

Downstream to Upstream

Sustained Synergy

The image is a circular collage composed of five distinct photographs, each representing a different facet of community health and well-being. The top-left circle shows two young girls sitting at a table, smiling and eating small, round snacks. The top-right circle depicts a close-up of various food items, including a large round flatbread, a small cup of coffee, and several round pastries. The bottom-left circle features a person wearing a green long-sleeved shirt and purple gloves, working with a large pile of white material, possibly a food ingredient or a craft project. The bottom-right circle shows a tall, modern building with many windows, set against a bright, hazy sky. The bottom-center circle captures a sunlit forest scene with tall trees and a path leading into the distance. The entire collage is set against a light gray background with a subtle grid pattern.

NSL FOODS
The Happy Taste Creator



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the Board of Directors
and Executive Committee

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Part 1

Business Operations and Performance

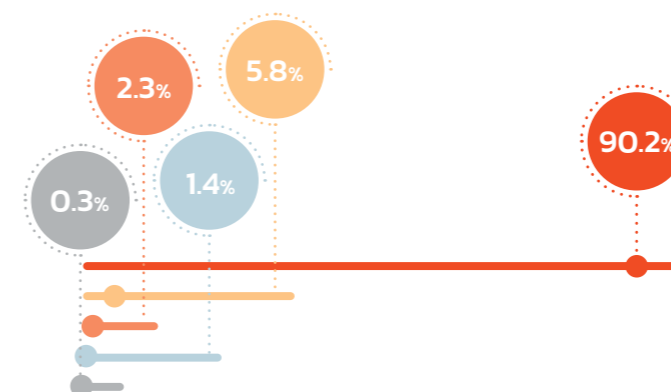
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Business Operations Overview

Revenue Overview^{/1}

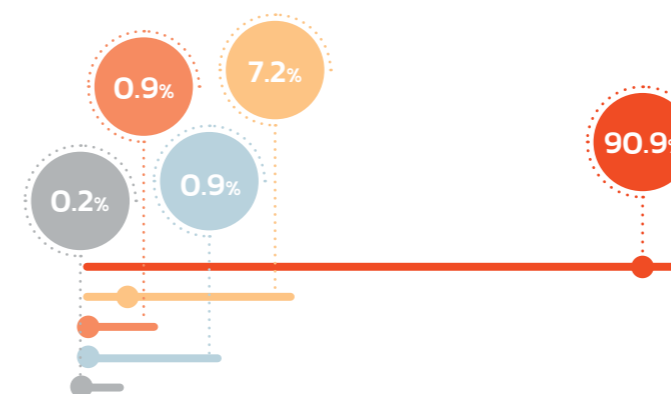
2023

4,748.7 Million Baht



2022

4,009.8 Million Baht



- Bakery and appetizers
- Food Services
- Snack under NSL's brands and trading
- OEM and others
- Other income

Remark: ^{/1} Income proportionate to separate financial statements

2023

Total Assets

2,499.6
Million Baht

Total Liabilities

923.2
Million Baht

Total Shareholders' Equity

1,576.4
Million Baht

Message from the Board of Directors and Executive Committee



Mrs. Suvimol Chrityakierne
Chairman of the Board

The year 2023 will be devoted to company development, expansion, and learning. Another significant year has passed, and despite the prevailing economic conditions, there are ongoing obstacles that must be surmounted in order to accomplish chosen objectives. Furthermore, in light of previous outbreaks of contagious diseases, the organization continues to demonstrate unwavering resolve and diligently develop strategies to effectively manage systematic emergency response plans. The Company collaborated with business partners to form a joint venture company this year. In order to maintain the position of the Company's Happy Taste Creator, a trio of enterprises were formed this year: Pen 1 F&B Company Limited is involved in the manufacturing and distribution of "Pentor" functional beverages. NSL Bake a Wish Company Limited operates franchises and bakery production and distribution operations which is the proprietor of the "Bake a Wish" trademark and NSL Intertrade (2023) Company Limited, which exports goods for international sale.

