



**ANNIVERSARY**



**st**



## Key Highlight

### 21<sup>st</sup> Anniversary Proud to be TACC

2002

- T.A.C. Beverage Co., Ltd. was established with 3 employees. It achieved Sales Revenue 26 million Baht sales in the first year. The office was located in Langsuan Balcony and its space was only 30 sqm. in the first year.
- The first product was a Cold Beverage Dispenser, Zenya, which was Thai Tea with Four Sakolrat as the first Jet Spray presenter. The drinks were distributed to 2,000 7-Eleven Outlets, as 7-Eleven in Thailand is the second largest chain in the world after Japan at the moment.



2005



- The office was moved to Sriwara Town in Town. It also hit Sales Revenue 100 ++ Million Baht.
- Coffeeca was introduced to the market. It was comparable to international brands.
- RTD Green Tea from Zenya was launched with the concept, "Green Tea, why is it green?"

2004

The first Green Tea Milk was launched as the fourth flavor.

2017

The Company was award "SME Sustainable 2016" organized by CP ALL Public Company Limited cooperate The Office of SMEs Promotion (OSMEP) and Department of Industrial promotion set "The 7- Eleven Thai SMEs Sustainable 2016. They were 1 of 14 awards to SMEs partners.



2014

- The espresso was previously known as Coffeeca.
- Milk Tea drinks were launched in All Café, with the first order of 30 crates.

2015

- The Company first officially signed the Exclusive Contract with 7-Eleven.
- The Company listed in Market for Alternative Investment (MAI) on 2<sup>nd</sup> December 2015. The first offering price on the stock exchange was 2.88 baht.

2018

- The Company has been a distributor of Cold Beverage Dispenser Chocolate Hershey's as a Global brand at 7-Eleven.
- TACC has accessed the license business segment of SAN-X, Dog Please (Maa-Ja), Warbie, and Line Creators Thailand, totaling more than 100 characters.



2019

TACC has expanded into Café Business and Food Service and currently TACC's products has more than 8,000 outlets nationwide.





2006

Zenya's first presenter was Sunny Suwanmethanont.



2007

Zenya's RTD Green Tea was exported to different markets and it became one of the market leaders in Cambodia. It also celebrated the 10<sup>th</sup> anniversary in Cambodia with a campaign to win big prizes and Pancake Khemanit Jamikorn as the brand ambassador.

2009

T.A.C. Beverage Co., Ltd. changed its name to T.A.C. Consumer PCL.



2010

Vslim, an RTD coffee designed for health and weight control was launched. It was the first RTD coffee brand in the weight control category.

2013

- TACC received the Partnership Award 2013, "Best Business Growth" from CP ALL PCL.
- Ban Bung Factory was established in Chonburi which has already been 10 years. It has been certified with FSSC 22000 (Food Safety System Certification) which is globally recognized in the industry.



2014

- Instant drink powder products from Sawasdee and Na-Arun were launched and exported to different markets such as China and Australia. The brand names reflect the uniqueness and taste of Thai flavors.



2020

- The Company received the Superior Taste Award from the International Taste Institute, Belgium, for the third year continuously which is received 8 products of the Company. This award is virtual International award as a Michelin Star of food and beverage group.
- TACC is 1 of 19 companies representing from Thailand. Which rating by Magazine-rated Forbes. To be in the listed of Asia's 200 Best Under A Billion 2020, base on the outstanding company with revenue and profit growth for at least the past 3 years.

Forbes Asia  
BEST UNDER A  
BILLION



2021

TACC has accessed the coffee business fully to be the partnering with "BONCAFÉ".

UT.A.C.C.  
BONCAFÉ



2022

The Company launched a new brand "TRIVA" with the original of the name HAPPY AND HEALTHY to Health & Wellness market.

TRIVA  
CAFÉ VISION

2023

- The year in the investment for the future. The Company was established a subsidiary Company name's Health Inspired Planet Co., Ltd (HIP).
- RD Department of TACC has been one of 160 people in Thailand who are Arabica Q Grader out of 7,000 people worldwide from Coffee Quality Institute (CQI)



## Core Value



**TEAM WORK**

**ACHIEVEMENT &  
ATTITUDE**

**CREATIVITY**

**CUSTOMER &  
CONSUMER FOCUS**



**COLLABORATION**



**AGILITY**



## Vision / Mission

### Vision

"We will be one of the leading lifestyle products and beverage and companies in SEA which promptly deliver customer satisfaction and establish mutually beneficial and long-lasting relationship with all key stakeholders.

### Mission

TACC is committed to become a leading company offering beverage and Lifestyle product especially tea and coffee with both in B2B and consumer markets domestically and Cambodia, Malaysia, Laos, and Vietnam with make stability of 4 profit as follow:

- Customers, by creating customer satisfaction from making high quality product sold at reasonable price.
- Trading partners, by emphasizing on sustainable and long term trading relationships.
- The society, in taking part in improving quality of lives to community, social and environmental.
- The organization, by providing satisfactory return to shareholders and compensation to employees.

## Business Goal

- Grow together with major trading partners, with an aim to operate the business under sustainable growth and business partnership principles.
- Focus on continuous products development to differentiate the business.
- Create and strengthen distribution channels in both domestic and international markets.
- Increase sales volume in Domestic and International market by maintaining existing customer base and tapping into new consumer groups.



**Target Sales Revenue in 2025  
2,200 Million Baht**



**Roadmap to One of  
Leading Beverage  
Companies in SEA via  
5Ps : Profit, People,  
Portfolio, Partner and  
Planet**





# B2B

## BUSINESS TO BUSINESS :

The Company researches and develops products closely with its key strategic partner in order to manufacture and distribute products to customer's stores mostly in convenience stores and food chain restaurants such as Cold Beverage Dispenser, Non-Coffee menu in the All Café at 7-Eleven etc.







24st





# B2C

## BUSINESS TO CUSTOMER :

Apart from researches and develops products closely with its key strategic partner. The Company also develops products under its own brands which this group of products such as Instant Powder Drink under the Brand "Na-Arun", "TRIVA", License Business and Café Business.







# 21st

LINE  
CREATORS







# SUSTAINABILITY DEVELOPMENT







st







## Awards and Recognition



The Stock Exchange of Thailand and Money & Banking Magazine jointly hosted SET Awards 2023, the announcement and award presentation ceremony aim to recognize companies on the Thai capital market with excellent and outstanding performances in various areas. TACC was awarded "Outstanding Investor Relations Awards" from Business Excellence group of listed Companies mai Market Cap. more 1,500 million baht which is the seventh consecutive year. This award presentation ceremony is for listed companies that have outstanding performance of Investor Relations activities. Which is important to emphasize that the participation of the whole organization in carrying out the activities. As well as being an honorable award and create pride for the company's team. The Stock Exchange of Thailand is holding the SET Awards for its 20<sup>th</sup> anniversary under the concept of "Benchmark of Excellence", emphasizing that it is a standard award for excellence.

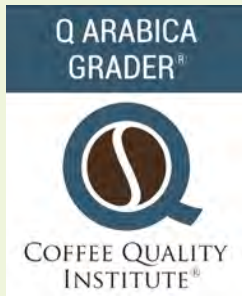


TACC received Corporate Governance Report of Thai Listed Companies 2023 was an Excellent score or rating of 5 stars for the fourth consecutive year from Institute of Director



TACC was an excellent score (99 Point) in 2023 AGM checklist program from Thai Investor Association and Securities and Exchange Commission, Thailand.





T.A.C. Consumer PCL. has been encouraging the development in the Research and Development (RD) team to meet international standards with a License CQI Arabica Grader (Q Grader) certified by Coffee Quality Institute (CQI), a world-class coffee institute, in order to reaffirm its leadership in the coffee and tea industry. TACC's representative was one of the 160 Arabica Q graders in Thailand, out of 7,000 worldwide who passed 19 exams to guarantee that they are professional coffee testers who can inspect, evaluate, and score coffee beans' quality that fits international standards.

This certification reaffirms TACC's leadership in the coffee and tea beverage industry and builds confidence that its products are high quality and globally certified. TACC continues to focus on developing the RD team's capabilities by investing in its staff to be knowledgeable and skillful. Therefore, they can develop beverage products and establish the RD Lab equipped with various international standard tools in order to support any innovation for the future beverage development.



TACC, as the license representative of Dog Please character and Mr. Nathawee Limpanilchart, the Managing Director of DOG PLEASE COMPANY LIMITED, received the Character of the Year Award at Bangkok International Digital Content Festival (BIDC). This event was organized by 5 Thai digital content associations including the Department of International Trade Promotion (DITP), Thailand Convention and Exhibition Bureau (TCEB), Digital Economy Promotion Agency (DEPA), Ministry of Digital Economy and Society, and Creative Economy Agency (CEA).

This award reflected the immense popularity of Dog Please among people of all ages and genders, especially animal lovers. The judging criteria focused on diverse, outstanding, and inspiring works in the digital content industry and the event was Thailand's largest digital content festival in its 10<sup>th</sup> year. TACC, as the license representative of Maja, was delighted to receive this prestigious award and will continuously expand the character to both domestic and international markets.

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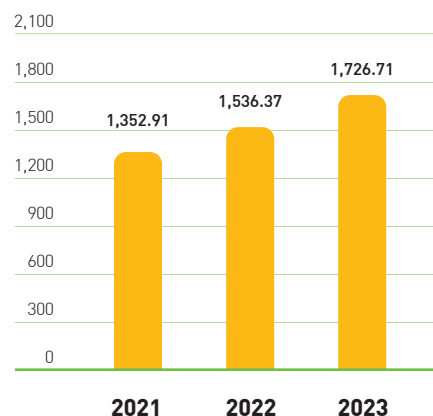
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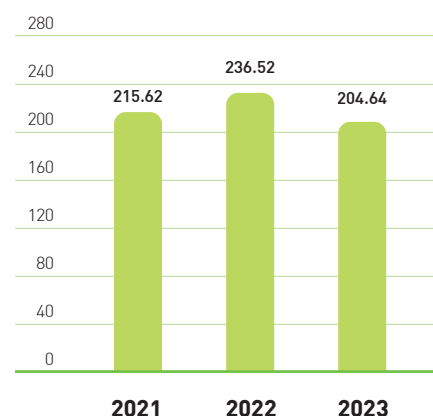
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## Consolidated Financial Statements

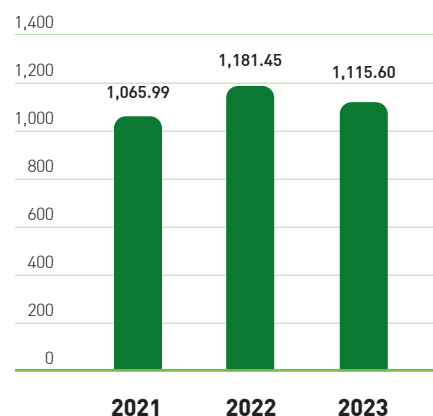
### Total Revenues (Million Baht)



### Profit for the Years (Million Baht)



### Total Assets (Million Baht)





# Financial Highlight

Consolidated Financial Statements	Unit	2021	2022	2023
<b>Statements of Comprehensive Income</b>				
Total Revenues	Million Baht	1,352.91	1,536.37	1,726.71
Total Expenses	Million Baht	1,083.62	1,240.13	1,460.65
Profit Before Income Tax Expenses	Million Baht	268.82	295.94	256.67
Profit for the Years	Million Baht	215.62	236.52	204.64
<b>Statements of Financial Position</b>				
Total Assets	Million Baht	1,065.99	1,181.45	1,115.60
Total Liabilities	Million Baht	322.18	415.81	397.91
Shareholders' Equity	Million Baht	743.81	765.64	717.69
<b>Statements of Cash Flows</b>				
Cash Flow from Operating Activities	Million Baht	233.03	271.81	198.37
Cash Flow from Investing Activities	Million Baht	-88.03	-67.22	-91.34
Cash Flow from Financing Activities	Million Baht	-202.07	-190.29	-279.26
Increase in Cash and Cash Equivalents-Net	Million Baht	-67.07	14.30	10.46
<b>Financial Ratio</b>				
Current Ratio	X	3.16	2.71	2.61
Account Receivable Turnover	X	5.41	5.35	5.33
Average Collection Period	Day	66.55	68.19	68.42
Average Sale Period	Day	21.61	19.88	19.00
Account Payable Turnover	X	6.67	6.76	6.51
Average Payment Period	Day	53.94	54.00	56.04
Gross Profit Margin	%	38.02	35.20	32.71
Operating Profit Margin	%	19.20	18.59	14.76
Net Profit Margin	%	15.94	15.44	11.94
Return on Equity: ROE	%	29.41	30.89	28.51
Return on Assets: ROA	%	20.76	20.02	18.34
Asset Turnover	X	1.30	1.29	1.54
Debt to Equity Ratio: D/E	X	0.43	0.54	0.55
Interest Coverage Ratio	X	254.19	257.79	244.14
Dividend Payout	%	93.05	92.54	98.04



# Message from The Chairman of The Board of Directors



In 2023, Thai economy expanded by 1.9%, slowing down from the previous year's expansion with an inflation rate of 1.2%. Private consumption expenditure in the country highly increased and both tourism and private sector investment also accelerated. Export also expanded.

This year, I'd like to congratulate T.A.C. Consumer PCL or TACC as it has been steadily growing for 21 years, entering its third decade which is a great success and dignity. This success is driven by a clear vision, business acumen, strategic operational excellence, and new business opportunities which enhance and expand its core business, ensuring sustainable growth and prosperity. For 2023's Company performance, the total revenue of 1,715.68 million baht, an 11.67% increase, was achieved comparing to the previous year's total revenue of 1,536.37

million baht. This growth was supported by the development of new products with the key business partners and expanding the customer base domestically and internationally in order to meet consumer demands.

The Board of Directors has been aware of and emphasized the importance of reviewing the company's visions, missions, and strategies, as well as prioritizing sustainability by aligning to the corporate governance in all aspects. Additionally, all stakeholders are considered to be important and the Company's information is Accurately, Completely, Transparently, and Timely disclosed to shareholders. Based on this year's Corporate Governance Assessment of companies registered in 2023 by Thai Institute of Directors (IOD), TACC received an "Excellent" rating or 5 stars for the fourth consecutive year. For the evaluation of the Annual General Meeting of Shareholders of 2023, it was rated as excellent.

On behalf of the Board of Directors, I'd like to thank all shareholders and stakeholders for their constant support, trust and confidence in the Board's performance. As well as the dedication and commitment from the Management team and all employees who consistently perform their duties with excellence. With all the factors mentioned above, they are a vital force that drives the success of the Company's business. Please be certain that each member of the Board of Directors will responsibly fulfill their duties, conduct business based on ethical management principles, strive to advance the business sustainably, and consider benefits for all the stakeholders.

**ADM Apichart Pengsritong**  
The Chairman of the Board of Director



# Message from The Chairman of The Executive Committee

T.A.C. Consumer PCL. or TACC has reached its strong 21<sup>st</sup> year or its third decade, starting out as a small limited company with few employees. However, due to a visionary outlook and clear business goals, it has registered to be on Market for Alternative Investment - MAI for 8 years and has shown continuous growth in business development and performance because of the dedication from the Management team and all employees.

The revenue from sales and services increased from last year by 11.79%, which exceeded the target, from the B2B and B2C business groups. This was due to a constant increase in domestic sales, an increase in new customers, and a market expansion in Cambodia by opening 7-Eleven outlets. However, in terms of the Company's performance, the net profit was 221.69 million baht or 13.02%. The main reasons for this decrease were from reserving a budget for possible investment losses in joint ventures and a continuous increase in sales costs since the second half of 2022. Although, the net profit has consistently improved each quarter.

Another company's success this year is receiving awards and evaluations on various levels internationally.

- Outstanding Investor Relations Awards from Market for Alternative Investment - MAI with a market capitalization over 1,500 million baht. This is the seventh consecutive year TACC has won this award, which is given to registered companies that excel in activities with investors who emphasize the organization participation in carrying out activities.
- TACC's representative was one of 160 people in Thailand who was an Arabica Q Grader out of 7,000 people globally. This certification is certified by Coffee Quality Institute (CQI) in order to guarantee professional coffee tasters who can check, assess, and score the quality of coffee beans to fit international standards.



- Dog Please character won the Character of the Year Award at Bangkok International Digital Content Festival (BIDC). The judging criteria considered the diverse and excellent works that inspired other character creators in the digital content industry.

On behalf of the Executive Committee, I'd like to thank shareholders, customers, business partners, business allies, the Board of Directors, the Management team, and all employees for their commitments in steadily growing the business. We will move forward with ESG principles to create sustainable growth opportunities in harmony with the society, environment, and ethics.

**Mr. Chatchawe Vatanasuk**  
The Chairman of the Executive Committee



# The Change and Key Milestone 2023

## January



1. The Company has launched the new seasonal flavor of Cold Beverage Dispenser Pinky Candy at 7-Eleven outlets.
2. The Company signed a renew of license agreement with SAN-X, which has a period of 5 years, starting from 2023 - 2027, after continuous good response.

## March



U.T.A.C.C.

1. The Company has launched the new seasonal flavor of Cold Beverage Dispenser Honey Lime Hi-C at 7-Eleven outlets.
2. The Company has launched new seasonal flavor of Instant Powder Drink Peach Series with 5 new menus such as Peach Honey Soda Jelly Pink, Peach Tea Jelly Pink, Peach Kombucha Jelly Pink, Peach Drink Yogurt and Peach Americano in fresh corner coffee under All Café at 7-Eleven.
3. TACC's representative was one of the 160 Arabica Q graders in Thailand, out of 7,000 worldwide .It has been certified by a world-class coffee institute from Coffee Quality Institute (CQI) to guarantee that they are professional coffee testers who can inspect, evaluate, and score coffee beans' quality that fits international standards.

## April



- Dog Please [Maaja] character joined at the Hong Kong International Licensing Show 2023 in collaboration with the Thai Animation and Computer Graphics Association (TACGA) with support from the Ministry of Culture of Thailand. It is one of the largest Character Licensing events in the world. Participating in this event is to promote and introduce the famous Thai character named Dog Pleas to be known abroad.

## May



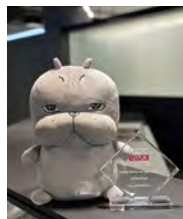
- The Company can close M&A deal and press visit introduce beauty products, healthy, and nutritional supplements under the brand Bloss Natura including Supplement (Jeli) and Skincare to emphasize the full Health and wellness business along with thanking to media for supporting the Company's news. It's always been good

## June

- The Company organized volunteer projects to clean turtle ponds and donate money to the Royal Thai Navy Sea Turtle Conservation Center, Sattahip District, Chonburi Province. In the activities, knowledge was provided about the biology of sea turtles. The staff then escorted the management team and employees to the turtle ponds to clean them together. In addition, money and necessary items were donated to the Teacher Boonchoo Home for Special Children, Phlu Ta Luang, Sattahip, Chonburi. This activity was held because the Company recognizes the importance of environmental responsibility and social responsibility. The Company is committed to creating activities to give good things back to society
- The Company co-sponsored the 15<sup>th</sup> "FosTAT Food Innovation Contest 2023". The aim of this project is to promote and develop personnel among students in terms of food innovation, product development and cooperation between educational institutions, government agencies and the private sector in the food industry to grow sustainably. In addition, the Company co-sponsored the 19<sup>th</sup> "FosTAT Nestlé Quiz Bowl 2023" for undergraduate students in food science and technology (70 institutes) to support the development of knowledge and understanding for students, who will be an important force in the development of the Thai food industry to be accepted internationally



## July



- The Company as the copyright agent of the character of Dog Please, together with Mr. Natthawi Limpaninchat, Managing Director of DOG PLEASE COMPANY LIMITED, received the Character of the Year Award at the Bangkok International Digital Content Festival (BIDC) organized by Department of International Trade Promotion (DITP), Ministry of Commerce and other institutions. This award reflects that the character Dog Please is very popular with all genders and ages, especially animal lovers. The judging criteria are based on the creation of a variety of works with outstanding qualities and that were the inspiration for the person who created the character in the digital content circle.
- The Company has launched new seasonal flavor of Instant Powder Drink "Blue Series" with 4 new menus such as Blue Milky Latte, Blue Coffee Latte, Cloudy Strawberry Yogurt and Jasmine with Pangyen in fresh corner coffee under All Café at 7-Eleven.
- The Company sent the TRIVA brand to joined the Thailand Coffee Fest 2023 under the concept of TRIVA Café Vision and fulfilling all your café ideas. In addition, an exclusive new product "TRIVA Brew Powder" launched a total of seven flavors, such as TRIVA Thai Tea Powder, TRIVA Earl Grey Tea Powder, TRIVA Taiwanese Tea Powder, TRIVA Ceylon Tea Powder, TRIVA Peach-Raspberry Collagen Drink Powder, TRIVA Apple Fiber Powder, and TRIVA Black Tea Bags.



## August



- The Company donated stationery sets and chocolate drinks to Wat Nong Yang School, Wat Nong Bon Daeng School, Wat Nong Ka Nam School, and the Nong Bon Daeng Municipality Child Center in Chonburi Province. These activities were organized because the Company recognizes the importance of corporate social and community responsibility in the areas around the Company's Ban Bueng factory. The Company is committed to creating good activities to give back to the community and society and these activities were held recently.

## September



- The Company has launched the new seasonal flavor of Cold Beverage Dispenser Peach Tea High C at 7-Eleven outlets.
- The Company conduct Dog Please (Maaja) character joins at the Hong Kong International Licensing Show 2023 in collaboration with the Thai Animation and Computer Graphics Association (TACGA) with support from the Ministry of Culture of Thailand. It is one of the largest Character Licensing events in the world. Participating in this event is to promote and introduce the famous Thai character named Dog Please to be known abroad.

## October



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- The Company was an excellent score (99 Points) for 2023 in the AGM checklist program from the Thai Investor Association and Securities and Exchange Commission, Thailand.
- The Company joined the HR Hero Summit 2023. Which representative of the Company were invited to speak on the topic of Way to build Collaboration Organization. Which was an event about updating HR trend and idea, People management new generation way leading organization to success under the concept "We are the success factor"



## November



1. The Company received Corporate Governance Report of Thai Listed Companies 2023 was an Excellent score (5 star) continuously previous year from institute of Director and support by Stock Exchange of Thailand. This is another one of pride in Good Corporate Governance and sustainable business operations.
2. The Company received the new character "Bellygom" as a cuties pink bear, one character from Korea which has 4 year contract to expand the character business. The highlight of the characters is bright, mischievous and playful in order to create happiness and smiles and introduce new characters "Bellygom" in Bellygom Loves Thailand, Sustainable Living X'mas Tree 2023 as a The first big event in Thailand at Siam Discovery to be better known in Thailand.
3. The Stock Exchange of Thailand and Money & Banking Magazine jointly hosted SET Awards 2023, the announcement and award presentation ceremony aim to recognize companies on the Thai capital market with excellent and outstanding performances in various areas. TACC was awarded the Outstanding Investor Relations Awards in the Business Excellence category of mai listed companies with market caps above Baht 1,500 million. The award was presented for the sixth consecutive time to listed companies, which outstanding themselves in investor relations activities that place importance on the participation of the entire organization in its activities.
4. The Company has launched new seasonal flavor of Instant Powder Drink "Berry Christmas Series" with 3 new menus such as Red Berry Tea, Red Berry Soda and Strawberry Pop Pearls in fresh corner coffee under All Café at 7-Eleven.
5. The Company has launched the new seasonal flavor of Cold Beverage Dispenser Honey Lemon Butterfly Pea at 7-Eleven outlets.
6. The Company together with the National Food Institute (NFI) signed a memorandum of understanding (MOU) on laboratory services. The objective is develop procedures for receiving analytical services including links and exchange information related to laboratory services to benefit efficient operations. Through this collaboration, the Company aims to develop the potential for quality and food safety. Ready to build networks with government agencies
7. The representative of the Company joined Dog Please Character 10th anniversary as agent of copyright Dog Please. This event held to thank fans, followers, partners, and sponsors who have supported Ma Ja over the past 10 years. Within the event, there was a showcase of Dog Please work since the first year until the current work showing souvenir products with various activities at Chang Chui Project.

## December



1. The Company joined Warbie Yama Character organizes the Warbie X'Mas & New Year Celebration 2024 event to give you full year-end happiness. Special promotions for cute licensed products at Terminal 21 Korat Shopping Center.
2. The Company conduct TRIVA brand joined Restech 2023 under the concept of TRIVA Cafe Vision, fulfilling the dream of the shop. Make your cafe a reality by attending this event in order to make the brand more well known and to expand the new customer base.



# Board of Directors



**ADM Apichart Pengsritong**

Chairman  
and Independent Director



**Assoc.Prof.Kitti Siripullop**

Chairman of the Audit Committee  
and Independent Director



**Mrs.Paktra Suriyapee**

Audit Committee, Independent Director  
and Chairman of the Nomination  
and Remuneration Committee



**Mr.Komsak Wattanasriroj**

Audit Committee, Independent Director,  
Nomination and Remuneration  
Committee and Chairman of the Risk  
Management Committee



**Mr.Chanit Suwanparin**

Director, Nomination  
and Remuneration Committee  
and Risk Management Committee



**Ms.Trithip Sivakrskul**

Independent Director  
and Risk Management Committee



**Mr.Chatchawe Vatanasuk**

Director



**Mrs.Chirapan Khotcharit Choosang**

Director  
and Risk Management Committee



**Mr.Suphot Leenanurak**

Director  
and Risk Management Committee

# Executive Committee



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**1. Mr. Chatchawe Vatanasuk**

Chairman of the Executive Committee

**5. Mr. Hatsaya Charuwityanan**

Executive Committee

**2. Mrs. Chirapan Khotcharit Choosang**

Executive Committee

**6. Ms. Preawnapa Nimma**

Executive Committee

**3. Mr. Suphot Leenanurak**

Executive Committee

**7. Mr. Atid Tragoondet**

Executive Committee

**4. Mrs. Suveeraya Ansavananda**

Executive Committee

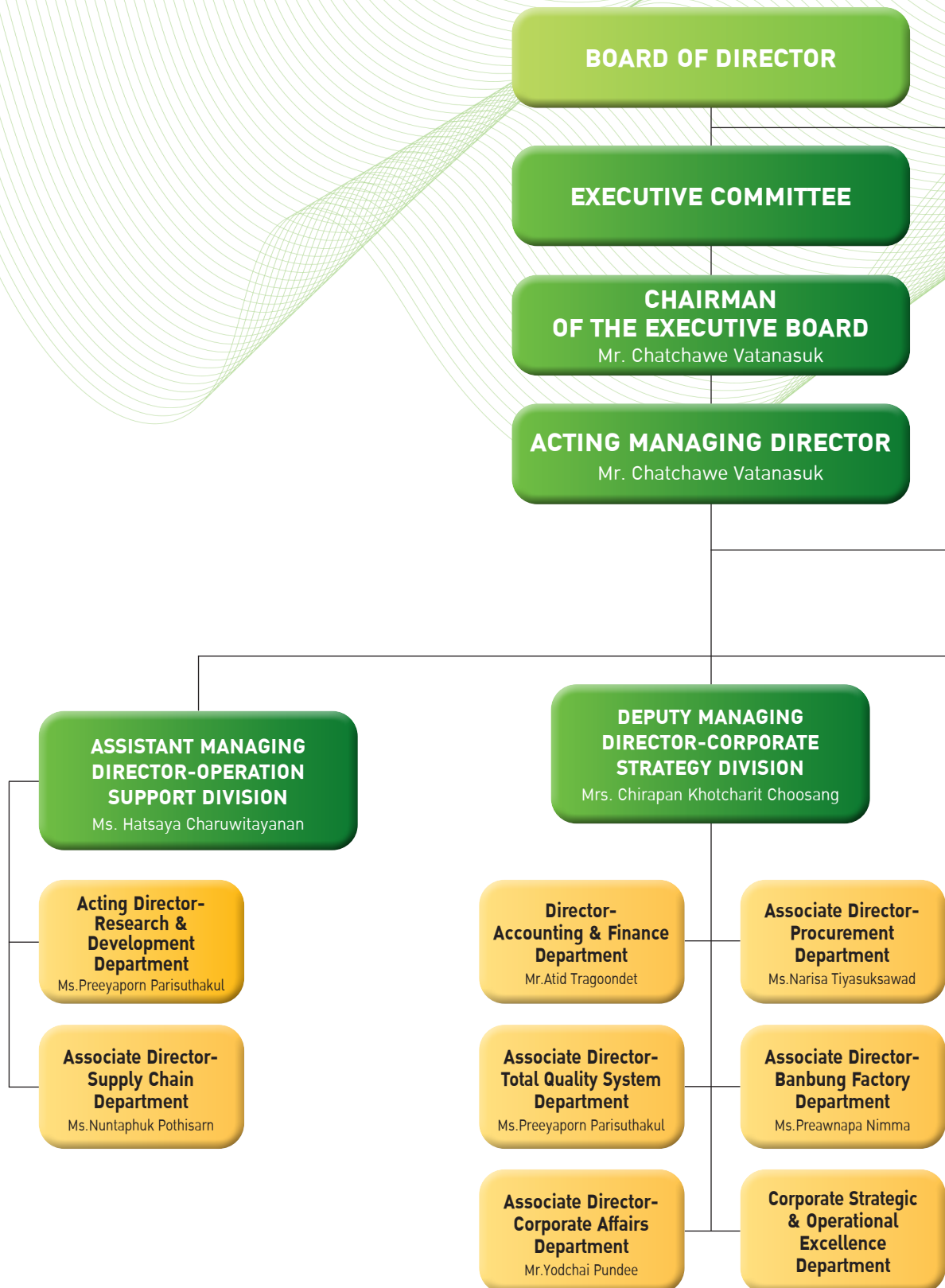
**8. Ms. Keanapa Jittiruangvichai**

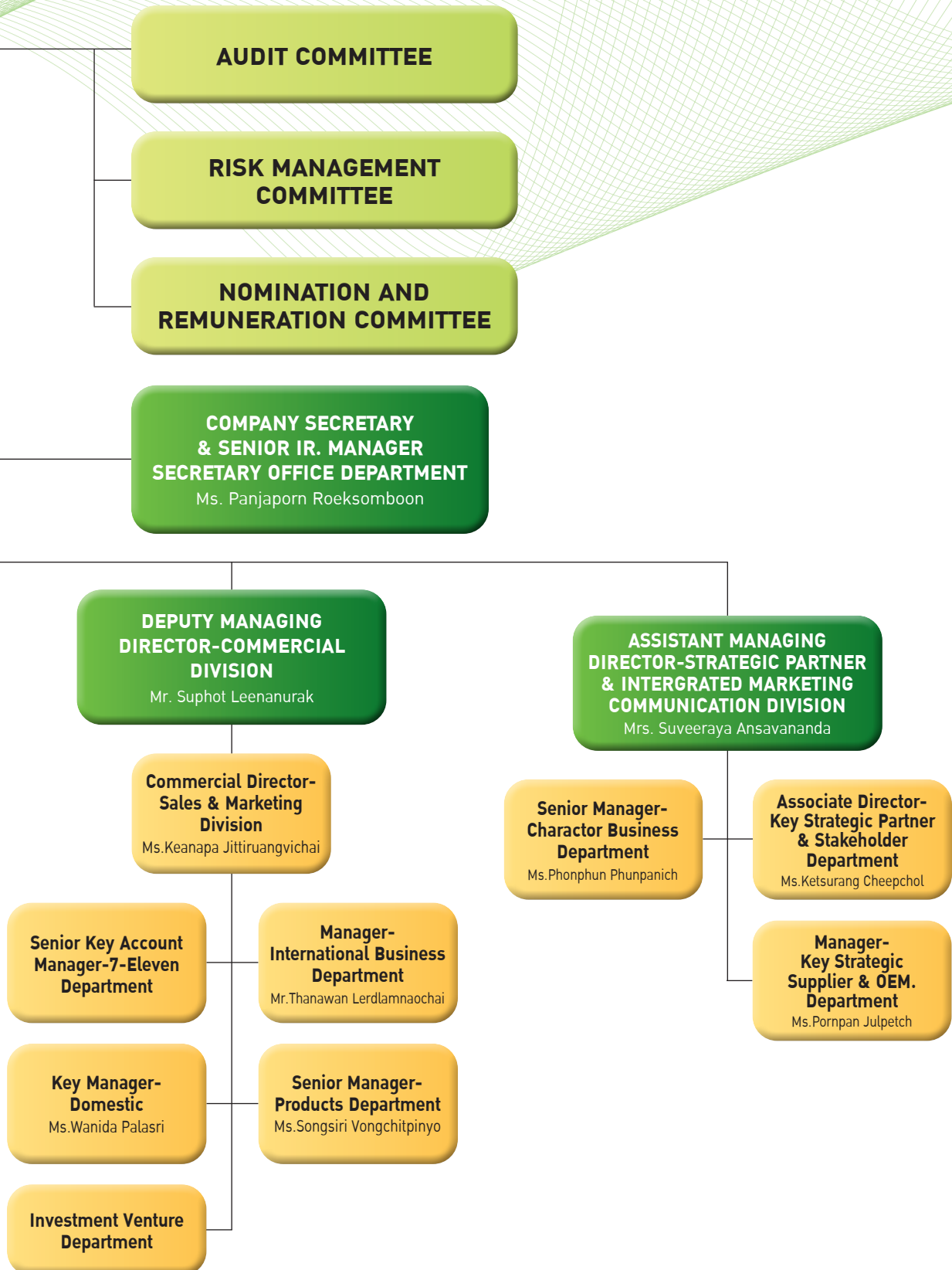
Executive Committee

**Note :** \* Ms. Keanapa Jittiruangvichai as the Executive Committee on 26<sup>th</sup> October 2023 onwards.



# Organization Chart







## Section 1 Business Operation and Operating Results

# 1. Structure and Operation of The Group of Companies

## Policy and Overview of Business

T.A.C. Consumer Public Company Limited ("The Company"), formerly known as T.A.C. Beverage Company Limited, was registered as a Company on 28 March 2002 with its authorized capital of two million baht to operate and sell Cold Beverage Dispenser products in 7-Eleven convenient store, which were jointly developed by the Company and CP ALL Public Company Limited. The

Limited on 28 July 2009. After that in 2011 the Company expanded into functional drink market by launching VSlm, a ready-to-drink healthy and weight control coffee, in order to meet the need of consumers who place their importance on health and beauty. VSlm was considered the first healthy ready-to-drink canned coffee brand with weight control benefit in the market.



products were sold included iced tea, milk tea, coffee, and fruit juices such as punch and cantaloupe juice. Later in 2005 the Company expanded its business to ready-to-drink market by launching a ready-to-drink bottled green tea product branded "Zenya" and also expanded the distribution channel to overseas market such as Cambodia, Singapore, Dubai, Russia, and United State of America. Then, in 2009 the Company entered meat processing business by establishing its processing plant at Hi-Tech Industrial Estate, Bang Pa-In District, Ayuthaya Province, in order to manufacture and distribute meatball and grilled pork using the product brands "Happy Chef" and "Number One" and changed its registered name from T.A.C. Beverage Company Limited to T.A.C. Consumer

In terms of supply chain management, the Company primarily outsources its production to Original Equipment Manufacturer (OEM) to manufacture both jointly developed products with key strategic partners and Company's own products which were distributed using Company's brand. In addition, in order to expand its business value chain, in 2013 the Company invested in a plant for power drink mix with manufacturing capacity of 2,021.76 tons per year, with the total area of 1 rai, 1 ngan and 53 square wa located in Paragon Factory Land, Ban Bueng District, Chonburi Province. The Company has diversifies risk to the BanBuang Factory with and add production line and standard of the high production to giving the Company more potential. Although the

Company established its own manufacturing plant, it still primarily employed outsourcing manufacturers in order to utilize the outstanding and unique advantages of each producer.

The Management's vision to be a leading Company in tea and coffee beverages which have been the Company's main business, the Company sold its meat processing business on August 2013. Then in 2014, the Company developed and launched new instant drink powder products under the brand "Sawasdee" and positioned this product primarily for overseas market. The products included in this brand are durian milk with natural chunks, and Thai milk tea, all of which are the flavors that illustrate innovation and contemporary Thai culture, as well as unique Thai taste.

The Company operates in partnership with CPALL Public Company Limited (CPALL") in a business to business (B2B) due to core business of CPALL is the retail sector convenience stores under the trademark 7-Eleven, which sells a variety of products by consumers and consumer good major products include 1) Stationary 2) Non-Food 3) Cosmetic 4) Beverage and 5) Processed Food. The Company wants to grow together with partners sustainable with strategy and opportunities for partners to participate in such groups.

In each year, the Company developed new products with customer for approach consumer to cover continuous increasing and expanded business to other products group. At present, the Beverage business is growing such as Instant powder All Café at 7-Eleven, Hot Beverage Dispenser etc. Currently, the size of the drink has been increased from 16 oz. to 22 oz. In addition, the non-food business has been strengthened to cover CPALL's core product categories and is considered to be diversified.

For the Business to Consumer Group (B2C), the Licenses Business is stronger. The Company has a licensing agent of San-X Japan (licensor). Which the Company has co-create with leader brand partners such as merchandise, premium and campaign. There is famous cartoon character online in Thailand. Under the name MaaJa, there is a continuous contract extension. In this year MaaJa Character received the Character of the Year Award at Bangkok International Digital Content Festival (BIDC). This award reflected the immense popularity of MaaJa among people of all ages and genders, especially animal lovers. The judging criteria focused on diverse, outstanding, and inspiring works in the digital

content industry. The Company aims to bring the MaaJa character more aggressively expanding into both the domestic and international markets. In this year, the MaaJa character held a 10<sup>th</sup> anniversary event to thank fans, followers, partners, and sponsors who have supported MaaJa over the past 10 years. It can be considered an acknowledgment of a character that has been continuously popular for a long time.

In the year 2021, the Company has a licensing agent the copyright of "Warbie Yama" by the Thai master bird, who was born from the short-lived animation "Cheez...z" and won the award from the International Animation Short Film Festival. Later, it developed the character Warbie into a digital-styled in LINE application until gained popularity to the year of the world with the character of the year award, and there are many fan groups in foreign countries, and with its interesting identity, Warbie Yama with warm stories and presenting value, experiencing positive feelings to fans. Through works through every step of attention. This year, there is a festival celebrating sending happiness with "Warbie Yama's Gift Festival" to warm the heart in celebrating the New Year and spreading happiness in the Warbie Yama theme at the Terminal 21 Korat shopping center. Inside the event enjoy taking photos, refresh with the cafe and exclusive menu and activities to received premium products from Warbie Yama.

Next year, The Character Business, together with LINE Thailand, expanded the License Business by being the 1<sup>st</sup> company to acquire the right to manage 12 popular Thai characters from LINE CREATORS are as follow, Onnie Bear, Dueb Dueb, Onnie Bear, Gluta Bear, BearPlease, Shibung & Bingsu, Minimal G, Boobib, Cotton, Tuagom

This year, the Company is the copyright agent for the character "Bellygom", a cute mischievous pink bear from South Korea, of the Lotte Group. The Company is the copyright agent and marketing agent in Thailand, where "Bellygom" is a famous pink bear coming from Youtube since 2018 with more than 200 million views and more than 1.4 million subscribers on various social media platforms. The main content of "Bellygom" is having a mischievous and playful personality, making people smile and laugh.

The Company expanded Beverage Business to Café Business& Food service such as Arabitia Café, Jungle Café, Black Canyon and Punthai Coffee. There are expand business and develop new beverages or products for the



Café Business customer group. Which has stores distributed nationwide and more channels of selling products. Moreover, The Company has expanded the delivery of beverages to Lotus's group such as Lotus's Hyper Market and Lotus's go Fresh

Another brand of B2C products is TRIVA as a naturally concentrated fruit syrup, which is a concentrated fruit syrup that contains up to 30% of the fruit pulp, is full of the taste and texture of real fruits to meet the needs and make a difference for entrepreneurs, total solution service offerings, and general customers.

For International Business, the Company has expanded to deliver beverages to 7-Eleven stores in Cambodia, which has grown significantly. Currently, there are 82 outlets spread throughout the cities in Cambodia and the consumption of cold beverages dispenser has been quite well received and during the 4<sup>th</sup> quarter of the

quality and globally certified. TACC continues to focus on developing the RD team's capabilities by investing in its staff to be knowledgeable and skillful. Therefore, they can develop beverage products and establish the RD Lab equipped with various international standard tools in order to support any innovation for the future beverage development.

Over the past years, The Company has focused on managing marketing and sales strategies together with research and development of unique and distinct beverages which vary in terms of style and flavor. The Company's products, as a result, could continuously meet consumer needs and lifestyles, and have been increasingly trusted by customers and partners all along. Aiming to operate its business with long-lasting partners under sustainable growth and business partnership principles.



year, 7-Eleven stores expanded to Laos. The Company has expanded to deliver beverages and it is considered the growth of 7-Eleven stores abroad as well.

In this year, the Company has been encouraging the development in the Research and Development (RD) team to meet international standards with a License CQI Arabica Grader (Q Grader) certified by Coffee Quality Institute (CQI), a world-class coffee institute, in order to reaffirm its leadership in the coffee and tea industry. TACC's representative was one of the 160 Arabica Q graders in Thailand, out of 7,000 worldwide who passed 19 exams to guarantee that they are professional coffee testers who can inspect, evaluate, and score coffee beans' quality that fits international standards. This certification reaffirms TACC's leadership in the coffee and tea beverage industry and builds confidence that its products are high

### **The reviewed vision, mission and business goal annually**

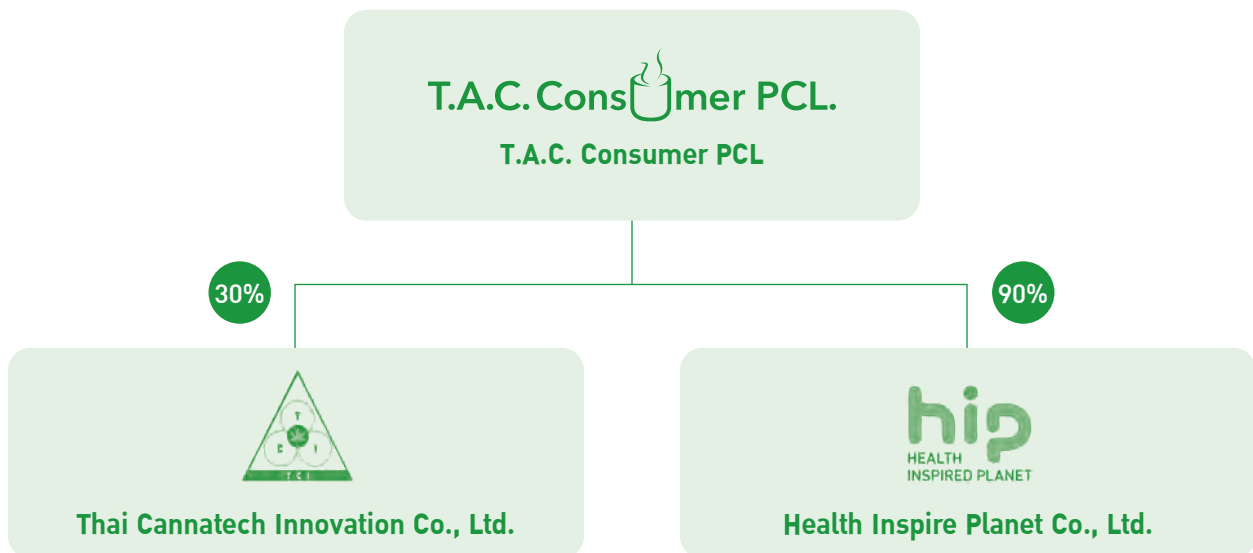
The Company has reviewed the vision, mission and business goal annually with review of the management and presented for approval to the meeting of Board of Directors No. 5/2023 held on 26 October 2023, The Board of Directors agreed that the vision and mission should be maintained as before because they had been considered to be consistent and appropriate to the current situation. Furthermore, the Board of Director follow up to implementation of the Company's strategy and operating results per quarter. Especially, the goal of financial and business plan in order to comply with the Company's strategy set.

## Shareholder Structure of Business Group

As at 1 January to 31 December 2023, the Company has invested in Join Venture Company as follow:

Join Venture Company	Nature of Business	Registered Capital (Million Baht)	% of shareholder
Thai Cannatech Innovation Co., Ltd.	Production and distribution of plant extracts and processing herbs.	5	30
Health Inspire Planet Co., Ltd.	Selling dietary supplement products skin care products Beauty and health products.	55.5	90

## Diagram of Shareholder Structure





## Nature of Business

### Revenue Structure

Type of Revenue	Year 2021		Year 2022		Year 2023	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Revenue from sales</b>						
• Business to Business : B2B	1,292.60	95.54	1,416.27	92.17	1,575.06	91.22
• Business to Customer : B2C	48.54	3.59	107.07	6.97	138.60	8.02
<b>Total</b>	<b>1,341.14</b>	<b>99.13</b>	<b>1,523.34</b>	<b>99.14</b>	<b>1,713.66</b>	<b>99.24</b>
Other income <sup>1)</sup>	11.77	0.87	13.03	0.86	13.05	0.76
<b>Total revenue</b>	<b>1,352.91</b>	<b>100.00</b>	<b>1,536.37</b>	<b>100.00</b>	<b>1,726.71</b>	<b>100.00</b>

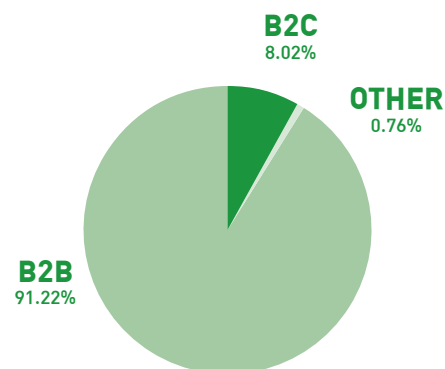
**Note :** <sup>1)</sup> Other revenue include revenue from interest income and sales of raw material.

The Company engages in the business of sourcing, manufacturing, and distribution of beverages in tea and coffee categories, lifestyle products and Character Business. The Company focuses on managing and executing marketing and sales strategies along with beverage product development. The developed products possess distinctive unique selling points and varieties in both formats and flavors. The Company's products meet the needs of consumers of all age and gender, both teenagers, students, college students and working people. The nature of products can be separated into 2 main categories, which consisted of the group of products that the Company jointly developed with its business partner and the group of product which are distributed under the Company's brand as follows:

#### 1. Product group which the Company jointly developed with its business partner (Business to Business : B2B)

The Company researches and develops products closely with its key strategic partner in order to manufacture and distribute products to customer's stores mostly in convenience stores and food chain restaurants which will be the collaboration between the marketing, sales, new business development division and research and development division of the Company and the Customer's marketing and purchase division. The products in this group can be summarized as follows;

#### Revenue from Sales 2023 (Million Baht)



#### 1) Cold Beverage Dispenser (Core Flavor)

This type of beverages generates the Company's main revenue in which a jointly research and development of this cold beverage dispenser since 21 years been conducted cooperatively with 7-Eleven convenience store under administration of the CPALL Public Company Limited. The product will be distribute to the 7-Eleven shop in the form of instant powder package of several size, i.e. 467 grams, 702 grams, etc., which the product will be merged in the dispenser and sold as cold drink to the customers.



### Cold Beverage Dispenser (Core Flavor)

In administering the cold beverage dispenser at the 7-Eleven convenience store, there will be both the core flavor, which is the main beverage that must be available in every 7-Eleven convenience store. The core flavor drinks that the Company jointly developed with 7-Eleven are ice-coffee with 7-Eleven trademark and milky ice-tea with the “Zenya” trademark of the Company.

The jointly developed of the Company with 7-Eleven team. The Company has work plan together for growth of cold beverage dispenser group. The Company developed the formula to reduce sweetness of Cold Beverage Dispenser for the solve sugar tax. By using raw material that provide more sweetness instead of natural sugar and adjusting the formula to reduce the sweetness of espresso coffee, latte coffee and iced tea.

Nowadays, we ship cold beverage dispenser, including tea and coffee to be sold in 7-Eleven outlets in Cambodia which is considered as a distribution channel in overseas. Cambodia has potential direction and future because its society’s growth is expanding. 7-Eleven outlets significantly grow and receive great responses and for these reasons, some of them have more numbers of dispensers than Thailand does; 6 dispensers in Cambodia and 4 dispensers in Thailand. By the end of 2023, there are 82 outlets throughout Cambodia’s main cities, for instances, Phnom Penh, Siem Reap, Kandal, Kompong Cham, Kompong Speu, and Sihanouk etc. Moreover, at the end of the year 2023 there was a outlets expansion in Laos. There are 3 outlets.



### 7-Eleven Cambodia



### 7-Eleven Laos



## 2) Instant Powder Drink

The Company develops instant powder drink containing 35 grams for distributed to fresh corner coffee All Café stores located at 7-Eleven. The product has been launched since June 2014. Which including 4 flavors; Milk Tea, Matcha Green Tea, Lemon Tea and Taiwan Milk Tea. There are developed additional new group for make colorful for All Café such as Peach Series, Blue Series and Berry Christmas Series.

In 2021, the Company has been upsizing the size of non-coffee beverages in All Café from 16 oz. to 22 oz., covering all outlets with All Café corners nationwide. Which is an ongoing full-year revenue recognition there is also a higher purchase rate continuously.

Currently, the Company has delivered Instant Powder Drink (Non-Coffee) at All Café, 7-Eleven in Cambodia and Laos which has received good feedback from consumers in Cambodia and Laos.

## 3) Product that the Company jointly developed to distribute on Seasonal Drink

This product is a choice that each store can be selected as appropriate to the area around the stores. The Company has jointly developed this product group with CPALL which will be switching by a specific period of time.

- Seasonal Drink as a choice of each 7-Eleven outlet which change cold beverage as a period. The product that the Company jointly developed to distribute of seasonal drink such as Pinky Candy, Honey Lemon and Peach Tea



Instant Powder Drink (Non-Coffee) at All Café



Seasonal Drink

#### 4) Hot Beverage Dispenser

The Company jointly developed Hot Beverage Dispenser group with CPALL for increase the convenience of consuming beverages with customers at 7-Eleven stores, which installed in late 2015. In the year 2023 installed 463 units mostly installed at 7-Eleven in PTT gas station.

The Hot drink is priced at 17 baht per glass. Currently, there are three main flavors: coffee, chocolate and matcha green tea with the drink is pressed out of the automatic press. This machine has a new innovation. The mixer head rotates at speeds of up to 13,000 cycles, making it quick to mix drinks. The water pressure is consistent to get a hot drink with good taste and a seductive odor with soft milk foam.

Moreover, the Company also has Hot beverage dispenser through the BON CAFÉ network such as BON CAFÉ SHOP, hotels, car centers, etc.

## 2. Product group distribute under the Company's brand (Business to Customer : B2C)

The Company also develops products under its own brands which this group of products can be summarized in 4 category as follows;

### 1) Instant powder drink under the brand "Na-Arun"

A three-in-one drink mix containing 500 gram crates with 10 sachets per crated. This kind of product is produced under the aim that the customers or consumer may be impressed on this particular kind of Thai taste the drink refreshment in which screenings of good quality ingredients are made for the benefit of the customers themselves. This kind of ready-to-drink instant are 3 different flavors: Coffee category Tea category Beverage category are follow: 1) Instant Coffee Powder, espresso



Hot Beverage Dispenser



Instant powder drink under the brand "Na-Arun"



formula with a rich, full-bodied coffee flavor 2) Instant Coffee Latte Powder with a mellow 3) Thai Milk Tea ready-mixed powder 4) Matcha Green Tea Latte Premium taste Mild aroma of matcha 5) Thai Tea mixed with lemon flavor It is a black tea blended with Thai lemon flavor. 6) Ready-made chocolate imported from France, and 7) Butterfly Pea Lime Drink Unique Thai drink menu 8) Jasmine green tea, fragrant aroma from imported real jasmine tea powder, refreshing, easy to drink. The Company sells through international channels, namely Australia, especially Thai restaurants. Asian Grocery stores and domestic sales through various cafe business channels.

## 2) License Business

The Company signed a licensing agreement with Ingram Japan, in order to become a licensing agent of San-X Japan (licensor). TACC deals with licensees cover 7 countries such as Thailand, Singapore, Malaysia, Cambodia, Myanmar, Laos, and Vietnam. The period of contract 5 years. San-X's characters include Rilakkuma, Sumikkogurashi, Sentimental Circus, Kamonohashikamo, Mamegoma etc.

