expenses cover electricity charges, costs associated with energy derived from coal, transportation expenses, and the upward revision of product prices influenced by inflation, which was impacted by the fluctuations in oil and natural gas prices.

The Company has implemented energy-saving policies by reducing unnecessary electricity usage in specific areas, incorporating solar rooftop energy during peak rate periods, and adopting alternative energy sources such as palm kernel and wood chips in the manufacturing process. These measures aim to maintain production costs at a controllable level and minimize the impact on customers, partners, and the Company's overall business operations.

Since 2021, the surge in oil prices has posed a heightened risk of increasing production costs, spanning from electricity and transportation expenses to the upward adjustment of product prices due to inflation and rising raw material costs. This situation has been exacerbated by the escalating conflict between Russia and Ukraine since early 2023, leading to more pronounced impacts from oil and natural gas prices. In response to these challenges, the company has adopted alternative energy sources



and demonstrated environmental responsibility. Additionally, investments have been made in Solar Rooftop and Solar Farm projects to reduce electricity consumption within the company's facilities. Three projects were completed in 2026, and there are plans for continuous investment with three more projects scheduled for installation in 2024.

The Company has also pursued energy-efficient practices in production, transitioning from coal to biomass energy sources like palm kernel and wood chips. Additionally, the Company remains committed to energy conservation policies, reducing electricity usage in non-essential areas. These proactive measures contribute to maintaining manageable production costs, minimizing overall operational impacts for the Company, consumers, and business partners.

### 11. Corruption Risk

The Company actively enforces a rigorous anticorruption policy to ensure the effective, honest, transparent, and accountable functioning of our operations. We routinely conduct checks to validate and uphold fairness, and we provide operational guidelines to engage employees at all levels in the collective effort against corruption. The Company has received certification from the Thai Private Sector Collective Action Coalition Against Corruption (CAC) three times, starting from February 21, 2017, up to the current date. This certification underscores our unwavering commitment to upholding anti-corruption standards. An internal control system assessment has been carried out and reported to the management, the Audit, Risk and Corporate Governance Committee, and to the Board of Directors in accordance with the requirements of the anti-corruption policy. The Company has initiated an internal control system assessment to apply for the third recertification in 2024 in accordance with the three-year membership renewal policy of the CAC. In this process, the Company has received recommendations for improving procedures and reviewing policies related to anti-corruption, conflict of interest, convenience payments, hiring of government officials, giving, and receiving gifts, rewards, and certifications. The Company has adjusted its reporting system in line with the anti-corruption policy.

The Company has organized training on anti-corruption for all employees, including new hires, to ensure that they understand and are aware of the Company's anti-corruption guidelines. This demonstrates the Company's commitment to promoting transparency within the organization through an animated E-learning video series called "Thai Wah Anti-Corruption the Series." Employees have the opportunity to learn

about corruption, starting from the current situation of corruption in Thailand, the Company's anti-corruption policy, relevant laws, the Company's No-Gift policy, etc. Following the completion of the courses by employees and managers, they are required to take a quiz, achieving a minimum score of 80 percent to successfully pass. In case of failure, they are obliged to retake both the course and the test until they fulfill the Company's established standards. In 2023, 2,214 employees participated in the training course, constituting approximately 99 percent of the total employees.

The Company takes a firm stand against tolerating unethical conduct and is committed to addressing such issues through its Whistleblowing Policy. Employees and third parties are encouraged to report any misconduct or grievances without fear of retaliation. This policy provides a secure space for whistleblowers to disclose wrongful acts, fraud, corruption, or violations of laws and regulations, without the fear of being subjected to unfair practices or inappropriate actions. It aims to create a safe environment where company stakeholders can report and address ethical concerns, ensuring the Company's continuous journey towards sustainability remains unwavering.

### 12. Risks Relating to Partners and Suppliers

The Company recognizes the risks associated with procurement and suppliers, especially when relying on a single supplier for raw materials, packaging, or chemicals. There is a potential risk if issues arise with the sole supplier, such as the inability to deliver goods on time when the factory runs out of raw materials or needs urgent supply. The risk increases if the supplier faces unforeseen problems, fails to provide advance notice, or abruptly ceases operations. To address this risk, the procurement and contracting unit actively manages the situation by comparing and diversifying suppliers ensuring that there are alternative options available. Additionally, the Company employs proactive measures, such as placing purchase orders well in advance to secure prices and specifying delivery dates within a one-month timeframe.

Recognizing the crucial role of effective supply chain management in fostering sustainable development and ongoing business operations, the company consistently assesses potential risks stemming from its partners and suppliers. These risks encompass economic, social, and environmental factors, and the company is dedicated to identifying and mitigating any potential challenges. This proactive approach enables the company to prevent operational hindrances like raw material shortages, instilling confidence in the pursuit of sustainable growth. Moreover, the Company is steadfast in its commitment to collaborating with partners to actively promote sustainability.

The Company initiates the assessment process by compiling a list of key partners for analysis and risk evaluation in the social and environmental aspects. This includes aspects such as human rights, labor practices, business ethics, and compliance with environmental laws. Subsequently, the Company generates an annual report summarizing the operations of these key partners for internal departments. The Company also develops procurement procedures that treat all business partners fairly. Furthermore, it selects products and services in accordance with environmental requirements. Additionally, the company conducts reviews to ensure that all business partners are aware of the company's anti-corruption policy, guaranteeing their adherence to the Company's regulations.

### 13. Risks Relating to Business Continuity

The Company has implemented Business Continuity Management (BCM) practices, including a Business Continuity Plan, to operate seamlessly in the event of crises or disruptions. This was evident in the crisis response plan during the COVID-19 pandemic, allowing uninterrupted business operations. Currently, the management conducts continuous training for employees in BCM and Risk Management. This aims to enhance their understanding of potential crises and collaboratively develop preventive measures. Additionally, the BCM team conducts at least one crisis response plan drill annually and reports the outcomes to the Board of Directors.

### 14. Emerging risks

The Company is aware that constantly emerging risks can significantly impact its business operations. For this reason, the Company is dedicated to actively monitoring and assessing these risks cautiously. Simultaneously, it has developed responsive plans for these risks to ensure timely and effective implementation. In the year 2023, The company performed an in-depth examination and assessment of recently identified risks which is risk relating to water management.

### Risk relating to water management

The Company recognizes the importance of water and is committed to efficiently and sustainably managing its usage. Considering stakeholders, the management and all departments have conducted a risk assessment on water management in the Company's operations. This involves collecting data, evaluating risks, and monitoring water levels regularly each quarter. The Company has established a water management risk register, reporting to executives, and the Audit, Risk and Corporate Governance Committee; and to the Board of Directors. The risk relating to water management can be categorized into three main topics.

#### Water scarcity in production process and drought

Through data collection, analysis, and monitoring of water usage within the on-site reservoirs and external water levels, the Company has compiled reports tracking the groundwater levels in each facility, continuous water consumption, water quality, and monitoring of external water sources, including dam water levels in the facility's vicinity. The Company stays informed about relevant news and adheres to practices and processes. Various machinery systems capable of controlling water usage in the production process have been implemented to reduce consumption. The installation of water usage measurement devices and detailed data analysis at each point has been executed. All facilities have water treatment systems to improve quality, with water being recycled within the plant. Plans for ditch excavation have been developed, and internal water circulation systems ensure consistent reuse within the facilities.

#### Flood

The Company closely monitors water conditions from various sources and provides monthly reports. Analysis is conducted by referencing data on rainfall levels and predicting natural disasters within the facility's location. Flood prevention plans have been devised, and various equipment, including soil probes, is prepared. Additionally, efforts have been made to improve water drainage by excavating ditches and canals.

#### Water quality

The Company is committed to conducting business in compliance with laws, regulations, and rules, taking into account the stakeholders. Within the factory premises, the Company has implemented a water treatment system to meet quality control standards before releasing water. This consideration extends to the environment and the nearby community. There are dedicated oversight agencies responsible for directly supervising the water quality management system, regularly reporting to the management. Importantly, the Company has never received complaints from the communities surrounding its facilities.

Risk Related to Investment for Shareholders

1. Risk of Uncertain Investment Returns for Shareholders

The Company faces the challenge of unpredictable fluctuations in its stock price, influenced by uncontrollable external factors. These factors encompass the cost of tapioca roots, a primary raw material, shifts in policies and regulations impacting production and export, and unforeseen events like pandemics or wars.

These elements have the potential to drive down stock prices, falling below the initial investment made by investors, thereby exposing them to the risk of uncertain returns on their investment.

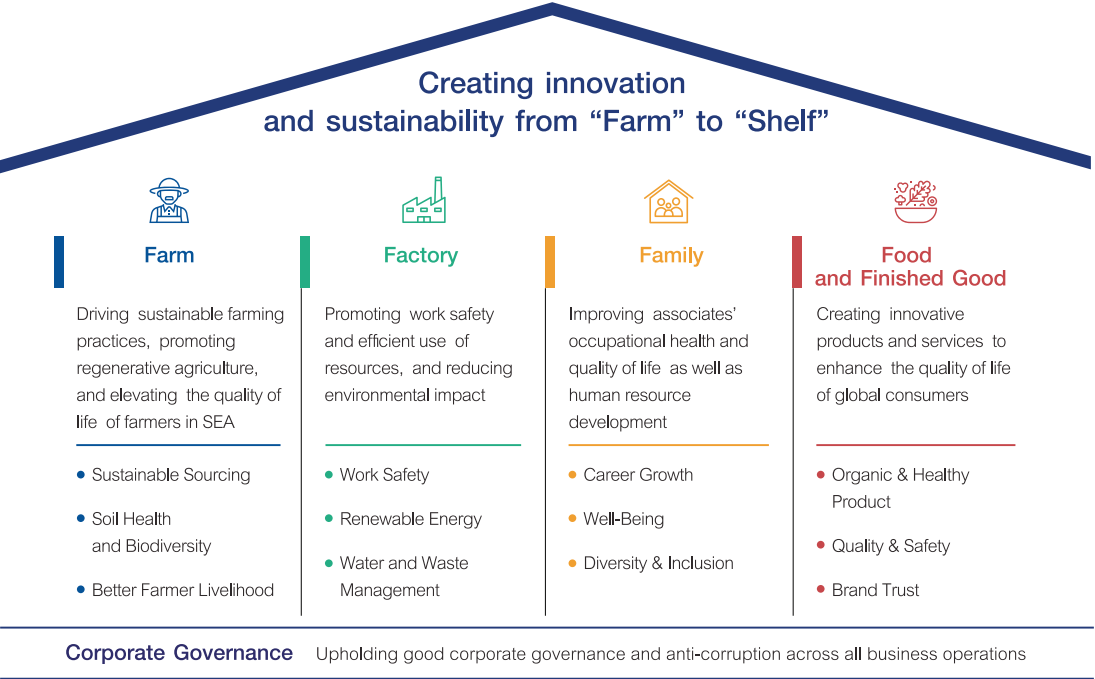
2. Risk of Dividend Affordability Below Investor Expectations

The Company's ability to pay dividends is influenced by various factors, includ ing operational performance, capital/investment allocations, and reserves earmarked for business expansion, loan repayment, among others. If these factors impact the Company's capacity to maintain dividend payments at expected levels, there is a risk of dividends being distributed at rates lower than what investors anticipate. Nevertheless, to mitigate the effects of yearly profit fluctuations, the Company adheres to a dividend policy aimed at enhancing longterm investment value. Dividends are distributed annually, with the exception of significant losses suffered by the Company.

Driving Business for Sustainability

As a leading agriculture and food company in Southeast Asia, Thai Wah is dedicated to creating and adding value to agricultural and food products, as well as related products, through innovation with a focus on sustainability. Operating with defined objectives, our focus on stakeholder involvement extends seamlessly across the entire value chain. We actively advocate for and initiate changes across various facets, ranging from the sourcing of raw materials to the manufacturing of food and products. Our commitment lies in fostering the development and sustainable growth of both the Company and the broader agriculture and food industry, addressing economic, social, and environmental dimensions. This commitment is ingrained within the framework of sustainable operations, harmoniously integrating our vision with the Company’s day-to-day functions. Guided by four main pillars, our approach underscores a holistic commitment to responsible business practices: Farmer Development, Green Factory and Community Family and Well-being, and Food and Finished Goods. Meanwhile, we are committed to good corporate governance, demonstrating a commitment to caring for stakeholders, and supporting the Sustainable Development Goals (SDGs) of the United Nations.

Sustainability Framework



Information of our sustainability disclosure is detailed in the Company’s 2023 Sustainability Report and on the Company's SD Journey website (<https://sdjourney.thaiwah.com/en/home>) under “Sustainability Strategies.”



# Awards & Recognition 2023



## Thai Wah is the first in Southeast Asia to receive the SAI FSA Silver certification for cassava in Thailand and Cambodia

Thai Wah is the first in Southeast Asia to receive the Farm Sustainability Assessment (FSA) 3.0 Silver benchmark from the esteemed SAI Platform for our cassava plantation in Thailand (Kalasin province) and in Cambodia. The cassava plantation of our Farm management group of Thai Wah Public Company Limited (Kalasin) has been awarded the Farm Sustainability Assessment (FSA) 3.0 Silver benchmark from the esteemed SAI Platform. This significant milestone underscores our commitment to highest standards of excellence for building a resilient agri-food ecosystem.



## Winner of NIQ BASES's Breakthrough Innovations SEA: Double Dragon Ready Instant Vermicelli, Boat Noodle Flavor

The innovation of our Boat Noodle Instant Vermicelli was driven by a focus on the modern lifestyle, offering both convenient and rapid preparation, along with the renowned authentic Thai boat noodle flavor featuring rich, savory, and aromatic soups, complemented by chewy vermicelli noodles.

Over the past decade, NIQ BASES has identified more than 700 products from around the globe as "Breakthrough Innovations." These innovations addressed vital consumer needs and delivered stand-out experiences that redefined their categories, resulting in incredible commercial outcomes.



## Excellence Rating for the 2023 Corporate Governance Report of Thai Listed Companies

For the 4<sup>th</sup> consecutive year, Thai Wah has received the corporate governance assessment at "Excellent" level from the 2023 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors (IOD.)

In 2023, we are also listed in the top quartile of listed companies with market capital Baht 3,000 - 9,999 million.



## SET ESG Rating

For the 5<sup>th</sup> consecutive year, Thai Wah has been chosen for ESG Rating by the Stock Exchange of Thailand. This selection underscores our commitment to creating value beyond profits and our dedication to fulfilling our role and responsibility in upholding the comprehensive principles of sustainability.



## HR Asia Best Companies to Work for in Asia and Digital Transformation Award

For the 2<sup>nd</sup> consecutive year, Thai Wah has received the HR Asia Best Companies to Work For in Asia award which was granted to organizations that prioritize workplace engagement, satisfaction, and participation with investment in the creation of a conducive working atmosphere, support for diversity, equality, and recognition of differences among employees within the organization.

On top of this, we've also been presented with the Digital Transformation Award, recognizing our utilization of technology in our transformation over the years.



# Corporate Governance Report

## Corporate Governance Policy

### Overview

The Company is committed to maintaining and adhering to high standards of good corporate governance to enhance sustainability and stability in business operations. It aims to maximize benefits for shareholders while considering the interests of all stakeholders equally. The Board of Directors has, therefore, developed a policy on good corporate

governance, aligning with principles such as the Good Corporate Governance Code for Listed Companies (CG Code), Corporate Governance Report of Thai Listed Companies (CGR), and other standard guidelines. The policy undergoes regular reviews and updates annually to ensure compliance with changing laws, economic conditions, and societal factors.

### Policy and guidelines related to the Board of Directors

#### Director Nomination

##### Director Nomination Criteria

The Nomination and Remuneration Committee is responsible for recruiting new directors, proposing candidates for consideration by the Board of Directors or, in the case of shareholder meetings, recommending candidates for appointment. The criteria for selecting new directors will consider the composition of the Board of Directors, which should be appropriate for the size and business strategy of the Company. Board diversity will be considered without limitations or segregation based on race, religion, nationality, place of origin, or gender. The suitability of qualifications and skills of directors necessary and lacking in the Board will be assessed, and a Board Skill Matrix will be developed to define the required qualifications, including those stipulated by The Securities and Exchange Commission (SEC), Stock Exchange of Thailand (SET), and the Public Company Limited Act.

The Board has considered and found that the current directors appointed are suitable and aligned with the Company's business strategy.

##### Director Nomination Process

The Nomination and Remuneration Committee will consider the selection of individuals to serve as directors of the Company. This may include recommendations from other Board members, Professional Search Firms, the Director Pool of various organizations, or other selection processes deemed appropriate and suitable by the Nomination and Remuneration Committee.

##### Director Appointment Process

#### 1. The nomination of the directors to replace those who are due to retire by rotation

The Nomination and Remuneration Committee will consider candidates who meet the criteria for nomination, and present its recommendations to the Board of Directors for submission to the annual general meeting of shareholders for consideration and approval based on the established criteria and procedures.

- (1) A shareholders shall have one (1) vote per share.
- (2) Each shareholder may exercise all the votes he or she has to elect one or several persons as director(s), but the shareholder cannot allot his or her votes to any person in any number.
- (3) The candidates who received the highest votes in their respective order of the votes shall be elected as the directors until all of the director positions that the Company has, or are to be elected at such meeting, are filled. In the event the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the Chairman of the meeting shall have a casting vote.

In the event that the number of vacant director positions is fewer than the required quorum, a shareholder meeting for the election of directors to fill the remaining vacancies shall be convened within one (1) month from the date when the number of vacant director positions falls below the quorum.

#### 2. The nomination of the directors to replace vacant director positions due to reasons other than the retiring by rotation

In cases where a director position becomes vacant with a remaining term of no less than two (2) months, the Nomination and Remuneration Committee will consider selecting a suitable individual in accordance with the recruitment criteria to propose to the Board of Directors for appointment as a replacement director. The appointment requires a vote of no less than three - fourths (3/4) of the remaining directors. The appointed individual will serve for the remaining term of the vacated director.

However, if the vacant director positions result in a number less than required for a quorum, the remaining directors can only convene a shareholder meeting to elect replacements. This meeting must be held within one (1) month from the date when the number of vacant director positions falls below the required quorum.

##### Term of Office

At each annual general meeting, one-third (1/3) of the total number of the directors at that time, or if the number is not a multiple of three, then the number nearest to one-third (1/3), must retire from office. A retiring director is eligible for re-election.

Apart from retirement upon expiration of the term of office, a director shall cease to hold office upon:

- (1) death
- (2) resignation
- (3) lacking qualifications or possession of prohibited characteristics under the law governing public limited companies and the law governing securities and exchange and the Company's Articles of Association.
- (4) removal by a resolution of shareholders meeting
- (5) removal by a court order.

In the case of a vacancy on the Board of for any reason other than the expiration of the director's term of office, the Board shall elect a person who is qualified and has none of the prohibited characteristics under the law governing public limited companies and the law governing securities and exchange as the substitute director at the following meeting of the Board, unless the remaining term of office of the vacating director is less than two months. The substitute director shall hold office only for the remaining term of office of the director whom he or she replaces. The aforesaid resolution of the Board shall require a vote of no less than three-quarters (3/4) of the number of directors remaining.

### Director Nomination

The Board of Directors has delegated the Nomination and Remuneration Committee to consider and determine the remuneration of directors, both in monetary terms and other benefits (if any), based on experience, duties, scope of roles, and accountability, compared to industry-accepted standards.

The remuneration rates should be competitive, aligned with the Company's long-term strategy and objectives. The Committee will present its recommendations to the Board of Directors for submission to the annual general meeting of shareholders for consideration and approval.

### The independence of the Board of Directors from the Management

The independence of the Board of Directors from the Management, aimed at promoting effective corporate governance, has led the Company to clearly delineate the roles and responsibilities between the Board of Directors and the Management. The Board of Directors is responsible for policy formulation and oversight at the policy level, ensuring alignment with the Company's objectives and main goals in conducting business. Meanwhile, the Management is tasked with day-to-day

operational management in various aspects, in accordance with the aforementioned policies, and reports regularly to the Board of Directors for transparency and appropriateness. Therefore, the Chairman of the Board and the Chief Executive Officer are distinct individuals, with the Chairman of the Board not holding an executive role and is not involved in the day-to-day management of the Company.

Director and Executive Development

Continuous Learning

The Company supports directors and executives in continuously enhancing their knowledge through participation in seminars and training programs organized by various relevant organizations, such as the Thai Institute of Directors Association (IOD), the SET, and the SEC. Additionally, the Company encourages visits to external locations to broaden knowledge and gain

new contemporary experiences, ensuring alignment with the ever-changing business environment. The Company communicates information about various training courses to directors and executives periodically to keep them informed and equipped with relevant insights for decision - making.

In the year 2023, additional directors attended training courses, as follows:

Director	Program
Mr. Umnad Sukprasongphol	<ul style="list-style-type: none"><li>Lead team through change for top team</li><li>People manager development program</li><li>Unlocking people's potential through coaching</li></ul>
Mr. Prateep Lertvatanakijkul	<ul style="list-style-type: none"><li>Lead team through change for top team</li><li>People manager development program</li><li>Unlocking people's potential through coaching</li></ul>
Mr. Vudhiphol Suriyabhivadh	<ul style="list-style-type: none"><li>Seminar for the Audit Committee under the topic “Financial Statement Manipulation for Market Manipulation in the Thai Stock Market and Sustainability Amid Economic Downturn and Measures to Reduce Global Warming”</li></ul>
Mr. Subhak Siwaraksa	<ul style="list-style-type: none"><li>Financial Executive Development Program (FINEX IV)</li><li>Seminar for the Audit Committee under the topic “Financial Statement Manipulation for Market Manipulation in the Thai Stock Market and Sustainability Amid Economic Downturn and Measures to Reduce Global Warming”</li></ul>

Orientation for New Directors

Upon appointment as a new director, the Company will organize an orientation program to provide an overview of the organization, business operations, strategies, and plans of the company. This includes the Company's articles of association, various guidelines, and other relevant information regarding the roles and

responsibilities as a director of the Company. The orientation aims to familiarize new directors with the business and provide an opportunity to inquire about detailed information concerning the Company's operations from relevant executives.

Performance Assessment of the Board of Directors

The Board of Directors conducts an annual performance evaluation for both the Board itself and its subcommittees. This evaluation is done through self-assessment by each Board member, individual assessments, and assessments of each subcommittee. The purpose is to provide the Board and subcommittees

with a comprehensive review of their performance, identify issues and challenges faced during the past year, and facilitate necessary corrections and improvements for enhanced operational efficiency going forward.

Criteria for Performance Evaluation and Scoring Criteria

Area of Evaluation	Scoring Criteria				
(1) Structure and Qualifications	0	1	2	3	4
(2) Meetings	=	=	=	=	=
(3) Duties and Responsibilities	Strongly disagree or never conducted	Disagree or seldom conducted	Fair or moderately conducted	Agree or well conducted	Strongly agree or excellently conducted
(4) Others					

Performance Evaluation Process

- (1) The company secretary sends self-assessment forms approved by the Board of Directors, to be completed by all Board members and subcommittee members.
- (2) Once each board member has completed their self-assessment forms, the company secretary collects and summarizes the scores. The results are

then presented at the board of directors' meeting or, in the case of subcommittees, presented at their respective subcommittee meetings before being presented to the Board.

(3) The Board of directors collectively reviews and discusses the assessment results to enhance their performance.

Evaluation Result

For the year 2023, the evaluation result for Board of Directors and subcommittees’ performance are outlined below.

Evaluation	Score	Level
Self-Assessment of the Board of Directors	92.68%	Excellent
Self-Assessment of Individual Directors	96.89%	Excellent
Self-Assessment of Subcommittees		
The Audit, Risk and Corporate Governance Committee	92.24%	Excellent
The Nomination and Remuneration Committee	92.33%	Excellent
The Strategic and Innovation Committee	87.39%	Excellent
The Sustainability Committee	91.06%	Excellent

Chief Executive Officer Nomination

Chief Executive Officer Nomination Criteria

The Nomination and Remuneration Committee will be responsible for considering the selection of individuals to serve as Chief Executive Officer (or equivalent) and will nominate candidates for the Board's consideration. The criteria for selecting the Chief Executive Officer (or equivalent) will take into account the necessary skills, including:

- Integrity, honesty, and visionary leadership
- Knowledge and understanding of the Company's business

- Ability to adapt, change, and maintain the Company's competitive advantage
- Capability to manage risks to maintain or enhance shareholder value
- Leadership qualities and the people management ability.

Chief Executive Officer Nomination Process

The Nomination and Remuneration Committee will assess individuals for the position of CEO (or equivalent), considering both internal and external candidates. External candidates may be recruited using the services

of an external consultant (Professional Search Firm), as deemed appropriate by the Nomination and Remuneration Committee.

Senior Executive Remuneration

In determining compensation for the Chief Executive Officer and senior executives, the Company is committed to motivating them to perform their duties effectively, driving the Company's annual performance goals, both short-term and long-term which set for approximately 3-5 years.

For short-term goals or annual bonuses, the Nomination and Remuneration Committee will determine the compensation for the Chief Executive Officer and senior executives, considering performance results compared to the set goals in the Balanced Scorecard, which includes financial and non-financial perspectives such as:

- (1) Business performance, such as revenue and Company sales increase

- (2) Customer satisfaction compared to set goals
- (3) Operational excellence such as cost-efficient management
- (4) Organizational development, including employee commitment to the organization

For long-term goals, the Nomination and Remuneration Committee collaborates with the management to consider setting long-term objectives for the Company. These objectives are established based on the business's needs at that time and are then linked to the determination of monetary incentives (Long-term Incentives). This approach aims to motivate the Chief Executive Officer and senior executives to effectively work towards the longterm goals of the organization.

Chief Executive Officer and Senior Executive Evaluation

The Board of Directors has assigned the Nomination and Remuneration Committee to set performance indicators and evaluate the performance of the Chief Executive Officer and senior executives. The evaluation results are then reported to the Board of Directors. The assessment criteria are based on Key Performance Indicators (KPIs), considering job performance, duties, responsibilities, as well as the Company's overall performance. The assessment takes into account the industry standards and economic conditions for companies of similar size in the same industry. For the performance evaluation process, the Chief Executive Officer and senior executives must plan, set

objectives, and present performance results in various aspects related to the Company's business and their respective functions annually. This includes providing insights into current management results in terms of successes, challenges, and strategies for short-term and long-term problem-solving. Additionally, it assesses the ability to seize opportunities, grow, and compete in the business landscape.

In the year 2023, the performance of the Chief Executive Officer and senior executives of the Company met the overall established criteria and goals.

Chief Executive Officer and Senior Executive Succession Plan

The Board of Directors recognizes the importance of effective management and continuous business operations, which contribute to the sustainable growth and progress of the organization. Therefore, the Company mandates the development of a Succession Plan for the positions of the Chief Executive Officer and senior executives. In terms of selection criteria,

the Company will consider knowledge, experience, and expertise aligned with the business strategy. The succession plan will be reviewed every three years to ensure that there are high-level executives with the necessary knowledge and capabilities to take on crucial positions within the organization in the future.

Policy and Guidelines Related to Shareholders and Stakeholders

The Company emphasizes the role and importance of the rights of shareholders and stakeholders in all groups. There is a commitment to ensuring that shareholders and stakeholders of various groups within the Company are treated appropriately, fairly, and equitably. The Company categorizes stakeholders into groups, including shareholders, customers, business partners, competitors, creditors, employees, communities and society, and the environment.

The Company believes that prioritizing shareholders and stakeholders will contribute to sustainable development. Detailed practices for each stakeholder group are outlined in the Corporate Governance and Business Code of Conduct, available on the Company's website ([www.thaiwah.com](http://www.thaiwah.com)) under the section on Corporate Governance.

Corporate Governance Policy and Business Code of Conduct Policy Approval and Review

Conducting business ethically is one of the key principles for the sustainable growth of the Company, aimed at preserving the benefits of all stakeholders. It also serves to promote and support good business ethics throughout the organization. Therefore, the Board of Directors has developed a Corporate Governance and Business Code of Conduct to provide guidelines for the Board, management, and employees to adhere to. The management is entrusted with the responsibility of implementing and monitoring compliance with this policy consistently. Additionally, regular reviews

of the policy are scheduled annually. In the meeting No.4/2023 dated November 14, 2023, the updated Corporate Governance and Business Code of Conduct were approved. Details of this policy have been made available on the Company's website ([www.thaiwah.com](http://www.thaiwah.com)) under the Corporate Governance section. Furthermore, the Board of Directors has established standard operating procedures, including internal rules and regulations, to control internal operations and activities within the organization.

Communication and Monitoring to Ensure Policy Compliance

1. Communication

- Disseminate the Corporate Governance and Business Code of Conduct throughout the organization via email and the intranet, including posting on the bulletin board for accessibility by the Board, management, and all employees at any time.
- Annually, upon the Board's approval of the updated policy, the Company will Communicate the changes to the Board, management, and employees through email and the intranet.
- For new Board members, executives, and employees, the Company will conduct orientation to communicate and ensure understanding of the policy. Furthermore, a comprehension test on the content of the Corporate Governance and Business Code of Conduct will be administered.

2. Monitoring to Ensure Policy Compliance

- Annually, the Company ensures that the Board, management, and all employees review and acknowledge the Corporate Governance and Business Code of Conduct, including learning about any newly updated policies. This is to create awareness and ensure consistent adherence through email and intranet systems.
- The Company provides channels for inquiries in case Board members, executives, or employees have concerns about their own practices that may violate business ethics and crucial Company policies.
- The Company emphasizes the policy of refraining from accepting gifts, especially during festive seasons, to elevate the standards of good corporate governance and establish a solid foundation for business operations.



- The Company establishes an internal audit unit responsible for auditing, controlling, and managing internal risks, including reviewing the operations of all Company units to ensure compliance with rules, regulations, policies, and good corporate governance principles. It identifies weaknesses and presents them to the Audit, Risk and Corporate Governance Committee for discussion on solutions and prevention of long-term issues, aiming to achieve the Company's goals in line with good governance policies.
- The Company monitors adherence to its business ethics by using lagging indicators derived from tracking complaints related to unethical conduct, measuring results, and developing operations to enhance understanding among the Company's personnel.

3. Anti-Corruption Policy

- The Board of Directors meeting No. 1/2017 dated February 21, 2017, resolved to approve the signing of the Collective Action Coalition Statement against Corruption by the Private Sector Collective Action Coalition Against Corruption Council.
- The Company has established an Anti-Corruption Policy within its Business Code of Conduct publicly available internally and on the Company's website (www.thaiwah.com) under the section “Corporate Policies & Documents”. Regular reviews are conducted annually.
- The Company prohibits directors, executives, and employees from engaging in or accepting any form of corruption, directly or indirectly, covering all related businesses or units. Regular monitoring and audits are conducted to ensure consistent compliance with the anti-corruption policy.
- The Company maintains political neutrality by not supporting or assisting any political party, either directly or indirectly.
- The Company has policies and guidelines for donations, charitable activities, and financial support provided to individuals, government agencies, private entities, and charitable organizations. Transparency and altruistic goals, free from expected benefits or any acts that may be considered corrupt or collusive, are emphasized.
- The Company refrains from providing any facilitation payment to government officials under any circumstances. Additionally, it does not consider hiring or appointing government officials who are still in office to work for the Company, relying on relationships or internal information for the benefit of the Company.

- The Company has a policy to prevent conflicts of interest between personal benefits and the Company's interests when dealing with any organization or individual involved in business with the Company.
- Giving and receiving of valuable items such as presents or souvenirs, services, facilitating or entertainment of business associates must follow the local traditions of each country including relevant laws. At the same time, it should be of reasonable value and does not influence the employees into wrongdoing.
- The Company establishes a Compliance Policy as a guideline for appropriate conduct to ensure the business operates in accordance with laws, standards, regulations, internal and external organizational orders, strictly adhering to principles.
- The Company has a Whistleblowing Policy to provide employees and external individuals with a mechanism to report, complain, or disclose wrongdoing, corruption, or non-compliance with the company's laws, rules, and regulations, free from retaliation, harassment, or discrimination.
- Communication regarding this policy is disseminated to employees at all levels through various channels. There are mechanisms for reporting, complaints, or suggestions, along with training and testing to ensure employees understand and adhere to the Company's policy.
- The Company has arranged for an evaluation of risks related to fraud and corruption across the organization to examine, monitor, and control risks that may arise in the operational processes on a regular basis every year. Overall, the control scores are at a level deemed sufficiently adequate. There is consistent adherence to internal control measures.
- For the year 2023, the Company's personnel have received communication and built awareness regarding corporate governance and ethical policies in business operations, as follows.
  - Director 100%
  - Executive 100%
  - Employee 100%

Changes and Developments regarding Policy, Guidelines and Corporate Governance System in 2023

Developments in 2023

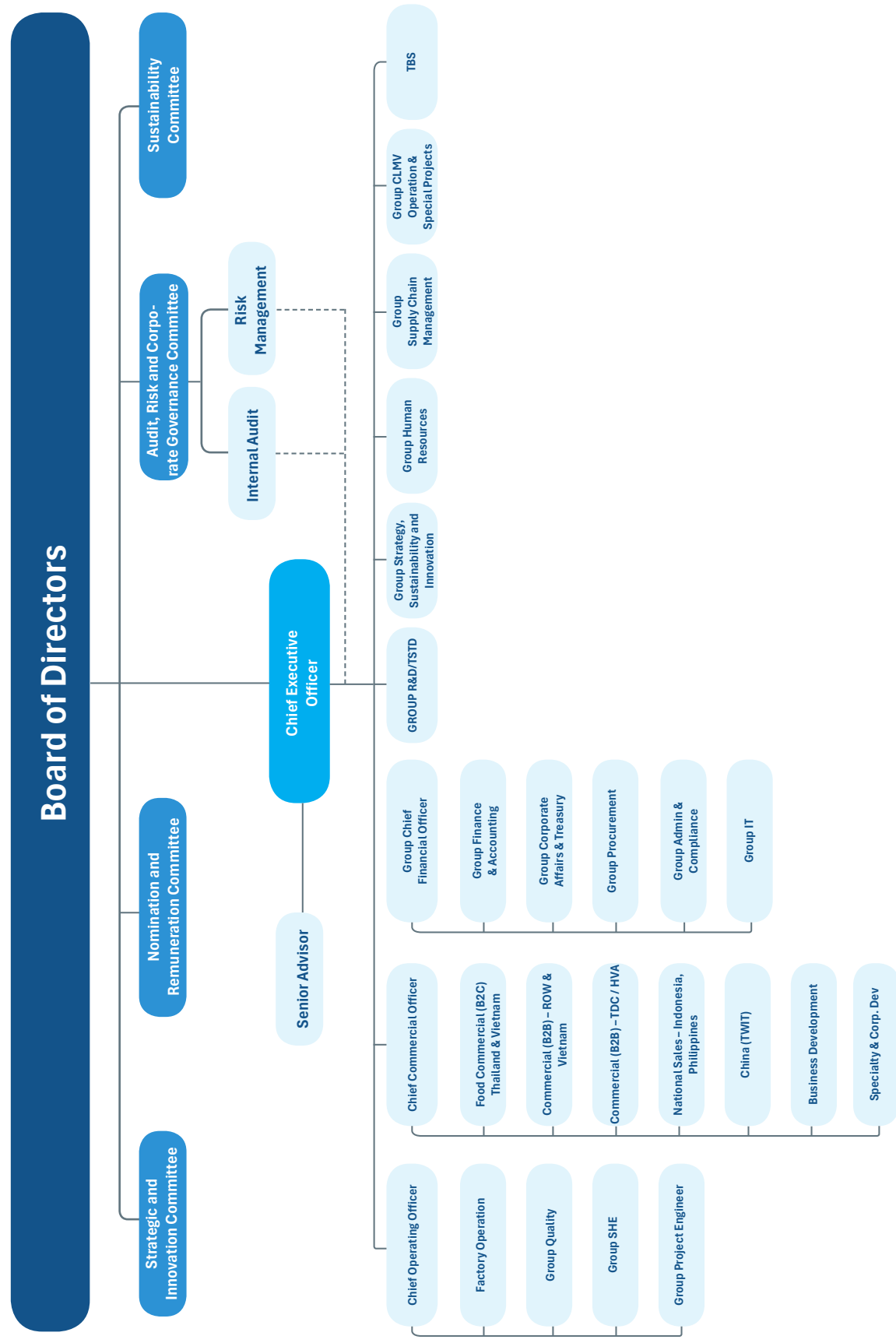
In 2023, the Board of directors has approved the enhancement of policies, practices, and systems for effective corporate governance, as follows.