Regarding the Company's operational outcomes in 2023, it remains capable of sustaining a consistent growth trajectory. The Company's separate financial statements reveal an income of 4,748.70 million baht, representing an 18.4% growth when compared to the preceding year. This fell within the predetermined objective. Additionally, compared to the previous year, the Company's net profit increased by 16.0% to 345.27 million baht. Despite a decline in net profit margin from 7.4% in 2022 to 7.3% in 2023, this can be attributed to a multitude of expenses which has been augmented. Furthermore, upon examining the portrayal of the conglomerate in the consolidated financial statements, the organization achieved a net profit of 333.48 million baht, reflecting a growth of 35.88 million baht (12.1%) compared to the previous year, 2022.



Mr. Somchai Asavapiyanond
Chairman of the Executive Committee

The Company continues to prioritize the development of new ideas in order to foster stability, prosperity, and sustainability for the company as well as for all stakeholders. Additionally, the Company recognizes the necessity of maintaining environmental protection as a valuable resource. As evidenced by this year, the Company launched the Build The Change by The Hands project, which aims to raise environmental consciousness by sorting rubbish that may be recycled or repurposed. In addition to sustainable expansion.

The Company's upcoming operations devoted to carrying out business while valuing sound corporate governance. as it is seen as a crucial tool that facilitates efficient management transparent and verifiable at every stage. The Company and all of its stakeholders are resolute and make every effort to fulfill the purpose and reach the objectives committed. To the greatest extent possible for all parties involved.

On behalf of the Board of Directors and the Executive Committee, we appreciate our customers, collaborators, business partners, Shareholder, the Company's workers and Executive committee. There has always been goodness among those who have banded together to support the Company's activities. The Company remaining dedicated to ongoing advancement under the motto of "Nutrition Sustainable for Life," for the Company's long-term viability.

Board of Directors



Mr. Somchai Asavapiyanond
Director / President /
Chairman of Executive Committee



Assoc. Prof. Dr. Pannipa Rodwanna
Chairman of Audit Committee / Independent Director



Mrs. Suvimol Chrityakierne
Chairman of the Board / Independent Director



Mr. Chaiwut Jumnongsutasathien
Audit Committee / Independent Director



Mr. Charoen Asavapiyanond
Director / VP Operation



Mr. Weerachon Khaophong
Director / Executive Vice President



Mr. Arkradej Liamcharoen
Director / Chief Financial Officer (CFO)



Mr. Anajak Limphaisan
Audit Committee / Independent Director

The Executive Committee



Mr. Charoen Asavapiyanond
Director / VP Operation



Mr. Weerachon Khaophong
Director / Executive Vice President



Mr. Arkradej Liamcharoen
Director / Chief Financial Officer (CFO)



Mr. Visut Pornsalanu wattana
Executive Director /
VP Commercial - Brand & Business Development



Mr. Somchai Asavapiyanond
Director / President / Chariman of Executive Committee



Ms. Phimnada Charoennaraphiwat
Executive Director / VP Commercial
(Sales and Marketing 7-11)



Ms. Nootchanart Riphim
Executive Director / Factory Manager



Ms. Sangdaun Tanavatsatiend
Executive Director / General Manager



Ms. Waewdao Tanavatsatiend
Executive Director /
VP Commercial - Food Services



Ms. Amporn Srihabud
Executive Director / General Manager

Policy and Overview of Business Operations

Overview

NSL Foods Public Co., Ltd. started with an interested in producing new types of food, not only delicious taste, but also wanted to be “The Happy Taste Creator,” delivering happiness through delicious foods. Believing that eating snacks and dessert make people happy and is a lifestyle for consumers who always look for the best choices, NSL began developing bread and pizza products, as well as ready-to-eat and reheated sandwiches, themselves the signature products of NSL. NSL is also a major supplier of 7-11, contributing to NSL’s rapid growth.