Licensing is an act of one party granting license to another party for production by using its trademark license and other market-related rights. Licensees have to pay an agreed licensing fee as a royalty fee.

## Character “San-X” From Japan



### Rilakkuma

“Rilakkuma” means “Bear in relaxed mood”. At all time and everywhere Rilakkuma goes Rilakkuma is continuously lazy and relaxed. Rilakkuma is totally stress-free and also doing things on his own pace. Rilakkuma is someone impossible to be hated by others. You will be dragged into Rilakkuma’s world and become lazy and relaxed while watching what everything Rilakkuma does.



**Rilakkuma** This bear costume, known as Rilakkuma came out of nowhere and visited Kaoru’s house one day. Even now without plans, this costume hangs out at her place and disturbs her by not doing anything every day, but gives her some life advice occasionally. Rilakkuma’s favorite is special sweets from local rice dumpling store and weakness is summer season.



### Korilakkuma

Korilakkuma is a white bear cub, but nobody knows where it came from. Apparently, Korilakkuma was not acquaintances with Rilakkuma, but since there is a red button on its chest, it does not seem like a real bear. Korilakkuma was named by Kiioitori. Korilakkuma loves to play tricks and is a mischievous cub with lots of energy



### Kiioitori

The yellow bird that Kaoru was keeping as a pet before Rilakkuma and the others came. Kiioitori used to stay in a birdcage, but can now leave it freely. Every day Kiioitori scolds Rilakkuma for laying around and fights with playful Korilakkuma for being too mischievous.



### Chairioikoguma

Chairioikoguma lives in the Honey Forest and is friends with Korilakkuma. The chest hair is bushy, and when the mouth opens, there are fangs. There are bear prints on the soles of each foot. The body smells like sweet honey. There is honey on the butt.



### Sumikkogurashi

"Sumikkogurashi" are the characters, living a quiet and solitary life in the corners. They might be able to settle down when they're in the corners. But they don't like being in the centers. When they're taken to the center, they always rush back to the corners.



### Shirokuma

is a shy bear who migrated south to avoid the cold. Shirokuma feels most calm while drinking hot tea in a corner.



### Penguin?

Am I even a penguin? Penguin has no confidence. In the past, there might have been a plate on Penguin's head...



### Tonkatsu

The end of a tonkatsu. Made of 1% meat, 99% fat. Left behind for being too oily...



### Neko

Shy and timid, Neko usually hides in corners. Neko worries about its body shape.



### Tokage

is actually the last of the dinosaurs. Pretends to be a lizard to avoid being caught. Slowly warming up to Nisetsumuri.



### Tapioca

They are the leftovers in the cup as only milk tea was drunk up earlier. I'm fed up with this" (Tapioca's muttering)



### Mogura

Used to live in a corner underground. Became curious about the commotion above ground and surfaced for the first time. Likes red boots.



### Yama

A small mountain that looks up to Mt. Fuji. Appears at hot springs and poses as Mt. Fuji.



### Furoshiki

Shirokuma's Shirokuma's luggage. Used to reserve corners and when Shirokuma is cold.



### Hokori

A careless bunch that often piles up near corners.



### Ebifurai no Shippo

Too hard to eat and left unfinished. Ebifurai no Shippo and Tonkatsu are friends who understand each other very well.



### Nisetsumuri

s actually just a slug with a shell. I'm sorry for tricking you...



### Zassou

A positive weed. Admires florists and dreams of being made into a bouquet one day.



### Suzume

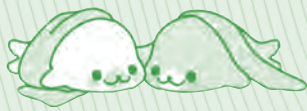
Just a regular sparrow. Likes Tonkatsu very much and comes to peck at Tonkatsu.



### Obake

Lives in one of the attic's corners. Stays quiet to prevent others from being scared. Enjoys cleaning.





### Mamegoma

Mamegoma is a small seal who was only discovered recently. Mamegoma is a palm-sized, miniature seal. Mamegoma is very friendly and, after getting used to you, will respond when called to or ride on your palm. There are many varieties.



### Sentimental Circus

Stuffed animals abandoned in room recesses and on street corners that sneak away at night to form a secret circus. Tonight, their strange friends will gather together before show time.



### Kutusita Nyanko

Kutusita Nyanko is a cat that is actually wearing socks. Kutusita Nyanko will put various lost or precious items in the socks and carry them for you. Kutusita Nyanko might even find something precious for you.



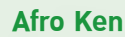
### Tarepanda

The origin of relaxing character styles, "Tarepanda." Following its name, Tarepanda's characteristic pose and movements express a personality that cannot be forgotten. Tarepanda is soft to the touch and surprisingly sturdy. Moves mainly by rolling around at 2.75 mph. Loves sweet mochi cakes.



### Monokuro Boo

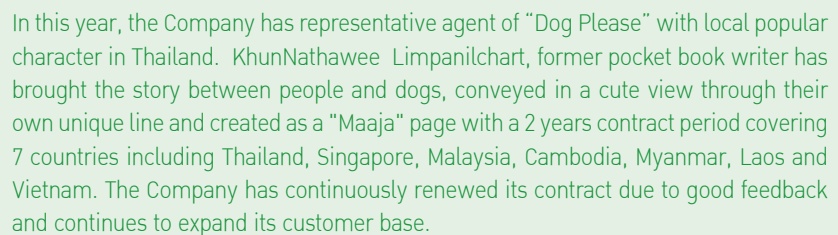
"Boo" "Love?" "Enjoy?" "Happy!" It seems like Monokuro Boo will send us messages! Each day comes with various challenges, but sometimes it may be good to rest a bit and try to think simply.



A 3x8 grid of 24 cartoon dog icons. The icons are arranged in three rows and eight columns. Each icon is a small, stylized dog with a large, bushy tail and a friendly expression. The colors of the dogs vary, including shades of blue, green, yellow, orange, red, purple, pink, and grey. The dogs are shown in various poses, such as sitting, standing, and lying down.



### Character “Dog Please” (Maaja)





## Warbie Yama



This year, the Company has been a license agent of cartoon copyrights as a Thai brand character, "Warbie Yama" with a two year contract period exclusively in Thailand. By Khun Arut Tantasirin as a creator and owner of the copyright character created by the short animation film "Cheez...Z" and has awards from various international short film festivals. Later, it developed the character Warbie in to a digital sticker in LINE application until it became popular around the world, with the character of the year award, There are many fan groups overseas and with Warbie Yama attractive identity, which has a warm story and presents value, it penetrates positive feelings to fans through works born of attention in everything.



## LINE CREATORS

This year, the Company has been a license agent of the Thai character brand "LINE CREATORS", consisting of 12 characters under LINE CREATORS, namely Dueb Dueb, Mao Whatta Pug, Onnie Bear, Gluta Bear, N9 Party Gang (Mhee gud gid, Cheer Rabbit, Chi Chi Chik), BearPlease, Shibung & Bingsu, minimal G, Boobib, Cotton, Mheenoom & Tainim and Tuagom. The contract period is 2 years only in Thailand.



## Bellygom



This year the Company has been a license agent and market the character "Bellygom" the first famous cute pink bear from Korea of the Lotte Group, with a contract period of 4 years in Thailand.

"Bellygom" is a pink bear that has become famous on YouTube since 2018, with more than 200 million views and more than 1.4 million followers on various social media platforms. The main content of "Bellygom" is having a mischievous and playful personality, making people smile and laugh. In the past, the developer is a subsidiary of Lotte group and has promoted and held many different events, including continuously producing Bellygom products and received attention from both male and female customer groups and women in the age range of 18-35 years.

At present, the Korean character market is gaining strength and is popular internationally. Due to Korean culture and popular trends whether it be Korean artists, K-Pop, various series (Korean Wave), the Korean character industry has grown greatly. and is gaining traction in the world market.



### 3) Café Business and Food Service

The Company expanded the product of B2C to Café Business & Food service such as Café MuanChon, Jungle Café, Arabitia Café, Black Canyon and Punthai Coffee. Which the stores distributed throughout the country and abroad. Currently, the Café Business in which the Company delivers beverages has a total of approximately 1,000 outlets, which helps to increase the distribution channels of the Company.

In both Lotus's Hyper Market and Lotus's go Fresh, last year saw a relatively rapid change in outlets and outlets layouts. Currently, Lotus's group is considered an important business group to increase the Company's revenue.





#### 4) Concentrated fruit syrups “TRIVA”

This year, we launched a new brand, TRIVA, naturally concentrated fruit syrups that contain 30% of fruit pulp and are full of real fruit flavors and texture consists of 6 flavors: Mango juice, Lychee juice, Peach juice, Strawberry juice mixed with raspberry juice Mixed Berry Juice and Yuzu orange juice. Which is respond needs and to differentiate itself for entrepreneurs, shops, cafés (Total solution service offering), and general consumers.



## Marketing and Competition

### Competitive Strategy

#### 1. Establishing Business Partnership

The heart of Company's business is to build business partnership with all the business partner, including customers, original equipment manufacture (OEM), material, packaging suppliers. The Company has its policy to establish long-term relationship with partners under business alliance concept. Apart from common business transaction, the Company has been working closely with its partners in exchanging the idea, determining business plan, as well as developing product and package that could satisfy customer's needs and that could swiftly and effectively react to marketing situation. Moreover, the Company and its trade partners regularly exchange their views on new products and update the trend of beverage markets both in domestic and overseas market. Such business relationship is beneficial to not only the Company but also its partner and lead to sustainable long-term business relationship. The Company has been one of 7-Eleven key strategic partners which enable the Company to constantly develop and introduce new products to customer. This result in a steady growth of Company's revenue.

The Company was granted the Partnership Award 2013 “Best of Business Growth” form CPALL. The award has been bestowed to the trade partners, mostly large corporations in recognition of continuous collaboration and excellent business growth. As a result, demonstrates that the Company has been accepted by its customers and has been on par with leading companies of the country.



The Company was award “SME Sustainable 2016” Organized by CP ALL Public Company Limited cooperate The Office of SMEs Promotion (OSMEP) and Department of Industrial Promotion set “The 7- Eleven Thai SMEs Sustainable 2016. They were award to SMEs partners who sell products through the channels of 7-Eleven and 24 shopping. There are 8 categories, 13 award such as SME Sustainable, Rising star SME, Agriculture SME, community goods. Etc.

The Company has received the Exclusive Contract for the duration of 3 years and this year the Company has renewed the contract continuously. Therefore, the Management is confident that the Company will be able to maintain a stable and lasting relationship with that customer.

The Company continued to increase the potential of being Tea and Coffee Creative Solution in Thailand by fully expanding the coffee market and signed the MOU agreement with an alliance partner, Boncafe (Thailand) Co., Ltd. or "BONCAFE" in order to jointly develop non-alcohol beverages, production equipment, and distribute beverages through strategic planning as partners under the objectives of becoming a product research and development center together and manufacturing a complete range of products for each other. The company has a highly skilled team with a national talent of developing beverages, who produces beverages for 7-Eleven, Black Canyon, PunThai Coffee etc., while Boncafe (Thailand) Co., Ltd. is a well-known expert in coffee business, who has a complete range of products and equipment for coffee business operators from world-class coffee products to its own coffee brand.

Having to join BONCAFE will help the company to develop into a product developing center with high quality, full-ranged, and various products to response today's consumer needs and to support the increasing competition in the beverage market. BONCAFE will help expanding the customer base in order to reach every consumer group, including the automatic hot beverage machine section by distributing through BONCAFE's distributors in different provinces all over Thailand, and developing beverage products together. This cooperation will encourage the state of being a non-alcohol beverage development leader in Thailand and will expand the business to ASEAN in the future.

## **2. Developing unique and different products**

Another factor contributing to the steady business growth is that the Company has placed its importance on product research and development, to create unique and distinct products both in appearance and taste; for example a green tea product without green color under the concept "The Colorful Green Tea" of which the idea has been further developed to "Super Power from

Super Fruit" and a beverage with natural fruit chunk branded "Sawasdee". This allows the Company to react itself appropriately and promptly to business opportunities, gaps, and change that evolve all the time, while being able to focus itself more of specific target market in order to thoroughly meet diverse consumer's need and lifestyle. Such outcome stems from a cooperation among marketing team and research and development team. Initially, the marketing team will study and closely monitor beverage market trend both in domestic and overseas markets, as well as change in consumer's behaviors. The business development team will conduct project feasibility study and then the product research and development team will create, develop, and design product that could satisfy the need. Since the product research and development team having long been experience in beverage industry, they could constantly create and develop new unique and differentiated products to the market by differentiating its products, the Company could mitigate the risk from substitute products of the same category.

## **3. Maintaining Product Quality Standards**

Apart from inventing and developing new unique products, the products the Company also gives its priority to the production of quality products to satisfy consumers need. The Company has set in place its product quality control policies in every stage of the production, starting from selection and procurement of necessary ingredients for each product type from high quality producers. Although most of the Company's product are manufactured by OEMs who procure ingredients on their own, the Company ensures its product flavor and quality standards by determining the list of major ingredient producer/supplier. The OEMs Company will have to inspect the ingredient quality, so as to be compliance with the determined specification set by the Company, as well as asking suppliers to deliver samples of ingredient to quality assurance department for inspection every purchase order. Moreover, the Company also examines and controls its product quality in every state of production, from the beginning to the end, before delivering to its customer. All the processes aforementioned are made to ensure that the quality of products/ materials supplied meet our standards.



As the manufacturing of most products is outsourced to external OEMs, the Company put its great emphasis on the selection of such manufactures, starting from the quality standard inspection of their plants. Every contracted manufacture must be certified with various standard such as GMP and HACCP. Moreover, the Company inspects its OEMs of their production procedures and processes, in manufacturing of sample products and of the first batch production. The OEMs also have their own quality assurance teams to regularly inspect their own product quality and they have been requested to

submit the sample of every batch of production of production for Company's inspection to ensure that the product quality meet the requirements before delivering to customers. In addition to that, the random quality inspection of in store products is also employed.

Ban Bung factory has also been certified FSSC 22000 [Food Safety System Certification], ISO 22000: 2018, HACCP Codex and GMP Codex. To certify the food safety management system for the food and beverage manufacturing industry to ensure quality, hygiene and safety for consumers.



Moreover, Ban Bung factory received Halal certification. Halal food is food or food products that Muslims are allowed to consume or use under Islamic laws. For non-Muslims, consuming Halal food can benefit health as well because it is produced under the right manufacturing process according to the Islamic laws and it is free of forbidden things (Haram) and is nutritious (Toyyib)

The Company has been encouraging the development in the Research and Development (RD) team to meet international standards with a License CQI Arabica Grader (Q Grader) certified by Coffee Quality Institute (CQI), a world-class coffee institute, in order to reaffirm its leadership in the coffee and tea industry. TACC's representative was one of the 160 Arabica Q graders in Thailand, out of 7,000 worldwide who passed 19 exams to guarantee that they are professional coffee testers who can inspect, evaluate, and score coffee beans' quality that fits international standards. This certification reaffirms TACC's leadership in the coffee and tea beverage industry and builds confidence that its products are high quality and globally certified.



#### 4. Continuous Public Relation and Sale Promotion

The Company places its great importance on sale promotion and public relation of products through its continuous arrangement of marketing activities in order to promote the products through its primary channels. This year, due to the epidemic situation of COVID-19 has become to normal, the Company has considered and reviewed even more in the public relations and sales promotion. By focusing on online channels, for examples, the campaign to increase sales, and regularly participating in domestic and overseas food and beverage exhibitions which create opportunities for the Company to exchange its view with groups of targeted customers, both direct customers and groups of distributors, importers, and

wholesalers from all over the world. This helps promoting the products and assisting in market expansion, as well as acting as a channel to receive customers' suggestion towards products which is crucial for product improvement and development to effectively satisfy customer's needs in each segment more precisely. Moreover, participating in such events also enables the Company to obtain information on food and beverage industry trend as well as innovate idea which allows the Company to timely evaluate and develop its product to satisfy customer's needs and lifestyles that evolve constantly.

Currently, the 7-Eleven Delivery channel has a relatively fast growth rate and responds to the convenience of consumers in the current situation.

#### 7-Eleven Delivery Platform



For other public relations related to the Company's products, including:

- Dog Please (Maaja) character joined at the Hong Kong International Licensing Show 2023 in collaboration with the Thai Animation and Computer Graphics Association (TACGA) with support from the Ministry of Culture of Thailand. It is one of the largest Character Licensing events in the world. Participating in this event is to promote and introduce the famous Thai character named Dog Please to be known abroad.

- TRIVA brand joined Thailand Coffee Fest 2023 under the concept of TRIVA Cafe Vision, fulfilling all your cafe ideas come true and there is a new, exclusive product launch, "TRIVA brewing powder", totaling 7 flavors, including TRIVA, TRIVA Thai Tea Powder, TRIVA Earl Gray Tea Powder, TRIVA Taiwanese Tea Powder, TRIVA Ceylon Tea Powder, TRIVA Peach Raspberry drink powder, TRIVA collagen, Apple Fiber Powder and TRIVA Black Tea Bags.



- Copyrighted products from Dog Please and Warbie Yama joined in a trade show in the Pop Up Exhibition Tokyo project in Japan under the Thai Character Project organized by the Department of International Trade Promotion (DITP), Ministry of Commerce, which is an event about displaying Thai character products in Japan in order to publicize and promote awareness of Thai characters to be more well known.
- Introducing the new character "Bellygom" at the Bellygom Loves Thailand, Sustainable Living X'mas Tree 2023 event, the first big event in Thailand at Siam Discovery to be better known in Thailand.
- Dog Please (Maaja) Character is holding an event for the 10<sup>th</sup> anniversary. This event held to thank fans, followers, partners, and sponsors who have supported Ma Ja over the past 10 years. Within the event, there was a showcase of Dog Please work since the first year until the current work selling souvenir products with various activities at Chang Chui Project.
- Warbie Yama Character organizes the Warbie X'Mas & New Year Celebration 2024 event to give you full year-end happiness. Special promotions for cute licensed products at Terminal 21 Korat Shopping Center.
- TRIVA brand joined Restech 2023 under the concept of TRIVA Cafe Vision, fulfilling the dream of the shop. Make your cafe a reality By attending this event in order to make the brand more well known, and to expand the new customer base
- The Company joined the opening of the first overseas 7-Eleven store in Laos to open a booth to introduce products and give out product tastings.
- The Company joined the Mini Thailand Week trade show in Malaysia. To make the brand more known.



Dog Please (Maaja) character joined at the Hong Kong International Licensing Show 2023





TRIVA brand joined Thailand Coffee Fest 2023



Copyrighted products from Dog Please and Warbie Yama joins in a trade show in the Pop Up Exhibition Tokyo project in Japan



Introducing the new character "Bellygom" at the Bellygom Loves Thailand, Sustainable Living X'mas Tree 2023 event,



Dog Please Character is holding an event for the 10<sup>th</sup> anniversary





Warbie Yama Character organizes the Warbie X'Mas & New Year Celebration 2024



TRIVA brand joined Restech 2023 under the concept of TRIVA Cafe Vision, fulfilling the dream of the shop



The Company joined the opening of the first overseas 7-Eleven store in Laos



The Company joined the Mini Thailand Week trade show in Malaysia

## Characteristics of customers and target customers

The Company's target customers' covers all group of consumer, all gender and all age. The difference is the type of product which are as follow:

Products	Target Customers
1. Cold Beverage Dispenser (Jetspray)	The working population across all occupational groups aged 20-49 years that are mainly in the low to moderate income bracket .
2. Instant powder drink	The working population across all occupational groups aged 20-49 years that are mainly in the low to moderate income bracket .
3. Hot Beverage Dispenser	The working population across all occupational groups aged 20-49 years that are mainly in the low to moderate income bracket .
4. Instant powder drink Brand "Na Arun"	The working population aged 20-49 years that are mainly in the low to moderate income bracket.
5. License Business and Character product	Target customers ranges from teenagers to middle aged persons age 15-49 years that are mainly in the moderate income bracket to high income.
6. Café Business & Food Service	The working population across all occupational groups aged 20-49 years that are mainly in the low to moderate income bracket .
7. Concentrated fruit syrups "TRIVA"	The working population across all occupational groups aged 20-49 years that are mainly in the low to moderate income bracket .

## Proportion of revenue from sales separated into categories of customer in the year 2021-2023

Sale	2021			2022			2023		
	Million Baht	Mix (%)	Growth (%)	Million Baht	Mix (%)	Growth (%)	Million Baht	Mix (%)	Growth (%)
Domestic Sales	1,318.77	98.33	2.13	1,481.57	97.26	12.35	1,660.97	96.93	12.11
International Sales	0.38	0.03	[210.53]	15.88	1.04	4,078.95	26.70	1.56	68.14
License Business Sales	21.99	1.64	[2.59]	25.89	1.70	17.74	25.99	1.51	0.39
<b>Total Sale</b>	<b>1,341.14</b>	<b>100.00</b>	<b>1.97</b>	<b>1,523.34</b>	<b>100.00</b>	<b>13.86</b>	<b>1,713.66</b>	<b>100.00</b>	<b>12.49</b>

**Note :** International Sales sum to amount is Indirect Export

## Price Setting Policy

The Company has the policy to determine its product price using the Cost Plus Margin approach in which the price of each product differs depending on its market price and distribution channel. The Company will consider the competition within each market as well as the acceptance of each customer segment. Moreover, the Company, in collaboration with its business alliances, might arrange promotion based on the market condition and marketing strategy of the Company. This might include giving discount, product giveaway or other promotional campaigns.



## Policy and Practice toward Customers, Trading Partners, and Competitors

The Company has its policy and practice toward customers, trading partners, and competitors as follows:

- 1) To treat customers, trading partners, and competitors with good understanding and collaboration
- 2) To offer good quality service to customers with warm friendship and supportive manner
- 3) To reasonably and carefully advise or decide on behalf of customer in consideration of customer's appropriateness
- 4) To protect stakeholder's benefits
- 5) To support social activities as appropriate, as well as participating in public contribution, education, and activity that contributes toward national development.

In 2023, there were no litigation disputes between the companies, and subsidiaries and business competitors

## Policy and Practice with Trading Partners

The Company gives importance to business partners, in which every business must rely on each other and choosing good business partners. So, Able to create a long-term business advantage for the Company by wanting to create mutual understanding have the same idea by taking care of as one of the growing trade practices. As well as supporting and providing opportunities for business partners equally by holding mutual benefits which will make the organization grow sustainably in the future

### Criteria for selecting Trading Partners

The Company pays attention to selecting the right partner. By ensuring that the selection process and treatment of partners is equally and fairly. The Company will consider selecting partners with good reputation, with professionalism. There is no guarantee of quality or important standards, no violation of environmental and labor laws. The criteria for selecting Trading partners are as follows.

1. To consider the correct registration documents such as registration certificate VAT registration, etc.

2. The history of trading with important customer.
3. The Quality system certificate or industrial product standard certificates (if any)
4. Visiting the establishment to evaluate various capabilities
5. For the selection of OEMs in each case, there will be an evaluation of the selection of new production contractors.

## Customer Satisfaction

- The Company's 7-Eleven Department has conducted a survey on the customer satisfaction of 7-Eleven customers, which is an annual survey. by customers answering such satisfaction surveys In order to be able to bring information to improve and increase the efficiency of operations in 10 areas, it was found that the average included in the interpretation criteria was very satisfied. The details as follows

- 1) Product and factory quality, it was found that the average included in the interpretation criteria was very satisfied.
- 2) Research and Product development, it was found that the average included in the interpretation criteria was very satisfied.
- 3) Product presentation, it was found that the average included in the interpretation criteria was the most satisfied.
- 4) Sales (customer representative), it was found that the average included in the interpretation criteria was very satisfied.
- 5) Delivery, it was found that the average included criteria was the most satisfied.
- 6) Information and documentation, it was found that the average included in the interpretation criteria was very satisfied.
- 7) Customer Service, it found that the average included in the interpretation criteria was the satisfied.
- 8) Strategic Partner management, it found that the average included in the interpretation criteria was the most satisfied.
- 9) The Company's reputation, if found that the average included was the most satisfied.
- 10) Overall satisfaction, it found that the average included was the very satisfied.

- International Business Department and the local sales department has prepared a customer satisfaction survey form. which is an annual survey by customers of foreign businesses and the local sales department responds to the customer satisfaction survey form. In order to be able to use the information to improve and increase the efficiency of various operations, summarized as follows:

The results of the international business customer satisfaction survey are averaged very well. A total of 7 satisfaction areas were surveyed, in descending order: customer service; the criteria are very good. then, sales and information and document management. the criteria are equally good. then, Information and Documentation, Delivery, the Company's image, Product quality, Sales (customer representative), Overall satisfaction the criteria are very good.

The results of the domestic sales customer satisfaction survey are very good. A total of 10 satisfaction areas were surveyed, in descending order: Overall satisfaction, Sales (customer representative), Strategic Partner management, Delivery, the Company's image, Product quality, information and document management, Research and development and Product Presentation

Customer Service the criteria are very good. then, overall satisfaction. the criteria are very good. then, the sales. the criteria are very good. then, the company's image. the criteria are very good. then, in terms of product quality, delivery and partner management. and information and document management. the criteria are very good.

## Sale and Distribution Channel

The Company distributes its products using both domestic and overseas channels. The dedicated sale team is tasked to contact and coordinate with different distribution channels to thoroughly and efficiently distribute products. In domestic market, products are distributed through large wholesalers and retailers, while in overseas market products are sold by importers and / or distributors.

The Company has two main distribution channels which can be summarized as follows:

## 1. Domestic Distribution Channels

Domestic sales are executed both in cash and with credit terms granted to customers. Most of which have a credit term between 30-60 days. Domestic channels can be divided into two types as follows:

### A) Traditional Trade

- Van's Sales : At present, the Company has 1 van sales accompanied by its sales staff. The sales staffs visit retail outlets to survey the market as well as promote and sell the Company's products in order to build new customer base. Product distribution coverage areas include Northeastern, Eastern, Western and Bangkok region. This sales channel focuses on product distribution through specific channels such as factories, and schools.

- Sale through large wholesalers : The Company appoints one wholesaler per one territory to distribute its products to retail stores. Currently, there are three territories which are Upper Northeastern, Lower Northeastern and Central regions

### B) Modern Trade

The Company distributes its products directly to modern trade outlets by focusing on distribution to Convenience stores such as 7-Eleven most of the products distributed to modern trade are dispenser drink available at 7-Eleven.

## 2. Overseas Distribution Channels

The Company distributes products via importers and/or distributors. At present, the Company has five distributors for overseas market. Overseas sales are conducted under an advance payment policy, whereby customers have to transfer in full payment before any product shipment.

For expanding distribution channels to overseas markets, the Company will consider market condition, competition, opportunities and threats in each market including the Company's capacity and strength. Currently, Cambodia is considered to be a strategic market of the Company since its size and population matches the Company's market expansion plan. Moreover, the competition in the beverage industry in Cambodia is relatively low and advertising expense is significantly lower than in Thailand.



Products	Distribution Channel	
	Domestic	Oversea
1. Cold Beverage Dispenser	✓	✓
2. Instant powder drink	✓	✓
3. Hot Beverage Dispenser	✓	-
4. Instant powder drink “Na Arun”	✓	✓
5. License Business and Character product	✓	✓
6. Café Business & Food Service	✓	✓
7. Concentrated fruit syrups “TRIVA”	✓	✓

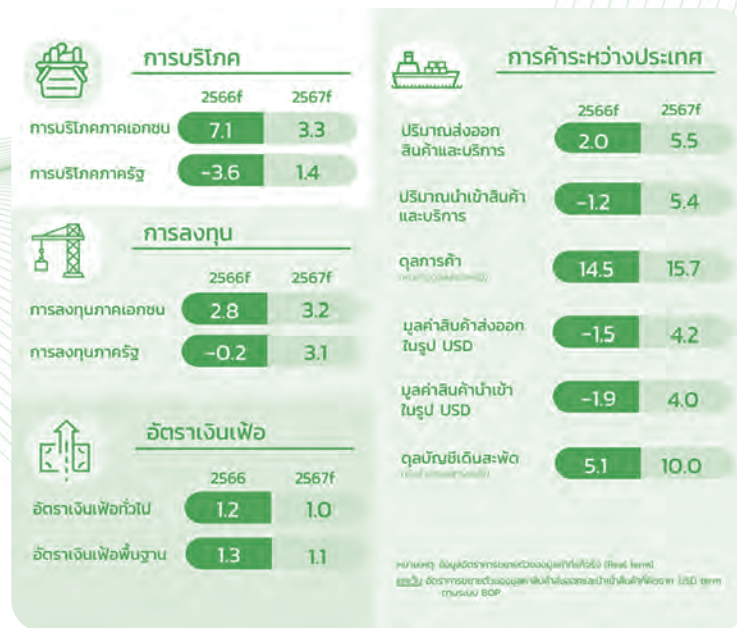
## Thai Economy Outlook in 2023

The data from the Ministry of Finance forecasted Thai economy in 2023 to expand by 1.8%, a decrease from the 2.6% growth in 2022. The key factor contributing to this was the contraction in the industrial sector's production, particularly in automotive, computer, and electronic products. Additionally, export value in 2023 was expected to decrease by 1.5% annually, due to the slow demand of Thailand's trading partners, while import value was forecasted to contract by 1.9%. Regarding to the Thai Baht's performance in 2023, it depreciated in the first three quarters but strengthened in the fourth quarter. The main factors of this fluctuation included the US Federal Reserve's interest rate hikes, the economic slowdown in China, and monetary easing policies in Japan. The average exchange rate for the Thai Baht against the US dollar in 2023 was 34.81 Baht, indicating a strengthening from the 2022 average of 0.7%. Furthermore, the Thai stock market and bond market in 2023 experienced net outflows of foreign investor capital with the total of 330 billion Baht. This outflow was caused by foreign investors selling Thai equities and bonds at 190 billion Baht and 140 billion Baht and they also continued to sell Thai securities throughout the year.

## Thai Economy Outlook in 2024

In 2024, the Ministry of Finance forecasted that Thai economy would accelerate to a growth rate of 2.8% annually. The volume of export goods and services would continue to expand. The tourism sector was expected an increase in foreign tourists, especially from China and Malaysia, to 33.5 million people, a 19.5% annual increase, and its revenues might gain 1.48 trillion Baht, a 23.6% annual increase, benefiting the tourism industry and other related sectors. Nevertheless, the trend of exports would slightly slow down, due to the global market's demand and the economic slowdown of trading partners. The export and import values were forecasted to annually grow by 4.2% and by 4.0%, respectively. Regarding to the government's spending and investment, the disbursement rates would be 99.5% and 64.0%, respectively. Yet, the investment disbursement decreased from the previous year because of the delay in budget approval for regular expenditures in 2024.

Regarding to the domestic stability, the inflation rate would remain at 1.0% annually, influenced by Dubai's stable crude oil price of \$82 per barrel, which was close to the average price in 2022 of \$81.9 per barrel from the stable adjustment of the global crude oil supply. The net service was likely to be a surplus balance due to the increasing number of foreign tourists, leading to the current account balance in 2024 to surpass a surplus of \$10.0 billion or the GDP of 1.8%. However, household debt must be monitored as it remained at 16.2 trillion Baht or the GDP or 90.9% at the end of the third quarter of 2022.



Source : The Ministry of Finance's News No. 4/2024, on January 24, 2024

## Business/Industry Trends in 2024-2026: Beverage Industry

According to Krungsri Research, Thai beverage industry relied on the domestic market for over 79% of its total sales volume. In 2022, its production and distribution gradually recovered from the easing COVID-19 restrictions and the resumption of economic activities. However, during the first 8 months of 2023, its overall production and distribution declined due to reduced purchasing power, impacted by the high cost of living, increased product prices, and sugar tax measures. In 2024 - 2026, the production was projected to slightly expand by 1.5 - 2.5% per year and the domestic sales were expected to grow by 3.0-4.0% per year from (1) the full recovery of business activities, particularly in the restaurant, hotel, club, and bar sectors, (2) humid weather conditions due to the impact of El Niño, (3) continuous expansion of cities and convenience stores. Regarding to exports, 1.5 - 2.5% annual growth would be expected, driven by the gradual reopening of trade borders with neighboring countries, which were gradually recovering. However, the production's expansion from foreign investments by Thai entrepreneurs in the past years might limit export growth.

The beverage industry in Thailand had a domestic production share of 98.3% of the total beverages consumed within the country. The production primarily focused on domestic sales, which was 78.7% of Thailand's total production and the remaining portion is for export. While import volume represented only 1.7% of the total domestic beverage consumption. In 2022, the domestic sales volume of beverage products in Thailand was 12,112.2 million liters, valued at \$14,363.3 million US, which was divided to non-alcoholic and alcoholic beverages of 77:23 and 40:60 in terms of volume, respectively.

For the domestic beverage sales in 2022, the overall sales volume of all beverage products increased by 6.1% due to the easing COVID-19 measures, leading to the recovery of the economy and various industries. As a result of restaurants, clubs, and bars being able to reopen so people could dine out as usual, more products were distributed and were access to consumers. For the first 8 months of 2023, the domestic sales continued to steadily increase by 6.7% YoY, driven by prolonged hot weather that increased consumer demands for refreshing beverages. Additionally, the tourism industry also improved so it was expected that the domestic beverage sales in 2023 would increase by 3.5 - 4.0%.



The trend in beverage production was expected to grow by an average of 1.5 - 2.5% per year. This growth was driven by 1) El Niño conditions which increased temperatures in Thailand and stimulated beverage consumption, 2) the inventory that was likely to decrease from a recent destocking was now starting to restock in order to continuously support economic activities. However, supply factors that might constrain the production, such as increased raw material costs from the severe impact of El Niño, would affect a reduction in both quantity and quality of water and agricultural produces of raw materials. Although, packaging costs might slightly decrease according to the decreased adjustment of energy prices.

Source : Krungsri Research, Business/Industry Trends in 2024  
- 2026: Beverage Industry

## Coffee Industry in 2023

Thansettakij reported that "coffee" was a crucial cash crop and a popular beverage worldwide. In Thailand, the coffee shop business grew and expanded every year, following the trend or the increasing interest in the coffee's origin, unique stories, consumption patterns, and flavors of the coffee among the younger generations.

For the coffee's price, it was expected to be similar to the previous year due to the increase in global production and the sluggish global economy. Export was likely to slightly decrease, comparing to the previous year, because of a decrease in domestic production. Meanwhile, import of coffee beans tended to slightly increase from last year because of the demand for consumption within the country, for processing into export products, and the decrease in domestic production.

For the demand of coffee beans in the Office of Agricultural Economics, the coffee beans had been in need among processing factories throughout the country for the past 5 years. The quantity was 90,000 tons in 2022, which decreased from 91,993 tons, or 2.17%, in 2021. Regarding to the current coffee trade's situation in the first 3 months of 2023, comparing to the same period of the previous year, 34.37 tons of raw coffee beans were exported, equivalent to a 79.48% increase which was 7.12 million baht or a 56.08% increase in value, and 55.35 tons of roasted coffee beans were exported, equivalent to a 34.93% increase which was 11.80 million baht or a 62.75% increase in value.

## Character Business Industry

The Department of International Trade Promotion, Ministry of Commerce (DITP) reported that the character business's market in Japan still showed a positive trend after the COVID-19 crisis. Japan was considered to be the biggest market for the character business as it had been developing this business to be very successful and had become the global leader of this market. In 2021, the market value in Japan was 2.58 trillion Yen (approximately 7.39 trillion Baht), an increase of 2.5% from 2020, which was divided into:

(1) Merchandising Rights Market (usage rights of characters on various products): 1.33 trillion Yen (3.81 trillion Baht), or 51.4% of the total market value.

(2) Copyright Market (rights obtained from using characters in print media, advertising, or presentations): 1.26 trillion Yen (3.61 trillion Baht), or 48.6% of the total market value.

Over the past 5 years, the market value of the character business in Japan had been continuously expanding, except for the slight contraction in 2020 due to the COVID-19 outbreak (decreased by 0.4%). In 2022, it was expected to continue to expand, reaching 2.62 trillion Yen or a 1.3% increase in both market segments. The trend indicated that Merchandising Rights would slightly have a higher market share increase.

## COVID-19 Pandemic's Impacts on Character Business

The Covid-19 pandemic had impacts on Japan's economy including the character business market as people were forced to quarantine, and theaters, exhibitions, or festivals, etc. were canceled or postponed. These actions affected the distribution of character goods and the use of licenses in some service businesses to be decreased. Technically, the Japanese market was quite unique for the character goods because of a wide distribution of such products in almost all types of retail stores, for instances, supermarkets, grand merchandise stores, character shops, toy stores, electronics and camera shops, bookstores, home centers, discount stores, and convenience stores. The main strategy of these character goods was launching new products at the same time with special TV shows or other media, events, and collabo cafes, so when these events were canceled or postponed, the product release also stopped. Moreover, the travel

disruption in Japan also led to a decrease in the distribution of these goods as tourists were considered to be a significant group of buyers, especially in major tourist destinations, where there was a high number of foreign customers.

## Summary and Recommendations to Thai Entrepreneurs

The Japanese market has been developing the character goods for a long time, as its main specialties were extensive and diverse distribution channels, and various consumers from children to adults. Therefore, the market was already stable so it only suffered some minor impacts from the COVID-19 pandemic. In other words, Japan is perceived to be a potential market as its trend after the COVID-19 pandemic is expected to keep growing. Thai entrepreneurs who already entered the Japanese market have been quite successful because of the policy supporting digital contents, which is one of Thailand's targeted industries, and various projects supporting Thai character goods from The Ministry of Commerce. Nowadays, Thai characters, such as Jay the Rabbit, Shew Sheep, Bloody Bunny, and Mamuan etc. are well-known and beloved by many Japanese consumers. The factors contributing to the competitiveness of Thai character goods include creativity, technical expertise, a service-oriented mindset, flexibility in response and service, meticulous work, and reasonable pricing. Therefore, the Thai entrepreneurs should maintain and enhance these strengths, gain marketing skills, modernize technical capabilities, and use Thai distinctive and beloved soft power in various aspects recognized and favored by the Japanese. In the long term, there should be a transition from being OEMs to owning copyrights and distributing the character goods.

Source : The Department of International Trade Promotion, Ministry of Commerce (DITP)

## Product Procurement

The company mainly outsources manufacturers (OEMs) to produce products, which is 82% and 83% of its total finished good purchase in 2022 and 2023, respectively. This model includes both cases that OEMs purchase raw materials, and also the Company purchases raw materials

and deliver these raw materials to OEMs. Since the Company values on product quality, it must select manufacturers/suppliers for the main raw materials, including tea, coffee, and milk. For the first step of any new product research and development, the Research and Develop Department is the one who selects the raw materials from various sources of high-quality manufacturers/suppliers, in order to develop production formulas of tasty beverages with different features as required. There's also a process for controlling the raw material quality, especially for the company's main raw materials, as new manufacturers must be visited and audited before approving them to become one of the Company's manufacturers/suppliers. This also includes an annual audit that the Company reviews assessment results every 6 months by considering the quality and the history of raw material delivery.

For the case that the raw materials are purchased by the OEMs themselves and if it's one of the main raw materials, they must purchase only from the manufacturers/suppliers indicating by the company. This is because the raw materials from different sources or different manufacturers/suppliers require different producing formulas, in order to acquire the same tastes and features. Therefore, the Research and Development Department has to develop alternative producing formulas for 2 – 3 different raw material sources for the purpose of being independent on one raw material manufacturer/supplier.

The main raw materials that the Company must provide to the OEMs and to its own instant powder drink factory include coffee, tea, sugar, and milk, which it sources from domestic manufacturers and/or suppliers. Those manufacturers and/or suppliers must submit raw material samples to its Research and Development Department to conduct a raw material quality inspection and to have a taste and feature test. This is intended to ensure that the raw materials meet the quality standard before actually purchasing them from each manufacturer and/or supplier. Moreover, the Company and the OEMs will randomly check the raw material quality every time the manufacturers and/or suppliers deliver the raw materials after the purchase has been made, in order to ensure that these raw materials, which will be used in the beverage production, meet the company's standards.



For the raw materials that are agricultural products, for examples, coffee, sugar etc., the Company will negotiate the trade in advance with the manufacturers and/or suppliers, based on its annual sales plans and production plans. As for the sugar, an annual sales agreement will be made to determine the volume and price of the trade, in which this said trading price will include transportation costs. Therefore, if there's a change in the diesel price up to the specified price range, the sugar's trading price plus the transportation costs will be adjusted according to the agreement. As for the coffee, needed amounts of the raw material will be negotiated with the manufacturers and/or suppliers one year in advance and the trading price will be set in writing, aiming to reduce the risk of the Company's raw material shortage for producing as it has first planned.

## Environmental Impacts

The Company's production process has no pollution that affects the environment. However, the Company has also strictly followed Department of Industrial Works and Provincial Industry regulations, as well as other requirements of different organizations.

## Research and Development

The Company values on product research and development, which is the main strategy for differentiating products with a variety of forms and flavors, intending to effectively meet consumer needs and lifestyles. The company has a laboratory for researching and developing its own products, together with a Research and Development team of 25 people with skills and long-time experience in the beverage industry. Including encouraging the product research and development department to develop knowledge and abilities through training and international certification, such as Q Grader. The Company's research and development can be divided into two types, following

1. Researching and developing products with customers in order to develop beverage formulas to be distributed in their stores.
2. Researching and developing of products that the Company invents and develops producing formulas in order to be distributed under its own brand.

The Company's research and development process is a collaboration between the Marketing Department, Sales Department, and Research and Development

Department. The Marketing Department will study and follow both domestic and international beverage market trends, in order to closely study business opportunities, and to survey consumer needs and consumer behavior changes. The Research and Development Department will study of the project feasibility, then it will invent and develop products which includes product design that can deliver according to given requirements. Then the Sales Department will present these new products to customers for their consideration.

As of the year 2022 and 2023, the Company researched and developed the new products in the food and beverage category, following

- The Company adjusted the jet spray cold drink formula to be the sugar reduction one and to use a natural sweetener as well in espresso, latte, and iced tea. It also solved sugar tax problems collected by the government.
- The Company has developed syrup group under the brand, "TRIVA" as a Naturally concentrated fruit syrup, which is a concentrated fruit syrup that contains up to 30% of the fruit pulp.



- The Company has developed and adjusted beverage formulas under the brand "TRIVA" and Cold Beverage dispensers. The nutritional benefits of the drink are added, including high levels of vitamin C. Fiber and Collagen In order for consumers to receive health benefits In addition to the refreshing deliciousness of the drink.



In term of the company's research and development expenses, they consist of new product research and development expense, production test (Test Run) expense, biological examination expense for products according to product standards, it complies with the law. For the produced by its factory, consumer test expense, and product sample expense. The research and development expenses in the past three years can be summarized as following

**Unit : Million baht**

Year	Research and Development Expenses
2021	8.70
2022	8.90
2023	7.00

## The Company's Factory Production Process

The company's factory produces instant powder drink. The production process is called "Dry Mix", which is a process of mixing prepared raw materials through a high-speed mixer and Ribbon Mixer in order to combine the raw materials. The company's production process can be divided into 5 main steps as following



### 1. Raw Material Inspection

The Quality Control staff will inspect raw materials that are accepted to the warehouse by checking from the seller's Certificate of Analysis (CoA), analyzing various chemical numbers according each raw material attribute, and checking the packaging if it meets required standards. From there on, the warehouse staff will count the raw material number to be in accordance with the purchase order and will store them in the warehouse according to the First In First Out (FIFO) and First Expire First Out (FEFO) principles to facilitate the use those raw materials.

### 2. Raw Material Preparation

The inspected raw materials will be prepared before being mixed. This process starts by sifting out any impurity with a vibration screen sieve. Then the raw materials will be weighed according to specified formulas and will be stored in sealed bags. Each type of raw materials will be coded and organized into a batch to be ready for mixing in the next step. The Quality Control staff will then check the weight of every raw material batch, as well as checking ingredients according to each formula before processing to the next mixing step.

### 3. Mixing

The inspected raw materials will be sent to the mixing process with a high-speed mixer. Which takes about 3 minutes or 4 minutes to mix and the Ribbon Mixer Machine, which takes about 15 minutes to mix. The humidity in the mixing room must be controlled for it must not more than 55% and so must the temperature of not more than 25 degrees Celsius. After the raw materials are completely mixed, the mixture will be poured into sealed tanks for packaging.

In the process, the Quality Control staff will take a random sample of the mixed product for quality inspection. Physical aspects will be examined, for instances, product appearance, any impurity or extraneous material, mixture compatibility etc., as well as chemical numbers, for instances, sugar content (% brix), pH number, moisture content (% moisture), bulk density, and sensory test in order to check the flavor etc.



## 4. Packaging

The mixed product will again be filtered through a sieve for extraneous materials, then small metal remnants will be checked by a magnetic trap. The product will be packed by the Auto Packing machine and the production date, expiration date or best before date and production time will be stamped on the packaging.

In the process, the Quality Control staff will randomly check the product weight after it has been packed and they will weigh the product according to specified standard. They will then randomly check the package seal to prevent product leakage and they will also randomly collect product samples for the physical examination and chemical analysis according to specified standard.

## 5. Packing

Products that have passed quality assurance will be packed into boxes with the production batch number and expiration date on them. Then, the boxes will be arranged onto pallets and will be taken to the warehouse for further distribution.

In the process, the Quality control staff will randomly check the package number that are packed into a box, weight, box placement on the pallets, and randomly collect product samples for culture to be analyzed for microbiological values. They will then collect the results of each production cycle's quality check to compare with the finished product specification, in order to get the product that meets required standards.

## Dividend Policy

The Company has a policy to pay dividend at least 30% of its net profit after deduction of corporate income tax and legal reserve. However, the dividend payment may differ from the mentioned rate subject to result of

the operation, financial position, liquidity of the Company and necessary of working capital usage to manage and expand the Company's business including economic condition.

## Section 1 Business Operation and Operating Results

# 2. Risk Management

## Risk Management

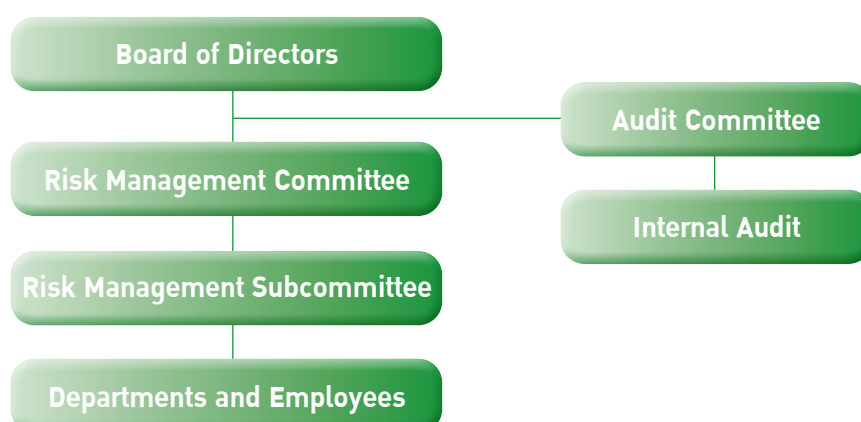
### Policy and Risk Management Plan

The Company realizes the importance of risk management which is the basis for helping the Company to achieve its business it is also part of the mechanism of driving to Good Corporate Governance and to achieve corporate goals and sustainable growth. The risk management must be consistent with the Business Plan and Operation plan of organization under the current situation. To achieve corporate objective, well-decided and it can be used well for other elements of corporate management.

The Company has established a Risk management committee to perform supervisory duties on overall risk management for maximum effectiveness. This is to appropriately reduce the impact on the Company's business as well as to appoint Risk management subcommittee are in-house working group that comes from representatives of each department to jointly establish risk assessment, risk management frameworks and guidelines and prepare an key risk indicator in line with the goals of the organization and the scope of responsibility.

### Risk Management framework

Risk Management framework is provide effective and efficient risk management and support the implementation of the goals and strategies of the organization, the Company has established the structure and responsibility for risk management according to the diagram below:



### The Audit Committee/Internal Audit

The Audit Committee is a representative of the Board of Directors which assesses the adequacy, efficiency and effectiveness of the organization's risk management. To review the Company's internal control system and internal audit system that are appropriate. The Internal auditor has been assigned to assess the sufficiency reliability and timeliness of the Company's internal control system in accordance with COSO principles and reviewed the audit report and followed up on the performance according to the recommendations and reported the quarterly audit results to the Audit Committee.

### Composition of the Risk Management Committee

Including 2 group as follows:

- Group 1 The Risk Management Committee from The Board of Directors
- Group 2 The Risk Management from The Management as position as follows:

- Head of Marketing Department
- Head of Accounting and Finance
- Secretary of Risk Management Committee

The Company has Risk Management Sub Committee from representative of each department act in framing and risk management guidelines, risk assessment, key risk indicator and suggest ways to control and reduce risks for reporting to the Risk Management Committee.



## Risk Management Process

The Company has prepared a risk management manual by referring to the risk management framework in accordance with international standards to serve as a risk management guideline for all department of the company as follows:

1. Compliance Risk is the risk arising from non-compliance with the regulations or relevant laws or rules or hinder the performance.
2. Financial Risk is the risk the unavailability of finance budget such as exchange rates, interest rates, credit, investment, etc.
3. Operation Risk is the risk from work every the operation covers factors related to processes, equipment, information technology, personnel in operations.
4. Strategic Risk is the risk from the plan of strategies and management policy and implementation that is inappropriate or inconsistent with the goals of the organization

## Risk Factors

The Company has analyzed the environment caused by both internal and external factors including economic, social, political, technological, industrial and other trends related to identify the key risk factors of the Company as follows:






### 1. Risk Form Key Customer Dependency

The Company's total revenue in the year 2022 and 2023, 92% and 91% come from transactions with CPALL Public Company Limited. Therefore, if the Company loses the said customer or the customer reduces its orders, it will significantly have an impact on the Company's revenue and financial performance. At present, the Company considers decreased risk from high to medium level.

Due to the fact that CPALL Public Company Limited ("CPALL") operates a retail business under the brand "7-Eleven" convenience stores in Thailand which has many distribution channels all over the country and continues to expand its branch every year and to the fact that as year 2023 Total about 14,545 outlets (refer: [www.cpall.co.th](http://www.cpall.co.th)). The Company has witnessed the high and steady growth of its product demand as well. CPALL is also a company with stable and strong financial position. As one of CPALL suppliers under a Key Strategic Partner, the Company is given the opportunity to continuously develop its new products.