Policy and Guidelines	Enhancement
Corporate Governance Policy and Business Code of Conduct	<ul style="list-style-type: none"><li>• Revise the content related to electronic meetings, advertising of shareholder meetings, and disclosure of documents via electronic media to align with the amended article of associations of the Company and the recently amended Public Limited Company Act.</li><li>• Revise the policy on confidentiality and protection of personal data to comply with the Personal Data Protection Act (PDPA) and current best practices.</li><li>• Revise and enhance practices in accordance with good corporate governance principles to align with relevant regulations governing listed companies. This includes disclosing resolutions at shareholder meetings and distributing copies of shareholder meeting reports through the SET news system and the Company's website. Ensure that related party transactions are monitored to align with normal business practices and establish an audit process to ensure fair and transparent operations.</li><li>• Enhance the Company's diversity policy for directors to support non-discrimination and promote the appointment of female individuals to serve as board members.</li></ul>
Anti-Corruption Policy	<ul style="list-style-type: none"><li>• Define additional definitions, policies, and practices to elevate the standards for Anti-Corruption Policy in the following areas:"<ul style="list-style-type: none"><li>(1) Facilitation Payment policy</li><li>(2) Revolving Door policy</li><li>(3) Conflict of Interest policy</li><li>(4) Gift and Hospitality Policy</li></ul></li></ul>
Charter of the Board of Directors	<ul style="list-style-type: none"><li>• Enhance the content to align with the Public Company Limited Act and the announcements of the Securities and Exchange Commission, such as the qualifications of directors, terms of office, etc.</li><li>• Further clarify the duties and responsibilities of the Board to align with the best corporate governance practices for listed companies and the current Board's practices, such as defining and reviewing the adequacy of policies and practices related to corporate governance, overseeing the allocation and management of resources efficiently, and reporting the shareholdings of the Board and related persons.</li></ul>
Charter of the Audit, Risk and Corporate Governance Committee	<ul style="list-style-type: none"><li>• Further elaborate on the composition, qualifications, and tenure of the committee members to be more explicit and in line with the regulations of the Securities and Exchange Commission</li><li>• Revise the roles and responsibilities to align with listed companies' best practices and the current practices of the committee. For example, adding the roles of the committees in assessing risk, managing risk, and overseeing business operations as well as removing redundant content found in the sustainability committee's duties.</li><li>• Further define the role and responsibilities of the committee secretary for better clarity.</li></ul>
Self-Assessment Forms of the Board of Directors and the Subcommittees	<ul style="list-style-type: none"><li>• Enhance the clarity of the content, structure, qualifications, roles, and responsibilities of the Board and its subcommittees to align with the principles of good corporate governance for companies listed on the Stock Exchange of Thailand and endorsed by the Thai Institute of Directors (IOD).</li><li>• Establish an assessment template for the Strategic and Innovation Committee and the Sustainability Committee, with content aligned with the assessment template for the other subcommittees, and in accordance with the principles of good corporate governance for companies listed on the Stock Exchange of Thailand and endorsed by the Thai Institute of Directors (IOD).</li></ul>

Corporate Governance Assessment Result

The Company upholds a steadfast commitment to good corporate governance practices and conducts its business with unwavering ethical principles. For the 4<sup>th</sup> consecutive year, the Company has received an “Excellent” rating in corporate governance assessment

from the 2023 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors (IOD). In 2023, the Company is also listed in the top quartile of listed companies with a market capitalization of Baht 3,000 - 9,999 million.



## Information on the Board of Directors

### The Composition of the Board of Directors

The Board of Directors consists of directors in a number appropriate to the size and strategy of the Company which is not fewer than five members and at least one in three, but not less than three directors must be independent. Additionally, there must be at least one non-executive director in the Board. Each director must possess knowledge, skills, and experience in various aspects related to the Company's business. Furthermore, they should have an understanding of their roles, responsibilities toward shareholders, and the ability to make decisions that benefit the Company, shareholders, and stakeholders.

Moreover, the Company believes that diversity in the composition of the Board, considering factors such as nationality, religion, culture, age, and gender, will support the expression of independent opinions, enhance perspectives, and improve the effectiveness of the Board's work. This includes recognizing the important role and participation of women on the Board. The Company actively encourages the selection of women for directorial roles and maintains a policy advocating the presence of at least one female director on the Board. However, when choosing new directors, the consideration will revolve around the appropriateness and qualifications of each particular individual.

In order to support the oversight role of the Board of Directors, the Board of Directors has appointed the following subcommittees to supervise and monitor the business operations in accordance with the principles of good corporate governance:

- **The Audit, Risk and Corporate Governance Committee** shall consist of at least three members, comprising of a chairman and at least two committee members, all of whom shall be independent directors and not executive directors. Additionally, at least one member shall be knowledgeable and experienced in reviewing the accountability of the financial statements.
- **The Nomination and Remuneration Committee** shall consist of at least 3 members, comprising of a chairman and at least 2 committee members, all of whom shall be independent directors and not executive directors.

- **The Strategy and Innovation Committee** shall consist of at least three members.
- **The Sustainability Committee** shall consist of at least three members.

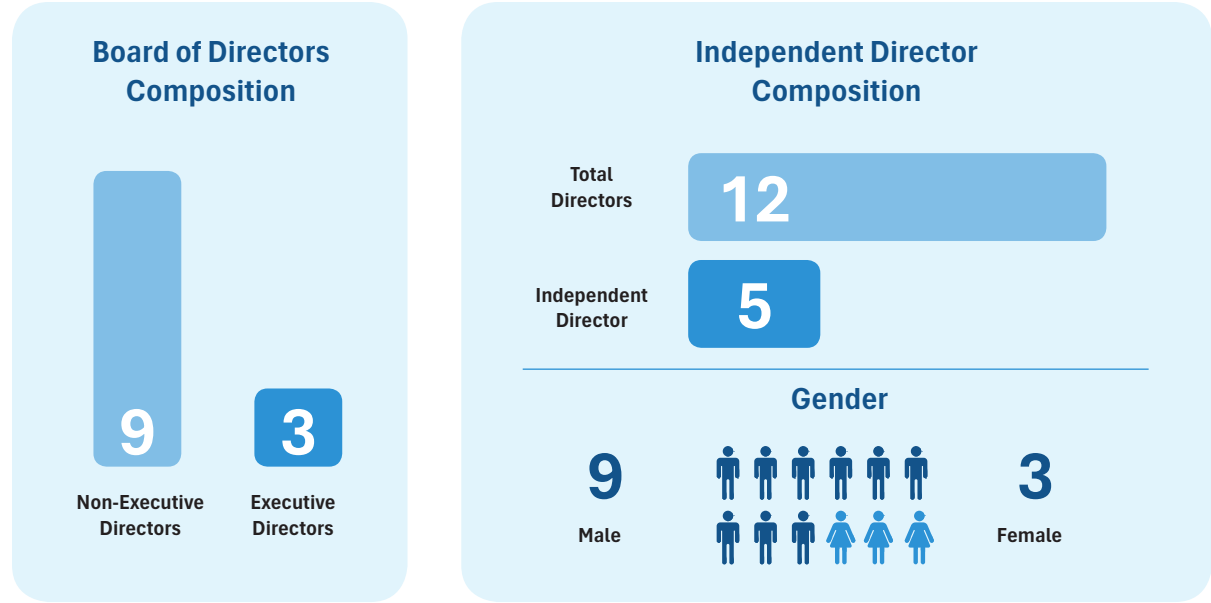
As of December 31, 2023, the Board comprises 12 directors, consisting of three executive directors (25% of the total Board) and nine non-executive directors (75% of the total Board). The non-executive directors possess knowledge and experience, with expertise in the business or core industry in which the Company operates. Given this proportion, the majority of directors are non-executive, allowing them to provide independent perspectives on management decisions.

Furthermore, the Board includes five independent directors out of the total 12 (representing 42% of the entire Board). All independent directors of the Company possess the qualifications required by the Securities and Exchange Commission. Each independent director can effectively collaborate with the entire board and express opinions independently.

In addition, there are three female directors out of the total 12 (constituting 25% of the entire Board). All of them are individuals with knowledge, skills, and experience in various aspects related to the Company's business.

The Company establishes goals and indicators for the components of the Board of directors in its corporate governance policy, aiming to reflect diversity. This includes a policy of non-discrimination based on nationality and specifying the inclusion of at least one female director. As of December 31, 2023, the Company has met these objectives. The Board comprises directors from both Thai and Singaporean nationalities, aligning with the non-discrimination based on nationality policy. Additionally, the Board comprises three female directors, exceeding the policy of having at least one female director.

Mr. Chanin Archjananun and Mrs. Supattra Paopiamsap are the non-executive directors who possess knowledge and experience in the core business or the industry in which the Company operates.





- (10) Ensuring that the Company has effective human resources management and development programs to ensure that the Company has adequate staffing and appropriately knowledgeable, skilled, and experienced employees and staff.
- (11) Prioritizing and promoting innovation that creates value for business together with benefits for its customers, other stakeholders, society, and the environment, in support of sustainable growth of the Company.
- (12) Encouraging management to adopt responsible operations towards society and the environment and incorporate them into the Company’s operational plan in order to ensure that every department and function in the Company adopts the Company’s objectives, goals, and strategies, applying high ethical, environmental, and social standards.
- (13) Ensuring that management allocates and manages the resources efficiently and effectively throughout all aspects of the value chain to enable the Company in meeting its objectives.
- (14) Establishing a framework for governance of enterprise IT that is aligned with the Company’s business needs and priorities, stimulates business opportunities and performance, strengthens risk management, and supports the Company’s objectives.
- (15) Ensuring that the Company has effective and appropriate risk management and internal control systems that are aligned with the Company’s objectives, goals and strategies and comply with applicable laws and standards.
- (16) Establish the sub-committees that align with related laws and business requirements to assist the Board of Directors in their operations.
- (17) Monitoring and managing conflicts of interest that might occur between the Company, management, directors, and shareholders. The board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.
- (18) Establishing a clear anti-corruption policy and other relevant policies, practices and disseminating to the Company’s stakeholders for proper implementations.
- (19) Establishing a mechanism for handling complaints and whistleblowing.
- (20) Prioritizing and ensuring the integrity of the Company’s financial reporting system and that timely and accurate disclosure of all material information regarding the Company is made consistent with applicable requirements.
- (21) Monitoring the financial liquidity and solvency of the Company and ensuring that risks to the financial position of the Company or financial difficulties are promptly identified, managed and mitigated, and that the Company’s governance framework provides for the consideration of stakeholder rights.
- (22) Ensuring sustainability reporting as appropriate
- (23) Monitoring and reporting on their interests or interests of related persons (spouses, cohabitation partners, and minor children under legal age) which are related to the management of the Company or subsidiary companies, to the Company which can be verifiable, for transparency in business operations.

Authority of the Board of Directors

The Board of Directors has the authority to approve various matters of the Company within the scope of duties as defined by laws, the Company's articles of association, and resolutions passed at shareholder meetings. This includes the establishment and review of the Company's vision, mission, operational strategies, annual budgets, and business operation plans, capital

expenditure, matters related to the Company's policies, issues that, if implemented, would result in significant changes to the Company's operations, and matters that the management deems appropriate to propose for approval in accordance with the regulations or criteria set by the Board of Directors.

The Authorized Directors of the Company

As of December 31, 2023, the authorized directors of the Company are “Mr. Ho Ren Hua and Mr. Umnad Sukprasongphol or Mr. Ho Ren Hua and Mr. Prateep Lertvatanakijkul jointly sign with the Company’s seal affixed.

Independent Directors

In accordance with the notification from the Capital Market Supervisory Board and the Corporate Governance policy, the Company must have a number of independent directors not less than one-third of the total number of directors, but not fewer than three individuals. Each independent director shall serve for a term not exceeding three consecutive terms and must complete their tenure for each term on the date of the annual general meeting of shareholders as stipulated in their respective terms. The Board of Directors may propose the names of such directors for consideration and re-election into directorship position at the annual general meeting of shareholders as deemed appropriate by the Board. Additionally, all independent

directors must be independent from the management and major shareholders of the company. No independent director shall hold directorship positions in more than five companies registered in Thailand.

Furthermore, independent directors must possess qualifications related to independence as per the guidelines set by the Capital Market Supervisory Board. They must be able to safeguard the interests of all shareholders equally and avoid conflicts of interest. Additionally, they should be able to attend board meetings independently and express their opinions freely.

Definition of Independent Director

The definition of the Company’s independent directors, approved by the Board, is the persons who have all the necessary qualifications and independence in accordance with the criteria set by the Capital Market Supervisory Board as follows:

- (1) holding shares not exceeding 0.75 per cent of the total number of voting rights of the company, its parent company, subsidiary, associated company, major shareholder or controlling person, including the shares held by related persons of such independent director
- (2) neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of appointment. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the company
- (3) not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children of other directors, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling person of the company or its subsidiary
- (4) not having a business relationship with the company, its parent company, subsidiary, associated company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor having been a significant

shareholder or controlling person of any person having business relationship with the company, its parent company, subsidiary, associated company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment.

The term ‘business relationship’ aforementioned under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the company or his counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the company or twenty million baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences

- (5) Neither being nor having been an auditor of the company, its parent company, subsidiary, associated company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, associated company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years from the date of appointment

- (6) Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million baht from the company, its parent company, subsidiary, associated company, major shareholder or controlling person, and neither being nor having been a significant shareholder, controlling person or partner of the professional advisor unless the foregoing relationship has ended not less than two years from the date of appointment
- (7) Not being a director who has been appointed as a representative of the company's director, major shareholder or shareholders who are related to the company's major shareholder
- (8) Not operate any business which has the same nature as and is in significant competition with the business of the company or subsidiary, or not being a principal partner in any partnership, or not

- being an executive director, employee, staff, or advisor who receives salary; or not holding shares exceeding one percent of the total number of voting rights of any other company operating business which has the same nature as and is in significant competition with the business of the company or subsidiary
- (9) Not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

After having been appointed as independent director with qualifications complying with the criteria under (a) to (i) of the first paragraph, the independent director may be assigned by the board of directors to take part in the business decision of the company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholder or controlling person, providing that such decision shall be in the form of collective decision.

ensure the Board's operations, allow for independent decision-making, the Chairman of Audit, Risk and Corporate Governance Committee is appointed to jointly consider meeting schedules with the Chairman to exercise independent, cautious, thorough, and unbiased judgment during deliberations. Additionally, consideration is given to the interests of shareholders and stakeholders on all sides.

## Chairman of the Board

Mr. Ho KwonPing serves as the Chairman of the Board of Directors, a position appointed by the Board based on his knowledge, capabilities, and understanding of the Company's business operations. This appointment is crucial for making decisions that benefit the Company and its shareholders to the maximum extent. In order to

### Duties and Responsibilities of the Chairman

The Chairman of the Board is responsible for leading the Board with the following duties and responsibilities:

- 1) Summoning meeting for Board and presiding over the meeting. In making decision, the Chairman has a deciding or casting vote in the event of tied votes.
- 2) Setting Board meeting agenda in consultation with the Chief Executive Officer and Chairman of the Audit, Risk and Corporate Governance Committee and ensuring that Board members receive accurate, complete, timely and clear information prior to the meeting in order to assist their decision-making process.

- 3) Conducting the Board meeting according to the agenda, relevant laws and good corporate governance, allocating sufficient time and encouraging all directors to participate in the discussion, exercise their discretion prudently and express their opinions freely.
- 4) Overseeing and ensuring that the Board of Directors and the Sub-Committees effectively carry out their duties to achieve the Company's objectives.
- 5) Promoting constructive relations between executive and non-executive directors, and between the Board and the management.
- 6) Ensure that all directors contribute to the company's ethical culture and good corporate governance.

## Chief Executive Officer

Mr. Ho Ren Hua, the Chief Executive Officer, possessing knowledge, expertise, and experience in the Company's business operations. His contributions are particularly beneficial to the Company's business activities.

### Duties and Responsibilities of the Chief Executive Officer

The Chief Executive Officer is the highest-ranking executive in the organization. The role involves managing and overseeing the Company's operations, with responsibilities including:

- 1) To be in charge of the daily business operations of the Company, supervise and manage the works and operations of the Company for complying with the policy, vision, mission, values, strategy and goals, both in terms of financial and non-financial, as well as to drive the business plan to be able to achieve financial budget as approved by the Board of Directors
- 2) To employ, appoint, transfer, dismiss, and terminate employees in all levels, except the appointment, transfer and dismissal of the Head of Internal Audit, which shall also be approved by the Audit, Risk and Corporate Governance Committee
- 3) To determine the salary and remuneration, adjust the salary, bonus, reward and welfare of all employees of the Company, including the senior executives in correspondence with the remuneration mechanism and welfare as approved by the Nomination and Remuneration Committee
- 4) To issue internal order, policies, announcement and memo of the Company to ensure that the operations of the Company are in compliance with the policy and the interest of the Company, including to maintain the organizational disciplinary
- 5) To perform other tasks as assigned by the Board of Directors and to perform any other acts as stipulated by laws and regulations of the authorities

## Separation of Power, Duties and Responsibilities of the Board of Directors and the Management

### 1. Management structure

The Company has a management structure that clearly defines the separation of power, duties and responsibilities of the Board of Directors and the Management.

- The Board of Directors, as the policy supervisor, has the duties to define the Company's vision, mission, values, strategy and long-term goals, including overseeing monitoring, and evaluating the performance of the Management.
- Management, as the executives, has the duties to perform day-to-day operations to be efficient, effective and in compliance with the defined policies, vision, mission, values, strategy and long-term goals and report its performance to the Board of Directors on a regular basis.

### 2. The approval of Annual Capital Budgets

The delegations of authorities by the Board to the Chief Executive Officer are clear. Annual budgeted capital expenses require approval by the Board. Unbudgeted capital expense require approval as authorized by the Board as follows:

- Unbudgeted capital expenses ranging from Baht 2.0 million to Baht 10.0 million to be jointly approved by the Chief Executive Officer and any one of the directors.
- Capital expenses in excess of Baht 10.0 million to Baht 50.0 million to be jointly approved by the Chief Executive Officer and any one of the directors and also requires ratification by the Board of Directors.

3. The Board of Directors’ Authorization

The Board of Directors is empowered to authorize various matters in accordance with the scope of authority stipulated by laws, the Company’s regulations, Articles of Association, the Board of Directors charter, and the shareholders’ meeting resolutions. Such matters include, defining and reviewing vision, mission, operating strategies, annual budget and business plans,

capital expenditure, issues relating to the Company’s policies, issues that may cause significant changes to the Company’s business and issues considered by management as appropriate for approval by the Board of Directors under the criteria designated by the Board of Directors.

Information on subcommittees

The Board of Directors has appointed four subcommittees, namely the Audit, Risk and Corporate Governance Committee, the Nomination and Remuneration Committee, the Strategic and Innovation Committee, and the Sustainability Committee to consider and scrutinize the operations within the scope of authority and responsibilities specified in the charters. These subcommittees are tasked with regularly reporting their activities to the Board of Directors. To ensure transparency and independence in carrying out their duties, all members of the four subcommittees are designated as independent directors.

The Audit, Risk and Corporate Governance Committee

According to the Company’s policy, the Audit, Risk, and Corporate Governance Committee must consist of a minimum of three members, comprising one Chairman and at least two members, all of whom must be independent directors. Additionally, there must be at least one committee member, who is sufficiently knowledgeable and experienced to review the reliability of financial statements, as well as other responsibilities within the scope of the audit committee.

As of December 31, 2023, the Audit, Risk, and Corporate Governance Committee is composed of three independent directors as follows:

No.	Name-Surname	Position
1.	Mr. Vudhiphol Suriyabhivadh	Chairman of the Audit, Risk, and Corporate Governance Committee
2.	Mr. Subhak Siwaraksa	Member of the Audit, Risk, and Corporate Governance Committee
3.	Mr. Chanin Archjananun	Member of the Audit, Risk, and Corporate Governance Committee

All members of the Audit, Risk, and Corporate Governance Committee possess the qualifications as specified by the Stock Exchange of Thailand and the Securities and Exchange Commission.

Mr. Vudhiphol Suriyabhivadh and Mr. Subhak Siwaraksa have the requisite knowledge and experience to adequately examine the credibility of financial statements.

In 2023, the Audit, Risk, and Corporate Governance Committee conducted a total of four meetings, with external auditors, internal auditors, and management participating to examine compliance with accounting principles and standards, as well as internal controls, before endorsing quarterly and annual financial statements. Additionally, the committee held one meeting without management participation to discuss audit approaches, audit plans, and collaborative practices with the management.

Duties and Responsibilities of the Audit, Risk, and Corporate Governance Committee

(1) Audit Duties and Responsibilities

- (1.1) To review the accuracy and adequacy of financial reporting of the Company.
- (1.2) To review the adequacy and effectiveness of internal control and internal audit systems of the Company as well as to determine the independence of the internal audit unit, and to approve the appointment, transfer, and termination of employment of the head of internal audit unit.
- (1.3) To consider, select and propose the appointment and termination of an independent person to be the

external auditor of the Company and propose fees for such person, as well as to attend a non-management meeting with the external auditor at least once a year.

- (1.4) To review the Company’s compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand and the laws relating to the business of the Company.
- (1.5) To review the connected transactions or the transactions that may lead to conflicts of interests to ensure that they are in compliance with the laws, regulations of the Stock Exchange of Thailand, and are reasonable and for the highest benefit of the Company.
- (1.6) In performing the duty of the Committee, if there is a transaction or any of the following acts which may materially affect the Company’s financial condition and operating results:

(a) a transaction which causes a conflict of interest

(b) any fraud, irregularity, or material defect in an internal control system; or

(c) an infringement of the law on securities and exchange, regulations of the Stock Exchange of Thailand or the laws relating to the business of the Company;

the Committee shall report such transaction or act to the Board for rectification within the period of time that the Committee deems appropriate. If the Board or management fails to make a rectification within such period of time, any Committee member may report on such transaction or act to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.
- (1.7) To investigate and report the preliminary result to the Office of the Securities and Exchange Commission and the external auditor within thirty days upon receipt of the fact from the external auditor in relation to any suspicious circumstance that the director, manager or any person responsible for the operation of the Company commits an offence under the law on securities and exchange.

(2) Risk Management Duties and Responsibilities

- (2.1) To oversee that the Company enforces and complies with an appropriate and efficient risk management policy, as well as to oversee and monitor the Enterprise Risk Management Committee.
- (2.2) To consider risk assessment result as well as plans to manage such risks and provide suggestions on risks mitigation to keep them in alignment with risk appetite to ensure the company has sufficient and appropriate risk management system.

(3) Corporate Governance Duties and Responsibilities

- (3.1) To supervise the performance of management to strictly comply with the Company’s good corporate governance policy.
- (3.1) To review the corporate governance policy and code of business conduct of the Company at least once a year.
- (3.1) To oversee the anti-corruption policy to ensure its sufficient and appropriate for the Company’s business.

(4) Other Duties and Responsibilities

- (4.1) To report the activities of the Committee to the Board.
- (4.2) To prepare and to disclose a report of the Committee in the Company’s One Report. The report must be signed by the Committee Chairman, comprising at least the following information:

an opinion on the accuracy, completeness, and creditability of the Company’s financial report,

an opinion on the adequacy of the Company’s internal control system,

an opinion on the compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand or the laws relating to the business of the Company,

an opinion on the suitability of an auditor,

an opinion on the transactions that may lead to conflicts of interests,

the number of the Audit, Risk and Corporate Governance Committee meetings, and the attendance of such meetings by each Audit, Risk and Corporate Governance Committee member,

an opinion or overview comment received by the Audit, Risk and Corporate Governance Committee from its performance of duties in accordance with the charter, and



- other transactions which, according to the Audit, Risk and Corporate Governance Committee 's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board.
- (4.3) To implement and oversee the annual self-performance evaluations including reviewing the evaluation results and reporting the results to the Board on an annual basis.
- (4.4) To perform any other acts as assigned by the Board and accepted by the Committee.

Authority of the Committee

In order that the objectives of performance of the duty by the Committee be fulfilled, the Committee shall have the following power:

(1) Management Power

The Committee shall have the power to invite management, the internal audit, the working unit supervisor or the related staff of the Company to provide clarification, opinions, attend the meetings or submit documents as deemed relevant and necessary.

(2) Power with respect to the Internal Auditor

- (2.1) To ensure that there exist a common objective and understanding amongst the internal auditor, external auditor and the Board in regard to internal control.
- (2.2) To approve the appointment, transfer, termination of employment of the chief of the internal audit unit.
- (2.3) To secure the independence of the internal auditor.

(3) Power with Respect to the External Auditor

- (3.1) To review and evaluate the work performance of the external auditor.
- (3.2) To propose the names and the termination of the external auditor and annual audit fee to the Board of Directors of the Company for the purpose of obtaining approval at the Annual General Meeting of Shareholders.
- (3.3) To determine fees charged for audit services and other advisory services provided by the external auditor.

(4) Other Powers

The Committee shall have the power to investigate related persons and matters within its scope of the authority and duty and shall have the power to employ or ask a specialist to provide advice and opinions as deemed appropriate by the Committee.

Terms of Office

The term of office of a member of the Committee shall be two years. A member of the Committee who vacates his/ her office by rotation may be re-appointed.

Should a vacancy arise on the Committee, resulting in fewer members than mandated by law, the Board shall appoint a qualified person to be a Committee member within three months after the shortfall.

The Nomination and Remuneration Committee

According to the Company's policy, the Nomination and Remuneration Committee must consist of a minimum of three members, comprising one Chairman and at least two members. All members must be independent directors and should not be executive directors of the Company.

As of December 31, 2023, the Nomination and Remuneration Committee is composed of three independent directors as follows:

No.	Name-Surname	Position
1.	Mr. Vudhiphol Suriyabhivadh	Chairman of the Nomination and Remuneration Committee
2.	Mr. Subhak Siwaraksa	Member of the Nomination and Remuneration Committee
3.	Mr. Chanin Archjananun	Member of the Nomination and Remuneration Committee

Duties and Responsibilities of the Nomination and Remuneration Committee

- (1) To propose guidelines and make broad recommendations for the annual salary increment and bonus policies of the Company.
- (2) To review the performance and award the bonus, salary increment and incentives of the Company's Chief Executive Officer and his relatives who are employees of the Company.
- (3) To review and approve the expense claims of the Company's Chief Executive Officer.
- (4) To review and if necessary, propose changes to the remuneration of the Company's directors serving on the Board of Directors and sub-committees.
- (5) To review and if necessary, propose changes or additions to senior management welfare, benefit (such as employee stock options and other employee welfare allowances, subsidies and schemes), salary increment and bonus policies. The emolument of individual employees shall be determined by the management of the Company.
- (6) To establish criteria for Board membership.
- (7) To formulate a standard and transparent process for the selection of directors.
- (8) To propose and/or evaluate directorial candidates and Board committee members for consideration by the Board when there is a vacancy.
- (9) To assess independent directors to identify if the independence of any is compromised and if new independent directors are required under the Board's policy.
- (10) To inform the Board of the names of directors and Board committee members who are retiring by rotation and make recommendations to the Board as to whether the Board should support the re-nomination of those retiring directors and committee members.
- (11) To review the Committee charter at least once a year and recommend modifications to the Board of Directors as needed.
- (12) To report to the Board of Directors on the Committee's activities and findings.
- (13) To co-operate and consult with the Board of Directors/Management in selecting a candidate for the position of top executives (Managing Director/Chief Finance Officer) in accordance with the selection criteria of the Company.
- (14) To implement and oversee the annual self-performance evaluations including reviewing the evaluation results and reporting the results to the Board on an annual basis.

Authority of the Nomination and Remuneration Committee

To assist the Committee in achieving its objectives, the Committee shall have the discretion to appoint appropriate third-party consultants to review existing employee related policies, propose new employee benefit and welfare programs and/or undertake other human resources related research and studies.

Term of Office

The term of office of a member of the Committee shall be two years. A member of the Committee who vacates his/ her office by rotation may be re-appointed.

Strategic and Innovation Committee

According to the Company's policy, the Strategic and Innovation Committee must consist of a minimum of three members.

As of December 31, 2023, the Strategic and Innovation Committee is composed of five independent directors as follows:

No.	Name-Surname	Position
1.	Mr. Vudhiphol Suriyabhivadh	Chairman of the Strategic and Innovation Committee
2.	Mr. Subhak Siwaraksa	Member of the Strategic and Innovation Committee
3.	Mr. Chanin Archjananun	Member of the Strategic and Innovation Committee
4.	Mrs. Supattra Paopiamsap	Member of the Strategic and Innovation Committee
5.	Ms. Parnsiree Amatayakul	Member of the Strategic and Innovation Committee

Duties and Responsibilities of the Strategic and Innovation Committee

- (1) Work with the Chief Executive Officer and the management team to oversee the development of the Company’s strategy, and to provide guidance for the strategic planning process to ensure that the strategic implementation plan is developed within the organization.
- (2) Monitor the Company’s progress against strategic goals and provide feedback and advice on merger and acquisition strategy, capital strategy, market capabilities, and resource requirements.
- (3) Review the strategies and other impacts from emerging or evolving competitive activity, or other innovation developments and global economic conditions.
- (4) To oversee and recommend to Chief Executive Officer and management team regarding certain significant strategic decisions.
- (5) To report to the Board of Directors on the Committee’s activities and findings.
- (6) Review the adequacy of this Charter and recommend to the Board proposed changes from time to time as needed.

Term of Office

The term of office of a member of the Committee shall be two years. A member of the Committee who vacates his/ her office by rotation may be re-appointed.

Sustainability Committee

According to the Company's policy, the Sustainability Committee must consist of a minimum of three members.

As of December 31, 2023, the Sustainability Committee is composed of five independent directors as follows:

No.	Name-Surname	Position
1.	Mr. Vudhiphol Suriyabhivadh	Chairman of the Sustainability Committee
2.	Mr. Subhak Siwaraksa	Member of the Sustainability Committee
3.	Mr. Chanin Archjananun	Member of the Sustainability Committee
4.	Mrs. Supattra Paopiamsap	Member of the Sustainability Committee
5.	Ms. Parnsiree Amatayakul	Member of the Sustainability Committee

Duties and Responsibilities of the Sustainability Committee

- (1) To consider and review policies and strategies, and enhance the developmental goals of the Company, maintaining balances in various aspects, such as environmental, social and governance (ESG) in accordance with the Thai and international good corporate governance standard, as well as corporate social responsibility (CSR).
- (2) To recommend and propose principles and policies for aligning with the organization’s sustainable development.
- (3) To promote the organizational sustainable development guidelines among the Board of Directors, executives, and employees and ensuring that it is implemented effectively.
- (4) To monitor, track, and assess the sustainable development performance to maintain balance and enhance effectiveness, ensuring the highest benefit for the Company and stakeholders.
- (5) To review the Committee charter at least once a year and recommend modifications to the Board of Directors as needed.
- (6) To report to the Board of Directors on the Committee’s activities and findings.
- (7) To perform other duties as assigned by the Board of Directors.

Term of Office

The term of office of a member of the Committee shall be two years. A member of the Committee who vacates his/ her office by rotation may be re-appointed.

Information on Executive

The Executives

As of December 31, 2024, the executives of the Company according to the definition of the Securities and Exchange Commission comprises the Chief Executive Officer and other Management, a total of five persons, details as follows:

1. Mr. Ho Ren Hua	Chief Executive Officer	(since October 1, 2015)
2. Mr. Umnad Sukprasongphol	Senior Advisor to CEO	(since March 1, 2021)
3. Mr. Prateep Lertvatanakijkul	Chief Operating Officer	(since March 1, 2021)
5. Ms. Orn-A-Nong Witchucharn	Group Chief Financial Officer	(since January 1, 2019)
4. Ms. Naruemon Srisuma	Vice President-Group Research and Development	(since January 1, 2021)

Executive Remuneration

As of December 31, 2023, the monetary remuneration for the five senior executives was in the total amount of Baht 69,295,090.16 consisted of salaries, bonus, social security payment, car allowance, provident fund payment, laptop allowance, mobile phone expenses, medical expenses, children education, and etc. There was no non-monetary remuneration given to management in the year 2023.