NSL has 2 main business sectors, as follows;

1. **Bakery and snacks production and distribution included ready-to-eat food** can be divided into 2 main groups, which are;
 - 1) **Bakery and light meal products** consist of bakery products that are mainly made from wheat flour, butter and bread flour. This line of bakery products includes baked bakery products, reheated bakery products, and ready-to-eat bakery products. Today, NSL is a producer of both bakery and light meal products such as Tuna Salad, and Imitation Crab Stick and Flying Fish Roe Salad, retailing via 7-11 stores nationwide under the brand names of “Ezy Taste”, “Ezy Sweet”, “Ezy Bake” and “7 Fresh”, all are trademarks of CPALL.
 - 2) **Snacks products included other bakery, dessert and food** are snacks that have been developed and produced under NSL’s company brands such as “Pangtai” baked crispy pie and butterfly pie, as well as the healthy snacks that include protein chips and fiber chips under the brand name of “Natural Bites” and new product developed last year “Rice Bar by NSL” that meet the needs of consumers in convenience and speed, without pouring, without mixing, but forming cooked rice into sticks. There is a filling in the middle and can be held and eaten in one hand for convenience during the rush hour. There are both savory and sweet menus that are suitable for children and adults. Moreover, NSL is stepping into a distributor of bakery and food products as well.

In 2023, NSL has joined with well-known business partners to establish a joint company to continue being The Happy Taste Creator, whether it is a joint venture with Wan Sanook Co., Ltd. and Mascot Production Co., Ltd. to establish a company as Pen 1 F&B Co., Ltd. to conduct business for manufacture and distribute of functional drinks “Pentor”.





Joining with Bake A Wish J.H.C. Co., Ltd. to establish NSL Bake A Wish Co., Ltd. to conduct business for manufacture and distribution of bakery, and franchise which is the owner of the brand “**Bake a Wish**”, a famous bakery shop and has more than 70 branches in Thailand.

In addition, NSL has partnered with export experience team to establish NSL Intertrade (2023) Co., Ltd. to conduct business for exporting and importing products to expand the market, not just in Thailand.



2. **Food Services business** is a business sector that NSL has started investing since 2019, acknowledging the growth potential of this sector. Food Services comprise various types of meat processing such as scaling, fillet, and packaging to prepare the meat for cooking. Products include various types of fish, seafood (scallops, squids, shrimps, crab meat), beef, lamb, seaweed, Edamame and other frozen vegetables. Food Services also include importation, cutting / trimming and packaging of meat products, as well as the branding of products under other brand names such as “My Choice” by Tops. NSL also imports baking supplies and frozen bakery products. Thus, NSL’s Food Services business sources its products both from abroad and domestically.

Vision, Mission, Business Objective and Strategy

Vision

The Happy Taste Creator and Nutrition Sustainable for Life

Mission

- Develop boundlessly innovative products
- Strive towards international eco-friendly manufacturing standards
- Create happiness and organizational commitment
- Respond to changes and develop towards sustainable growth
- Be a credible organization with good governance and sustainable development

Business Objective

NSL has the goals of becoming the leader in food innovation, developing new, diverse and quality products, while being recognized as “The Happy Taste Creator”.

NSL seeks to encourage the growth in sales revenue by diversifying product lines, increasing the number of partners and points of sale, both domestic and international. Moreover, NSL has an objective to utilize technology and food innovation in developing new products that meet the demands of consumers, prioritizing convenience, cleanliness, good taste, nutritional values, fast preparation and reasonable prices. NSL also engages in the development of food products with high future growth potential such as healthy foods, foods for seniors and alternative protein food products.

At the same time, NSL will maintain the good partnerships with current business partners like 7-11, with a view to grow together going forward.

Business Strategy

Business Strategy

- 1) Continuously develop with the goal to win the CPALL Quality Award.
- 2) Build brands by storytelling that includes customers to participate in the digital age.
- 3) Seek new trading and business partners in order to expand in both the domestic and international markets.
- 4) Increase online points of sale.
- 5) Develop new products that meet the demands of health-conscious and elderly customers.

Operations Strategy

- 1) Utilize manufacturing innovation to better manage production cost.
- 2) Import raw materials directly from their sources and continuously look for new raw materials outlets that are credible and more reasonably-priced, while not compromising in terms of quality.
- 3) Reduce the use of labor by integrating machines and technology into production line.

Personnel Strategy

- 1) Create a Happy Work Place and engender good corporate values.
- 2) Increase employees' capabilities and efficiency by developing suitable knowledge and skills.