Furthermore, as the Company's products have been with 7-Eleven customers for a long time 21 years, the customers have become fond of the taste of the drinks thus they are not likely to shift to other products. This creates a competitive advantage for the Company. Both parties can gain mutual benefits, in which the Company also works closely with its customer, apart from ordinary business transaction, in exchanging ideas, determining business plans, developing products as well as packaging in order to quickly and effectively satisfy the needs of customers and the changes in market situation. It can be seen that the Company's revenue from CPALL does not only come from existing products, as the Company works together with its customers to develop new products to cover a wide range of customer group. The Company expanded to other business. From then till now, the Company manages the Beverage business only at present, Beverage business has grown more such as Instant Powder for All Café at 7-Eleven, Hot Beverage Dispenser etc. Moreover, the Company manages Bakery business, Stationary, Non-Food and Character business. Which these businesses as above will be cover the main product categories of CPALL and considered to be a risk diversification as well

## Milestone of Products Group at 7-Eleven since 2015-2023

	2015	2016-2017	2018	2019	2020	2021	2022	2023
<b>Cold Beverage Dispenser</b>								
	<ul style="list-style-type: none"> <li>• Milk Tea</li> <li>• Espresso</li> <li>• #4 Bowl</li> </ul>	<ul style="list-style-type: none"> <li>• Milk Tea</li> <li>• Espresso</li> <li>• #4 Bowl</li> <li>➡ Latte</li> </ul>	<ul style="list-style-type: none"> <li>• Milk Tea</li> <li>• Espresso</li> <li>• #4 Bowl</li> <li>• Latte</li> <li>➡ Hershey's</li> </ul>	<ul style="list-style-type: none"> <li>• Milk Tea</li> <li>• Espresso</li> <li>• #4 Bowl</li> <li>• Latte</li> <li>• Hershey's</li> </ul>	<ul style="list-style-type: none"> <li>• Milk Tea</li> <li>• Espresso</li> <li>• #4 Bowl</li> <li>• Latte</li> <li>• Hershey's</li> </ul>	<ul style="list-style-type: none"> <li>• Milk Tea</li> <li>• Espresso</li> <li>• #4 Bowl</li> <li>• Latte</li> </ul>	<ul style="list-style-type: none"> <li>• Milk Tea</li> <li>• Espresso</li> <li>• #4 Bowl</li> <li>• Latte</li> </ul>	<ul style="list-style-type: none"> <li>• Milk Tea</li> <li>• Espresso</li> <li>• #4 Bowl</li> <li>• Latte</li> </ul>
<b>All Café</b>								
		<ul style="list-style-type: none"> <li>• Green Tea</li> <li>• Milk Tea</li> <li>• Lemon Tea</li> </ul>	<ul style="list-style-type: none"> <li>• Green Tea</li> <li>• Milk Tea</li> <li>• Lemon Tea</li> <li>• Yogurt Menu,</li> <li>➡ Supply use</li> </ul>	<ul style="list-style-type: none"> <li>• Green Tea</li> <li>• Milk Tea</li> <li>• Lemon Tea</li> <li>• Supply use</li> <li>➡ Taiwan Milk Tea</li> </ul>	<ul style="list-style-type: none"> <li>• Green Tea</li> <li>• Milk Tea</li> <li>• Lemon Tea</li> <li>• Supply use</li> <li>• Taiwan Milk Tea</li> <li>➡ Topping and Upsizing 22 Oz</li> </ul>	<ul style="list-style-type: none"> <li>• Green Tea</li> <li>• Milk Tea</li> <li>• Lemon Tea</li> <li>• Supply use</li> <li>• Taiwan Milk Tea</li> <li>• Topping and Upsizing 22 Oz</li> </ul>	<ul style="list-style-type: none"> <li>• Green Tea</li> <li>• Milk Tea</li> <li>• Lemon Tea</li> <li>• Supply use</li> <li>• Taiwan Milk Tea</li> <li>• Topping and Upsizing 22 Oz</li> </ul>	<ul style="list-style-type: none"> <li>• Green Tea</li> <li>• Milk Tea</li> <li>• Lemon Tea</li> <li>• Supply use</li> <li>• Taiwan Milk Tea</li> <li>• Topping and Upsizing 22 Oz</li> </ul>
<b>Hot Beverage Dispenser</b>								
		<ul style="list-style-type: none"> <li>• Hot Beverage Dispenser</li> </ul>	<ul style="list-style-type: none"> <li>• Hot Beverage Dispenser</li> </ul>	<ul style="list-style-type: none"> <li>• Hot Beverage Dispenser</li> </ul>	<ul style="list-style-type: none"> <li>• Hot Beverage Dispenser</li> </ul>	<ul style="list-style-type: none"> <li>• Hot Beverage Dispenser</li> </ul>	<ul style="list-style-type: none"> <li>• Hot Beverage Dispenser</li> </ul>	<ul style="list-style-type: none"> <li>• Hot Beverage Dispenser</li> </ul>
<b>Bakery</b>								
		<ul style="list-style-type: none"> <li>• A Smile</li> </ul>	<ul style="list-style-type: none"> <li>• A Smile</li> </ul>	<ul style="list-style-type: none"> <li>• A Smile</li> </ul>	-	-	-	-
<b>Stationary</b>								
		<ul style="list-style-type: none"> <li>• TACC Stationary</li> </ul>	<ul style="list-style-type: none"> <li>• TACC Stationary</li> </ul>	<ul style="list-style-type: none"> <li>• TACC Stationary</li> </ul>	<ul style="list-style-type: none"> <li>• TACC Stationary</li> </ul>	-	-	-

## Milestone of Products Group at 7-Eleven International Market since 2021-2023

	2021-2022	2023
	<b>7-Eleven Cambodia</b> <ul style="list-style-type: none"> <li>• Cold Beverage Dispenser</li> <li>• ALL Café</li> </ul>	<b>7-Eleven Laos</b> <ul style="list-style-type: none"> <li>• Cold Beverage Dispenser</li> <li>• ALL Café</li> </ul>



## Company Risk Management

The extensive relationship with CPALL for over 21 years has been an evidence of confidence and trust given by the customer and in the year 2013 the Company was given a Partnership Award under the category "Best of Business Growth" from CPALL, which is an award granted to the partner who is well-cooperated and has an outstanding growth performance. The majority of the award winning corporations are large enterprises which show that the Company is viewed by the customer as equal to the country's leading corporations. The Company was received Exclusive Contact three years and renew a contract. Hence, the management is certain that the relationship with the customer can be maintained firmly and sustainably.

The B2B group, the Company has always been given the opportunity to grow together with Key Strategic Partner. The B2C group, Business is growing but the proportion may growth not to catch up B2B group due to the very large market size. The detail are as follow:

- The B2B Group, There is additional menu as a signature menu is Milk Tea Brown Sugar which is launch all year and all the All Café stores and upsizing strategy of beverage from 16 oz. to 22 oz. This is a full year income recognition this year and it is another part that has continued to grow.
- The B2C Group has License Business, Café Business and Food Service groups with joint business plans and develop new beverages or products for customers of Café Business and Food Service continually.
- For Licenses Business This year, the Company has launched a new character, "Bellygom", the first pink bear from South Korea, was enhance to portfolio in both merchandising and premium products to hold new customer group.
- Business cooperation with BONCAFE, Hot Beverage Dispensers have been sent for sale through BONCAFE's channels, such as BONCAFE's shops, hotels, and car showrooms.

The Company realizes the said risk and thus set its policy to reduce the risk of dependency towards the aforementioned customer by having developed dispenser beverages for Food Chain businesses with the customer. In addition, the Company also emphasizes on selling products under the Company's own brand in which the

Company advertises the products in both domestic and overseas exhibitions every year. This creates product recognition as well as expanding its market to cover a wide range of customers.

In addition, the Company has reviewed business plans by quarterly with clients. The Product and RD Departments created unique selling points for products to stay competitive as well as always participated in various trade exhibitions to attract new customers.

## 2. Risk from Dependency Original Equipment Manufacturer

The Company outsources most of its production to OEM. At present the Company utilizes OEMs compare with 8 major OEMs from the prior year, which accounts for 82% and 83% of the Company's total finish product purchase volume of the year 2022 and 2023 respectively. The Company has launch new product by purchase finish product from OEMs. In case the OEM is unable to deliver products of the specified quality and standard or unable to supply produce within the ordered quantity and in a timely manner, as well as in the case that the OEM can no longer produce for the Company which could adversely have an impact on the Company business.

## Company Risk Management

The Company has placed its importance on the selection of OEMs and assigns practice for the selection and evaluation of OEM clearly by preliminary taking into account OEM's expertise in manufacturing, production capacity, reputation and financial situation. If the OEM passes all of the stated preliminary quality the related department will inspect the OEM's standard quality, manufacturing procedure and process as well as conducting a trial production followed by First Batch Production. Every OEM's manufacturing plant must be certified by manufacturing standard such as GMP and HACCP from a Certified Body. Up to now, the OEMs are able produce according to the Company's qualities and standards as well as being able to deliver finished products on time. Furthermore, as the Company has maintained a good relationship with most of the OEMs for over 3-10 years, the management is certain that the Company can continue to maintain a long term relationship with OEMs.

Moreover, the Company has set key OEMs by the letter of cooperation for emphasize Key Strategic Partner and shown commitment between two companies for business cooperation in the future. In addition to the main

OEMs stated, the Company also hires other OEMs from time to time in order to maintain relationship with them and reduce the risk of relying on a few major OEMs. The Company's products especially instant powder beverages do not require complicated process or advance technology; therefore, it is not difficult to find a manufacturer with the required standards. In addition to that, In 2013 the Company has invested in a manufacturing plant for the production of instant powder beverages which allows the Company to gain a better understanding of the production process and procedure, cost control as well Yield Loss. This also allows the Company to have more bargaining power when negotiating with the OEMs. In this year, the Company establish factory at Chonburi for support the production capacity of B2B business. The Company has diversifies risk to the BanBuang Factory with and add production line and standard of the high production to giving the company more potential. The BangBung Factory entered into international standard with food safety management system certification with Food Safety System Certification (FSSC 22000) Continuously for the 4th year by the combination of ISO 22000: 2018 and HACCP Codex as well as GMP Codex. All of these standards are world-class commercially accepted standards that cover all the requirements for food quality and safety of food products to consumer.

On the contrary, the management's policy to hire those major OEMs, in which their plants are located in Ratchaburi, Ayutthaya, Rayong Samut Prakarn, and Nakhon Pathom, to produce most of the products, as opposed to having own processing plants is a way to reduce risk. In the event of natural disaster such as flooding and earthquakes, the Company can shift the production to other unaffected OEMs in order to continue delivering products to customers and it also allows the Company to utilize different OEM's potentials and strengths for the utmost benefits of the Company.

### 3. Risk from Fluctuating Raw Materials Prices and Shortage of Raw Materials

Due to the Company accounts for 82% and 83% of the Company's total finish product purchase volume of the year 2022 and 2023 respectively. This model includes both cases that OEMs purchase raw materials, and also the company purchases raw materials and deliver these raw materials to OEMs. Since the company values on product quality, it must select manufacturers/suppliers for the main raw materials, including tea, coffee, and milk. For the first step of any new product research and

development, the Research and Develop Department is the one who selects the raw materials from various sources of high-quality manufacturers/suppliers, in order to develop production formulas of tasty beverages with different features as required. There's also a process for controlling the raw material quality, especially for the company's main raw materials, as new manufacturers must be visited and audited before approving them to become one of the company's manufacturers/suppliers. This also includes an annual audit that the company reviews assessment results every 6 months by considering the quality and the history of raw material delivery.

For the case that the raw materials are purchased by the OEMs themselves and if it's one of the main raw materials, they must purchase only from the manufacturers/suppliers indicating by the company. This is because the raw materials from different sources or different manufacturers/suppliers require different producing formulas, in order to acquire the same tastes and features. Therefore, the Research and Development Department has to develop alternative producing formulas for 2 - 3 different raw material sources for the purpose of being independent on one raw material manufacturer/supplier.

The main raw materials that the company must provide to the OEMs and to its own instant powder drink factory include coffee, tea, sugar, and milk, which it sources from domestic manufacturers and/or suppliers. Those manufacturers and/or suppliers must submit raw material samples to its Research and Development Department to conduct a raw material quality inspection and to have a taste and feature test. This is intended to ensure that the raw materials meet the quality standard before actually purchasing them from each manufacturer and/or supplier. Moreover, the company and the OEMs will randomly check the raw material quality every time the manufacturers and/or suppliers deliver the raw materials after the purchase has been made, in order to ensure that these raw materials, which will be used in the beverage production, meet the company's standards.

### Company Risk Management

The Company recognizes the said risk and thus has a strategy to negotiate with the supplier in advance for an annual volume and the price of raw materials to be used in the production and the Company's performance. Additionally, if there is a shortage of main raw materials in could affect the taste of beverages and also increase the cost of production. The Company recognizes the said risk and thus has a strategy to negotiate with the supplier



in advance for an annual volume and the price of sugar to be used in the production by the Company and OEMs, by taking into account the forecasted sale and production plan and enters into a contractual agreement with the supplier and key supplier make risk management plans together. Research and Development Department jointly with Procurement Department to planning select and test second source of raw materials used in large quantities.

Nevertheless, the Procurement Department monitors supply quantities and prices of main raw materials closely and update the changing price situation to relevant agencies on a monthly basis. Including updates and following by report the information to the Executive Committee for acknowledgment at the meeting. in order to ensure that the Company can source sufficient raw materials with a competitive price. It is the procurement duty to search for new raw materials for the Research and Development department to analyze and evaluate the substituted raw materials that have similar qualities to the raw materials being used currently. The raw materials are sought from different are sought from different regions in order to get new sources that provide the same quality raw materials which can be used as substitutes. This provides the Company with more options when procuring raw materials as well as enabling the Company to develop alternative recipe in case of a shortage of main raw materials. Thus, it can reduces the impact from materials shortage and ensure the taste and quality of product.

#### **4. Risk from Leakage Of Secret Recipe**

The Company outsources most of its production to OEM to produce tea and coffee beverages. It is very crucial that the Company keeps its formula a secret. Leakage of recipes could have an impact to the Company's business; therefore, The Company has policies and practice for preparation of raw materials, packing and finish goods and only restricted personnel have access to the recipes.

#### **Company Risk Management**

As the Company relies on OEMs, the Company has set up codes for key ingredients and flavors used in the production for the purpose of keeping its recipes undisclosed. For some products, the Company delivers pre-mixed ingredient to OEMs. In addition, a confidentiality clause is clearly stated in all OEM contracts. For personnel in research and development department and other department who are involved in the formulation and development of products, the Company has arranged for a memorandum of understanding for keeping confidential

information to be signed by all employees involved. This is to prevent the disclosure of information related to formulas, ingredients, product information and other relating information to external parties.

#### **5. Risk from Industry Competition**

Due to the growth trend in the beverage industry, many entrepreneurs find it attractive to enter into the industry. This causes high competition among current and new players. Large enterprises may have more advantage on access to source of investment funds or opportunity of a joint venture with foreign companies. Besides, they have more advantage on cost of production as they benefit from the (Economy of Scale) and from the use of more advanced machinery, in addition to the ability to conduct research and development applying high technologies. Furthermore, large enterprises adopt various strategies to boost sales and to acquire more market share. This leads to intense competition in the industry. In this year, the Company has consideration of Indirect Competitors as a having a product that is similar to us or that consumers can substitute for our products.

#### **Company Risk Management**

As the Company's management has more than 21 years of experience in beverage industry, they have thorough understandings of beverage industry especially non-alcoholic beverages. They also possess comprehensive understanding of consumers' behaviors allowing them to set effective marketing strategies and appropriate management policies of various aspects. The Company's key strategies are to focus on developing unique and different products as well as giving high importance to working closely and sincerely with Business Partnership in order to build strong relationship and to grow together. Moreover, as an SME the Company faces limitations in terms of investment funds, thus the management must analyze the competitive situation thoroughly in order to find new opportunities and market thus the management must analyze the competitive situation thoroughly in order to find new opportunities and market that the Company is able to compete. The Company reviewed business plans and sales plans every half year and study specific information of Consumer insight in order to be able to produce products that meet the needs of customers and business partners. There is a market visit of various stores and the Company's products including the movements of competitors and supply in the market. For the said reasons, the Company is able to continuously expand its business and and consider the risk of indirect competitors is considered,

the availability of products that are similar to ours or that consumers can substitute our products. The management is certain that there will be no significant impact derived from the aforementioned competitiveness.

## 6. Personal Data Breach Risks (Data privacy)

In the digital age, data has become a crucial tool for gaining business advantages. Companies can analyze data and add value to their businesses. As a consequence, they intend to collect every data that can benefit their future businesses even, sometimes, they violate consumer privacy, which may fall into a crime under the Personal Data Protection Act B.E. 2562 (2019) that may affect the company image and reputation.

### Company Risk Management

The way that the company manages the infringement risk of personal information is to start from realizing the importance of personal data protection by focusing on respect, the importance of personal data rights, and personal data protection which is a personal fundamental right that must be protected under the Personal Data Protection Act B.E. 2562 (2019). For those reasons, the company has established a policy as a principle for personal data protection and as a guideline for executives and employees of all levels when using personal data. It covers from personal data collection, or personal data use or disclosure, personal data quality, to security measures for personal data and data subject for a proper use of personal data, no privacy violation according to the Personal Data Protection Act B.E. 2562 (2019).

## 7. Cyber Threat Risks

As a result of advances in information technology, which are utilized in internal transactions or communications, the organization has created an environment that is conducive to threats and cybercrime activity that can have a rapid impact, and is now becoming increasingly violent, damaging both at the individual level and national levels. Preventing or responding to cyber threats or risks requires speed and coordination with all relevant organizations to prevent, respond quickly and continuously secure cyber-security.

## Company Risk Management

The Company is aware of the variety of cyber threats and has a more serious impact. The company is currently conducting Cyber Security Awareness about cyber threats to all levels. Cyber threat alerts regarding malware and scam emails are issued with strictly defined guidelines, aiming to create understanding about organizational information resource's maintenance and usage in a safe way for employees. For the prevention and countermeasure, the company has provided tools and continually developed its technology, intending to prevent attacks or cyber threats with its Information Technology Department under surveillance, auditing, and reviewing the security of the organization's information technology system. The Company has an information security policy and emergency response plan.

In 2023, the Company conducted a campaign on email phishing (scam emails) and cyber threat information sharing to its employees due to the widespread distribution of malware on the internet recently. Data is stolen and destroyed which disrupts the computer system, as well as stolen identities of names, photos, and personal information are carried out various financial transactions. Therefore, the Company closely monitored this topic and provided training courses on cyber threat risks to the Information Technology Department and other related teams.





## 8. Emerging Risks

Apart from managing crucial risks, the Company also valued emerging risks. According to the results of a risk assessment, ESG risks were the emerging risks that it had to face. Therefore, it had considered the impacts and risk management strategies, including;

### ESG Risk Management

The Company integrated sustainable Risk Management into its business plans and organizational strategies. It also analyzed ESG risks and key issues to manage risks at various levels in order to create opportunities and to mitigate any risks. This action impacted the organization's profitability, competitiveness, image, reputation, and survival.

#### Risk Management:

##### Environmental Risk Management (Environment)

- 1) Climate change had some impacts on product or service design and sourcing of raw materials. Therefore, the RD Department conducted tests on second sources and estimated raw material usage for the coming year.
- 2) The Company has done a Carbon Footprint Project by collecting data from its headquarter and Ban Bung Factory since 2022 as it planned to implement solar panels at the factory. Moreover, its OEM factories or its key strategic partners had been using the solar panels as well. Therefore, it is now considering to set its goal to reduce the organization's carbon credits.
- 3) The Company has utilized the innovative packaging, "Green Carton" by SCG, made from recycled paper. This packaging was used for cold beverage products including iced coffee, milk tea, and non-coffee menu in ALL Café, such as green tea, milk tea, lemon tea, and Taiwanese tea. This action demonstrated a commitment to eco-friendly practices across all stakeholders.

##### Social Risk Management

- 1) The Company's products complied with FDA laws as the Research and Development and Quality Control Departments had monthly monitored FDA regulations or when any

changes had occurred. They also worked with the Product Marketing Department in order to adjust product formulas with potential risks due to new regulations.

- 2) Health and Safety Risks for stakeholders were addressed. Ban Bung Factory and OEM factories or its key strategic partners' food safety management systems were certified under FSSC 22000, ISO 22000:2018, HACCP Codex, and GMP Codex standards, which were universal standards.
- 3) The Company valued human rights and always ensured fair and equal treatment among its employees, regardless of races, religions, genders, or physical conditions. Employee engagement was supported through an application which allowed understanding of employee issues that could be effectively handled. The objective was to keep employees happy and the employee engagement and happiness scores were also within a set benchmark.

##### Corporate Governance Risk Management

- 1) The Company operated in compliance with laws and regulations of SEC and SET, adhering to corporate governance principles. This was to maintain good relationships with all stakeholders and to implement measures in order to prevent insider trading.
- 2) The Company received a 5 star rating, or "Excellent," in 2023's Corporate Governance Report of Thai Listed Companies. This score showed its consistent good corporate governance practices, transparent disclosure of information, consideration for all stakeholders, and a commitment to sustainable business practices.
- 3) The Company has established a sustainable business strategy based on the 5Ps (Profit, People, Portfolio, Partner, Planet) principles and a value creation in communication strategy. These strategies were meant to set up an assurance and to sustainably create returns, by paying dividends according to the organization's policy, among investors and shareholders.

## Section 1 Business Operation and Operating Results

# 3. Sustainable Business Development

## 3.1 Sustainability Management Policies and Goals

The Company recognizes the importance of sustainability supervision to be in accordance its vision, which is “We will be a leading Company who specializes in creating lifestyle products and beverages and to be known in the SEA market in order to meet needs in a timely manner by creating mutual returns and building lasting relationships with all stakeholders.”. The food quality and safety policy, which shows its commitment in the process management for obtaining high-quality and safe products according to relevant laws is “We are committed to producing and selling high-quality and safe beverages according to legal requirements and customer requirements, as well as to continuously develop for a good quality of life and to create the highest customer satisfaction.”. There are also a production process design to be eco-friendly and a relationship building with the community around the factory.

The Company has established a sustainable development policy in the Company’s business plan and consistent with the vision of the Company It transfers and encourages employees in the organization and stakeholder groups to understand sustainability in many dimensions through the 5Ps: Profit, People, Portfolio, Partner and Planet. Additionally, it operates with social responsibility towards sustainability according to the international principles of Un Global Compact. It has policy ideas for sustainability according to the Sustainable Development goals (SDGs) as following,



**Environmental  
Dimensions**



**Social  
Dimension**



**Economic  
Dimensions**



## Environmental Dimensions



### Responsible Consumption and Production:

The Company's policy in quality and food safety policy is that it is committed to produce and sell high-quality and safe beverages and products that are in accordance with regulations and customer requirements. It also continuously develops for a good quality of life and a maximum customer satisfaction. It emphasizes product research and development and focuses on producing high-quality products in order to meet customer needs and it never stops to develop creativity in products. Moreover, a message is passed to consumers how the Company's products and packaging deliver value to society and the environment, for instance, the use of green packaging as an alternative etc. This is to emphasize its intention in preserving the environment and to realize all stakeholders.



### Climate Actions:

Due to limited resources of today's increasing demands, climate change crisis that directly and indirectly affects economic, social, and environmental systems, risks of the COVID-19 epidemic, PM2.5 particle issue, flood impacts, and drought crisis etc., the Company has studied and used alternative resources, for instance, using sweeteners instead of sugar in order to reduce sugar in the beverage production process, following the consumer trend of consuming less sugar as they provide low calorie and are healthy. Additionally, the Company also uses eco-friendly packaging as an alternative.

## Social Dimension



### Good Health and Well-Being:

The company's business plan Sustainable Development Goals (SDGs) have been set in the topic of good health and well-being. It is determined by creating Compounding Quality Value in the Company's beverage group. Starting with design research and develop sustainability into the Company's products, such as considering beverages that use a low amount of sugar. Adding vitamins to have better health, etc. There is also promotion of well-being for employees, both physical and mental health, such as TACC Good Health, to make employees more aware and turn to take care of their physical health, Workshop Happy Heart: How do you eat? Far away from heart disease, etc.



### Gender Equality:

The Company encourages employees to bond with the organization through its operations and activities, in order to make them feel as they're a part of the growth. Employee development policies are continuously conducted. In 2022, there was a change in employee development from onsite to online learning models by developing knowledge skills and attributes, intending to increase knowledge, skills, expertise, and performance efficiency in the employees of all levels. It also thoroughly and fairly takes care of the employees' career growth to be in accordance with their knowledge, skill, and ability levels. There is also a system for fairly evaluating work performance in an overall organization aspect and personal aspect. For the salary, it always reviews the salary and welfare benefits for the employees, in order to ensure that its salary is in a competitive level within the same industry, to be in accordance with its strategies and goals, and to provide appropriate welfare benefits for all employees.



### Peace, Justice and Strong Institutions:

The Company has focus on Good Corporate Governance. Therefore, Corporate Governance Policy has been established in order to operate in a transparent and auditable manner including respect for equal rights and responsibility to stakeholders. According to the 2023 Corporate Governance Survey Report of Listed Companies of the Thai Institute of Directors Association (IOD), this year the Company received a rating of "Excellent" or 5 stars for the 4<sup>th</sup> consecutive year.

## Economic Dimensions



### Decent Work and Economic Growth:

The Company has established a sustainable development policy in its business plan which is in line with its vision. It teaches and encourages employees and stakeholders an understanding in many sustainable aspects, including Profit, People, Portfolio, Partner and Planet, and creates valuable employment that meet the employees' needs in their work life, for instance, being accepted, getting justice, having rights in various parts etc.





### Industry, Innovation and Infrastructure:

The Company values the production process development to be modern and to reduce the waste emissions to the nature. As for the 3-in-1 beverage production process, waste is barely generated. Also, its Ban Bueng factory is certified under FSSC 22000 (Food Safety System Certification), ISO 22000: 2018 standard, HACCP Codex, and GMP Codex, which is a step towards becoming an international standard and being accepted in a global trade, in term of the food safety management system for food and beverage manufacturing industry that ensures quality, hygiene and safety for consumers. For transportation, it has a policy to deliver products on time by using a direct transport with the full truck load (FTL) methods. It plans an efficient transport in order to reduce energy consumption

## Partnership and Development Dimension



### Partnership for Goals:

The main Company's business operation is to build relationships in a form of business partnership with business partners, customers, Original Equipment Manufacturer or OEM, and raw materials and packaging distributors. The Company intends to conduct business with fairness, and creating Compounding Quality Value. It has a policy to build long-term relationships with business partners by working together under the concept of business alliances. Apart from trading with each other, it will closely work with them as ideas are exchanged, business plans are set together, products and packaging are quickly and effectively developed and designed to meet customer requirements and market situations, and the environment is preserved. Additionally, it has received the "Sustainable SME" award from the main business partner and awarded to SME partners.

## 3.2 Impact Management on Stakeholders in the Business Value Chain

### 3.2.1 Business Value Chain

T.A.C. Consumer PCL. sources, manufacture, and distribute tea and coffee beverages and lifestyle products in order to sell to customers through domestic and international distribution channels. The Company also develops the organization value chain in order to strengthen confidence in products that are high-quality and safe. Its growth is sustainable because it pays attention to every value chain process, which is divided to primary activities as following,

1. Inbound logistics We values on the product design and research and development to be high-quality and safe that strictly follow regulations and customer requirements.

2. Operation We select the raw material quality, high standard and eco-friendly packaging, manufacturers or OEMs with a system that meets international food safety standards, including GHP, HACCP, ISO22000, BRCS, FSSC 22000 and Halal Certificate in order to produce high-quality and safe products for consumers. Also, we pay attention to the production process of natural resource use that does not cause environmental pollution.

3. Outbound logistics We have a partner like Blue & White Logistics Co., Ltd and Ant Logistic & Distribution Co., Ltd. with more than 30 years of logistics experience. We have a standardized storage and transportation system that prevents hazards that may cause product damages before delivering to our customers in every step. We also use modern technology in the management and distribution plans, as well as the transportation system, for instance, controlling safe driving disciplines for drivers and fuel efficiency management.

4. Marketing and Sales We have a marketing team with at least 21 years of management experience in global leading food and beverage companies. As a result, I have a profound knowledge and understanding of the beverage business and market conditions, especially non-alcoholic beverages. Including having a thorough understanding of the behavior of the company's

customer groups, enabling them to formulate marketing strategies and management guidelines in various areas efficiently and appropriately for each situation. It is responsible for overseeing product development from concepts to tangible business plans for the marketing and sales to suit target groups and cost-effectiveness distribution channels that give profits and sustainable growth. The main strategy that the company gives importance to is research and development of products to be unique and different and has developed a variety of products for various consumer groups to be in line with the needs of consumers Including the importance of working with business partners in the form of business partners closely and sincerely to build strength and grow together.

5. After sales services, We have a sales team that closely pays attention to our customers and their feedbacks. A survey is conducted to collect opinions, suggestions, or complaints regarding products in order to develop and improve them to quickly and effectively meet customer needs.

### 3.2.2 Stakeholder Analysis in Business Value Chain

The Company recognizes the importance of stakeholder relationships in related activities of its business operation. It is committed to create value for its products in order to meet stakeholder needs and expectations of every part. Therefore, the guideline for impact management on stakeholders in the business value chain is established for strategy formulation, action plan, and sustainable business development benefits.





Stakeholder Group	Expectation	The Company's Response	Communication Channel
<b>Customers</b>	<ul style="list-style-type: none"> <li>• Product Value.</li> <li>• Production and delivery with efficiency, quality and on time.</li> <li>• Data security and privacy.</li> <li>• Environmentally friendly.</li> </ul>	<ul style="list-style-type: none"> <li>• The Company pays attention to and is responsible for customers by focusing on the high-quality and standardized.</li> <li>• The production that can fully meet customer needs.</li> <li>• Treats customers with understanding, good cooperation between them.</li> <li>• Customer confidentiality.</li> <li>• It also values on setting appropriate selling price and conditions.</li> <li>• Customer satisfaction surveys, both domestically and internationally, conducted annually.</li> <li>• It provides a process that allows customers to report product problems or complaints.</li> <li>• Create products with social responsibility and environment.</li> </ul>	<ul style="list-style-type: none"> <li>• Company's Website, Facebook, Line.</li> <li>• Telephone and e-mail.</li> <li>• One report.</li> <li>• Annual customer satisfaction survey.</li> <li>• Annual meeting to acknowledge policies and business plans with customers.</li> <li>• Channels for receiving complaints.</li> </ul>
<b>Business Partners/ Raw Material Manufacturers/ OEMs</b>	<ul style="list-style-type: none"> <li>• Fair Treatment Potential.</li> <li>• Development and business growth together.</li> <li>• Business Ethics and transparency.</li> <li>• Respect Intellectual Property and Copyright.</li> </ul>	<ul style="list-style-type: none"> <li>• The fair trade policy.</li> <li>• The fairly selecting trading partners. Partners are compared.</li> <li>• Product quality is supported. Some OEMs</li> <li>• There is a contract manufacturing company that is a major partner. Agreement terms are strictly followed.</li> <li>• Assistance measures in the situation of COVID-19.</li> <li>• Treat all trading partners with equality and equality.</li> <li>• Training &amp; Development for partner project.</li> </ul>	<ul style="list-style-type: none"> <li>• Company's Website, Facebook, Line.</li> <li>• Telephone and e-mail.</li> <li>• One report.</li> <li>• The Supplier audit.</li> <li>• Channels for receiving complaints.</li> <li>• The Meeting.</li> </ul>
<b>Consumers</b>	<ul style="list-style-type: none"> <li>• Product Value</li> </ul>	<ul style="list-style-type: none"> <li>• Set goal to deliver products with a high standard.</li> <li>• it has received the Superior Taste Awards for the Third year in a row. This year, the award-winning. It is a guarantee of international standard quality.</li> <li>• It also responds consumer needs in a timely manner.</li> </ul>	<ul style="list-style-type: none"> <li>• Company's Website, Facebook, Line.</li> <li>• Telephone and e-mail.</li> <li>• One report.</li> <li>• The Supplier audit.</li> <li>• Channels for receiving complaints.</li> <li>• The Meeting.</li> </ul>
<b>Distributors</b>	<ul style="list-style-type: none"> <li>• High-Quality Product Delivery.</li> <li>• Trade Support.</li> </ul>	<ul style="list-style-type: none"> <li>• presents and delivers valuable and high-quality products that are desired by consumers.</li> <li>• Agreeing on appropriate commercial terms.</li> </ul>	<ul style="list-style-type: none"> <li>• Telephone and e-mail</li> <li>• One report.</li> <li>• The Meeting.</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Fair and benefit Remuneration.</li> <li>• Work-life balance.</li> <li>• Capacity development for career advancement.</li> <li>• Work safety and have a good working environment.</li> <li>• Working from home with flexibility and taking care of employees regarding COVID-19 disease.</li> </ul>	<ul style="list-style-type: none"> <li>• Realizes the importance of all employees/labors who are a part of driving the Company to develop its business operation in the future.</li> <li>• Promote employee welfare to be appropriate.</li> <li>• Promote a suitable working environment.</li> <li>• Focuses on continuously developing employees' potential, knowledge, skills. It supports gender equality and human dignity.</li> <li>• Support gender equality and human dignity.</li> <li>• Wages are paid. and fair evaluation.</li> </ul>	<ul style="list-style-type: none"> <li>• Intranet.</li> <li>• Company's Website, Facebook, Line.</li> <li>• Intranet and internal notice.</li> <li>• Telephone and e-mail.</li> <li>• One report.</li> <li>• Comment Box.</li> <li>• Welfare committee meeting.</li> <li>• Channels for receiving complaints.</li> </ul>

Stakeholder Group	Expectation	The Company's Response	Communication Channel
	<ul style="list-style-type: none"> <li>Privacy protection.</li> </ul>	<ul style="list-style-type: none"> <li>Have an annual performance appraisal plan.</li> <li>There is a welfare committee.</li> <li>Have an organizational culture to guide behavior in the same direction.</li> </ul>	
<b>Shareholders</b>	<ul style="list-style-type: none"> <li>Company growth and business value development.</li> <li>Generating good returns.</li> <li>Fair Information Disclosure.</li> <li>Environmentally responsible operations Social and Corporate Governance (ESG).</li> <li>Investor Relations Services.</li> </ul>	<ul style="list-style-type: none"> <li>The Company intends to operate its business with efficiency, honesty, and transparency</li> <li>The Disclosure by accurately, completely, timely, and equitably disclosing information to shareholders under ethical principles and good corporate governance guidelines.</li> <li>Paying dividends to shareholders appropriately.</li> <li>Organization management and development for sustainable growth. The principles of ESG development are incorporated into the strategy and business plan.</li> </ul>	<ul style="list-style-type: none"> <li>Company's Website, Facebook, Line, IG.</li> <li>SET's Website.</li> <li>Telephone and e-mail.</li> <li>One report.</li> <li>Channels for receiving complaints.</li> <li>The Annual General Meeting of Shareholder.</li> <li>Opportunity Day.</li> <li>Press release.</li> <li>Disclosure by SET Link.</li> </ul>
<b>Community Around the Factory</b>	<ul style="list-style-type: none"> <li>Environment Around the Factory.</li> <li>Coexistence Between the Community and the Factory.</li> </ul>	<ul style="list-style-type: none"> <li>The Company's Ban Bueng factory, it received the Food Safety System Certification: FSSC 22000.</li> <li>It follows environmental control laws and has no illegal action.</li> <li>Waste emissions from production process are always controlled and monitored. As for the 3-in-1 beverage production process, waste is barely generated.</li> <li>New technologies are used to reduce resource use.</li> <li>Supporting activities are continuously supported to help the community around the factory and problems are handled and solved in a timely manner.</li> <li>Donations to the less fortunate.</li> </ul>	<ul style="list-style-type: none"> <li>Company's Website, Facebook, Line, IG.</li> <li>Telephone and e-mail</li> <li>One report.</li> <li>Channels for receiving complaint</li> <li>Site visits to survey the needs of the community.</li> </ul>
<b>Government Sector</b>	<ul style="list-style-type: none"> <li>Law Compliance</li> <li>Collaboration with government agencies.</li> <li>Corporate Social and Environmental Responsibility.</li> </ul>	<ul style="list-style-type: none"> <li>The Company always follows up on new relevant regulations.</li> <li>In order to accurately, completely and timely follow the law.</li> <li>Cooperate with various government activities, such as supporting the 15<sup>th</sup> year food product innovation contest "FosTAT food Innovation Contest 2023".</li> </ul>	<ul style="list-style-type: none"> <li>Company's Website, Facebook, Line, IG.</li> <li>Telephone and e-mail.</li> <li>Monitoring government policies from various channels.</li> <li>Channels for receiving complaint.</li> </ul>



### 3.3 Sustainability Management in Environmental Dimensions

#### 3.3.1 Environmental Policies and Practices

T.A.C. Consumer PCL. runs a business in sourcing, manufacturing, and distribution of beverages including, tea, coffee, and lifestyle products. It is determined to operate the business with high-quality products to satisfy customers, along with preserving the environment and developing sustainable natural resources, in order to reach sustainable development goals which are in accordance with international standards based on environmental responsibility and to ensure an efficient operation in environment and safety. It also operates the business according to the laws, rules and regulations. As for its production process, there is no pollution that affects the environment. It strictly follows Department of Industrial Works regulations and other requirements to show that it is committed to reduce and control environmental impacts.

#### Energy Management

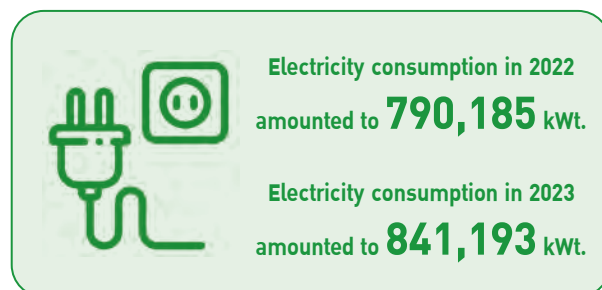
The Company has continuously focused on energy efficiency and energy conservation, such as promoting the efficient and cost-effective use of resources. Employees are required to pay attention and work with a sense of safety and environmental consideration. There is a preventive maintenance system on a monthly and yearly basis, with data storage to analyze and plan energy control for maximum efficiency and minimal energy consumption. Action details as follows;

1) The Company used the recycle symbol on product carton boxes to manufacturers can recycle and starting used innovative packaging as an alternative. The using an innovative packaging called "Green Carton" by SCG Packaging, which is environmentally friendly packaging made from used paper waste through the storage process and recycled starting from used efficiency, which starts from designing the paper property to be Light Weight Paper and reducing the use amount of paper pulp. In 2023 used the packaging including Cold Beverages Dispenser such as Iced Coffee and Milk Tea, and Non-Coffee Menu at All Café corner such as Green Tea, Milk Tea, Lemon Tea, and Taiwan Milk Tea.

2) The Company has plan to transportation management efficiency which is direct transport with the Full Truck Load (FTL) method, to reduce transportation energy use or to reduce environmental impacts and fuel energy efficiency.

3) The Company has campaigned and promoted indirect energy savings, such as the use of LED lamps that save electricity. The use of cloth bags instead of plastic bags, the use of reuse paper, paperless data collection, reducing the use of plastic straws. The Company has a policy for employees to work from home (WFH), which saves electricity and costs, as well as reduces environmental impact.

4) In 2023, The Company has organized "Together to reduce energy use Consumption by 4 actions project" (Close, Adjust, Release, Change) towards sustainable goal in order to raise awareness of energy consumption with value as well as encourage employees to participate and understand of the situation and energy impacts in order to change energy behavior efficiency.



**Remark:** Electricity consumption in 2023 increased by 6.45% due to the Company expanded the factory area in Chonburi Province.

## Water Management

The Company places importance on water resources by formulating water management plans to be the most efficient and promoting the corporate culture to have water conservation consciousness. Use water efficiently and manage water efficiently. The most cost-effective, such as using water-saving equipment, turning off water after every use or after work. There is an efficient wastewater treatment system to prevent contamination in the water source, as well as an analysis of effluent discharged from the factory, etc.



Water consumption in 2022

amounted to **3,163.89** cubic meters.

Water consumption in 2023

amounted to **3,374.23** cubic meters.

**Remark:** Water consumption in 2023 increased by 6.65% due to the Company expanded its factory area in Chonburi Province.

## Waste and Pollution Management

The Company has established measures on environmental responsibility and the reduction of waste in the production process. It has an environmental contamination prevention system from storage, transportation and disposal. Waste sorting in each area, including the establishment of an internal management system, accounting for the amount of waste generated each month. Collecting and storing in the right way disposal by persons authorized by the Department of Industrial Works Ministry of Industry, which can trace the entire work system. To develop sustainable business operations along with pollution prevention.

## The amount of waste and waste from the production process

Amount of waste and waste from the production process	2022	2023
• Contaminated containers	0.225 tons	-
• Contaminated material	0.080 tons	-
• The electric lamp was in use	0.003 tons	-
• Raw materials deteriorate		3.157 tons
• Packaging deteriorates		10.000 tons



## Greenhouse Gas Management

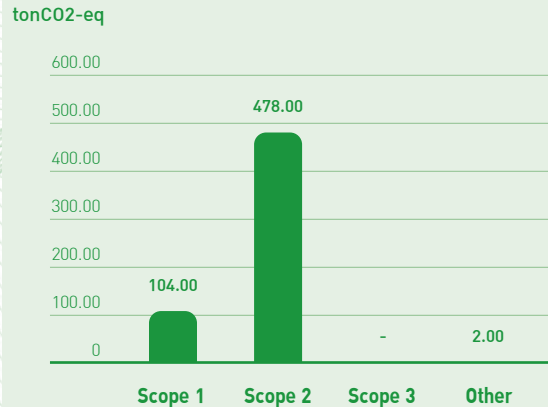
The Company has focused on reducing the impact of climate change. This includes managing greenhouse gas emissions in accordance with international standards based on environmental responsibility and in line with the Company's business policies and Business plans.

The Company has assessed the Carbon Footprint Organization is the second year. The Company has change the calculation of the organization's greenhouse gases in the second area, which is the calculation of greenhouse gases values from electricity use (cold vapor) from the Air Condition system of the head office.

This causes the organization's greenhouse gases values in 2023 to be different from the organization's greenhouse gases values in 2022. Therefore, it is considered appropriate to use the current year as the base year for calculating the organization's greenhouse gas emissions in 2023.

The Company has measured the emissions of scope 1 and scope 2 greenhouse gases, of which scope 1 is direct emissions and extraction of greenhouse gases, i.e. burning fuel in equipment and stationary combustion from diesel fuel of generators and water pumps, mobile combustion from diesel fuel and gasoline oil for cars, methane leakage from Septic Tank system, refrigerant leakage of air conditioners. Refrigerant leakage of refrigerator/drinking water dispenser Refrigerant leakage of freezer Air Dryer refrigerant leaks and refrigerant leaks in company vehicles Scope 2 is the indirect emission and recovery of greenhouse gases from energy consumption, i.e. the use of electricity by organizations from external agencies.

### Greenhouse gas emissions in 2023



**Remark:** Scope 1 is direct greenhouse gas emissions and reabsorption.  
Scope 2 is the emission and indirect absorption of greenhouse gases from energy consumption.

From the graph, it can be seen that the Company emits a total greenhouse gas emission of 582 tons of CO<sub>2</sub> equivalent, of which scope 1 is 104 tons of CO<sub>2</sub> equivalent and scope 2 is 478 tons of CO<sub>2</sub> equivalent, which has higher greenhouse gas emissions than scope 1. Due to the Company uses electricity in the production process and every process of work indirectly from energy consumption, the Company has been reviewed by the of Phayao University.

For Carbon Intensity data, the sum of scope 1 and 2 compared to total revenue in this year, the amount of Carbon Intensity is equal to 0.3392 Ton CO<sub>2</sub>e/million baht.

## 3.4 Sustainability Management in Social Dimensions

### 3.4.1 Social Policies and Practices

The Company operates its business by adhering to and emphasizing on duties and responsibilities to society and stakeholders, including, shareholders, customers, business partners, employees, communities and surrounding society. This is to create business sustainability, to be able to manage the business to stably grow, to be accepted in the society, as well as to plant these ideas among employees at all levels, including, the Board of Directors, the Management team, department managers, employees and other stakeholders to act in the same norm. The guidelines include,

#### 1. Conducting Business with Fairness

The Management that ensures sustainable and stable business growth is operated by the company under careful operation, honesty, professionalism, transparency, and also complies with legal criteria and regulations. It adheres to corporate governance principles set by the Stock Exchange of Thailand.

The Company fairly and equitably treats business partners and creditors without taking advantages by strictly following trade conditions and/or agreement terms made together, in order to develop business relationships that benefit both parties. It also fairly treats competitors without any action that is considered as an attack, fabrication, or reputation damage.

#### 2. Respect for Human Rights

The Company values and respects human rights as it equitably, equally, and fairly treats employees regardless of differences in race, religion, gender, or physical condition. It adheres to the organizational culture that all employees follow this guideline at work, in order for them to work under a happy working environment together and also to accept each other. In addition, it also encourages the employees to participate in directly and indirectly helping society.

#### 3. Fair Treatment of Employees

The Company highly values and cares its employees. Fair treatment towards them has been conducted and there is an aim to manage people by selecting, developing, promoting, and maintaining the effective ones, which allows it to effectively operate the business and achieve goals. It provides appropriate pays based on their knowledge and skills that can be compared with other companies with the same business. The Company has established a welfare committee in the established to take care, help and provide appropriate welfare for employees. As well as a proper care, assistance, and welfare benefits for employees are provided. Moreover, it develops people by continuously providing training courses that enhances working skills, which is an opportunity for them to progress at work and to improve work efficiency. It encourages them to directly and indirectly express their opinions that will benefit in solving problems together.

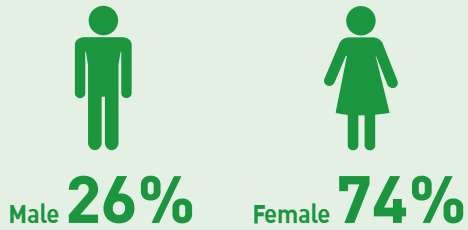
## Employment

Employee Number (Person)		
Detail	Male	Female
Full-time Employees	43	118
Disabled People (Independent Contractor)	-	2
<b>Total</b>	<b>43</b>	<b>120</b>

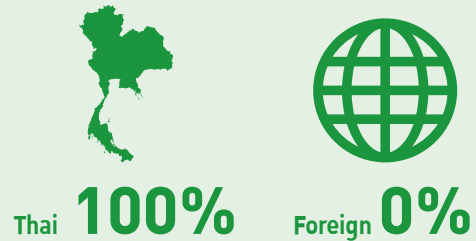


## Employee Diversity

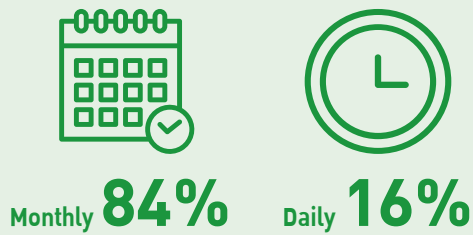
### Type by Gender



### Separated by Nationality



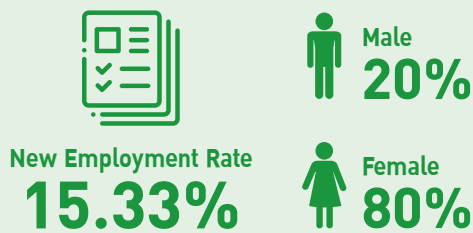
### Separated by Type of Employment



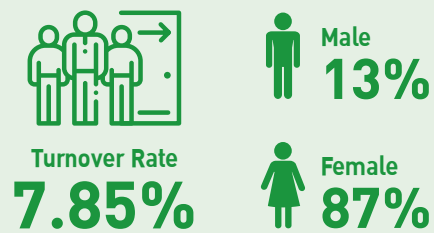
### Separated by Age



### Employment (New Employees)



### Resignation



### Employees participating in the Provident Fund



### Rate of employees participating in the Provident Fund



The Company provides equal opportunities in employment by employ people with disabilities according to the law and promote to improve the quality of life of people with disabilities to a better quality by supporting careers for people with disabilities at the Training Center Alumni Association. The Company has hired a visually impaired person to provide relaxing massage services for employees.

In 2023, the Company employs the visually impaired to provide relaxing massages for employees.



In 2023, the Company organized training courses for the employees to increase skills and potential in work as following, 7 internal courses with a total of 1,452 hours and 28 external courses with a total of 822 hours.

### Training Courses for the Employees in 2023



Internal Courses **7** Courses



Total **1,452** Hours



External Courses **28** Courses



Total **822** Hours

## Safety, Occupational Health, and Environment in Workplace

In 2023, the Company continuously developed and improved safety in its operation to reduce risks of illness, injury, or death, which includes the ongoing COVID-19 epidemic. The proper actions that took place in order to take care of the quality of life for employees include,

- Safety rules in workplace and fire prevention and extinguishment plans are prepared and trained in accordance with relevant standards and laws. There were also a watch-out, follow-up, and assessment in the working environment in which all employees cooperated and followed the safety and hygiene practice guidelines in the workplace.
- In 2023 no accidents caused by employees working within the factory.

## Relationship with Employees

In 2023, the rate that employees voluntarily quit (Turnover rate) was 7.85% The Company continuously applied Engagement Mobile Application Assessment in order to measure the bond between the employees, to understand, and to directly solve employees' problems. Important information was reported to the Executive Committee on a monthly basis. This project aimed to make everyone to be happy at work and to increase maximum work productivity. This year, the relationship and employees' happiness survey were at 64% which was within the criteria and met the target of 64-89%

The report of employee engagement results on a monthly basis to management. The Company plans to increase employee engagement from going in to talk and understand the topics that are challenges such as Personal Growth, Relationship with Colleagues, Ambassadorship, Feedback, Wellness, Happiness, etc.

In 2023, the Company received the Happily.ai Awards, Peer Recognition category. This award reflects the success of organizations that support good health, and the staff are wonderfully engaged based on employee appreciation rate from Application Happily.





## 4. Relationship with Customers and Business Partners

The company emphasizes on high-quality production with standards that can fully meet customer needs. It fairly and equitably treats business partners, operates the business with honesty, maintains mutual benefits with partners, and conducts business ethics. It intends to develop and maintain a sustainable relationship with the partners, as well as to indicate OEMs to be its important key partners.

The Company continuously developed products to satisfy customers with responsibility, honesty, and ethics. In 2023, the company received a very good level of customer satisfaction. However, there were 5 complaints from customers on important issues, including 5 cases of packaging problems. However, the complaints does not affect the quality and food safety. We have investigated the cause, set standard for correction and prevention and communicate to customer.



## Co-Development in Community and Society

The Company operates its business with responsibility towards the community and society and always recognizes that a strong community and society have sustainable development, which is a crucial contributing factor to business operation. Therefore, it has set a goal to continuously contribute to community and society development and has participated in various promoting activities as following,

1. Since 2022, We supported Care the Wild Plookpong Plant & Project and we also engaged in the organization's carbon footprint with mai Listed Companies Association by recently supporting 1 Rai of reforestation at Ban Aoi forest and Ban Bun Roeng, Rong Kwang District, Phrae. The other 53 MAI listed companies also supported this project and the total forest area is 91 Rai or 18,200 trees.

### Results of overall growth progress in 2023

From the results of a survey to monitor the results of trees in the forest planting plots in the Ban Bunreang community forest. It was found that the trees planted had a survival rate of 91.69% with a density of approximately 307 trees/rai. The reason the survey found more than 200 trees/rai was because the village headman joined with people in the community to plant more than 5,000 additional trees, causing the density of The surveyed trees were more than 200 trees/rai, or there were more than 15,000 trees in the planted area (in actual conditions, the density of saplings was planted at about 334 trees/rai, currently 307 trees have survived) by the species that was surveyed. Which found from highest to lowest number are teak, Makha Mong, Makham Pom, Wa, Padua, Neem and Tamarind Preaw. The growth data of the planted trees were measured, including height, root collar diameter (RCD), and crown width, expressed as a range of tree growth values. Each type in the forest planting plot.





2. The Company organized volunteer projects to clean turtle ponds and donate money to the Royal Thai Navy Sea Turtle Conservation Center, Sattahip District, Chonburi Province. In the activities, knowledge was provided about the biology of sea turtles. The staff then escorted the management team and employees to the turtle ponds to clean them together. In addition, money and necessary items were donated to the Teacher Boonchoo Home for Special Children, Phlu Ta Luang, Sattahip, Chonburi. This activity was held because the Company recognizes the importance of environmental responsibility and social responsibility. The Company is committed to creating activities to give good things back to society.





3. The Company co-sponsored the 15<sup>th</sup> "FosTAT Food Innovation Contest 2023". The aim of this project is to promote and develop personnel among students in terms of food innovation, product development and cooperation between educational institutions, government agencies and the private sector in the food industry to grow sustainably. In addition, the Company co-sponsored the 19<sup>th</sup> "FosTAT Nestlé Quiz Bowl 2023" for undergraduate students in food science and technology (70 institutes) to support the development of knowledge and understanding for students, who will be an important force in the development of the Thai food industry to be accepted internationally.



4. The Company donated beverages and stationary to Wat Nong Ka Nam School and Nong Bon Daeng School Chonburi Province. This is an area close to the Company's Ban Bung factory.



5. The Company donated money and items to the Eastern Region Volunteer Firefighting Club, Plang Yao District, Chachoengsao Province to help people in remote areas.



6. The character "Bellygom" attended the Bellygom Loves Thailand, Sustainable Living X'mas Tree 2023 event at Siam Discovery, Which was created with recycled HDPE plastic, cloudy plastic bottles and turning water bottle caps into Bellygom keychains gives life to used plastic. At the event, the atmosphere will be decorated with the character "Bellygom" by using recycled bottle materials.



7. The Company donated old calendars to the Foundation for the Blind of Thailand under the Royal Patronage of H.M. the Queen Bangkok as teaching materials for blind students. It has continuously donated every year.