Information on Employees

Number of Employees

As of December 31,2023

Business	Number of Employees
Thai Wah Public Company Limited	
Starch and starch-related business	1,175
Food business	1,638
Biodegradable business	15
Total Thai Wah Public Company Limited	2,828
Subsidiary	
10 operating subsidiaries:	1,278
(1) Thai Nam Tapioca Company Limited	
(2) DI Company Limited	
(3) Thai Wah Bio Power Company Limited	
(4) Tapioca Development Corporation Limited	
(5) Thai Wah International Trade (Shanghai) Company Limited	
(6) TWPC Investment (Cambodia) Company Limited	
(7) Thai Wah Vietnam Company Limited	
(8) Tay Ninh Tapioca Joint Stock Company	
(9) PT. Thai Wah Indonesia	
(10) Thai Wah International (India) Private Limited	

Employee Remuneration

Employee Remuneration Policy

The Company has established a compensation policy for employees, utilizing a Performance Management System (PMS) to support and enhance the efficient performance of employees. The Company believes that employees are invaluable resources and of utmost importance to the Company. The primary objectives of the Company's compensation policy are to attract, motivate, reward, and retain high-quality employees. The policy considers both financial and non-financial performance, taking into account the role and responsibilities of employees and the general market conditions. Additionally, the company ensures that the employee benefits package remains competitive within the same industry. The Company reviews the basic salary rates and other compensation elements, comparing them with other businesses operating in the food and agriculture sector from time to time. Moreover, the method of providing employee benefits is not only aimed at attracting, retaining, and motivating potential employees but also at sustaining a working culture that focuses on achieving job success. This approach serves as a guideline for all units within the Company, promoting the Company's ability to achieve its business objectives.

Total Employee Remuneration

As of December 31, 2023, The Company has a total of 3,636 employees in Thailand, with a combined compensation and benefits for the Company's employees totaling Baht 1,273,022,000, comprising salary and bonus, car allowance, social security fund, provident fund, accident & health insurance, medical, etc.

Provident Fund

The Company has a policy to support adherence to the Investment Governance Code (“I Code”) for institutional investors. As the provident fund is considered a retirement savings fund for employees, the Company selects fund managers who comply with the I Code and/or manage investments responsibly, taking into account environmental, social, and governance factors (ESG). This is because adhering to the principles of responsible investment leads to the optimal benefits for fund members, which include the Company's employees in the long term.

As of December 31,2023, there are 760 employees participating in the provident fund program, accounting for 85 percent of the total number of permanent employees.

Employee Development Policy

The Company recognizes the importance of human resources and emphasizes continuous employee development to enhance their capabilities in aligning with the organization's goals, policies, and direction. The Company has established a policy for the development of employee knowledge and skills, starting from the selection of quality employees, defining clear job responsibilities and roles, providing training and development opportunities, performance evaluations, and individual career advancement guidelines.

In the year 2023, there were various training sessions, with employees averaging 61 hours per person per year. This included training courses and seminars on environmental topics such as safety, occupational health, and environmental conditions in the workplace for both general and new employees. The courses covered safety management for officers and supervisors, basic firefighting, advanced firefighting techniques (for product tanks), carbon footprint assessment, and GHG reduction project management, among others.

Other Significant Information

Responsible Persons for Key Positions

The Person Taking the Highest Responsibility in Finance and Accounting (Chief Financial Officer) and the person supervising accounting (Chief Accountant)

Mrs. Orn-A-Nong Witchucharn, the Group Chief Financial Officer, holds the position of highest responsibility in finance and accounting (CFO) and the Chief Accountant, overseeing the Company's financial transactions and ensuring efficiency in accordance with the Company's regulations, terms, and accounting standards.

Profile of the Chief Financial Officer and the Chief Accountant is detailed in the “Profile of Board of Directors and Senior Executives” section.

Company Secretary

The Board of Directors’ meeting No.4/2022 dated November 8, 2022, has approved the appointment of Mrs. Orn-A-Nong Witchucharn as the company secretary of the Company effective January 1, 2023 as stipulated in the Securities and Exchange Act B.E. 2535 (1992) as amended. Mrs. Orn-A-Nong Witchucharn possesses complete qualifications and has undergone essential training courses beneficial to the performance of the Company Secretary duties.

Duties and Responsibilities of the Company Secretary

The Company Secretary has to perform the duties in accordance with section 89/15 and 89/16 of the Securities and Exchange Act B.E. 2535 (1992) as amended with responsibility, due care, and loyalty, and in compliance with all laws, the objectives, the articles of association of the Company, the resolutions of the Board of Directors and the resolutions of the Shareholders' Meeting. The Company Secretary has the statutory duties and responsibilities as follows:

- (1) Preparing and keeping the following documents:

(1.1) a register of Director;

(1.2) a notice calling for the Board of Directors’ Meeting, the minutes of the Board of Directors’ Meeting and the One Report of the Company;

(1.3) a notice calling for Shareholders' Meeting and the minutes of the Shareholders’ Meeting;
- (2) Keeping a report on interest filed by the Director or Executive and submit a copy of such report in accordance with section 89/14 to the Chairman and the Audit, Risk and Corporate Governance Committee Chairman within seven business days upon receipt;
- (3) Performing any other acts as specified in the notification of the Capital Market Supervisory Board. Apart from this, the Company Secretary has other duties as specified in the job descriptions and as assigned by the Company.



Furthermore, the company secretary also has other responsibilities as outlined in the job descriptions and assigned by the Company.

Profile of the Chief Financial Officer and the Chief Accountant is detailed in the “Profile of Board of Directors and Senior Executives” section.

Head of Internal Audit

The Audit, Risk and Corporate Governance Committee, in its meeting on February 20, 2023, approved the appointment of Ms. Vanassaporn Butsaba as the Head of the Internal Audit Unit.

Ms. Vanassaporn Butsaba is knowledgeable in carrying out her responsibilities within the Company, adhering to good corporate governance principles, assessing risks, and maintaining internal controls at both business and overall levels.

Profile of the Head of Internal Audit is detailed in the “Profile of Board of Directors and Senior Executives” section.

Head of Compliance


Mrs. Orn-A-Nong Witchucharn, the Group Chief Financial Officer, holds the position of Head of Compliance. The Head of Compliance is responsible for overseeing and ensuring adherence to the regulatory standards of the regulatory bodies governing the Company's business operations.


Profile of the Head of Compliance is detailed in the “Profile of Board of Directors, Senior Executives, and Head of Internal Audit.”


Head of Investor Relations

The Company has established an Investor Relations unit, with Mrs. Orn-A-Nong Witchucharn serving as the Head of Investor Relations. Senior management of the Company provides information and performance results, with Mrs. Orn-A-Nong Witchucharn being responsible for communicating this information to investors and all relevant parties. The goal is to ensure that investors receive accurate, equitable, and timely information about the Company. Additionally, the Company values external opinions and feedback, considering them as integral components in shaping the company's long-term goals and strategies.

Contact Information

Telephone : +66 2285 0040

Email : ir@thaiwah.com

Company website : www.thaiwah.com

Investor Relation Activities in 2023

Activity	Times per Year
Analyst Meeting	4
Opportunity Day	1
Teleconference	4
Press Conference	1
Interview	1

Auditor Remuneration

Auditor of the Company

EY Office Limited

Audit Fee

The Company and subsidiary companies paid the audit fees to the audit firm for the year 2023 for a total amount of Baht 7,191,000 and for a total amount of Baht 3,346,943 for six of its subsidiaries based abroad, details as follows:

Company	Auditor Remuneration
Thai Wah Public Company Limited	Baht 2,500,000
Subsidiary companies	
14 companies in Thailand	Baht 4,691,000
3 companies in Vietnam	VND 680,000,000 (approximately Baht 992,857)
1 company in China	CNY 252,720 (approximately Baht 1,241,978)
1 company in Cambodia	USD 22,150 (approximately Baht 770,868)
1 company in Indonesia	IDR 149,000,000 (approximately Baht 341,240)

Non-Audit Fees

The Company paid the fees for agreed upon procedures to the audit firm for the year 2023 for a total amount of Baht 120,000.

Other Information

Relations with Major Shareholders’ Business Group	None
Issuance of non-ordinary shares	None
Legal dispute	None
Secondary market	The Company no listed securities in the stock exchange markets of other countries
Frequently contacted financial Institutions (Only for the case where the Company issues debt Instruments)	The Company did not issue any debt instruments in 2023.

# Corporate Governance

## Key Operating Results

### Summary of Duty Performance of the Board of Directors in the Past Year

#### Board of Directors Meetings

The Board of Directors holds regular meetings at least four times a year and may convene special meetings as necessary. The Company Secretary will notify the Board members of the schedule of regular meetings in advance during the fourth quarter before the start of the new fiscal year, allowing the directors to allocate time to participate. The Company encourages each director to attend at least 75 percent of all Board meetings in the fiscal year unless there are compelling reasons preventing attendance. Additionally, the Company establishes clear agendas for each meeting and sends meeting documents (in written, electronic, and/or other specified formats) to the directors in advance, no less than five days before the meeting, to provide sufficient time for review. For subcommittees, the Audit, Risk and Corporate Governance Committee schedule meetings every quarter and may convene additional meetings as needed. The Nomination and Remuneration Committee schedules at least one meeting per year and may hold additional meetings as appropriate.

At each board meeting, senior executives attend to provide details and respond to the Board members' questions. The Chairman presides over the meeting, allowing all Board members to express their opinions

openly before voting and summarizes the resolutions of each agenda. During the voting process, the Company promotes a minimum quorum of at the time of the vote for a minimum of two out of three Board members must be present at the meeting, ensuring the effectiveness and compliance of the meeting with good corporate governance principles.

For the minutes of meetings of the Board of Directors and its subcommittees, the Company Secretary is responsible for maintaining detailed written records covering all important information, key comments, and members' queries in a comprehensive and clear manner. The Company also archives the original meeting reports and accompanying documents, storing both physical and electronic copies for the convenience of inspection.

In the year 2023, the Company conducted a total of four Board of Directors meetings, with a participation rate of 94.23 percent. Additionally, there were four meetings of the Audit, Risk and Corporate Governance Committee. Furthermore, there were two meetings of the Nomination and Remuneration Committee.

#### Meeting attendance of each Board member

No.	Name-Surname	Meetings in 2023					
		Board of Directors (4 times)			Annual General Meeting (1 time)	Subcommittee	
		Total	In Person	Via electronic media		ARCG (4 times)	NRC (2 times)
1.	Mr. Ho KwonPing	4/4	●●●●	●	1/1		
2.	Mr. Ariel P Vera	4/4	●●●●	-	1/1		
3.	Mr. Ho KwonCjan	3/4	●●●●	-	1/1		
4.	Mr. Ho Ren Hua	4/4	●●●●	-	1/1		
5.	Ms. Ho Ren Yung	3/4	●	●●	0/1		
6.	Mr. Umnad Sukprasongphol	4/4	●●●●	-	1/1		

No.	Name-Surname	Meetings in 2023					
		Board of Directors (4 times)			Annual General Meeting (1 time)	Subcommittee	
		Total	In Person	Via electronic media		ARCG (4 times)	NRC (2 times)
7.	Mr. Prateep Lertvatanakijkul	4/4	●●●●	-	1/1		
8.	Mr. Vudhiphol Suriyabhivadh	4/4	●●●●	-	1/1	4/4	2/2
9.	Mr. Subhak Siwaraksa	4/4	●●●●	●	1/1	4/4	1/2
10.	Mr. Chanin Archjananun	4/4	●●●●	-	1/1	4/4	2/2
11.	Ms. Parnsiree Amatayakul	3/4	●●●●	-	1/1		
12.	Mrs. Supattra Paopiamsap	4/4	●●●●	-	1/1		
13.	Dr.Jingjai Hanchanlash <sup>(1)</sup>	1/1	●	-	1/1	1/1	2/2

Remark : (1) Dr.Jingjai Hanchanlash completed his directorship term in the 2023 Annual General Meeting of Shareholders dated April 21, 2023.

Furthermore, the Company stipulates that at least one meeting of the non-executive directors should be held annually, providing an opportunity for non-executive directors to discuss various matters independently. These meetings exclude executive directors and are aimed at discussing issues related to management, corporate development, and succession planning. In the year 2023, there were two meetings of the non-executive directors where the discussed topics and conclusions were summarized and presented to the Board of Directors. The meeting outcomes were communicated to the management team for consideration in the ongoing development and planning of the Company.

#### Supervising and overseeing the management team in formulating strategies and annual plans

In 2023, the Company's Board of Directors reviewed and established policies, directions, and business operation strategies, including reviewed the vision, mission, and business goals of the Company to align with the objectives of the business. Objectives, goals, and strategies were developed or reviewed for the Company's business over a 3-5 year medium-term period, ensuring that the strategies and plans communicated or conveyed to everyone in the organization were driven or implemented in the same direction and could achieve the objectives and core goals of the business as specified. The Board of Directors assigned senior management to report on the implementation results to the board at each Board meeting.

#### Director Remuneration

The 2023 Annual General Meeting of Shareholders approved the remuneration for the Board of Directors and directors who are members of the subcommittees as follows.

Position	Remuneration/ Meeting/ Person (Baht)
Chairman of the Board of Directors	278,250
Independent Director	189,000
Non-Executive Director	189,000
Executive Director	166,950
Chairman of the Audit, Risk and Corporate Governance Committee	94,500
Member of the Audit, Risk and Corporate Governance Committee	50,400
Chairman of the Nomination and Remuneration Committee	94,500
Member of the Nomination and Remuneration Committee	50,400
Member of the Strategic and Innovation Committee	31,500 <sup>(1)</sup>
Member of the Sustainability Committee <sup>(2)</sup>	31,500 <sup>(1)</sup>

Remark: (1) Total estimate fee not exceeding Baht 1 million per year  
(2) The Sustainability Committee was appointed by the Board of Directors on February 21,2023.

The Company does not pay other benefits apart from the above remuneration to the Board of Directors and Subcommittees.

Remuneration of the Company’s directors in 2023

No.	Name-Surname	Monetary Remuneration (Baht)					Total (Baht / Year)
		Board of Directors	ARC	NRC	SIC	Sustainability	
1.	Mr. Ho KwonPing	1,113,000	-	-	-	-	1,113,000
2.	Mr. Ariel P Vera	756,000	-	-	-	-	756,000
3.	Mr. Ho KwonCjan	756,000	-	-	-	-	756,000
4.	Mr. Ho Ren Hua	667,800	-	-	-	-	667,800
5.	Ms. Ho Ren Yung	756,000	-	-	-	-	756,000
6.	Mr. Umnad Sukprasongphol	667,800	-	-	-	-	667,800
7.	Mr. Prateep Lertvatanakijkul	667,800	-	-	-	-	667,800
8.	Mr. Vudhiphol Suriyabhivadh	756,000	378,000	100,800	31,500	63,000	1,379,700
9.	Mr. Subhak Siwaraksa	756,000	201,600	100,800	31,500	63,000	1,152,900
10.	Mr. Chanin Archjananun	756,000	201,600	100,800	123,000	63,000	1,244,400
11.	Ms. Parnsiree Amatayakul	756,000	-	-	31,500	31,500	819,000
12	Mrs. Supattra Paopiamsap	756,000	-	-	61,500	63,000	880,500
Total		9,164,400	781,200	302,400	279,000	283,500	10,810,500

Remuneration of the Company’s director who has completed his directorship term in 2023

No.	Name-Surname	Monetary Remuneration (Baht)					Total (Baht / Year)
		Board of Directors	ARC	NRC	SIC	Sustainability	
1.	Dr. Jingjai Hanchanlash	189,000	50,400	189,000	31,500	31,500	491,400
Total		189,000	50,400	189,000	31,500	31,500	491,400

Remark : Dr. Jingjai Hanchanlash completed his Directorship term on April 21,2023.

Governance of the Subsidiaries

The Company has established policies for overseeing and managing subsidiary companies and joint ventures, as well as policies for preventing conflicts of interest, in order to efficiently manage the operations of subsidiary companies and joint ventures. These policies include the following details:

(1) The Company authorizes the Board of Directors to appoint suitable individuals to serve as directors and executives in subsidiary companies. In the case of operating arms or joint venture companies, the Chief Executive Officer may appoint suitable individuals to serve as directors in those companies.

The number of representatives from the Company will be based on the proportion of shares held in each respective company.

(2) The Company defines the roles and responsibilities of directors who represent the Company in subsidiary companies and joint ventures to ensure compliance with the Company policies and to act as the most effective representatives for the benefit of the subsidiary companies and joint ventures, in accordance with the Company policies. They must also oversee the internal control systems of subsidiary companies

adequately, control transactions correctly according to laws and relevant criteria, and ensure that subsidiary companies provide important information for Board meetings so that Board representatives of the Company can track information promptly.

(3) The Company monitors and oversees subsidiary companies and joint ventures to ensure compliance with established policies, including governance, conflict of interest prevention, internal data usage for benefit, and anti-corruption. This includes

supervision, monitoring, and compliance at the same level as the Company's internal governance, as well as ensuring compliance with relevant laws, regulations, and rules. This is to maintain a high standard of corporate governance practices for subsidiary companies and joint ventures.

The list of directors who serve on the boards of subsidiary companies and joint ventures has been disclosed under the " Details of Directors of the Subsidiaries" section.

Compliance with the Corporate Governance Policy and Guidelines

Use of Inside Information

To maintain equitable treatment of shareholders and prevent the misuse of confidential information, the following measures have been implemented.

- Establishing codes of conduct on the use of inside information and confidentiality and data privacy and incorporating it with the Business Code of Conduct Manual.
- The Board of Directors of the Company approved the policy on dealing in securities of the Company which prohibits any directors, management and employees from disclosing such confidential and price-sensitive corporate information for personal gain or for any other reason not in the Company's interest or dealing in the Company's shares while in possession of unpublished confidential and price-sensitive information during the “embargo period” which is defined as one month before and up to the date of announcement of results for each of the first three quarters and the full-year financial results of the Company’s financial year. The policy and reminder of the embargo period have been communicated to directors, management and employees on an annually and quarterly basis to strictly comply with this policy.

- The company secretary notifies the directors and management of their responsibility to file report of their holding of the Company’s securities to the Securities and Exchange Commission. The securities holding report is also included in the agenda items of the Board meeting for the Board's acknowledgment once every quarter.
- Consistently reinforcing regulations and policies concerning the handling of insider information among directors, executives, and employees through multiple channels, including incorporating it into Board meeting agendas, sending emails to all associates, posting on the Company’s intranet, and addressing it during new employee orientation. It has effectively ensured that 100 percent of the total associates of the organization understand the critical importance of handling inside information.
- During 2023, the Company found no instances related to abuse of inside information.



Details of Securities held by Directors and Management in the Company

No.	Name-Surname	Number of Shares Held			Shareholding Proportion
		As of December 31, 2022	No. of shares changed in 2023 Increase / (Decrease)	As of December 31, 2023	
1.	Mr. Ho KwonPing	56,740,573	-	56,740,573	6.45%
	Spouse and minor child	453,961	-	453,961	0.05%
2.	Mr. Ariel P Vera	1,926,105	-	1,926,105	0.22%
	Spouse and minor child	-	-	-	-
3.	Mr. Ho KwonCjan	34,416,488	-	34,416,488	3.91%
	Spouse and minor child	-	-	-	-
4.	Mr. Ho Ren Hua	9,518,324	(410,80 0)	9,929,124	1.13%
	Spouse and minor child	-	-	-	-
5.	Ms. Ho Ren Yung	-	-	-	-
	Spouse and minor child	-	-	-	-
6.	Mr. Umnad Sukprasongphol	226	-	226	0.00%
	Spouse and minor child	7,014	-	7,014	0.00%
7.	Mr. Prateep Lertvatanakijkul	100,000	-	100,000	0.01%
	Spouse and minor child	-	-	-	-
8.	Mr. Vudhiphol Suriyabhivadh	-	-	-	-
	Spouse and minor child	213,053	-	213,053	0.02%
9.	Mr. Subhak Siwaraksa	-	-	-	-
	Spouse and minor child	-	-	-	-
10.	Mr. Chanin Archjananun	-	-	-	-
	Spouse and minor child	-	-	-	-
11.	Ms. Parnsiree Amatayakul	-	-	-	-
	Spouse and minor child	-	-	-	-
12.	Mrs. Supattra Paopiamsap	-	-	-	-
	Spouse and minor child	-	-	-	-
13.	Dr. Naruemon Srisuma	-	-	-	-
	Spouse and minor child	-	-	-	-
14.	Ms. Orn-A-Nong Witchucharn	10,000	-	10,000	0.00%
	Spouse and minor child	-	-	-	-

Prevention of Conflict of Interest

To prevent conflicts between personal interests and those of the Company’s interests, the Company established code of conduct on conflict of interest and incorporating it with the Business Code of Conduct Manual. Actions taken include:

- Defining policies and guidelines for Board members at Board meetings. Any director involved in matters with possible conflicts of interest must leave the meeting unless the Chairman allows him or her to stay to provide answers to questions from other directors. However, the person must abstain from voting on that item.
- Arranging vested interest report form for directors and executives under the specified criteria. A director or an executive is required to submit a report from the first time they took position, as well as on a quarterly basis. The requirement was fulfilled by all (100 percent) directors and executives this year.
- Arranging a conflict of interest report form in electronic format. The Company’s directors, executives, and associates are required to report their conflict of interest on their first day at the Company, the yearly report, or each time a possible conflict exists. In 2023, the Company received 100 percent responses.
- Providing executives and employees with information concerning conflicts of interest through multiple channels, including sending emails to all associates, posting on the Company’s intranet, and addressing it during new employee orientation. It has effectively ensured that 100 percent of the total associates of the organization under stand the policy and practices on prevention of conflict of interest.
- In 2023, the Company found one instance involving the misuse of conflict of interest.

Whistleblowing Policy

Whistleblowing Channel

Telephone	+66 (0) 2285 0040	
Facsimile	+66 (0) 2285 0255	
Postal mail	Head of Internal Audit Unit Thai Wah Public Company Limited 21/11, 21/13 Thai Wah Tower 1, 6 <sup>th</sup> Floor South Sathorn Road, Tungmahamek, Sathorn Bangkok 10120, Thailand	
Email	The Chairman of the Board The Chairman of Audit, Risk and Corporate Governance Committee Head of the Internal Audit Unit	bod@thaiwah.com arc@thaiwah.com ia@thaiwah.com
Website	www.thaiwah.com	

Whistle-Blowing Reporting Procedures

- The whistle-blower can complain via whistleblowing channels verbally or in writing.
- If the whistle-blower wishes not to disclose his/her name, there must be sufficient factual details or clear evidence to provide grounds for believing that a violation of laws, rules and regulations or the Company’s Code of Conduct had occurred in the Company’s business.
- The complaint shall be deemed confidential. However, if he/she does disclose his/her identity, this would allow the Company to report him/her the outcome of the investigation or additional particulars concerning the matter of complaint.

Investigation Procedure

- 1) Upon receiving the whistleblowing, the Internal Audit (IA) team as assigned by the Audit, Risk and Corporate Governance Committee (ARC) will gather all the reported cases and ensure that the issues raised are professionally and independently addressed.
- 2) The IA team will then investigate, access, and propose the appropriate procedures for managing the whistleblowing to the ARC.
- 3) The ARC will consider the results and enforced the disciplinary actions based on the Company’s rules and regulations and/or file the police report.
- 4) The ARC Chairman will then report the conclusions of the investigation to the Board of Directors.

Whistle-Blowers Protection Mechanism

- 1) All concerns and irregularities will be treated confidentially and access to the information will be limited only to responsible persons. Any information of the whistle-blower will not be disclosed.
- 2) The collaborator and the officers involved in the investigation will be protected as well as the whistle-blowers.
- 3) If the whistle-blower made an allegation in bad faith or for personal gain, appropriate action will be taken against him/her which might be disciplinary action and/or legal prosecution.
- 4) If a whistle-blower believes that he/she is being subjected to discrimination, retaliation, or harassment for having made a report, he/she should immediately report those facts to the Board of Directors or the Audit, Risk and Corporate Governance Committee or the IA Team through one of the above whistle-blowing channels.
- 5) Those who receive harm will be compensated in a fair and appropriate manner.

Ensure Engagement and Communication with Shareholders

Ensure that shareholders can participate effectively in decision-making involving significant corporate matters

- The Company encourages all shareholders to enjoy their basic rights, including the right to receive dividends, sufficient and timely information in a format suitable for decision-making, the right to attend and vote in shareholders’ meetings, and all other rights of shareholders according to the law.
- The Board makes sure that all important matters of the Company have been approved in the shareholders’ meetings with strict compliance with the laws and the Company’s articles of association.
- The Board allows shareholders to submit meeting agendas in advance of the 2024 Annual General Meeting of Shareholders. The criterion for submission is disclosed on the Company’s website.
- The Board ensures that notices of shareholders’ meetings contain correct, complete, and sufficient information to exercise shareholders’ rights and are delivered to shareholders in accordance with the time required by law.
- The Board allows shareholders to submit questions in advance at the Annual General Meeting of Shareholders. The criterion for submission is specified in the meeting notice.
- The Company prepares the documents for the shareholders’ meeting in both Thai and English.
- In 2023, the Company conducted the Annual General Meeting of Shareholders in electronic format. The Company distributed documents such as registration guides, voting procedures, and proxy forms along with the meeting notice, allowing shareholders time to review in advance and providing contact channels for any inquiries. For institutional investors requiring extensive document verification, the Company liaised with their representatives to coordinate and provide accurate and complete documentation prior to the meeting day.

Ensure that the shareholders’ meetings are conducted properly, with transparency and efficiency

- The Board has a policy to facilitate convenience for shareholders, including institutional investors, to participate in shareholder meetings. It also opens opportunities for shareholders who are unable to attend the meetings in person to appoint proxies to others or to appoint independent directors to attend and vote on their behalf.
- The Board shall ensure that there is no action to restrict the opportunity to attend the meeting or create undue burdens on the shareholders, such as not requiring the shareholders or proxies to present documents or evidence of identity that exceeds normal regulations and guidelines.
- The Company conducts meetings electronically, utilizing technology (shareholder meeting system) for registration, vote counting, and result presentation, ensuring that the meeting proceedings are conducted swiftly and accurately.
- The Chairman presides over shareholder meetings, ensuring that the meetings adhere to relevant laws, regulations, and standards, as well as the Company’s article of association. The Chairman also provides shareholders with opportunities to express opinions and raise questions fully during the meeting on matters relevant to the meeting agenda.
- The Company’s Board oversees the proper disclosure of resolutions passed at meetings and the accurate and timely preparation of shareholder meeting minutes of meeting.

Adherence to corporate governance practices as outlined in the Corporate Governance Code (CG Code)

The Company is committed to maintaining and upholding high standards of good corporate governance within the Company. It has continuously adapted and applied good corporate governance practices by reviewing and aligning with the principles outlined in the Corporate Governance Code (CG Code) to suit the business context. Currently, the Company’s practices deviate in some aspects from the guidelines set forth in the CG Code as follows:

Corporate Governance Guideline	The Company’s Practice
The Chairman of the Board of Director shall be an independent director.	The Board has appointed the Chairman of the Board by considering the knowledge, ability and understanding of the Company’s business nature. This is essential for decision-making that are in the best interests of the Company and its shareholders. To ensure the Board facilitates independent judgment for decision-making. The Board therefore appointed the Chairman of the Audit, Risk and Corporate Governance Committee who is an independent director to consider the agenda of the Board’s meeting together with the Chairman of the Board.
Listed companies should arrange six or more Board meetings per year.	In 2023, the Board convened four meetings in which the Board has completed their duties and responsibilities as stipulated in the Board charter.

Corporate Governance Policy and Code of Business Conduct in Detail

Details of Corporate Governance Policy and Code of Business Conduct is disclosed in the Company’s website (www.thaiwah.com) under the heading Corporate Governance.

Internal Control

The Company has introduced an internal control mechanism, an operational procedure designed to guarantee the effectiveness of the Company's functions for all involved parties, from the Board of Directors to our associates. This aims to ensure the precision and dependability of financial reporting, in addition to adherence to policies, regulations, and rules. The internal control process contributes to enhancing the efficiency and effectiveness of the current operational system.

Internal control is crucial for the successful operation of the Company. It is a responsibility shared by all management and employees. Executives are responsible for implementing the policies set by the Company's Board of Directors, cultivating a sense of responsibility in subordinates, and promoting a conducive environment for internal control. The selection of ethical, honest, and capable individuals, along with appropriate assignment of duties and responsibilities, is a key aspect. Employees are tasked with consistently adhering to organizational rules and policies to ensure efficient operational outcomes while maintaining awareness of the importance of internal control.

Internal control practices must be consistent throughout the organization, with internal audits conducted by knowledgeable personnel who report their findings to the management. Employees must promptly report any suspected fraudulent activities. The Company has established mechanisms for internal audits through its Internal Audit and Risk Management department, conducting audits, investigations, and reporting the results regularly to the Audit, Risk and Corporate Governance Committee, as well as coordinating with all departments and factory groups. The Company evaluates the effectiveness of the internal control and risk management systems annually following the guidelines of the Securities and Exchange Commission and the principles of the Committee of Sponsoring Organizations of the Treadway Commission - Enterprise Risk Management (COSO-ERM). The Company communicates the importance of internal control to employees, ensuring consistent and adequate adherence. The Company has a tracking mechanism to ensure regular internal control reviews by relevant department heads for critical processes, with annual reviews and follow-ups by conducting internal audits to ensure that internal controls are sufficient and consistent.

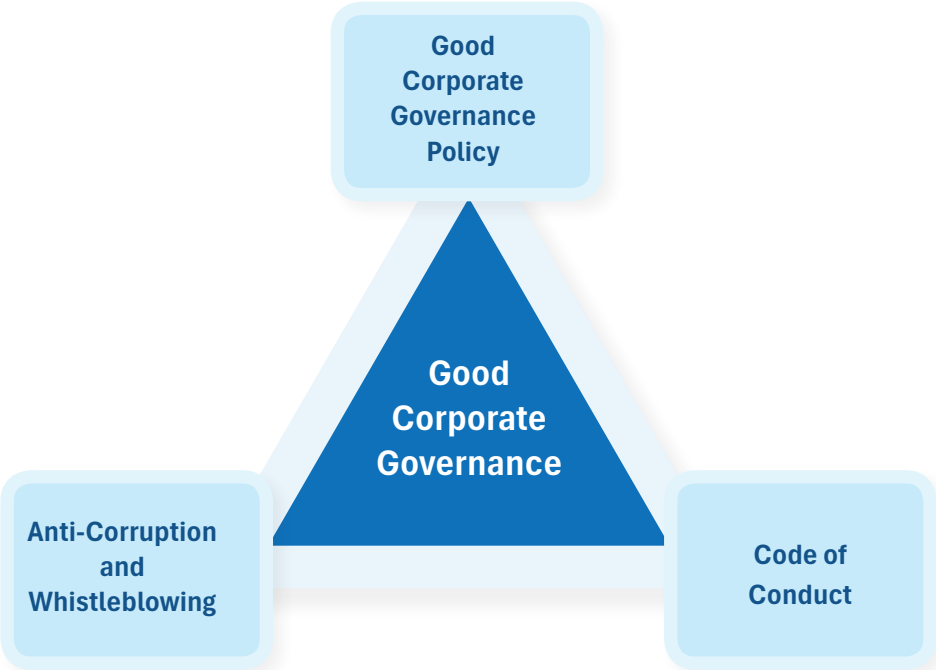
The Board of Directors emphasizes the importance of planning risk management, addressing both inherent and control risks, to maintain risk at an acceptable level and mitigate significant impacts on business operations. This includes oversight of subsidiaries, transactions with related parties, and adequate connections with related entities. This ensures the Company's business operations are efficient and effective according to policies and goals. It also aids in providing accurate and reliable financial information through the implementation of internal control and risk management systems following the COSO-ERM guidelines, as follows:

Risk Culture

The internal environment or risk management culture is a crucial component in shaping the framework and guidelines for enterprise risk management. It serves as the foundation for the components of the risk management framework as well. To ensure that both management and employees have sufficient knowledge and training in risk management, fostering a risk management culture is essential. This includes awareness, understanding, and the ability to effectively use the risk management framework for efficient risk assessments. In 2023, training sessions on risk management and internal control were conducted throughout the organization, encompassing various facilities and departments within the Thai Wah Group, both domestically and internationally. Training participants underwent knowledge tests, organizational risk assessments, and collaborative discussions for joint risk management planning. The training engagement reached 50 percent of the total employees in the past year. In 2024, the Company plans to continue conducting continuous training for all units. The outcomes of the risk management and internal control training include the establishment of organizational risk registers, enhancement of employee knowledge and understanding, and the solicitation of diverse opinions. Additionally, regular reporting on risk assessment results has been implemented, with internal audit units providing risk assessment reports to management, the Audit, Risk and Corporate Governance Committee every quarter. The conducted training not only equipped employees with the necessary knowledge and skills for risk assessment but also allowed the Company to carry out new risk management assessments across the organization, share knowledge, and promote collaborative risk management practices. Emphasis was placed on selecting strategies aligned with the company's vision, mission, and operations. In 2023, the company formulated a plan to raise awareness among employees regarding risk management in line with the business continuity management system.

Control Environment

The Board of Directors has established an effective management system and defined a clear and appropriate organizational structure that allows for independence, efficient operations, and effective communication of information. Goals and policies have been clearly defined for operational procedures to ensure the company achieves its predetermined objectives. Operations are conducted with efficiency, transparency, and fairness towards both the company and external stakeholders, following the policies outlined below:



Objective setting

The Board of Directors has determined the objectives to departments, factory and staff about the strategies that including the implementation policy, rules and regulations. These objectives and goals have been communicated to staff, departments and factories to align with the overall Company’s objectives.

Event identification or risk factors

The Board of Directors have identified events or factors for both internal and external risks that may have unfavorable impact to the Company goals and objectives at corporate and operations level. This is included process of review and monitor those risk factors regularly.

Risk assessment

The Board of Directors has established a risk management department, assigning them the responsibility to facilitate risk management in each department and throughout the group of factories. This is done to provide guidance in overseeing, preventing, and managing risks to minimize the potential impact on the business, ensuring that the predetermined objectives are met. The risk management department evaluates risks on both sides, considering the impact of potential events (Impact) and the likelihood of risk occurrence (Likelihood). Reports and results are communicated to the management and the Audit, Risk and Corporate Governance Committee every quarter. Risk assessments are conducted at two levels: inherent risk and residual risk. This allows for an assessment of the effectiveness of existing risk management measures and determines whether current controls are sufficient or excessive. If the residual risk level is higher than the organization's acceptable level, management must develop and implement a risk management plan accordingly.



Control Activities

The Board of Directors establishes a clear operational framework by specifying standard operating procedures to ensure a transparent and correct way of conducting business. There are four measures as follows:

- (1) **Preventive Control:** These are control measures designed to prevent risks and errors, such as setting policies, organizing the organizational structure, segregating duties to prevent fraud, controlling access to documents, information, and assets, and assigning passwords to authorized system users.
- (2) **Detective Control:** These are control measures designed to detect errors in operations, such as auditing, analysis, reconciliation, physical counting, and reporting of deficiencies.
- (3) **Directive Control:** These are control measures that promote or stimulate the successful outcome of tasks according to the established objectives. Examples include creating motivation in work, and the considerate management of supervisors.
- (4) **Corrective Control:** These are control measures designed to rectify errors that have occurred or to find ways to prevent recurring errors in the future. Examples include securely backing up critical organizational data, conducting fire evacuation drills in case of fire, and specifying conditions in contracts for compensation in case of insurance.