Corporate Image Strategy

- 1) Promote corporate image by increasing the visibility of products through various marketing outlets, especially online outlets.

NSL FOODS

The Happy Taste Creator



Group shareholding structure

The information of the investments as at December 31, 2023 are as follows:

Company's name	Registered date	Main business objective	Registered office	Share capital (Baht)	Paid-up capital (Baht)	Percentage of shareholding (%)
Pen 1 F&B Co., Ltd.	January 16, 2023	Manufacture and distribute of beverages	1213/384 Soi Lad Phrao 94 (Punjamitr) Plab-Pla Sub-district, Wang Thong Lang District, Bangkok	60,000,000	45,000,000	33.33
NSL Intertrade (2023) Co., Ltd.	July 7, 2023	Exporting and importing products	589/161 Central City Tower Building, 32 nd Floor, Room no.589/161-1 Thepbharat Road, Bang Na Nua Sub-district, Bang Na District, Bangkok	20,000,000	10,000,000	79.99
NSL Bake A Wish Co., Ltd.	August 15, 2023	Manufacture and distribution of bakery, and franchise	116 Soi Suksawat 26, Bang Mod Sub-district, Jom Thong District, Bangkok	50,000,000	40,000,000	59.99









Business Model and Activities

Nature of businesses

NSL is a manufacturer and distributor of bakery products and snacks for both our partners and for sale under our own brands. NSL products can be found at 7-11 stores (a CPALL brand) under the brand names “Ezy Taste”, “Ezy Sweet”, “Ezy Bake”, and “7 Fresh”. NSL also sells products such as the snacks, bakery, dessert and other food under our own brands “KhowThang or Rice bar by NSL” “Pangtai” “Natural Bite” “NSL Bakery” “NSL Selection” and etc. These products are distributed through various points of sale, including both Modern Trade (MT) such as convenient stores, supermarkets, wholesalers, hypermarkets, Cash and Carry as well as Traditional Trade (TT) such as markets, grocery stores, and gift shops.

NSL also operates Food Services business such as meat processing (fish scaling, fillet and packing into different ready-to-use packagings). These products are distributed to restaurants, hotels, catering services and international schools (Hotel, Restaurant and Catering: HoReCa) as well as other MT distribution channels.



NSL products manufactured for 7-11	NSL products sold under own brand names	Food Services brands	OEM ¹ products
<ul style="list-style-type: none"> Ezy Taste Ezy Sweet Ezy Bake 7 Fresh 	       	<p>Imported brands</p> <ul style="list-style-type: none"> Talley <p>Processed and produced under other brand names</p> <ul style="list-style-type: none"> MyChoice by Tops (certain products) <p>Own brand</p> <ul style="list-style-type: none"> Golden Bay The Amber Captain Cook 	<p>Arigato produced for Central Food Retail Co., Ltd.</p>

Points of sale

- 7-11 stores nationwide

Points of sale

- MT, including 7-11, Tops Market, The Mall, Gourmet Market, Villa Market, BigC, Lawson, Family Mart, MaxMart, PT
- TT. Products and brand names sold at different MT and TT points of sale are based on the location, target group and positioning of products.
- Exported for international sale
- Online

Points of sale

- MT
- HoReCa
- Online

Points of sale

- Tops Market
- Family Mart

¹ OEM: Original Equipment Manufacturer

Products and Services Type

1. Bakery and snacks products

can be divided into two main groups: bakery products and snacks products. Both are manufactured for CPALL and sold at 7-11.

1) Bakery products

are products composed of flour and butter, and molded into different types of bakeries such as bread, croissant, Danish bread and cake. They then go through the process of de-contamination heating, and are fully cooked before going through the flavoring and nourishment process by inserting various fillings such as ham, sausage, carbonara, chocolate and salted egg. These products need to be microwaved or baked before consumption. NSL is responsible for coming up with the menu and recipe, then present them to CPALL for further improvements. The products are exclusively made for CPALL in accordance with the MOU on exclusive products manufacturing and the confirmation letters on the distribution of various types of exclusive products. These bakery products can be further divided into 3 sub-types:

(A) Baked bakery products

must be baked before consumption and consist of sandwiches made from bread flour, croissant flour, Danish flour, with different fillings such as ham and cheese, shredded pork with salad cream, shredded pork with chilli paste, sausage and cheese and carbonara Danish.