8. The Company donated 100,000 baht to The Thai Cross Society, Pathumwan District, Bangkok, as emergency funds to help many disaster victims in various areas throughout the country.
9. The Company donated 655 crates of beverages to the Ban Nonthaphum Disabled Protection and Development Center, Nonthaburi Province
10. The Company donated 50,000 baht to the Student Development Fund, Chiang Mai Rajabhat University to support the organization of the DINNER TALK FINDING YOUR NEXT PLAY 2024 activity.
11. The Company donated equipment and office supplies to the Suan Kaew Foundation, Bang Yai District, Nonthaburi Province to help provide relief to the poor.
12. The Company donated beverages to Kathin Samakkhi Ceremony, Ban Na District, Nakhon Nayok Province
13. The Company joined in donating money to Khao Sao Thong Temple, Bang Lamung District, Chonburi Province to preserve Buddhism.
14. Volunteered employees donated blood to National Blood Center and Thai Red Cross Society, in order to help patients to receive more blood for regular treatments and to alleviate blood shortages.
15. Since 2015, the Company has donated drinking water purification machines to the project sharing water (heart) to the community. The management team led T.A.C. Consumer PCL. employees to donate ready-to-install drinking water purification machines at Ban Nong Pla Lai School and Wat Nong Kanam School in Chonburi, which are in the same area with its factory at Ban Bueng District, Chonburi. It also offers the water filter replacement support nowadays. The main purpose was to support and promote the ideology of giving service and caring out valuable activities towards the society.

## Section 1 Business Operation and Operating Results

## 4. Management Discussion and Analysis (Md&amp;A)

## Summary table of financial position and operating results

Statement of Financial Position	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Assets</b>						
Current Assets						
Cash and cash equivalents	136.49	12.80	150.80	12.76	161.27	14.46
Trade and other receivables	261.80	24.56	310.09	26.25	337.12	30.22
Inventories	57.22	5.37	50.33	4.26	60.01	5.38
Other current financial assets	446.63	41.90	504.15	42.67	371.48	33.30
Other current assets	2.45	0.23	5.90	0.50	10.63	0.95
Total current assets	904.60	84.86	1,021.27	86.44	940.51	84.30
Non-Current assets						
Restricted bank deposits	-	-	-	-	0.4	0.04
Investment in associate	30.00	2.81	30.00	2.54	-	-
Property, plant and equipment	90.56	8.50	93.93	7.95	116.63	10.45
Right-of-use assets	22.42	2.10	18.65	1.58	17.22	1.54
Intangible assets	0.99	0.09	0.23	0.02	10.39	0.93
Good will	-	-	-	-	7.8	0.70
Deferred tax assets	13.12	1.23	12.87	1.09	16.34	1.46
Other non-current financial assets	4.31	0.40	4.50	0.38	6.31	0.57
Total non-current assets	161.39	15.14	160.18	13.56	175.09	15.70
Total assets	1,065.99	100.00	1,181.45	100.00	1,115.60	100.00
<b>Liabilities and shareholders' equity</b>						
Current liabilities						
Short-term loans from financial institutions	-	-	30.00	2.54	-	-
Trade and other payables	236.39	22.18	299.62	25.36	310.74	27.85
Advance received from customer	5.71	0.54	6.23	0.53	5.13	0.46
Portion of liabilities under lease agreements due within 1 year	5.63	0.52	6.47	0.55	8.23	0.74
Income tax payable	31.64	2.97	28.76	2.43	28.42	2.55
Other current liabilities	6.49	0.61	6.10	0.52	7.51	0.67
Total current liabilities	285.86	26.82	377.18	31.93	360.04	32.27



Statement of Financial Position	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Non-current liabilities						
Liabilities under finance lease contracts - net from the portion due within 1 year	-	-	-	-	-	-
Lease liabilities – net of portion to due within one year	14.96	1.40	11.90	1.00	8.80	0.79
Other Non-current liabilities	-	-	-	-	0.11	0.01
Provision for long-term employee benefits	21.36	2.00	26.73	2.26	28.95	2.60
Total non-current liabilities	36.32	3.41	38.63	3.26	37.87	3.40
Total liabilities	322.18	30.22	415.81	35.19	397.91	35.67
<b>Shareholders' equity</b>						
Share capital						
Registered	152.00	14.26	152.00	12.87	152.00	13.62
Issued and fully paid up	152.00	14.26	152.00	12.87	152.00	13.62
Share premium	426.99	40.06	426.99	36.14	426.99	38.27
Retain earning						
Treasury shares	-	-	-	-	(33.19)	(2.98)
Appropriated-statutory reserve	15.20	1.43	15.20	1.29	15.20	1.36
Reserve for treasury shares	-	-	-	-	33.19	2.98
Non-controlling interests of the subsidiary	-	-	-	-	3.53	0.32
Unappropriated	149.63	14.04	171.45	14.51	119.97	10.75
Total shareholder's equity	743.81	69.78	765.64	64.81	714.16	64.33
Total liabilities and shareholder's equity	1,065.99	100.00	1,181.45	100.00	1,123.91	100.00

Statement of Comprehensive Income	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Revenues</b>						
Sales Revenues	1,341.14	99.13	1,523.34	99.15	1,713.66	99.24
Gain on exchanges	7.03	0.52	3.79	0.25	0.79	0.05
Other Income	4.73	0.35	9.24	0.60	12.26	0.71
<b>Total Revenues</b>	<b>1,352.91</b>	<b>100.00</b>	<b>1,536.37</b>	<b>100.00</b>	<b>1,726.71</b>	<b>100.00</b>
<b>Cost and Expenses</b>						
Cost of sales and service	831.25	61.44	987.10	64.25	1,153.07	66.78
Selling and distribution expenses	164.31	12.14	169.47	11.03	162.05	9.39
Administrative expenses	88.06	6.51	83.55	5.44	145.53	8.43
Loss on exchange	-	-	-	-	-	-
<b>Total Expenses</b>	<b>1,083.62</b>	<b>80.10</b>	<b>1,240.12</b>	<b>80.72</b>	<b>1,460.65</b>	<b>84.59</b>
<b>Profit before Loss on sales investment in associate financial expenses and income tax expenses</b>	<b>269.29</b>	<b>19.90</b>	<b>296.25</b>	<b>19.28</b>	<b>266.06</b>	<b>15.41</b>
Loss on sales investment in associate	-	-	-	-	(9.81)	(0.57)
<b>Profit before Loss financial expenses and income tax expenses</b>	<b>269.29</b>	<b>19.90</b>	<b>296.25</b>	<b>19.28</b>	<b>256.25</b>	<b>14.84</b>
Finance Income*	0.61	0.04	0.84	0.05	1.52	0.09
Finance Cost	(1.08)	(0.08)	(1.15)	(0.07)	(1.10)	(0.06)
<b>Profit before income tax expenses</b>	<b>268.82</b>	<b>19.87</b>	<b>295.94</b>	<b>19.26</b>	<b>256.67</b>	<b>14.87</b>
Income tax expenses	(53.19)	(3.93)	(59.42)	3.87	(52.03)	(3.01)
<b>Profit for the year</b>	<b>215.62</b>	<b>15.94</b>	<b>236.52</b>	<b>15.39</b>	<b>204.64</b>	<b>11.86</b>
<b>Other comprehensive income</b>						
Transactions that will not be subsequently recorded in profit or loss						
Actuarial Profits	-	-	(2.40)	(0.16)	(4.11)	(0.24)
Less : effect of income tax	-	-	0.48	0.03	0.82	0.05
Transactions that will not be subsequently recognized in profit or loss - net of income tax	-	-	(1.92)	(0.13)	(3.29)	(0.19)
<b>Other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>(1.92)</b>	<b>(0.13)</b>	<b>(3.29)</b>	<b>(0.19)</b>
<b>Comprehensive income for the year</b>	<b>215.62</b>	<b>15.94</b>	<b>234.60</b>	<b>15.27</b>	<b>201.35</b>	<b>11.66</b>
Profit (loss) per share (Fully Diluted) (Baht)	0.35		0.39		0.34	
Profit (loss) per share (Weighted Average) (Baht)	0.35		0.39		0.34	
Far value (Baht)	0.25		0.25		0.25	
Profit (loss) per share (Fully Diluted) (Baht) - Change1)	0.35		0.39		0.34	

**Note:** <sup>1)</sup> Calculated by adjusting the par value to 0.25 baht per share for comparison.



Cash flow statement (Unit : Million Baht)	2021	2022	2023
<b>Cash flows from operating activities</b>			
Profit before tax	268.82	295.94	256.67
Adjustments to reconcile profit before tax to net cash Operating activities			
Depreciation and amortization	23.81	21.78	24.10
Allowance for doubtful accounts (reversal)	(0.09)	1.48	(0.17)
Increase (decrease) in allowance for expected credit losses	6.18	-	-
Reduction of inventories to net realizable value	1.06	(3.19)	(3.47)
(Gain) loss on sales of other current financial assets	-	-	
Gain on fair value adjustment of other current financial assets	(1.10)	(6.21)	(4.29)
Gain on fair value adjustment of other current financial assets	(6.48)	(1.24)	(2.31)
Gain on disposals of equipment	(6.55)	(1.24)	-
Increase in allowance for impairment of investment in associate	-	-	17.44
Reversal of allowance for impairment of equipment	-	-	(4.40)
Unrealized (gain) loss on exchange	(2.02)	(0.06)	0.2
Loss on write-off of equipment and intangible assets	0.04	-	0.4
Share of loss from investments in associate	-	-	9.81
Provision for long-term employee benefits	3.02	2.96	(1.89)
Interest received	(0.61)	(0.84)	(1.52)
Interest paid	1.08	1.08	1.10
Profit from operating activities before changes in	293.85	312.47	291.47
<b>Operating assets decrease (increase):</b>			
Trade and other receivables	(20.52)	(49.64)	(26.89)
Inventories	(23.36)	10.07	(6.21)
Other current assets	0.41	(3.45)	(4.60)
Other Non-current assets	(0.02)	(0.20)	(1.81)
<b>Operating liabilities increase (decrease):</b>			
Trade and other payables	21.13	63.21	1.58
Advance received from customers	0.42	0.52	(1.10)
Other current liabilities	0.17	(0.40)	1.42
<b>Advance received from customers</b>	<b>272.08</b>	<b>332.60</b>	<b>253.87</b>

Cash flow statement (Unit : Million Baht)	2021	2022	2023
Cash paid for long-term employee benefits	(0.29)	-	-
Interest received	0.87	0.77	1.58
Interest paid	-	-	-
Corporate income tax paid	(49.63)	(61.56)	(57.07)
<b>Net cash from operating activities</b>	<b>223.03</b>	<b>271.81</b>	<b>198.38</b>
<b>Cash flows from investing activities</b>			
Increase in restricted bank deposits	-	-	(0.4)
Cash paid for purchase of other current financial assets	(1,362.25)	(1,544.21)	(1,667.73)
Proceed from sales of other current financial assets	1,321.67	1,494.14	1,807.00
Increase in investments in associate	(30.00)	-	-
Acquisitions of plant, equipment and intangible assets	(17.46)	(18.25)	(41.65)
Proceeds from disposals of equipment	0.01	1.10	1.93
Increase in goodwill	-	-	(7.8)
<b>Net cash from (used in) investing activities</b>	<b>(88.03)</b>	<b>(67.22)</b>	<b>91.35</b>
<b>Cash flows from financing activities</b>			
Cash received from short-term loans from financial institutions	-	30.00	-
Repayments of lease liabilities	(8.41)	(7.53)	(8.74)
Repayments of short-term loan from financial institution	-	-	(30.00)
Cash received from non-controlling interests of the subsidiary	-	-	5.5
Cash paid for treasury shares	-	-	(27.24)
Dividend paid	(193.66)	(212.75)	(218.78)
<b>Net cash from (used in) financing activities</b>	<b>(202.07)</b>	<b>(190.28)</b>	<b>(279.26)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(67.07)</b>	<b>14.30</b>	<b>10.47</b>
Cash and cash equivalents at beginning of year	203.57	136.49	150.80
<b>Cash and cash equivalents at end of year</b>	<b>136.49</b>	<b>150.80</b>	<b>161.27</b>



## Key Financial Ratio

List	2021	2022	2023
<b>Liquidity</b>			
Current Ration (x)	3.16	2.71	2.61
Quick Ratio (x)	2.96	2.57	2.45
Cash flow liquidity ratio (x)	0.83	0.82	0.54
Account Receivable Turnover (x)	5.41	5.35	5.33
Average Collection Period (Day)	66.55	68.19	68.42
Inventory Turnover (x)	16.66	18.36	20.90
Average sales lead time (Day)	21.61	19.88	17.47
Liabilities Turnover (x)	6.67	6.76	6.51
repayment period (Day)	53.94	54.00	56.04
Cash Cycle (Day)	34.22	34.07	29.85
<b>Profitability Ratio</b>			
Gross profit margin (%)	38.02	35.20	32.71
Operating Profit Margin (%)	19.20	18.59	14.76
Other Operating Profit Margin (%)	0.87	0.85	0.76
Cash-to-profit ratio (%)	86.61	95.97	78.41
Net profit margin (%)	15.94	15.44	11.94
Return on Equity (%)	29.41	30.89	28.51
<b>Operating efficiency ratio</b>			
Return on Asset (%)	20.76	20.02	18.34
Fix Asset Turnover (%)	249.33	227.80	177.98
Total Asset Turnover (x)	1.30	1.29	1.54
<b>Financial Policy Analysis Ratio</b>			
Debt/Equity Ratio (x)	0.43	0.54	0.55
Interest Coverage (x)	254.19	257.79	244.14
Dividend payout ratio (%)	93.05	92.54	98.04

## Management Discussion and Analysis for The Year Ended December 31, 2023

### Sales and Service Income

For the year 2023, the Group achieved a sales and service income at Baht 1,713.66 million respectively. This had an increase of Baht 190.32 million or equivalent to 12.49% from last year (Baht 1,523.34 million). The revenue has grown from (A) domestic sale continue increase since from last year, (B) increasing of sales orders from new customers since the second half of 2022, (C) expansion to new market in Cambodia in conjunction with expansion of branches of 7-Eleven (D) Revenue for the Subsidiaries at Baht 10.75 million.

### Other Income and Gain on Exchange Rate

For the year 2023, the Group achieved other income at Baht 12.26 and 12.03 million, which increase by Baht 3.02 and 2.79 million, from the same period of previous year Baht 9.24 because of gain from selling of mutual funds. Which has a higher net asset value than last year. While there was a foreign exchange profit at Baht 0.79 million, decrease at Baht 3.00 million 79.18% from the previous year amount at Baht 3.79 million. Due to the Company sold investment in private fund held in US Dollar during the year. Resulting in decreased foreign exchange profits.

### Cost of Sales and Services

For the year 2023, the Group had the cost of sales and services amounting to Baht 1,153.07 million, which increase Baht 165.97 million or equivalent to 16.81% from the same period of previous year (Baht 987.10 million). The portion of cost of sales and services to sales and services income increase by 2.49% from last year (2023: 67.29%, 2022: 64.80%), resulting to decreasing of gross profit margin by 2.49% from last year (2023: 32.71%, 2022: 35.20%). The gross profit margin for year 2023 decreases from the year 2022 is because increasing in raw material cost during the year.

### Selling and Distribution Expenses

For the year 2023, the Group had selling and distribution expenses decrease amounting to Baht 7.42 million or equivalent to 4.38% from previous year (2023: Baht 162.05 million, 2022: Baht 169.47 million), and the portion of selling and distribution expenses to sales and services income is decrease by 1.66% from previous year (2023: 9.46%, 2022: 11.12%). This because the decrease in expenses amount was from decreasing of promotion and advertising programs during the 1st and 3rd quarters of year 2023 and lower travel expenses than in 2022.

### Administrative Expenses

For the year 2023, the Group had administrative expenses amounting to Baht 145.53 million, which increase Baht 61.97 million or equivalent to 74.17% from the previous year (Baht 83.56 million), or equivalent to 8.49% and 5.49% of sales and services income of year 2023 and 2022, respectively. (Increase 3.00% from year 2022). The increase in expenses is because of the following.

- A. The administrative expenses of the subsidiary amounting to Baht 11.25 million.
- B. The records provision for impairment of investment in associate company amounting to Baht 17.44 million in the fourth quarter of 2023. The provision amount is lower than the separate financial statement because the Group has already recorded share losses from investments in associate company in the past, which made the book value of the investment in associate is remain only Baht 17.44 million.

However, if no provision is made for impairment of investment in associate company, the Company would have administrative expenses of Baht 128.09 million, which increase Baht 44.53 million or equivalent to 53.29% from the previous year, or equivalent to 7.47% of the revenue from sales and services in 2023 (Increase 1.98% from year 2022).

### Share of Loss from Investment in Associate

The share of loss from investment in associate for the year 2023 increased amounting to Baht 8.45 million from last year. This is because of the increase in amortization of intangible assets, which value is increased from fair value assessment when prepared consolidated financial statements.



## Net Profit

For the year 2023, the Group has consolidated net profit amounting to Baht 204.64 million, which decreases Baht 30.51 million or equivalent to 12.97% from the previous year at Baht 235.15 million (as presented in financial statements in which the equity method is applied). The company achieved a consolidated net profit margin of 11.94%, which decreased 3.50% from 15.44% last year. The reasons for the decrease in consolidated net profit are (a) record provision for impairment in associate company at Baht 17.44 million (b) an increase in the Company's cost of sales, (c) net loss from the subsidiary at Baht 19.48 million, and (d) increase of share of loss from investment in association amounting to Baht 8.44 million.

However, if no provision is made for impairment of investment in associate company, the Company would have net profit of Baht 216.08 million, which decrease Baht 19.07 million or equivalent to 8.11% from the previous year, or equivalent to net profit margin of 12.61% or decrease 2.83% from last year.

## Financial Position

### Asset

At the end of 2022-2023, the Company had total assets of Baht 1,178.70 million and Baht 1,1150.60 million, respectively, of which the Company's key assets were (1) other current financial assets, (2) accounts receivable and other receivables, (3) cash and cash equivalents, (4) land, buildings and equipment, and (5) inventories. In 2023, the proportion of such important asset items to total assets is (1) 33.30%, (2) 30.22%, (3) 14.46%, (4) 10.45%, and (5) 5.38%, respectively. The details of the Company's key assets can be summarized as follows:

### Cash and cash equivalents

For the end of 2022, the Group had Cash and cash equivalents of Baht 150.80 million. This represented 12.79% of total assets, the Group had allocation of some bank deposits in short-term funds in respect of other current financial assets with higher interest on deposits than other fixed deposits.

For the end of 2023, the Group had cash and cash equivalents of Baht 161.27 million. This represented 14.46% of total assets, Increased according to the increased revenue of the Group in during year. However, the Group still allocates some bank deposits to short-term funds in other current financial assets in order to obtain higher returns than bank deposits.

### Accounts Receivable

At the end of 2022-2023, the Group had accounts receivable before deduction of allowance for doubtful debts amounting to Baht 309.56 million and Baht 336.04 million, respectively, representing 26.26% and 30.12% of total assets, respectively.

The Group had a policy to provide a credit term to domestic customers of approximately 30-60 days, but if it is a new customer, the Company will require the customer to pay for the product in cash before delivering the goods. For international customers, the Company requires customers to pay for goods in cash before delivering the goods and provide a repayment period of 60-90 days to foreign customers, which may be considered for credit term from time to time depending on the Company's promotional policy. In the past, the Group had an average debt collection period equal to 66.25 days in 2022 and equal to 68.42 days in 2023. Most of the trade receivables were not yet due for payment and most of the main customers had the collection period. Receive payment in 60 days

### Inventories

At the end of 2022-2023, the Group had inventories before deducting allowances for the decrease in inventories. 64.48 million baht and 62.22 million baht, respectively. The Company's main inventories are finished goods and raw materials and packaging materials, accounting for 68.55% and 31.02% of total inventories (before deducting allowances for decrease in product value). Inventories at the end of 2023 Increased at Baht 9.68 million from the end of 2022 due to the subsidiaries has purchase increase inventories to prepare sold in year 2024 amount at Baht 12.44 million. While inventories of the Company decrease from year 2022 amount at Bath 2.76 million according to sales revenue increase in Q4/2023. The Group had established a policy to consider setting aside allowance for the decrease in the value of inventories. This is based on slow-moving inventories. Expired or discontinued/discontinued products In accordance with the policy set by the Company on a monthly basis.

## Other Current Financial Assets

At the end of 2022-2023, the Group had temporary investments and other current financial assets 504.15 Million Baht This represents 42.77% of total assets and Bath 371.48 million. This represented 33.30% of total assets, an increase due to the Company's invest to subsidiaries at Baht 50 million and gave the subsidiary a loan at Baht 10 million, including using it to purchase property to expand the factory

## Land, Plant and Equipment

The Group had land, plant and equipment net of Baht 93.963 million at the end of 2022 and Baht 116.64 million at the end of 2023, representing 7.97% and 10.45% of total assets, respectively. The increase from asset of subsidiaries and asset purchases to expand the factory in during year

For the year 2022, the Group had building improvements were installed and purchased additional equipment during the year at Baht 18.42 million, While there was depreciation for the year at Baht 15.24 million.

For the year 2023, the Group had purchased land, plant and equipment increased during the year to Bath 18.42 million. While there was depreciation for the year at Baht16.24 million.

## Investments in Subsidiary and Associate

The Group had record provision for impairment in associate company in year at Baht 30 million. Because the associated was unable to operate according to the business plan. There has been a change in the business plan. There has been no profit from operations for 3 consecutive years and the Company is in the process of selling investments in associated companies. Therefore, consider setting aside allowance for impairment of the entire investment.

## Good Will

In 2023. The Subsidiaries purchased a trademark and a business distributing supplement products and Skin care products from Blush Beauty (Thailand) Co., Ltd. (seller), which has the difference between the purchase price paid by the subsidiary company and the seller's net assets at Baht 7.8 million, the subsidiaries recorded the difference as goodwill. This goodwill consists of List of customers not recognized as separate items and access to the seller's original sales channels.

## Liquidity

### Cash Flow

The Group had cash flow from operating activities amount to Baht 271.81 million in 2022 and amounted to 198.38 million baht. In 2023, the Company's profit before tax in 2022-2023 amounted to Baht 294.57 million and Baht 256.67 million, respectively. The mainly of the Group had cash from operating.

If considering cash flow from investment activities in 2022 and in 2023, Net cash used from investment activities amounted to 67.22 million baht and 91.35 million baht These include (1)

In 2022-2023, the Group had net cash flow from financing activities amount to Baht 220.29 million and Baht 279.26 million. These include (1) repayment of lease liabilities of Baht 7.53 million and Baht 8.37 million, respectively, and (2) dividend payments to shareholders of Baht 212.75 million and Baht 218.73 million, respectively, and (3) cash receipts from short-term loans from financial institutions of Baht 30.00 million, and (4) Cash received for shares of the subsidiaries from minor shareholders in the amount to Baht 5.5 million, and (5) In 2023, there will be cash paid to repurchase capital shares in the amount to Baht 27.24 million.

## Sources of Funding

### Liabilities

At the end of 2022-2023, the Company had total liabilities of Baht 415.81 million and Baht 397.91 million, respectively, with the majority of the Company's debt structure being current liabilities, which if proportional to total liabilities would be 90.71% at the end of 2022 and 90.48% at the end of 2023. Liabilities of the Group including the trade and other payables. At the end of 2022-2023 the proportion of transaction proportional to total liabilities would be 72.06% and 78.09% respectively. The nature of trade and other payables due to the purchase of goods and advertising, public relations and promotion.



## Equity

At the end of 2022-2023, the Group had shareholders' equity of Baht 762.89 million and Baht 717.69 million, respectively. The Group had shareholders' equity Baht 762.89 million. Which increase from the end of 2021 of Baht 19.08 million. Due to the Group had increase retained profit from the 2022 operating results of Baht 235.15 million. While the Group had dividend payment of Baht 212.77 million and end of the year 2023 the Group had shareholders' equity of Baht 717.69 million decrease from end of the year 2022 of Baht 45.20 million. Due to (1) the Group had increase retained profit from the 2023 operating results of Baht 204.64 million, and (2) Paid Dividend of Baht 218.87 million and (3) Purchase capital shares of Baht 33.19 million.

## Suitability of Capital Structure

The Group had debt-to-equity ratio of 0.54 times at the end of 2022 and 0.55 times at the end of 2023, an increase from the end of 2022. Due to the Group had total trade in the end of the year 2023 decrease from the year 2022 of Baht 17.89 million. While total of shareholders equity in the end of year 2023 decrease from year 2022 of Baht 45.20 million. Therefore, debt-to-equity ratio are similar.

## The main factors and influences that may affect the operating results and financial position in the future

### 1. Impact from the risk of relying on large customers

In 2021-2023, the main income of the Company from selling products to a large customer, accounting for approximately 93-97% of the total sales revenue. Therefore, if the Company loses such customers or such customers reduce the amount of purchases from the company may affect the revenue and operating results of

the Company. Significantly, however, from the fact that the Company having a long-standing commercial relationship with such customers together with the company. It is one of the distributors that operate with customers under a Key Strategic Partner will be able to maintain a stable and sustainable relationship with such customers.

The part of B2B group the Company has always been given opportunities to grow with its key business partners. In the B2C group, the business has grown more, but the proportion may not be able to grow in line with B2B due to the huge market size as follows.

- Licenses Business Group, In this year, the Company has a new character for Korea.
- Café Business (Bon Café and Punthai Coffee) has joint business planning and continuously develop new beverages or products for Café Business groups.
- Supplement products Group, This is the business of the subsidiary that has purchased the Bloss Natura trademark from the previous owner. In 2023, the subsidiary is still in the process of improving and developing business practices. Accordingly, there is still no profit arising. But there are plans to expand distribution channels and develop new products coming out in the future to create sales and profits.

In the past year, 7-Eleven's outlet has been expanded in Cambodia. There has been significant growth. Currently, there are spread throughout Cambodian cities and plans to increase to 82 outlets by 2023. Which is 7-Eleven's outlet has been expanded in Laos 3 outlet. The most popular products are coffee latte and Thai tea, Which the group of companies. There is a plan to develop new products and send them in continuously.

## Section 1 Business Operation and Operating Results

### 5. General Information and Other Significant Information

<b>Core Business</b> <p>T.A.C. Consumer Public Company Limited (“the Company”) engages in the business of sourcing, manufacturing, and distribution of beverages and lifestyle products. The Company focuses on managing and executing marketing and sales strategies along with beverage product development. The developed products possess distinctive unique selling points and varieties in both formats and flavors.</p>	<b>Corporate Communication</b> <p>Tel : +66 2717 2898 Ext. 77          Fax : +66 2717 2899          E-mail : <a href="mailto:iconcontact_info@tacconsumer.com">iconcontact_info@tacconsumer.com</a></p>
<b>Head Office</b> <p>9/231-233, UM Tower, 23rd Floor, Ramkhamhaeng Road, Suanluang, Bangkok 10250          Tel : 0-2717-2898          Fax : 0-2717-2899          Website : <a href="http://www.tacconsumer.com">www.tacconsumer.com</a>          E-mail : <a href="mailto:contact_info@tacconsumer.com">contact_info@tacconsumer.com</a>          TAX ID : 0107558000369</p>	<b>Reference</b> <b>Thailand Securities Depository Co., Ltd.</b> <p>93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand          Tel : +66 2009 9000          Fax : +66 2009 9991          SET Contact Center : +66 2009 9999          Website : <a href="http://www.set.or.th/tsd">http://www.set.or.th/tsd</a>          E-mail : <a href="mailto:SETContactCenter@set.or.th">SETContactCenter@set.or.th</a></p>
<b>Factory</b> <p>99/112, 9/114 Moo 1, Nongbondaeng Sub District, Banbung District, Chonburi 20170          Tel: 0-3811-0812 Ext. 4</p>	<b>Auditor</b> <ol style="list-style-type: none"> <li>Ms.Satida Ratanurak Auditor's License No.4753 or</li> <li>Mrs.Sarinda Hirunprasurtwutti Auditor's License No.4799 or</li> <li>Ms.Siriwan Nitdamrong Auditor's License No.5906</li> </ol>
<b>Registered Capital</b> <p>Common Shares Baht 152 million (608 million shares)</p>	<b>EY Office Limited</b> <p>33<sup>rd</sup> Floor, Lake Rajada Office Complex          193/136-137 Rajadapisek Road Klongtoey, Bangkok 10110, Thailand.          Tel : +66 2264 0777, +66 2261 9190          Fax : +66 2264 0789-90, +66 2661 9192</p>
<b>Paid-up Capital</b> <p>Common Shares Baht 152 million (608 million shares)</p>	<b>Legal Consultant</b> <b>Pow &amp; Associates Law Office</b> <p>88, PASO Tower, 11<sup>st</sup> Floor, unit B, Si lom, Suriyawong, Bangrak, Bangkok 10500          Tel : +66 2634 4995          Fax : +66 2238 2574, +66 2634 4998</p> <b>ZicoLaw (Thailand) Limited</b> <p>17<sup>th</sup> Floor, Q House Lumpini unit 1702 1, Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120          Tel : +66 2677 7588 Ext. 4411          Fax : +66 2677 7589</p>
<b>Company Secretary</b> <p>Tel : +66 27172898 Ext. 77          Fax : +66 2717 2899          E-mail : <a href="mailto:panjaporn@tacconsumer.com">panjaporn@tacconsumer.com</a></p>	
<b>Investor Relations</b> <p>Tel : +66 2717 2898 Ext. 77          Fax : +66 2717 2899          E-mail : <a href="mailto:ir@tacconsumer.com">ir@tacconsumer.com</a></p>	



# Information on the Securities and Shareholders

## Stock and Shareholders Information

### 1. Registered Capital and Paid-up Capital

As at 31<sup>st</sup> December 2023, the Company has registered capital of Baht 152,000,000 and issued and paid-up share capital at Baht 152,000,000 separated into ordinary share at 608,000,000 shares at par value of 0.25 Baht.

### 2. Shareholders Structure

The list and percentage of shareholding of the first 10 major shareholders that are listed on the latest shareholder's registration as at 25<sup>th</sup> August 2023.

Name of Shareholders	No. of Share	%
1. Mr.Chatchawe Vatanasuk	120,229,825	19.775
2. Thai NVDR Company Limited	31,417,729	5.167
2. Mr.Thanutum Kiatphaibool	29,963,243	4.928
4. Ms.Charunee Chingwongworakul	13,200,000	2.171
5. K Mid Small Cap RMF	10,500,000	1.727
6. Mr.Nuthajak Liengchayetz	10,219,800	1.681
7. Mr.Chanaphan Piriyaphan	10,132,700	1.667
8. Mr.Nutthaphon Songsaichonchai	9,221,800	1.517
9. Ms.Pawenee Suwanmethanont	9,200,000	1.513
10. Mr.Prinya Tieanworn	9,200,000	1.513

**Note :** Mr.Thanutum Kiatphaibool is the Company's co-founder shareholder and did not participate in the management.

### 3. Issuance of Other Securities

-None-

## The Comparison to changed shareholding of Directors and Managements for the year 2022 and 2023

As of 31 December 2022				As of 31 December 2023			
Name	Number of Shareholding by Director/ Executive	Number of Shareholding by related person	Total	Number of Shareholding by Director/ Executive	Number of Shareholding by related person	Total	Change increased (decreased)
1. ADM Apichart Pengsritong Chairman of the Board of Director and Independent Director	-	-	-	-	-	-	-
2. Assoc.Prof.Kitti Siripullop Chairman of the Audit Committee and Independent Director	-	-	-	-	-	-	-
3. Mrs.Paktra Suriyapee Audit Committee, Independent Director and Chairman of the Remuneration and Compensation Committee	-	-	-	-	-	-	-
4. Mr.Komsak Watanasriroj Audit Committee, Independent Director, Nomination and Remuneration Committee and Chairman of the Risk Management Committee	-	-	-	-	-	-	-
5. Mr.Chanit Suwanparin Director, Nomination and Remuneration Committee and Risk Management Committee *Spouse's Mrs.Nantana Suwanparin	-	8,933,572	8,933,572	-	8,933,572	8,933,572	-
6. Ms.Trithip Sivakrskul Independent Director and Risk Management Committee	-	-	-	-	-	-	-
7. Mr.Chatchawe Vatanasuk Director, Chairman of Executive Committee and acting Managing Director *Spouse's Ms.Pawene Suwanmethanont	120,459,825	9,320,000	129,779,825	117,991,825	9,200,000	127,191,825	(2,588,000)



As of 31 December 2022

As of 31 December 2023

Name	Number of Shareholding by Director/ Executive	Number of Shareholding by related person	Total	Number of Shareholding by Director/ Executive	Number of Shareholding by related person	Total	Change increased (decreased)
8. Mrs.Chirapan Khotcharit Choosang Director, Risk Management Committee, Executive Committee and Deputy Managing Director, Corporate Strategy Division	4,135,694	-	4,135,694	4,245,800	-	4,245,800	110,106
9. Mr.Suphot Leenanurak Director, Risk Management Committee, Executive Committee and Deputy Managing Director, Sales & Marketing Division.	451,779	-	451,779	528,532	-	528,532	76,753
10. Mrs.Suveeraya Ansavananda Executive Committee and Assistant Managing Director, Strategic Partner and Integrated Marketing Communication.	233,802	-	233,802	264,899	-	264,899	31,097
11. Ms.Hatsaya Charuwitayanan Executive Committee, Assistant Managing Director, Operation Support Division	59,293	-	59,293	141,874	-	141,874	82,581
12. Mr.Atid Tragoondet Executive Committee, Director Accounting and Finance Department	-	-	-	23,803	-	23,803	23,803
13. Ms.Keanapa Jittiruangvichai Executive Committee, Commercial Director-Sales & Marketing Division	-	-	-	-	-	-	-
14. Mrs.Preawnapa Nimma Executive Committee, Associate Director-Banbung Factory Department	-	-	-	28,383	-	28,383	28,383

**Note :** \* Number of shareholding by related person are Number of shareholding by related person with reporter under section 89/1 of the Securities and Exchange ACT B.E.2535 such as Spouse, Child or adopted child Underage.

## Section 2 Corporate Governance

# 6. Corporate Governance Policy

## Code of Conduct and Business Ethics of Directors, Executives and Employees

The Company has established and announced the Code of Conduct and Business Ethics for Directors, Executives and Employees and to be use as the principles and guidelines. Which are as follow:

### Basic Principles of Code of Conduct and Ethics.

1. Perform duties with integrity, morality and responsibility.
  - 1.1 Maintain confidential information and not to use inside information or confidential information to seek benefits for oneself or others in a wrongful way.
  - 1.2 Prevent or avoid actions that may lead to conflict of interest.
  - 1.3 Conduct oneself as professionals with knowledge, expertise and prudence.

### Code of Conduct and Ethics

The Company's personnel namely directors, executives, staff, employees, consultants and agents or authorized persons acting on behalf of the company or on behalf of the persons mentioned above should adhere to the code of conduct and business ethics as follow:

### Self-Conduct

- 1) Carry out duties in compliance to the law relating to business operation, objectives and Articles of Association of the Company as well as principles of Good Corporate Governance and the shareholders' meeting resolutions.
- 2) Gain knowledge and experience to enhance oneself to be knowledgeable and skillful individuals in order to carry out duties efficiently and effectively.
- 3) Adhere to morality and not seek for position, favor or any other benefits from commanders or other persons by dishonest means.

4) Refrain from all kind of addictions and prevent behaving in any improper manner that may harm the reputation and dignity of oneself and the Company - such as, not become a person with unmanageable debts, avoid becoming obsessed in every type of gambling, or not associate with the use of all kind of drugs and etc.

5) Not take on any other occupation or profession or any act which may adversely impact the performance of duties or reputation of oneself and the Company.

6) Avoid having financial obligation with those persons, who are involved in doing business with the Company or between colleagues. This means and includes loaning money, demanding for soliciting contributions, playing share and etc. except for charity and public events.

7) Not seek for benefits that are improper or unlawful either directly or indirectly.

8) Not to undertake any activities that are considered as managing or taking charge of any other business which might undermining the Company's benefits or facilitate any persons or juristic persons either for the benefit of oneself or others.

9) Maintain and co-create to ensure unity within the group.

### Conduct Towards Colleague

1) Strengthen teamwork by cooperating and helping each other for the benefits of the Company as a whole.

2) Treat colleagues with politeness, generosity, good human relations. Adapt oneself to be able to get along well with others and refrain from concealing necessary information in carrying out duties of the colleagues.

3) Respect others by not stealthily claiming other's performance as one's own performance.

4) Supervisors should behave so as to gain respect and become a positive role model for the subordinates, as well as be polite towards the subordinates and all level of the coworkers.



5) The subordinates should behave towards the supervisors with respect.

6) Subordinates shall listen to the supervisor's suggestions and to not perform duties which amounts to bypassing one's superior, except where one's superior with higher level ordered of such act.

7) Avoid disclosing information and stories of other employees both in terms of work and personal issues or criticize in such a way that may damage the employees or destroy the Company's image as a whole.

8) Not to act in any way that is immoral or take any action that constitute sexual harassment against other employees as such action might lead to trouble, nuisance or undermine morale in the work environment, hostile or aggressiveness; as well as unreasonably interrupting the work of other employees. Such behavior includes molestation, indecent acts or sexual harassment whether verbally or physically.

## Conduct Towards the Company

1) Perform one's duties with responsibilities, integrity, commitment and dedicating oneself both physically and mentally in working; including to perform in comply with the Company's regulations, policies, values and culture, for the best interest of the Company significantly.

2) Perform one's duties in accordance with safety, occupational health and the working environment policies.

3) Strictly maintain the confidentiality of customers and business partners as well as those of the Company by ensuring not to let the Company's confidential documents or news leak out or fall into the hand of any unrelated persons which may cause damage the Company.

4) Not to falsely accuse others or to undertake any actions that will create disunity or cause damage within the Company or for those persons who are involved with the Company.

5) Maintain one's own dignity, so that you are well-accepted within the Company.

6) Create positive relationships through collaborating with society, community, Government agencies and other related organizations by providing information to employees at all levels to perform their duties with due care for the benefits of the Company and the public.

7) Pay attention and help maintain the environment and atmosphere in the workplace as well as develop the organization to excellence.

8) Refrain from giving and/or receiving presents, give or receive any receptions from trade partners or any persons related to the Company's business except for honest events that will benefit the Company's business, festivals or according to cultures at an appropriate value/price. In the event that the gift received is in the form of cash or has a total value exceeding three thousand Baht one should refuse to accept and return such gift immediately,

9) Not to be involved or participated in any acts or to conceal the acts which may have conflict of interest with the Company or participated in the concealing of any illegal acts.

## Conduct Towards Customers, Business Partners or Competitors

1) Treat customers, partners and competitors with understanding and good cooperation between each other.

2) Offer quality services to customers with warm friendship and support.

3) Use precautions reasonably in giving advises or making any decision on behalf of the customer by taking into account the appropriateness in the case of the customer.

4) Oversee and safeguard the interests of shareholders.

5) Promote the social mission on an opportune occasion, along with participating in activities for public service, education and create progress for the nation.

The Company determines that it is the duties and responsibilities of directors, executives and all employees to learn, understand and strictly follow the Code of Conduct and Business Ethics Handbook. Ask for advice from the supervisor, if the staff has any question on the guidelines. The staff who violate the code of conduct and business ethics or allow the subordinates to violate the code of conduct, such individuals will be disciplined which may include termination, compensation for damages and be charge with civil or criminal penalties.

## Corporate Governance Policy

The Company has importance in good corporate governance as it is considered to be the significant mechanism that leads to effective management system, transparency and accountability. These factors will enhance the confidence among shareholders, investors, stakeholders and all related parties. Good corporate governance is a tool that helps increase value, create competitive advantages and boost the Company's sustainable growth, which would build long term benefits. Moreover, the Company significant to the Internal Control system and Risk Management closely.

## The monitoring of compliance with the Good Corporate Governance policy

The Company has promoted and communicated information to all level of employees via the intranet, Orientation for new employees and Staff manual. There are focusing on enhancing knowledge and understanding to lead to the implementation of the Corporate Governance Policy and business ethics. The Board of Directors, Executives and employees of the company have complied with the Good Corporate Governance Policy and monitor the result. There is a review and adjustment to be in accordance with the ASEAN CG Scorecard to be implemented and implemented as appropriate. As well as explaining the reasons for not being able to comply with the above principles are as follows:

The Item has not been execution	Reason
<p><b>Section: Consideration of Stakeholder Roles and Sustainable Business Development</b></p> <ul style="list-style-type: none"> <li>TACC should set goals for energy management, water resource management, waste management and/or pollution reduction, and greenhouse gas reduction as a part of its business operation.</li> </ul>	<p>In 2022, TACC began collecting carbon credit data covering its headquarter and Ban Bung Factory, with environmental policies and practices. Basic information regarding to the energy management, water resource, waste management and/or pollution reduction, and greenhouse gas reduction from its business operation was disclosed. It is currently in a developing and growing phase with a further consideration to set the goals in these areas in the future.</p>
<p><b>Section : Information Disclosure and Transparency</b></p> <ul style="list-style-type: none"> <li>TACC should disclose performance indicators related to its sustainable business operations (ESG).</li> </ul>	<p>The Company has currently evaluating performance indicators of sustainable business operations (ESG)'s basic levels in order to cover each aspect. In 2022, it disclosed information on the energy management, water management, waste and pollution management, and greenhouse gas management for the first time. Moreover, these data have been collected continuously.</p>
<p><b>Section : Board Responsibility</b></p> <ul style="list-style-type: none"> <li>The Board should consider appointing a Corporate Governance Committee from all the Board members and disclose charters or responsibilities.</li> <li>The Board should consider appointing a Sustainability Committee with at least one member.</li> <li>The Corporate Governance Committee should prepare and disclose a comprehensive report on its duties.</li> <li>The Corporate Sustainability Committee should prepare and disclose a comprehensive report on its duties.</li> </ul>	<p>The Company has not appointed a subcommittee for the Corporate Governance Committee and the Corporate Sustainability Committee at the moment. However, the Board of Directors has recognized the importance of good corporate governance, sustainability, and ESG and participated in the training programs by IOD, such as the Engaging Board in ESG: The Path to Effective Sustainability and the Ethical Leadership Program.</p>



In 2023, the Company received evaluation results on Corporate Governance and various awards from external agencies as follows:

- TACC received Corporate Governance Report of Thai Listed Companies 2023 was a Excellent score rating 5 stars for the fourth consecutive year from Institute of Director.
- TACC was excellent score (99 Point) in 2023 AGM checklist program from Thai Investor Association and Securities and Exchange Commission, Thailand.
- The Stock Exchange of Thailand and Money & Banking Magazine jointly hosted SET Awards 2023, the announcement and award presentation ceremony aim to recognize companies on the Thai capital market with excellent and outstanding performances in various areas. TACC was award "Outstanding Investor Relations Awards" from Business Excellence group. (The seventh consecutive year). This award presentation ceremony to listed companies that have outstanding performance of Investor Relations activities. Which important to emphasize that the participation of the whole organization in carrying out the activities and was voted by 4 analysts/institutional investors Of the group's 4.2 average votes who selected the company as the best company in this category of awards.

The Company has established good corporate governance principle, which is in accordance with the guideline set by the Stock Exchange of Thailand. The principles are in 5 categories, which are as follow:

## Section 1: The Rights of Shareholders

The Company recognizes and values all the fundamental rights of shareholders. It encourages shareholders to exercise their rights and not to violate the rights of shareholders, whether it is fundamental rights, to receive timely and sufficient information namely the rights to sell, buy or transfer shares, the rights to receive shares of the company's profits, the rights to adequately access the Company's information, the rights to attend shareholders meetings wherein they can exercise the rights to vote for the resolution of the appointment or removal of Directors, appointment of auditors, and significant matters affecting the Company such as allocation of dividends, specification or amendment of

Articles of Association and Memorandum of Association, and reduction or increase of capital. In addition to the above-mentioned fundamental rights, the Company supports and facilitates, in various matters, shareholders in exercising their rights.

### Action Year 2023

- Invitation letters will be distributed to the shareholders at least 21 days prior to the meeting date. The letter shall contain clear details of the date, time, venue and agenda of the meeting as well as the Board of Directors' opinions. Related documents such as annual report, financial statements, support document for each agenda and proxy statement, will be attached with the invitation letter. The notice of the meeting shall be sent to all shareholders listed in the shareholders' registration book. The notice should be sent on the day the Company announced the closing date of share transfer registration, as well as publish the notice of the meeting along with the mentioned meeting agenda on the Company's website not less than 28 days prior to the meeting. This also includes continuously advertise the invitation notice on the Newspaper not less than 3 days before the meeting date to inform shareholders to prepare in advance before participating in the meeting, which is in accordance with the Public Limited Companies Act, B.E. 2535(1992).
- In 2023, the Company scheduled via Electronic Media Annual General Meeting of Shareholders on April 27, 2023 at 10.00 am under the Emergency Decree on 2020 Electronic Conference.
- The Company offers shareholders the rights to propose agenda items for the Annual General Shareholders Meeting and Nominations of Directors candidates in advance period 1 November to 29 December 2023. There are disclosing information via SET Link and notification the criteria of practice via [www.tacconsumer.com](http://www.tacconsumer.com) under shareholder information, shareholder's meeting. The company secretary will collect all the proposed agenda and present to the Board of Directors Meeting as well as collect all the nomination of Director candidates and present to the Executive Committee. The Executive Committee will consider the list and

qualification of the candidates and present the results to the Board of Directors to consider. In the case where the proposed agenda is approved by the Board, the Company will include such agenda in the next General Shareholders' Meeting.

- In case that shareholders are unable to attend the meetings in person, the Company shall provide the shareholder an opportunity to appoint an independent Director of the Company or any other person to attend the meeting on their behalf. The Company shall enclose a proxy form together with the meeting invitation letter.
- Notification of voting methods and vote counting before the meeting of shareholders and ballots were used. Since this year is an electronic meeting (E-AGM), the Company will count the votes of the shareholders attending the meeting via electronic media and the votes of the shareholders who appoint proxies.
- Allowing shareholders to vote for election of Directors individually by nominating the Directors to shareholders one by one.
- At every General Meeting of shareholders The Company has an independent auditor who has no interest in the company. Which is responsible for checking the vote counting and the result of the vote for the meeting to be transparent Legally and company regulations.
- The Company does no additional agenda or change key information without notifying shareholders in advance the 2023 Annual General Meeting of Shareholders. The Company shall provide opportunities for shareholders to independently and fully make inquiries, suggestions or expression of opinions.
- After the meeting of shareholders, The minutes of the shareholders meeting shall be prepared after the meeting date wherein complete and information shall be presented. The shareholders meeting resolution shall be disclosed to the Stock Exchange of Thailand within 9:00 a.m. of the day after the end of the, which also includes the resolution results of each agenda item; the number of votes that are in favor, against, abstentions and void ballots. The minutes of the shareholders' meeting will be publicized on the Stock Exchange of Thailand website and the Company website within 14 days commencing from the meeting date.





## Section 2: The Equitable Treatment for Shareholders

The Company holds the policy to equitably and fairly treat and protect the rights of all shareholders, whether they are Executive or non-Executive shareholders, Thai or non-Thai, major or minor. The Company also provide additional for shareholders who's unable to attend the meeting themselves to authorize independent Directors or other persons as proxies who may attend the meeting and vote on behalf of the shareholders. Minor shareholders will also be given the opportunity to propose the General Annual Meeting agenda and nominate candidates for Directors in advance at an appropriate time.

### Action Year 2023

- The shareholders meeting is properly conducted according to the scheduled agenda and is in comply with the Company's Articles of Association. In each agenda, related information is clearly and completely presented for the meeting's consideration. If unnecessary, no un-informed agenda shall be introduced to the meeting without prior notice to the shareholders, especially any important agenda, which requires considerable time for the shareholders to make a prudent study before making any decision. The Company has established invitation letter for the Annual General Shareholders Meeting and Annual Report both in Thai and English to facilitate foreign shareholders.
- Providing the equal right of voting for shareholders base on the number of share held.
- The Company attached Proxy form B with the Invitation of the Meeting of Shareholders. Which is the form shareholders can specify their own voting as each agenda. For shareholders who are not convenient to attend the meeting by themselves able to authorize an Independent Director or another person to attend the meeting and vote on his behalf by disseminating on the company's website.
- The Board of Directors has set up a measure to prevent the insider trading by related persons, which include Directors, Executives, staff and employees, as well as spouses and minor children of such persons working in the area related to the inside information. Disciplinary measures with regard to

disclosure or use of information of the Company for personal interest have also been determined in accordance with the policy on prevention of exploitation of inside information. Directors, Executives, their spouses and minor children are prohibited to trade the Company's securities one month before publicly disclosed the financial statements. Directors and Executives of the Company have also been informed and acknowledge of their duties and responsibilities to report their holding of the Company's securities by them, their spouses, and their minor children, as well as the change in such holdings, to the Office of the SEC in accordance with Section 59 and the penalties under the Securities and Exchange Act of B.E.2535.

## Section 3: The Role of Stakeholders

The Company has importance on the rights of all Company's stakeholders both internal and external.

### Action Year 2023

- **Customers:** The Company is attentive and shows responsibilities toward the customers by emphasizing on producing quality products that are up to the standard and are able to fully satisfy consumers demand as keeping customers information confidential. Moreover, the Company also places great importance in setting appropriate conditions and selling price. There are customer satisfaction surveys both at Domestic Business and International Business by improving the criteria for more surveys. To put in place a feedback and complaint procedure for customers.
- **Partners and Account Payable:** The Company has the policy to treat both the trading partner and the creditors fairly, equitably and to maintain honesty in operating business, does not take advantages along with strictly practice in accordance with the trading condition and/or trading agreements. In order to enhance good business relationship that benefits both parties. The Company is intent on developing and maintaining sustainable relationships with the suppliers mutual trust including set key supplier as a strategic partner.

- **Competitors:** The Company conducts its business within the good competition framework and within the specified law. The Company also supports and maintains an ethical code of competition, and refrains from acting in bad faith to the detriment of its competitors.
- **Staff:** The Company recognizes the importance of all the staff, as they help drive the Company to be able to endlessly improve the business operation further into the future. Therefore, the Company emphasized on continuously developing the staff's potential, knowledge, capability, and skills. Appropriate remuneration is appraised base on each individual knowledge, capability and skills, which can be compare with other company in the same industry. To keep the working environment safe for the lives and properties of its employees. From the situation of the epidemic of COVID-19. The company has looked after and cares for employees very well, such as announcing measures to prevent the spread of COVID-19. To comply both inside and outside the organization and work from home practices (WFH) provide something to prevent such epidemic in a timely manner. The Company has procurement of vaccines against COVID-19 to employees and their families and treats all staff equitably and fairly.
- **Shareholders and Investor:** The Company focus on the company management for capability, honesty and transparency. Disclosure the data to shareholders correctly, completely, timely and equality under the ethics and good corporate governance. There are providing opportunities for all relevant parties to access and query information. The Company reports on corporate position, operating results, financial and accounting status along with other report are prepared and presented regularly and accurately. By communicate the story or point of sale of the company to stakeholder. The operating results must be consistent with the information disclosed and treats all shareholders equally in the shareholders' meeting.
- **Community and society:** The Company values the importance of sustainable development of its neighboring communities, the society and environment. So, the Company consistently focuses on instilling awareness of responsibility toward community and society in the Company, supports activities beneficial to society as a whole, and avoids any illegal or unlawful action. To adopt a clear corporate social responsibility (CSR) policy, which is implemented across-the-board.

### In 2023, the following activities with the stakeholders were conducted:



#### Shareholders and Media

Information is provided to shareholders, retail investor, institutional investors, analysts and stakeholders in various activities of investor relations by providing accurate and equal information, such as organizing Opportunity Day activities, organizing shareholder meetings, Analysts Meeting, etc.



#### Employee Care

Promote and support the development of employees in on-the-job training to enhance their knowledge, skills and cope with changing situations through more online learning activities. There is an exchange of knowledge between each other in the organization. and have joint activities.



#### Social

There is support and development of the quality of life of the disabled according to the Promotion and Development of the Quality of Life of Persons with Disabilities Act B.E. Occupation to generate income.



#### Environmental

The Company focuses on environmental friendliness, has a process of managing waste generated by manufacturing processes, and has energy-saving programs in the company, using alternative packaging, etc.



## Internal and External communications

The Company has importance on internal and external communications by procedure as cover the both. There are communicate with stakeholder of the company such as Director, Executive, Customer, Consumer, Shareholder, Investor etc.

Internal communication is the disseminate necessary information to Executives and employees. Which may be the focus of the participation of all Executives and employees to achieve the goals of the organization

via various media such as Line Group, Line official, Intranet, E-mail and PR board of the company

External communication is the reporting of information, Public relations and News delivery to outside the organization through various communication channels of the company such as company website, Facebook, Instagram, E-mail, sending news via the SET LINK.

Internal and External communication as communicate normal information and urgent information to stakeholder. It is correctly understanding to internal corporate which strengthen Ethics and Code of Conduct to employee, Management. To raise awareness about the significance of Good Corporate Governance, Risk Management and internal control.