Information System and Communication

The Board of Directors recognizes the importance to the information system and effective communications by assigning the information technology department to regulate, monitor, and continuously develops the IT system to be up to date to the current trends of technology. Since 2017, the Company and subsidiaries have implemented the Enterprise Resource Planning (ERP) for entire data management across all functions. This ERP helps the Company to enable data management effectively with the timely decision making. Apart from this, the Board has also established policies based on the laws of Computer Related Crime Act to govern the use of sensitive information and the Company’s IT equipment. The information of policy, regulation and code of conduct included documentations and other announcements are communicated within the organization through channels via email and intranet to the employees.

Monitoring

Due to the current changes and uncertainties in the business environment, which may affect both opportunities and risks and may lead to the emergence of new risks, the Company must have a continuous risk monitoring mechanism. This includes tracking the progress of risk management plans to ensure that environmental changes do not impact the Company's risk profile and level. The Company organizes regular Board meetings and Audit, Risk and Corporate Governance Committee meetings at least quarterly. Regular executive management meetings are regularly conducted to analyze, assess, and summarize operational performance against business objectives, followed by planning and adjusting operational guidelines. The Company also tracks corrective actions for identified shortcomings, utilizing performance evaluation systems to assist in monitoring and evaluating performance against set objectives or goals.

Furthermore, the Internal Audit department, being an independent unit, is assigned to serve as another channel for receiving information or complaints, including the useful whistleblowing mechanism. This ensures confidence that the company has processes in place for managing information or complaints transparently and fairly, following good corporate governance principles.

From the policies and guidelines regarding the internal control system and risk management practices, the Board of Directors has reviewed and determined that the Company's internal control system and risk management practices are sufficient, appropriate, effective, and no significant deficiencies have been identified in the internal control system and risk management practices of the Company.

Assessment of Adequacy of Internal Control and Risk Management Systems By the Audit, Risk and Corporate Governance Committee and the Board of Directors

The Board of Directors oversees that the Company maintains efficient internal control and risk management systems to attain its goals and align with the corporate strategy. Furthermore, they verify compliance with applicable laws and standards. The Board of Directors believes that the internal control in regard to accounting is satisfactory, allowing auditors to provide an accurate opinion on the financial statements for the year ending December 31, 2023.

The Board of Directors has approved the evaluation report on the adequacy of internal controls, as reviewed by the Audit, Risk, and Corporate Governance Committee. Both concur that the Company's internal control system, encompassing organizational control, risk assessment, operational control, information and communication systems, and monitoring systems, is sufficient. The Company has allocated adequate personnel to efficiently execute these operations, and no significant deficiencies have been identified in the internal control system.

The Head of Internal Audit

The Head of the Internal Audit Unit is responsible for incorporating risk assessment results as part of strategic planning as well as analyzing key organizational risks to presenting them to the Audit, Risk, and Corporate Governance Committee for independent consideration. The Head of the Internal Audit Unit is tasked with developing and presenting risk management plans at least once a year, as well as reviewing the Company's risk management framework to align with its operations and best practices. Additionally, they facilitate risk-related meetings, supporting the identification, assessment, and management of risks, ensuring accuracy and appropriateness. The Head of the Internal Audit Unit, overseen by the Audit, Risk, and

Corporate Governance Committee, coordinates with the internal audit team to ensure that the risk management framework is implemented throughout the organization.

The Audit, Risk and Corporate Governance Committee, in its meeting on February 20, 2023, approved the appointment of Ms. Vanassaporn Butsaba as the Head of the Internal Audit Unit. This decision was based on her knowledge, expertise, and training in internal audit practices, having attended relevant seminars conducted by the Institute of Internal Auditors Thailand. She also possesses experience in auditing and examining financial statements of various businesses, making her well-suited for the role. Furthermore, she demonstrates a good understanding of the processes and operations of different activities and units within the company, making her suitable and effective in performing the assigned duties. Therefore, it was deemed that Ms. Vanassaporn Butsaba is well-qualified to carry out the responsibilities of the Head of the Internal Audit Unit.

The Internal Audit Unit reports directly to the Audit, Risk and Corporate Governance Committee. The appointment, transfer and dismissal of the Head of Internal Audit must be approved by the Audit, Risk and Corporate Governance Committee which is one of the duties as specified in the charter.

Profile of the Head of the Internal Audit

Ms. Vanassaporn Butsaba  
Senior Manager - Internal Audit & Risk Management

Age 46 years

Appointed

- February 20, 2023

Highest Educational Background / Director Certificate Program

- Master's degree, Faculty of Science and Technology in Technology for Sustainable Development, Thammasat University
- Pre-Certified Internal Auditor, Chulalongkorn University
- COSO ERM 2017 - Risk Management course connected to COSO 2013
- Workshop on new concepts of internal control according to COSO 2013 Internal Control - Integrated Framework
- In-depth techniques for integrated modern risk management, National Institute of Development Administration (NIDA)
- Sampling for Internal Auditors
- Creative Problem-Solving Techniques for Auditors, The Institute fo Internal Auditors of Thailand (IIAT)

- ISO22301 Business Continuity Management Internal Auditor, BSI Training Academy
- Critical Thinking, Creative conflict management, Strategic Negotiation, Thailand Productivity Institute (FTPI)
- Basic fire extinguishing, Licensed by the Department of Labor Protection and Welfare
- ISO/CD 9001:2015, AJA Registra
- Office 365 For user, AJA Registra
- Recruitment strategies and interview techniques, HR Center

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Senior Manager - Internal Audit & Risk Management, Thai Wah Public Company Limited

In Non-Listed Companies

- None

Shareholding in the Company

- None

Family Relation between Directors & Management

- None

Related Party Transaction

Transactions between the Company or the subsidiaries and its related parties which may give rise to a conflict of interest are made under normal commercial terms, determined at fair price and at arm's length basis, details as follows:

Sales and Purchase of Goods

Payee	Payer	Detail of Transactions/ Contract	Pricing Policy	Amount (million Baht)	Name of Persons with Mutual Interest	Relationship	Necessity and Reasonableness of Transactions
TWPC	TWPL	Sales of goods	Market price	0.28	LRH KCH CSH	Common shareholders and directors Common-director Common-director	Sales of goods in the ordinary course of business The price is based on normal commercial terms and at arms' length basis
		Outstanding balance		0.02			

Rental and Service Expenses

Payee	Payer	Detail of Transactions/ Contract	Pricing Policy	Amount (million Baht)	Name of Persons with Mutual Interest	Relationship	Necessity and Reasonableness of Transactions
TWPL	TWPC	Rental and service expenses for office at Bangkok and document storage (total area of 2,177 sqm.) at Thai Wah Tower 1 for 3 years from 1 January 2021 to 30 September 2025.	Rental and services expenses at the rate of Baht 225 - 289 / sqm. / month. Rental rate and service expenses are in line with market rate as compared with other buildings in a similar location, Terms and conditions are similar to those applied to other tenants.	16.22	LRH KCH CSH	Common shareholders and directors Common-director Common-director	Rental of the Group corporate head office. The building is well located and has good amenities
		Outstanding balance		2.79			
		Public utility expenses	Public utility expenses are charged as actual, similar to those charged to other tenants	3.52			Convenience of payment
		Outstanding balance		0.48			
TWPL	TWPC	Other service expenses	Actual charge at market price	2.80	LRH KCH CSH	Common shareholders and directors Common-director Common-director	To facilitate the business operations of the Company
		Outstanding balance		0.24			

Rental and Service Expenses

Lender	Borrower	Principal Pricing Policy		Interest Income (million Baht)	Interest Rate per Annum	Name of Persons with Mutual Interest	Relationships	Necessity and Reasonableness of Transactions
		Amount (million Baht)	Increase (Decrease)					
TWPC	MJ	8.05	-	0.13	At rate 4% per annum	TWPC US	Major shareholder Director from TWPC under the portion of shareholding	The Company granted loan to MJ in the past since the Company foresaw an opportunity to generate profit in the future. The Company held 49.99% shareholdings in MJ. After MJ disposed its land in 2003, MJ had partially settled its debts to the Company.  The Company has constantly reminded MJ to settle its outstanding debts owed to the Company. Unfortunately, MJ has experienced financial difficulties and does not have any other assets which could be sold to repay its outstanding debts owed to the Company. Apart from this, MJ's shareholders' equity is in negative. Therefore, the Company has set aside an allowance for doubtful debt in respect of MJ's total outstanding debts owed to the Company.

Procedures for Approving Related Party Transactions

Transactions between the Company or the subsidiaries and its related parties which may give rise to a conflict of interest are scrutinized by the Management and proposed to the Audit, Risk and Corporate Governance Committee to opine on the transactions. Once recommended by the Audit, Risk and Corporate Governance Committee, the transactions will be proposed to the Board of Directors or the Board of Directors and the shareholders for approval depending on the nature and size of transactions in accordance with the provisions of the Capital Market Supervisory Board. Any director or management who has an interest in, or is related to, such transaction will not participate in the decision making process.

Such transactions have to be made under normal commercial terms, determined at fair price and at arm's length basis.

Abbreviations

LRH	=	Laguna Resorts & Hotels Public Company Limited
MJ	=	Mae Joe Land Company Limited
TWPC	=	Thai Wah Public Company Limited
TWPL	=	Thai Wah Plaza Limited
KCH	=	Mr. Ho KwonCjan
US	=	Mr. Umnad Sukprasongphol
CSH	=	Mr. Shankar Chandran



# Management Discussion and Analysis

## Business Overview

For starch business, 2023 was the one of the tough years due to shortage of cassava roots supply in Thailand. According to the survey findings from four tapioca starch associations, it was determined that the tapioca output for the 2022/2023 crop year amounted to just 26.6 million tons, marking a decline from the 31.6 million tons harvested during the 2021/2022 crop season. This root output drop was due to 1) Farmers harvesting the root prematurely, resulting in a reduced starch yield 2) The decline in yield due to the Cassava Mosaic virus. 3) The effects of drought, resulting in a lower rate of stem germination. 4) The impact of root rot caused by flooding in certain Northeastern areas in late 2022. This shortage of root supply resulted in a price increase of 14 percent compared with last year (source: Company). In term of demand side, total Thailand native tapioca starch volume dropped 24 percent from 3.76 million tons in 2022 to 2.87 million tons in 2023, while export value dropped 17 percent from Baht 63,658 million to in 2022 to Baht 52,535 million in 2023 (Source: Thai Customs). The decrease occurred due to a scarcity of tapioca roots, resulting in inadequate tapioca starch supplies to fulfill the demand. The economics in China, the largest market for tapioca starch, experienced a slowdown, and some users to switch to alternative starches such as corn starch during this shortage. The average export selling price increase 12 percent from Baht 16.9 per kilogram in 2022 to Baht 18.3 per kilogram in 2023 (source: Thai Customs) reflected on this native starch supply shortage. The Company uses the USD and CNY as two main selling export currencies. The average USD/THB was 34.96 in 2023, dropped 0.7 percent from 2022, while the average CNY/THB was 4.98 percent dropped 5.6 percent from 2022 (Source: Bank of Thailand). However, the Company’s subsidiary in China still grew in 2023 reflected the strong demand of ROSE BRAND in the China market.

For the domestic market food business, sales continued to grow from distribution expansion, the new product launch with support from macroeconomics that Thailand’s GDP (Gross Domestic Product) growth by 1.8 percent (Source: Bank of Thailand), lower than expectation as the contraction in goods export. The Company managed the growth in food business three times higher than GPD growth rate.

The government policies that promoted new target industries (New S-curve) were the center of the world’s quality agricultural products and food, the concept of Bio-circular economy (BCG), and the green economy would play an essential role in stimulating consumption and investment. Therefore, the Company focused on creating added value for agricultural products to enhance competitiveness and support the country’s food security and the world. It also helped strengthen economic, social, and environmental matters.

Thai Wah remarkably commits to contributing to the sustainability project development for the Company to grow sustainably with society. As a Thai Wah Farmer network member, the farmer will be encouraged to cultivate more sustainably according to international principles, Sustainable Agriculture Institute (SAI), which covers three dimensions: society, economy, and environment. The Company received the SAI certification for sustainability management in 2023.

In addition, the Company has issued a declaration of intent with the members of the Association of Global Compact Network of Thailand (UN Global Compact) and Thailand Carbon Neutral Network to set a common goal to achieve zero greenhouse gas emissions (Net Zero) by 2050.

Thai Wah has adopted the technology to reduce production costs, promoted resources management efficiently developed agricultural products to be higher value-added. This innovation started with sourcing raw materials, production, and sales and marketing management to meet the needs of customers and consumers worldwide, such as healthy food products and bio-plastic pellets. All these strategies would contribute to the Company’s overall performance in 2023, which is expected to grow continuously compared to the previous year. However, risk factors must be monitored, such as climate variability, the shortage of cassava root, exchange rate volatility and the price of electricity and other energy costs, and the price of raw materials that had an upward trend which impacted the production cost increase.

## Key factors affecting the Company’s operating results in 2023

1. The increase of raw material cost higher than the increase of average selling price.

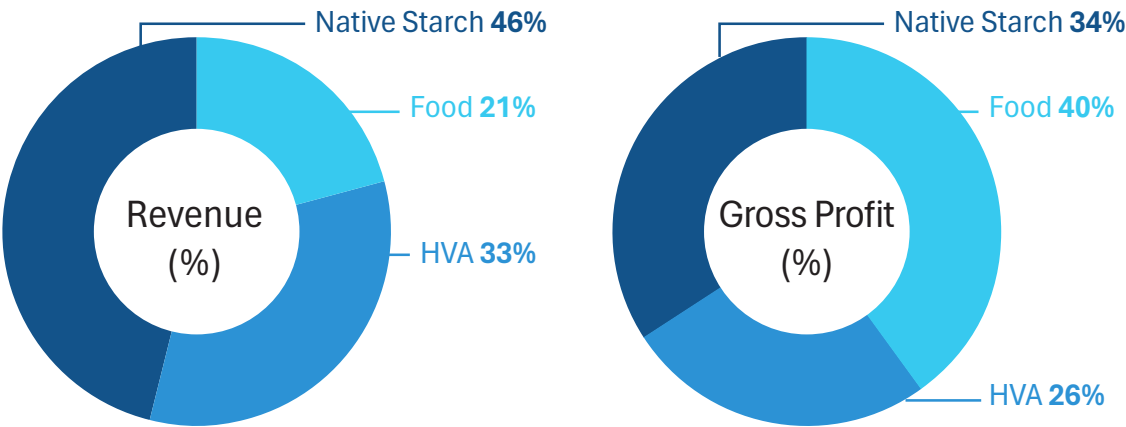
The average tapioca root price in 2023 was Baht 3.34 per kilogram (Source: The Thai Tapioca Trade Association), an increase of 13.6 percent from 2022, with an average price of Baht 2.94 per kilogram. The increase was due to the root shortage situation in Thailand from early harvest roots, drought causing low starch content root, and the impact of cassava mosaic virus caused the output decrease. The average price of tapioca starch exports had increased from 2022 with an average price of approximately USD 498 per ton to an average price of USD 556 per ton (Source: The Thai Tapioca Trade Association), or an increase of 11.6 percent. The major currencies for tapioca export are USD and CNY, which had unfavorable impact for exporters in 2023 as mentioned in previous section. Thus, the increase of average selling price less than the average cost increase caused the low spread margin for Tapioca starch business in 2023.

For food business, even trend of imported raw material price going down that situation of global supply chain disruption and Russia-Ukraine war were better than the prior year, the local raw material price i.e. rice, tapioca starch went up significantly from the impact of weather, and other factors for tapioca starch as mentioned above. The Company adjusted the selling price in some key products but still cannot cover the increase of the raw materials price.

2. The global economics was sluggish.

With the slow global economic growth at 2.9 percent, the Company got the impact from the demand from US and Europe markets drop as customers faced a low offtake in those markets. For China, which is the key trading partner country for tapioca starch business, economic growth was at 5.2 percent, slow pace than the which was impacted from the weakness in the real estate sectors and persistently tepid global demand that caused domestic consumption slow down. However, the Company’s subsidiary in China can grow with low single digit, even the volume of Tapioca starch Export from Thailand to China dropped 20 percent from last year. For Vietnam, one of our key country, economics growth at 5.05 percent, lower than 2022 growth at 8 percent. This was due to decreased global and Chinese demand for its exports, issues in electricity supply and the slow in foreign direct investment. Some of key customers of the Company were also impacted from the slow demand from their overseas customers. The Company put the effort to manage diversification of customer and product portfolio to mitigate risk and foster sustainable growth.

## The Operating Results 2023



Tapioca root shortage in the year 2023 impacted all tapioca related product volume decreased comparing to the year 2022. From surveying of four cassava associations, root volume of crop 2022/2023 decreased 20 percent from the prior crop. And root volume of crop 2023/2024 still decrease from crop 2022/2023 about 7.5 percent. This also impacted the raw material cost of our product. Moreover, the increase in energy costs significantly impacted the production cost. However, the Company total sales decreased only 2 percent from last year. The Company total sales were Baht 10,231 million, which decreased by Baht 190 million or 2 percent from the total sales last year, mainly affected by the lower volume of starch business net to the higher price of tapioca starch and growth of food business. The Company’s sales were from the starch business of Baht 4,745 million or 46 percent, revenue

from the high value-added products business of Baht 3,333 million or 33 percent, and revenue from the food business of Baht 2,153 million or 21 percent. As a result, the Company recorded a net profit of Baht 28 million and a gross profit of Baht 1,544 million, comprising 34 percent of which was attributable to the tapioca starch business, 26 percent of which was attributable to the high value-added products business, and 40 percent of which was attributable to the food business. As a result, the Company’s gross profit margin was 15 percent, decreased from last year’s 3 percent, and net profit was 0.3 percent, a decrease from last year’s 2.6 percent. The increase in raw material price, energy cost and transportation rate mainly impacted the margin decrease. The operating results were shown according to each business as follows:

	2021		2022		2023	
	MB	%	MB	%	MB	%
THAILAND						
NATIVE STARCH	1,625	18	1,932	19	1,444	14
HVA	1,741	19	2,172	21	2,288	22
FOOD	1,706	19	1,930	19	2,090	20
OTHER	116	1	90	1	203	2
TOTAL REVENUE FROM THAILAND	5,188	57	6,124	59	6,026	59
INTERNATIONAL						
NATIVE STARCH	2,607	29	2,886	28	3,095	30
HVA	1,166	13	1,206	12	988	10
FOOD	67	0	85	1	63	1
OTHER	77	1	120	1	60	1
TOTAL REVENUE FROM INTERNATIONAL	3,917	43	4,297	41	4,205	41
TOTAL SALES	9,105	100	10,421	100	10,231	100

**Remark:** The revenue was shown by distribution channels, which had eliminated the transaction between the tapioca starch business and the food business

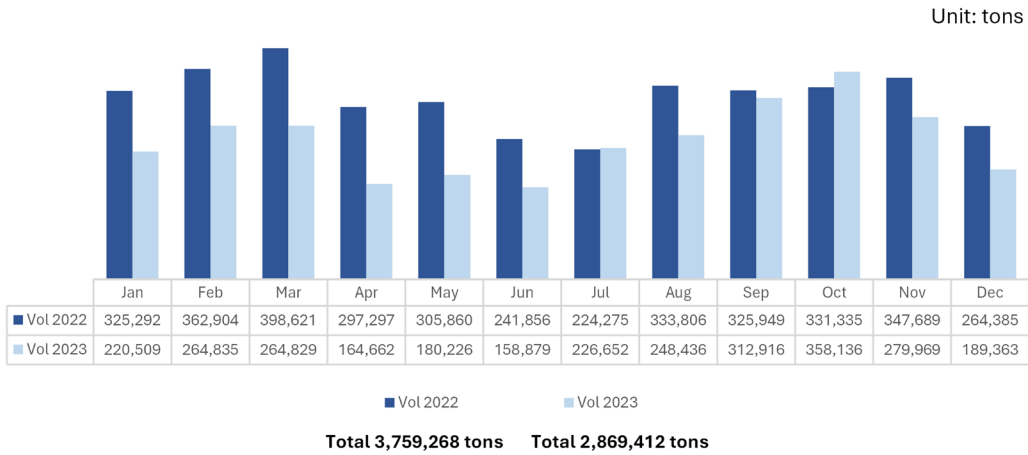
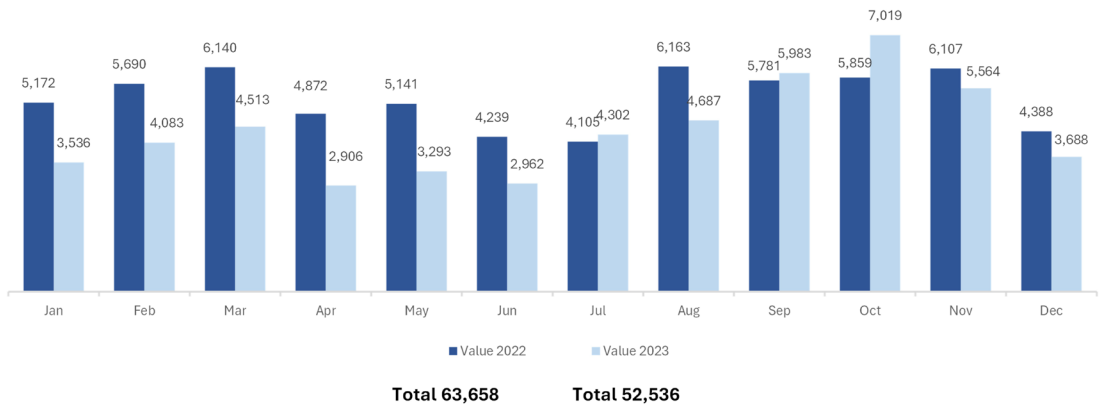
Revenue from tapioca starch business

The tapioca starch business recorded total sales of Baht 4,745 million, a decrease of 6 percent from Baht 5,061 million in the previous year. The value-added tapioca starch (HVA) business recorded total sales of Baht 3,333 million, a decrease of 0.4 percent from Baht 3,345 million in the previous year. The decrease in sales majorly resulted from the root shortage in 2023 which lowered the production and sale volumes and affected high raw material costs.

For 2023, the Company’s export volume decreased by 11 percent, and export value decreased by 3 percent. These numbers were significantly better than Thailand’s tapioca starch export volume for 2023, in which the export volume decreased by 24 percent; export value decreased by 17 percent YoY. (Source: Thai Customs).

However, the demand for tapioca starch used in food and industrial industries tends to increase continuously, especially in the key market countries. Therefore, the Company aimed to expand the cassava supply in key countries with cassava plantations, including Thailand, Vietnam, Laos, and Cambodia. This sourcing expansion will increase the supply source of raw materials and encourage farmers to grow tapioca by promoting smart farming technology. This technology would help increase the yield per rai and result in higher farmer household income.

Volume and value of tapioca starch exports in Thailand



Source: Thai Customs

Revenue from food business

The Company continued to maintain its position as one of the market leaders, especially for vermicelli products in Thailand which grew strongly in all major sales channels like the export, cash car unit, modern retail stores (modern trade), and Industrial & Catering channels. The growth is due to coverage expansion and more product assortments. In addition, the new products launched that offered hygiene and healthy food, which is part of the Company’s strategy of providing innovative healthy food convenient to consumers, was also the main driver for the sales growth.

The performance of the Company’s food business continued to grow, with total sales of Baht 2,153 million, an increase of 7 percent from Baht 2,015 million in the previous year. The domestic market was still the main market, accounting for 86 percent of total sales in the food business and 14 percent being export sales.

In addition, according to the Company’s sales growth in 2023, the Company was confident that it would maintain a growth rate higher than the industry’s growth rate as it was the basic food for consumption. With the strategy of sustainable growth enhancement, the profit growth increase from the growth in the sales of the existing product and the profit from the new product launch through research and food innovations that meet the new customer needs. The Consumer’s lifestyles in the new normal changed, and they were increasingly looking for safe and healthier foods- the Company’s approach to producing clean and healthy products to serve the trend of health-conscious consumers from the world-class standard production line, packed and sealed in safe packaging with properly registered food labeling. Our main strategy was “determined to deliver the best to consumers,.” In addition, the Company expanded its customer base to capture the current consumer behavior trend.

Financial Analysis

Income Statements

2021	2022		2023		2566	
	MB	%	MB	%	MB	%
SALES	9,105	100	10,421	100	10,231	100
COST OF SALES	7,288	80	8,545	82	8,672	85
GROSS PROFIT	1,817	20	1,876	18	1,559	15
SELLING AND ADMIN EXPENSE	1,361	15	1,474	14	1,466	14
OTHER PROFIT	71	1	40	0	47	0
OPERATING PROFIT	527	6	442	4	139	1
OTHER INCOME NOT DERIVED FROM THE ORDINARY BUSINESS	12	0	20	0	(2)	0
EARNING BEFORE INTEREST AND TAX	539	6	461	4	138	1
FINANCE COST	(64)	1	(57)	1	(67)	1
TAX EXPENSE	(77)	1	(72)	1	(19)	0
NET PROFIT	398	4	332	3	52	1
NET PROFIT OF CONTROLLING INTERESTS OF SUBSIDIARIES	(40)	0	(2)	0	20	0
ADJUSTED FROM NON-CASH ITEMS	(35)	0	(32)	0	(25)	0
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS	323	4	298	3	47	0

Sales

The Company recorded sales of Baht 10,231 million in 2023, a decrease of Baht 190 million, or 2 percent, from Baht 10,421 million in the previous year. The tapioca starch business accounted for the largest sales contribution at 46 percent, a 2 percent decrease from 2022. The high value-added products business sales contribution increased to 33 percent, 1 percent increase from 2022, while the food business sales contribution at 21 percent, 2 percent increase from 2022.

The sales from overseas subsidiaries accounted for 41 percent of the total sales, the same ratio as 2022. China is still the key export market for the tapioca starch business.

Gross Profit

The 2023 gross profit margin of the group was 15 percent, a decrease of 3 percent from last year. The increase in starch raw material was the main driver that dropped the gross profit. The Starch business gross profit for 2023 was 11 percent, which decreased 4 percent from the previous year. In addition, the increase in energy costs also significantly impacts the overall cost. For the Food business, the gross profit was 29 percent, which dropped 1 percent from the previous year majorly due to the increased raw material cost which increased 13 percent from last year.

Sales and Administrative Expenses

In 2023, the sales and administrative expenses were Baht 1,466 million, a decrease of Baht 8 million from last year. The main decrease was from the decrease in the logistic costs that aligned with the sale volume, the decrease of one-time bad debt provision, net to the increase in expense related to business expansion such as people’s cost, consulting fee and traveling expenses.

Earnings before Interest and Tax

The profit before income tax and finance cost margin in 2023 was Baht 138 million, a decrease of Baht 323 million from the previous year, mainly due to the decrease in gross profit of the starch, as mentioned above.

Net Profit Attributable to Shareholders

The net profit of the Company and its subsidiaries in 2023 was Baht 47 million, a decrease by Baht 251 million or 84 percent compared to 2022, mainly due to a decrease in gross profit of the starch, which is the impact from the increase of raw material price and energy cost. As a result, the Company’s profit before income tax and financial expense in 2023 was 1 percent, a decrease of 3 percent from the previous year.

Financial Position

Assets

Total assets as of 31 December 2023 amounted to Baht 9,403 million, an increase of Baht 681 million. The main reasons for the increase were:

- Cash and cash equivalents increased by Baht 89 million. The Company continued to reserve sufficient funds for working capital, especially for the high production season and capital investment project for capacity expansion.
- Other current financial assets decreased by Baht 73 million from a decrease in the investment in debt security.
- Trade accounts receivable and other accounts receivable were recorded at Baht 1,076 million, with an increase in trade accounts receivable of Baht 200 million from the previous year, due to higher sales in Q4 and mix of credit term of customer. The average debt collection period was 35 days. Accounts receivable that increases mainly aged in not pass

due. The Company had recorded the allowance for doubtful debts that may occur to the debtors who cannot pay debts in compliance with the financial reporting standards.

- Net inventory increased by Baht 258 million, or 14 percent, compared to the previous year, mainly due to the stock that we plan to support order in 2024 which has impact from root shortage situation, plus the increased unit cost. The Company’s average sale period was 54 days. Therefore, an allowance for inventory impairment was recorded for inventory management when the net realizable value was less than its costs.
- Property, plant and equipment, and land held for investment total Baht 3,792 million, which increased by Baht 238 million from the previous year. In 2023, the Company mainly invested in machines to expand the old production line and invest in new business such as new plant in Cambodia.

Sources of funds

Items	2021	2022	2023
Debt to equity ratio	0.55	0.55	0.74
Interest-bearing debts to equity ratio	0.28	0.28	0.48

Total liabilities as of 31 December 2023 amounted to Baht 4,008 million, an increase of Baht 930 million. The debt-to-equity ratio was 0.74. Moreover, the interest-bearing debt-to-equity ratio was 0.48. The increase in total liabilities arose mainly due to the reasons below:

- Long-term loans from financial institutes increased by Baht 70 million, and a short-term loan from a finance institute increased by Baht 932 million, mainly used for working capital of starch business which we stock up to support order in low season and used for investment and working capital of new business.

Shareholders’ Equity

Equity attributable to shareholders of the Company on 31 December 2023 was Baht 5,394 million, a decrease of Baht 249 million, or 4 percent, from the previous year. The calculation of this decrease is as followings:

- Retained earnings decreased by Baht 143 million from profits for the year of Baht 47 million with a deduction of the dividend payment of Baht 190 million during the year 2023.
- Decreased in other components of shareholders’ equity by Baht 80 million, from the foreign exchange translation of the financial statements of Baht 76 million and the adjustment of the investment according to the market price of Baht 4 million.
- Decreased in non-controlling interests of the subsidiaries by Baht 27 million, mainly due to loss sharing of Baht 20 million, the conversion of the financial statements of Baht 9 million and dividend payment of Baht 7 million, net to increase in share capital of Mae Joe Land Company Limited of Baht 8 million.



Liquidity

Cash Flow

(Unit: Million Baht)			
Items	2021	2022	2023
Cash flow from operating activities	442	677	21
Cash flow used in investing activities	(213)	(199)	(571)
Cash flow used in financing activities	(222)	(277)	706
Translation adjustments	29	(65)	(67)
Net increase (decrease) in cash and cash equivalents	36	136	89

As of 31 December 2023, the Company’s cash and cash equivalents amounted to Baht 1,114 million, an increase of Baht 89 million from the previous year. The main reasons were as follows:

- Net cash flow from operating activities was Baht 21 million, and the Company’s profit before tax was Baht 40 million.
- Net cash flow used for investing activities was Baht 571 million, derived mainly from payment for machinery and equipment to maintain, improve the production process, and expand the new business of Baht 636 million, invest in startup company Baht 27 million, net with received from redemption debentures before maturity of Baht 78 million, and interest revenue of Baht 12 million.
- Net cash flow from financing activities was Baht 706 million, mainly due to an increased in short-term loans during the year of Baht 931 million, drawdown long-term loan from financial institutions Baht 295 million, net to dividend payments totaling Baht 190 million, interest payment of Baht 77 million, payment for a lease agreement of Baht 47 million, repayment of long-term loans of Baht 224 million.

Key Liquidity Ratio

The Company’s total current assets as of 31 December 2023 were Baht 4,546 million, while total current liabilities were Baht 2,571 million. The liquidity ratio was 1.8, which decreased from the previous year due to short-term loans that are used as working capital of current and new business.

Commitments, Contingencies and Off-Balance Sheet Arrangement

The group had commitments and contingent liabilities; please refer to the Notes to consolidated financial statements 2023, number 31.

Major factors or influences that may affect the operation of the tapioca starch business in the future

The forecast of 2023/2024 tapioca crop is expected to drop to 24.7 million tons, drop 7.5 percent from the 2022/2023 Crop. The drop is caused by the drought, shortage of tapioca stems that farmers convert to plant other plants i.e., Corn, Eucalyptus. The Cassava Mosaic virus continues to spread-out in some areas. The tapioca starch associations worked with the Tapioca Development Institute of Thailand foundation to breed the tapioca stems to distribute to farmers.

The Forecast of tapioca root for Year 2023/2024 crop

Production Year	Year 2022/2023	Forecast 2023/2024	Change (%)
Plant area (Million Rai)	9.024	8.666	-3.96
Yield per rai (ton/rai)	2.956	2.847	-3.69
Total productivity (Million ton)	26.676	24.669	-7.52

Source: TTSA, Cassava survey team

Therefore, the Company monitors closely and has a strategic sourcing plan to ensure sufficient roots supply to the factories. The Company had worked with the Foundation of the Tapioca Development Institute of Thailand (TTDI) to prevent the spread of the virus by propagating the resistant tapioca stem that could propagate 20-80 times faster than the traditional way. Thai Wah currently has 12 greenhouses for cultivating virus-free tapioca stems. This greenhouse project could reduce the farmer’s cost in purchasing new virus-free stem up to Baht 600-1000 per rai. In addition, the Company surveyed the area, monitored the outbreak, and publicized the knowledge to the Company’s farmer network. The Company continuously expanded the farmer network program by giving farmers incentives and providing knowledge and cultivation technology to the farmers. These efforts resulted in a yield increase with lower plantation cost per rai. This technology included soil analysis, drone fertilization, water system management, planting tools, substitute crops to improve the soil, machines to reduce planting and harvesting time, etc. The purpose was to help farmers to get more output/ productivity and earn more income. This digital platform involves creating databases for farmers and ongoing cultivation monitoring, which tracks the growth of cassava plantations using satellite images with an accuracy level exceeding 90 percent.

It also analyzed and forecasted weather conditions daily, weekly, and monthly and forecasted rainfall weekly and monthly for over nine months in advance. Furthermore, the model for forecasting and analyzing yield and quality (percent of starch) was developed. All these digital platforms would help plan casava sourcing strategically. The Company also aimed to develop Thai Wah farmers to embrace technological changes and use the platforms as a decision-making tool to maximize efficiency. The new starch plant in Cambodia will start production in the first quarter of 2024 that will help to increase the supply with the strategy to diversify raw materials source outside Thailand. Social and community responsibilities were important to the business potential of Thai Wah. Therefore, Thai Wah worked towards sustainable agriculture through various projects and cooperated with many related agencies, including the government, the private sector, educational institutions, and social businesses, to drive agricultural sustainability through knowledge and technology that helped farmers develop their areas and communities and lay a business foundation for the new generation of farmers who wanted to return to their homeland for improving the quality of their livelihood, including helping to reduce environmental impact and the risk of agricultural products shortage in the future. In addition, Thai Wah worked with many external agencies for a common purpose to find a way to drive the improvement of the quality of farmer’s lives, enhance career paths and income, reduce inequality, and lead to sustainable poverty alleviation using scientific knowledge, technology, and innovation transfer as a tool and working integration for better productivity, especially the cultivation of tapioca.