## Whistleblowing on any fraud or corrupt

The Company has set procedure of whistleblowing on any fraud or corrupt to pattern appropriately. the Company provides its stakeholders an opportunity to report or give information on irregularities in business operations of the Company via provided channels, whereas:-

Corruption

refers to Any act of unlawful exploitation for itself or others.

Fraudulent

refers to Using fraudulent deception by giving false claims to others.

Corruption

refers to The receipt or acceptance of requests for or receipt of property or property. Any other benefits to government officials. Government Sector Staff of private agencies Private Sector To the person or agency. They use their power to act, not to act, to precipitate or to act

in any way contrary to the power and duty of the Company. Unless it is customary law and customary law.

Complainant recipient

refers to The Managing Director or Chairman of the Executive Board

Complaints coordinator

refers to Company secretary

Complaints inspector

refers to Corporate Affairs Manager

Complainant

refers to The Director, Management, Employee or any person who has been charged or accused by a complainant about fraud or corruption

## Whistleblowing channels

The whistleblower can inform complainant via channels as follow;

1. Letter Send to: Chairman of the Executive Board and Managing Director  
T.A.C. Consumer Public Company Limited  
23<sup>rd</sup> Floor, UM Tower, 9/231-233  
Ramkhamhaeng Road, Suanluang, Bangkok  
10250.
2. Website: [www.tacconsumer.com](http://www.tacconsumer.com)
3. Facebook: Tacconsumer  
<https://th-th.facebook.com/TACConsumer/>
4. E-mail: [whistleblower@tacconsumer.com](mailto:whistleblower@tacconsumer.com)  
This e-mail direct to Managing Director or Chairman of the Executive Board only.

## Whistle blowing procedure regarding fraud, corruption, or complaint.

1. Upon receiving a complaint on fraud or corruption from the above channels, the report receiver shall examine the complaint and submit it to the case coordinator within 3 working days to proceed.
2. The case coordinator gather sufficient clarification of the initial evidence received from the report receiver, including data storage, record progress and summary results. This includes tracking and summarizing the status of the complaint.

3. Coordinate the complaints, submit complaint that has been approved by the Managing Director or Chairman of the Executive Board to the complaint inspector within 5 working days.
4. The complaint inspector conducts a complaint investigation. Complaints regarding to misconduct, fraud, violation, not in comply with the law or company's work regulations such cases should be submitted to the Managing Director or Chairman of the Executive Board for consideration within 1 month.
5. The Managing Director or Chairman of the Executive Board shall approve the complaint regarding to fraud or corruption within 1 month.
  - 5.1 In case of approval, the Managing Director or Chairman of the Executive Board will present to the Board of Directors to consider further.
  - 5.2 In case of disapproval submit the complaint back to the complaint inspector for review.
6. If the case has a significant impact on business operations, the Managing Director or Chairman of the Executive Board shall present such case to the board of Director to consider and determine the punishment as deemed appropriate.
7. Summary of operation and opinions from the resolutions of the Board of Directors meeting and the corporate affair department will report the results of the consideration to the complainant or whistleblower. (In the event that the complainant or the whistleblower discloses himself)
8. Save information and documents about complaints about fraud or corruption in a file folder. The storage period is 5 years.

### **Protection Measures for Whistleblowers, related persons and maintain confidentiality**

Whistleblowers and related persons of process Whistleblowing on any fraud or corrupt are protection appropriately from the Company such as do not change the position, nature of work, place of work, work break,

intimidate, Interfering with the performance and termination of employment or any other unfair treatment of such person. Include information about the complaint. It is kept secret. Not disclosed to non-related persons. Except as required by law.

Any person who is aware of the complaint or information related to complaints under this procedure. There is must protect the complaint information or related to the complaint keep secret and not to anyone else. Taking into account the safety and damage of the complainant, Data Source or persons involved except where necessary in the implementation of this procedure or as required by law. If the information is deliberately violated, the Company will disciplinary and / or legal action against the violator, as the case may be.

This year, the Company was not informed about fraud or complaints.

### **Anti-corruption**

The Company realizes the importance of good corporate governance by adhering to business transparency. The meeting of Board Director No.5/2015 held on 5 August 2015 has approved the Anti-corruption policy. This aims to let all the management and employee be aware of the impact of corruption, to cultivate rightful values attitudes of employees to work with honesty while avoiding seeking benefits from one's position or providing such benefits to others for both directly and indirectly. This also prohibits employees from seeking personal or family interests using Company's position while aiming to increase the confidentiality of all stakeholders. Moreover, the meeting has agreed to disclose such Anti-corruption policy towards employees to comply. However, the Company sent employee to seminar Anti-corruption basic course for to know rule and procedure of Anti-corruption in organization.

### **Policies that are in comply with laws regarding intellectual property and copyright**

The company has established policies that are in comply with laws regarding intellectual property and copyright. The guidelines are as follow:

1. Every employee has a duty to protect the confidentiality and security of information related to the company's intellectual property; to prevent the leaking of those information. All employees shall not use Company's intellectual properties for personal or others benefits without permission.



2. All employees shall respect and honor other intellectual property and shall not use other intellectual property, in part or in whole, without permission.
3. The Company monitors the registration trademarks, patents, copyrights and intellectual property to protect the interests and prevent piracy from others
4. Policies has been established for all employees on agreeing to accept the terms of use of the company's information system; with the purpose for users of the company's information systems to be aware of prohibitions and practices in order to reduce the risks caused by personnel and from infringement of information security, both intentionally and unintentionally.

## Section 4: Disclosure and Transparency

The Board of Directors is committed to disclosing accurate, complete, and transparent information, both in terms of financial reports and general information, in accordance with the rules of the SEC and the SET, as well as essential information that impacts the price of the Company's shares, which affects the decision-making process of investors and stakeholders of the Company so that all relevant persons equally acknowledge such information. The Company will disclose information to shareholders and the public through the channels and information sharing media of the SET and the Company's website.

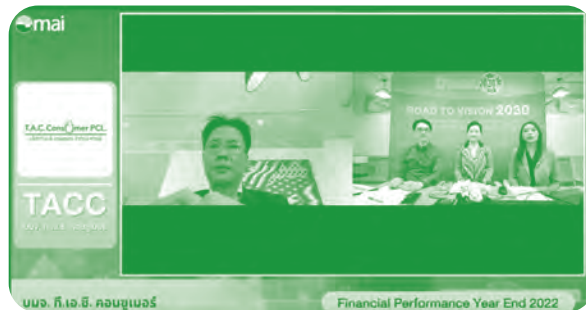
### Action Year 2023

- The Board of Directors recognizes its responsibility in providing accurate, complete, true, and reasonable financial statements, which are prepared in accordance with generally accepted accounting standards. The Board of Directors applies appropriate accounting policies and regularly put into practice as well as carefully exercises its discretion. Adequate information is provided in the notes to the financial statements.
- The Board of Directors arranges maintenance of effective internal control to reasonably ensure that accounting data is accurately, completely, and adequately recorded to maintain assets, and to determine weaknesses in order to prevent misconduct or significantly irregular practices. The Board of Directors will also appoint an audit committee consisting of Directors not holding managerial positions, whose duty is to examine the financial reports, related party transactions, and internal control system. The audit committee will report directly to the board of Directors.
- Submit financial reports to the Securities and Exchange Commission and the Stock Exchange of Thailand within the time limit. There are no conditional items for which the auditor has expressed opinions and has no history of being ordered to amend financial statements from the Stock Exchange of Thailand and the Securities and Exchange Commission.
- The top management have emphasize with investor relations relation with participating in meeting and providing information, and exchanging ideas with shareholders, investors, analysts, and the media.
- The Company has established an Investor Relations unit responsible for disclosing information to shareholders, investors, and stock analysts through its website [www.tacconsuner.com](http://www.tacconsuner.com) under the tab entitled Investor Relations. Which contain the information sent to the Stock Exchange of Thailand and the Securities and Exchange Commission, shareholders information, quarterly performance, corporate governance and stock price movement. The information is regularly updated to investor and interested person can access information quickly and equally. The information obtained from the Company is accurate, complete, transparent, and timely, especially important information that may have an impact on the Company's stock price. Those who receive the information can use the information to make an investment decision more efficiently. Which will reflect the true value and suitable according to the situation in each period
- The Company reported performance of Investor Relations to Board of Directors by quarterly and set Investor Relations plan. In 2023, IR activities for disclosing corporate information to investors can be summarized as follows:-

## Forms of Activities

## Time

INVESTOR/ANALYST VISIT, COMPANY VISIT AND CONFERENCE CALL	5
ANALYST METTING	1
LOCAL ROADSHOW	-
SET ACTIVITIES SUCH AS OPPORTUNITY DAY, MAI FORUM	2
COMPANY SNAPSHOT BY QUARTERLY	4
PRESS RELEASE, BUSINESS UPDATE, OPERATING RESULTS AND ACTIVITIES	REGULARY





- The disclosure and transparency in the year 2023. The Stock Exchange of Thailand and Money & Banking Magazine jointly hosted SET Awards 2023, the announcement and award presentation ceremony aim to recognize companies on the Thai capital market with excellent and outstanding performances in various areas. TACC was award “Outstanding Investor Relations Awards” (The seventh consecutive year)



- Disclose information regarding the shareholding of Directors and Executives. By comparing the changes in the shareholding of Directors and Executives each year and requiring Directors and Executives to report connected transactions and reports of interest of Directors and Executives to prevent conflicts of interest.
- Disclose fairly complete information in the annual report and website of the company such as investor information, Shareholder information, Financial data, Reports Corporate Governance Policy, Code of Ethics and Business Ethics of the Company Shareholders' meeting, various news rooms etc.

#### **Contact Investor Relations**

Contact : Ms. Panjaporn Roeksomboon  
 Tel : 0-2717-2898 # 77  
 Fax : 0-2717-2899  
 E-mail : ir@tacconsumer.com

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

### **1. Board of Directors structures**

The Company's board of Directors comprised of Directors who possess management-level knowledge, ability, and experience from a various organizations. The Directors can then apply the experience, knowledge, and ability to efficiently develop and determine the direction of the Company's business operation for the best interests of the Company and its shareholders. The board of Directors holds an important role in determining the policies and overview of the organization along with governing, inspecting, and monitoring the performance of the management, and evaluating the Company's operation based on the plan set.

The Board of Directors structure consisted of more than one-third of Independent Directors of the total board member. At present the Company has 9 Directors, consisting of 3 Executive Directors, 1 non-Executive Directors and 5 Independent Directors (including Chairman of the Board of Directors). Such Board of Directors structure allows check and balance in voting to contemplate in various issues.

Moreover, the roles, duties and responsibilities of the Board of Directors and the management have been clearly separated in order to create check and balance together with examining business administrative. Various set of committees have been appointed to support good corporate governance, which are as follows:

1.1 The Audit Committee comprised of 3 members who are assigned to perform specific tasks and propose to the Board of Directors for consideration and acknowledgement. The audit committee's rights and duties are specified in the audit committee charter. At least one audit committee member shall possess sufficient knowledge and experience in accounting to be able to inspect the credibility of the Company's financial statements.

1.2 The Nomination and Compensation of 3 members has consider the structure configuration and quantification of Director with the duty to recruit and select person include the appropriate knowledge that will benefit company. When a Directorial position in company become vacant for submitted to the Board of Directors and Annual General Meeting of shareholders include offer the structure of compensation of Director and Chief Executive officer (CEO) and evaluation performance of Board of Director.

1.3 The Risk Management Committee of 5 members has set strategy of risk management consistent with risk management policy which can be assessment, follow up and quantity of risk. Especially, the key risk of the company to be the level set by the organization.

1.4 The Executive Committee consisted of 7 members. The Executive Committee determines the business operation policies and strategies to be in accordance with the goal set by the Board of Directors to ensure the flexibility of management.

1.5 The Risk Management Sub-Committee consisted of 12 members. The Character is consider problem or risk factor may happen with the operation of the company and reduce risk or risk management to lowest. The Risk Management Sub-Committee report to Executive Committee, Risk Management Committee to consider and acknowledge as usually

The Company established the policy that separated the position of Chairman, the Board of Director and managing Director to be different individual. This is to prevent any individual from holding unlimited power in any circumstances. The Board of Directors is responsible for determining the authority, duties and elects the candidate to fill in these positions.

The Board of Directors has appointed Company's secretary to perform their duties and responsibilities in accordance with the Securities and Stock Exchange Act, which are as follows:

- 1) Supervise and give advice to the committee and the Executive on practicing in accordance with the Company's law, regulation and criteria as well as to supervise and ensure that they correctly and regularly put into practices.
- 2) Responsible for the Board of Directors meeting and Shareholders meeting as well as supervise and coordinate to ensure that such resolutions are put into practices.
- 3) Ensure that the disclosed information and reports, in the responsible area, are in accordance with the related laws, rules and regulation of Stock Exchange of Thailand and Securities and Exchange Commission.
- 4) Prepare and maintain documents such as Director registration, Board of Directors' meeting invitation letter, minutes of the Board of Directors meeting, shareholders' meeting invitation letter, minutes of the shareholders meeting, annual report, conflict of interest of Executives Committee report and other tasks as specified by the law or the notification of the Capital Market Supervisory Board.

## 2. Roles and Responsibility of the Board of Directors

The Company requires the Board of Directors to comply with the Code of Best Practices in accordance with the guidelines of the Stock Exchange of Thailand. The Directors must understand and recognize their roles, duties, and responsibilities, and perform their duties in accordance with the law, the Company's objectives and the Articles of Association, and shareholders resolutions with integrity and honesty, with priority given to the best interests of the Company and its shareholders. Furthermore, The board of Directors also responsible for determining the policies, business goals, business plans, and the budget of the Company, along with governing the management division to efficiently and effectively perform in accordance with the policies, plans, and budget specified, for the best interests of the Company and its shareholders.

### Chairman of Board of Directors Scope of Duties and responsibilities

The Company's regulation no.27:

"In the meeting of the Board of Directors, Chairman or the authorized person shall send the notice of the meeting to the director not less than 7 days prior to the meeting date. Unless urgent need to maintain the rights or benefits of the company. The meeting will be informed by other means and the meeting date will be earlier than that.

In the event that two or more directors request to convene the meeting. The Chairman has set the date and assign the meeting shall be held within 14 days from the date of such request."

And to segregate the authority on the policy and management of the company for separate clearly. The Company requires the Chairman of the Board of Directors and Chairman of Executive Committee as a different person. The Scope Duties Chairman of the Board has the following:

1. Notification of the Board of Directors Meeting, as a Chairman of the Board of Directors and the shareholders' meeting and they are role in setting the agenda with the Chairman of the Executive Committee.
2. Have a role in controlling the meeting effectively. As a comply with the Company's regulations, support and allow the directors to express their opinions independently.
3. Support and promote the Board of Directors act as fully as possible, the scope of authority, responsibility and good corporate governance.



4. Supervise the management of the Board of Directors and other committees to achieve the objectives.
5. To be the casting vote of the meeting of the Board of Directors and both votes are equal.

## Board of Directors Scope of Duties and responsibilities

1. The Board of Directors has the authority, duty, and responsibility in managing and operating Company business to be in accordance with the law, objectives, Articles of Association, and resolution of the shareholders' meeting with integrity and prudence, in order to maintain the interest of the Company.
  2. Manage the preparation of balance sheet and profit and loss statement as at the end date of the Company's Accounting period, which the auditor shall audit and propose to the shareholders meeting for consideration and approval.
  3. The Board of Directors will determine the goals, guidelines, policies, business operation plans, and budgets of the Company, and monitor and supervise the management and administration of the management division to ensure compliance with the specified policies, plans, and budgets with efficiency and effectiveness.
  4. The Board of Directors will review, audit, and approve the Company vision, policy, direction, strategy, and business operation plan that is proposed by the management division.
  5. The Board of Directors will continuously monitor the Company's operation to be in line with the operation plans and the budget.
  6. The Board of Directors shall ensure that the Company implement appropriate and efficient accounting system as well as ensure the reliability of financial report and account auditing. Moreover, to ensure that the Company maintain adequate and appropriate internal control system and internal audit system.
  7. The Board of Directors will determine a comprehensive Risk Management policy and monitor to ensure that the Company implements a system or procedure for managing risks with appropriate measures for dealing with and minimizing impact on the business of the Company.
  8. The Board of Directors will determine the Management structure and have the authority to appoint the Executive Committee, Managing Director, and other Subcommittees as seen appropriate and to determine the scope of authority of the Executive Committee, Managing Director, and Subcommittees appointed. Authorization given under the scope of authority and duty specified shall not constitute authorization or sub-authorization that causes the Executive Committee, the Managing Director, or the committees to have the authority to consider and approve a transaction which may have conflict, interest or conflict of interest with the Company (if any), except in the case of approval of transactions consistent with the policy and criteria previously considered and approved by the Board of Directors.
  9. Prepare annual report of the Board of Directors and will be responsible for preparing and disclosing financial statements to reflect the financial status and operating results of the previous year, and present to the shareholders meeting for consideration and approval.
  10. Supervise and manage the Company's operation to be in accordance with the policies that defined the law on securities and stock exchange, Notification of the Capital Market Supervisory Board and the terms of the Stock Exchange of Thailand such as conducting related transaction and acquisition or disposition of significant assets, as long as it does not goes against or contradict with other laws.
  11. The Board of Directors may authorize one or more Directors or any other person to take any action on behalf of the Board of Directors under the supervision of the Board of Directors, or may authorize such person to have the authority deemed appropriate by the Board of Directors for the period deemed appropriate by the Board of Directors. The Board of Directors may cancel, revoke, change, or amend such authorization as deemed appropriate.
- Such authorization shall not constitute authorization or sub-authorization in a manner which causes the person to have the authority to consider and approve a transaction in which they have a conflict, interest, or a conflict of interest in any other manner to be made with the Company or a subsidiary (if any) as defined

in the notifications of the Capital Market Supervisory Board or the SET, and/or any other notifications of relevant agencies, except in the case of approval of transactions consistent with the policy and criteria previously considered and approved by the Board of Directors.

## Authority of the Board of Directors

1. To approve preparation and announcement of organization chart.
2. To approve the changes in duties and responsibilities of the level of Assistant Managing Director upwards.
3. To approve the annual action plan and budget and operation plan (Including budget and expense budget).
4. To approve of investment budgets and fixed asset purchases in the amount exceeding the authority of the Executive Committee.
5. To approve the investment budget outside the budget plan in the amount exceeding the authority of the Executive Committee.
6. To approve the appointment of the Audit Committee and Executive Committee.
7. To approve the workforce that is not in the annual budget from the level of Assistant Managing Director upwards.
8. To approve the determination of the employment rate that is / is not in the annual budget of the level of Assistant Managing Director upward.
9. Approve the employment and recruitment of employees who are not in the annual budget from the level of Assistant Managing Director or higher.
10. To approve the performance evaluation and consideration of salary / bonus adjustment and annual promotion, level Chief Executive Officer.
11. To approve the appointment of the transfer of employees at the level of Assistant Managing Director upward.
12. To approve for termination of the position of Chief Executive Officer.
13. To approve of termination in case of compensation according to law Chief Executive Officer and no termination of employment compensation for the Managing Director and Chief Executive Officer.
14. To approve of purchase of machinery according to the investment budget and purchase other assets in an amount exceeding the authority of the Executive Committee.
15. To approve of advance payment to employees to be a company expense in the amount exceeding the authority of the Executive Committee.
16. To approve other expenses in the business of the company in an amount exceeding the authority of the Executive Committee.
17. To approving expenses outside the budget plan in the amount exceeding the authority of the Executive Committee.
18. To approving the formulation or change of financial policy.
19. To approve the appointment / change of authorized signatory of disbursements with banks / financial institutions and opening / closing deposit account with banks / financial institutions.
20. To approval for setting / changing policies / accounting rules.
21. To approve write-off / disposal from bad assets of fixed assets and obsolete / depreciated assets in The amount exceeding the authority of the Executive Committee.

## Scope of Duties and Responsibilities

1. To review the accuracy and sufficiency of the financial reports of the Company.
2. To review the Company to ensure that the internal control and internal audit systems are suitable, and effective, and to review the independence of internal audit section, including approving the appointment, transference, or termination of internal audit section supervisor (heads) or those of other workgroups responsible for internal audit.
3. To review the Company to ensure that its operation is in accordance with the laws governing Securities and Exchange, regulations of the SET and laws concerning the business of the Company.
4. To consider, propose, appoint and lay-off independent persons who shall be assigned as the Company's auditor, to propose auditor's remuneration, and to participate in a meeting with the auditors at least once a year without management team.



5. To review connected transactions or any other transaction that may cause potential conflicts of interest in accordance with SET laws and SET regulations in order to ensure that those items are reasonable and of utmost benefits to the Company.
  6. To prepare the Report of the Audit Committee and disclose the report in the Company's Annual Registration Statements. The Report of the Audit Committee must be signed by the Chairman of the Audit Committee and must at least contain the following information.
    - (a) Opinions on accuracy, completeness and credibility of the Company's financial reports;
    - (b) Opinions on sufficiency of the company's internal control system;
    - (c) Opinions on the Company's compliance with the laws governing Securities and Exchange, regulations of the SET and laws concerning the business of the Company.
    - (d) Opinions on suitability of auditors of the Company;
    - (e) Opinions on transactions of possible conflicts of interest
    - (f) The number of audit committee's meetings, and attendance of each audit committee member;
    - (g) Opinions or observation by the audit committee during their auditing practice according to charter; and
    - (h) Other transactions that shareholders and public investors should be informed under the scope of work and responsibilities assigned by the Company's board of directors.
  7. To take care of any other action assigned by the board of directors with the consent of audit committee.
2. An Independent Director is a Director, who is not involved in the management of work, Employees, staff, consultants with monthly salary or Entities with Controlling Authority over the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority, either at the present time or within two years prior to his/her appointment as an Independent Director. Unless the foregoing status ended at least 2 years.
  3. Has no blood relation or legal registration under the status of father, mother, spouse, sibling, son/daughter or spouse of son/daughter of other Director. Further, an Independent Director has no connection with an Executive, a Major Shareholder, an Entity with Controlling Authority or an individual who will be nominated as Director, Executive or Entity with Controlling Authority over the Company or the Subsidiary.
  4. Have no or never had business relationship with the Company, its parent company, subsidiaries, a Joint/Associated Company, major shareholders, or entity with controlling with controlling authority in such a manner that may obstruct their exercise of independent discretion. Further, an Independent Director is not being or never been the significant shareholder or an Entity with Controlling Authority over a party of any person having business relationship with the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority, unless the foregoing status ended at least 2 years.
  5. Is not or has never been the auditor of the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority, and is not a Significant Shareholder, an Entity with Controlling Authority or a partner to the auditing firm which is the auditor of the Company, Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority are associated unless the foregoing status ended at least 2 years.
  6. Is not or has never been a person rendering any professional service or a legal or financial consultant with received service fee of more than 2 million Baht per year from the Company, the Parent Company, a Subsidiary,

## Independent Directors Qualification

Independent Director is an individual who possess a complete qualification imposed by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) as follows:

1. An Independent Director holds not more than 1% of all shares with voting rights of the Company, the Parent Company, a Subsidiary, a Joint/Associated Company, a Major Shareholder or an Entity with Controlling Authority. This is inclusive of shares held by anyone who is affiliated with them.

a Joint Company, a Major Shareholder or an Entity with Controlling Authority, and is not the Significant Shareholder or an Entity with Controlling Authority over the Company or a partner to such professional service provider unless the foregoing status ended at least 2 years

7. Is not the director who is nominated to be the representative of directors of the Company, major shareholders, or any other shareholder related to the major shareholders.
8. Does not engage in a business of the same nature and is significantly competitive to that of the Company or its subsidiaries, or is not a significant partner to a partnership or a Director with involvement in the management of work, Employees, staff, consultants with monthly salary, or, who holds more than 1% of the total shares with voting rights of any other company which is engaged in a business of the same nature and which is significantly competitive to that of the Company or a Subsidiary.
9. Does not have any other characteristic which prevents him or her from giving independent opinion regarding the business operation of the Company such as business partner, creditors and trading partner which may cause conflict of interest.
10. Knowledge and understanding in Nature of Business and also has ability to business benefit of the Company.
11. Independent Directors has report to the Board of Director Directly, If any events that may be lacking qualification of independence as an Independent Director.
12. Independent Director has year of directorship not more than 9 years.
13. Independent Director has not as a Director in listed Company more than 5 Companies.

After the appoint as a Independent Director is according to the above characteristics. The Independent Director may be assign from Board of Director to decide for operation of the Company, Subsidiary, Associated Company, Affiliate, Major shareholder or controlling Authority and the decision can be made in a faculty.

## Duties and Responsibilities of the Nomination and Compensation Committee

1. Review the structure, composition and the qualifications of the Board of Director.
2. Select and recruit individuals with knowledge and capabilities, suitable with Company's business; then propose to the Board of Director or Annual General Shareholders Meeting to consider and appoint. In case where the position is vacant such individuals should also be suitable to be nominated as the Directors.
3. Review development plan for the Board of Director succession plan.
4. Review and propose the structure of remuneration for the Board such as remuneration, pension, bonus, welfare, meeting allowance and other benefits both financial and others as agreed.
5. Assess the performance of the Board of Director and submitted the report to the board of director annually.
6. Consider and propose the chairman of the Executive board remuneration structures such as salary, bonus, provident fund, and social security.
7. Responsible for any other tasks related to the nomination and remuneration as assigned by the Board of Directors.

## Guidelines for Nomination of Director

Guidelines have been set for determining and screening of candidates who will be nominated as Director of Nomination and Remuneration Committee. The following compositions are to be considered:

- 1) Required characteristic in each director  
The Nomination and Remuneration Committee has considered and specified characteristic of the individuals to be selected and nominated as a director in various field, such as
  - Integrity and responsibility
  - Making decision with information and reason
  - Being a prudent and mature person and a good listener who is able to advance constructive debates and independent opinions
  - Adhere to practice professionally with principle and standard
  - Other significant characteristics



- 2) Knowledge and expertise required to have on the Board

The Nomination and Compensation Committee should consider and formulate specific elements of competencies that the Board of Directors need, for the board to excel in formulating the business strategies and policies and implementing the devised strategies effectively.

- 3) Board Diversities

In addition to the formulating of Directors' characteristics and Board's competencies, the Nomination Committee may consider and formulate guidelines related to the diversity of other characteristics of the Board of Directors. For example, the Board of Directors may consist of representatives from a variety of stakeholders, education backgrounds, age, gender and etc.

## Board Diversity Policy

The Board of Directors is aware of the benefits of the diversity of the Board of Directors and sees it as an important factor in increasing the efficiency of decision making and the work of the Board of Directors

The diversity is not just limited to gender but also Age, Education, Professional experience, Skills and knowledge. Therefore, the recruitment and consideration of the company's Directors will be based on knowledge and capability and use of criteria for selection. Which takes into account the benefits of diversity.

### Proportion of Board of Directors

#### Female



**3** People

#### Male



**6** People

#### Proportion

Independent Directors : **5 : 9**  
Directors

Non Executive Directors : **6 : 9**  
Directors

Date of Appointment of Director in 2023 average **6.33** year

### Board of Directors Expertise



Accounting/  
Finance

**3** People



Marketing

**5** People



Strategy/Business  
Management/  
Corporate Management

**9** People



Human Resource

**1** People



Military Security

**1** People

## Criteria for Selecting New Director

In recruiting Director, the Company will consider the diversity of the Board of Directors' characteristics. This is to support the operation to be in accordance with the business strategy and sustainable development of the Company. The Selection of the Board of Directors will base on the capability of the applicants. The criteria for determining are as follow:

- The applicants will be considered on the diversity of the Board characteristic which includes gender, age, qualification, experience, knowledge and expertise.
- Consider the leadership role, vision, ethics and integrity by upholding the highest principles of Good Corporate Governance.
- The applicant must not be blacklisted by any organization (Including The Securities and Exchange Commission) or have been convicted of a criminal offense.
- Applicant applying for independent directors must meet the criterion of independent directors.
- Consider from other qualifications that may be related, as appropriate.

## Process of appointing new Director

When appointing new Director (vacant in the director position or to increase the number of director in the Board of Director) the Board of Director will follow the procedure in selecting and appointing new director. The procedures are as follow:

- The Nomination and Compensation Committee will evaluate the skills, experience, expertise and the diversity of each member of the Board of Directors; as well as specified other qualification as they see appropriate. This is to be in comply with the organization's business operation strategy and to fulfill other necessary qualifications that is still lacking. This is done by considering the appropriate number of independent directors in the board of director as well as considering the Corporate Governance principle specified by Stock Exchange of Thailand

- Nomination and Compensation Committee may select appropriate individuals to sit in the position of Director through the Board of Director members' and the Chief executive officers' personal channel. The Company may hire outsources in recruiting or uses committee database from IDO.
- When Nomination and Compensation Committee has screen the applicant, each eligible candidate will be selected.
- Nomination and Compensation Committee propose the name of new directors to the Board of Director to propose to the shareholders' meeting to approve and appoint. In the case where the position is vacant due to other reasons apart from retirement by rotation, propose to the Board of Director for consideration, approval and temporary appointment.

Moreover, If the Company has strategy of operate new business without from the original business. The nomination director is necessary nomination who has attribute and direct experience with new business will proceed. To consider to Board of Director and/or shareholder meeting to approval as the case.

## The Orientation of New Director

The Board of Director assign the orientation of new director to create knowledge and understanding of the nature of business and to prepare for the duties of the Board of Directors. Meanwhile, to be enhance knowledge and new perspectives for all directors. Whether the good corporate governance, business, industry conditions, new technology or innovation for support the effective performance of the directors. The Company secretary is the coordinator for various matters are as follows.

- 1) Nature of Business, Business Structure, Director Structure include scope, authority and various laws that should be known.
- 2) Operation guidelines, Historical performance overview.
- 3) The prepare meeting with Chairman, Chairman of Executive Committee and Managing Director to inquire in-depth information about the business operations of the company.

In 2023, the Company did not seek additional new directors.



## Duties and Responsibilities of the Risk Management

1. Encourage the Company to maintain Good Corporate Governance process, to perform transparently and to have sufficient, appropriate and effective internal control system.
2. Set policies for risk appetite level and risk tolerance level as well as propose risk management policies to the Board of Directors to be approved. Which cover all aspect of significant risk such as Strategic Risk, Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Concentration Risk, Compliance risk, Emerging Risk and Corporate Reputation Risk.
3. Set Risk Management Strategy inline with the Risk Management Policy. The committee should be able to assess, monitor and control risk at the appropriate level, especially significant risk.
4. Control, Monitor, measure and evaluate risk management as well as ensure that the Company operates in accordance with the specified risk management policies; along with performing in accordance with the formulated regulatory.
5. Review The Risk Management report and take action to ensure that the organization has appropriate risk management and there is adequacy of the risk management policy and system including the effectiveness of the system and compliance with specified policies
6. Consider adjust and revise as well as give opinion on the policies, work plan and risk management process on different aspect; including to propose to the Board of Director to consider and approval.
7. Regularly report the Company's risk status and the guidelines that need to be rectified to the Risk Management Committee and notify the audit committee of the things that need to be rectified in order to be in confirm with the formulated policy and strategy.
8. Establish the Risk Management Subcommittee as necessary. To assess risks in every aspect and to be consistent with the organization's goals and scope of responsibility.

## Scope of Authority, Duties and Responsibilities of Executive Committee

1. Consider and determine the proposal of Management team and propose goals, policies and business plan, including the Company's annual budget to the Board of Directors for consideration and approval.
2. To supervise and monitor the Company's operating results to be in accordance with the policies, goals, business plan and specified budgets as well as supervise the operation to maintain quality and efficiency.
3. To consider approving tasks related to normal business transactions such as investing according to the investment budget or the budget as approved by the Board of Directors and etc. Financial limit of each transaction shall be in accordance with the table of authority of approval, which was approved by the Board of Directors.
4. Propose organization structure appropriate for the Company operation to the Board of Directors to consider and approve, including to consider the raise of salaries and bonuses of employees ranging from the Assistant managing Director down.
5. To consider profit and loss of the Company, proposal for payment of interim dividend or annual dividend for submission to the Board of Directors for approval.
6. Has the authority to appoint or hire consultants that are related to the internal management of the Organization to achieve maximum efficiency.
7. To have the authority to authorize any one or more persons to take any action under the supervision of the executive committee or to assign authority to such person as deemed appropriate by the executive committee, and for the period deemed appropriate by the executive committee. The executive committee may cancel, revoke, replace, or change the authorized person or the authorization as deemed appropriate.

8. To perform other actions or operations as assigned by Board of Directors from time to time. Authorization of duty and responsibility of the executive committee shall not constitute authorization or sub-authorization that enable the person authorized by the executive committee to approve a transaction in which they or other persons likely with a conflict (as defined by the notifications of the Capital Market Supervisory Board and/or the SET and/or relevant organizations) have an interest or any other conflict of interest with the Company, subsidiary, and/or related company. The executive committee does not have the authority to approve such matter but shall propose to the board of directors meeting and/or shareholders meeting (as the case may be) for approval, except for approval of transactions with respect to normal business, with normal commercial conditions in accordance with the notifications of the Capital Market Supervisory Board, and/or the SET, and/or relevant organizations.

### **Duties and Responsibilities of the Risk Management**

1. Support the company to maintain Good Corporate Governance procedure, to perform transparently and to have sufficient, appropriate and effective internal control system.
2. Formulate policies for risk appetite level and risk tolerance level as well as propose risk management policies to the Board of Directors to be approved. Which cover all aspect of significant risk such as strategic risk, credit risk, market risk, liquidity risk, operational risk, concentration risk, compliance risk, emerging risk and corporate reputation risk.
3. Review risk management strategy to be in conform to risk management policy. The committee should be able to assess, monitor and control risk at the appropriate level, especially significant risk.
4. Monitor, measure and evaluate risk management as well as ensure that the company operates in accordance with the specified risk management policies; along with performing in accordance with the formulated regulatory.

5. Consider adjust and revise as well as give opinion on the policies, work plan and risk management process on different aspect; including to propose to the Board of Director to consider and approve.
6. Regularly report the Company's risk status and the guidelines that need to be rectified to the Risk Management Committee and notify the audit committee of the things that need to be rectified in order to be in confirm with the formulated policy and strategy.

### **Scope of Authorities, Duties and Responsibilities of Managing Director**

1. Supervise daily business operation and/or management of the Company.
2. Compile policies, business plan, business strategies and Company annual budget to propose to the Executive Committee and the Board of Director for consideration and approval.
3. Supervise and monitor the Company operation and performance to be in accordance with the policies, work plans, and budget as approved by the Board of Directors including audit, monitor and evaluate the Company performance to be in line with the specified policies. The Managing Director shall report the operational performance management and operation progress to the Executive Committee, Audit Committee and the Board of Directors.
4. To consider approving tasks related to normal business transactions according to the investment budget or the budget as approved by the Board of Directors. Financial limit of each transaction shall be in accordance with the table of authority of approval, which was approved by the Board of Directors but shall not exceed the annual budget that was approved by the Board of Directors as well as entering into contracts related to such matter.
5. Has the authority to authorize expenditure incurring from normal business operation in accordance with the budget approved by the Board of Directors and in line with the approval authority that was approved by the Board of Directors.



6. Has the authority to approve manpower, employment and employee placement, determine rate of salary, appoint and transfer employee, determine duties and responsibilities of each department and employee with position lower than the Management division as approved by the Board of director.
7. Has the authority to order and determine regulations, notices and records in relation to business operation of the Company to be in accordance with Company's policies and for the Company's interest, including to maintain good order within the organization.
8. To have the authority to authorize any one or more persons to take any action under the supervision of the Managing Director or to assign authority to such person as deemed appropriate by the Managing Director, and for the period deemed appropriate. The Managing Director may cancel, revoke, replace, or change the authorized person or the authorization as deemed appropriate.
9. To perform other actions or operations as assigned by Board of Directors or the Executive Committee. In performing any task that the Managing Director or person authorized by the Managing Director or person likely with conflict of interest (as defined by the notifications of the Capital Market Supervisory Board and/or the SET and/ or relevant organizations) have an interest or any other conflict of interest with the Company and/or subsidiary, and/or related company. The Managing Director does not have the authority to approve the operation of such matter but shall propose to the board of directors meeting and/or shareholders meeting (as the case may be) for approval, except for approval of transactions with respect to normal business, with normal commercial conditions in accordance with the notifications of the Capital Market Supervisory Board, and/or the SET, and/or specified relevant organizations.

## Policy on conflicts of interest

The company has determined measures to prevent conflict of interest that may occur during the process of the Company related transactions and any person who may have conflicts. The measures prohibited stakeholders on any circumstance from participating in authorizing such transaction. The Board of Directors shall supervise

the Company to practice in accordance with the related laws, regulations, orders and notification of the Securities and Exchange of Thailand or the related regulations of the Capital Market Supervisory Board and Exchange of Thailand.

The Company has established guidelines for Directors, Executives and Employees in the Code of Conduct and Ethics that require Directors to report their own interests and those involved in order to avoid opportunities for directors, executives and employees to seek their own interests.

The Board of Directors is responsible for supervising to ensure that the Company practice in accordance with the regulations concerning the disclosure of related party transactions as well as the sale and acquisition of the Company significant assets, which also includes to strictly practice in accordance with the accounting standards set by the Association of Accountants.

In addition, the Company may assign the Audit Committee, auditor or independents experts to audit and comment on the appropriateness of the price and the reasonability of the transactions. Such related transaction shall be audited or reviewed by the auditors of the company and will be disclosed in the financial statement notes in One Report Form.

## Preventing conflicts of interest

In order to prevent conflicts of interest, the Company has established a policy to clearly monitor transactions that may cause conflicts of interest by establishing a procedure for approval of the connected transaction between the Company or any person who may have a conflict of interest in the case where a director interested in any term has an interest. The Board shall have no right to vote on such agenda, as well as the Board has established policies and procedures for the purpose of ensuring that the management and the relevant parties do not use the inside information of the Company for their own benefit. In order to approve the items, the responsible agency shall initially assess the items. It will provide information and analyze whether such items are reasonable for the benefit of the Company and are fair for such purchase of property, for example, and then propose the steps and procedures for approval by an executive or director of an interest will not be involved in approving such items. In addition, the Audit Committee will jointly oversee such interplay as a necessary and possible item at a fair price.

In 2023, the Company found no violation of the conflict of Interest Policy.

## Internal Control System

The company is highly attentive to the internal control system, for both Executive and operational levels, and has clearly specified scope of duties and authorities in writing. The Company also conducts the control of assets usage for the highest benefits and set apart the responsibilities in approving the record of transaction and data information, storing and ministering the assets; in order to create appropriate check and balance between one and another. Moreover, the Company also established internal controls that are related to financial system by established financial report that propose to the Executives in the responsible field of work. Even though at present the Company has not established Internal Auditing division of its own yet, never the less the outsourced independent internal auditor has been hired to audit the Company's internal control system, according to the details shown in number 13. Internal Control and Risk Management. The auditor shall report the results directly to the Audit Committee.

The Company sets clear and measurable goal for the business operation where the management and administration team will monthly compare the real operational performance with the set goal. Both internal and external risk factors that occurred during the operation

will be evaluated. Factors that caused risks are analyzed measure for monitoring the cause of risk factors and measure for reducing risk is established. The Company assigned any related division to continuously monitor such risk and report the progress to the Board of Directors.

### 3. The Board of Directors Meeting

Based on the Company's policy, the Board of Directors must hold a meeting at least once every three months. However, some additional or special meetings may be necessary. The Company's secretary has scheduled the Board of Directors meeting for the year 2019 in advance and had informed all the Directors to acknowledge of such meeting schedule. Each meeting contains a very clear meeting agenda, and the invitation letter with details of the meeting shall be sent 7 days in advance for the Board of Directors to have sufficient time to study the information before the meeting. Minutes of meeting are taken and the certified minutes from the Board of Directors are stored for any further review or audit by the boards of Director and any related parties.

In year 2023, the Company has set scheduled the Board of Directors meeting for the year 2024 (For schedule the meeting is may to change) Which does not include meetings on special agenda are as follow:

No	Board of Director Meeting	Audit Committee Meeting	Nomination and Compensation Meeting	Risk Management Meeting
1/2024	29 February 2024	29 February 2024	1 February 2024	25 July 2024
2/2024	9 May 2024	9 May 2024	24 October 2024	19 December 2024
3/2024	8 August 2024	8 August 2024		
4/2024	24 October 2024	7 November 2024		
5/2024	24 October 2024			
6/2024	7 November 2024			

## Meetings of the Non-Executive Directors

The Company has a policy for Non-Executive Directors (Non-Executive Director: NED) have the opportunity to meet among themselves. To discuss problems or suggestions such as Management strategies ,Sustainable growth, Other risk factors without the management team at least 1 time per year. For the year 2023, a meeting was held on 26 October 2023 to support the management of the management.

### 4. Directors and Executives' Remuneration

The Directors and Executives' Remunerations are set and are paid at an appropriate level and at a sufficient rate that can motivate and maintain qualified Directors and Executive without having to pay excessive remuneration. The remuneration rate can be compare with other companies that are in the same group of industry.



The Company has determined remuneration for the Directors and Executives at an appropriate level, which is sufficient to maintain competent Directors and Executives. While the Company avoids paying excessive remuneration, it remains the rate at the level comparable to companies in the same group of industry. Factors to be considered include experience, duties, and scope of roles and responsibilities. The Directors' remuneration payment must be approved by the company's shareholders. Furthermore, the Executives' remunerations will be in accordance with the principles and policies as determined by the Board of Directors in which the consideration will be made based on duties, responsibilities, performance of each Executive and Company's operational performance.

## 5. Development of Directors and Executives

The Board of Directors has a policy to facilitate and support all parties related to corporate governance by providing knowledge and training. This policy also applied to Directors, audit committee, Executive and company secretary in order to maintain continuous improvement of their performance. The training includes courses provided by the Thai Institute of Directors (IOD), etc.

In 2023, The Board of Directors, Executive Committee, Management and Company Secretary to attend seminar as follow:


List	Position	Course/ Organized by
1. Assoc.Pro.Kitti Siripullop	Chairman of the Audit Committee and Independent Director	<ul style="list-style-type: none"> <li>Engaging Board in ESG : The Path to Effective Sustainability by IOD</li> <li>Detection of Accounting irregularities in Fast Growing Business : The Role of Audit Committee by IOD</li> </ul>
2. Mrs.Paktra Suriyapee	Director, Audit Committee and Chairman of the Nomination and Remuneration Committee	<ul style="list-style-type: none"> <li>Independent Director Forum: Prevent corruption in the organization by IOD</li> <li>Certificate course in enterprise risk management Batch 23, organized by Chulalongkorn University</li> </ul>
3. Mr.Komsak Wattanasriroj	Director, Audit Committee, Nomination and Remuneration Committee and Chairman of the Risk Management Committee	<ul style="list-style-type: none"> <li>Detection of Accounting irregularities in Fast Growing Business : The Role of Audit Committee by IOD</li> <li>Certificate course in enterprise risk management Class 23, organized by Chulalongkorn University</li> </ul>
4. Mrs.Chirapan Khotcharit Choosang	Director, Risk Management Committee, Executive Committee and Deputy Managing Director Corporate Strategy Division	<ul style="list-style-type: none"> <li>Ethical Leadership Program (ELP) Class 32/2023 by IOD</li> <li>Detection of Accounting irregularities in Fast Growing Business : The Role of Audit Committee by IOD</li> </ul>
5. Mr.Suphot Leenanurak	Director, Risk Management Committee Executive Committee, Deputy Managing Director, Sales & Marketing Division	<ul style="list-style-type: none"> <li>Successful Formulation &amp; Execution of Strategy (SFE) Class 43/2023</li> <li>Financial Statements for Directors (FSD) Class 49/2023</li> <li>The Board's Role in Mergers and Acquisitions Class 4/2023</li> </ul>

List	Position	Course/ Organized by
6. Mrs.Suveeraya Anasavananda	Executive Committee and Assistant Managing Director- Strategic Partner & Integrated Marketing Communication Division	<ul style="list-style-type: none"> <li>Ethical Leadership Program (ELP) Class 32/2023 by IOD</li> </ul>
7. Ms.Hatsaya Charuwittalyanan	Executive Committee and Assistant Managing Director- Operation support Division	<ul style="list-style-type: none"> <li>Ethical Leadership Program (ELP) Class 32/2023 by IOD</li> <li>Subsidiary Governance Program by IOD</li> </ul>
8. Ms.Preawnapa Nimma	Executive Committee and Associate Director-Banbung Factory Department	<ul style="list-style-type: none"> <li>Establishment of the Thai labor standards system (RTL 8001) by Thailand Productivity Institute</li> <li>FSSC 22000 Version 6 by Q&amp;A Quality and Calibration Company Limited</li> <li>Risk Management by Q&amp;A Quality and Calibration Company Limited</li> </ul>
9. Mr.Atid Tragoondet	Executive Committee and Accounting and Finance Director	<ul style="list-style-type: none"> <li>Cash budgeting for senior executives in planning and making decisions for executives by Dharmniti</li> <li>Budget for planning and profit by TFAC</li> <li>Enterprise level IT governance by TFAC</li> <li>Strategic management accounting by TFAC</li> </ul>
10. Ms.Panjaborn Roeksomboon	Company Secretary and Investor Relations Senior Manager	<ul style="list-style-type: none"> <li>Refreshment Training Program : Conflict of Interest and Related party transaction by IOD</li> <li>Assessment of the Annual General Meeting of Shareholders "full intensity 100 by Thai Investors Association</li> <li>CGR Workshop 2023 by IOD and SET</li> <li>ESG 101 and SET Sustainability Forum 2/2023 From Sustainability Ambition to Actions by SET</li> </ul>



## Good Governance Assessment

The Company has a result of a good level for Corporate Governance Report of Thai Listed Companies (CGR) 2023. The report published by Thai Institute of Directors (IOD) which Thai Listed Companies attended 782 companies; SET Group 75% of companies and Mai Group 25% of companies. The Company was score 96% (Excellent level). The results as following.

Result (%)			
Year	Point of TACC	Level	Average point of Thai Listed Companies
2023	96%	 Excellent	81%
2022	91%	 Excellent	84%
2021	90%	 Excellent	85%
2020	90%	 Excellent	83%
2019	88%	 Very Good	82%
2018	87%	 Very Good	81%
2017	79%	 Good	80%
2016	70%	 Good	78%

## Annual General Meeting of Shareholders Assessment

The Company has a result of Annual General Meeting of Shareholders with the assessment point of 99 point (very good) which the AGM Checklist 2023 project held by Thai Investors Association. The results as following.

### Result (Total 100 Point)

Year	Point of TACC	Level	Average point of Thai Listed Companies
2023	99	Very Good	93.20
2022	100	Very Good and deserves to be an example	95.46
2021	100	Very Good and deserves to be an example	94.80
2020	100	Very Good and deserves to be an example	93.10
2019	99	Very Good	93.70
2018	97	Very Good	92.42
2017	98	Very Good	91.97
2016	97.25	Very Good	91.62

## Self-Assessment of the Board of Director

As a Good Corporate Governance for Listed Companies which The Board of Directors shall conduct self-assessments of the Board of Directors, Subcommittee and individual Directors and of all established committees at least once a year, in order to use the assessment results for reviewing performances, problems or challenges experienced over the previous year. In 2023, the Company arranged for all the Directors to conduct 3 performance assessments, as follows:-

- 1) Self-assessment of the collective Board of Directors
- 2) Self-assessment of the Subcommittee (Audit Committee, Nomination and Compensation Committee, Risk Management Committee and Executive Committee)
- 3) Self-assessment of the Board of Directors and Subcommittee (individual)

## Assessment Process and Criteria

At each year-end, the Company Secretary sends assessment forms to members of the Board and all committees. Directors, upon completing their annual self-assessments, shall return the forms to the Company Secretary or respective committee secretaries. Assessment results of each committee's annual performance are then summarized and reported to the Board of Directors for acknowledgement. The results are assessed in percentage terms based on the following criteria:-

- 0 = Strongly disagree or never conduct on such matter
- 1 = Disagree or seldom conducted on such matter
- 2 = Agree moderately conducted on such matter
- 3 = Quite agree or good conducted on such matter
- 4 = Strongly agree or excellent conducted on such matter

Assessment results of each committee can be summarized as follows:-



**1) Self-assessment of the collective Board of Directors,  
Average score 3.87 was rated Good consisting of 4 sections, namely:-**

Section	Topic	Average score
1	Structure and qualification of Board of Directors	3.89
2	Board of Directors Meeting	3.89
3	Roles, duties and responsibilities of the Board of Directors	3.81
4	Other	3.89

According to the assessment results, the overall performance of the collective Board of Directors on 4 sections was rated Good. The section with the highest average score was Section 1, Section 2 Board of Directors Meeting and Section 4 Other. While the topics with highest score was section1 : The Board of Directors consists of people with sufficient diverse knowledge and experience and considering qualifications and appointing the Company secretary. The topics with highest score was section 2 : The Board of Directors is informed that the

Board of Directors meeting is scheduled for each year in advance, and No. of Meeting of The Board of Directors is suitable and the topics with highest score was section 4 was: Relationship with The Board of Directors and Management and self development of the Board of Directors and Management. The section with the lowest average score was Risk, Risk Management and Corporate Governance. However, Even though this was the category that received the lowest scores, it still had a good average.

**2) Self-assessment of the Subcommittee (Audit Committee, Nomination and Compensation Committee, Risk Management Committee and Executive Committee)  
Average score 3.73 was rated Good consisting of 3 sections, namely:-**

Section	Topic	Average score
1	Structure and qualification of Subcommittee	3.95
2	Subcommittee Meeting	3.88
3	Roles, duties and responsibilities of Subcommittee:	3.71

According to the assessment results, the overall performance of the Self-assessment of the Subcommittee on 3 sections was rated Good. The section with the highest average score was Section 1: Structure and qualification of Subcommittee, while the topics with highest score was the number of subcommittees is appropriate. The sub-committee consists of people who have knowledge, experience and are suitable to carry out their duties

according to the established charter efficiently. The process of selecting qualified persons to be committee members is transparent, fair and not under the influence of any one person. and determining the number of listed companies in which each sub-committee member will serve as a director in that listed company. The section with the lowest average score was Section 3: Roles, duties and responsibilities of Subcommittee are as follow:-

### 2.1) Audit Committee, Average score 3.71 was rated Good

The topics with highest score was review the Company's financial statements and ensure that the Company has accurate and reliable financial statements. Establish a process for receiving complaints appropriately. The section with the lowest average score was give opinions on the appointment removal of the head of internal audit and considering the selection, appointment, removal, and compensation of auditors. However, even though this was the topic that received the lowest scores, it still had a good average.

### 2.2) Nomination and Compensation Committee, Average score 3.78 was rated Good

The topics with highest score was To determine the qualifications, directors or senior management to be selected in accordance with the rules and regulations of the business. Consider and summarize names to present to the committee for appropriate consideration. and provide a project for the development and succession of directors and executives (Succession plan). The topic that received the lowest scores was Continuously plan training and development for directors. However, even though this was the topic that received the lowest scores, it still had a good average.

### 2.3) Risk Management Committee, Average score 4.00 was rated Good

The topics with highest score was establish policies, acceptable risk levels, and the highest risk level that the organization will accept and cover all significant risks and that monitor, monitor, evaluate risk management in accordance with Company-defined Risk Management Policy, and the compliance with the rules prescribed by the Director, are not available at this time.

### Executive Committee, Average score 3.94 was rated Good

The topics with highest score was monitors the company's performance against established goals, policies and business plans, and budgets, and ensures quality and efficiency of performance and consider and approve operations that are normal transactions of the Company Topics with the lowest average score are to consider management proposals and propose goals, policies, and business plans. The Board of Directors shall consider and approve the organization structure suitable for the Company's operations. The Board of Directors shall consider and approve the operations which are normal transactions of the Company.

## 3) Self-assessment of the Board of Directors and Subcommittee (individual) Average score 3.89 was rated Good consisting of 3 sections, namely:-

Section	Topic	Average score
1	Structure and qualification of Board of Directors and Subcommittee (individual)	3.89
2	Board of Directors and Subcommittee (individual) Meeting	3.86
3	Roles, duties and responsibilities of Board of Directors and Subcommittee (individual)	3.93

According to the assessment results, the overall performance of the Self-assessment of the Board of Directors and Subcommittee (individual) on 3 sections was rated Good. The section with the highest average score was Section 3: Roles, duties and responsibilities of Board of Directors and Subcommittee (individual). The

topics with highest score was section have time to devote to performing duties for the company and does not interfere with the management's work. The topic that received the least points was Develop and learn to increase skills in performing duties at all times.