For the price of tapioca starch in the export market, the price continued to be high same as last year supported the shortage of supply in the market.

Long-term plans and operational guidelines of the Company in 2024

The Company expects to be able to grow from 3 main strategies;

1. Create added value for products and services and new product development innovation. Also, the customer base expansion to other countries around the world through a strong technical sales team and an efficient online digital platform to increase closing with the customer to understand their preference.
2. Manage the end-to-end supply chain efficiently by applying digital technology to transform the work process from planting production to delivering to consumers through a sustainable management strategy.
3. Invest in companies with high growth potential, such as bioplastics, Agri-biotechnology, healthy food with high fiber and protein, or organic food. This investment included Thai Wah Ventures, focusing on investing in four key areas that would synergize with the current business.

All these factors would drive the profit growth from these factors 1) expansion of market base in various key channels, 2) efficiency of raw material sourcing, 3) managed effective cost throughout the production process, 4) growth from new product innovations, and 5) potential mergers and acquisitions.

To strengthen the business with sustainable growth and the ability to maintain industry leadership, the Company sources with responsibility and ensure fair trade pricing. This sourcing strategy will support the agricultural industry's stability in the long term. The fluctuation in raw material prices may be affected by various factors, including changes in global supply and demand, weather conditions, and measures implemented by the Ministry of Commerce. The Company remains confident of maintaining continuous growth. The Company has plans to expand its customer base worldwide.

The Company set an investment plan around Baht 1500- 2000 million in the few years, which consist of the following. Baht 1000 million will be invested in increasing the capacity of new native starch plant in Cambodia, the starch high

1. valued products and the food products capacity expansion.
2. Baht 200-300 million will be the energy saving project, and the annual maintenance.
3. Baht 100-500 million will be invested in investment through Thai Wah Ventures Company Limited focusing on start-up businesses that have synergy with the core business, the Merger Acquisition to support the potential business growth in the future.

The Company aims to maintain its business leadership in starch and starch food products. The Company's growth comes from two main driving factors. The first factor is the growth of the existing business. With over 77 years of experience in starch producer expertise, the Company has developed new products, including ready-to-eat products, to capture the trend of a new lifestyle that seeks convenience. In terms of operational excellence, the Company planned to utilize digital technology to drive efficiency in operations. In addition, the Company plans to invest in a start-up with high growth potential through Thai Wah Ventures Company Limited to create new potential growth for the Company's affiliated business. The second driving factor would be a potential merger & acquisition. The Company considers the shareholders' best interest and ensures that acquiring units would support the potential growth of existing business overall.

The Company aims to become "The World leader in tapioca starch and starch food business" with maintaining growth in sales and profit and keeping the dividend payment to shareholders.

# Financial Statements

# Board of Directors’ Responsibility for the Company’s Financial Statements

The Board of Directors is responsible for the Company’s financial statements including the notes to the financial statements.

In its review of the financial statements, the Board of Directors has relied upon the reports and work performed by the Company’s external auditors, EY Office Limited, and the Company’s Audit, Risk and Corporate Governance Committee which has carried out extensive discussions with management of the Company. The Board has also satisfied itself that there is no material weaknesses in the Company’s internal accounting controls, internal control system and standard operating procedures.

The Board of Directors is therefore able to conclude that the financial statements for the year ended 2023 have been prudently prepared in accordance with generally accepted accounting principles to give a correct and complete presentation, in all material aspects, the financial position of the Company.



Mr. Ho KwonPing  
Chairman of the Board



Mr. Ho Ren Hua  
Chief Executive Officer

## Thai Wah Public Company Limited and its subsidiaries

### Independent Auditor’s Report To the Shareholders of Thai Wah Public Company Limited

#### Opinion

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

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thai Wah Public Company Limited and its subsidiaries and of Thai Wah Public Company Limited as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

#### Basis for Opinion

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

#### Key Audit Matters

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

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

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



Thai Wah Public Company Limited and its subsidiaries

Independent Auditor’s Report

To the Shareholders of Thai Wah Public Company Limited

Revenue recognition - sale of goods

The revenue from sales is the significant amount in the statement of comprehensive income and is also the key indicator of business performance on which the users of financial statements focus. In addition, the Company has a large customer base. There is therefore a risk of the Company recognising revenue that has not actually occurred.

Our key audit procedures were as follows:

- Gaining an understanding of operations and internal control procedures related to the recognition of revenue from sale of goods.
- Assessing and testing the Company’s IT system and its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select sales documents to assess whether revenue recognition was consistent with the conditions of sales, and whether it was in compliance with the Company’s policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Company issued after the period-end.
- Performing analytical procedures on the relationship of the accounting transactions to the sale of goods and performing analytical procedures on disaggregated data to detect possible irregularities in transactions throughout the period.

Allowance for impairment of investments in subsidiaries

As discussed in Note 12 to the financial statements, because the impairment assessment on investments in subsidiaries is a significant accounting estimate requiring the management to exercise a high degree of judgment in identifying and estimating the recoverable amounts that are expected to be generated from those investments in subsidiaries. There is thus a risk with respect to the valuation of investments in subsidiaries. The recoverable amount of an asset is the higher of the asset’s fair value less costs to sell and its value in use.

Our key audit procedures were as follows:

- Assessing the identification of the financial models selected by the Company’s management by gaining an understanding of management’s decision-making process.
- Testing the significant assumptions applied by the Company’s management in preparing estimates of the recoverable amounts that are expected to be generated from the investments in subsidiaries, by comparing those assumptions with information from both internal and/or external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgment in estimating the cash flow projections.

Thai Wah Public Company Limited and its subsidiaries

Independent Auditor’s Report

To the Shareholders of Thai Wah Public Company Limited

- Evaluating the discount rate applied by the Company’s management through analysis of the average finance costs of the subsidiaries and from the available public information in industries.
- Testing the calculation of the realisable values of the investments in subsidiaries using the selected financial model.
- Considering the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term growth rates.

Other Information

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

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

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

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

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

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

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

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

Thai Wah Public Company Limited and its subsidiaries

Independent Auditor’s Report

To the Shareholders of Thai Wah Public Company Limited

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

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

Thai Wah Public Company Limited and its subsidiaries

Independent Auditor’s Report

To the Shareholders of Thai Wah Public Company Limited

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

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

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

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

*Wilaiporn Chaowiwatkul*

Wilaiporn Chaowiwatkul  
Certified Public Accountant (Thailand) No.9309

EY Office Limited  
Bangkok: 21 February 2024

Thai Wah Public Company Limited and its subsidiaries

Statement of financial position  
As at 31 December 2023

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	1,114,330,540	1,025,767,580	517,209,590	455,906,829
Trade and other receivables	6, 8	1,076,342,740	876,926,680	880,247,001	757,815,821
Short-term loans to and interest receivables from related parties	6	-	-	-	6,468,696
Current portion of long-term loans to and interest receivables from related parties	6	-	-	61,821,644	-
Inventories	9	2,068,536,686	1,810,781,871	815,950,925	745,615,871
Current tax assets		-	302,517	-	-
Other current financial assets	11	119,985,179	193,308,254	116,590,894	191,694,198
Other current assets		166,430,991	137,194,752	43,996,120	48,563,773
<b>Total current assets</b>		<b>4,545,626,136</b>	<b>4,044,281,654</b>	<b>2,435,816,174</b>	<b>2,206,065,188</b>
<b>Non-current assets</b>					
Restricted bank deposits	10	17,199,887	33,197,107	-	-
Other non-current financial assets	11	176,322,817	153,279,655	138,600,362	138,720,655
Investments in subsidiaries	12	-	-	1,259,175,027	1,105,501,310
Long-term loans to and interest receivables from related parties - net of current portion	6	-	-	700,346,167	638,853,035
Investment properties	13	71,039,251	71,189,341	8,332,811	9,175,107
Property, plant and equipment	14	3,792,216,838	3,554,131,273	2,309,289,101	2,276,565,732
Right-of-use assets	15	191,648,566	237,100,275	87,087,497	109,082,330
Intangible assets	16, 17	427,262,193	452,206,367	397,470,741	418,747,571
Goodwill	17	100,678,428	100,678,428	100,678,428	100,678,428
Deferred tax assets	26	47,804,910	32,376,549	-	-
Other non-current assets		32,767,239	43,610,751	6,953,573	5,617,527
<b>Total non-current assets</b>		<b>4,856,940,129</b>	<b>4,677,769,746</b>	<b>5,007,933,707</b>	<b>4,802,941,695</b>
<b>Total assets</b>		<b>9,402,566,265</b>	<b>8,722,051,400</b>	<b>7,443,749,881</b>	<b>7,009,006,883</b>

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

Thai Wah Public Company Limited and its subsidiaries

Statement of financial position (continued)  
As at 31 December 2023

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	18	1,359,805,148	428,274,648	850,000,000	300,000,000
Trade and other payables	6, 19	798,030,864	795,588,438	641,943,434	600,752,423
Current portion of long-term loans from and accrued interests to related parties	6	2,823,553	-	-	-
Current portion of lease liabilities	15	45,319,190	46,132,415	26,829,371	26,770,960
Current portion of long-term loans from financial institutions	18	286,452,527	202,860,000	286,452,527	202,860,000
Income tax payable		13,980,257	27,861,620	-	6,503,994
Other current financial liabilities	33.1	68,872	1,431,832	30,030	726,272
Other current liabilities		65,190,543	69,159,670	33,002,931	35,368,918
<b>Total current liabilities</b>		<b>2,571,670,954</b>	<b>1,571,308,623</b>	<b>1,838,258,293</b>	<b>1,172,982,567</b>
<b>Non-current liabilities</b>					
Long-term loans from and accrued interests to related parties - net of current portion	6	-	2,718,196	40,148,740	60,152,918
Lease liabilities - net of current portion	15	128,100,923	168,140,290	70,974,213	93,342,103
Long-term loans from financial institutions - net of current portion	18	918,726,816	932,271,851	918,726,816	932,271,851
Provision for long-term employee benefits	20	276,418,557	289,762,161	227,577,108	240,933,510
Deferred tax liabilities	26	99,119,728	108,512,734	69,932,606	77,601,926
Other non-current liabilities		14,039,211	5,420,656	3,133,365	3,133,365
<b>Total non-current liabilities</b>		<b>1,436,405,235</b>	<b>1,506,825,888</b>	<b>1,330,492,848</b>	<b>1,407,435,673</b>
<b>Total liabilities</b>		<b>4,008,076,189</b>	<b>3,078,134,511</b>	<b>3,168,751,141</b>	<b>2,580,418,240</b>

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



Thai Wah Public Company Limited and its subsidiaries

Statement of financial position (continued)  
As at 31 December 2023

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
<b>Shareholders' equity</b>					
Share capital					
Registered 880,420,930 ordinary shares of Baht 1 each		880,420,930	880,420,930	880,420,930	880,420,930
Issued and fully paid up 880,420,930 ordinary shares of Baht 1 each		880,420,930	880,420,930	880,420,930	880,420,930
Share premium		300,740,523	300,740,523	300,740,523	300,740,523
Surplus on the amalgamation		764,866,016	764,866,016	764,866,016	764,866,016
Surplus on changes in ownership interests in subsidiary		66,886,183	66,886,183	-	-
Retained earnings					
Appropriated - statutory reserve	22	89,705,000	89,705,000	89,705,000	89,705,000
Unappropriated		3,273,661,690	3,416,404,253	2,292,449,934	2,442,559,637
Other components of shareholders' equity		(328,642,249)	(248,994,073)	(53,183,663)	(49,703,463)
Equity attributable to owners of the Company		5,047,638,093	5,270,028,832	4,274,998,740	4,428,588,643
Non-controlling interests of the subsidiaries		346,851,983	373,888,057	-	-
<b>Total shareholders' equity</b>		<b>5,394,490,076</b>	<b>5,643,916,889</b>	<b>4,274,998,740</b>	<b>4,428,588,643</b>
<b>Total liabilities and shareholders' equity</b>		<b>9,402,566,265</b>	<b>8,722,051,400</b>	<b>7,443,749,881</b>	<b>7,009,006,883</b>

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

Thai Wah Public Company Limited and its subsidiaries

Statement of comprehensive income  
For the year ended 31 December 2023

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales		10,204,887,352	10,293,799,664	5,891,224,723	5,834,477,807
Services income		26,142,984	127,097,767	61,050,851	69,490,719
Dividend income	6, 12	-	-	36,029,502	3,845,147
Gain from fair value measurement of derivatives		6,273,014	2,551,383	3,827,894	1,829,288
Other income		52,990,214	42,472,785	44,432,753	35,046,578
<b>Total revenues</b>		<b>10,290,293,564</b>	<b>10,465,921,599</b>	<b>6,036,565,723</b>	<b>5,944,689,539</b>
<b>Expenses</b>					
Cost of sales		8,666,733,883	8,446,496,728	4,960,669,222	4,702,494,866
Cost of services		19,813,878	116,392,218	56,171,956	65,345,254
Selling and distribution expenses		727,467,181	747,056,959	405,707,802	398,119,162
Administrative expenses		764,859,941	732,063,729	552,632,341	533,703,774
<b>Total expenses</b>		<b>10,178,874,883</b>	<b>10,042,009,634</b>	<b>5,975,181,321</b>	<b>5,699,663,056</b>
<b>Profit from operating activities</b>		<b>111,418,681</b>	<b>423,911,965</b>	<b>61,384,402</b>	<b>245,026,483</b>
Finance income	23	5,739,529	2,579,134	31,596,140	31,219,797
Finance cost	24	(77,631,400)	(60,408,946)	(58,173,812)	(44,476,016)
<b>Profit before income tax expenses</b>		<b>39,526,810</b>	<b>366,082,153</b>	<b>34,806,730</b>	<b>231,770,264</b>
Income tax revenue (expenses)	26	(11,935,052)	(65,787,562)	5,078,404	(30,138,888)
<b>Profit for the year</b>		<b>27,591,758</b>	<b>300,294,591</b>	<b>39,885,134</b>	<b>201,631,376</b>

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

Thai Wah Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)  
For the year ended 31 December 2023

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currencies		(84,671,045)	(64,062,582)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(84,671,045)	(64,062,582)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain - net of income tax		-	58,320,780	-	48,734,671
Gain (loss) on investment in equity designated at fair value through other comprehensive income - net of income tax		(3,480,200)	7,265,120	(3,480,200)	19,489,120
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(3,480,200)	65,585,900	(3,480,200)	68,223,791
<b>Other comprehensive income for the year</b>		(88,151,245)	1,523,318	(3,480,200)	68,223,791
<b>Total comprehensive income for the year</b>		(60,559,487)	301,817,909	36,404,934	269,855,167
<b>Profit (loss) attributable to:</b>					
Equity holders of the Company		47,252,274	298,185,636	39,885,134	201,631,376
Non-controlling interests of the subsidiaries		(19,660,516)	2,108,955		
		27,591,758	300,294,591		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		(32,395,902)	297,193,351	36,404,934	269,855,167
Non-controlling interests of the subsidiaries		(28,163,585)	4,624,558		
		(60,559,487)	301,817,909		
<b>Basic earnings per share</b>					
28					
Profit attributable to equity holders of the Company		0.05	0.34	0.05	0.23

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

Thai Wah Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity  
For the year ended 31 December 2023

(Unit: Baht)											
Consolidated financial statements											
Equity attributable to owners of the Company											
Other components of equity											
Other comprehensive income											
Gain (loss) on investments in equity designated at fair value through other comprehensive income											
Exchange differences on translation of financial statements in foreign currencies											
Total other components of shareholders' equity											
Total equity attributable to owners of the Company											
Equity attributable to non-controlling interests of the subsidiaries											
Total shareholders' equity											
<b>Balance as at 1 January 2022</b>											
Profit for the year											
Other comprehensive income for the year											
Total comprehensive income for the year											
Dividend paid (Note 21)											
Dividend paid by the subsidiary											
<b>Balance as at 31 December 2022</b>											
<b>Balance as at 1 January 2023</b>											
Profit (loss) for the year											
Other comprehensive income for the year											
Total comprehensive income for the year											
Increase in non-controlling interests due to increase in registered capital of the subsidiary (note 12)											
Dividend paid (Note 21)											
Dividend paid by the subsidiary											
<b>Balance as at 31 December 2023</b>											

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

Statement of changes in shareholders' equity (continued)  
For the year ended 31 December 2023

	Separate financial statements						(Unit: Baht)
	Other components of equity						
	Other comprehensive income						
	Gain (loss) on investments in equity designated at fair value through other comprehensive income					Total other components of shareholders' equity	
	Issued and fully paid-up share capital	Share premium	Surplus on the amalgamation	Retained earnings			
				Appropriated - statutory reserve	Unappropriated		
<b>Balance as at 1 January 2022</b>	880,420,930	300,740,523	764,866,016	89,705,000	2,382,275,487	(69,192,583)	4,348,815,373
Profit for the year	-	-	-	-	201,631,376	-	201,631,376
Other comprehensive income for the year	-	-	-	-	48,734,671	19,489,120	68,223,791
Total comprehensive income for the year	-	-	-	-	250,366,047	19,489,120	269,855,167
Dividend paid (Note 21)	-	-	-	-	(190,081,897)	-	(190,081,897)
<b>Balance as at 31 December 2022</b>	880,420,930	300,740,523	764,866,016	89,705,000	2,442,559,637	(49,703,463)	4,428,588,643
<b>Balance as at 1 January 2023</b>	880,420,930	300,740,523	764,866,016	89,705,000	2,442,559,637	(49,703,463)	4,428,588,643
Profit for the year	-	-	-	-	39,885,134	-	39,885,134
Other comprehensive income for the year	-	-	-	-	-	(3,480,200)	(3,480,200)
Total comprehensive income for the year	-	-	-	-	39,885,134	(3,480,200)	36,404,934
Dividend paid (Note 21)	-	-	-	-	(189,994,837)	-	(189,994,837)
<b>Balance as at 31 December 2023</b>	880,420,930	300,740,523	764,866,016	89,705,000	2,292,449,934	(53,183,663)	4,274,998,740

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

Thai Wah Public Company Limited and its subsidiaries

Statement of cash flows  
For the year ended 31 December 2023

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Cash flows from operating activities</b>				
Profit before tax	39,526,810	366,082,153	34,806,730	231,770,264
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	486,737,653	496,478,009	298,693,260	287,504,046
Bad debt and allowance for expected credit losses (reversal of)	(934,193)	25,919,217	8,534,817	8,722,407
Increase in allowance for reducing cost of inventories to net realisable value	26,168,399	8,898,818	17,053,735	2,518,991
Allowance for loss on impairment of equipment	220,958	-	-	-
Loss (gain) on sales and write-off of property, plant, equipment and intangible assets	22,055	564,952	(1,008,838)	513,031
Loss on write-off of right-of-use assets	-	101,327	-	101,327
Loss on sales of investments and redemption debentures before maturity	1,422,698	1,026,056	1,422,698	1,064,653
Gain on changes in fair value of investments	(5,818,449)	(869,836)	(7,556,722)	(944,907)
Gain on changes in fair value of derivatives	(6,273,014)	(2,551,383)	(3,827,894)	(1,829,288)
Unrealised loss (gain) on exchange rates	(10,773,346)	19,486,588	752,090	11,780,562
Amortised transaction cost of deferred finance fees	1,135,270	561,851	1,135,270	561,851
Amortised transaction cost of debenture	-	461,401	-	461,401
Provision for long-term employee benefits	31,892,574	11,410,896	26,562,160	8,850,909
Actuarial gain from other long-term employee benefits	-	6,672,404	-	11,753,883
Interest income	(5,739,529)	(2,579,134)	(31,596,140)	(31,219,797)
Dividend income from related parties	-	-	(36,029,502)	(3,845,147)
Interest expenses	76,496,130	59,385,694	57,043,349	43,452,764
Profit from operating activities before changes in operating assets and liabilities	634,084,016	991,049,013	365,985,013	571,216,950

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



Thai Wah Public Company Limited and its subsidiaries

Statement of cash flows (continued)  
For the year ended 31 December 2023

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Operating assets (increase) decrease				
Trade and other receivables	(197,565,797)	(84,797,741)	(124,153,969)	(73,390,239)
Inventories	(283,923,214)	(204,153,007)	(87,388,789)	(90,071,665)
Other current assets	(26,443,240)	30,693,590	2,676,024	29,808,706
Other non-current assets	10,924,297	8,393,905	(1,336,046)	(728,000)
Operating liabilities increase (decrease)				
Trade and other payables	(18,907,047)	60,017,270	29,555,825	(21,158,838)
Other current liabilities	149,717	(7,524,349)	1,753,292	(10,611,144)
Other non-current liabilities	8,618,555	1,655,284	-	-
Cash flows from operating activities	126,937,287	795,333,965	187,091,350	405,065,770
Cash paid for long-term employee benefits	(45,236,178)	(17,910,467)	(39,918,562)	(11,402,883)
Cash paid for income tax expenses	(60,494,503)	(100,472,309)	(12,651,325)	(38,308,301)
<b>Net cash flows from operating activities</b>	<b>21,206,606</b>	<b>676,951,189</b>	<b>134,521,463</b>	<b>355,354,586</b>
<b>Cash flows from investing activities</b>				
Interest received	11,576,619	12,174,054	36,857,019	36,597,144
Decrease in short-term loans to related parties	-	-	6,417,993	8,082,007
Cash paid for long-term loans to related parties	-	-	(366,336,058)	(263,314,300)
Cash received from long-term loans to related parties	-	-	235,501,838	201,773,318
Acquisition of investments	(27,168,273)	(242,288,008)	(4,004,819)	(212,449,008)
Proceeds from sale of investments	-	544,204,020	-	534,165,422
Proceeds from redemption debentures before maturity	78,309,158	10,000,000	78,309,158	10,000,000
Acquisition of investments in subsidiaries	-	-	(153,673,718)	(216,988,750)
Acquisition of property, plant and equipment	(635,708,748)	(518,631,411)	(272,084,885)	(338,970,148)
Acquisition of intangible assets	(6,587,233)	(7,634,750)	(3,729,768)	(7,403,751)
Proceeds from sale of property, plant and equipment	8,989,223	3,229,698	8,529,319	2,142,996
Proceeds from sales of intangible assets	-	231,000	-	231,000
Dividends received from related parties	-	-	36,029,502	3,845,147
<b>Net cash flows used in investing activities</b>	<b>(570,589,254)</b>	<b>(198,715,397)</b>	<b>(398,184,419)</b>	<b>(242,288,923)</b>

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

Thai Wah Public Company Limited and its subsidiaries

Statement of cash flows (continued)  
For the year ended 31 December 2023

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Cash flows from financing activities</b>				
Decrease in restricted bank deposits	15,460,620	10,008,099	-	-
Increase in short-term loans from financial institutions	931,530,500	140,738,341	550,000,000	300,000,000
Cash received from long-term loans from related party	100,000	-	-	60,000,000
Cash paid for long-term loans from related party	-	-	(20,000,000)	-
Cash received from long-term loans from financial institutions	295,000,000	1,000,000,000	295,000,000	1,000,000,000
Repayment of long-term loans from financial institutions	(224,037,778)	(131,430,000)	(224,037,778)	(131,430,000)
Cash paid for redemption of debentures	-	(1,000,000,000)	-	(1,000,000,000)
Cash paid under lease agreements	(46,887,567)	(39,090,620)	(28,344,455)	(23,100,717)
Interest paid	(76,910,918)	(65,410,666)	(57,806,034)	(50,643,387)
Dividends paid	(189,846,016)	(189,863,002)	(189,846,016)	(189,862,714)
Increase in non-controlling interests due to increase in registered capital of subsidiary	7,997,900	-	-	-
Dividends paid by the subsidiaries to non-controlling interests	(6,870,389)	(1,649,073)	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>705,536,352</b>	<b>(276,696,921)</b>	<b>324,965,717</b>	<b>(35,036,818)</b>
Translation adjustments	(67,590,744)	(65,276,904)	-	-
<b>Net increase in cash and cash equivalents</b>	<b>88,562,960</b>	<b>136,261,967</b>	<b>61,302,761</b>	<b>78,028,845</b>
Cash and cash equivalents at beginning of year	1,025,767,580	889,505,613	455,906,829	377,877,984
<b>Cash and cash equivalents at end of year</b>	<b>1,114,330,540</b>	<b>1,025,767,580</b>	<b>517,209,590</b>	<b>455,906,829</b>
	-	-	-	-
<b>Supplemental cash flow information</b>				
Non-cash items				
Undue installments for acquisition of property, plant and equipment	92,759,751	61,707,833	64,141,074	51,740,551
Undue installments for acquisition of computer software	1,750,000	1,177,000	1,750,000	1,177,000
Addition right-of-use assets and lease liabilities	6,034,976	72,728,320	6,034,976	55,815,157
Sales of equipment that has not yet been collected	-	-	5,893,451	5,893,451
Dividend payables	1,029,266	880,013	1,028,834	880,013
Loss (gain) on investments in equity designated at fair value	4,350,250	(9,081,400)	4,350,250	(24,361,400)
Reclassification of right-of-use assets to investment properties	-	1,051,455	657,369	9,463,091
Reclassification of short-term loans to related parties to long-term loans to related parties	-	-	-	141,451,000
Reclassification of long-term loans to related parties to investments in subsidiaries	-	-	-	132,558,417
Reclassification of account receivables to investments in subsidiaries	-	-	-	20,662,685

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

Thai Wah Public Company Limited and its subsidiaries

Notes to consolidated financial statements  
For the year ended 31 December 2023

1. General information

1.1 General information of the Company

Thai Wah Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of vermicelli, tapioca starch and other food products. Its registered address is 21/11, 21/13 Thai Wah Tower 1 Bldg., 6th Floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

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

Company’s name	Nature of business	Country of incorporation	(Unit: percent)	
			Percentage of shareholding	
			2023	2022
Thai Wah Alpha Starch Company Limited	Manufacture and distribution of alpha starch	Thailand	100.00	100.00
DI Company Limited	Manufacture and distribution of tapioca starch	Thailand	99.98	99.98

Thai Wah Public Company Limited and its subsidiaries

Notes to consolidated financial statements  
For the year ended 31 December 2023

Company’s name	Nature of business	Country of incorporation	(Unit: percent)	
			Percentage of shareholding	
			2023	2022
Thai Nam Tapioca Company Limited	Manufacture and distribution of tapioca starch	Thailand	70.00	70.00
Tapioca Development Corporation Limited <sup>(1)</sup>	Manufacture and distribution of modified tapioca starch	Thailand	100.00	100.00
Tay Ninh Tapioca Joint Stock Company <sup>(2)</sup>	Manufacture and distribution of tapioca starch, glucose and candy	Vietnam	70.00	70.00
Thai Wah Vietnam Company Limited	Manufacture and distribution of food products (vermicelli and other products)	Vietnam	100.00	100.00
Thai Wah International Trade (Shanghai) Company Limited	Distribution of tapioca starch	China	100.00	100.00
TWPC Investment (Cambodia) Company Limited	Manufacture and distribution of tapioca starch	Cambodia	100.00	100.00
PT Thai Wah Indonesia <sup>(3)</sup>	Distribution of tapioca starch, rice flour and glucose	Indonesia	100.00	100.00
Thai Wah Agri Biotech Company Limited <sup>(4)</sup>	Distribution of agri-biotech products	Thailand	100.00	-
Thai Wah International (India) Private Limited <sup>(5)</sup>	Distribution of tapioca starch and bioplastic	India	100.00	-
Asia Tapioca Products Company Limited <sup>(6)</sup>	Holding company	Thailand	99.50	99.50
Thai Wah Ventures Company Limited <sup>(7)</sup>	Holding company	Thailand	100.00	100.00
Thai Wah Bio Power Limited	Generation and sale of electricity	Thailand	99.99	99.99
Bangpakong Turakij Company Limited	Landholding	Thailand	100.00	100.00
Thai Wah (6) Company Limited	Landholding	Thailand	100.00	100.00
Bang Thao (6) Company Limited	Landholding	Thailand	100.00	100.00
Tha Thungna Land Company Limited	Landholding	Thailand	100.00	100.00
Thai Sin Tapioca (1989) Company Limited	Landholding	Thailand	100.00	100.00
Mae Hong Son Land Development Limited	Landholding	Thailand	84.99	84.99
Thai Nam Tapioca (1) Company Limited	Landholding	Thailand	70.00	70.00
Mae Joe Land Company Limited <sup>(8)</sup>	Landholding	Thailand	50.01	50.01
Thai Modified Starch Company Limited	Landholding	Thailand	94.75	94.75

<sup>(1)</sup> The shareholding percentage in Tapioca Development Corporation Limited included indirect holding of 66.67% by a subsidiary of the Company.

<sup>(2)</sup> The shareholding percentage in Tay Ninh Tapioca Joint Stock Company included indirect holding of 0.01% by a subsidiary of the Company.

<sup>(3)</sup> The shareholding percentage in PT Thai Wah Indonesia included indirect holding of 1.00% by a subsidiary of the Company.

<sup>(4)</sup> The shareholding percentage in Thai Wah Agri Biotech Company Limited included indirect holding of 0.01% by a subsidiary of the Company.

<sup>(5)</sup> The shareholding percentage in Thai Wah International (India) Private Limited included indirect holding of 1.00% by a subsidiary of the Company.

<sup>(6)</sup> The shareholding percentage in Asia Tapioca products Company Limited included indirect holding of 69.50% by a subsidiary of the Company.

<sup>(7)</sup> The shareholding percentage in Thai Wah Ventures Company Limited included indirect holding of 0.01% by subsidiaries of the Company.

<sup>(8)</sup> The shareholding percentage in Mae Joe Land Company Limited included indirect holding of 0.02% by a subsidiary of the Company.

Thai Wah Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2023

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currencies” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

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

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

Thai Wah Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2023

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

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

Rendering of services

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

Rental income

Rental income arising from operating leases of properties is accounted for on a straight-line basis over the lease terms and treated as revenue earned in the ordinary course of business.

Interest income

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

Dividends

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

Finance cost

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

4.2 Cash and cash equivalents

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

4.3 Inventories

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

Raw materials and factory supplies are valued at the lower of cost (under the weighted average method) and net realisable value and are charged to production costs whenever consumed.



Thai Wah Public Company Limited and its subsidiaries

Notes to consolidated financial statements  
For the year ended 31 December 2023

4.4 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method less allowance for loss on impairment (if any).

4.5 Investment properties

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

Depreciation of investment properties which is office building for rent is calculated by reference to their costs on the straight-line basis over estimated useful lives of 3 years. Depreciation of the investment properties is included in determining income.

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

4.6 Property, plant and equipment / Depreciation

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

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

Buildings and building improvement	5 - 40 years
Machinery and equipment	5 - 20 years
Furniture, fixtures and office equipment	3 - 10 years
Vehicles	5 - 15 years

Depreciation is included in determining income.

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

4.7 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

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

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A summary of the intangible assets with finite useful lives is as follows:

Customer relationship	4 - 16 years
Computer software	3 - 10 years

No amortisation is provided on intangible assets under installation. Intangible asset with indefinite useful life i.e. trademarks is not amortised, but is tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite useful life of the intangible assets is reviewed annually.

4.8 Goodwill

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

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

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

4.9 Leases

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

The Group as a lessee

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

Right-of-use assets

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

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

Leasehold rights on land	30 - 50 years
Land	1 - 12 years
Buildings	1 - 10 years
Motor vehicles	2 - 4 years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group’s incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

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

The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

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

4.10 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company. They also include associates and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors or officers with authority in the planning and direction of the Company’s operations.

4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company’s functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity. Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period. Gains and losses on exchange are recognised in determining income.

4.12 Impairment of non-financial assets

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

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An impairment loss is recognised in profit or loss.

In the assessment of asset impairment, if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

#### 4.13 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 and other long-term employee benefits*

##### *Defined contribution plans*

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

##### *Defined benefit plans and other long-term employee benefits*

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other special retirement benefits when they reach the retirement age in accordance with the Group policy and other employee benefit plans. The Group treats these severance payment obligations and special benefit as defined benefit plans. In addition, the Group provides other long-term employee benefit plans, namely long service awards.

The obligations under the defined benefit plans and other long-term employee benefit plans are determined by a professionally qualified independent actuary based on actuarial techniques, using the Projected Unit Credit Method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit or loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognises restructuring-related costs.

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#### 4.14 Provisions

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

#### 4.15 Income tax

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

##### **Current tax**

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

##### **Deferred tax**

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

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

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

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

#### 4.16 Financial instruments

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

##### **Classification and measurement of financial assets**

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



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For the year ended 31 December 2023

#### ***Financial assets at amortised cost***

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

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

#### ***Financial assets designated at FVOCI (equity instruments)***

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

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

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

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

#### ***Financial assets at FVTPL***

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

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

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

#### **Classification and measurement of financial liabilities**

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

#### **Regular way purchases and sales of financial assets**

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

## Thai Wah Public Company Limited and its subsidiaries

### Notes to consolidated financial statements

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#### **Derecognition of financial instruments**

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

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

#### **Impairment of financial assets**

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

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

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

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

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

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

#### **Offsetting of financial instruments**

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

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4.17 Derivatives

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

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

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

4.18 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 a buyer and a seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation techniques 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 categories of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

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5. Significant accounting judgements and estimates

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

**Allowance for impairment of investments**

The Company treats investments in subsidiaries as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

**Goodwill and intangible assets from amalgamation**

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

**Post-employment benefits under defined benefit plans and other long-term employee benefits**

The obligation under the defined benefit plans and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, gold inflation rate, mortality rate and staff turnover rate.

6. Related party transactions

Relationships between the Company and its related parties are summarised below.