## Evaluated the performance of CEO

In year 2023, The Board of Director evaluated the performance of CEO. The evaluation topics are in accordance with the SET guidelines, consisting of 10 areas as follows:

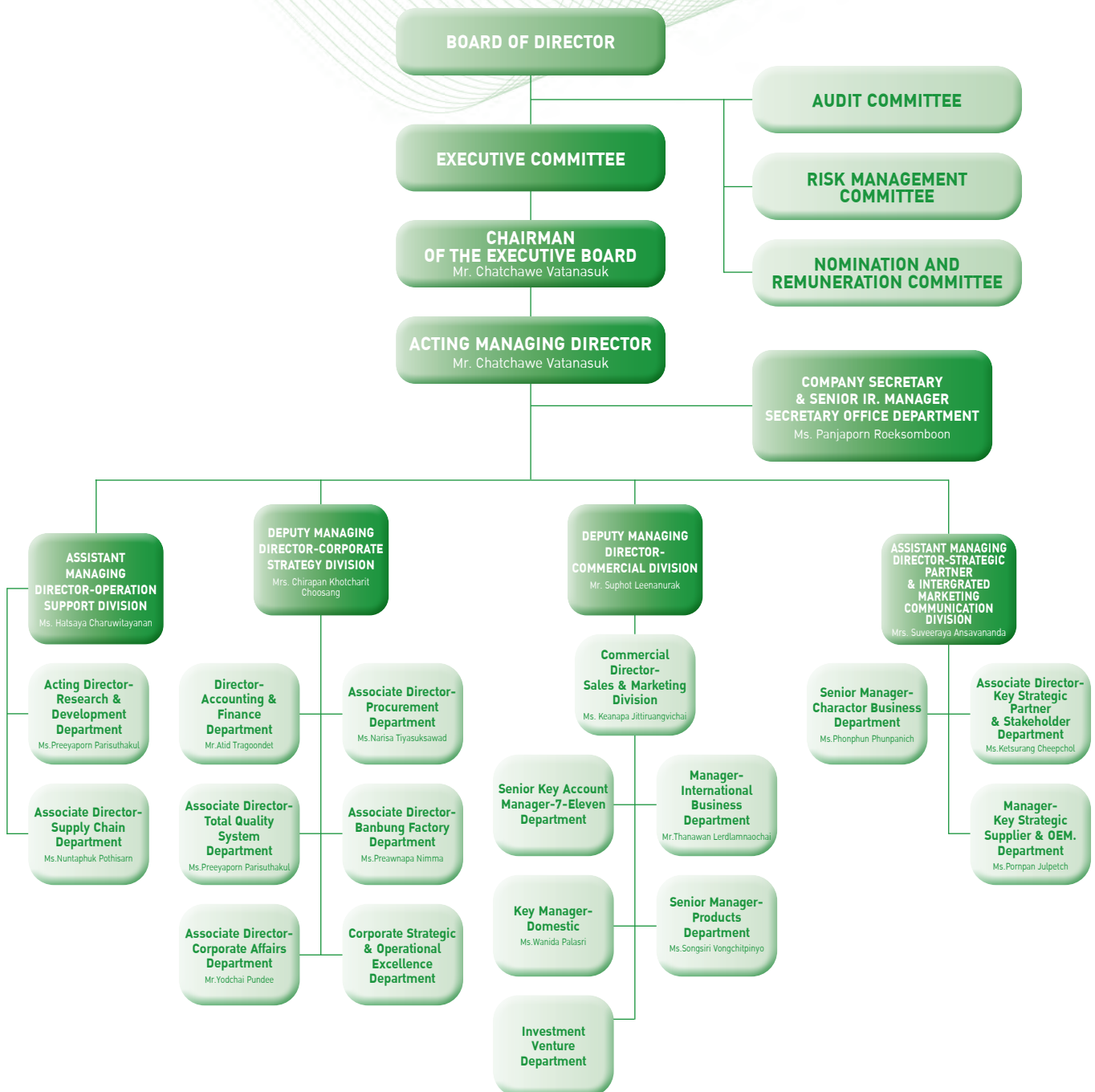
1. Leadership
2. Strategy formulation
3. Strategy implementation
4. Financial planning and performance
5. Relationship with the board
6. Relations with external parties
7. Administration and relations with personnel
8. Succession
9. Knowledge of products and services
10. Personal features

The overall performance evaluation of CEO was rated Good. The Company is looking for new businesses that have the opportunity to generate revenue. In order for the Company to progress with more stability and sustainability. The company has a good vision and knowledge of its strategic management capability. The organization is effective and understands the short-term, middle-term and long-term strategy of its customers. The Company intends to evaluate the performance of the Chairman of the Board annually in accordance with good corporate governance principles. The next assessment of the performance of CEO will be in 2024.

## Section 2 Corporate Governance

# 7. Corporate Governance Structure and Important Information of The Board of Directors, Committees, Executive Employees and Others

## Corporate Governance Structure





## Board of Directors

As at 31 December 2023, The Board of Directors has a total of 9 Directors consisted, which are as follow:

Name and Last name	Position
1. ADM Apichart Pengsritong	Chairman of the Board of Directors and Independent Director
2. Assoc.Prof. Kitti Siripullop	Chairman of the Audit Committee and Independent Director
3. Mrs. Paktra Suriyapee	Audit Committee and Independent Director
4. Mr. Komsak Wattanasriroj	Audit Committee and Independent Director
5. Mr. Chanit Suwanparin	Director
6. Ms. Trithip Sivakrskul	Independent Director
7. Mr. Chatchawe Vatanasuk	Director
8. Mrs. Chirapan Khotcharit Choosang	Director
9. Mr. Suphot Leenanurak	Director

## Board of Directors Structure

The Company has set in the Company's Articles of Association that the Board of Directors must consist of at least one Director 5 members and not less than half of the total number of Directors must reside in the Kingdom. The ratio of Independent Directors to total Directors 5 : 4 is 55.55% and the ratio of Non-Executive Directors to total directors 6 : 3 is 66.66% is a different person, the Chairman of the Executive Committee and is an Independent Director.

Ms. Panjaporn Roeksomboon, act as the Company Secretary, who was appointed by the Board of Directors Meeting No. 2/2015 on 17 February 2015.

### Authorized Director Signatory Representing the Company

Mr. Chatchawe Vatanasuk signed together with Mrs. Chirapan Khotcharit Choosang,a total of 2 persons and affix the corporate seal.

## Board Skills Matrix

List/ Specialized /Knowledge	Retail Business	International Business	Accounting and Finance	Marketing	Strategy/ Business Management/ Corporate Management	Human Resources	Minitary Security	Risk Management & Crisis
1. ADM Apichart Pengsritong					✓		✓	✓
2. Asso.Prof.Kitti Siripullop			✓	✓	✓			✓
3. Mrs.Paktra Suriyapee					✓	✓		✓
4. Mr.Komsak Wattanasriroj			✓		✓			✓
5. Mr.Chanit Suwanparin	✓	✓		✓	✓	✓		✓
6. Ms.Trithip Sivakrskul	✓	✓	✓		✓			✓
7. Mr.Chatchawe Vatanasuk	✓	✓		✓	✓			✓
8. Mrs.Chirapan Khotcharit Choosang	✓	✓		✓	✓	✓		✓
9. Mr.Suphot Leenanurak	✓	✓		✓	✓			✓
<b>Total</b>	<b>5</b>	<b>5</b>	<b>3</b>	<b>5</b>	<b>9</b>	<b>3</b>	<b>1</b>	<b>9</b>

## Audit Committee

As at 31 December 2023, The Audit Committee consisted of 3 members, which are as follow:

Name and Last name	Position
1. Assco.Prof. Kitti Siripullop	Chairman of the Audit Committee and Independent Director
2. Mrs. Paktra Suriyapee	Audit Committee and Independent Director
3. Mr. Komsak Wattanasriroj	Audit Committee and Independent Director

Assoc.Prof. Kitti Siripullop and Mr. Komsak Wattanasriroj are the Audit Committee, who posse adequate knowledge and experience to perform duties in auditing the reliabilities of financial Statement.

Assoc.Prof. Kitti Siripullop, graduated with Master degree in Business Administration (Finance and Banking) from Chulalongkorn University, graduate with bachelor degree in Accounting (Second Class Honors) from Chulalongkorn University. He has appointed in accordance with the Board of Directors Meeting resolution No. 3/2017 on 14 June 2017.

Mr. Komsak Wattanasriroj graduated with master degree in business administration from Srinakharin Wirot University and Bachelor of Accounting from Ramkhamhaeng University. He has experienced in working as a chief Financial officer, Mono Technology Public Company Limited. Mr. Komsak Wattanasriroj were appointed in accordance with the Board of Directors Meeting resolution No. 6/2016 on 16 December 2016.

Ms. Panjaporn Roeksomboon is the Audit Committee Secretary, who was appointed by the Audit Committees Meeting No. 2/2015 on 14 May 2015.

## Nomination and Compensation Committee

As at 31 December 2023, The Nomination and Compensation Committee consisted of 3 members, which are as follow:

Name and Last name	Position
1. Mrs. Paktra Suriyapee	Chairman Nomination and Compensation Committee
2. Mr. Komsak Wattanasriroj	Nomination and Compensation Committee
3. Mr. Chanit Suwanparin	Nomination and Compensation Committee

Ms. Panjaporn Roeksomboon is the Secretary of Nomination and Compensation Committee.

## Risk Management Committee

As at 31 December 2023, The Risk Management Committee consisted of 5 members which are follow:

Name and Last name	Position
1. Mr. Komsak Wattanasriroj	Chairman of the Risk Management Committee
2. Mr. Chanit Suwanparin	Risk Management Committee
3. Ms. Trithip Sivakriskul	Risk Management Committee
4. Mrs. Chirapan Khotcharit Choosang	Risk Management Committee
5. Mr. Suphot Leenanurak	Risk Management Committee

Ms. Panjaporn Roeksomboon is the Secretary of Risk Management Committee



## Executive Committee

As at 31 December 2023, The Executive Committee consisted of 8 members which are follow:

Name and Last name	Position
1. Mr. Chatchawe Vatanasuk	Chairman of the Executive Committee
2. Mrs. Chirapan Khotcharit Choosang	Executive Committee
3. Mr. Suphot Leenanurak	Executive Committee
4. Mrs. Suveeraya Ansavananda	Executive Committee
5. Ms. Hatsaya Charuwitayanan	Executive Committee
6. Ms. Preawnapa Nimma	Executive Committee
7. Mr. Atid Tragoondet	Executive Committee
8. Ms. Keanapa Jittiruangvichai	Executive Committee

**Note :** Executive Committee no.8 appointed as the Director on 26 October 2023 onwards

## Risk Management Sub Committee

As at 31 December 2023, The Company has Risk Management Sub Committee Consisted of 9 members, which are as follow:

Name and Last name	Position
1. Mr. Suphot Leenanurak	Chairman of Risk Management Sub Committee
2. Mrs. Chirapan Khotcharit Choosang	Vice Chairman of the Risk Management Sub Committee
3. Mrs. Suveeraya Ansavananda	Risk Management Sub Committee
4. Ms. Hatsaya Charuwitayanan	Risk Management Sub Committee
5. Mrs. Preawnapa Nimma	Risk Management Sub Committee
6. Mr. Yodchai pundee	Risk Management Sub Committee
7. Ms. Preeyaporn Parisuthakul	Risk Management Sub Committee
8. Ms. Nunthaphuk Phothisarn	Risk Management Sub Committee
9. Mr. Atid Tragoondet	Risk Management Sub Committee
10. Ms. Narisa Tiysasuksawad	Risk Management Sub Committee
11. Ms. Keanapa Jittiruangvichai	Risk Management Sub Committee

**Note :** Risk Management Sub Committee no.10-11 appointed as the Risk Management Sub Committee on 5 January 2023 onwards and Risk Management Sub Committee no. 11 appointed as the Risk Management Sub Committee on January 2023

## Management

As at 31 December 2023, The Company has 6 Managements, which are as follow:

Name and Last name	Position
1. Mr. Chatchawe Vatanasuk	Chairman of the Executive Board and Acting Managing Director
2. Mrs. Chirapan Khotcharit Choosang	Deputy Managing Director, Corporate Strategy Division
3. Mr. Suphot Leenanurak	Deputy Managing Director, Sales & Marketing Division
4. Mrs. Suveeraya Ansavananda	Assistant Managing Director, Strategic Partner and Integrated Marketing Communication Division
5. Ms. Hatsaya Charuwitayanan	Assistant Managing Director, Operation Support Division
6. Mr. Atid Tragoondet	Accounting and Finance Director

**Note :** "Executives" by the definition in the Declaration regarding the issuance and offering of the company's securities starting from the Managing Director, Deputy Managing Director, Assistant Managing Director by which the 4 Executives Moreover, this also include Accounting and Finance Director

## Personnel

### Number of Personnel

As at 31 December 2023, the Company has the total of 186 employee (exclude 6 Managements) by separated into the main field of work, which are as follow:

No. of Employee (Person)			
Department	Full-Time Employee	Day Labor	Total
1. Procurement Division	5	-	5
2. Operation Support Division			
• Research and Development Department	23	-	23
• Supply Chain	10	-	10
3. Corporate Strategy Division			
• Total Quality System Department	8	-	8
• Corporate Affairs Department	14	-	14
• Accounting and Finance Department	9	-	9
• Corporate Strategy Business Department			
4. Investment Venture Department	0	-	0
5. Strategic Partner and Integrated Marketing Communication			
• Character Business Department	4	-	4
• Key Strategic Supplier and OEM Department	2	-	2



## No. of Employee (Person)

Department	Full-Time Employee	Day Labor	Total
6. Sales and Marketing Division			
• 7-Eleven Department	8	-	8
• Product Department	3	-	3
• International Business Department	2	-	2
• Domestic and Equipment Department	8	-	8
7. Secretary Office	5	-	4
8. Factory Division	53	32	84
<b>Total</b>	<b>154</b>	<b>32</b>	<b>186</b>

## Significant Labor dispute for the part 3 years.

-None-

## Employee Remuneration

### Financial Remuneration

In 2022 and 2023, the Company paid remuneration to the employee (exclude Executives) at Baht 88.21 million and Baht 94.56 million respectively. The remuneration are the form of salary, commission, bonus, allowance, contribution to social security fund, contributions to provident fund and other welfare.

## Personnel Development Policies

The Company recognized the importance of personnel within the organization therefore has established training and personnel development policy with the purpose to enhance knowledge, skills and expertise including the efficiency in performing task of all level of employee. Guest speakers from a well-known institute were invited to lecture and share more knowledge to employee. The Company regularly revised and improve training course to be up to date and appropriate. Training and personnel development are directly considered as the supervisor responsibilities to plan and closely monitor the results of the employee development. The Company will thoroughly and fairly nurtures the employee career path by considering from the employee's level of knowledge, skills and competence. Moreover, the Company will consider sending employee and Executives in different field to participate in the trainings and seminars on subject related to job performance.

## Number of average hour for Training of employee in the year 2023

Internal Training	Number of employee attend to tanning (person)	Training period (Hours)
1. Business Acumen Simulation Game (In-house training)	24	504
2. Assignment & Controlling Techniques (In-house training)	18	108
3. Win-Win in Selling & Negotiation (In-house training)	23	276
4. Problem Solving and Decision Making (In-house training)	30	180
5. Growth Mindset & Deep Listening (In-house training)	24	144
6. Storytelling with Data (In-house training)	22	132
7. Leadership Bootcamp (In-house training)	6	108
8. Laws and related to food additives standards	3	18
9. Guidelines for managing internal calibration systems for industry	2	12
10. Argo-industrial Innovation & Management	3	18
11. Forwarding to Plastics Supply Chain Sustainability	2	12
12. Facilitator And Training	9	108
13. Microsoft365 Business	3	18
14. Application of prebiotics and probiotics in food products	2	12
15. Comprehensive cost accounting	3	18
16. Management accounting for planning and decision making	1	6
17. Coaching 101	1	6
18. Risk Management	2	120
19. Revenue Department regulations regarding the use of foreign currency exchange rates for taxation	2	12
20. The Secret Sauce Summit 2023	10	120
21. PR writing in the digital media	4	24
22. HR Analytics in Power BI & HR Dashboard Workshop	2	24
23. Criteria for revenue recognition according to TFRS15 For general business and issues related to income auditing	2	12
24. Cash budgeting for senior executives in planning and making decisions for executives	3	18
25. Writing monthly and quarterly operating results reports	1	6
26. Food production controller in low-acid and acid-adjusted sealed containers.	1	32
27. Food Process Control Supervisor	1	40
28. Food labeling and application according to Thai law	2	8
29. HR Business Partner Program 2023	1	40
30. Food laws and permits	3	54
31. IP For Business	1	6
32. FSSC 22000 Version 6 Requirement and Interpretation Course (Food Manufacturing)	1	6
33. Controlling and inspecting the security of information technology systems according to standards ISO/IEC 27001	2	48
34. HOW TO SALARY STRUCTURE DESIGN	1	12
35. Taxation for international transactions	2	12
<b>Total</b>		<b>2,274</b>

**Note :** the Company has 7 internal training course overall 1,452 hours and 28 external training course, overall 822 hours.



## Develop the Board of Directors and Executives

The Board of Directors continuously support and develop directors' knowledge, skills and enhance the view point which will help the directors to lead the organization in reaching the set goal; including new director orientation that provide knowledge and understanding of the role of responsibilities, nature of business and policies. The purpose of the orientation is for every employee to continuously develop and improve their performance as well as to appropriately adjust and utilize their knowledge to perform their task efficiently.

For the Board of Director and Management, the Company focuses in supporting and developing knowledge and skills of the Executives in different aspects, whether it's training or seminar. The Executives then can use such knowledge and skills to adjust and applied in their managing and developing the Company to grow sustainably. In 2023, there are Managements and Managers that training are as follow:

- Engaging Board in ESG : The Path to Effective Sustainability
- Detection of Accounting irregularities in Fast Growing Business : The Role of Audit Committee
- Independent Director Forum : Prevent corruption in the organization
- หลักสูตร Ethical Leadership Program (ELP)
- Successful Formulation & Execution of Strategy (SFE)
- Financial Statements for Director (FSD)
- The Board's Role in Mergers and Acquisitions
- Subsidiary Governance Program (SGP)
- How Planet & People Lead to Profit series
- Establishment of the Thai labor standards system (RTL 8001).
- FSSC 22000 Version 6
- Risk Management
- Cash budgeting for senior executives in planning and making decisions for executives
- Budget for planning and profit.
- Enterprise level IT governance
- Strategic management accounting

## Employees Treatment, compensation with appropriate welfare

The Company emphasize that employees are valuable resources for the success of the organization. Caused by the company having employees with knowledge and ability. So, to being ready for the body is healthy and healthy with morale and motivation to use knowledge, ability to perform tasks for maximum efficiency and effectiveness. The Company believes in it and emphasize to the development and maintenance of the organization's resources seriously and continuously.

### Providing fair returns

The Company regularly reviews the compensation and welfare allocation for employees. To ensure that the compensation of the Company at a level that is competitive in the same industry and in accordance with the Company's goals. The Company has a policy regarding progressing and developing employees according to the career path and having talent personnel planning and development for replacement and / or supporting the expansion of the Company.

### Providing appropriate welfare for employees

Employees of the company also receive other benefits in order to reduce the cost of living, reduce worries and promote the welfare of the well-being of employees that cover the family of employees. Which will be beneficial to the operation and the life of the employees Classified into 6 types as follows.

- Benefit from grants such as grants for employees or parents and children of employee's religious donation Grants and other grants.
- Health and life insurance such as annual health check for employees as appropriate for each age and gender group health insurance and group accident insurance.
- Loan benefits such as loans for continuing education of employees necessary loans or emergencies, both personal and family of employees.

- Funds such as provident funds and social security compensation fund.
- Employee Joint Investment Program (EJIP)
- Cheerful Piggy Bank Project
- Welfare insurance for protection against the epidemic of COVID-19 and insurance for allergies against Covid-19 vaccines.
- Welfare benefits for working from home (WFH)

Moreover, the company has provided vaccination to The World Health Organization (WHO) four-strain flu vaccine to all employees. and place an air purifier in the office area.

## Succession plan of senior Executives

The Company has assigned executives at similar levels or secondary levels to be the acting supervisors in such positions. Until recruiting, selecting and appointing according to the procedures set by the Nomination and Compensation Committee to ensure.

The Company has executives with knowledge, ability and experience sufficient to perform the following duties.

- 1) Nomination and Compensation Committee consider the knowledge, ability and experience of each position. In order to select executives with qualifications as specified can inherit the work of each position.
- 2) The Managing Director has evaluated the performance and knowledge of the qualified executives. An analysis of individual strength strengths of the executives is organized in order to know the strengths or what is their true potential. In order to develop that ability
- 3) Assign the Corporate Affairs Manager take care of follow-up training and develop knowledge. The ability of the successor to the Managing Director.
- 4) Create a Leadership Bootcamp project to prepare for successors in the medium and long term. Senior executives select 6 people to join the project at the deputy director level.

## Best Practice Guideline for Workplace Health & Safety During work

The Company realizes the importance of the safety and hygiene in the workplace. Safety is the key factor in stepping towards the Company's success, therefore safety activities along with productivity activities are promoted. The Company organizes and trained on the safety in workplace rules, fire prevention and suppression plan to be in comply with the related standard and laws. The Company as well monitor and evaluate the environment in workplace. Every employee cooperate in accordance to the safety and hygiene in workplace guidelines. Safety helps decrease loss, reduce production costs and reinforce the employee welfare; in order to develop into quality resources and effectively response to manufacturing policies. The Company has compile safety in work place manual to share knowledge and give advises on working safely guideline and raise awareness in safety that occurs to the employees.

In 2023, there were no accidents caused by employees working within the factory.

## Policies or Guidelines that will not involve in violation of human rights

The Company respect and places great importance on human rights as well as treat employees equally and fairly; whether it is the differences in race, religion, gender or physical condition. The Company adheres to the Organizational Culture for employees to abide by as a guideline in performing task. The Organizational Culture will allow the employees to accept one another and work well together under happy working environment. The Company promotes its employee to participate in the activities that are useful and will benefit the society, both directly and indirectly.

## Whistleblowing Policies

In order for the company to maintain Good Corporate Governance and to give the rights to all employees and all stakeholders to be able to report on fraud or corruption, report or launch complain on any malpractice concerning unlawful or unethical conduct or opinion on business operation. The Company provides channel to report on any illegal, deceptive conduct or corruption, through E-mail: [whistleblower@tacconsumer](mailto:whistleblower@tacconsumer).



com Report of the unlawful or deceptive conduct, corruption and any suggestions will be taken into consideration and will proceed appropriately. Each case will be considered on a case-by-case basis and protection measures for complainant and whistleblowers are provided. The Company will effectively safeguard your information and will consider the safety of the whistleblowers as well as the cooperator in examining the truth. The company ensures that all related parties will not be effect by the whistleblowing act. (The more detail on topic Corporate Governance Section: The Role of Stakeholders )

## Securities Trading and Usage of Inside Information Policies

The Company is committed to maintain good corporate governance and treating all stakeholders with transparency and fairness. Being the directors or executives may allow one to have access to the Company inside information which may affect the decision making in securities trading before outsider or other investors who may have no knowledge of such information. The Board of Directors has supervised the use of inside information in accordance with the law and good corporate governance principles. Therefore, directors or executives of the Company should avoid trading company's securities that one holds the position of directors or executives. However, if one is to trade company's securities, one should perform with due care, by not using inside information that has not been disclosed in the Stock Exchange. Usage of inside information is considered as taking advantage of general investors and may be against the law as well. When the trading of securities have been made there should be a report of such trade and ensure that such act is in comply with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. In order to prevent the misuse of the Company's inside information and seek benefits for personal or others in a wrongful way, the Company has established principles and guidelines for directors, executives, employees and related parties to adhere to; which are as follow:

1) Directors and executives are prohibited from including employees who are in positions or departments responsible for internal information or can access internal information of the Company. (Including spouse/cohabiting couple and minor children) trading the company's securities within 1 month prior to disclosure of quarterly and annual financial statements.

In the past year 2023, the Company Secretary department will notify the relevant person via email of the back out period in advance and did not find that the Directors, Executives or relevant employees traded securities during the period specified by the company refrain from trading

2) Directors and Executives are responsible for the compilation and disclosure reports on securities holding submitted to the Stock Exchange of Thailand and the Securities and Exchange Commission as well as to deliver such reports to the company.

3) Directors and Executives must report any changes in the holding of securities to The Securities and Exchange Commission, Thailand under Section 59 of the Securities and Exchange Act BE 2535.

4) Directors and Executives have the duty to report the holding of securities and report of any changes in securities holding to the Board of Directors Meeting and to acknowledge the Board of every changes.

5) Directors and executives have the duty to compile and disseminate reports on conflict of interest to the Company.

## Company Secretary

At the Board of Directors Meeting No. 2/1015 on 17th February 2015, The Board of Director has resolution to appoint Miss Panjaporn Roeksomboon as the Company Secretary in be in accordance with section 89/15 of the Securities and Exchange ACT B.E. 2535, revised by the Securities and Exchange Act (No. 4) BE 2551. In addition, the Board of Directors Meeting No. 5/2015 on 5th August 2015, has specified the Company Secretary duties and responsibilities, which are as follow:

- 1) Provide preliminary advice and recommendations to the Directors and Executives on being compliance with Company laws, requirements, rules and regulations as well as monitor to ensure the accurate and regular implementations.
- 2) Responsible for organizing the Board of Directors Meeting and Shareholders Meeting as well as supervise and coordinate to ensure the implementation of the resolution of the aforementioned meetings.
- 3) Supervised the disclosure of information and information technology report in the responsible to be in accordance with the regulations and the requirements of Stock Exchange of Thailand and The Capital Market Supervisory Board including relevant laws.
- 4) Compile and store the following documents
  - 4.1) Director Registration
  - 4.2) Notice of the Meeting of the Board of Director and Minutes of the Board of Directors meeting.
  - 4.3) Notice of meeting of Shareholders and the Minutes of the Shareholders Meeting.
  - 4.4) The Company Annual Report
  - 4.5) Report on conflict of interest of Executive Director
- 5) Performing other actions in line with the laws or the specified of the Notification of the Capital Market Supervisory Board.

### Internal Audit

The Company assigns Mr. Thanabhat Wongwit, the position of Internal Auditor, to supervise the compliance with the regulations of the official units governing the Company's business operations with the qualifications of the person holding the position of internal auditor appears in attachment 3.

### Investor Relations

The Company has established an Investor Relations unit responsible for disclosing information to shareholders, investors, and stock analysts through its website [www.tacconsumer.com](http://www.tacconsumer.com) under the tab entitled Investor Relations. Which contain the information sent to the Stock Exchange of Thailand and the Securities and Exchange Commission, shareholders information, quarterly performance, corporate governance and stock price movement. The information is regularly updated to investor and interested person can access information quickly and equally. The information obtained from the Company is accurate, complete, transparent, and timely, Especially important information that may have an impact on the Company's stock price. Those who receive the information can use the information to make an investment decision more efficiently. Which will reflect the true value and suitable according to the situation in each period.

### The Audit Fee

The Company has hired "EY Office Limited" as the Company's Auditor which has been approved by the Annual General Meeting of Shareholders for the year 2023 as an Independent Auditor reliable and has no relationship and/or Have interests in the Company, Directors, Executives, Major Shareholders or related persons

In this year, the Audit fee is paid to the Auditor or Auditing Company in the amount of 1,760,000 baht. The Company does not have any other service fees paid to the Auditor or the Auditing Company.



## Section 2 Corporate Governance

# 8. Report of Significant Operation of the Corporate Governance

## Summary of the Board of Directors' performance within the past year.

A table showing meeting attendance of the Board member in 2023

No.	Name	BOD <sup>1</sup>	AC <sup>2</sup>	NR <sup>3</sup>	RMC <sup>4</sup>	AGM <sup>5</sup>
1	ADM Apichart Pengsritong	7/7				1/1
2	Assoc.Prof.Kitti Siripullop	7/7	4/4			1/1
3	Mrs.Paktra Suriyapee	7/7	4/4	2/2		1/1
4	Mr.Komsak Wattanasriroj	7/7	4/4	2/2	2/2	1/1
5	Mr.Chanit Suwanparin	6/7		2/2	2/2	1/1
6	Ms.Trithip Sivakriskul	7/7			2/2	1/1
7	Mr.Chatchawe Vatanasuk	4/6				1/1
8	Mrs.Chirapan Khotcharit Choosang	5/6			2/2	1/1
9	Mr.Suphot Leenanurak	5/6			2/2	1/1
10	Mr.Atid Tragoondet					1/1
	<b>Number of meeting attendees</b>	<b>9</b>	<b>3</b>	<b>3</b>	<b>5</b>	<b>10</b>

<sup>1</sup> Board of Director, "BOD" consists of 9 members.

With ADM Apichart Pengsritong as a Chairman of the Board1 of Directors.

<sup>2</sup> Audit Committee, "AC" consists of 3 members.

Assoc.Prof.Kitti Siripullop as a Chairman of the Audit Committee.

<sup>3</sup> Nomination and Remuneration Committee, "NR" consists of 3 members.

With Mrs.Paktra Suriyapee as a Chairman of the Nomination and Remuneration Committee.

<sup>4</sup> Risk Management Committee, "RMC" consists of 5 members.

With Mr.Komsak Wattanasriroj as a Chairman of the Risk Management Committee.

<sup>5</sup> 2023 Annual General Meeting for the year, "AGM" was held of 27 April 2023

With ADM Apichart Pengsritong as a Chairman of the meeting.

**Note :** 1. The Board of Director meeting consist 1 time as a Non Executive Director meeting.

## Director and Executives Remuneration

### Financial Remuneration

#### Directors Remuneration

The Company has set adjusting the Directors' Remuneration Policy annual 4 year. The Annual General Meeting of shareholders year 2023 on 27 April 2023 have the resolution to determine the Directors remuneration for the year 2023, which are as follow:

#### 1) Meeting Fee

Unit : Baht

Position	Meeting fee/person/times
Chairman of the Board of Director	38,000
Directors	31,000
Chairman of the Audit Committee	31,000
Audit Committee	25,000
Chairman of the Nomination and Remuneration Committee	19,000
Remuneration Committee	12,000
Chairman of Risk Management Committee	15,000
Risk Management Committee	12,000

**Note:** 1) The remunerations will be paid only.

2) Directors who receive monthly salary as the employee of the Company and/or Subsidiaries will not be receive remuneration as the Board of Director.

In addition to the Directors' Remuneration of the above, Independent Directors and Non-Executive Directors also received remuneration in other benefits such as expenses for training courses of IOD and other. This is in accordance with the Company's regulations.

#### 2) The Annual Incentive

The Company will pay The Annual Incentive to the Board of Directors and due to the consideration of appointing two additional new Directors, it is therefore appropriate to increase at the amount not exceed 2,500,000 million Baht. The Board of Director will consider and allocate as appropriate.



For the year 2023, the Company paid meeting fee to the Board of Directors according to the detail as follow

Unit: Baht

Year 2023								
No.	Name of Directors	Position	Meeting Fee				Incentive Bonus	Total Remuneration
			Director	Audit Committee	Nomination and Compensation Committee	Risk Management Committee		
1	Admiral Apichart Pengsritong	Chairman of the Board of Directors and Independent Director	190,000	-	-	-	530,000	720,000
2	Assoc. Prof. Kitti Siripullop	Chairman of the Audit Committee and Independent Director	155,000	124,000	-	-	450,000	729,000
3	Mrs.Paktra Suriyapee	Audit Committee, Independent Director and Chairman of the Nomination and Remuneration Committee	155,000	100,000	38,000	-	400,000	693,000
4	Mr.Komsak Watanasriroj	Audit Committee, Independent Director, Nomination and Remuneration Committee and Chairman of the Risk Management Committee	155,000	100,000	24,000	30,000	400,000	709,000
5	Mr.Chanit Suwanparin	Director, Nomination and Remuneration Committee and Risk Management Committee	155,000	-	24,000	24,000	370,000	573,000
6	Ms.Trithip Sivakriskul	Independent Director and Risk Management Committee	155,000	-	-	24,000	350,000	529,000
7	Mr.Chatchawe Vatanasuk	Director	-	-	-	-	-	-
8	Mrs.Chirapan Khotcharit Choosang	Director and Risk Management Committee	-	-	-	-	-	-
9	Mr.Suphot Leenanurak	Director and Risk Management Committee	-	-	-	-	-	-
Total of Remuneration			965,000	324,000	86,000	78,000	2,500,000	3,953,000

**Note:** Director No.7-9 are Directors that received monthly salary as the Company employee, thus did not receive remuneration as a Directors.

### Management Remuneration

In 2022 and 2023, the Company paid remuneration to the Management at the amount of Baht 43.76 million and Baht 47.44 million, respectively. Such remuneration includes salary, bonus and contribution to provident fund

Year	No. of Executives (Person)	Remuneration (Baht)
2022	6	43,764,907.17
2023	6	47,438,506.36

**Note :** Number of Managements in the table included Mr.Chatchawe Vatanasuk, Chairman of the Executive Committee.

### Other Remuneration

-None-



## Section 2 Corporate Governance

# 9. Internal Control and Related Transactions

## Internal Control and Risk Management

The Company has managements align with Good Corporate Governance, Risk Management and Internal Control to achieve business operation properly and efficiently. The efficiency internal control is an important management tools to the Company goals. The procedures are aligned with the internal integrated framework of the Committee of Sponsoring Organization of the Treadway Commission (COSO) to apply in operations management. The Audit Committee has evaluate the sufficient of 2023 Company's internal control system by making inquiries from the executive division and summarized the evaluation of the Company's internal control system into 5 different aspects, as follow:

### 1. Control Environment

- The Company has established clear vision, mission and purpose as a practice for the Management and employees of all levels, as well as setting Key Performance Indicators (KPIs) with Individual KPIs and Corporate KPIs. In this year, The Company used key competency of employee in a part of implementation and monitoring of results against the targets to ensure accomplishment of goal.
- The Board of Directors consists of 55.55 Independent Directors which allow independence from management in assessment and decision making for effective internal control.
- The Company has set corporate governance structure include Board of Directors and Sub Committee such as Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Executive Committee. The Director has responsibility to shareholders for operation business and corporate governance for management in line with the target for the best benefit of the shareholders. There are scope of good ethic and social responsibility. Moreover, The Company emphasizes the development of Good Corporate Governance continuously. In this year, There are received Corporate Governance Report of Thai was a excellent score for the fourth consecutive year.
- The Company has an organization structure by a focusing on effective internal control. By dividing the chain and appropriate function, each function its own Top Management and regularly review the reporting organizational structure to align with the Company's strategy and operation plan.
- The Company has define code of conducts and business ethics for the Directors and employees as practice guidelines. Which The document has been made for employees to sign the annual acknowledgment of the code of conduct and business ethics.
- The Board of Directors and Management recognize the importance of the employee that are precious resources of the organization. The Company has promoted the development, The annual internal and external training plan and consider revenue, welfare of their employees appropriately.

## 2. Risk Assessment

- The Company has appointed Risk Management Committee and Risk Management Sub Committee. The strategy for risk management is in place to manage risk in line with Business plan and objectives of the organization. Especially, The key risk as the corporate level and report key risk indicator of all department in the Risk Management Sub-Committee meeting per quarterly.
- The Company has identifies risks that may affect the business operation which control, monitor, check and evaluated risk management and submit to approve from the Risk Management Committee and Board of Directors.
- The Company has Risk assessment from external factors affect and current situation such as Marketing situation, Economy, Competition including Risk from short term, Middle term and long term or other risk is follow up.

## 3. Control Activities

- The Board of Director has appointed Sub Committee 4 Committee include Audit Committee, Nomination and Compensation Committee, Risk Management Committee and Executive Committee. Which all Sub Committee are perform under Scope, Authority and function to the control operate of management. Moreover, the Audit Committee to consider review and approve audit plan of the year and reviewed that the company has an appropriate and efficient internal control system to cover all process of operate has high risk.

- The Company has set up a policy for control a management system from procedure and work instruction of each party. There is always a review and set up authorization approval for the management to appropriate operations.
- The Company has implemented and maintained Business Continuity Plan including the event of an uncontrollable emergency situation to ensure continuous business operation.
- The Company is committed to continually developing and inventing good quality products and pay more attention to product research and development. The RD department is considered the heart of the organization. There is an investment in a team of knowledgeable personnel. Diversity in beverage product development and RD Lab with a wide range of tools and equipment of international standards. This year, the Company received the Superior Taste Award from the International Taste Institute, Belgium continuously previous year. It is the international leader in the evaluation and certification of food and beverage flavors. Which is considered a prestigious global standard award

## 4. Information & Communication

- The Company has implemented efficient information system. Which to be accurate, complete and timely to support the business operations. Including systematic and easy to find information.
- The Company has arrange channels of internal communication (Intranet) through the intranet system such as policy, working regulations, knowledge base, activity and news.



- The Company has set whistle blower procedures to corporate communication to all employee and external communicated through the Company's website by to be inform whistleblower@tacconsumer.com
- The Company has procedure of corporate communication and reviewed annual year with cover internal communication and external communication. As well as stakeholder group of the company such as Director, Management, Customer, Consumer and Investor etc.
- The prior to a scheduled committee meeting, each committee members will receive an invitation to meeting and supplements containing necessary and sufficient information in a timely manner. sill being conducted online under the specified rules In addition meeting minutes will be recorded for reference and auditing.
- P&L Internal Audit Company Limited was hired to audit internal control system since 2014 up to present, in order for the Company's internal control system to be efficient. P&L internal Audit Company Limited has appointed Mr.Thanapat Vongwit, with the position of Assistant Vice President, to act as an internal audit supervisor. The aforementioned internal auditor continuously and quarterly compiled report on Company's assessment results and audit the internal control system then directly presents the report to the audit committee to acknowledge. The Company has invariably adjusted and improved performance system of different departments in accordance with the internal auditor's suggestions. The Company aims to continuously hire an outsource internal auditors to ensure the efficiency of the Company's internal control system.
- The Company has assessed its internal control system in 2023 using the guidelines from the Securities and Exchange Commission (SEC) and reported the assessment results to the Audit Committee.

## 5. Monitoring Activities

- The Company has nominated EY office Limited, an independent auditor, to be an external auditor for the quarterly and financial year 2023 which reporting informed to the Audit Committee. In this regard, it has opined that there was no n this regard, it has opined that there was no material deficiency in the Company's internal control system.

The Audit committee is responsible for reviewing to ensure that the Company has appropriate and effective internal control system and internal audit, along with reviewing the Company's performance to be in line with the laws on Securities and Stock Exchange and laws related to the Company's business operation. The Audit committee shall set a meeting at least every quarter to consider and implement accurate financial report. Furthermore, to disclose adequate and complete information, as well as considered related transactions or transactions that might have conflict of interest, in accordance with the laws and regulation of the Capital Market Supervisory Board and the stock Exchange. The auditors will join the meeting to provide audit observations.

## Related Transactions

T.A.C.Consumer Public Company Limited

Related transactions for the year on December 31, 2023

Related Persons	Nature of Relationship	Type Details	Item Value Jan.-Dec. 23 (Unit: Baht)	Necessity and Reasonableness of the Item
HEALTH INSPIRED PLANET CO., LTD	Subsidiary	Long-term loans to businesses	10,000,000.00	Long-term loans to related businesses. Interest is calculated at the rate of 2.5 percent per year. and is scheduled to repay all principal and interest within September 2025.
		Interest income	74,657.55	Long-term loans to related businesses carry interest at the rate of 2.5 percent per year.
		Buy products	72,256.00	Purchase products to promote subsidiary companies.
		Sell assets	19,314.38	Sell computers.



# Financial Statements



## Section 3 Financial Statements

# Independent Auditor's Report

### To the Shareholders of T.A.C. Consumer Public Company Limited

#### Opinion

I have audited the accompanying consolidated financial statements of T.A.C. Consumer Public Company Limited and its subsidiary (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 T.A.C. Consumer 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 T.A.C. Consumer Public Company Limited and its subsidiary and of T.A.C. Consumer 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 matter and how audit procedures respond for this matter are described below.

#### Revenue recognition

Sales are significant accounting transactions as the volume of transactions and the amounts recognised in each period are material and directly affect profit or loss of the Group. In addition, the Group's sales transactions are made with local and overseas customers and there is a variety of arrangements and conditions, pertaining to matters such as sales promotions, discounts and special discounts to boost sales. As a result, the Group's recognition of revenue from sales regarding sale promotions and discounts are complex. I therefore focused my audit on the revenue recognition of the Group.



I examined the Group's revenue recognition by assessing and testing the Group's internal controls with respect to the revenue cycle by making inquiries of responsible executives, gaining an understating of the controls and selecting representative samples to test the operation of the designed controls. In addition, I applied a sampling method to select sales transactions occurring during the year and near the end of the accounting period to examine the supporting documents and reviewed credit notes that the Group issued after the period-end. I also performed analytical procedures on disaggregated data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

### **Other Information**

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

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

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

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

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

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

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

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

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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



**Sarinda Hirunprasurtwutti**

Certified Public Accountant (Thailand) No. 4799

EY Office Limited

Bangkok: 29 February 2024



## Section 3 Financial Statements

# Statement of Financial Position

T.A.C. Consumer Public Company Limited and its subsidiary

As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	Note	2023	2022	2023	2022
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	161,269,185	150,803,618	156,822,490	150,803,618
Trade and other receivables	8	337,116,996	310,089,118	336,502,866	310,089,118
Inventories	9	60,014,580	50,334,145	47,571,031	50,334,145
Other current financial assets	10	371,479,271	504,148,584	371,479,271	504,148,584
Other current assets		10,629,156	5,899,792	4,105,348	5,899,792
<b>Total current assets</b>		<b>940,509,188</b>	<b>1,021,275,257</b>	<b>916,481,006</b>	<b>1,021,275,257</b>
<b>Non-current assets</b>					
Restricted bank deposits	7	400,000	-	-	-
Long-term loan to related party	6	-	-	10,000,000	-
Investment in subsidiary	11	-	-	50,000,000	-
Investment in associate	12	-	27,251,710	-	30,000,000
Property, plant and equipment	13	116,634,825	93,931,629	112,486,796	93,931,629
Right-of-use assets	14	17,220,783	18,648,945	14,985,690	18,648,945
Intangible assets	15	10,386,640	225,342	136,640	225,342
Goodwill	16	7,800,000	-	-	-
Deferred tax assets	23	16,342,911	12,866,315	13,750,963	12,866,315
Other non-current financial assets		6,308,832	4,501,597	6,073,832	4,501,597
<b>Total non-current assets</b>		<b>175,093,991</b>	<b>157,425,538</b>	<b>207,433,921</b>	<b>160,173,828</b>
<b>Total assets</b>		<b>1,115,603,179</b>	<b>1,178,700,795</b>	<b>1,123,914,927</b>	<b>1,181,449,085</b>

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

## Section 3 Financial Statements

## Statement of Financial Position (Continued)

T.A.C. Consumer Public Company Limited and its subsidiary

As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	Note	2023	2022	2023	2022
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loan from financial institution	18	-	30,000,000	-	30,000,000
Trade and other payables	19	310,740,309	299,624,135	307,528,493	299,624,135
Advance received from customers		5,131,698	6,227,659	5,064,424	6,227,659
Current portion of lease liabilities	14	8,233,426	6,466,365	7,203,171	6,466,365
Income tax payable		28,424,891	28,765,685	28,424,891	28,765,685
Other current liabilities		7,514,337	6,097,839	7,396,911	6,097,839
<b>Total current liabilities</b>		<b>360,044,661</b>	<b>377,181,683</b>	<b>355,617,890</b>	<b>377,181,683</b>
<b>Non-current liabilities</b>					
Lease liabilities, net of current portion	14	8,800,582	11,898,795	7,456,406	11,898,795
Provision for long-term employee benefits	20	28,952,854	26,726,358	28,854,756	26,726,358
Other non-current liabilities		114,972	-	-	-
<b>Total non-current liabilities</b>		<b>37,868,408</b>	<b>38,625,153</b>	<b>36,311,162</b>	<b>38,625,153</b>
<b>Total liabilities</b>		<b>397,913,069</b>	<b>415,806,836</b>	<b>391,929,052</b>	<b>415,806,836</b>

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



## Section 3 Financial Statements

# Statement of Financial Position (Continued)

T.A.C. Consumer Public Company Limited and its subsidiary

As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	Note	2023	2022	2023	2022
<b>Liabilities and shareholders' equity (continued)</b>					
<b>Shareholders' equity</b>					
Share capital					
Registered					
608,000,000 ordinary shares of Baht 0.25 each		152,000,000	152,000,000	152,000,000	152,000,000
Issued and fully paid up					
608,000,000 ordinary shares of Baht 0.25 each		152,000,000	152,000,000	152,000,000	152,000,000
Share premium		426,988,701	426,988,701	426,988,701	426,988,701
Treasury shares	24	(33,189,436)	-	(33,189,436)	-
Retained earnings					
Appropriated - statutory reserve	21	15,200,000	15,200,000	15,200,000	15,200,000
Reserve for treasury shares	24	33,189,436	-	33,189,436	-
Unappropriated		119,973,520	168,705,258	137,797,174	171,453,548
Equity attributable to owners of the Company		714,162,221	762,893,959	731,985,875	765,642,249
Non-controlling interests of the subsidiary		3,527,889	-	-	-
<b>Total shareholders' equity</b>		<b>717,690,110</b>	<b>762,893,959</b>	<b>731,985,875</b>	<b>765,642,249</b>
<b>Total liabilities and shareholders' equity</b>		<b>1,115,603,179</b>	<b>1,178,700,795</b>	<b>1,123,914,927</b>	<b>1,181,449,085</b>

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

## Section 3 Financial Statements

## Statement of Comprehensive Income

T.A.C. Consumer Public Company Limited and its subsidiary

For the year ended 31 December 2023

(Unit: Baht)

		Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	Note	2023	2022	2023	2022
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales and service income	26	1,713,656,770	1,523,340,067	1,702,908,460	1,523,340,067
Gain on exchange		789,416	3,790,299	742,526	3,790,299
Other income		12,262,714	9,243,841	12,033,586	9,243,841
<b>Total revenues</b>		<b>1,726,708,900</b>	<b>1,536,374,207</b>	<b>1,715,684,572</b>	<b>1,536,374,207</b>
<b>Expenses</b>					
	22				
Cost of sales and services		1,153,067,849	987,100,785	1,147,460,504	987,100,785
Selling and distribution expenses		162,053,994	169,469,738	143,628,190	169,469,738
Administrative expenses		145,526,617	83,556,196	146,839,884	83,556,196
<b>Total expenses</b>		<b>1,460,648,460</b>	<b>1,240,126,719</b>	<b>1,437,928,578</b>	<b>1,240,126,719</b>
<b>Operating profit</b>		<b>266,060,440</b>	<b>296,247,488</b>	<b>277,755,994</b>	<b>296,247,488</b>
Share of loss from investment in associate	12	(9,812,304)	(1,364,627)	-	-
Finance income		1,519,136	844,282	1,582,869	844,282
Finance cost		(1,095,795)	(1,152,477)	(977,964)	(1,152,477)
<b>Profit before income tax expenses</b>		<b>256,671,477</b>	<b>294,574,666</b>	<b>278,360,899</b>	<b>295,939,293</b>
Income tax expenses	23	(52,029,039)	(59,421,702)	(56,670,986)	(59,421,702)
<b>Profit for the year</b>		<b>204,642,438</b>	<b>235,152,964</b>	<b>221,689,913</b>	<b>236,517,591</b>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial loss	19	(4,113,165)	(2,404,685)	(4,113,165)	(2,404,685)
Less: Income tax effect	22	822,633	480,937	822,633	480,937
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax</i>					
		(3,290,532)	(1,923,748)	(3,290,532)	(1,923,748)
<b>Other comprehensive income for the year</b>		<b>(3,290,532)</b>	<b>(1,923,748)</b>	<b>(3,290,532)</b>	<b>(1,923,748)</b>
<b>Total comprehensive income for the year</b>		<b>201,351,906</b>	<b>233,229,216</b>	<b>218,399,381</b>	<b>234,593,843</b>

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



## Section 3 Financial Statements

# Statement of Comprehensive Income (Continued)

T.A.C. Consumer Public Company Limited and its subsidiary

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
Note	2023	2022	2023	2022
<b>Profit attributable to:</b>				
Equity holders of the Company	206,614,549	235,152,964	221,689,913	236,517,591
Non-controlling interests of the subsidiary	(1,972,111)	-		
Total	204,642,438	235,152,964		
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	203,324,017	233,229,216	218,399,381	234,593,843
Non-controlling interests of the subsidiary	(1,972,111)	-		
Total	201,351,906	233,229,216		
<b>Earnings per share</b>				
Basic earnings per share	25			
Profit attributable to equity holders of the Company	0.34	0.39	0.37	0.39
Weighted average number of ordinary shares (shares)	606,722,235	608,000,000	606,722,235	608,000,000

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

## Section 3 Financial Statements

## Statement of Changes in Shareholders' Equity

T.A.C. Consumer Public Company Limited and its subsidiary  
For the year ended 31 December 2023

(Unit: Baht)

Consolidated financial statements/Financial statements in which the equity method is applied											
		Equity attributable to owners of the Company					Total equity				
		Issued and paid up share capital	Share premium	Treasury shares	Appropriated - statutory reserve	Retained earnings		Unappropriated	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total
						Reserve for treasury shares					
	<b>Balance as at 1 January 2022</b>	152,000,000	426,988,701	-	15,200,000	-	-	148,241,345	742,430,046	-	742,430,046
	Profit for the year	-	-	-	-	-	-	235,152,964	235,152,964	-	235,152,964
	Other comprehensive income for the year	-	-	-	-	-	-	(1,923,748)	(1,923,748)	-	(1,923,748)
	Total comprehensive income for the year	-	-	-	-	-	-	233,229,216	233,229,216	-	233,229,216
28	Dividend paid	-	-	-	-	-	-	(212,765,303)	(212,765,303)	-	(212,765,303)
	<b>Balance as at 31 December 2022</b>	152,000,000	426,988,701	-	15,200,000	-	-	168,705,258	762,893,959	-	762,893,959
	<b>Balance as at 1 January 2023</b>	152,000,000	426,988,701	-	15,200,000	-	-	168,705,258	762,893,959	-	762,893,959
	Increase in non-controlling interests of the subsidiary from business acquisition	-	-	-	-	-	-	-	-	5,500,000	5,500,000
	Profit for the year	-	-	-	-	-	-	206,614,549	206,614,549	(1,972,111)	204,642,438
	Other comprehensive income for the year	-	-	-	-	-	-	(3,290,532)	(3,290,532)	-	(3,290,532)
	Total comprehensive income for the year	-	-	-	-	-	-	203,324,017	203,324,017	(1,972,111)	201,351,906
24	Treasury shares	-	-	(33,189,436)	-	33,189,436	-	(33,189,436)	(33,189,436)	-	(33,189,436)
28	Dividend paid	-	-	-	-	-	-	(218,866,319)	(218,866,319)	-	(218,866,319)
	<b>Balance as at 31 December 2023</b>	152,000,000	426,988,701	(33,189,436)	15,200,000	33,189,436	-	119,973,520	714,162,221	3,527,889	717,690,110

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



## Section 3 Financial Statements

## Statement of Changes in Shareholders' Equity (Continued)

T.A.C. Consumer Public Company Limited and its subsidiary

For the year ended 31 December 2023

(Unit: Baht)

	Note	Separate financial statements					
		Issued and paid up share capital	Share premium	Treasury shares	Retained earnings		Total
					Appropriated - statutory reserve	Reserve for treasury shares	
<b>Balance as at 1 January 2022</b>		152,000,000	426,988,701	-	15,200,000	-	743,813,709
Profit for the year		-	-	-	-	-	236,517,591
Other comprehensive income for the year		-	-	-	-	-	(1,923,748)
Total comprehensive income for the year		-	-	-	-	-	234,593,843
Dividend paid	28	-	-	-	-	-	(212,765,303)
<b>Balance as at 31 December 2022</b>		152,000,000	426,988,701	-	15,200,000	-	765,642,249
<b>Balance as at 1 January 2023</b>		152,000,000	426,988,701	-	15,200,000	-	765,642,249
Profit for the year		-	-	-	-	-	221,689,913
Other comprehensive income for the year		-	-	-	-	-	(3,290,532)
Total comprehensive income for the year		-	-	-	-	-	218,399,381
Treasury shares	24	-	-	(33,189,436)	-	33,189,436	(33,189,436)
Dividend paid	28	-	-	-	-	-	(218,866,319)
<b>Balance as at 31 December 2023</b>		152,000,000	426,988,701	(33,189,436)	15,200,000	33,189,436	731,985,875

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

## Section 3 Financial Statements

## Cash Flow Statement

T.A.C. Consumer Public Company Limited and its subsidiary

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2023	2022	2023	2022
<b>Cash flows from operating activities</b>				
Profit before tax	256,671,477	294,574,666	278,360,899	295,939,293
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	24,103,695	21,780,847	22,735,356	21,780,847
Increase in allowance for expected credit losses (reversal)	(172,325)	1,484,332	(172,325)	1,484,332
Reversal of reduction of inventories to net realisable value	(3,471,706)	(3,190,563)	(3,471,706)	(3,190,563)
Gain on sales of other current financial assets	(4,291,142)	(6,208,273)	(4,291,142)	(6,208,273)
Gain on fair value adjustment of other current financial assets	(2,307,596)	(1,240,823)	(2,307,596)	(1,240,823)
Increase in allowance for impairment of investment in associate	17,439,406	-	30,000,000	-
Reversal of allowance for impairment of equipment	(4,397,402)	-	(4,397,402)	-
Loss on disposals and write-off of equipment	370,794	696,614	370,794	696,614
Share of loss from investments in associate	9,812,304	1,364,627	-	-
Provision for long-term employee benefits	(1,886,669)	2,962,642	(1,984,767)	2,962,642
Unrealised (gain) loss on exchange	22,186	(58,983)	(28,487)	(58,983)
Finance income	(1,519,136)	(844,282)	(1,582,869)	(844,282)
Finance cost	1,095,795	1,152,477	977,964	1,152,477
Profit from operating activities before changes in operating assets and liabilities	291,469,681	312,473,281	314,208,719	312,473,281
Operating assets decrease (increase):				
Trade and other receivables	(26,886,244)	(49,639,032)	(26,272,113)	(49,639,032)
Inventories	(6,208,729)	10,071,692	6,234,820	10,071,692
Other current assets	(4,599,980)	(3,445,666)	1,877,663	(3,445,666)
Other non-current financial assets	(1,807,235)	(196,597)	(1,572,235)	(196,597)
Operating liabilities increase (decrease):				
Trade and other payables	1,582,586	63,212,300	(1,578,558)	63,212,300
Advance received from customers	(1,095,961)	520,663	(1,163,235)	520,663
Other current liabilities	1,416,498	(397,757)	1,299,072	(397,757)
Cash from operating activities	253,870,616	332,598,884	293,034,133	332,598,884
Interest received	1,578,313	772,280	1,642,046	772,280
Corporate income tax paid	(57,073,796)	(61,562,069)	(57,073,796)	(61,562,069)
<b>Net cash from operating activities</b>	<b>198,375,133</b>	<b>271,809,095</b>	<b>237,602,383</b>	<b>271,809,095</b>

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



## Section 3 Financial Statements

# Cash Flow Statement (Continued)

T.A.C. Consumer Public Company Limited and its subsidiary

As at 31 December 2023

(Unit: Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2023	2022	2023	2022
<b>Cash flows from investing activities</b>				
Increase in restricted bank deposits	(400,000)	-	-	-
Increase in long-term loan to related party	-	-	(10,000,000)	-
Increase in investment in subsidiary	-	-	(50,000,000)	-
Cash paid for purchase of other current financial assets	(1,667,731,949)	(1,544,208,753)	(1,667,731,949)	(1,544,208,753)
Proceed from sales of other current financial assets	1,807,000,000	1,494,139,166	1,807,000,000	1,494,139,166
Acquisitions of plant and equipment	(33,403,540)	(18,102,636)	(28,815,933)	(18,102,636)
Proceeds from disposals of equipment	1,935,387	1,099,265	1,935,387	1,099,265
Increase in intangible assets	(8,250,700)	(146,649)	(50,700)	(146,649)
Increase in goodwill	(7,800,000)	-	-	-
<b>Net cash from (used in) investing activities</b>	<b>91,349,198</b>	<b>(67,219,607)</b>	<b>52,336,805</b>	<b>(67,219,607)</b>
<b>Cash flows from financing activities</b>				
Cash received from short-term loan				
from financial institution	-	30,000,000	-	30,000,000
Repayments of short-term loan from financial institution	(30,000,000)	-	(30,000,000)	-
Cash received from non-controlling interests of the subsidiary	5,500,000	-	-	-
Repayments of lease liabilities	(8,735,925)	(7,534,552)	(7,897,477)	(7,534,552)
Dividend paid	(218,783,113)	(212,750,725)	(218,783,113)	(212,750,725)
Cash paid for treasury shares	(27,239,726)	-	(27,239,726)	-
<b>Net cash used in financing activities</b>	<b>(279,258,764)</b>	<b>(190,285,277)</b>	<b>(283,920,316)</b>	<b>(190,285,277)</b>
<b>Net increase in cash and cash equivalents</b>	<b>10,465,567</b>	<b>14,304,211</b>	<b>6,018,872</b>	<b>14,304,211</b>
Cash and cash equivalents at beginning of year	150,803,618	136,499,407	150,803,618	136,499,407
<b>Cash and cash equivalents at end of year (Note 7)</b>	<b>161,269,185</b>	<b>150,803,618</b>	<b>156,822,490</b>	<b>150,803,618</b>

### Supplemental cash flows information

#### Non-cash transactions

Acquisition of right-of-use assets				
under lease contracts	6,179,594	3,852,014	3,130,712	3,852,014
Transfer right-of-use assets to equipment	2,000	1,202,354	2,000	1,202,354
Other payables from repurchase of treasury shares	5,949,710	-	5,949,710	-
Other payables from purchase of equipment	3,450,000	-	3,450,000	-
Dividend payable	936,056	852,850	936,056	852,850
Assets retirement obligation	114,972	-	-	-

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

## Section 3 Financial Statements

## Notes to Consolidated Financial Statements

T.A.C. Consumer Public Company Limited and its subsidiary

For the year ended 31 December 2023

**1. General information**

T.A.C. Consumer 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 beverage. The registered office of the Company is at 9/231-233, 23rd Floor, UM Tower, Ramkhamhaeng Road, Suanluang, Suanluang, Bangkok, and its branch address is at 99/112 and 99/114, Moo 1, Nongbondaeng, Banbueng, Chonburi.