Name of related parties	Relationship
Thai Wah Alpha Starch Company Limited	Subsidiary
DI Company Limited	Subsidiary
Thai Nam Tapioca Company Limited	Subsidiary
Tapioca Development Corporation Limited	Subsidiary
Tay Ninh Tapioca Joint Stock Company	Subsidiary
Thai Wah Vietnam Company Limited	Subsidiary
Thai Wah International Trade (Shanghai) Company Limited	Subsidiary
TWPC Investment (Cambodia) Company Limited	Subsidiary

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Name of related parties	Relationship
PT Thai Wah Indonesia	Subsidiary
Thai Wah Agri Biotech Company Limited	Subsidiary
Thai Wah International (India) Private Limited	Subsidiary
Asia Tapioca Products Company Limited	Subsidiary
Thai Wah Ventures Company Limited	Subsidiary
Thai Wah Bio Power Limited	Subsidiary
Bangpakong Turakij Company Limited	Subsidiary
Thai Wah (6) Company Limited	Subsidiary
Bang Thao (6) Company Limited	Subsidiary
Tha Thungna Land Company Limited	Subsidiary
Thai Sin Tapioca (1989) Company Limited	Subsidiary
Mae Hong Son Land Development Limited	Subsidiary
Thai Nam Tapioca (1) Company Limited	Subsidiary
Mae Joe Land Company Limited	Subsidiary
Thai Modified Starch Company Limited	Subsidiary
Vietnam Tapioca Company Limited	Subsidiary of subsidiary
Laguna Resort & Hotels Public Company Limited	Common shareholders and directors
International Commercial Development Company Limited	Shareholder of subsidiary
Tay Ninh Sugar Corporation	Shareholder of subsidiary
Thai Wah Tower Company Limited	Common directors
Thai Wah Tower (2) Company Limited	Common directors
Thai Wah Plaza Limited	Common directors
Banyan Tree Holdings Limited	Common directors
Banyan Tree Hotel Management (Beijing) Company Limited	Common directors
Thanh Thanh Cong Packing Trading Production Joint Stock Company	Common shareholder with the subsidiary
Laguna (Vietnam) Company Limited	Common shareholders and directors

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

	For the year ended 31 December				(Unit: Million Baht)
	Consolidated financial statements		Separate financial statements		
	2023	2022	2023	2022	Transfer pricing policy
<b><u>Transactions with subsidiaries</u></b>					
(Eliminated from consolidated financial statements)					
Purchases of goods	-	-	569	708	Cost plus margin
Sales of goods	-	-	1,352	1,275	Cost plus margin
Dividends received	-	-	36	4	As declared
Lease and service income	-	-	65	53	Contract price
Lease and service expenses	-	-	4	4	Contract price
Interest income	-	-	29	30	Contract rate
Interest expenses	-	-	1	-	Contract rate
Other income	-	-	4	8	Actual charge
Other expenses	-	-	6	6	Actual charge
<b><u>Transactions with related companies</u></b>					
Purchases of goods	3	4	-	-	Cost plus margin
Dividends paid	1	2	-	-	As declared
Lease and service expenses	9	8	9	8	Contract price
Lease payments	20	20	7	7	Contract price
Other expenses	6	8	6	8	Actual charge



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6.2 As at 31 December 2023 and 2022, the balances of the accounts between the Group and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Trade and other receivables - related parties (Note 8)</b>				
Subsidiaries	-	-	345,391	335,339
Related companies	681	20	19	20
Total	681	20	345,410	335,359
Less: Allowance for expected credit losses	-	-	(13,345)	(13,545)
Total trade and other receivables - related parties – net	681	20	332,065	321,814
<b>Short-term loans to and interest receivables from related parties</b>				
Subsidiaries	-	-	-	6,469
Less: Allowance for expected credit losses	-	-	-	-
Total short-term loans to and interest receivables from related parties - net	-	-	-	6,469
<b>Long-term loans to and interest receivables from related parties</b>				
Subsidiaries	-	-	802,934	671,486
Less: Allowance for expected credit losses	-	-	(40,766)	(32,633)
Total long-term loans to and interest receivables from related parties - net	-	-	762,168	638,853
Less: Current portion	-	-	(61,822)	-
Long-term loans to and interest receivables from related parties - net of current portion	-	-	700,346	638,853
<b>Trade and other payables - related parties (Note 19)</b>				
Subsidiaries	-	-	157,232	108,393
Related companies	5,569	5,784	3,624	4,496
Total trade and other payables - related parties	5,569	5,784	160,856	112,889
<b>Long-term loans from and accrued interests to related parties</b>				
Subsidiaries	-	-	40,149	60,153
Related company	2,824	2,718	-	-
Total long-term loans from and accrued interests to related parties	2,824	2,718	40,149	60,153
Less: Current portion	(2,824)	-	-	-
Long-term loans from and accrued interest to related parties - net of current portion	-	2,718	40,149	60,153
<b>Lease liabilities - related parties</b>				
Subsidiaries	-	-	23,344	26,226
Related companies	108,083	124,309	42,654	48,975
Total lease liabilities - related parties	108,083	124,309	65,998	75,201

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6.3 During the years, movements of short-term loans to and interest receivables from related parties are as follows:

	(Unit: Thousand Baht)							
	Separate financial statements							
	Balance as at 1 January 2023		Increase		Decrease		Balance as at 31 December 2023	
	Loans	Interest	Loans	Interest	Loans	Interest	Loans	Interest
PT Thai Wah Indonesia	6,418	51	3,000	181	(9,418)	(232)	-	-

Short-term loans to and interest receivables from related parties matured at call and carried interest at 4.50% per annum. During the year, the Company has received full repayment.

6.4 During the years, movements of long-term loans to and interest receivables from related parties are as follows:

	(Unit: Thousand Baht)							
	Separate financial statements							
	Balance as at 1 January 2023		Increase		Decrease		Balance as at 31 December 2023	
	Loans	Interest	Loans	Interest	Loans	Interest	Loans	Interest
Thai Wah Bio Power Limited	338,500	2,269	-	12,492	(66,000)	(12,939)	272,500	1,822
TWPC Investment (Cambodia) Company Limited	51,501	198	177,136	4,109	(4,249)	(3,762)	224,388	545
DI Company Limited	190,751	1,138	15,200	7,018	(50,000)	(7,113)	155,951	1,043
Thai Wah Vietnam Company Limited	42,398	373	-	1,837	-	(1,688)	42,398	522
Thai Wah Alpha Starch Company Limited	8,450	57	31,000	1,031	-	(690)	39,450	398
PT Thai Wah Indonesia	-	-	53,000	965	(24,318)	(813)	28,682	152
Mae Joe Land Company Limited	8,048	24,585	-	133	-	-	8,048	24,718
Thai Nam Tapioca (1) Company Limited	800	7	-	31	-	(30)	800	8
Bang Thao (6) Company Limited	935	1,476	-	33	(935)	-	-	1,509
Tapioca Development Corporation Limited	-	-	90,000	1,384	(90,000)	(1,384)	-	-
Total	641,383	30,103	366,336	29,033	(235,502)	(28,419)	772,217	30,717
Less: Allowance for expected credit losses	(8,048)	(24,585)	(8,000)	(133)	-	-	(16,048)	(24,718)
Net	633,335	5,518	358,336	28,900	(235,502)	(28,419)	756,169	5,999

As at 31 December 2023, long-term loans to and interest receivables from related parties mature within February 2025 to January 2029 (31 December 2022: December 2024 to December 2027) and carry interests at 4.00% and 5.50% per annum (31 December 2022: 3.72% and 4.00% per annum).

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6.5 During the years, movements of long-term loans from and accrued interests to related parties are as follows:

(Unit: Thousand Baht)								
	Consolidated financial statements							
	Balance as at		Increase		Decrease		Balance as at	
	1 January 2023						31 December 2023	
	Loans	Interest	Loans	Interest	Loans	Interest	Loans	Interest
<b>Long-term loans from and accrued interests to related party</b>								
International Commercial Development Company Limited	2,089	629	100	6	-	-	2,189	635

(Unit: Thousand Baht)								
	Separate financial statements							
	Balance as at		Increase		Decrease		Balance as at	
	1 January 2023						31 December 2023	
	Loans	Interest	Loans	Interest	Loans	Interest	Loans	Interest
<b>Long-term loans from and accrued interests to related party</b>								
Thai Wah Ventures Company Limited	60,000	153	-	957	(20,000)	(961)	40,000	149

As at 31 December 2023, long-term loans from and accrued interests to related parties mature in December 2024 and January 2029 (31 December 2022: within December 2024) and carry interest at 0.60% and 2.23% per annum (31 December 2022: 0.60% and 1.53% per annum).

6.6 Set out below is the movements in the allowance for expected credit losses of loans to and interest receivables from related parties.

(Unit: Thousand Baht)		
	Separate financial statements	
	2023	2022
Beginning balance	32,633	32,318
Provision for expected credit losses	8,133	315
Ending balance	40,766	32,633

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6.7 Directors and management’s benefits

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to the directors and management as below.

(Unit: Thousand Baht)		
	Consolidated / Separate financial statements	
	2023	2022
Short-term employee benefits	61,439	58,418
Post-employment benefits	3,453	3,660
Other long-term benefits	5,704	5,723
Total	70,596	67,801

7. Cash and cash equivalents

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash	2,732	2,183	993	946
Bank deposits	1,111,599	1,023,585	516,217	454,961
Total	1,114,331	1,025,768	517,210	455,907

As at 31 December 2023, bank deposits in saving accounts and fixed deposits carried interests between 0.05% and 6.00% per annum (2022: between 0.01% and 5.00% per annum).

Thai Wah Public Company Limited and its subsidiaries

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8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	19	20	78,132	124,351
Past due				
Up to 3 months	-	-	125,886	34,741
3 - 6 months	-	-	10,228	12,582
6 - 12 months	-	-	6,581	10,491
Over 12 months	-	-	72,064	45,514
Total	19	20	292,891	227,679
Less: Allowance for expected credit losses	-	-	(7,353)	(7,353)
Total trade receivables - related parties - net	19	20	285,538	220,326
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	792,857	627,828	408,267	340,467
Past due				
Up to 3 months	254,994	229,271	126,815	88,289
3 - 6 months	14,805	3,700	8,810	2,315
6 - 12 months	2,787	4,093	1,028	132
Over 12 months	30,518	31,283	2,033	2,221
Total	1,095,961	896,175	546,953	433,424
Less: Allowance for expected credit losses	(32,457)	(33,192)	(3,605)	(3,203)
Total trade receivables - unrelated parties - net	1,063,504	862,983	543,348	430,221
Total trade receivables - net	1,063,523	863,003	828,886	650,547
<u>Other receivables</u>				
Interest receivables - unrelated parties	23	26	-	-
Other receivables - related parties	662	-	52,519	107,680
Other receivables - unrelated parties	12,970	14,933	4,834	5,781
Total	13,655	14,959	57,353	113,461
Less: Allowance for expected credit losses	(835)	(1,035)	(5,992)	(6,192)
Total other receivables - net	12,820	13,924	51,361	107,269
Total trade and other receivables - net	1,076,343	876,927	880,247	757,816

The normal credit term is 30 to 120 days.

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance	34,227	8,308	16,748	8,341
Provision for expected credit losses	1,476	27,430	406	9,915
Amount written off	(1,033)	(605)	-	(1,402)
Amount recovered	(204)	(106)	(204)	(106)
Effect from foreign exchange rates	(1,174)	(800)	-	-
Ending balance	33,292	34,227	16,950	16,748

9. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Allowance for reducing cost of inventories to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	1,481,962	1,204,551	(38,662)	(18,824)	1,443,300	1,185,727
Raw materials	476,756	470,796	(5,915)	(459)	470,841	470,337
Goods in transit	3,835	1,040	-	-	3,835	1,040
Packing materials	83,055	84,592	(4,440)	(2,600)	78,615	81,992
Factory supplies	77,416	77,650	(7,593)	(8,558)	69,823	69,092
Other	2,123	2,594	-	-	2,123	2,594
Total	2,125,147	1,841,223	(56,610)	(30,441)	2,068,537	1,810,782

	(Unit: Thousand Baht)					
	Separate financial statements					
	Cost		Allowance for reducing cost of inventories to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	553,718	417,740	(21,666)	(5,163)	532,052	412,577
Raw materials	197,098	241,491	(232)	-	196,866	241,491
Packing materials	52,075	57,039	(3,303)	(2,056)	48,772	54,983
Factory supplies	42,276	41,508	(4,015)	(4,943)	38,261	36,565
Total	845,167	757,778	(29,216)	(12,162)	815,951	745,616



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During the current year, the Group reduced cost of inventories by Baht 26.17 million (the Company only: Baht 17.05 million) to reflect the net realisable value. This was included in cost of sales.

10. Restricted bank deposits

As at 31 December 2023, fixed deposits which the subsidiaries pledged with the banks to secure credit facilities carried interest at the rate of 0.70% - 6.50% per annum (2022: 0.20% - 4.70% per annum).

11. Other financial assets

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Financial assets measured at fair value through profit or loss</b>				
Investments in debt securities	120,990	198,357	120,990	198,357
Investments in mutual funds	6,814	1,196	4,438	1,075
Derivative assets	9,488	4,578	6,216	3,085
Total	137,292	204,131	131,644	202,517
<b>Financial assets measured at fair value through other comprehensive income</b>				
Laguna Resort & Hotels Public Company Limited	123,547	127,898	123,547	127,898
Investments in other equity instruments	35,469	14,559	-	-
Total	159,016	142,457	123,547	127,898
Total other financial assets	296,308	346,588	255,191	330,415
Current	119,985	193,308	116,591	191,694
Non-current	176,323	153,280	138,600	138,721
	296,308	346,588	255,191	330,415

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Company considers these investments to be strategic in nature.

During the year 2023 and 2022, the Company has not received dividends from equity instruments designated at FVOCI which still existed at the reporting date.

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12. Investments in subsidiaries

12.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

	Country of incorporation	Paid-up capital		Percentage of shareholding		Investments at cost method	
		2023	2022	2023	2022	2023	2022
		(Million Baht)	(Million Baht)	(%)	(%)	(Thousand Baht)	(Thousand Baht)
<b>Investments in subsidiary companies</b>							
<b>Agricultural business</b>							
Thai Wah Alpha Starch Company Limited	Thailand	68.00	68.00	99.99	99.99	67,997	67,997
DI Company Limited	Thailand	60.00	60.00	99.95	99.95	59,383	59,383
Thai Nam Tapioca Company Limited	Thailand	86.60	86.60	70.00	70.00	60,620	60,620
Tapioca Development Corporation Limited	Thailand	50.00	50.00	33.33	33.33	54,751	54,751
Tay Ninh Tapioca Joint Stock Company	Vietnam	192.53	192.53	69.99	69.99	86,877	86,877
Thai Wah Vietnam Company Limited	Vietnam	220.67	220.67	100.00	100.00	220,673	220,673
Thai Wah International Trade (Shanghai) Company Limited	China	5.27	5.27	100.00	100.00	5,267	5,267
TWPC Investment (Cambodia) Company Limited	Cambodia	246.51	106.98	100.00	100.00	246,506	106,982
PT Thai Wah Indonesia	Indonesia	23.75	23.75	99.99	99.99	23,513	23,513
Thai Wah Agri Biotech Company Limited	Thailand	5.00	-	99.99	-	5,000	-
Thai Wah International (India) Private Limited	India	1.15	-	99.99	-	1,152	-
<b>Holding business</b>							
Asia Tapioca Products Company Limited	Thailand	105.25	105.25	30.00	30.00	31,600	31,600
Thai Wah Ventures Company Limited	Thailand	100.00	100.00	99.99	99.99	99,995	99,995
<b>Land holding and others</b>							
Thai Wah Bio Power Limited	Thailand	450.00	450.00	99.99	99.99	469,012	469,012
Bangpakong Turakij Company Limited	Thailand	91.00	91.00	99.99	99.99	90,999	90,999
Thai Wah (6) Company Limited	Thailand	69.00	69.00	99.99	99.99	68,998	68,998
Bang Thao (6) Company Limited	Thailand	21.50	21.50	99.99	99.99	21,499	21,499
Tha Thungna Land Company Limited	Thailand	15.00	15.00	99.99	99.99	14,999	14,999
Thai Sin Tapioca (1989) Company Limited	Thailand	5.00	5.00	99.99	99.99	4,999	4,999
Mae Hong Son Land Development Limited	Thailand	2.00	2.00	84.97	84.97	1,699	1,699
Thai Nam Tapioca (1) Company Limited	Thailand	1.00	1.00	69.95	69.95	700	700
Thai Modified Starch Company Limited	Thailand	10.00	10.00	94.62	94.62	9,462	9,462
Mae Joe Land Company Limited	Thailand	19.00	3.00	49.99	49.99	9,498	1,500
Total						1,655,199	1,501,525
Less: Allowance for impairment on investments						(396,024)	(396,024)
<b>Investments in subsidiaries - net</b>						<b>1,259,175</b>	<b>1,105,501</b>

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The Company recognised dividend income from subsidiaries in the separate financial statements for the year ended 31 December 2023 and 2022 as follows:

	(Unit: Thousand Baht)	
	Separate financial statements	
	2023	2022
Tapioca Development Corporation Limited	20,000	-
Thai Nam Tapioca Company Limited	14,000	-
Tay Ninh Tapioca Joint Stock Company	2,030	3,845
Total	36,030	3,845

The significant events related with investments in subsidiaries which were sequenced by transaction dates are summarised below.

Year 2023

On 25 January 2023, Thai Wah Agri Biotech Company Limited has been registered with the registered capital of Baht 5 million. The objective of the company is to design, develop and distribute agri-biotech products including services using integrated biotechnology for agriculture for the Group. The Group has held both directly and indirectly 100% of its registered shares in this company. On 15 February 2023, the Group has invested in full of its registered share in the said subsidiary.

During the current year, the Company has additionally invested of USD 4.00 million or approximately Baht 139.52 million in TWPC Investment (Cambodia) Company Limited (a subsidiary). The Company remains holding 100% interest in the said subsidiary.

On 7 April 2023, Thai Wah International (USA) Corp has been registered with the registered capital of Baht 5 million (equivalent to USD 146,541.61). The objective of the company is to distribute of tapioca, bioplastic and agri-food related products. The Company will hold 100% of its registered shares capital. As at 31 December 2023, the said subsidiary has uncalled portions of the existing registered capital.

On 8 June 2023, TWPC Property (Cambodia) Company Limited has been registered with the registered capital equivalent to USD 100,000. The objective of the company is a land holding company. The other oversea subsidiary will hold 49% of its registered shares capital. As at 31 December 2023, the said subsidiary has uncalled portions of the existing registered capital.

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On 8 August 2023, the Company’s Board of Directors passed a resolution approving an increase in the registered capital of Mae Joe Land Company Limited (a subsidiary) by Baht 32 million, from the existing capital of Baht 3 million to Baht 35 million. The Group remains holding 49.99% interest in the said subsidiary. During the period, the said subsidiary has called for addition share capital of Baht 16 million.

On 11 October 2023, Thai Wah International (India) Private Limited has been registered with the registered capital of INR 11 million or approximately to Baht 5 million. The objective of the company is to produce, purchase and distribute of tapioca, bioplastic and agri-food related products. The Group will hold 100% of its registered shares capital. On 29 December 2023, the Company made a payment in the said subsidiary amounting to INR 2.72 million or approximately Baht 1.15 million.

On 14 November 2023, a meeting of the Company’s Board of Directors passed a resolution approving the establishment of Thai Wah International (Philippines) with the registered capital equivalent to Baht 10 million. The objective of the Company is to purchase and distribute of tapioca, bioplastic and agri-food related products. The Company and its subsidiaries will held 100% of its registered shares capital. As at 31 December 2023, the said subsidiary has uncalled portions of the existing registered capital.

Year 2022

On 27 April 2022, the Group paid an additional payment of Baht 75 million for its investments in Thai Wah Ventures Company Limited (a subsidiary), accounting for 75% of the existing registered capital. The Group remains holding 100% interest in the said subsidiary.

On 10 August 2022, the Company’s Board of Directors’ meeting approved an increase of USD 4 million in the registered capital of TWPC Investment (Cambodia) Company Limited (a subsidiary) in Cambodia, from USD 3 million to USD 7 million. On 26 September 2022, payment of the investments of USD 1.59 million or Baht 60.26 million in this subsidiary was made for the uncalled portions of the existing registered capital. The Company remains holding 100% interest in the said subsidiary.

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On 20 October 2022, the investment payment of IDR 5,000 million or Baht 12.63 million in the registered capital of PT Thai Wah Indonesia (a subsidiary) in Indonesia, resulting in a total registered share capital of IDR 10,000 million or Baht 23.75 million. The Group remains holding 100% interest in the said subsidiary. On 8 November 2022, a meeting of the Company’s Board of Directors approved an increase of IDR 10,000 million in the registered capital of this company, from IDR 10,000 million to IDR 20,000 million. The Group remains holding 100% interest in this company.

On 31 October 2022, the Extraordinary General Meeting of shareholders of Tha Thungna Land Company Limited (a subsidiary) passed a resolution to approve the dissolution. This subsidiary company registered for the dissolution with the Ministry of Commerce on the same date. The subsidiary has been in the liquidation process.

On 8 November 2022, a meeting of the Company’s Board of Directors approved an increase of Baht 50 million in the registered capital of DI Company Limited (a subsidiary), resulting in a total registered share capital of Baht 60 million and an increase of Baht 50 million in the registered capital of Thai Wah Alpha Starch Company Limited (a subsidiary), resulting in a total registered share capital of Baht 68 million. The Company remains holding 99.95% and 99.99% interest in the said subsidiaries, respectively. On 21 December 2022, the Company fully paid these investments.

On 27 December 2022, the investment payment of USD 3.5 million or Baht 122.46 million in the increase registered capital of Thai Wah Vietnam Company Limited (a subsidiary) in Vietnam, resulting in a total registered share capital of USD 6.5 million or Baht 220.67 million. The Company remains holding 100% interest in this company.

12.2 Details of investments in subsidiaries that have material non-controlling interests

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year ended		Dividend paid to non-controlling interests during the year ended	
	2023	2022	2023	2022	2023	2022	2023	2022
	(%)	(%)						
Thai Nam Tapioca Company Limited	30.00	30.00	169.58	177.96	(2.38)	12.91	6.00	-
Tay Ninh Tapioca Joint Stock Company	30.00	30.00	163.91	184.10	(11.22)	(6.76)	0.87	1.65

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12.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests.

Summarised information about financial position as at 31 December 2023 and 2022 is as follows:

	Thai Nam Tapioca Company Limited		Tay Ninh Tapioca Joint Stock Company	
	2023	2022	2023	2022
	(Unit: Million Baht)			
Current assets	653.45	417.42	668.45	581.13
Non-current assets	262.52	278.69	179.81	220.84
Current liabilities	339.96	91.83	292.22	176.45
Non-current liabilities	17.51	17.84	6.24	8.42

Summarised information about comprehensive income for the year ended 31 December 2023 and 2022 is as follows:

	Thai Nam Tapioca Company Limited		Tay Ninh Tapioca Joint Stock Company	
	2023	2022	2023	2022
	(Unit: Million Baht)			
Revenue	1,804.49	1,976.29	948.09	1,190.20
Profit (loss)	(7.94)	43.05	(37.40)	(20.31)
Total comprehensive income	(7.94)	43.05	(37.40)	(20.31)

Summarised information about cash flow for the year ended 31 December 2023 and 2022 is as follows:

	Thai Nam Tapioca Company Limited		Tay Ninh Tapioca Joint Stock Company	
	2023	2022	2023	2022
	(Unit: Million Baht)			
Cash flow from operating activities	(186.59)	136.40	(31.78)	(0.87)
Cash flow from investing activities	(29.49)	(24.58)	(11.57)	(4.05)
Cash flow from financing activities	226.44	(182.90)	75.09	6.38
Net increase (decrease) in cash and cash equivalents	10.36	(71.08)	31.74	1.46



Thai Wah Public Company Limited and its subsidiaries

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12.4 Impairment testing of investments in subsidiaries

For the purpose of impairment testing of investments in subsidiaries, the Company determined the recoverable amount of some significant investments in subsidiaries which have events indicating that assets may be impaired. The recoverable amount of an asset is the higher of the asset’s fair value less costs to sell and its value in use. The estimated future cash flows were determined using cash flow projections covering a five-year period extracted from financial budgets approved by the management.

Key assumptions used in the value in use calculations are summarised below:

	(Unit: % per annum)	
	2023	2022
Long-term growth rate	0 to 1	0
Discount rate	10.98 to 16.35	10.88 to 14.34

The management determined the budgeted gross profit margin and growth rate based on historical operating results and expected market growth of those subsidiaries. The discount rate used reflects specific risks relating to the relevant segments of those subsidiaries.

The growth rate used to extrapolate cash flow projections beyond the period covered by the most recent forecasts does not exceed the long-term average growth rate for the industries in which those subsidiaries operate.

The management determined that allowance for impairment of investments in subsidiaries of Baht 396.03 million which was recorded in the statements of financial position as at 31 December 2023 and 2022, was adequate.

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13. Investment properties

	(Unit: Thousand Baht)					
	Consolidated financial statements			Separate financial statements		
	Land awaiting sales	Office building for rent	Total	Land awaiting sales	Office building for rent	Total
31 December 2022						
Cost	72,330	1,051	73,381	504	9,463	9,967
Less: Accumulated depreciation	-	(88)	(88)	-	(792)	(792)
Less: Allowance for impairment	(2,104)	-	(2,104)	-	-	-
Net book value	70,226	963	71,189	504	8,671	9,175
31 December 2023						
Cost	72,330	1,051	73,381	504	10,121	10,625
Less: Accumulated depreciation	-	(238)	(238)	-	(2,292)	(2,292)
Less: Allowance for impairment	(2,104)	-	(2,104)	-	-	-
Net book value	70,226	813	71,039	504	7,829	8,333

A reconciliation of the net book value of investment properties for the years 2023 and 2022 is presented below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Net book value at beginning of year	71,189	70,226	9,175	504
Reclassification from right-of-use assets	-	1,051	658	9,463
Depreciation charged for the year	(150)	(88)	(1,500)	(792)
Net book value at end of year	71,039	71,189	8,333	9,175

Fair value of the investment properties which mainly are land awaiting for sale has been determined based on the valuation performed by an accredited independent valuer, using comparative method. As at 31 December 2023, their fair value is amounting to Baht 501.8 million (2022: Baht 328.0 million) (Separate financial statements: Baht 447.1 million and 2022: Baht 248.9 million).

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14. Property, plant and equipment

(Unit: Thousand Baht)							
Consolidated financial statements							
	Land and land improvement	Buildings and Building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under installation and under construction	Total
<b>Cost:</b>							
1 January 2022	619,176	1,953,360	3,668,526	197,821	193,997	149,031	6,781,911
Additions	11,633	7,009	79,014	16,837	11,076	393,071	518,640
Disposals	-	(2,373)	(42,879)	(5,284)	(15,070)	-	(65,606)
Transfer in (out)	-	19,626	277,115	8,739	-	(306,300)	(820)
Translation adjustment	1,062	815	(286)	46	139	(289)	1,487
31 December 2022	631,871	1,978,437	3,981,490	218,159	190,142	235,513	7,235,612
Additions	4,666	12,192	55,672	18,885	6,970	568,067	666,452
Disposals	-	(966)	(34,897)	(3,631)	(4,804)	(240)	(44,538)
Transfer in (out)	-	75,073	158,902	4,442	488	(238,678)	227
Translation adjustment	(317)	(7,354)	(25,601)	(1,244)	(1,365)	(5,170)	(41,051)
31 December 2023	636,220	2,057,382	4,135,566	236,611	191,431	559,492	7,816,702
<b>Accumulated depreciation:</b>							
1 January 2022	(7,234)	(768,793)	(2,264,384)	(133,361)	(142,831)	-	(3,316,603)
Depreciation for the year	(2,998)	(86,980)	(283,497)	(25,088)	(21,097)	-	(419,660)
Depreciation on disposals	-	1,803	41,168	5,283	13,561	-	61,815
Translation adjustment	(232)	(162)	200	24	(38)	-	(208)
31 December 2022	(10,464)	(854,132)	(2,506,513)	(153,142)	(150,405)	-	(3,674,656)
Depreciation for the year	(3,049)	(89,488)	(270,434)	(25,716)	(15,166)	-	(403,853)
Depreciation on disposals	-	49	27,159	3,565	4,804	-	35,577
Translation adjustment	171	4,255	18,930	890	1,247	-	25,493
31 December 2023	(13,342)	(939,316)	(2,730,858)	(174,403)	(159,520)	-	(4,017,439)
<b>Allowance for impairment:</b>							
1 January 2022	-	(6,825)	-	-	-	-	(6,825)
31 December 2022	-	(6,825)	-	-	-	-	(6,825)
Increase during the year	-	-	(221)	-	-	-	(221)
31 December 2023	-	(6,825)	(221)	-	-	-	(7,046)
<b>Net book value:</b>							
31 December 2022	621,407	1,117,480	1,474,977	65,017	39,737	235,513	3,554,131
31 December 2023	622,878	1,111,241	1,404,487	62,208	31,911	559,492	3,792,217
<b>Depreciation for the year</b>							
For the year ended 31 December 2022 (Baht 391.1 million included in manufacturing cost, and the balance in administrative expenses)							419,660
For the year ended 31 December 2023 (Baht 360.5 million included in manufacturing cost, and the balance in administrative expenses)							403,853

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(Unit: Thousand Baht)							
Separate financial statements							
	Land and land improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under installation and under construction	Total
<b>Cost:</b>							
1 January 2022	433,825	1,257,706	1,846,225	138,388	110,729	100,498	3,887,371
Additions	11,625	3,657	59,811	10,729	6,112	252,523	344,457
Disposals	-	-	(20,229)	(718)	(14,620)	-	(35,567)
Transfer in (out)	-	9,175	186,870	7,430	-	(204,818)	(1,343)
31 December 2022	445,450	1,270,538	2,072,677	155,829	102,221	148,203	4,194,918
Additions	523	6,598	30,558	11,325	3,979	231,502	284,485
Disposals	-	(966)	(20,843)	(2,831)	(4,348)	-	(28,988)
Transfer in (out)	-	64,302	146,084	3,918	-	(214,304)	-
31 December 2023	445,973	1,340,472	2,228,476	168,241	101,852	165,401	4,450,415
<b>Accumulated depreciation:</b>							
1 January 2022	-	(471,928)	(1,067,261)	(91,886)	(81,387)	-	(1,712,462)
Depreciation for the year	-	(53,015)	(155,518)	(18,116)	(12,137)	-	(238,786)
Depreciation on disposals	-	-	19,067	718	13,111	-	32,896
31 December 2022	-	(524,943)	(1,203,712)	(109,284)	(80,413)	-	(1,918,352)
Depreciation for the year	(17)	(55,969)	(160,326)	(19,052)	(8,929)	-	(244,293)
Depreciation on disposals	-	49	14,357	2,765	4,348	-	21,519
31 December 2023	(17)	(580,863)	(1,349,681)	(125,571)	(84,994)	-	(2,141,126)
<b>Net book value:</b>							
31 December 2022	445,450	745,595	868,965	46,545	21,808	148,203	2,276,566
31 December 2023	445,956	759,609	878,795	42,670	16,858	165,401	2,309,289
<b>Depreciation for the year</b>							
For the year ended 31 December 2022 (Baht 219.3 million included in manufacturing cost, and the balance in administrative expenses)							238,786
For the year ended 31 December 2023 (Baht 208.3 million included in manufacturing cost, and the balance in administrative expenses)							244,293

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As at 31 December 2023, certain plant, machinery and equipment items of the Group were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 2,235 million (2022: Baht 1,503 million) (Separate financial statements: Baht 1,035 million and 2022: Baht 682 million).

The Group has mortgaged some of their land, construction and machinery with the net book value amounting to approximately Baht 474.52 million (2022: Baht 492.13 million) as collateral against credit facilities received from financial institutions (Separate financial statements: Baht 343.51 million and 2022: Baht 352.64 million).

15. Leases

15.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 10 years.

a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)				
	Consolidated financial statements				
	Leasehold rights on land	Land	Buildings	Motor vehicles	Total
1 January 2022	35,911	83,735	82,741	8,779	211,166
Increase during the year	-	6,214	27,823	38,207	72,244
Increase from lease modification	-	-	483	-	483
Reclassification to investment properties - net book value	-	-	(1,051)	-	(1,051)
Write-off during the year	-	-	-	(101)	(101)
Depreciation for the year	(3,684)	(12,782)	(19,124)	(10,342)	(45,932)
Translation adjustment	291	-	-	-	291
31 December 2022	32,518	77,167	90,872	36,543	237,100
Increase during the year	-	-	2,823	3,212	6,035
Depreciation for the year	(3,683)	(13,118)	(20,218)	(14,057)	(51,076)
Translation adjustment	(189)	-	(221)	-	(410)
31 December 2023	28,646	64,049	73,256	25,698	191,649

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	(Unit: Thousand Baht)				
	Separate financial statements				
	Leasehold rights on land	Land	Buildings	Motor vehicles	Total
1 January 2022	-	10,958	66,486	8,619	86,063
Increase during the year	-	6,214	13,032	36,314	55,560
Increase from lease modification	-	-	255	-	255
Reclassification to investment properties - net book value	-	-	(9,463)	-	(9,463)
Write-off during the year	-	-	-	(101)	(101)
Depreciation for the year	-	(3,326)	(10,085)	(9,821)	(23,232)
31 December 2022	-	13,846	60,225	35,011	109,082
Increase during the year	-	-	2,823	3,212	6,035
Reclassification to investment properties - net book value	-	-	(658)	-	(658)
Depreciation for the year	-	(3,661)	(10,372)	(13,339)	(27,372)
31 December 2023	-	10,185	52,018	24,884	87,087

b) Lease liabilities

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Lease payments	188,959	238,440	106,071	131,934
Less: Deferred interest expenses	(15,539)	(24,168)	(8,268)	(11,821)
Total	173,420	214,272	97,803	120,113
Less: Portion due within one year	(45,319)	(46,132)	(26,829)	(26,771)
Lease liabilities - net of current portion	128,101	168,140	70,974	93,342

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Beginning balance	214,272	181,265	120,113	87,399
Additions	7,225	71,614	6,035	55,560
Accretion of interest	8,564	9,334	3,898	4,301
Repayments	(56,291)	(48,424)	(32,243)	(27,402)
Increase from lease modification	-	483	-	255
Translation adjustment	(350)	-	-	-
Ending balance	173,420	214,272	97,803	120,113

A maturity analysis of lease payments is disclosed in Note 33.2 under the liquidity risk.



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c) Expenses relating to leases that are recognised in profit or loss

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Depreciation expense of right-of-use assets	51,076	45,932	27,372	23,232
Interest expense on lease liabilities	8,564	9,334	3,898	4,301
Expense relating to short-term leases	37,492	28,643	16,595	8,361
Expense relating to leases of low-value assets	545	354	369	208

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 94.33 million (2022: Baht 77.42 million), including the cash outflow related to short-term lease and leases of low-value assets.

15.2 Group as a lessor

The Company has entered into operating leases for its investment property portfolio, including land and office building of the lease terms are approximately 3 years.