**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 T.A.C. Consumer Public Company Limited (“the Company”) and the following subsidiary company (“the subsidiary”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2023</u> Percent	<u>2022</u> Percent
Health Inspired Planet Co., Ltd.	Distribution of dietary supplement, skin care and beauty product	Thai	90	-

During the current year, there has been change in the composition of the Group structure as described in Note 11 to the financial statements.



- b) The Company is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary 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 subsidiary and associate 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.

## 4. Significant accounting policies

### 4.1 Revenue and expense recognition

#### a) *Sales of goods*

Revenue from sales 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 goods returns, discounts and allowances.

#### b) *License fee*

Revenue from license of cartoon character is recognised systematically over the contract period.

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

#### c) *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).

#### d) *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

Inventories are valued at the lower of cost (first-in, first-out method) and net realisable value. Cost of finished goods and work in process comprises all production costs and attributable factory overhead.

Raw materials and packing materials are charged to production costs whenever consumed.

The net realisable value of inventory is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.



#### 4.4 Investments in subsidiary and associate

Investments in associate is accounted for in the consolidated financial statements using the equity method.

Investments in subsidiary and associate are accounted for in the separate financial statements using the cost method.

The Group recognises a loss on diminution in investment value when the recoverable amount of the investment is lower than the cost of investments.

#### 4.5 Property, plant and equipment and depreciation

Land is stated at cost. Plant 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:

Building	-	20 years
Building improvement	-	3 - 20 years
Machinery and plant equipment	-	5 - 10 years
Furniture and office equipment	-	3 - 5 years
Selling tools and equipment	-	5 years
Motor vehicles	-	5 years

Depreciation is included in determining income. No depreciation is provided on land and assets under installation.

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.

#### 4.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

#### 4.7 Intangible assets and amortisation

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.

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

	<u>Useful lives</u>
Computer software	3 - 5 years

Intangible assets with indefinite useful lives are trademark granted for periods 10 years with the option of renewal at no cost.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite useful lives of the intangible assets is reviewed annually.

#### **4.8 Business combination and goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at the acquisition date fair value, the amount of any non-controlling interests in the acquiree and the acquisition date fair value of the Group's previously held equity interest in the acquiree, in a business combination achieved in stages.

For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

The Group measures the identifiable assets acquired and the liabilities assumed at acquisition date fair value, and classifies and designates them in accordance with the contractual terms, economic circumstances, and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the Group will be recognised at fair value at the acquisition date. A contingent consideration classified as equity is not remeasured and its subsequent settlement is accounted for within equity. A contingent consideration classified as an asset or liability is measured at fair value, with changes in fair value recognised in profit or loss.



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

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

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Group's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Group 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 when 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 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.

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.

Building and building improvement	5 - 8 years
Machinery plant and equipment	3 - 10 years
Furniture and office equipment	3 - 5 years
Motor vehicles	5 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.

## **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, and 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.

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

Gains and losses on exchange are included in determining income.

#### 4.12 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 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.

An impairment loss is recognised in the profit or loss.

In the assessment of asset impairment if there is any indication that the previously recognised impairment (except for goodwill), 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 the profit or loss.

#### 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***

###### ***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***

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

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

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

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.

#### 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 Treasury shares**

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

#### **4.17 Financial instruments**

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

##### **Classification and measurement of financial assets**

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

***Financial assets at amortised cost***

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

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

***Financial assets at FVTPL***

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

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

**Classification and measurement of financial 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 date on which the Group commits to purchase or sell the asset / the settlement date, i.e., the date on which an asset is delivered.

**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.

#### 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 buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure its 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 observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

#### 5. Significant accounting 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:

##### **Reduction of inventories to net realisable value**

In determining the net realisable value of inventories, the management needs to make judgement and estimates of loss that may be incurred from substandard or deteriorated inventories, and the effect from the reduction of the selling price of inventories.



### Impairment of investments

The Company treats investments 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.

### Property, plant and equipment and depreciation

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

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

### Post-employment benefits under defined benefit plans

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

## 6. Related party transactions

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.

### 6.1 Long-term loan to related party

As at 31 December 2023 and 2022, the balances of long-term loan to related party and the movement were as follows:

(Unit: Thousand Baht)				
Company's name	Separate financial statements			
	Balance as at	During the year		Balance as at
	31 December 2022	Increase	Decrease	31 December 2023
<u>Subsidiary company</u>				
Health Inspired Planet Co., Ltd.	-	10,000	-	10,000
<b>Total</b>	<b>-</b>	<b>10,000</b>	<b>-</b>	<b>10,000</b>

Long-term loan to related party carried interest at 2.5 percent per annum and is due for full repayment of principal and interest by September 2025.

## 6.2 Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Million Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	47.8	48.3	47.8	48.3
Post-employment benefits	2.6	3.0	2.6	3.0
Total	<u>50.4</u>	<u>51.3</u>	<u>50.4</u>	<u>51.3</u>

## 7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash	25	20	20	20
Bank deposits	161,644	150,784	156,802	150,784
Less: Restricted bank deposits	(400)	-	-	-
Total cash and cash equivalents	<u>161,269</u>	<u>150,804</u>	<u>156,822</u>	<u>150,804</u>

As at 31 December 2023, bank deposits in savings carried interests between 0.04 and 1.80 percent per annum (2022: between 0.04 and 0.30 percent per annum).

The above restricted bank deposits as at 31 December 2023 are bank deposits that the subsidiary has placed with bank to secure credit facilities.



## 8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2023	2022	2023	2022
<b><u>Trade accounts receivable - unrelated parties</u></b>				
Aged on the basis of due dates				
Not yet due	329,236	292,769	328,758	292,769
Past due				
Up to 3 months	4,922	14,631	4,721	14,631
3 - 6 months	168	539	163	539
6 - 12 months	103	1,092	103	1,092
Over 12 months	1,611	524	1,611	524
Total	336,040	309,555	335,356	309,555
Less: Allowance for expected credit losses	(1,496)	(1,668)	(1,496)	(1,668)
Total trade accounts receivable - unrelated parties - net	334,544	307,887	333,860	307,887
<b><u>Other receivables</u></b>				
Other receivables - unrelated parties	2,724	2,294	2,719	2,294
Less: Allowance for expected credit losses	(224)	(224)	(224)	(224)
Other receivables - unrelated parties - net	2,500	2,070	2,495	2,070
Interest receivable - related party	-	-	75	-
Interest receivable - unrelated parties	73	132	73	132
Total other receivables - net	2,573	2,202	2,643	2,202
Total trade and other receivables - net	337,117	310,089	336,503	310,089

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

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2023	2022	2023	2022
Beginning balance	1,892	408	1,892	408
Increase in allowance for expected credit losses	112	1,484	112	1,484
Amount recovered	(284)	-	(284)	-
Ending balance	1,720	1,892	1,720	1,892

## 9. Inventories

(Unit: Thousand Baht)

	Financial statements		Financial statements		Financial statements	
	Consolidated financial statements	in which the equity method is applied	Consolidated financial statements	in which the equity method is applied	Consolidated financial statements	in which the equity method is applied
	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	42,645	47,077	(1,521)	(12,261)	41,124	34,816
Work in process	285	987	-	-	285	987
Raw and packing materials	19,293	16,419	(687)	(1,888)	18,606	14,531
Total inventories	62,223	64,483	(2,208)	(14,149)	60,015	50,334

(Unit: Thousand Baht)

	Cost		Reduce cost to net realisable value		Inventories - net	
	2023	2022	2023	2022	2023	2022
Finished goods	32,810	47,077	(1,521)	(12,261)	31,289	34,816
Work in process	285	987	-	-	285	987
Raw and packing materials	16,684	16,419	(687)	(1,888)	15,997	14,531
Total inventories	49,779	64,483	(2,208)	(14,149)	47,571	50,334



ในระหว่างปีปัจจุบัน บริษัทฯบันทึกการปรับลดราคาทุนของสินค้าคงเหลือให้เป็นมูลค่าสุทธิที่จะได้รับเป็นจำนวน 0.1 ล้านบาท (2565: 1.6 ล้านบาท) โดยแสดงเป็นส่วนหนึ่งของต้นทุนขาย และมีการกลับรายการปรับลดมูลค่าสินค้าคงเหลือเป็นจำนวน 12.0 ล้านบาท (2565: 4.8 ล้านบาท) โดยนำไปหักจากมูลค่าของสินค้าคงเหลือที่รับรู้เป็นค่าใช้จ่าย

## 10. สินทรัพย์ทางการเงินหมุนเวียนอื่น

ณ วันที่ 31 ธันวาคม 2566 และ 2565 สินทรัพย์ทางการเงินหมุนเวียนอื่นประกอบด้วยรายการดังต่อไปนี้

(หน่วย: พันบาท)

	งบการเงิน ซึ่งแสดงเงิน ลงทุนตามวิธี ส่วนได้เสีย		งบการเงินเฉพาะกิจการ	
	งบการเงินรวม	ส่วนได้เสีย	งบการเงินเฉพาะกิจการ	
	2566	2565	2566	2565
ตราสารหนี้ที่วัดมูลค่าด้วยราคาทุนตัดจำหน่าย				
เงินฝากประจำ	63,590	62,858	63,590	62,858
สินทรัพย์ทางการเงินที่วัดมูลค่าด้วยมูลค่า				
ยุติธรรมผ่านกำไรหรือขาดทุน				
เงินลงทุนในกองทุนรวม	307,889	441,290	307,889	441,290
รวมสินทรัพย์ทางการเงินหมุนเวียนอื่น	371,479	504,148	371,479	504,148

บริษัทฯ ได้จัดตั้งกองทุนส่วนบุคคลเพื่อการลงทุน ซึ่งบริหารงานโดยบริษัทหลักทรัพย์จัดการกองทุนแห่งหนึ่ง โดยมีการลงทุนในหุ้นกู้แปลงสภาพและกองทุนทรัสต์ที่ออกโดยบริษัทหรือภาคเอกชนในต่างประเทศ

ณ วันที่ 31 ธันวาคม 2566 บริษัทฯได้ประเมินมูลค่ายุติธรรมของเงินลงทุนดังกล่าว โดยใช้มูลค่าอ้างอิงจากบริษัทหลักทรัพย์จัดการกองทุนดังกล่าวข้างต้น ซึ่งมูลค่ายุติธรรมของเงินลงทุนเพิ่มขึ้นจำนวน 2.3 ล้านบาท บริษัทฯบันทึกการเปลี่ยนแปลงมูลค่ายุติธรรมของเงินลงทุนดังกล่าวในส่วนของกำไรหรือขาดทุนในงบกำไรขาดทุนเบ็ดเสร็จ

## 11. เงินลงทุนในบริษัทย่อย

### 11.1 รายละเอียดของบริษัทย่อย

เงินลงทุนในบริษัทย่อยตามที่แสดงในงบการเงินเฉพาะกิจการ มีรายละเอียดดังต่อไปนี้

(หน่วย: พันบาท)

บริษัท	ทุนเรียกชำระแล้ว		สัดส่วนเงินลงทุน		ราคาทุน	
	2566	2565	2566	2565	2566	2565
	(ล้านบาท)	(ล้านบาท)	(ร้อยละ)	(ร้อยละ)		
บริษัท เฮลท์ อินสไปร์ด แพลนเน็ต จำกัด	55.5	-	90	-	50,000	-
รวม					50,000	-

On 15 December 2022, the meeting of the Company's Board of Directors passed its resolutions to approve the establishment of a subsidiary for expand the Company's business. The subsidiary's registration was completed on 18 January 2023 with the registered shares capital of Baht 40 million (400,000 ordinary shares of Baht 100 each) which the Company invested at Baht 35.6 million or equivalent to 89% of its registered shares.

On 21 April 2023, the Extraordinary General Meeting 1/2566 of the subsidiary's shareholders passed the resolution to approve increase of its share capital by issuing new 100,000 shares at Baht 100 per share or equal to Baht 10 million. The Company paid the share subscription of Baht 8.9 million in May 2023 to maintain the Company's portion.

On 5 July 2023, the Extraordinary General Meeting No. 2/2566 of the subsidiary's shareholders passed the resolution to approve increase of its share capital by issuing new 55,000 shares at Baht 100 per share or equal to Baht 5.5 million. The Company purchased all new issued shares, and as a result the Company's shareholding percentage increased from 89% to 90%.

## 11.2 Business combination

On 23 January 2023, the subsidiary has entered into sales and purchase agreement with Blush Beauty (Thai) Limited ("seller") to acquire trademark and distribution of dietary supplement, skin care and beauty product business at the contract value of Baht 16 million. As a result of the agreement, on 1 March 2023, the subsidiary acquired trademark, and products' formulas, from the seller, including engaged seller's managements as advisors to transfer know-how to operate business, and provide business consult and advice during start-up phase. In addition, the subsidiary also purchased inventories of Baht 7.3 million from the seller.

### a) Consideration transferred

The following table summarises the fair value of the consideration transferred.

	(Unit: Thousand Baht)
Cash paid	23,300
Total consideration transferred	23,300



## b) Fair value of the identifiable assets and liabilities

The fair values of the identifiable assets acquired and the liabilities assumed of Blush Beauty (Thai) Limited at the date of acquisition were as follows:

	(Unit: Thousand Baht)
Inventories	7,300
Intangible assets	10,250
Deferred tax liabilities	(2,050)
Total net assets at the date of acquisition	15,500
Add: Goodwill	7,800
Purchase consideration transferred	23,300

During the year 2023, the Company measured the fair value of the identifiable assets acquired and the liabilities assumed at the acquisition date of Blush Beauty (Thai) Limited. The measurement was completed during the current year, falling within the 12-month period from the acquisition date as prescribed by TFRS 3. However, during such period, the Company received additional information regarding the fair value of assets and the liabilities and adjusted the financial statements at the acquisition date to reflect the measured fair value of the identifiable assets acquired and the liabilities assumed of Blush Beauty (Thai) Limited.

## c) Goodwill

The Company recognised a difference of Baht 7.8 million between the purchase price and the net assets as goodwill in the consolidated statements of financial position as of the acquisition date. The goodwill was derived from a customer list, which was not recognised as a separate item, and access to existing sales channels. None of the recognised goodwill is expected to be deductible for income tax purposes.

## 12. Investment in associate

### 12.1 Details of associate

					(Unit: Thousand Baht)			
Company's name	Nature of business	Country of incorporation	Shareholding percentage		Investment			
					Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements in which the cost method is applied	
			2023	2022				
			(%)	(%)	2023	2022	2023	2022
Thai Canatech Innovation Company Limited	Manufacture and distribute herbal extracts	Thailand	30	30	17,439	27,252	30,000	30,000
Less: Allowance for impairment of investment					(17,439)	-	(30,000)	-
Total investment in associate - net					-	27,252	-	30,000

During the year 2023, the Company recognised allowance for impairment of investment of Baht 17 million in the income statement for the year ended 31 December 2023.

In addition, the Company entered into shares purchase agreement with a buyer to sell all ordinary shares of Thai Canatech Innovation Company Limited held by the Company. Currently, the sales is in process.

## 12.2 Share of loss from investment in associate

During the year ended 31 December 2023, the Company recognised its share of loss from investment in associate of Baht 9.8 million (2022: Baht 1.4 million) in the financial statements in which the equity method is applied.

## 12.3 Summarised financial information about associate

Summarised information about financial position

	(Unit: Million Baht)	
	<u>2023</u>	<u>2022</u>
<b>Thai Canatech Innovation Company Limited</b>		
Non-current assets	5	9
Current liabilities	(2)	(2)
<b>Net assets</b>	<u>3</u>	<u>7</u>
Shareholding percentage (%)	30	30
Share of net assets	1	2
Intangible assets from business acquisition	16	25
<b>Carrying amounts of associate based on equity method</b>	<u>17</u>	<u>27</u>

Summarised information about comprehensive income

	(Unit: Million Baht)	
	<u>2023</u>	<u>2022</u>
<b>Thai Canatech Innovation Company Limited</b>		
Administrative expenses	5	5
Loss	5	5
<b>Total comprehensive income</b>	<u>5</u>	<u>5</u>



### 13. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements/Financial statements in which the equity method is applied							
	Land	Buildings and building improvement	Machinery and plant equipment	Furniture and office equipment	Selling tools and equipment	Motor vehicles	Assets under installation	Total
<b>Cost</b>								
1 January 2022	25,578	51,790	21,812	23,988	51,091	6,186	11,363	191,808
Additions	-	6,510	2,650	3,817	1,330	-	4,108	18,415
Transfer in (transfer out)	-	-	696	331	4,412	-	(5,439)	-
Transfer from right-of-use assets	-	-	-	2,384	-	3,600	-	5,984
Disposal/write-off	-	(213)	-	(772)	-	(3,600)	(2)	(4,587)
31 December 2022	25,578	58,087	25,158	29,748	56,833	6,186	10,030	211,620
Additions	9,298	4,597	317	3,926	168	-	18,547	36,853
Transfer in (transfer out)	-	648	-	2,769	4,174	6,290	(13,881)	-
Transfer from right-of-use assets	-	-	-	608	-	-	-	608
Disposal/write-off	-	(360)	(680)	(6,091)	(72)	(5,689)	(451)	(13,343)
31 December 2023	34,876	62,972	24,795	30,960	61,103	6,787	14,245	235,738
<b>Accumulated depreciation</b>								
1 January 2022	-	18,943	10,624	15,914	46,163	2,862	-	94,506
Depreciation for the year	-	4,948	2,957	2,711	3,456	1,164	-	15,236
Accumulated depreciation on transfer from right-of-use assets	-	-	-	2,377	-	2,405	-	4,782
Depreciation on disposal/write-off	-	(213)	-	(738)	-	(2,631)	-	(3,582)
31 December 2022	-	23,678	13,581	20,264	49,619	3,800	-	110,942
Depreciation for the year	-	6,223	3,118	3,652	2,355	895	-	16,243
Accumulated depreciation on transfer from right-of-use assets	-	-	-	606	-	-	-	606
Depreciation on disposal/write-off	-	(360)	(680)	(5,908)	(72)	(4,017)	-	(11,037)
31 December 2023	-	29,541	16,019	18,614	51,902	678	-	116,754
<b>Allowance for impairment loss</b>								
1 January 2022	-	-	1,797	-	-	-	4,949	6,746
31 December 2022	-	-	1,797	-	-	-	4,949	6,746
Decrease during the year	-	-	(1,008)	-	-	-	(3,389)	(4,397)
31 December 2023	-	-	789	-	-	-	1,560	2,349
<b>Net book value</b>								
31 December 2022	25,578	34,409	9,780	9,484	7,214	2,386	5,081	93,932
31 December 2023	34,876	33,431	7,987	12,346	9,201	6,109	12,685	116,635
<b>Depreciation for the year</b>								
2022 (Baht 8.7 million included in cost of sales, and the balance in selling and administrative expenses)								15,236
2023 (Baht 10.7 million included in cost of sales, and the balance in selling and administrative expenses)								16,243

(Unit: Thousand Baht)

## Separate financial statements

	Land	Buildings and building improvement	Machinery and plant equipment	Furniture and office equipment	Selling tools and equipment	Motor vehicles	Assets under installation	Total
<b>Cost</b>								
1 January 2022	25,578	51,790	21,812	23,988	51,091	6,186	11,363	191,808
Additions	-	6,510	2,650	3,817	1,330	-	4,108	18,415
Transfer in (transfer out)	-	-	696	331	4,412	-	(5,439)	-
Transfer from right-of-use assets	-	-	-	2,384	-	3,600	-	5,984
Disposal/write-off	-	(213)	-	(772)	-	(3,600)	(2)	(4,587)
31 December 2022	25,578	58,087	25,158	29,748	56,833	6,186	10,030	211,620
Additions	9,298	2,094	317	1,842	168	-	18,547	32,266
Transfer in (transfer out)	-	649	-	2,768	4,174	6,290	(13,881)	-
Transfer from right-of-use assets	-	-	-	608	-	-	-	608
Disposal/write-off	-	(360)	(680)	(6,091)	(72)	(5,689)	(451)	(13,343)
31 December 2023	34,876	60,470	24,795	28,875	61,103	6,787	14,245	231,151
<b>Accumulated depreciation</b>								
1 January 2022	-	18,943	10,624	15,914	46,163	2,862	-	94,506
Depreciation for the year	-	4,948	2,957	2,711	3,456	1,164	-	15,236
Accumulated depreciation on transfer from right-of-use assets	-	-	-	2,377	-	2,405	-	4,782
Depreciation on disposal/write-off	-	(213)	-	(738)	-	(2,631)	-	(3,582)
31 December 2022	-	23,678	13,581	20,264	49,619	3,800	-	110,942
Depreciation for the year	-	5,952	3,118	3,484	2,355	895	-	15,804
Accumulated depreciation on transfer from right-of-use assets	-	-	-	606	-	-	-	606
Depreciation on disposal/write-off	-	(360)	(680)	(5,908)	(72)	(4,017)	-	(11,037)
31 December 2023	-	29,270	16,019	18,446	51,902	678	-	116,315
<b>Allowance for impairment loss</b>								
1 January 2022	-	-	1,797	-	-	-	4,949	6,746
31 December 2022	-	-	1,797	-	-	-	4,949	6,746
Decrease during the year	-	-	(1,008)	-	-	-	(3,389)	(4,397)
31 December 2023	-	-	789	-	-	-	1,560	2,349
<b>Net book value</b>								
31 December 2022	25,578	34,409	9,780	9,484	7,214	2,386	5,081	93,932
31 December 2023	34,876	31,200	7,987	10,429	9,201	6,109	12,685	112,487

Depreciation for the year

2022 (Baht 8.7 million included in cost of sales, and the balance in selling and administrative expenses)	15,236
2023 (Baht 10.7 million included in cost of sales, and the balance in selling and administrative expenses)	15,804



As at 31 December 2023, certain equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 76.3 million (2022: Baht 65.2 million).

The Company has mortgaged land with structures thereon with net book value as at 31 December 2023 amounting to approximately Baht 14.9 million (2022: Baht 15.2 million) as collateral for bank overdrafts and credit facilities granted by a commercial bank as described in Note 17.

#### 14. Lease

The Group as lessee, has lease contracts for various items of assets used in its operations. Leases generally have lease terms between 1 - 10 years.

##### 14.1 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/Financial statements in which the equity method is applied				
	Building and building improvement	Machinery and plant equipment	Furniture and office equipment	Motor vehicles	Total
As at 1 January 2022	12,886	809	1,964	6,761	22,420
Additions	-	944	2,908	-	3,852
Transfer to property, plant and equipment	-	-	(7)	(1,195)	(1,202)
Depreciation for the year	(3,316)	(857)	(1,430)	(818)	(6,421)
As at 31 December 2022	9,570	896	3,435	4,748	18,649
Additions	2,446	1,754	1,980	-	6,180
Transfer to property, plant and equipment	-	(2)	-	-	(2)
Depreciation for the year	(3,880)	(1,010)	(1,897)	(819)	(7,606)
As at 31 December 2023	8,136	1,638	3,518	3,929	17,221

(Unit: Thousand Baht)

	Separate financial statements				
	Building and building improvement	Machinery and plant equipment	Furniture and office equipment	Motor vehicles	Total
As at 1 January 2022	12,886	809	1,964	6,761	22,420
Additions	-	944	2,908	-	3,852
Transfer to property, plant and equipment	-	-	(7)	(1,195)	(1,202)
Depreciation for the year	(3,316)	(857)	(1,430)	(818)	(6,421)
As at 31 December 2022	9,570	896	3,435	4,748	18,649
Additions	-	1,754	1,377	-	3,131
Transfer to property, plant and equipment	-	(2)	-	-	(2)
Depreciation for the year	(3,201)	(1,010)	(1,762)	(819)	(6,792)
As at 31 December 2023	6,369	1,638	3,050	3,929	14,986

## 14.2 Lease liabilities

Lease liabilities as at 31 December 2023 and 2022 are presented below.

(Unit: Thousand Baht)

	Financial statements		Separate	
	Consolidated financial statements	in which the equity method is applied	financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Lease payment	18,299	20,133	15,769	20,133
Less: Deferred interest expenses	(1,265)	(1,768)	(1,110)	(1,768)
Total	17,034	18,365	14,659	18,365
Less: Portion due within one year	(8,233)	(6,466)	(7,203)	(6,466)
Lease liabilities - net of current portion	8,801	11,899	7,456	11,899



Movements in lease liabilities during the years ended 31 December 2023 and 2022 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2023	2022	2023	2022
Balance at beginning of year	18,365	20,583	18,365	20,583
Additions	6,309	4,164	3,214	4,164
Accretion of interest	1,063	1,150	945	1,150
Repayments	(8,703)	(7,532)	(7,865)	(7,532)
Balance at end of year	17,034	18,365	14,659	18,365

A maturity analysis of lease payments is disclosed in Note 31 under the liquidity risk.

### 14.3 Expenses relating to leases that are recognised in profit or loss

The following are the amounts relating to lease contracts recognised in profit or loss for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2023	2022	2023	2022
Depreciation expenses of right-of-use assets	7,606	6,421	6,792	6,421
Interest expenses on lease liabilities	1,063	1,150	945	1,150
Expense relating to short-term leases	35	-	-	-
Expenses relating to leases of low-value assets	186	202	151	202

### 14.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 8.9 million (Separate financial statements: Baht 7.9 million) (2022: Baht 7.8 million), including the cash outflow related to short-term lease and leases of low-value assets.

## 15. Intangible assets

The net book value of intangible assets as at 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements/ Financial statements in which the equity method is applied			Separate financial statements	
	Trademark	Computer software	Total	Computer software	Total
As at 31 December 2023					
Cost	10,250	6,127	16,377	6,127	6,127
Less: Accumulated amortisation	-	(5,990)	(5,990)	(5,990)	(5,990)
Net book value	10,250	137	10,387	137	137
As at 31 December 2022					
Cost	-	6,077	6,077	6,077	6,077
Less: Accumulated amortisation	-	(5,852)	(5,852)	(5,852)	(5,852)
Net book value	-	225	225	225	225

A reconciliation of the net book value of intangible assets for the years 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2023	2022
Net book value at beginning of year	225	993	225	993
Acquisitions - at cost	10,301	146	51	146
Amortisation - net book value	-	(790)	-	(790)
Amortisation for the year	(139)	(124)	(139)	(124)
Net book value at end of year	10,387	225	137	225

### Acquisition of intangible assets during the year

Trademark is intangible assets acquired through business combination. This trademark has been granted for a minimum of 10 years by the relevant government agency, with the option to renew at the end of the period at no cost to the Group. The Group has intended to renew this trademark as this asset is main trademark used in operation of the subsidiary, so the Group has determined that this asset has an indefinite useful life. As at 31 December 2023, these assets were tested for impairment (as described in Note 16).



Movements of intangible assets with indefinite useful lives for the years ended 31 December 2023 and 2022 are summarised below.

Cost/ Net book value	(Unit: Thousand Baht)	
	Consolidated financial statements	Financial statements in which the equity method is applied
	2023	2022
Beginning balance	-	-
Increase from business acquisition	10,250	-
Ending balance	10,250	-

#### 16. Goodwill and intangible assets with indefinite useful lives

Movements of goodwill for the years ended 31 December 2023 and 2022 are summarised below.

Cost/ Net book value	(Unit: Thousand Baht)	
	Consolidated financial statements	Financial statements in which the equity method is applied
	2023	2022
Beginning balance	-	-
Increase from business acquisition	7,800	-
Ending balance	7,800	-

The Company allocates goodwill acquired through business combination and trademark with indefinite useful lives to an asset's cash-generating unit for annual impairment testing as follows:

	(Unit: Thousand Baht)
	Health Inspired Planet Company Limited
Goodwill	7,800
Trademark	10,250

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 5-year period for Health Inspired Planet Company Limited and intangible assets with indefinite useful lives and key assumptions relating to revenue's growth rate and discount rate.

Management has considered the above and believes that as at 31 December 2023, there is no occurrence of impairment of goodwill and intangible assets with indefinite useful lives.

#### 17. Bank overdrafts

The bank overdrafts are secured by the mortgage of the Company's land with structures thereon. as described in Note 13.

As at 31 December 2023, the Company had bank overdrafts which had not yet been drawn down amounting to Baht 89.8 million (2022: Baht 89.8 million).

#### 18. Short-term loan from financial institution

As at 31 December 2022, the Company had short-term loans from financial institution in form of unsecured promissory note of Baht 30 million. The carrying interest was at 2.55 percent per annum. The Company repaid such loan in January 2023.

#### 19. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Trade payables - unrelated parties	182,598	171,447	180,962	171,447
Other payables - related party	-	-	72	-
Other payables - unrelated parties	61,844	62,561	61,167	62,561
Accrued expenses	66,298	65,616	65,327	65,616
Total trade and other payables	<u>310,740</u>	<u>299,624</u>	<u>307,528</u>	<u>299,624</u>



## 20. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Group, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2023	2022	2023	2022
<b>Provision for long-term employee benefits at beginning year</b>	26,726	21,359	26,726	21,359
Included in profit or loss:				
Current service cost	3,444	2,735	3,346	2,735
Interest cost	904	361	904	361
Past service costs	(6,234)	(133)	(6,234)	(133)
Included in other comprehensive income:				
Actuarial (gain) loss arising from:				
Demographic assumptions changes	1,644	-	1,644	-
Financial assumption changes	579	(2,995)	579	(2,995)
Experience adjustments	1,890	5,399	1,890	5,399
<b>Provision for long-term employee benefits at end of year</b>	<b>28,953</b>	<b>26,726</b>	<b>28,855</b>	<b>26,726</b>

The Group expects to pay Baht 0.8 million of long-term employee benefits during the next year (the Company only: Baht 0.8 million) (2022: None).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 12 - 17 years (the Company only: 12 years) (2022: 10 years).

Significant actuarial assumptions are summarised below.

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	3.05 - 3.37	3.38	3.05	3.38
Salary increase rate	5.00	5.00	5.00	5.00
Staff turnover rate (depending on age of employees)	2 - 29	3 - 34	3 - 29	3 - 34

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: Million Baht)

	Consolidated financial statements/ Separate financial statements		Financial statements in which the equity method is applied/ Separate financial statements	
	As at 31 December 2023		As at 31 December 2022	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(2.6)	2.9	(1.6)	1.8
Salary increase rate	2.6	(2.3)	1.6	(1.4)
	<u>Increase 20%</u>	<u>Decrease 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Staff turnover rate	(2.0)	2.3	(1.6)	1.9

## 21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.



## 22. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Purchases of finished goods and changes in inventories of finished goods and work in process	857,185	716,056	847,707	716,056
Raw materials and consumables used	207,217	165,441	201,274	165,441
Advertising and promotion expenses	68,875	48,800	52,732	48,800
Salaries and wages and other employee benefits	171,907	161,329	165,981	161,329
Transportation expenses	43,810	41,571	43,573	41,571
Depreciation and amortisation	24,104	21,781	22,735	21,781
Consulting fees	6,619	3,711	4,556	3,711

## 23. Income tax

23.1 Income tax expenses for the years ended 31 December 2023 and 2022 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
<b>Current income tax:</b>				
Current income tax charge	56,733	58,691	56,733	58,691
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(4,704)	731	(62)	731
<b>Income tax expenses reported in the statements of comprehensive income</b>	<u>52,029</u>	<u>59,422</u>	<u>56,671</u>	<u>59,422</u>

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	Financial statements in which the equity method is applied	Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Deferred tax relating to actuarial losses from post-employment benefits	(823)	(481)	(823)	(481)

23.2 The reconciliation between accounting profit and income tax expenses is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Accounting profit before tax	<u>256,671</u>	<u>294,575</u>	<u>278,361</u>	<u>295,939</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	51,335	58,915	55,673	59,188
Effects of:				
Non-deductible expenses	1,254	1,057	1,558	784
Additional expense deductions allowed	(560)	(550)	(560)	(550)
Total	<u>694</u>	<u>507</u>	<u>998</u>	<u>234</u>
Income tax expenses reported in profit or loss	<u>52,029</u>	<u>59,422</u>	<u>56,671</u>	<u>59,422</u>



## 22.3 The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2023	2022
<b>Deferred tax assets</b>				
Allowance for expected credit losses	344	379	344	379
Allowance for diminution in inventory value	442	2,830	442	2,830
Accrued expenses	1,320	2,501	1,320	2,501
Allowance for goods returns	-	46	-	46
Allowance for impairment of property, plant and equipment	470	1,349	470	1,349
Allowance for impairment of investment in associate	6,000	-	6,000	-
Lease	267	170	235	170
Provision for long-term employee benefits	5,791	5,345	5,771	5,345
Unused tax loss	4,590	-	-	-
Others	-	273	-	273
<b>Total</b>	<b>19,224</b>	<b>12,893</b>	<b>14,582</b>	<b>12,893</b>

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
			2023	2022
<b>Deferred tax liabilities</b>				
Right of return assets	-	(27)	-	(27)
Unrealised fair value gain on investments	(831)	-	(831)	-
Trademark	(2,050)	-	-	-
<b>Total</b>	<b>(2,881)</b>	<b>(27)</b>	<b>(831)</b>	<b>(27)</b>
<b>Deferred tax assets - net</b>	<b>16,343</b>	<b>12,866</b>	<b>13,751</b>	<b>12,866</b>

## 24. Treasury shares

On 10 August 2023, the meeting of the Company's Board of Directors approved the share repurchase program for financial management purpose in the maximum amount not exceeding Baht 50 million or approximately 11 million shares, which is approximately 1.8% of total issued shares at par value of Baht 0.25 per share by repurchasing in the Stock Exchange of Thailand, which the repurchase price shall not be exceeding 115 percent of the average closing stock price prior to 5 working days on the date of repurchase of treasury shares. The repurchase period is from 17 August 2023 to 16 February 2024.

As at 31 December 2023, the Company held 7.4 million shares of the Company's ordinary shares with an average cost of Baht 4.48 each and total cost of Baht 33.2 million. The treasury shares of 7.4 million shares have a par value of Baht 0.25 each. The Company set aside retained earnings equal to the cost of the treasury shares to a separate reserve account with such reserve to remain outstanding until either the shares are sold or paid-up capital is reduced by the cancellation of any remaining unsold shares. As at 31 December 2023, reserve for treasury shares amounted to Baht 33.2 million, presenting as "Retained earnings - Reserve for treasury shares" in the statement of financial position.

## **25. Earnings per share**

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

## **26. Segment information**

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

For management purposes, the Group is organised into business units based on its products and services and have two reportable segments as follows:

- Manufacture and distribution of beverage
- Distribution of dietary supplement and beauty product

The Group has aggregated the operating segments of sales of license of cartoon characters within manufacture and distribution of beverage segment. At present the operation of sales of license of cartoon characters segment is insignificant. In 2023, the sales of license of cartoon characters segment represented 1 percent of the Group's total revenue (2022: 2 percent).

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.



(Unit: Thousand Baht)

	For the years ended 31 December									
	Manufacture and distribution of beverage		Distribution of dietary supplement and beauty product		Total reportable segment		Eliminations		Consolidated	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Revenue										
Revenue from external customers	1,702,908	1,523,340	10,749	-	1,713,657	1,523,340	-	-	1,713,657	1,523,340
Total revenue	1,702,908	1,523,340	10,749	-	1,713,657	1,523,340	-	-	1,713,657	1,523,340
Operating results										
Segment operating profit	555,447	536,239	5,142	-	560,589	536,239	-	-	560,589	536,239
Gain on exchange									789	3,790
Other income									12,263	9,244
Selling and distribution expenses									(162,054)	(169,470)
Administrative expenses									(145,527)	(83,556)
Share of loss from investment in associated company									(9,812)	(1,364)
Finance income									1,519	844
Finance cost									(1,096)	(1,152)
Profit before income tax expense									256,671	294,575
Income tax expense									(52,029)	(59,422)
Profit for the year									204,642	235,153

### Geographic information

The Group operates in Thailand only. The Company's distribution channel include both domestic and overseas markets. For the year 2023, domestic sales represented 99 percent of total revenue (2022: 98 percent). As a result, all of the revenues and assets as reflected in the financial statements pertain exclusively to this geographical reportable segment.

### Major customers

For the year 2023, the Group had revenue from major customer with revenue of 93 percent of the Group's revenue (2022: 93 percent).

## 27. 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 AIA Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2023 amounting to approximately Baht 4.9 million (The Company only: Baht 4.8 million) (2022: Baht 4.3 million) were recognised as expenses.

## 28. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
<u>2022</u>			
The final dividend for 2021	Annual General Meeting of the shareholders on 21 April 2022	109.4	0.18
Interim dividends for 2022	Board of Directors' meeting on 11 August 2022	103.4	0.17
Total for 2022		<u>212.8</u>	
<u>2023</u>			
The final dividend for 2022	Annual General Meeting of the shareholders on 27 April 2023	115.5	0.19
Interim dividends for 2023	Board of Directors' meeting on 10 August 2023	103.4	0.17
Total for 2023		<u>218.9</u>	

## 29. Commitments

### 29.1 Operating lease commitments

The Group has entered into several operating lease agreements in respect of the lease of equipment which are short-term leases and leases of low-value assets and other related service contracts. The terms of the agreements are generally between 1 and 3 years.



As of 31 December 2023 and 2022, future minimum payments required under these contracts were as follows:

(Unit: Million Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2023	2022	2023	2022
Payable				
In up to 1 year	5.5	1.9	1.7	1.9
In over 1 year and up to 3 years	0.1	-	-	-

## 29.2 Merchandise sub-license commitments

On 19 October 2022, the Company entered into a merchandise sub-license agreement with an overseas company. Under the terms of the agreement, the Company is granted the privilege to sell licenses of the characters. The Company agrees to pay licensing fee at the percentage of gross license fee receipts as specified in the agreement. The agreement is for a period of 5 years, from 1 January 2023 to 31 December 2027.

The Company entered into the merchandise sub-license agreements with creators and copyright holders in Thailand. Under the terms of the agreement, the Company is granted the privilege to sell licenses of the characters. The Company agrees to pay licensing fee at the percentage of gross license fee receipts as specified in the agreement. The agreement is for a period of 2 years, from 1 April 2023 to 31 March 2025.

## 30. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements	Financial statements in which the equity method is applied	Separate financial statements	
	2023	2022	2023	2022
Level 2				
<b>Financial assets measured at fair value</b>				
Investments in mutual fund	308	441	308	441

During the years 2023 and 2022, there were no transfers within the fair value hierarchy.

## 31. Financial instruments

### 31.1 Financial risk management objectives and policies

The Group's financial instruments, principally comprise cash and cash equivalents, trade and other receivables, other current financial assets, short-term loan from financial institution, trade and other payables and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

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

#### ***Trade and other receivables***

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 and other receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. Credit term provided to customers normally is between 30 days and 60 days.

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 customer segments with similar credit risks. The Group classifies customer segments by customer type and rating. 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. Generally, trade and other receivables are written-off when there are no movement and past due for more than one year and not subject to enforcement activity.



### **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 may be updated throughout the year subject to approval of the Group's Board of Directors. 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 is limited because the counterparties are banks 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.

### **Foreign currency risk**

The Group's exposure to the foreign currency risk relates primarily to its purchasing transactions that are denominated in foreign currencies.

The balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2023 and 2022 are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	Consolidated financial statements	Financial statements in which the equity method is applied	Consolidated financial statements	Financial statements in which the equity method is applied	Consolidated financial statements	Financial statements in which the equity method is applied
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per foreign currency unit)	
US dollar	0.1	0.5	0.1	-	34.2233	34.3913

#### **Separate financial statements**

Foreign currency	Financial assets		Average exchange rate	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	(Million)	(Million)	(Baht per foreign currency unit)	
US dollar	0.1	0.5	34.0590	34.3913

### Foreign currency sensitivity

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 as at 31 December 2023 and 2022.

Currency	Consolidated financial statements		Financial statements in which the equity method is applied	
	2023		2022	
	Change in FX rate	Effect on profit before tax	Change in FX rate	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
US dollar	+5	69	+5	779
	-5	(177)	-5	(779)

Currency	Separate financial statements			
	2023		2022	
	Change in FX rate	Effect on profit before tax	Change in FX rate	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
US dollar	+5	108	+5	779
	-5	(108)	-5	(779)

### Interest rate risk

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

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 rates		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	-	-	145	16	161	0.04 - 1.80
Trade and other receivables	-	-	-	337	337	-
Other current financial assets	64	-	-	308	372	0.30 - 1.80
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	311	311	-
Lease liabilities	8	9	-	-	17	4.23 - 9.89

(Unit: Million Baht)

## Financial statements in which the equity method is applied

As at 31 December 2022

	Fixed interest rates		Floating interest rate	Non- interest bearing	Total	Interest rate (% per annum)
	Within					
	1 year	1 - 5 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	135	16	151	0.04 - 0.30
Trade and other receivables	-	-	-	310	310	-
Other current financial assets	63	-	-	441	504	0.02 - 0.45
<b>Financial liabilities</b>						
Short-term loan from financial institution	30	-	-	-	30	2.55
Trade and other payables	-	-	-	300	300	-
Lease liabilities	6	12	-	-	18	4.32 - 8.61

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December 2023					
	Fixed interest rates			Non-		Effective
	Within		Floating	interest		
	1 year	1 - 5 years	interest rate	bearing	Total	interest rate
						(% per annum)
Financial assets						
Cash and cash equivalents	-	-	144	13	157	0.04 - 1.80
Trade and other receivables	-	-	-	337	337	-
Other current financial assets	64	-	-	308	372	0.30 - 1.80
Financial liabilities						
Trade and other payables	-	-	-	308	308	-
Lease liabilities	7	7	-	-	14	4.23 - 9.89

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December 2022					
	Fixed interest rates			Non-		
	Within		Floating	interest		
	1 year	1 - 5 years	interest rate	bearing	Total	Interest rate
						(% per annum)
Financial assets						
Cash and cash equivalents	-	-	135	16	151	0.04 - 0.30
Trade and other receivables	-	-	-	310	310	-
Other current financial assets	63	-	-	441	504	0.02 - 0.45
Financial liabilities						
Short-term loan from financial institution	30	-	-	-	30	2.55
Trade and other payables	-	-	-	300	300	-
Lease liabilities	6	12	-	-	18	4.32 - 8.61

### Liquidity risk

The Group manages liquidity risk to meet its business obligations by maintains an adequate level of cash to meet its liquidity requirements. The Group had working capital cover the liquidity needs and its liquidity risk is low.



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

(Unit: Thousand Baht)

Consolidated financial statements				
As at 31 December 2023				
	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	310,740	-	-	310,740
Lease liabilities	8,989	9,310	-	18,299
<b>Total non-derivatives</b>	<b>319,729</b>	<b>9,310</b>	<b>-</b>	<b>329,039</b>

(Unit: Thousand Baht)

Financial statements in which the equity method is applied				
As at 31 December 2022				
	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Short-term loan from financial institution	30,000	-	-	30,000
Trade and other payables	299,624	-	-	299,624
Lease liabilities	7,328	12,805	-	20,133
<b>Total non-derivatives</b>	<b>336,952</b>	<b>12,805</b>	<b>-</b>	<b>349,757</b>

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2023				
	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Trade and other payables	307,528	-	-	307,528
Lease liabilities	7,855	7,914	-	15,769
<b>Total non-derivatives</b>	<b>315,383</b>	<b>7,914</b>	<b>-</b>	<b>323,297</b>

(Unit: Thousand Baht)

Separate financial statements				
As at 31 December 2022				
	Less than 1 year	1 - 5 years	Over 5 years	Total
<b>Non-derivatives</b>				
Short-term loan from financial institution	30,000	-	-	30,000
Trade and other payables	299,624	-	-	299,624
Lease liabilities	7,328	12,805	-	20,133
<b>Total non-derivatives</b>	<b>336,952</b>	<b>12,805</b>	<b>-</b>	<b>349,757</b>

### 31.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest rates closed to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

### 32. 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.

As at 31 December 2023, the Group's debt-to-equity ratio was 0.6:1 (2022: 0.5:1) and the Company's was 0.5:1 (2022: 0.5:1).

### 33. Events after the reporting period

On 29 February 2024, the meeting of the Board of Directors of the Company No. 1/2024 approved the payment of final dividend for 2023 to the Company's shareholders at Baht 0.19 per share or a total dividend of Baht 114 million.

The dividend payment will later be proposed for approval in the Annual General Meeting of the Company's shareholders.

### 34. Approval of financial statements

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



## Section 4 Certification of Information Accuracy




# Certification of Information Accuracy

The Company has reviewed the information in this Annual Report Statement with prudence and hereby certify that the said information is accurate, true, and does not mislead the audience or lack the material information. In addition, the Company certify that

- (1) The financial statements and financial information shown in the Annual Report Statement describe the material content accurately regarding the financial status, operation result, and cash flow of the Company and its subsidiaries.
- (2) The Company has prepared a good information disclosure system to ensure that the essential information and its subsidiaries are disclosed wholly and accurately. The Company also supervises to ensure compliance with such a system.
- (3) The Company has provided an excellent internal control system and oversees to ensure compliance with the system. The Company has already informed the internal control assessment result as of 29 February 2024 to the auditor and the Audit Committee of the Company, which cover the defect and major change of the internal control, including the wrongful act that may infringe the preparation of financial statements of the Company and its subsidiaries.

In this regard, to affirm that the whole documents are the same set of which the Company has verified the accuracy, the Company has assigned Mrs.Chirapan Khotcharit Choosang to sign his name affixing all pages. Any pages without the signature of Mrs.Chirapan Khotcharit Choosang are not counted as the statement verified accuracy by the Company as mentioned above.

### T.A.C.Consumer Public Company Limited

Name	Position	Signature
1. Mr.Chatchawe Vatanasuk	Authorized Director	
2. Mrs.Chirapan Khotcharit Choosang	Authorized Director	
<b>Authorized person</b>		
Mrs.Chirapan Khotcharit Choosang	Authorized Director	

# Attachment 1

Details of Directors, Executives, Controlling Persons and Company Secretary.