The Company has future minimum rentals receivable under non-cancellable operating leases from local subsidiaries as at 31 December 2023 and 2022 as follows:

	(Unit: Thousand Baht)	
	Separate financial statements	
	2023	2022
Within 1 year	7,858	7,589
Over 1 and up to 5 years	2,488	9,346
Total	10,346	16,935

During 2023, the Company has sub-lease income from local subsidiaries amounting to Baht 2.77 million (2022: Baht 2.56 million).

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16. Intangible assets

The net book values of intangible assets as at 31 December 2023 and 2022 are presented below.

	(Unit: Thousand Baht)				
	Consolidated financial statements				
	Trademarks	Customer relationship	Computer Software	Software under installation	Total
<b>As at 31 December 2022</b>					
Cost	264,303	273,042	113,278	4,294	654,917
Less: Accumulated Amortisation	-	(144,981)	(57,730)	-	(202,711)
Net book value	264,303	128,061	55,548	4,294	452,206
<b>As at 31 December 2023</b>					
Cost	264,303	273,042	123,586	314	661,245
Less: Accumulated Amortisation	-	(164,221)	(69,762)	-	(233,983)
Net book value	264,303	108,821	53,824	314	427,262

	(Unit: Thousand Baht)				
	Separate financial statements				
	Trademarks	Customer relationship	Computer software	Software under installation	Total
<b>As at 31 December 2022</b>					
Cost	264,303	247,223	77,842	4,294	593,662
Less: Accumulated amortisation	-	(131,426)	(43,488)	-	(174,914)
Net book value	264,303	115,797	34,354	4,294	418,748
<b>As at 31 December 2023</b>					
Cost	264,303	247,223	85,982	314	597,822
Less: Accumulated amortisation	-	(148,084)	(52,267)	-	(200,351)
Net book value	264,303	99,139	33,715	314	397,471

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A reconciliation of the net book value of intangible assets is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2022	474,675	435,158
Acquisition during the year - Cost	8,732	8,500
Disposal during the year - Net book value	(216)	(216)
Write-off during the year - Net book value	(19)	-
Amortisation for the year	(30,798)	(24,694)
Translation adjustment	(168)	-
Net book value as at 31 December 2022	452,206	418,748
Acquisition during the year - Cost	7,160	4,303
Disposal during the year - Net book value	(51)	(51)
Amortisation for the year	(31,659)	(25,529)
Translation adjustment	(394)	-
Net book value as at 31 December 2023	427,262	397,471

17. Goodwill and intangible assets with indefinite useful lives

The Company allocates goodwill acquired through business combination and trademarks with indefinite useful lives to an asset’s cash-generating unit (CGUs), for annual impairment testing as follows:

	(Unit: Thousand Baht)	
	Food Segment	
	2023	2022
Goodwill	100,678	100,678
Trademarks with indefinite useful lives	264,303	264,303

The Company has determined the recoverable amounts of its cash-generating units based on value in use using cash flow projections from financial estimation approved by management covering a five-year period for food segment unit.

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Key assumptions used in value in use calculations are as follows:

	(Unit: % per annum)	
	2023	2022
Sale growth rate for five-year cash flow projections	7 - 8	7 - 8
Long-term growth rate	0.00	2.00
Discount rate	10.87	12.45

The management determined the budgeted gross profit margin and long-term growth rate based on past performance and its expectations of market development. The discount rate used reflects specific risks relating to the relevant segments.

The long-term growth rate used to extrapolate cash flow projections beyond the period covered by the most recent forecasts does not exceed the long-term average growth rate for the industry in which the CGU operates.

Management has considered the above and believes that there is no occurrence of impairment of goodwill and trademarks with indefinite useful lives.

If the long-term growth rate was reduced by 1.0 percent per annum (2022: 1.7 percent per annum) or the discount rate was increased by 0.6 percent per annum (2022: 1.1 percent per annum) or the sale growth rate was reduced by 0.8 percent per annum (2022: 1.5 percent per annum), the recoverable amount would be equal to the carrying amount.

18. Loans from financial institutions

Short-term loans from financial institutions

	(Unit: Thousand Baht)					
	Interest rate (% per annum)		Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022	2023	2022
Promissory notes	3.10 - 3.25	2.00 - 2.10	1,150,000	300,000	850,000	300,000
Short-term loans	2.10 - 5.50	6.30 - 9.60	209,805	128,275	-	-
Total			1,359,805	428,275	850,000	300,000

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Long-term loans from financial institutions			(Unit: Thousand Baht)	
Loan	Interest rate (% per annum)	Repayment schedule	Consolidated / Separate financial statements	
			2023	2022
1	Prime rate - 2.50	Monthly installments of Baht 5 million and mature in June 2026	150,000	210,000
2	2.90	Every 3 months installments of Baht 36 million and mature in April 2029	785,710	928,570
3	Prime rate - 3.70	Every 3 months installments of Baht 2 million and mature in March 2030	40,000	-
4	Prime rate - 3.75	Every 3 months installments of Baht 0.28 million and mature in March 2028	4,722	-
5	BIBOR 1 month + 2.21	Every 3 months installments of Baht 21 million and mature in September 2029	229,100	-
Total			1,209,532	1,138,570
Less: Deferred finance fees			(4,352)	(3,438)
Net			1,205,180	1,135,132
Less: Current portion			(286,453)	(202,860)
Long-term loans from financial institutions - net of current portion			918,727	932,272

Movements of the long-term loan account during the years ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)
	Consolidated / Separate financial statements
Balance as at 1 January 2022	270,000
Add: Additional borrowings	1,000,000
Less: Deferred finance fees	(4,000)
Less: Repayments	(131,430)
Amortised transaction cost of deferred finance fees during the year	562
Balance as at 31 December 2022	1,135,132
Add: Additional borrowings	295,000
Less: Deferred finance fees	(2,050)
Less: Repayments	(224,038)
Amortised transaction cost of deferred finance fees during the year	1,136
Balance as at 31 December 2023	1,205,180

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The short-term and long-term loans are secured by the mortgage of land and construction thereon of the local subsidiary and of the Company as described in Note 14 to the consolidated financial statements.

All loan agreements contain several covenants which, among other things, require the Company to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements.

As at 31 December 2023, the long-term credit facilities of the Company which have not yet been drawdown amounted to Baht 375 million (2022: Baht 920 million).

19. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Trade payables - related parties	1,590	254	157,021	106,225
Trade payables - unrelated parties	390,023	393,063	203,385	212,605
Other payables - related parties	3,979	5,530	3,835	6,664
Payables for purchase of fixed assets - unrelated parties	94,510	62,885	65,891	52,917
Payables for electricity charges	26,516	33,968	15,118	18,219
Accrued expenses	281,413	299,888	196,693	204,122
Total trade and other payables	798,031	795,588	641,943	600,752

20. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2023 and 2022 is as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Provision for compensation on employees' retirement	226,841	241,154	186,880	201,227
Provision for special retirement benefits	5,693	5,474	4,947	4,651
Provision for long service awards	43,885	43,134	35,750	35,056
Total	276,419	289,762	227,577	240,934



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Provision for long-term employee benefits is as follows:

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	2023			2022		
	Post-employment benefits	Other long-term benefits	Total	Post-employment benefits	Other long-term benefits	Total
Provision for long-term employee benefits at beginning of year	246,628	43,134	289,762	300,720	61,770	362,490
Current service cost	20,386	3,581	23,967	25,820	4,806	30,626
Interest cost	6,522	1,404	7,926	4,426	1,583	6,009
Past service cost	-	-	-	-	(25,224)	(25,224)
Actuarial (gain) loss arising from Demographic assumptions changes	-	-	-	-	-	-
Financial assumptions changes	-	-	-	(35,161)	(4,918)	(40,079)
Experience adjustments	-	-	-	(37,740)	11,590	(26,150)
Benefits paid during the year	(41,002)	(4,234)	(45,236)	(11,437)	(6,473)	(17,910)
Provision for long-term employee benefits at end of year	232,534	43,885	276,419	246,628	43,134	289,762

	(Unit: Thousand Baht)					
	Separate financial statements					
	2023			2022		
	Post-employment benefits	Other long-term benefits	Total	Post-employment benefits	Other long-term benefits	Total
Provision for long-term employee benefits at beginning of year	205,878	35,056	240,934	248,177	44,473	292,650
Current service cost	17,318	2,753	20,071	21,883	3,224	25,107
Interest cost	5,470	1,021	6,491	3,717	1,219	4,936
Past service cost	-	-	-	-	(21,192)	(21,192)
Actuarial (gain) loss arising from Demographic assumptions changes	-	-	-	-	-	-
Financial assumptions changes	-	-	-	(29,547)	(3,917)	(33,464)
Experience adjustments	-	-	-	(31,371)	15,671	(15,700)
Benefits paid during the year	(36,839)	(3,080)	(39,919)	(6,981)	(4,422)	(11,403)
Provision for long-term employee benefits at end of year	191,827	35,750	227,577	205,878	35,056	240,934

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The Group expects to pay Baht 26.98 million of long-term employee benefits during the next year (2022: Baht 41.43 million) (Separate financial statements: Baht 23.84 million and 2022: Baht 38.08 million).

As at 31 December 2023 and 2022, the weighted average duration of the liabilities for long-term employee benefits of the Group is 7.28 years (Separate financial statements: 7.28 years).

Significant actuarial assumptions at the valuation date are summarised below:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Discount rate (% per annum)	3.2 (Thailand) 5.0 (Vietnam)	3.2 (Thailand) 5.0 (Vietnam)	3.2	3.2
Salary increase rate (% per annum)	1.7 - 6.5	1.7 - 6.5	1.7 - 6.5	1.7 - 6.5
Turnover rate (% per annum)	1 - 23	1 - 23	2 - 23	2 - 23
Gold price (Baht)*	22,000	22,000	22,000	22,000

\* The Company has changed the policy for long service award to the performance of employee who have completed their designated term that converted from providing gold to cash, which specified that 1 Baht gold is equivalent to Baht 22,000. This change is effective since 2021 that shall apply to all employees that eligible for this benefit.

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

	(Unit: Thousand Baht)			
	As at 31 December 2023			
	Consolidated financial statements	Separate financial statements		
	Increase	Decrease	Increase	Decrease
Discount rate (+/- 0.50%)	(8,044)	11,919	(6,093)	10,363
Salary increase rate (+/- 1.00%)	21,376	(15,825)	18,139	(12,478)
Turnover rate (+/- 1.00%)	(18,436)	24,425	(14,650)	20,686
Gold price (+/- Baht 1,000)	110	(236)	83	(209)

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	(Unit: Thousand Baht)			
	As at 31 December 2022			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (+/- 0.50%)	(10,074)	10,617	(8,346)	8,964
Salary increase rate (+/- 1.00%)	20,559	(17,857)	17,314	(14,808)
Turnover rate (+/- 1.00%)	(20,826)	23,563	(17,342)	19,822
Gold price (+/- Baht 1,000)	73	(262)	155	(155)

21. Dividends

Dividends	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht)
Dividends from retained earnings as at 31 December 2022	Annual General Meeting of the shareholders on 21 April 2023	189.99	0.22
Total dividends for 2023		189.99	0.22
Dividends from retained earnings as at 31 December 2021	Annual General Meeting of the shareholders on 22 April 2022	190.08	0.22
Total dividends for 2022		190.08	0.22

22. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net profit, after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of its registered share capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

According to Section 1202 of the Civil and Commercial Code, the subsidiaries are required to set aside a statutory reserve at least 5% of their net income each time the subsidiaries pay a dividend, until such reserve reaches 10% of their registered share capital. The statutory reserve can neither be used to offset with deficit nor be used for dividend payment.

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23. Finance income

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Interest income on debt instruments measured at amortised cost	5,740	2,579	31,596	31,220
Total	5,740	2,579	31,596	31,220

24. Finance cost

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Interest expenses on loans from	68,656	37,559	53,145	26,659
Interest expenses on debentures	1,460	13,516	1,135	13,516
Interest expenses on lease liabilities	7,515	9,334	3,894	4,301
Total	77,631	60,409	58,174	44,476

25. Expenses by nature

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Salaries, wages and other employee benefits	1,273,022	1,248,828	933,322	919,824
Depreciation	455,079	465,680	273,165	262,810
Amortisation	31,659	30,798	25,529	24,694
Rental and service expenses from operating lease agreements	38,037	28,997	16,964	8,569
Raw materials, consumables used and purchase of goods	7,852,742	7,428,220	3,908,612	3,558,179
Changes in finished goods	(277,411)	(124,810)	(135,978)	(15,920)

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26. Income tax

Income tax expenses (revenues) for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Current income tax:</b>				
Current income tax charge	36,272	90,112	1,721	44,812
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(23,951)	(24,676)	(6,799)	(14,673)
Translation adjustment	(386)	352	-	-
<b>Income tax expenses (revenues) reported in profit or loss</b>	<b>11,935</b>	<b>65,788</b>	<b>(5,078)</b>	<b>30,139</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deferred tax on gain (loss) from the change in fair value of investments in equity instruments	(807)	1,816	(807)	4,872
Deferred tax related to actuarial gain	-	14,580	-	12,184
<b>Total</b>	<b>(807)</b>	<b>16,396</b>	<b>(807)</b>	<b>17,056</b>

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The reconciliation between accounting profit and income tax expense (revenue) is shown below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Accounting profit before tax	39,527	366,082	34,807	231,770
Applicable tax rate	20%, 25%	20%, 25%	20%	20%
Accounting profit before tax multiplied by income tax rate	10,558	76,232	6,961	46,354
Adjustment in respect of income tax of previous year	(309)	2,023	(828)	-
Effects of:				
Promotional privileges (Note 27)	(3,020)	(12,557)	(3,020)	(12,557)
Non-deductible expenses	1,161	927	2,619	1,631
Additional deductible expenses	(5,507)	(5,723)	(4,011)	(4,501)
Tax losses	19,311	14,646	-	-
Dividend income	-	-	(7,206)	(769)
Translation adjustment	(9,083)	(7,345)	-	-
Others	(1,176)	(2,415)	407	(19)
<b>Total</b>	<b>1,686</b>	<b>(12,467)</b>	<b>(11,211)</b>	<b>(16,215)</b>
<b>Income tax expense (revenue) reported in profit or loss</b>	<b>11,935</b>	<b>65,788</b>	<b>(5,078)</b>	<b>30,139</b>

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Deferred tax assets</b>				
Allowance for reducing cost of inventories to net realisable value	10,911	5,359	5,843	2,433
Provision for long-term employee benefits	54,287	56,702	45,515	48,187
Leases	34,684	40,943	19,561	24,023
Unutilised tax losses	29,546	17,131	-	-
Others	26,620	23,470	13,704	13,088
<b>Total</b>	<b>156,048</b>	<b>143,605</b>	<b>84,623</b>	<b>87,731</b>



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	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Deferred tax liabilities</b>				
Accumulated depreciation - building and equipment	20,716	24,028	12,635	14,549
Leases	38,330	41,028	16,909	23,553
Surplus of fair value from the amalgamation	118,925	123,068	118,925	123,068
Surplus of fair value from acquisition of subsidiary	29,339	31,515	-	-
Others	53	102	5,578	4,163
Total	207,363	219,741	154,047	165,333
Net deferred tax liabilities	(51,315)	(76,136)	(69,424)	(77,602)
Presented in the statements of financial position as follows:				
Deferred tax assets	47,805	32,377	-	-
Deferred tax liabilities	(99,120)	(108,513)	(69,424)	(77,602)
Net deferred tax liabilities	(51,315)	(76,136)	(69,424)	(77,602)

As at 31 December 2023, the subsidiaries had unused tax losses totaling Baht 285.73 million (2022: Baht 228.93 million), on which deferred tax assets have not been recognised as the subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses of the subsidiaries amounting to Baht 285.73 million (2022: Baht 228.93 million) will expire by 2028 (2022: 2027).

27. Promotional privileges

The Company received promotional privileges from the Board of Investment as follows:

- For the manufacture of producing dried rice noodles, pursuant to the investment promotion certificate No. 59-0098-0-00-1-2 issued on 20 January 2016. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues, to the extent that the amount of tax exempted does not exceed 100% of investment capital exclusive of land and working capital.

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- For the improvement production efficiency of vermicelli for alternative energy utilisation, pursuant to the investment promotion certificate No. 62-0293-1-04-1-0 issued on 22 March 2019. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax cap does not exceed 50% of the investment capital exclusive of land and working capital, for a period of 3 years from the date of revenue generating after promotion certificate issuance. The corporate income tax exemption will not exceed of Baht 35.65 million.

The local subsidiary received promotional privileges from the Board of Investment for the production of biogas and electricity, pursuant to the investment promotion certificate No. 60-0077-1-00-1-0 issued on 23 January 2017. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues, to the extent that the amount of tax exempted does not exceed 100% of investment capital exclusive of land and working capital.

The Group’s operating revenues for the years ended 31 December 2023 and 2022, divided between promoted and non-promoted operations, are summarised below.

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	2023	2022	2023	2022	2023	2022
Sales						
Domestic sales	14,504	312,185	6,984,625	6,487,240	6,999,129	6,799,425
Export sales	184,625	123,412	3,021,133	3,370,963	3,205,758	3,494,375
Total sales	199,129	435,597	10,005,758	9,858,203	10,204,887	10,293,800
	(Unit: Thousand Baht)					
	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	2023	2022	2023	2022	2023	2022
Sales						
Domestic sales	14,504	312,185	2,578,698	2,089,091	2,593,202	2,401,276
Export sales	184,625	123,412	3,113,398	3,309,790	3,298,023	3,433,202
Total sales	199,129	435,597	5,692,096	5,398,881	5,891,225	5,834,478

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28. Basic earnings per share

Basic earnings per share is calculated by dividing profit attributable to equity holders of the Company for the years ended 31 December 2023 and 2022 (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Profit for the year (Thousand Baht)	47,252	298,186	39,885	201,631
Number of ordinary shares (shares)	880,420,930	880,420,930	880,420,930	880,420,930
Earnings per share (Baht/share)	0.05	0.34	0.05	0.23

29. Segment information

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

For management purposes, the Group is organised into business units based on their products and services and have reportable segments as follows:

- the manufacture and distribution of starch and other agricultural products
- the manufacture and distribution of vermicelli and other food products

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss, total assets and total liabilities and on a basis consistent with that used to measure operating profit or loss, total assets and total liabilities in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

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The following tables present revenue and profit, total assets and total liabilities information regarding the Group’s operating segments for the years ended 31 December 2023 and 2022.

	(Unit: Thousand Baht)				
	For the year ended 31 December 2023				
	Starch segment	Food segment	Total reportable segments	Adjustments and eliminations	Consolidated financial statements
<b>Sales and service income</b>					
Revenue from external customers	8,087,290	2,153,256	10,240,546	(9,516)	10,231,030
<b>Total revenue</b>	<u>8,087,290</u>	<u>2,153,256</u>	<u>10,240,546</u>	<u>(9,516)</u>	<u>10,231,030</u>
<b>Operating results</b>					
<b>Segment profit (loss)</b>	(156,255)	204,450	48,195	3,960	52,155
Other income					52,990
Finance income					5,740
Gain from fair value measurement of derivatives					6,273
Finance cost					(77,631)
<b>Profit before income tax expenses</b>					<u>39,527</u>
Income tax expenses					(11,935)
<b>Net profit for the year</b>					<u>27,592</u>
<b>Timing of revenue recognition:</b>					
Revenue recognised at a point in time					10,204,887
Revenue recognised over time					26,143
Total revenue from contracts with customers					<u>10,231,030</u>

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	(Unit: Thousand Baht)				
	For the year ended 31 December 2022				
	Starch segment	Food segment	Total reportable segments	Adjustments and eliminations	Consolidated financial statements
<b>Sales and service income</b>					
Revenue from external customers	8,413,010	2,014,903	10,427,913	(7,016)	10,420,897
<b>Total revenue</b>	<u>8,413,010</u>	<u>2,014,903</u>	<u>10,427,913</u>	<u>(7,016)</u>	<u>10,420,897</u>
<b>Operating results</b>					
<b>Segment profit</b>	182,302	193,052	375,354	3,535	378,889
Other income					42,473
Finance income					2,579
Gain from fair value measurement of derivatives					2,551
Finance cost					(60,409)
<b>Profit before income tax expenses</b>					366,083
Income tax expenses					(65,788)
<b>Net profit for the year</b>					<u>300,295</u>
<b>Timing of revenue recognition:</b>					
Revenue recognised at a point in time					10,293,800
Revenue recognised over time					127,097
Total revenue from contracts with customers					<u>10,420,897</u>

Revenue from external customers and non-current assets are based on locations of the Group.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2023	2022
Revenue from external customers		
Thailand	5,566,216	5,899,555
Vietnam	1,525,114	1,577,008
China	2,844,199	2,711,356
Cambodia	55,738	190,145
Indonesia	239,763	42,833
<b>Total</b>	<u>10,231,030</u>	<u>10,420,897</u>

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	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2023	2022
Non-current assets (other than financial instruments and deferred tax assets)		
Thailand	4,165,099	3,951,749
Vietnam	322,788	376,737
China	11,990	12,896
Cambodia	114,489	114,489
Indonesia	3,045	3,045
<b>Total</b>	<u>4,617,411</u>	<u>4,458,916</u>

Major customers

For the year 2023, the Group has revenue from one major customer in amount of Baht 977 million, arising from sales of starch segment (2022: Baht 862 million, arising from sales of starch segment).

30. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by MFC Asset Management Public Company Limited, will be paid to the employees upon termination in accordance with the fund rules. During the year, the Group contributed Baht 17.73 million (2022: Baht 16.63 million) (Separate financial statements: Baht 15.36 million and 2022: Baht 14.49 million) to the fund.

31. Commitments and contingent liabilities

31.1 Investment commitments

The Company was committed to pay uncalled portions of its investments as follows:

	(Unit: Million)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Overseas subsidiaries				
US Dollar	0.50	4.00	0.45	4.00
IDR	10,000.00	10,000.00	10,000.00	10,000.00
INR	8.25	-	8.28	-
Local subsidiaries				
Baht	18.43	10.43	18.43	10.43
Overseas mutual funds				
US Dollar	0.68	0.26	0.68	0.26



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31.2 Capital commitments

The Group had commitments related to the construction of buildings and the purchases of machinery, equipment and computer software as follows:

	(Unit: Million)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Baht	114.28	50.79	62.66	47.54
Vietnam Dong	397.87	973.17	-	-
US Dollar	1.46	1.07	0.11	0.06
Euro	1.06	-	1.06	-

31.3 Purchase of raw material commitments

The Group had outstanding future payment commitments in respect of agreements to purchase raw materials as follows:

	(Unit: Million)	
	Consolidated / Separate financial statements	
	2023	2022
US Dollar	4.44	4.87

31.4 Commitment under tapioca industry development cooperation agreement

The Company has collaborated with a local foundation on a project to jointly develop and bring new tapioca species into commercialisation. The Company received tapioca stems for propagation and cultivation.

As at 31 December 2023 and 2022, the Company has obligation to return the tapioca stems under condition as identified in agreement with the maximum value of Baht 5 million.

As at 31 December 2023, the Company has obligation to contribute to the fund as identified in agreement approximately Baht 1.01 million (2022: Baht 1.23 million) per annum for 3 years.

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31.5 Operating lease commitments

As at 31 December 2023 and 2022, the Group had future minimum payments required under these non-cancellable leases contracts that have not yet commenced and leases that have a lease term of 12 months or less at the commencement date, or are leases of low-value assets as follows:

	(Unit: Million)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Baht				
Within 1 year	0.30	1.00	0.23	1.00
1 to 5 years	0.28	0.13	0.20	0.13
Total	0.58	1.13	0.43	1.13
Vietnam Dong				
Within 1 year	161.66	161.66	-	-
1 to 5 years	140.29	248.91	-	-
Total	301.95	410.57	-	-

31.6 Service agreement commitments

	(Unit: Million)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Service agreements				
Baht	16.97	28.08	14.49	26.18
Vietnam Dong	59.00	59.00	-	-
US Dollar	-	0.02	-	0.02
Rupiah	306.50	374.62	-	-

31.7 Guarantees

As at 31 December 2023 and 2022, the Group had outstanding bank guarantees issued by the banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business as follows.

	(Unit: Million)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Baht	43.99	40.96	24.74	19.55
Vietnam Dong	440.50	440.50	-	-

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32. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)				
	Consolidated financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Investments in mutual funds	0.12	-	6.69	6.81
Investments in debt securities	-	110.37	10.62	120.99
Financial assets measured at FVOCI				
Equity investments	123.55	-	35.47	159.02
Derivatives				
Foreign currency forward contracts	-	9.49	-	9.49
<b>Liabilities measured at fair value</b>				
Derivatives				
Foreign currency forward contracts	-	0.07	-	0.07
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	501.80	501.80
<b>Liabilities for which fair value are disclosed</b>				
Long-term loans from financial institutions	-	1,151.31	-	1,151.31

(Unit: Million Baht)				
	Consolidated financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Level 4
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Investments in mutual funds	0.12	-	1.08	1.20
Investments in debt securities	-	188.61	9.75	198.36
Financial assets measured at FVOCI				
Equity investments	127.90	-	14.56	142.46
Derivatives				
Foreign currency forward contracts	-	4.58	-	4.58
<b>Liabilities measured at fair value</b>				
Derivatives				
Foreign currency forward contracts	-	1.43	-	1.43
<b>Assets for which fair value are disclosed</b>				
Investment properties	-	-	328.00	328.00
<b>Liabilities for which fair value are disclosed</b>				
Long-term loans from financial institutions	-	1,032.95	-	1,032.95

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(Unit: Million Baht)				
	Separate financial statements			
	As at 31 December 2023			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Investments in mutual funds	-	-	4.44	4.44
Investments in debt securities	-	110.37	10.62	120.99
Financial assets measured at FVOCI				
Equity investments	123.55	-	-	123.55
Derivatives				
Foreign currency forward contracts	-	6.22	-	6.22
<b>Liabilities measured at fair value</b>				
Derivatives				
Foreign currency forward contracts	-	0.03	-	0.03
<b>Assets for which fair value are disclosed</b>				
Long-term loans to and interest receivables from related parties	-	753.48	-	753.48
Investment properties	-	-	447.10	447.10
<b>Liabilities for which fair value are disclosed</b>				
Long-term loans from financial institutions	-	1,151.31	-	1,151.31

(Unit: Million Baht)				
	Separate financial statements			
	As at 31 December 2022			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Financial assets measured at FVTPL				
Investments in mutual funds	-	-	1.08	1.08
Investments in debt securities	-	188.61	9.75	198.36
Financial assets measured at FVOCI				
Equity investments	127.90	-	-	127.90
Derivatives				
Foreign currency forward contracts	-	3.09	-	3.09
<b>Liabilities measured at fair value</b>				
Derivatives				
Foreign currency forward contracts	-	0.73	-	0.73
<b>Assets for which fair value are disclosed</b>				
Long-term loans to and interest receivables from related parties	-	628.67	-	628.67
Investment properties	-	-	248.90	248.90
<b>Liabilities for which fair value are disclosed</b>				
Long-term loans from financial institutions	-	1,032.95	-	1,032.95

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33. Financial instruments

33.1 Derivatives

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<b>Derivative assets</b>				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	9,488	4,578	6,216	3,085
<b>Total derivative assets</b>	<b>9,488</b>	<b>4,578</b>	<b>6,216</b>	<b>3,085</b>
<b>Derivative liabilities</b>				
Derivatives liabilities not designated as hedging instruments				
Foreign exchange forward contracts	69	1,432	30	726
<b>Total derivative liabilities</b>	<b>69</b>	<b>1,432</b>	<b>30</b>	<b>726</b>

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 12 months.

33.2 Financial risk management objectives and policies

The Group’s financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans to, investments, and short-term and long-term loans from. The financial risks associated with these financial instruments and how they are managed is described below.-

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group’s maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer base in various industries.

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An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by product type and customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group’s Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Group’s Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty’s potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks and financial institutions with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk. The Group enters into a variety of derivatives to manage its risk exposure, including:

- foreign exchange forward contracts to hedge the foreign currency risk arising on the export or import of goods.

Foreign currency risk

The Group’s exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Group seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

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

Foreign currencies	Financial assets		Financial liabilities		Average exchange rate	
	2023	2022	2023	2022	2023	2022
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	14.11	12.87	0.81	0.97	34.10	34.56
KHR	28.66	66.01	-	-	0.8412	0.8395



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As at 31 December 2023 and 2022, the Group has foreign exchange forward contracts out standing as summarised below.

31 December 2023						
Foreign currencies	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date	
			Bought	Sold	Bought	Sold
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)			
The Company						
USD	-	5,277	-	34.02 - 36.06 Baht against USD	-	31 January 2024 - 31 May 2024
CNY	-	27,000	-	4.82 - 4.96 Baht against CNY	-	5 February 2024 - 8 March 2024
Local subsidiary						
USD	-	1,669	-	34.03 - 35.30 Baht against USD	-	31 January 2024 - 31 May 2024
CNY	-	22,000	-	4.79 - 4.95 Baht against CNY	-	12 January 2024 - 8 March 2024
31 December 2022						
Foreign currencies	Bought amount	Sold amount	Contractual exchange rate		Contractual maturity date	
			Bought	Sold	Bought	Sold
	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)			
The Company						
USD	213	6,583	34.85 - 35.21 Baht against USD	33.92 - 37.44 Baht against USD	23 May 2023 - 26 May 2023	21 March 2023 - 22 June 2023
CNY	-	18,845	-	4.94 - 5.02 Baht against CNY	-	13 January 2023 - 3 February 2023
Local subsidiary						
USD	-	2,104	-	33.99 - 37.89 Baht against USD	-	27 March 2023 - 6 June 2023
CNY	-	14,387	-	4.94 - 5.02 Baht against CNY	-	20 January 2023 - 10 February 2023

Fair value of the above foreign exchange forward contracts was recorded in other current financial assets and other current financial liabilities accounts.

The following tables demonstrate the sensitivity of the Group’s profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group’s profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December

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2023 and 2022. The Group’s exposure to foreign currency changes for all other currencies is not material. This information is not a forecast or prediction of future market conditions and should be used with care.

Currency	2023		2022	
	Increase / decrease	Effect on profit before tax	Increase / decrease	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
USD	+3	13,599	+3	11,924
	-3	(13,599)	-3	(11,924)

Interest rate risk

The Group’s exposure to interest rate risk relates primarily to its cash at banks, bank over drafts, short-term and long-term loans from. Most of the Group’s financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by procuring loans that have both fixed and variable interest rates in approximately equal proportions.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

	(Unit: Million Baht)					
	Consolidated financial statements					
	As at 31 December 2023					
	Fixed interest rate		Non -			
	within	1 - 5	Floating	interest	Total	Effective
	1 year	years	interest rate	bearing		interest rate
	(% per annum)					
Financial assets						
Cash and cash equivalents	-	-	1,111.60	2.73	1,114.33	Note 7
Trade and other receivables	-	-	-	1,076.34	1,076.34	-
Other current financial assets	119.99	-	-	-	119.99	3.20 - 5.05
Restricted bank deposits	17.20	-	-	-	17.20	Note 10
Other non-current financial assets	-	-	-	176.32	176.32	-
	137.19	-	1,111.60	1,255.39	2,504.18	

Thai Wah Public Company Limited and its subsidiaries

Notes to consolidated financial statements  
For the year ended 31 December 2023

(Unit: Million Baht)						
Consolidated financial statements						
As at 31 December 2023						
Fixed interest rate		Non -		Total	Effective interest rate	(% per annum)
within 1 year	1 - 5 years	Floating interest rate	interest bearing			
<b>Financial liabilities</b>						
Short-term loans from financial institutions	1,359.81	-	-	-	1,359.81	Note 18
Trade and other payables	-	-	-	798.03	798.03	-
Lease liabilities	45.32	128.10	-	-	173.42	2.78 - 17.24
Long-term loans from and accrued interests to related parties	-	-	2.82	-	2.82	0.20
Long-term loans from financial institutions	286.45	918.73	-	-	1,205.18	Note 18
	1,691.58	1,046.83	2.82	798.03	3,539.26	

(Unit: Million Baht)											
Consolidated financial statements											
As at 31 December 2022											
Fixed interest rate		Floating interest rate	Non - interest bearing	Total	Effective interest rate						
within 1 year	1 - 5 years										
(% per annum)											
<b>Financial assets</b>											
Cash and cash equivalents	-	-	1,023.59	2.18	1,025.77	Note 7					
Trade and other receivables	-	-	-	876.93	876.93	-					
Other current financial assets	188.61	-	-	4.70	193.31	2.60 - 5.05					
Restricted bank deposits	33.20	-	-	-	33.20	Note 10					
Other non-current financial assets	-	-	-	153.28	153.28	-					
	221.81	-	1,023.59	1,037.09	2,282.49						

Thai Wah Public Company Limited and its subsidiaries

Notes to consolidated financial statements  
For the year ended 31 December 2023

	Consolidated financial statements					
	As at 31 December 2022					
	Fixed interest rate		Floating interest rate	Non - interest bearing	Total	Effective interest rate  (% per annum)
	within 1 year	1 - 5 years				
<b>Financial liabilities</b>						
Short-term loans from financial institutions	428.27	-	-	-	428.27	Note 18
Trade and other payables	-	-	-	795.59	795.59	-
Lease liabilities	46.13	168.14	-	-	214.27	2.78 - 17.24
Long-term loans from and accrued interests to related parties	-	-	2.72	-	2.72	0.60
Long-term loans from financial institutions	202.86	932.27	-	-	1,135.13	Note 18
	677.26	1,100.41	2.72	795.59	2,575.98	

	(Unit: Million Baht)					
	Separate financial statements					
	As at 31 December 2023					
	Fixed interest rate		Floating interest rate	Non - interest bearing	Total	Effective interest rate
	within 1 year	1 - 5 years				
	( % per annum )					
<b>Financial assets</b>						
Cash and cash equivalents	-	-	516.22	0.99	517.21	Note 7
Trade and other receivables	-	-	-	880.25	880.25	-
Other current financial assets	116.59	-	-	-	116.59	3.20 - 5.05
Other non-current financial assets	-	-	-	138.60	138.60	-
Long-term loans to and interest receivables from related parties	61.82	698.03	2.32	-	762.17	Note 6
	178.41	698.03	518.54	1,019.84	2,414.82	
<b>Financial liabilities</b>						
Short-term loans from financial institutions	850.00	-	-	-	850.00	Note 18
Trade and other payables	-	-	-	641.94	641.94	-
Lease liabilities	26.83	70.97	-	-	97.80	3.08 - 17.24
Long-term loans from and accrued interests to related parties	40.15	-	-	-	40.15	2.23
Long-term loans from financial institutions	286.45	918.73	-	-	1,205.18	Note 18
	1,203.43	989.70	-	641.94	2,835.07	

Thai Wah Public Company Limited and its subsidiaries

Notes to consolidated financial statements  
For the year ended 31 December 2023

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December 2022					
	Fixed interest rate		Floating interest rate	Non - interest bearing	Total	Effective interest rate  (% per annum)
	within 1 year	1 - 5 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	454.96	0.95	455.91	Note 7
Trade and other receivables	-	-	-	757.82	757.82	-
Short-term loans to and interest receivables from related parties	-	-	6.47	-	6.47	Note 6
Other current financial assets	188.61	-	-	3.08	191.69	2.60 - 5.05
Other non-current financial assets	-	-	-	138.72	138.72	-
Long-term loans to and interest receivables from related parties	-	635.64	3.21	-	638.85	Note 6
	188.61	635.64	464.64	900.57	2,189.46	

(Unit: Million Baht)						
Separate financial statements						
As at 31 December 2022						
Fixed interest rate		Floating interest rate	Non - interest bearing	Total	Effective interest rate	(% per annum)
within 1 year	1 - 5 years					
<b>Financial liabilities</b>						
Short-term loans from financial institutions	300.00	-	-	-	300.00	Note 18
Trade and other payables	-	-	-	600.75	600.75	-
Lease liabilities	26.77	93.34	-	-	120.11	3.08 - 17.24
Long-term loans from and accrued interests to related parties	-	60.15	-	-	60.15	1.53
Long-term loans from financial institutions	202.86	932.27	-	-	1,135.13	Note 18
	529.63	1,085.76	-	600.75	2,216.14	

The following table demonstrates the sensitivity of the Group’s profit before tax to a reasonably possible change in interest rates on that portion of loans affected as at 31 December 2023 and 2022, with all other variables held constant. This information is not a forecast or prediction of future market conditions and should be used with care.

Thai Wah Public Company Limited and its subsidiaries

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Currency	2023	Effect on profit before tax	2022	Effect on profit before tax
	Increase / Decrease		Increase / Decrease	
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Thai Baht Loans	+20	(8,428)	+20	(6,750)
	-20	8,428	-20	6,750

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, trade and other payables, bank loans and lease contracts. Approximately 70.25% of the Group’s debt will mature in less than one year at 31 December 2023 (2022: 56.82%) (the Company only: 63.59% and 2022: 50.83%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

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

(Unit: Thousand Baht)					
Consolidated financial statements					
As at 31 December 2023					
On demand	Less than 1 year	1 to 5 years	> 5 years	Total	
<b>Non-derivatives</b>					
Short-term loans from financial institutions	-	1,359,805	-	-	1,359,805
Trade and other payables	-	798,031	-	-	798,031
Lease liabilities	-	49,965	113,879	25,115	188,959
Long-term loans from and accrued interests to related parties	-	2,824	-	-	2,824
Long-term loans from financial institutions	-	286,453	918,727	-	1,205,180
<b>Total non-derivatives</b>	-	2,497,078	1,032,606	25,115	3,554,799
<b>Derivatives</b>					
Cash inflows	-	480,369	-	-	480,369
Cash outflows	-	(468,817)	-	-	(468,817)
<b>Total derivatives</b>	-	11,552	-	-	11,552



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For the year ended 31 December 2023

(Unit: Thousand Baht)					
	Consolidated financial statements				
	As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
Short-term loans from financial institutions	-	428,275	-	-	428,275
Trade and other payables	-	795,588	-	-	795,588
Lease liabilities	-	52,667	123,133	62,640	238,440
Long-term loans from and accrued interests to related parties	-	-	2,718	-	2,718
Long-term loans from financial institutions	-	202,860	721,440	214,270	1,138,570
<b>Total non-derivatives</b>	-	1,479,390	847,291	276,910	2,603,591
<b>Derivatives</b>					
Cash inflows	-	473,144	-	-	473,144
Cash outflows	-	(468,871)	-	-	(468,871)
<b>Total derivatives</b>	-	4,273	-	-	4,273

(Unit: Thousand Baht)					
	Separate financial statements				
	As at 31 December 2023				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
Short-term loans from financial institutions	-	850,000	-	-	850,000
Trade and other payables	-	641,943	-	-	641,943
Lease liabilities	-	29,644	56,019	20,408	106,071
Long-term loans from and accrued interests to related parties	-	-	40,149	-	40,149
Long-term loans from financial institutions	-	286,453	918,727	-	1,205,180
<b>Total non-derivatives</b>	-	1,808,040	1,014,895	20,408	2,843,343
<b>Derivatives</b>					
Cash inflows	-	314,750	-	-	314,750
Cash outflows	-	(307,697)	-	-	(307,697)
<b>Total derivatives</b>	-	7,053	-	-	7,053

Thai Wah Public Company Limited and its subsidiaries

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For the year ended 31 December 2023

(Unit: Thousand Baht)					
	Separate financial statements				
	As at 31 December 2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
<b>Non-derivatives</b>					
Short-term loans from financial institutions	-	300,000	-	-	300,000
Trade and other payables	-	600,752	-	-	600,752
Lease liabilities	-	30,511	43,058	58,365	131,934
Long-term loans from and accrued interests to related parties	-	-	60,153	-	60,153
Long-term loans from financial institutions	-	202,860	721,440	214,270	1,138,570
<b>Total non-derivatives</b>	-	1,134,123	824,651	272,635	2,231,409
<b>Derivatives</b>					
Cash inflows	-	328,598	-	-	328,598
Cash outflows	-	(326,081)	-	-	(326,081)
<b>Total derivatives</b>	-	2,517	-	-	2,517

33.3 Fair values of financial instruments

Since the majority of the Group’s financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

The estimated fair value of financial instruments, in comparison with the related amounts carried in the statements of financial position, is as follows:

	(Unit: Million Baht)							
	Consolidated financial statements				Separate financial statements			
	Carrying amount		Fair value		Carrying amount		Fair value	
	2023	2022	2023	2022	2023	2022	2023	2022
Long-term loans to and interest receivables from related parties	-	-	-	-	762.17	638.85	753.48	628.67
Long-term loans from financial institutions	1,205.18	1,135.13	1,151.31	1,032.95	1,205.18	1,135.13	1,151.31	1,032.95

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable and short-term loans to, accounts payable and short-term loans from, the carrying amounts in the statement of financial position approximate their fair value.

Thai Wah Public Company Limited and its subsidiaries

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- b) The fair value of debts securities is generally derived from quoted market prices as announced by the Thai Bond Market Association.
- c) The fair value of equity securities and mutual funds is generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available.
- d) The fair value of long-term loans is estimated by discounting expected future cash flows by the current market interest rate of loans with similar terms and conditions.
- e) The fair value of fixed rate long-term loans is estimated by discounting expected future cash flow by the current market interest rate of loans with similar terms and conditions.
- f) The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.
- g) The fair value of derivatives has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves. The Group considers counterparty credit risk when determining the fair value of derivatives

During the current year, there were no transfers between the levels of the fair value hierarchy.

33.4 Reconciliation of recurring fair value measurements of financial assets, categorised within Level 3 of the fair value hierarchy.

	(Unit: Thousand Baht)							
	Consolidated financial statements				Separate financial statements			
	Equity investments	Investments in mutual funds	Investments in debt securities	Total	Equity investments	Investments in mutual funds	Investments in debt securities	Total
Balance as of 1 January 2022	-	-	9,748	9,748	-	-	9,748	9,748
Acquired during the year	29,839	1,700	-	31,539	-	1,700	-	1,700
Net loss recognised into profit or loss	-	(625)	-	(625)	-	(625)	-	(625)
Net loss recognised into other comprehensive income	(15,280)	-	-	(15,280)	-	-	-	-
Balance as of 31 December 2022	14,559	1,075	9,748	25,382	-	1,075	9,748	10,823
Acquired during the year	20,910	6,258	-	27,168	-	4,006	-	4,006
Net gain (loss) recognised into profit or loss	-	(519)	868	349	-	(643)	868	225
Balance as of 31 December 2023	35,469	6,814	10,616	52,899	-	4,438	10,616	15,054

Thai Wah Public Company Limited and its subsidiaries

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Key assumptions used in the valuation of non-listed equity investments are summarised below.

Financial instruments	Valuation technique	Significant unobservable inputs	Used rates	Sensitivity impact to fair value from changes in assumptions
Investments in non-listed equity securities	Market multiples	Forecasted operating results	Forecasted revenue from financial statements obtained from managements of investees	Decrease in forecasted revenue would result in a decrease in fair value

34. Capital management

The primary objective of the Group’s capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 December 2023, the Group’s debt-to-equity ratio was 0.79:1 (2022: 0.58:1) (Separate financial statements: 0.74:1 and 2022: 0.58:1).

35. Events after the reporting period

On 21 February 2024, the meeting of the Company’s Board of Directors passed the resolutions to approve the following.

- Approve the establishment of an oversea subsidiary to trade, distribute, marketing, and manufacture of tapioca-related products with the registered capital of LAK 20,000 million or equivalent to approximately Baht 35 million. The Company will hold 100% of its registered shares capital.
- Approve to revise capital increment amount of Mae Joe Land Company Limited (a domestic subsidiary) by Baht 5 million, from the existing capital of Baht 35 million to Baht 40 million. The Company will remain holding 49.99% interest in the said subsidiary.
- Approve to propose to Annual General Meeting of the Company’s shareholders for approval for dividend payment from retained earnings as at 31 December 2023, to be paid in cash at a rate of Baht 0.091 per share or a total of approximately Baht 80.12 million. Payment of this dividend is dependent on approval being granted by the shareholders.

36. Approval of financial statements

These financial statements were authorised for issue by the Company’s Board of Directors on 21 February 2024.

# Attachments

## Information on the Directors of Subsidiaries as of December 31, 2023

[illegible]



## Information on the Directors of Subsidiaries

Name -Surname	TWPC	Subsidiaries																												
		ATP	BPT	BT5	BT6	CSL	DI	MHSL	MJ	PNR	TDC	TMS	TN	TN1	TNT	TS1989	TTL	TW6	TWAG	TWAS	TWBP	TWI INDIA	TWI USA	TWIC	TWIN	TWIT	TWPP	TWVC	TWVT	VTC
Mrs. Vanassaporn Butsaba															HSB															
Mrs. Tran Thi Kim Khanh															MSB															
Mr. Herman Chandra															/															

Remarks :

X = Chairman of the Board

XX = Vice Chairman

/ = Director

ID = Independent Director

SIC = Strategic and Innovation Committee Member

SC = Sustainability Committee

E = Management according to the definition of the Securities and Exchange Commission, Thailand

ARC GC = Audit, Risk and Corporate Governance Committee Chairman

ARC G = Audit, Risk and Corporate Governance Committee Member

NRCC = Nomination and Remuneration Committee Chairman

NR C = Nomination and Remuneration Committee Member

SIC = Strategic and Innovation Committee Member

SC = Sustainability Committee

E = Management according to the definition of the Securities and Exchange Commission, Thailand

BoC = Board of Commissioners

HSB = Head of Supervisory Board

MSB = Member of Supervisory Board

DGD = Deputy General Director

GD = General Director

## Information on the Directors of Subsidiaries

Abbreviation	Company Name in Full
ATP	Asia Tapioca Products Company Limited
BPT	Bangpakong Turakij Company Limited
BT5	Bang Thao (5) Co., LTD.
BT6	Bang Thao (6) Company Limited
CSL	Chiang Saen Land Co., LTD.
DI	DI Company Limited
MHSL	Mae Hong Son Land Development Limited
MJ	Mae Joe Land Company Limited
PNR	Phang Nga Resorts Limited
TDC	Tapioca Development Corporation Limited
TMS	Thai Modified Starch Co., LTD.
TN	Thai Nam Tapioca Company Limited
TN1	Thai Nam Tapioca (1) Company Limited
TNT	Tay Ninh Tapioca Joint Stock Company
TS1989	Thai Sin Tapioca (1989) Company Limited
TTL	Tha Thungna Land Company Limited
TW6	Thai Wah (6) Company Limited
TWAG	Thai Wah Agri Biotech Company Limited
TWAS	Thai Wah Alpha Starch Company Limited
TWBP	Thai Wah Bio Power Limited
TWI INDIA	Thai Wah International (India) Private Limited
TWI USA	Thai Wah International (USA) Corp
TWIC	TWPC Investment (Cambodia) Co., Ltd.
TWIN	PT Thai Wah Indonesia
TWIT	Thai Wah International Trade (Shanghai) Co., Ltd.
TWPC	Thai Wah Public Company Limited
TWPP	TWPC Property (Cambodia) Co., Ltd.
TWVC	Thai Wah Vietnam Company Limited
TWVT	Thai Wah Ventures Company Limited
VTC	Vietnam Tapioca Co., Ltd.

Assets Used in Business Undertaking

Below are the details of the core assets of Thai Wah Public Company Limited (“the Company”) and its subsidiaries as of December 31, 2023:

Land

Location	Size (Rai-Ngan-Sq.)	Owner- ship	Purpose	Net Book Value (MB)	Obligations
Banpakong District, Chachoengsao	27-2-58	TWPC	Warehouse	2	-
Ban Chang District, Rayong	135-0-29.7	TWPC	Factory and warehouse	1	-
Pimai District, Nakhon Ratchasima	218-0-66	TWPC	Factory and warehouse	6	-
Banglane District, Nakorn Pathom	230-3-50	TWPC	Factory and warehouse	249	-
Mueang District, Udon Thani	450-3-89	TN	Factory and warehouse and provide rental service to Thai Wah Bio Power Limited for using as a power plant and some wastewater treatment ponds.	10	(1)
Khanu Worakabsaburi District, Kamphaeng Phet	181-3-22	DI	Factory and warehouse	2	-
Banpakong District, Chachoengsao	50-0-80	BPT	Provide rental service to the Company for using as warehouse	90	-
Thakanto District, Kalasin	329-1-25	TS1989	Provide rental service to the Company for using as factory and warehouse	4	-
Sithat District, Udon Thani	8-0-2	TS1989	Tapioca Yard	1	-
Banpakong District, Chachoengsao	9-3-48	BT6	Provide rental service to the Company for using as warehouse	21	-
Mueang District, Udon Thani	184-3-22	TN1	Provide rental service to Thai Nam Tapioca Company Limited for using as wastewater treatment site and to Thai Wah Bio Power Limited for using as a power plant and wastewater treatment ponds.	1	-
Ban Chang District, Rayong	41-3-25.4	TW6	Factory and warehouse	37	-
Maesot District, Tak	375-3-35	TWPC	Factory and warehouse	188	-
				612	-

Remark : (1) Mortgaged with financial institutions as collateral for Thai Nam Tapioca Company Limited's credit facilities amounting to Baht 270 million.

Building

Location	Ownership	Purpose	Net Book Value (MB)	Obligations
Banpakong District, Chachoengsao	TWPC	Warehouse	3	-
Thakanto District, Kalasin	TWPC	Factory and warehouse	134	-
Pimai District, Nakhon Ratchasima	TWPC	Factory and warehouse	147	-
Banglane District, Nakorn Pathom	TWPC	Factory and warehouse	300	-
Mueang District, Udon Thani	TN	Factory and warehouse	126	(1)
Pimai District, Nakhon Ratchasima	TWAS	Factory and warehouse	3	-
Khanu Worakabsaburi District, Kamphaeng Phet	DI	Factory and warehouse	14	-
Mueang District, Udon Thani	TWBP	Power plant	27	-

Assets Used in Business Undertaking

Location	Ownership	Purpose	Net Book Value (MB)	Obligations
Vietnam	TNT	Factory and warehouse	27	-
Ban Chang District, Rayong	TDC	Factory and warehouse	83	-
Vietnam	TWVC	Factory and warehouse	24	
Maesot District, Tak	TWPC	Factory and warehouse	156	
			1,044	

Remark : (1) Mortgaged with financial institutions as collateral for Thai Nam Tapioca Company Limited's credit facilities amounting to Baht 270 million.

Other fixed assets

Type of Assets	Net Book Value (MB)
Land improvement	29
Office building improvements	67
Machineries and equipments – factory	1,405
Furniture, fixtures and office equipment	94
Work in progress	559
Total	2,154

In addition, as at December 31, 2023, the Company has vehicles under finance lease agreements that are other fixed assets which are used in the business operations amounting to Baht 1.75 million.

Machineries and equipment with a book value of more than 10 percent of last year's total assets

- None-

The Company and subsidiaries that investmented in properties

Investment amount in properties

Location	Size (Rai-Ngan-Sq.)	Ownership	Purpose	Net Book Value (MB)	Appraisal Value* (MB)
Pak Kret District, Nonthaburi	13-1-33	TWBP	To develop and sell	64	123
				64	123

Remark : (1) \* Appraised by Knight Frank Chartered (Thailand) Co., Ltd. in September 2023

The Company or subsidiaries that have significant intangible assets in its business operations

Type of assets	Net Book Value (MB)
Trademark	264
Customer relationship	108
Goodwill	101
Others	83
Total	556

Assets Used in Business Undertaking










Significant Trademark (As of 31 December 2023)

	Trademark Design	Ownership	Goods/Service	Registration Number / Country	Period
1.		TWPC	Sago	Khor 5805 / Thailand	26 Mar 2022 - 25 Mar 2032
2		TWPC	Tapioca starch; sago; rice flour; glutinous rice flour	Khor 36908 / Thailand	10 Jun 2023 - 9 Jun 2033
3		TWPC	Advertising board; architectural model; sticker	Khor 45700 / Thailand	23 May 2016 - 22 May 2026
4		TWPC	Tapioca starch; sago; rice flour; glutinous rice flour	Khor 54655 / Thailand	10 Jun 2013 – 9 Jun 2023
5		TWPC	Tapioca starch	201118458 / Thailand	20 Feb 2019 - 19 Feb 2029
6		TWPC	Flour mix for food; sago; arrow root flour; rice flour; sweet potato starch; kudzu starch for food; tapioca starch; glutinous rice flour; taro flour	211101894 / Thailand	14 Jun 2019 - 13 Jun 2029
7		TWPC	Flour mix for food; sago; arrow root flour; rice flour; sweet potato starch; kudzu starch for food; tapioca starch; glutinous rice flour; taro flour, modified starch	221127652 / Thailand	14 Dec 2021- 13 Dec 2031
8		TWPC	Dry vermicelli; fresh vermicelli; bean sheet; mung bean starch; ready-to-eat noodles; ready-to-eat vermicelli	201119423 / Thailand	24 Oct 2019 - 23 Oct 2029
9		TWPC	Vermicelli; bean sheet; noodles, rice vermicelli; egg noodle; rice noodle; dried rice noodle; rice flour paste; rice paper; mung bean flour; tapioca starch; rice flour; glutinous rice flour; sago	171132916 / Thailand	8 Apr 2016 - 7 Apr 2026
10		TWPC	Sago; starch for food; tapioca starch for food; rice vermicelli; egg noodle; vermicelli	Khor 107390 / Thailand	3 Oct 2019 - 2 Oct 2029
11		TWPC	Vermicelli; bean sheet; noodles, rice vermicelli; egg noodle; rice noodle; dried rice noodle; rice flour paste; rice paper; mung bean flour; tapioca starch; starch for food; flour mix for food; rice flour; glutinous rice flour; tapioca pearl; ready-to-eat noodle; ready-to-eat vermicelli	221104988 / Thailand	21 Oct 2020 - 20 Oct 2030
12		TWPC	Vermicelli; bean sheet; rice paper; mung bean flour; tapioca starch; starch for food; flour mix for food; rice flour; glutinous rice flour; sago	221127649 / Thailand	14 Dec 2021 - 13 Dec 2031
13		TWPC	Unprocessed plastic; unprocessed synthetic plastic	221127646 / Thailand	14 Dec 2021- 13 Dec 2031

Assets Used in Business Undertaking

	Trademark Design	Ownership	Goods/Service	Registration Number / Country	Period
14		TWPC	Flour mix for food; sago; arrow root flour; rice flour; sweet potato starch; kudzu starch for food; tapioca starch; glutinous rice flour; taro flour, modified tapioca starch, modified corn starch, modified rice starch, modified glutinous rice starch, modified sago starch	231125746 / Thailand	15 Nov 2022 - 14 Nov 2032
15		TWPC		231125747 / Thailand	15 Nov 2022 - 14 Nov 2032
16		TWPC		231125748 / Thailand	15 Nov 2022 - 14 Nov 2032
17		TWPC		231125749 / Thailand	15 Nov 2022 - 14 Nov 2032
18		TWPC		231125750 / Thailand	15 Nov 2022 - 14 Nov 2032
19		TWPC		231125751 / Thailand	15 Nov 2022 - 14 Nov 2032
20		TWPC		231125752 / Thailand	15 Nov 2022 - 14 Nov 2032
21		TWPC		231125753 / Thailand	15 Nov 2022 - 14 Nov 2032
22		TWPC	Tapioca starch for industry; modified tapioca starch for industry; starch for industry; pregelatinized starch for industry; tapioca starch; tapioca starch for food; modified tapioca starch; sago starch; sago; dextrin for food; pregelatinized starch for food	231133554 / Thailand	17 Jan 2023 - 16 Jan 2033
23		TWPC	Tapioca starch; sago; rice flour; glutinous rice flour	1346540 / China	21 Dec 2019 - 20 Dec 2029
24		TWPC	Tapioca starch; noodles; vermicelli; sago; starch for food, rice	19290185 / China	28 Jun 2017 - 27 Jun 2027
25		TWPC	Vermicelli; noodles; phad thai noodle; tapioca starch; sago	32805471 / China	28 Jan 2021 - 27 Jan 2031
26		TWPC	Tapioca starch; sago; rice flour; potato starch; glutinous rice flour; modified starch for food; corn starch; other starches	18085853 / EU	25 Jun 2019 - 25 Jun 2029
27		TWPC	Tapioca starch; sago; rice flour; potato starch; glutinous rice flour; modified starch for food; corn starch; other starches	6265985 / Japan	3 Jul 2020 - 3 Jul 2030

Assets Used in Business Undertaking

Trademark Design	Ownership	Goods/Service	Registration Number / Country	Period
28 	TWPC	Rice flour; glutinous rice flour; sago; ready-to-eat noodle; ready-to-eat-vermicelli	48049 / Laos	23 Oct 2020 - 22 Oct 2030
29 	TWPC	Noodle; vermicelli; starch for food	271928 / Vietnam	23 Apr 2015 - 22 Apr 2025
30 	TWPC	Noodle; vermicelli; starch for food	271927 / Vietnam	23 Apr 2015 - 22 Apr 2025
31 	TWPC	Noodle; vermicelli; starch for food	271922 / Vietnam	23 Apr 2015- 22 Apr 2025
32 	TWPC	Vermicelli; bean sheet; noodles, rice vermicelli; egg noodle; rice noodle; dried rice noodle; rice flour paste; rice paper; mung bean flour; tapioca starch; starch for food; rice flour; glutinous rice flour; sago; ready-to-eat noodles	6920861 / USA	13 Dec 2022 – 12 Dec 2032
33 	TWPC	Tapioca; corn starch; potato starch for food; rice flour; starch for use in manufacturing food; sweet potato starch; tapioca pearls; glutinous rice flour, tapioca starch for food; rice starch, waxy rice starch	6900041 / USA	15 Nov 2022 – 14 Nov 2032
34 	TWPC	Bean meal; Noodles; Udon noodles; Noodle-based prepared meals; Soba noodles; Vermicelli; Extruded food products made of wheat; Rice-based dumplings; Rice products for culinary purposes; Extruded food products made of rice; Rice prepared for culinary purposes; Rice paper (edible); Starch for cooking; Modified corn starch; Starch for food; Rice flour; Tapioca flour for food; Tapioca; Instant noodles	2310873 / Australia	27 Oct 2022 - 27 Oct 2032
35 	Tapioca Development Corporation Limited	Starch for food	Khor 115769 / Thailand	21 Sep 2018 - 20 Sep 2028
36 	D I Company Limited	Tapioca Starch	Khor 88108 / Thailand	31 Mar 2014 - 30 Mar 2024

The Company and affiliated companies also own another 64 registered trademarks in Thailand and abroad.

Investment Policy in Subsidiaries and Associated Companies

The primary focus of the Company revolves around the manufacturing and distribution of tapioca starch and starch-related products, and food products. This includes the exploration of other related products where the Company possesses expertise and potential for long-term growth. Direct investments and holdings in subsidiaries are strategically managed by the Company, ensuring a proportional share that allows effective oversight and guideline setting for the related business activities. The Company designates representatives to serve as directors in subsidiaries and associated companies, actively participating in the formulation of management policies aligned with the Company's overarching strategies. In instances where investments were made in subsidiaries and affiliates unrelated to tapioca starch, starch-related products, and food items, these occurred in the past with the anticipation of future profitability opportunities. Presently, the Company does not have any policies in place to make additional investments in non-core businesses.

Report of the Subcommittees

Report of the Audit, Risk and Corporate Governance Committee

The Board of Directors (the Board) has appointed the Audit, Risk and Corporate Governance Committee (ARC), which consists of at least three directors, all of whom must be independent directors. As of December 31, 2023, the ARC consists of three directors which are Mr. Vudhiphol Suriyabhivadh, Chairman of the committee, with Mr. Subhak Siwaraksa and Mr. Chanin Archjananun serving as members of the committee. Mr. Vudhiphol Suriyabhivadh and Mr. Subhak Siwaraksa are particularly qualified for reviewing financial statements’ credibility against the requirements of the Securities and Exchange Commission, Thailand (SEC) and the Stock Exchange of Thailand (SET).

The ARC independently executed Board-assigned and charter duties. In 2023, the ARC held four meetings fully attended by all incumbent members. The ARC also had a separate non-management meeting with the internal auditor and the external auditor for open consultation on the internal auditor’s work and the external auditor’s work as well as its opinions, issues arising from the financial report review and audit, as well as collaboration with the Management.

Below are the highlights of the ARC’s execution in 2023:

Audit Duties and Responsibilities

- The ARC reviewed the financial reports for 2022 and the quarterly financial statements for quarters 1 to 3 of 2023, which the auditor had audited and reviewed. The ARC had a non-management meeting with the auditor, to ensure that the auditor was independent and would not be impeded in the performance of his duties. The ARC obtained reasonable assurance that the financial statements were accurate, complete, and reliable in accordance with generally accepted accounting principles and financial reporting standards and made a recommendation to the Board of Directors.
- The ARC reviewed, selected, and proposed the appointment of the Company's auditor, including the proposal of the remuneration. The ARC had reviewed the qualifications, independence, experience, and performance of the auditors in the past and considered that EY Office Limited, an internationally recognized auditing firm, and its auditors were suitable, therefore proposed to the Board of Directors to recommend to the Annual General Meeting of Shareholders to appoint an auditor of EY Office Limited as the Company's auditor for the year 2023 and to determine the remuneration accordingly.
- The ARC examined the internal audit reports and engaged in discussions with the internal auditor regarding the findings. They also addressed issues arising from the audits and provided feedback on action plans. Additionally, the ARC approved an annual internal audit plan for the year 2024, which was formulated using a risk-based approach. The committee expressed confidence in the Company's efforts to maintain the independence of the internal audit function and confirmed the presence of an adequate and effective internal audit system.
- The ARC reviewed the appropriateness of actions taken following self-evaluation for the re-submission to the Private Sector Collective Action Coalition Against Corruption (CAC) to ensure compliance with the corporate governance code and made a recommendation to the Board of Directors for approval.



Report of the Subcommittees

- The ARC thoroughly reviewed Management reports on internal control sufficiency, risk management, corporate governance, and anti-corruption measures. The ARC concluded that the Company maintains an effective control system in accordance with SEC guidelines.
- The ARC has appointed a capable and experienced individual to assume the role of Head of Internal Audit to replace the departed personnel.

Risk Management Duties and Responsibilities

- The ARC assessed the reports on risk management, examining guidelines covering strategic, business, commercial, financial, operational, social, and environmental, and emerging risks. The committee provided opinions on the action plans derived from this analysis. Furthermore, the ARC approved a risk management plan for the year 2024.
- The ARC oversaw, monitored, and examined strategies, as well as proposed guidelines for corporate risk management, mitigation plans, key risk indicators for the year 2023, and significant projects on a quarterly basis. This was done to guarantee the implementation of effective and suitable risk management within the specified risk appetite statement, in accordance with the established risk management policy. Additionally, the committee regularly communicated the results of corporate risk management to the Board of Directors.

Corporate Governance Duties and Responsibilities

- The CG Policy, Code of Conduct, and Anti-Corruption policy underwent was reviewed to confirm their alignment with current standards, announcements, and corporate governance practices outlined by the SEC and the SET well as good corporate governance guidelines.
- The ARC oversaw that the established CG Policy, Code of Conduct, and Anti-Corruption policy have been followed by the directors, executives, and employees. Through regular assessments and oversight, the Board tracks adherence to ethical standards, fostering a work environment that upholds the principles outlined in the code. Additionally, recognizing the pivotal role employees play in shaping corporate governance culture, the ARC supported them in initiatives aimed at cultivating a strong governance ethos.
- The ARC examined modifications made to the self-assessment forms for the Board of Directors and its sub-committees, ensuring alignment with the latest SET guidelines. Subsequently, the committee proposed these changes for approval to the Board of Directors.

With a strong determination to operate the business with good corporate governance throughout 2023, the Company has received the corporate governance assessment at “Excellent” level from the 2023 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors (IOD) for the fourth consecutive year. In 2023, we were also listed in the top quartile of listed companies with market capital Baht 3,000 - 9,999 million.

Report of the Subcommittees

In 2023, the ARCG continued to uphold accurate and reliable accounting and financial reporting systems, adequate internal controls and compliance monitoring, and adherence sound corporate governance. No impediments were faced in obtaining information, resources, or cooperation from management, employees, or related parties. The Committee provided impartial opinions and suggestions for the equal benefit of all stakeholders.

On behalf of the Audit, Risk and Corporate Governance Committee



(Mr. Vudhiphol Suriyabhivadh)  
Chairman of the Audit, Risk and Corporate Governance Committee  
February 15, 2024

# Report of the Subcommittees

## Report of the Nomination and Remuneration Committee

The Board of Directors (the Board) has appointed the Nomination and Remuneration Committee (NRC), which consists of at least three directors, all of whom must be independent directors. The current NRC, consisting of three directors, is chaired by Mr. Chanin Archjananun, with Mr. Vudhiphol Suriyabhivadh and Mr. Subhak Siwaraksa serving as members.

In 2023, the NRC has executed all its duties, with the two meetings fully attended by all incumbent members.

Below are the highlights of the NRC’s execution in 2023:

### Nomination

In carrying out its responsibilities for director nomination, the NRC evaluated both the collective and individual composition and qualifications of the Board. This assessment aimed to align with the size, type, complexity, and diversity of the Company's businesses. Additionally, the NRC reviewed personal qualifications, encompassing education, expertise, skills, experience, and specialization relevant to the Company's operations, along with ensuring personal independence in accordance with applicable laws and the Company's criteria. Details of the NRC’s activities are outlined subsequently.

1. Selected and nominated qualified persons as directors in replacement of directors with term completion in 2023 and proposed the list to the Board and the 2023 AGM. The four directors nominated for another term were Mr. Ho Ren Hua, Ms. Ho Ren Yung, Mr. Umnad Sukprasongphol, and Mr. Subhak Siwaraksa.
2. Selected and nominated directors for sub-committees; in accordance with the sub-committee charters which indicate a two-year term for members set to conclude in 2023, the NRC has assessed and recommended to the Board the approval of a term extension for all sub-committee members.

### Remuneration

The NRC outlined the compensation for directors according to the Company's criteria, considering factors such as 1) company performance and business complexity, 2) the Board's responsibilities, and 3) a comparison with peer companies in the same industry. The details of the NRC's performance are explained below:

1. Established the rate and criteria for directors and sub-committee members remuneration before proposed to the Board and the 2023 AGM. The NRC viewed that the remuneration rate and structure remained suitable, therefore proposed to maintain the remuneration at the same rate as approved by the 2022 AGM.
2. Deliberated and decided on the 2022 annual bonus and 2023 salary increment for the Company’s employees.
3. Evaluated the performance of the Chief Executive Officer and determined the 2022 annual bonus and 2023 salary increase of the Company’s Chief Executive Officer.
4. Reviewed the individual scorecard components and key performance indicators for the Chief Executive Officer and his direct reports by taking into consideration the Company’s business priorities for the year 2023. The proposed 2023 targets were based on the Board’s approved budgets.

# Report of the Subcommittees

5. Assessed the progress of the performance audit for the long-term Incentive (LTI) for the year 2021-2023, in preparation for finalizing the evaluation results in 2024.

The NRC diligently fulfilled our responsibilities with diligence, transparency, fairness, and integrity, providing impartial and candid opinions. Individuals with vested interests in the discussed matters were not present at the meeting and were not granted the right to express opinions or vote. This adherence to principles of good corporate governance aimed to safeguard the best interests of shareholders, investors, and all stakeholders.

On behalf of the Nomination and Remuneration Committee



(Mr. Chanin Archjananun)  
Chairman of the Nomination and Remuneration Committee  
February 16, 2024

# Report of the Subcommittees

## Report of the Sustainability Committee

The Board of Directors has appointed the Sustainability Committee, which consists of at least three directors. The current Sustainability Committee comprises five members namely Mr. Vudhiphol Suriyabhivadh, Mr. Chanin Archjananun, Mr. Subhak Siwaraksa, Ms. Parnsiree Amatayakul, and Mrs. Supattra Paopiamsap.

In 2023, the Sustainability Committee has executed all its duties, with the two meetings fully attended by all incumbent members.

Below are the highlights of the Sustainability Committee's execution in 2023.

- Oversaw a strategic plan for moving towards Carbon Neutrality by 2030 and Net Zero Greenhouse Gas Emissions by 2050 while designing a work plan and guidelines for Greenhouse Gas reduction with appropriate initiatives, such as change in fuel types, adjustment of production process, and implementation of regenerative agriculture for scope three emissions.
- Approved the Company’s sustainability material matrix in order to identify, prioritize, and communicate key sustainability issues relevant to the Company.
- Reviewed and opined on the Company’s sustainability roadmap towards the year 2030.

With a consistent effort towards upholding sustainability standards, in 2023, the Company has been listed in the SET ESG Rating sustainable stocks by the Stock Exchange of Thailand for the fifth consecutive year. This selection underscores our commitment to creating value beyond profits and our dedication to fulfilling our role and responsibility in upholding the comprehensive principles of sustainability.

As we move forward, the Sustainability Committee remains dedicated to steering the Company toward greater sustainability, ensuring that we continue to meet the evolving expectations of our stakeholders. We appreciate your trust and support in our journey towards a more sustainable and responsible future.

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