## Board of Directors

**ADM Apichat Pengsritong** Age 74 Years

Chairman and Independent Director

<b>Date of Appointment</b>	<ul style="list-style-type: none"> <li>10 February 2015</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>Master's Degree, National Defence College, The Joint State.</li> <li>Bachelor of Science Royal Thai Naval Academy.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>Chairman Forum "Chairing The Unknow Future" No.1/2022.</li> <li>Risk Management Program for Corporate Leaders (RCL) Class 4/2016.</li> <li>Directors Accreditation Program (DAP) Class 82/2010.</li> </ul>
<b>Experiences</b>	
<b>Positions in Listed Companies</b>	
<ul style="list-style-type: none"> <li>2015-Present</li> </ul>	Chairman and Independent Director, T.A.C. Consumer Public Company Limited.
<ul style="list-style-type: none"> <li>2012-Present</li> </ul>	Chairman, Independent Director and Chairman of the Nomination and Compensation, Muangthai Capital Public Company Limited.
<ul style="list-style-type: none"> <li>2010-Present</li> </ul>	Independent Director, S&J International Enterprise Public Company Limited.
<b>Other Current Position (Non-Listed Companies)</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Shareholding in the Company (%) as of December 31, 2023</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Relationship between Director &amp; Executive family</b>	<ul style="list-style-type: none"> <li>None</li> </ul>



**Assoc.Prof.Kitti Siripullop** Age 72 Years  
Chairman of Audit Committee and Independent Director

<b>Date of Appointment</b>	<ul style="list-style-type: none"> <li>14 July 2017</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>Master of Business Administration (Finance and Banking), Chulalongkorn University.</li> <li>Master of Business Administration (Marketing), National Institute of Development Administration.</li> <li>Bachelor of Accounting (Second Class Honors), Chulalongkorn University.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>Engaging Board in ESG : The Path to Effective Sustainability.</li> <li>Detection of Accounting irregularities in Fast Growing Business : The Role of Audit Committee</li> <li>Directors Accreditation Program (DAP) Class 172/2020</li> </ul>
<b>Experiences</b>	
<b>Positions in Listed Companies</b>	<ul style="list-style-type: none"> <li>July, 2017-Present Chairman of Audit Committee and Independent Director, T.A.C. Consumer Public Company Limited.</li> </ul>
<b>Other Current Position (Non-Listed Companies)</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Shareholding in the Company (%) as of December 31, 2023</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Relationship between Director &amp; Executive family</b>	<ul style="list-style-type: none"> <li>None</li> </ul>

**Mrs.Paktra Suriyapee** Age 64 Years  
Audit Committee, Independent Director and Chairman of the Nomination and Remuneration Committee

<b>Date of Appointment</b>	<ul style="list-style-type: none"> <li>10 February 2015</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>Master of Science Program in Human Resource and Organization Development, National Institute of Development Administration.</li> <li>Bachelor of Arts / Humanities, Ramkhamhaeng University.</li> <li>Micro Master of Business Administration Program, Chulalongkorn University.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>Independent Director Forum : Prevent corruption in the organization.</li> <li>Board Nomination and Compensation Program (BNCP) Class 14/2022.</li> <li>Directors Accreditation Program (DAP) Class 116/2015.</li> </ul>
<b>Experiences</b>	
<b>Positions in Listed Companies</b>	<ul style="list-style-type: none"> <li>2015-Present Audit Committee, Independent Director and Chairman of the Nomination and Remuneration Committee, T.A.C. Consumer Public Company Limited.</li> </ul>
<b>Other Current Position (Non-Listed Companies)</b>	<ul style="list-style-type: none"> <li>2009-Present Managing Director, Management Division, Chokpana Co., Ltd.</li> </ul>
<b>Shareholding in the Company (%) as of December 31, 2023</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Relationship between Director &amp; Executive family</b>	<ul style="list-style-type: none"> <li>None</li> </ul>

**Mr.Komsak Wattanasriroj** Age 55 Years

Audit Committee, Independent Director,

Nomination and Remuneration Committee and Chairman of Risk Management Committee

<b>Date of Appointment</b>	<ul style="list-style-type: none"> <li>21 December 2016</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>Master of Business Administration, Srinakharinwirot University.</li> <li>Bachelor of Accounting, Ramkhamhaeng University.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>Detection of Accounting irregularities in Fast Growing Business.</li> <li>Board Nomination &amp; Compensation Program (BNCP) Class 8/2019.</li> <li>Advance Audit Committee Program (AACP) Class 29/2018.</li> <li>Directors Certification Program (DCP) Class 105/2008.</li> </ul>
<b>Experiences</b>	
<b>Positions in Listed Companies</b>	
<ul style="list-style-type: none"> <li>December 2016-Present</li> </ul>	Audit Committee, Independent Director, Nomination and Remuneration Committee and Chairman of Risk Management Committee, T.A.C. Consumer Public Company Limited.
<ul style="list-style-type: none"> <li>2005-April 2020</li> </ul>	Director, Executive Director and CFO, Mono Technology Public Company Limited.
<b>Other Current Position (Non-Listed Companies)</b>	
<ul style="list-style-type: none"> <li>October 2022-Present</li> </ul>	Director, Divine Development Holdings Co., Ltd.
<b>Shareholding in the Company (%) as of December 31, 2023</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Relationship between Director &amp; Executive family</b>	<ul style="list-style-type: none"> <li>None</li> </ul>

**Mr.Chanit Suwanparin** Age 59 Years

Director, Nomination and Remuneration Committee and Risk Management Committee

<b>Date of Appointment</b>	<ul style="list-style-type: none"> <li>10 February 2015</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>Master of Business Administration, Chulalongkorn University.</li> <li>Bachelor of Business Administration (Marketing), Assumption University.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>Directors Accreditation Program (DAP) Class 112/2014.</li> </ul>
<b>Experiences</b>	
<b>Positions in Listed Companies</b>	
<ul style="list-style-type: none"> <li>2011-Present</li> </ul>	Director, Nomination and Remuneration Committee and Risk Management Committee, T.A.C. Consumer Public Company Limited.
<ul style="list-style-type: none"> <li>2011-1 March 2019</li> </ul>	Managing Director, T.A.C. Consumer Public Company Limited.
<b>Other Current Position (Non-Listed Companies)</b>	
<ul style="list-style-type: none"> <li>June 2019-Present</li> </ul>	Senior Vice President, Customer Experience Department, Banpu NEXT Co., Ltd.
<b>Shareholding in the Company (%) as of December 31, 2023</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Relationship between Director &amp; Executive family</b>	<ul style="list-style-type: none"> <li>None</li> </ul>



**Ms.Trithip Sivakriskul** Age 57 Years  
Independent Director and Risk Management Committee

<b>Date of Appointment</b>	<ul style="list-style-type: none"> <li>22 April 2021</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>Master of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University.</li> <li>Bachelor of Finance and Banking, Chulalongkorn University.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>Directors Certification Program (DCP) Class 158/2012.</li> <li>Successful Formulation and Executive the Strategy (SFE) Class 3/2009.</li> <li>Directors Accreditation Program (DAP) Class 31/2005.</li> </ul>
<b>Experiences</b>	
<b>Positions in Listed Companies</b>	
<ul style="list-style-type: none"> <li>22 April 2021-Present</li> </ul>	Independent Director and Risk Management Committee T.A.C. Consumer Public Company Limited.
<ul style="list-style-type: none"> <li>December 2019-Present</li> </ul>	Independent Director and Chairman of the Audit Committee, TQR Public Company Limited.
<ul style="list-style-type: none"> <li>2018-Present</li> </ul>	Director, Super Energy Corporation Public Company Limited.
<ul style="list-style-type: none"> <li>2015-Present</li> </ul>	Independent Director and Audit Committee, SISB Public Limited.
<b>Other Current Position (Non-Listed Companies)</b>	
<ul style="list-style-type: none"> <li>2019-Present</li> </ul>	Director, Expressway Authority of Thailand.
<ul style="list-style-type: none"> <li>2021-2023</li> </ul>	Director, SRT Asset Co., Ltd.
<ul style="list-style-type: none"> <li>October 2018-2023</li> </ul>	Director, State Railway of Thailand.
<b>Shareholding in the Company (%) as of December 31, 2023</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Relationship between Director &amp; Executive family</b>	<ul style="list-style-type: none"> <li>None</li> </ul>

**Mr.Chatchawe Vatanasuk** Age 50 Years  
Director, Chairman of the Executive Committee and Acting Managing Director (Authorized Director)

<b>Date of Appointment</b>	<ul style="list-style-type: none"> <li>10 February 2015</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>Master of Business Administration, University of San Diego, USA.</li> <li>Bachelor of Business Administration, Assumption University.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>Directors Accreditation Program (DAP) Class 112/2014.</li> </ul>
<b>Experiences</b>	
<b>Positions in Listed Companies</b>	
<ul style="list-style-type: none"> <li>2005-Present</li> </ul>	Director, and Chairman of the Executive Committee, T.A.C. Consumer Public Company Limited.
<ul style="list-style-type: none"> <li>1 March 2019-2023</li> </ul>	Acting Managing Director, T.A.C. Consumer Public Company Limited.
<b>Other Current Position (Non-Listed Companies)</b>	
<ul style="list-style-type: none"> <li>2010-Present</li> </ul>	Director, SP Intermach Co., Ltd.
<ul style="list-style-type: none"> <li>2010-Present</li> </ul>	Director, C.A. General Co., Ltd.
<ul style="list-style-type: none"> <li>2017-Present</li> </ul>	Director, Proplayer online Co., Ltd.
<b>Shareholding in the Company (%) as of December 31, 2023</b>	<ul style="list-style-type: none"> <li>19.41% (117,991,825 shares)</li> </ul>
<b>Relationship between Director &amp; Executive family</b>	<ul style="list-style-type: none"> <li>None</li> </ul>

**Mrs.Chirapan Khotcharit Choosang** Age 54 Years

Director, Risk Management Committee and Deputy Managing Director - Corporate Strategy Division  
(Authorized Director)

<b>Date of Appointment</b>	<ul style="list-style-type: none"> <li>1 September 2015</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>Master of Business Administration, University of South Alabama, USA.</li> <li>Bachelor of Arts (Political Science), Chulalongkorn University.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>Ethical Leadership Program (ELP) Class 32/2023</li> <li>Detection of Accounting irregularities in Fast Growing Business</li> <li>How to Develop a Risk Management Plan (HRP) Class 14/2017.</li> <li>Directors Accreditation Program (DAP) Class 124/2016.</li> <li>Financial Statements for Directors (FSD) Class 31/2016.</li> </ul>
<b>Experiences</b>	
<b>Positions in Listed Companies</b>	<ul style="list-style-type: none"> <li>2018-Present Director, Risk Management Committee and Deputy Managing Director-Corporate Strategy Division, T.A.C. Consumer Public Company Limited.</li> </ul>
<b>Other Current Position (Non-Listed Companies)</b>	<ul style="list-style-type: none"> <li>Oct 2022-Present Director, Divine Development Holdings Co., Ltd.</li> </ul>
<b>Shareholding in the Company (%) as of December 31, 2023</b>	<ul style="list-style-type: none"> <li>0.69% (4,245,800 shares)</li> </ul>
<b>Relationship between Director &amp; Executive family</b>	<ul style="list-style-type: none"> <li>None</li> </ul>

**Mr.Suphot Leenanurak** Age 54 Years

Director, Risk Management Committee, Deputy Managing Director, Sales & Marketing Division

<b>Date of Appointment</b>	<ul style="list-style-type: none"> <li>22 April 2021</li> </ul>
<b>Education</b>	<ul style="list-style-type: none"> <li>Master of Business Administration (MBA), University of St. Thomas, Houston, Texas.</li> <li>Bachelor Degree of Business Administration (BBA), University of Thai Chamber of Commerce, Bangkok.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>Successful Formulation &amp; Execution of Strategy (SFE) Class 43/2023</li> <li>Financial Statements for Directors (FSD) Class 49/2023</li> <li>The Board's Role in Mergers and Acquisitions Class 4/2023</li> <li>Risk Management Program for Corporate Leaders (RCL) Class 25/2021.</li> <li>Directors Accreditation Program (DAP) Class 169/2020.</li> </ul>
<b>Experiences</b>	
<b>Positions in Listed Companies</b>	<ul style="list-style-type: none"> <li>February 2020-Present Director, Risk Management Committee and Deputy Managing Director, Sales &amp; Marketing Division, T.A.C. Consumer Public Company Limited.</li> <li>November 2019-2020 Assistant Managing Director-Joint Venture Business Department, T.A.C. Consumer Public Company Limited.</li> </ul>
<b>Other Current Position (Non-Listed Companies)</b>	<ul style="list-style-type: none"> <li>8 January 2023-Present Director, Health Inspired Planet Co., Ltd.</li> <li>2005-September 2019 Channel &amp; Trade Management Leader, Thai Samsung Electronics Co., Ltd.</li> </ul>
<b>Shareholding in the Company (%) as of December 31, 2023</b>	<ul style="list-style-type: none"> <li>0.08% (528,532 shares)</li> </ul>
<b>Relationship between Director &amp; Executive family</b>	<ul style="list-style-type: none"> <li>None</li> </ul>



## Executive Committee

**Mrs.Suveeraya Ansavananda** Age 53 Years

Assistant Managing Director-Strategic Partner & Intergraded Marketing Communication

<b>Education</b>	<ul style="list-style-type: none"> <li>• Master of Marketing Communication &amp; Advertising, Emerson College, USA.</li> <li>• Bachelor of Advertising, University of Hartford, USA.</li> <li>• Certificate of Business Administration, Harvard Extension School, USA.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>• Ethical Leadership Program (ELP) Class 32/2023.</li> <li>• Directors Accreditation Program (DAP) Class 131/2016.</li> <li>• Financial Statements for Director (FSD) Class 31/2016.</li> </ul>
<b>Experiences</b>	
<b>Positions in Listed Companies</b>	
• May 2019-Present	Assistant Managing Director-Strategic Partner & Intergraded Marketing Communication, T.A.C. Consumer Public Company Limited.
• 2013-April 2019	Division Director-Commercial 1 and Corporate Communications Division, T.A.C. Consumer Public Company Limited.
<b>Other Current Position (Non-Listed Companies)</b>	
• July 2015-Present	Director, Sunleaf Co., Ltd.
<b>Shareholding in the Company (%) as of December 31, 2023</b>	• 0.04% (264,899 shares)
<b>Relationship between Director &amp; Executive family</b>	• None

**Ms.Hatsaya Charuwitayanan** Age 42 years

Assistant Managing Director-Operation Support Division

<b>Education</b>	<ul style="list-style-type: none"> <li>• Master of Management Agro-Industry, Kasetsart University.</li> <li>• Bachelor of Agro-Industry, Kasetsart University.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>• Ethical Leadership Program (ELP) Class 32/2023</li> <li>• Subsidiary Governance Program (SGP) Class 6/2023</li> <li>• Detection of Accounting irregularities in Fast Growing Business.</li> <li>• How Planet &amp; People Lead to Profit series</li> <li>• Successful Formulation &amp; Execution of Strategy (SFE) Class 39/2022.</li> <li>• Risk Management Program for Corporate Leaders (RCL) Class 28/2022.</li> <li>• Financial Statements for Directors (FSD) Class 46/2022.</li> <li>• Director Accreditation Program (DAP) Class 195/2022.</li> </ul>
<b>Experiences</b>	
<b>Positions in Listed Companies</b>	
• May 2019-Present	Assistant Managing Director-Operation Support Division, T.A.C. Consumer Public Company Limited.
• 2016-April 2019	Division Director-Commercial 3, Research and Development Division, T.A.C. Consumer Public Company Limited.
<b>Other Current Position (Non-Listed Companies)</b>	
• 18 January 2023-Present	Director, Health Inspired Planet Co., Ltd.
<b>Shareholding in the Company (%) as of December 31, 2023</b>	• 0.02% (141,874 shares)
<b>Relationship between Director &amp; Executive family</b>	• None

**Mr.Atid Tragoondet** Age 41 Years  
Director Accounting and Finance Department

<b>Education</b>	<ul style="list-style-type: none"> <li>Master of Science Business Information Technology, Chulalongkorn University.</li> <li>Bachelor of Accounting, Thammasat University.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Experiences</b> <b>Positions in Listed Companies</b>	<ul style="list-style-type: none"> <li>1 August 2022-Present Director Accounting and Finance Department, T.A.C. Consumer Public Company Limited.</li> </ul>
<b>Other Current Position (Non-Listed Companies)</b>	<ul style="list-style-type: none"> <li>January 2017-July 2022 Senior Manager and Executive Director, EY Office Limited.</li> </ul>
<b>Shareholding in the Company (%) as of December 31, 2023</b>	<ul style="list-style-type: none"> <li>0.0039% (23,803 shares)</li> </ul>
<b>Relationship between Director &amp; Executive family</b>	<ul style="list-style-type: none"> <li>None</li> </ul>

**Ms.Keanapa Jittiruangvichai** Age 48 Years  
Commercial Director-Sales & Marketing Division

<b>Education</b>	<ul style="list-style-type: none"> <li>Master Business Administration (Marketing), Eastern Asia University.</li> <li>Bachelor of Arts Economics, University of The Thai Chamber of Commerce.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>How to Develop a Risk Management Plan (HRP) Class 36/2023.</li> </ul>
<b>Experiences</b> <b>Positions in Listed Companies</b>	<ul style="list-style-type: none"> <li>March 2022-Present Commercial Director-Sales &amp; Marketing Division, T.A.C. Consumer Public Company Limited.</li> <li>2018-2021 Chief Commercial Officer, S.Khonkaen Foods Public Company Limited.</li> <li>2018-2021 Commercial Director, Tipco Foods Public Company Limited.</li> </ul>
<b>Other Current Position (Non-Listed Companies)</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Shareholding in the Company (%) as of October 31, 2023</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Relationship between Director &amp; Executive family</b>	<ul style="list-style-type: none"> <li>None</li> </ul>

**Mrs.Preawnapa Nimma** Age 58 Years  
Associate Director- Banbung Factory Department

<b>Education</b>	<ul style="list-style-type: none"> <li>Bachelor of Management, Suan Dusit Rajabhat University.</li> </ul>
<b>Credential of Thai Institute of Directors</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Experiences</b> <b>Positions in Listed Companies</b>	<ul style="list-style-type: none"> <li>April 2023-Present Associate Director-Banbung Factory Department, T.A.C. Consumer Public Company Limited.</li> <li>May 2019-March 2023 Associate Director-Procurement Division and Acting Factory Manager-Banbung Factory Department, T.A.C. Consumer Public Company Limited.</li> <li>2013-April 2019 Senior Manager-Supply Chain, T.A.C. Consumer Public Company Limited.</li> </ul>
<b>Other Current Position (Non-Listed Companies)</b>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Shareholding in the Company (%) as of December 31, 2023</b>	<ul style="list-style-type: none"> <li>0.0046% (28,383 shares)</li> </ul>
<b>Relationship between Director &amp; Executive family</b>	<ul style="list-style-type: none"> <li>None</li> </ul>



# Company Secretary

**Ms.Panjaporn Roeksomboon** Age 38 Years  
Company Secretary and Senior Investor Relations Manager Department

## Education

- Master of Business Administration (Financial), Rajamangala University of Technology Phra Nakhon.
- Bachelor of Accounting, Rajamangala University of Technology Phra Nakhon.

## Credential of Thai Institute of Directors

- Refreshment Training Program (RFP) Class 10/2023
- Company Reporting Program (CRP) Class 32/2022.
- Company Secretary Refreshment Training Program 2021.
- Engaging your stakeholders through effective communication 2019.
- Role of Company Secretary in shipping Corporate culture 2019.
- Board Reporting Program (BRP) Class 27/2018.
- How to Develop a Risk Management (HRP) Class 27/2017.
- Effective Minute Taking (EMT) Class 27/2016.
- Company Secretary Program (CSP) Class 27/2013.

## Experiences

### Positions in Listed Companies

- April 2023-Present Company Secretary and Senior Investor Relations Manager Department, T.A.C. Consumer Public Company Limited.
- 2020-March 2023 Company Secretary and Investor Relations Manager Department, T.A.C. Consumer Public Company Limited.
- 2015-2019 Company Secretary and Investor Relations Department, T.A.C. Consumer Public Company Limited.

### Other Current Position (Non-Listed Companies)

- None

### Shareholding in the Company (%) as of December 31, 2023

- 0.0028% (17,324 shares)

### Relationship between Director & Executive family

- None

## Duties and Responsibilities of Company Secretary

- 1) Provide preliminary advice and recommendations to the Directors and Executives on being Compliance with Company laws, requirements, rules and regulations as well as monitor to ensure the accurate and regular implementations.
- 2) Responsible for organizing the Board of Directors Meeting and Shareholders Meeting as well as supervise and coordinate to ensure the implementation of the resolution of the aforementioned meetings.
- 3) Supervised the disclosure of information and information technology report in the responsible to be in accordance with the regulations and the requirements of Stock Exchange of Thailand and The Capital Market Supervisory Board including relevant laws.
- 4) Compile and store the following documents
  - 4.1) Director Registration.
  - 4.2) Notice of the Meeting of the Board of Director and Minutes of the Board of Directors meeting.
  - 4.3) Notice of meeting of Shareholders and the Minutes of the Shareholders Meeting.
  - 4.4) The Company Annual Report.
  - 4.5) Report on conflict of interest of Executive Director.
- 5) Performing other actions in line with the laws or the specified of the Notification of the Capital Market Supervisory Board.

## Attachment 2

### Information on Directors of Subsidiaries

## Directorship information of Directors, Executives, Controlling Persons of the Company, its Subsidiaries and Other Connected Companies Related Companies

Name	Companies Subsidiaries					Related Companies										
		HIP	1	2	3	4	5	6	7	8	9	10	11	12	13	14
ADM Apichat Pengsritthong	C		/	C												
Assoc.Prof. Kitti Siripullop	/, AC															
Mrs.Paktra Suriyapee	/, AC				/											
Mr.Komsak Wattanasiroj	/, AC					/										
Mr.Chanit Suwanparin	/															M
Ms.Trithip Sivakrikul	/									AC, /	/	AC, /	/			
Mr.Chatchawe Vatanasuk	/, //, M						/	/	/							
Mrs.Chirapan Ktcharit Choosang	/, ///, M					/										
Mr.Suphot Leenanurak	/, ///, M	/												/		
Mrs.Suveeraya Ansavananda	///, M														/	
Ms.Hatsaya Charuwitanan	///, M	/														
Mr.Atid Tragoondet	///, M															
Ms.Keanapa Jittiruangvichai	///, M															
Ms.Preawnapa Nimma	///, M															
Ms.Pawenee Suwanmethanont		/					/									

**Note :** C = Chairman

AC = Audit Committee

/ = Director

// = Chairman of the Executive

/// = Executive Director committee

M = Executive Director

### The list of subsidiaries is as follows:

Health Inspired Planet Co., Ltd. (HIP)

### The list of related companies is as follows:

- S&J International Enterprise Public Company Limited.
- Muangthai Capital Public Company Limited.
- Chokpana Co., Ltd.
- Divine Development Holdings Co., Ltd.
- SP Intermach Co., Ltd.
- C.A. General Co., Ltd.
- Proplayer online Co., Ltd.
- TQR Public Company Limited.
- Super Energy Corporation Public Company Limited.
- SISB Public Limited.
- Expressway Authority of Thailand.
- Thai Cannatech Innovation Co., Ltd.
- Sunleaf Co., Ltd.
- Banpu NEXT Co., Ltd.



# Attachment 3

About the Chief of Internal Audit Supervisor and Chief Compliance Officer.

Title	Details
<b>Internal Audit</b>	P&L Corporation Company Limited
<b>Head of Internal Audit</b>	Miss Natthapa Jitthammaporn Position : Assistant Vice President
<b>Educational Qualification</b>	Bachelor of Food Technology, Faculty Liberal arts And Science, Dhurakij Pundit University
<b>Work Experience</b>	<ul style="list-style-type: none"> <li>• 2022-Present Assistant Vice President, P&amp;L Internal Audit Co., Ltd.</li> </ul> <b>Internal Auditing Work Experience</b> <ul style="list-style-type: none"> <li>• Others ; Health care business, Airline business.</li> <li>• Securities Exchange of Thailand (SET) and Market for Alternative Investment (mai) ; Production business (Food &amp; Non Food), Technology Provider business, Service business (Laboratory and Medical diagnostic, SPA) and Trading business.</li> <li>• Initial Public Offering (IPO) ; Real estate business, Production business (Media, Food) and Energy business.</li> <li>• 2017-2021 Internal Audit Manager, P&amp;L Internal Audit Co., Ltd.</li> <li>• 2015-2016 Senior Internal audit, P&amp;L Internal Audit Co., Ltd.</li> <li>• 2013-2014 Internal audit, P&amp;L Internal Audit Co., Ltd.</li> </ul>
<b>Certificate &amp; Training</b>	<ul style="list-style-type: none"> <li>• Certified Professional Internal Audit of Thailand (CPIAT)</li> <li>• Internal Auditing Certificate Program (IACP)</li> <li>• Law for Business : Law and business and taxes and business- Chulalongkorn University</li> <li>• PDPA Laws for workers in agencies and business organizations- Chulalongkorn University</li> <li>• TFRS for NPAs updated 2022-Dhurakij Pundit University</li> <li>• Taxes For SMEs-Dhurakij Pundit University</li> <li>• Scope and guidelines for ESG risk auditing related to Internal audit</li> <li>• How to be Professional Internal Auditor and Key Risk &amp; Control of Core Business Process</li> <li>• Internal Auditor to play a Leading Role in Tax Risk</li> <li>• Risk Management in Action</li> </ul>
<b>Responsibilities</b>	<ul style="list-style-type: none"> <li>• Review Audit plan to consider and approval from the Audit Committee.</li> <li>• Review Audit program depending on matters to be audited according to the Audit plan.</li> <li>• Evaluate the reliability and timeliness of internal control according to COSO principles.</li> <li>• Review the Audit report and follow up as Suggestion.</li> <li>• Review the Audit report Propose to the Management Team, Executive Team and Audit Committee.</li> </ul>

## Attachment 4

### Business Operating Assets and Details Regarding Asset Valuation

#### Details Regarding Business Operating Assets

As of December 31, 2023, the Company has business operating assets as following,

Asset Type	Ownership Type	Obligation	Net Book Value (Million Baht)
Land : Ban Bueng District, Chonburi Province <ul style="list-style-type: none"> <li>Title deed no. 36129, total area 1 rai 1 ngan 55 square wa</li> <li>Title deed no. 36131, total area 1 rai 1 ngan 42 square wa</li> <li>Title deed no. 36130, total area 1 rai 1 ngan 53 square wa</li> </ul>	Owned	-	24.17
		Mortgage to a commercial bank	10.70
Buildings and building renovation	Owned	-	27.04
		Mortgage to a commercial bank	4.16
Machines and factory equipment	Owned	-	7.99
Office equipment and supplies	Owned	-	10.43
Sales tools and supplies	Owned	-	9.20
Vehicles	Owned	-	6.11
Assets under installation	Owned	-	12.68
<b>Total</b>			<b>112.48</b>

As of December 31, 2023, the Company has business operating right-of-use assets as following,

Asset Type	Ownership Type	Obligation	Net Book Value (Million Baht)
Buildings and building renovation	Operating lease x 3 years	Operating lease	6.37
Office equipment and supplies	Operating lease x 3 years	Operating lease	0.23
	Hire purchase	Financial lease	2.86
Vehicles	Operating lease x 3 years	Operating lease	1.64
	Hire purchase	Financial lease	3.88
<b>Total</b>			<b>14.98</b>



# Summary of Crucial Agreements in Business Operation

## 1.1 Original Equipment Manufacturer Agreement

### OEM No. 1

<b>Agreement Date</b>	December 16, 2014
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	The Company hires the contractor to produce products according to its specified formulas.
<b>Terms of Termination</b>	<p>The Company may terminate this agreement if any of the following events occur.</p> <ul style="list-style-type: none"> <li>• The contractor breaches any agreement terms. The Company will notify the contractor to rectify within 45 days. If the contractor fails to rectify within that period, the Company has the right to immediately terminate the agreement.</li> <li>• The contractor cannot deliver products within 30 days from the scheduled delivery date.</li> <li>• The contractor was confiscated, goes into receivership, or becomes bankrupt by the court's order.</li> <li>• The contractor breaches specified conditions in the agreement twice or more within 6 months.</li> <li>• Either party can give a termination notice 6 months prior the agreement's expiration date.</li> </ul>
<b>Terms of Confidentiality</b>	Both parties, including their respective person, agree not to disclose any confidential information to third parties or use the confidential information for purposes that are not stated in the agreement, unless a written notice is authorized by the other party.
<b>Other Terms</b>	<ul style="list-style-type: none"> <li>• If the contractor cannot deliver products within a specified time, the contractor must compensate the Company for 0.5% of the product price</li> <li>• The contractor will not sign an agreement with other parties for producing same products that it delivers to the Company's customers, unless a written consent is issued the Company.</li> </ul>

### OEM No. 2

<b>Agreement Date</b>	December 1, 2014
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	The Company hires the contractor to produce products according to its specified formulas.
<b>Agreement Period</b>	1 year from the agreement date. If neither party notifies to terminate the agreement within 3 months prior to the agreement's expiration date, this agreement shall be automatically effective for another year.
<b>Terms of Termination</b>	<p>The Company may terminate this agreement if any of the following events occur.</p> <ul style="list-style-type: none"> <li>• Either party breaches any agreement terms and does not rectify within 30 days. Either party has the right to immediately terminate the agreement.</li> <li>• The contractor cannot deliver products within 30 days from the scheduled delivery date.</li> <li>• Either party was confiscated, goes into receivership, or becomes bankrupt by the court's order.</li> </ul>
<b>Terms of Confidentiality</b>	Both parties, including their respective person, agree not to disclose any confidential information to third parties or use the confidential information for purposes that are not stated in the agreement, unless a written notice is authorized by the other party. Thus, the confidential information in this agreement shall be retained for another 3 years from the agreement expiration date.

**OEM No. 3**

<b>Agreement Date</b>	October 20, 2014
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	The Company hires the contractor to produce products according to its specified formulas.
<b>Terms of Termination</b>	<p>The Company may terminate this agreement if any of the following events occur.</p> <ul style="list-style-type: none"> <li>• The contractor breaches any agreement terms. The Company will notify the contractor to rectify within days. If the contractor fails to rectify within that period, the Company has the right to immediately terminate the agreement.</li> <li>• The contractor cannot deliver products within 30 days from the scheduled delivery date.</li> <li>• The contractor was confiscated, goes into receivership, or becomes bankrupt by the court's order.</li> <li>• The contractor breaches specified conditions in the agreement twice or more within 6 months.</li> </ul>
<b>Other Terms</b>	<ul style="list-style-type: none"> <li>• If the contractor cannot deliver products within a specified time, the contractor must compensate the Company for 2% of the product price.</li> <li>• The contractor will not sign an agreement with other parties for producing same products that it delivers to the Company's customers and/or other buyers. This includes the case where it produces mentioned products directly to the Company's customers, unless a written consent is issued the Company.</li> </ul>
<b>Terms of Confidentiality</b>	Both parties, including their respective person, agree not to disclose any confidential information to third parties or use the confidential information for purposes that are not stated in the agreement, unless a written notice is authorized by the other party.

**OEM No. 4**

<b>Agreement Date</b>	November 1, 2014
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	The Company hires the contractor to produce products according to its specified formulas.
<b>Terms of Termination</b>	<ul style="list-style-type: none"> <li>• Either party may terminate the agreement by giving a written notice to the other party at least 30 days in advance.</li> <li>• If either party breaches any agreement terms, the other party has the right to immediately terminate the agreement.</li> </ul>
<b>Terms of Confidentiality</b>	The contractor must maintain formulas and production methods in products, provided by the Company as confidentiality only to production supervisors. It also ensures that those in charge of production must strictly abide by the terms of confidentiality.



### OEM No. 5

<b>Agreement Date</b>	November 6, 2017
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	The Company hires the contractor to produce products according to its specified formulas.
<b>Terms of Termination</b>	<ul style="list-style-type: none"><li>• Either party may terminate the agreement by giving a written notice to the other party at least 30 days in advance.</li><li>• If either party breaches any agreement terms, the other party has the right to immediately terminate the agreement.</li></ul>
<b>Terms of Confidentiality</b>	The contractor must maintain formulas and production methods in products, provided by the Company as confidentiality only to production supervisors. It also ensures that those in charge of production must strictly abide by the terms of confidentiality

### OEM No. 6

<b>Agreement Date</b>	August 15, 2019
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	The Company hires the contractor to produce products according to its specified formulas.
<b>Terms of Termination</b>	<ul style="list-style-type: none"><li>• Either party may terminate the agreement by giving a written notice to the other party at least 180 days in advance.</li><li>• If either party breaches any agreement terms, the other party has the right to immediately terminate the agreement.</li></ul>
<b>Terms of Confidentiality</b>	The seller must maintain formulas and production methods in products, provided by the Company as confidentiality only to production supervisors. It also ensures that those in charge of production must strictly abide by the terms of confidentiality.

### OEM No. 7

<b>Agreement Date</b>	July 17, 2020
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	The Company hires the contractor to produce products according to its specified formulas.
<b>Terms of Termination</b>	<ul style="list-style-type: none"><li>• Either party may terminate the agreement by giving a written notice to the other party at least 180 days in advance.</li><li>• If either party breaches any agreement terms, the other party has the right to immediately terminate the agreement.</li></ul>
<b>Terms of Confidentiality</b>	The seller must maintain formulas and production methods in products, provided by the Company as confidentiality only to production supervisors. It also ensures that those in charge of production must strictly abide by the terms of confidentiality.

**OEM No. 8**

<b>Agreement Date</b>	February 7, 2022
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	The Company hires the contractor to produce products according to its specified formulas.
<b>Terms of Termination</b>	<ul style="list-style-type: none"> <li>• Either party may terminate the agreement by giving a written notice to the other party at least 60 days in advance.</li> <li>• If either party breaches any agreement terms, the other party has the right to immediately terminate the agreement.</li> </ul>
<b>Terms of Confidentiality</b>	The seller must maintain formulas and production methods in products, provided by the Company as confidentiality only to production supervisors. It also ensures that those in charge of production must strictly abide by the terms of confidentiality.

**1.2 Shipping Agreement****Counterparty : Blue & White Logistics Co., LTD.**

<b>Agreement Date</b>	November 1, 2022
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	The Company hires the contractor to deliver products from the date of receiving the products from the office or the Company's factory to the destination designated by the Company. All products are in the contractor's responsibility until they are correctly delivered to the recipient.
<b>Agreement Period</b>	1 year, starting from November 1, 2022 to October 31, 2023. If the employer does not notify to terminate the agreement within 30 days prior to the agreement's expiration date, this agreement shall be automatically effective for another year.
<b>Other Terms</b>	In the case that the products are lost or damaged during the transportation, including an accident or vehicle rollover, the contractor agrees to compensate the product's full value, according to the price shown in that tax invoice.

**Counterparty : Thongnoppakhun Limited Partnership**

<b>Agreement Date</b>	July 1, 2016
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	The Company hires the contractor to deliver products from the date of receiving the products from the office or the Company's factory to the destination designated by the Company. All products are in the contractor's responsibility until they are correctly delivered to the recipient.
<b>Agreement Period</b>	1 year, starting from July 1, 2016 to June 30, 2017. If the employer does not notify to terminate the agreement within 30 days prior to the agreement's expiration date, this agreement shall be automatically effective for another year.
<b>Other Terms</b>	In the case that the products are lost or damaged during the transportation, including an accident or vehicle rollover, the contractor agrees to compensate the product's full value, according to the price shown in that tax invoice.



**Counterparty : Tanyatip Express Co., LTD.**

<b>Agreement Date</b>	December 1, 2020
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	The Company hires the contractor to deliver products from the date of receiving the products from the office or the Company's factory to the destination designated by the Company. All products are in the contractor's responsibility until they are correctly delivered to the recipient.
<b>Agreement Period</b>	1 year, starting from December 1, 2020 to November 30, 2021. If the employer renews the agreement with the contractor, this agreement shall be effective for another year.
<b>Other Terms</b>	In the case that the products are lost or damaged during the transportation, including an accident or vehicle rollover, the contractor agrees to compensate the product's full value, according to the price shown in that tax invoice.

**Counterparty : Blue & White Logistics Co., LTD.**

<b>Agreement Date</b>	September 13, 2023
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	The Company hires the contractor to deliver products from the date of receiving the products from the office or the Company's factory to the destination designated by the Company. All products are in the contractor's responsibility until they are correctly delivered to the recipient.
<b>Agreement Period</b>	1 year, starting from September 26, 2023 to September 26, 2024. If the employer does not notify to terminate the agreement within 30 days prior to the agreement's expiration date, this agreement shall be automatically effective for another year.
<b>Other Terms</b>	In the case that the products are lost or damaged during the transportation, including an accident or vehicle rollover, the contractor agrees to compensate the product's full value, according to the price shown in that tax invoice.

### 1.3 Warehouse Agreement

**Counterparty : Ant Logistics & Distribution Co., LTD.**

<b>Agreement Date</b>	September 13, 2023
<b>Relationship With the Company</b>	-None-
<b>Agreement Type</b>	TACC hired the contractor to manage, handle, and store products while they are waiting to be distributed and transported by performing basic warehouse activities, including receiving, inspecting, storing, moving, transporting, dispatching, inventorying, and generating related reports of the products. All of the products are the responsibility of the contractor until they are correctly received by the recipient.
<b>Agreement Period</b>	1 year, starting from September 26, 2023 to September 26, 2024. If the employer does not notify to terminate the agreement within 30 days prior to the agreement's expiration date, this agreement shall be automatically effective for another year.
<b>Other Terms</b>	In case of losses or damages of products, properties under custody, and inventory counts, the contractor must compensate for either the full value of the products according to prices indicated on corresponding tax invoices or the actual value of opportunity costs of selling.

## 1.4 Lease Agreement

The Company has signed a lease agreement, a service agreement, and a common area service agreement at No. 9/231-234, 23<sup>rd</sup> Floor, UM Tower, Ramkhamhaeng Road, Suan Luang Subdistrict, Suan Luang District, Bangkok to be the Company's office with the details as following,

### Lessor : H-Phoenix Property Co., LTD.

Agreement Date	November 7, 2022
Relationship With the Company	-None-
Area	Unit A2, No. 9/234, 23 <sup>rd</sup> Floor, UM Tower, 1 room of 221.61 square meters.
Agreement Period	3 years, starting from November 1, 2022 to October 31, 2025.
Terms of Termination	If the tenant breach any agreement terms, the lessor has the right to immediately terminate the lease agreement.

### Lessor : H-Phoenix Property Co., LTD.

Agreement Date	October 31, 2023
Relationship With the Company	-None-
Area	Units A1, B1, B2, No. 9/231-233, 23 <sup>rd</sup> Floor, UM Tower, 3 rooms of 221.61, 185.16 and 172.16 square meters, the total of 578.93 square meters.
Agreement Period	3 years, starting from November 1, 2023 to October 31, 2026.
Terms of Termination	If the tenant breach any agreement terms, the lessor has the right to immediately terminate the lease agreement.

### Lessor : H-Phoenix Property Co., LTD.

Agreement Date	July 31, 2023
Relationship With the Company	-None-
Area	22 <sup>nd</sup> Floor, UM Tower, located at 9 Ramkhamhaeng Road, Suan Luang, Bangkok, 1 room of 13.50 square meters.
Agreement Period	3 years, starting from August 1, 2020 to July 31, 2026.
Terms of Termination	If the tenant breach any agreement terms, the lessor has the right to immediately terminate the lease agreement.

### Lessor : H-Phoenix Property Co., LTD.

Agreement Date	July 29, 2022
Relationship With the Company	-None-
Area	30 <sup>th</sup> Floor, UM Tower, located at 9 Ramkhamhaeng Road, Suan Luang, Bangkok, 1 room of 13.50 square meters.
Agreement Period	3 years, starting from August 1, 2022 to July 31, 2025.
Terms of Termination	If the tenant breach any agreement terms, the lessor has the right to immediately terminate the lease agreement.



**Lessor : H-Phoenix Property Co., LTD.**

<b>Agreement Date</b>	June 29, 2022
<b>Relationship With the Company</b>	-None-
<b>Area</b>	23 <sup>rd</sup> Floor, UM Tower, located at 9 Ramkhamhaeng Road, Suan Luang, Bangkok, 1 room of 13.50 square meters.
<b>Agreement Period</b>	3 years, starting from July 1, 2022 to June 30, 2025.
<b>Terms of Termination</b>	If the tenant breach any agreement terms, the lessor has the right to immediately terminate the lease agreement.

**Lessor : H-Phoenix Property Co., LTD.**

<b>Agreement Date</b>	November 1, 2022
<b>Relationship With the Company</b>	-None-
<b>Area</b>	28 <sup>nd</sup> Floor, UM Tower, located at 9 Ramkhamhaeng Road, Suan Luang, Bangkok, 1 room of 13.50 square meters.
<b>Agreement Period</b>	3 years, starting from November 1, 2022 to October 31, 2025.
<b>Terms of Termination</b>	If the tenant breach any agreement terms, the lessor has the right to immediately terminate the lease agreement.

**Lessor : H-Phoenix Property Co., LTD.**

<b>Agreement Date</b>	December 28, 2023
<b>Relationship With the Company</b>	-None-
<b>Area</b>	31 <sup>st</sup> Floor, UM Tower, located at 9 Ramkhamhaeng Road, Suan Luang, Bangkok, 1 room of 13.50 square meters.
<b>Agreement Period</b>	3 years, starting from January 1, 2024 to December 31, 2026.
<b>Terms of Termination</b>	If the tenant breach any agreement terms, the lessor has the right to immediately terminate the lease agreement.

## Details Regarding Asset Valuation

-None-

## Attachment 5

**The complete version of policy and practices of corporate governance and code of business ethics.**

The Company disseminates essential policies related to Good Corporate Governance via its website. Please visit:

<https://www.tacconsumer.com/articles.php>



# Attachment 6

Report of Sub Committee, Audit Committee,  
Nomination and Compensation Committee and Risk Management Committee

## Report of the Board of Directors's Responsibilities for Financial

### Dear Shareholders

The Board of Directors recognizes its duties and responsibilities, as Directors of a Listed Company, for the Company's separate and consolidated financial reports, as well as other financial information appearing in the Form 56-1 One Report. The financial statements have been prepared in accordance with generally accepted accounting principles in Thailand with appropriate accounting policies applied on a conservative and consistent basis. Where judgment and estimates were required, these were made with careful and reasonable consideration, and adequate disclosures have been made in the notes to the financial statements. So, that the shareholders, investors and the public obtain sufficient, accurate and timely information.

The Board of Directors has also adopted and maintained an appropriate and efficient system of risk management as well as internal control systems to ensure that the reliability and completeness of financial information are in place with ability to protect the Company's assets in order to prevent fraud or materially irregular operation.

In this regard, the Board of Directors has appointed an Audit Committee which comprises three Independent Directors who are responsible for reviewing and working with Internal and External Auditors on the financial reports, financial statements and a quarterly and yearly basis, internal control, related transactions. To make certain that the information in these financial reports is prepared according to the intended objectives and under the good corporate governance system.

The Board of Directors is therefore of the opinion that the Company has adequate and appropriate corporate governance, risk management system and internal control system, thus providing reasonable confidence that financial reports for the year ended December 31, 2023 and information of the Company has been prepared under the financial reporting standards, suitable and consistently-conformed accounting policies, with proper and prudent discretion, as well as with sufficient, accurate and timely information disclosure.



**(ADM Apichart Pengsritthong)**  
Chairman of Board of Director



**(Mr. Chatchawe Vatanasuk)**  
Chairman of the Executive Committee

## Report of Audit Committee

### Dear Shareholders

The Audit Committee of T.A.C. Consumer Public Company Limited consists of three following Independent Directors with qualification and expertise in accounting, finance, marketing and management.

1. Assoc.Prof. Kitti Siripullop  
Chairman of the Audit Committee
2. Mrs.Paktra Suriyapee  
Member of the Audit Committee
3. Mr.Komsak Watanasriroj  
Member of the Audit Committee

The Audit Committee has performed its duties within the scope of responsibilities assigned and in accordance with the charter of the Audit Committee, which is in compliance with the regulation of the Stock Exchange of Thailand. In the accounting period year 2023. Audit Committee had arranged 4 meetings, each of which was attended with the management, internal audit and auditors to discuss relevant issue. There are also meetings that do not have management and auditors on matters related and report the meeting to the Board of Directors. The essence of the work performed can be summarized as follows:

### Financial Statement Report

The Audit committee, the auditors and internal audit had reviewed the Company's quarterly and yearly financial statements as well as the financial statements of the Company. By considering from important aspect and consultation is free to ensure that the internal control process of the Company financial budget is accurate and reliable, as well as to ensure that the disclosure of important information is sufficient and timeliness for the financial statement users. Which is also in accordance with the laws and related notice as well as in accordance with the regulations of the Stock Exchange of Thailand and Securities and Exchange Commission and in comply with Financial Reporting Standards.

### Related Transaction or Conflict of Interest Transaction

The Audit Committee had considered and given opinions about connected transactions or transactions that may give rise to a conflict of interest with the Company. The purpose is caution, rationality and taking into account the interest of the stakeholders and also includes adequate information in line with the conditions imposed by the Stock Exchange of Thailand.

### Internal Control System and Risk Management

The Audit Committee reviewed the adequacy of the Company's Internal Control System and Risk Management by making inquiries and considering based on the report of the Internal Audit and Auditors, along with the implementation of solutions and streamline to significant issues. The purpose is to assess the appropriateness and the efficiency of the Company's Internal Control System, risk management and business operations of the management that are in line with the established policies and the delegation of the authority.

### Oversight and evaluation of the internal audit

The Audit Committee had reviewed oversight and evaluation of the internal audit performance view of the annual internal audit plan and manpower to promote the independence of the internal audit function.

### Regulatory Compliance and Regulations

The Audit Committee reviewed the Company's business operation to ensure that it is in line with the securities and exchange law, regulation of the Stock Exchange of Thailand and laws relation to the business of the Company and acknowledge the changing of regulations which have an effect on the Company's business operation.



## Considering The Appointed Auditors and Compensation

The Audit Committee had selected and considered the remuneration of the Auditors of EY Office Company Limited by considering auditors qualifications, knowledge, capabilities, experiences, the audit quality of the period year, and the independence of the auditors which are in accordance with the regulations of The Stock Exchange of Thailand or any other related department. The Board of Directors proposed to the Annual General Meeting of Shareholders of the year 2023 to appoint EY Office Company Limited as the Company's auditors. The appoint auditor are:

- 1) Ms.Satida Ratananurak  
Certified Public Accountant (Thailand)  
No. 4753 and/or
- 2) Mrs.Sarinda Hirunprasurtwutti  
Certified Public Accountant (Thailand)  
No. 4799 and/or
- 3) Ms.Siriwan Nitdamrong  
Certified Public Accountant (Thailand) No. 5906

The comparison of the fix the auditing fee Year 2022 and 2023

Unit : Baht

List	2022	2023	%Change
Annual audit of financial Statement	1,080,000	1,190,000	10.18
Review report and interim Financial Statements (Total 3 Quarters)	480,000	570,000	18.75
<b>Total</b>	<b>1,560,000</b>	<b>1,760,000</b>	<b>12.82</b>

**Note :** 1. The amount does not include other expense such as travel fee, document fee, fax fee etc.  
2. In the year 2023, the Company has no other service fees paid to the auditors or the auditing company.

The Audit Committee deemed that during the accounting period ended on 31 December 2023, the Company had put in place the transparent, adequate and appropriate Internal Control Systems covering risky management and the Company had established

procedures that helped build confidence in Company's operation in accordance with the related laws by having good corporate governance along with the compilation and disclosure of adequate and reliable Company's financial report information.

On behalf of the Audit Committee



**(Assoc.Prof.Kitti Siripullop)**  
Chairman of the Audit Committee

## Report of Nomination and Remuneration Committee

### Dear Shareholders

The Board of Directors has appointed Nomination and Remuneration Committee in accordance with the guidelines of Good Corporate Governance of listed companies. At present, the Nomination and Remuneration Committee consists of 3 directors, namely, Mrs. Paktra Suriyapee, the Independent Director, who act as the Chairman of the Nomination and Remuneration Committee; Mr. Komsak Wattanasriroj, the Independent Director, who act as the Nomination and Remuneration Committee and Mr.Chanit Suwanparin, the Director, who act as Nomination and Remuneration Committee.

Nomination and Remuneration Committee has performed its duties in accordance with the Charter in considering criteria, guidelines and recruitment processes. Including considering appropriate Remuneration for directors and sub-committees in order to propose to the Board of Directors for consideration and approval before presenting to the Shareholders Meeting for approval, annually. Moreover, considering the Remuneration of the CEO and propose to the Board of Directors meeting for approval. The Nomination and Remuneration Committee has held 2 meeting in the year 2023, to consider various matters. The essence of duties can be summarized as follows:

1. To consider the Remuneration of Directors and proposed to the shareholders' meeting for approval. The Board of Directors had determined the Remuneration for Directors in 2023, by considering from the criteria for determining the Remuneration of Directors that are appropriate and in accordance with the scope of duties and responsibilities of each Director. The Board of Directors ensure that the Directors are at the same level with the same industry which can be motivate and able to maintain directors with knowledge and quality in performing duties for the Company; and proposed to the Annual General Meeting of Shareholders for approval.

2. To consider the Remuneration of Directors and proposed to the shareholders' meeting for approval. The Board of Directors had determined the Remuneration for Directors in 2023, by considering from the criteria for determining the Remuneration of Directors that are appropriate and in accordance with the scope of duties and responsibilities of each Director. The Board of Directors ensure that the Directors are at the same level with the same industry which can be motivate and able to maintain directors with knowledge and quality in performing duties for the Company; and proposed to the Annual General Meeting of Shareholders for approval.

3. To consider the performance evaluation of the CEO. The evaluation topics are in accordance with the SET's guidelines in 10 areas such as Leadership Strategy, Formulation Strategy, Implementation financial planning and performance and Relations with the Board of Directors etc.

4. To consider and approve the succession plan of the Deputy Managing Director from the policy to proactively prepare personnel. To prevent a shortage of personnel in important positions of the organization in the future, a succession plan has been proposed. to create continuity in operations and organization management. This year, the Company used scores from Key Performance Indicator (KPIs) by comparing performance with set goals.

**On behalf of the Nomination and  
Remuneration Committee**



**(Mrs. Paktra Suriyapee)**

Chairman of the Nomination and  
Remuneration Committee



# Report of Risk Management Committee

## Dear Shareholders

In order to support the committee of T.A.C. Consumer Public Company limited in overseeing the organizational risk management, the Board of Directors therefore appointed Risk Management Committee; to set policies and assist the Board of Directors in managing the Company's risks to cover the entire organization and meet the goals efficiently and effectively. Including, to supervise that the risk management system and process are appropriate in reducing the impact on the company's business. As well as creating confidence and credibility for investors and stakeholders in each group. The Risk Management Committee consists of Directors who have knowledge, competence, experience and understanding in business operations.

### Risk Management Committee Performance for the year 2023

The Risk Management Committee has determined and reviewed the organizational risk management framework, Policy and risk management process in accordance with the roles and responsibilities in the Risk Management Committee Charter. Moreover, the committee has provided suggestions on appropriate risk management guidelines for effective business operations and in compliance with the operation strategies direction and business plans. For the year 2023, 2 meeting was held by the Risk Management Committee to consider significant matters which can be summarized as follows:

1. Considered the annual organization main risk management plan of the half year and annual year, that through consideration by the Risk Management Subcommittee. Which is a working group from all departments have assessed and classified the level of importance of risk as well as determined the impact that occurred and determined such risk management methods to be in an acceptable level or help reduce the likelihood that such risk will occur.

2. Review the risk management report and revise the Risk Management Committee Charter, as well as proceed to ensure that the organization has appropriate risk management. In addition, to ensure that the company have adequate policies and risk management systems. Including the system effectiveness and practice in compliance with the specified policy.

Risk Management Committee is of the opinion that in the year 2023, the Company has the organization's risk management system to cover risk factors in all. As well as, has continuous risk management and risk assessment which is in consistent with changing circumstances. The Risk Management Subcommittee meeting was held on a quarterly basis and including analysis and assess the risks that are expected to occur in the future. In addition, this year has been considered sustainability risk management is included in business plans and corporate strategies. Including risk analysis and important ESG issues for risk management at various levels to create opportunities and reduce risk. The Risk Management Committee meeting was held on a semi-annual basis. The company has managed significant risks at a corporate level efficiently and appropriately as well as control such risk to be at an acceptable level.

**On behalf of the Risk Management Committee**



**(Mr. Komsak Wattanasriroj)**

Chairman of Risk Management Committee







# T.A.C. Consumer PCL.

## T.A.C. Consumer Public Company Limited

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Additional Information