(B) Reheated bakery products

must be microwaved before consumption. Examples include the pork and bacon cheeseburger, pork cheeseburger, pork super cheeseburger, ham cheese double croissant, ham cheese burrito and various types of hot dogs such as ham cheese, and ham and bacon breadcup.



(C) Ready-to-eat bakery products

examples include imitation crab stick and flying fish roe sandwich, eclair, mini vanilla choux cream, chocolate cake, chocolate lava cake and mochi choux cream, macarons and chocolate ganache.



2) Ready-to-eat products

include tuna salad



2. Snacks, bakery, dessert and other food under NSL brands

are products composed from agricultural produces as main compositions and then mixed with other ingredients. They then go through de-contamination heating and baking process before going through the flavoring process. These products include baked crispy and butterfly pie under the brand name "Pangtai".



In 2023, the brand team has developed products under NSL's own brand, including Crispy Rolls products, and has collaborated with the Bake A Wish brand to create products and sell in 7-11, such as Choux cream, Jerry Cheesecake, etc.



NSL has continuously developed “KhowThang or Rice Bar by NSL” that meet the needs of consumers in convenience and speed, without pouring, without mixing, but forming cooked rice into sticks. There is a filling in the middle and can be held and eaten in one hand for convenience during the rush hour. There are both savory and sweet menus that are suitable for children and adults. NSL also has retort food and is stepping into a distributor of bakery and food products as well. These NSL products are widely distributed through various points of sale, not limited to 7-11.



NSL has “healthy snacks” products to cater to the emerging health-conscious target groups. These products are made using nutritious ingredients such as bean flour and are cooked by baking to conserve the nutritional values. These products include protein chips, fiber chips, protein cookies and chocolate cookies under the brand names “Natural Bite”. They are sold through various channels, not limited to 7-11. In 2019, Natural Bite products received the SIAL Innovation award from the Salon International de L’Alimentation (SIAL), a France-based association that supports innovation in food sector, competing against various food and packaging companies to win the award.

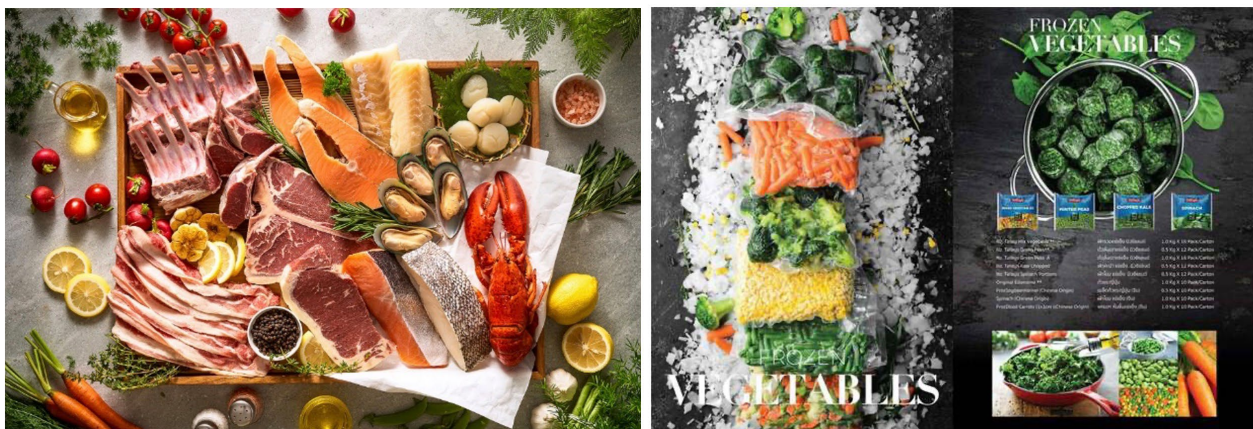


Moreover, in 2023, NSL has exported products to sell abroad under NSL's own brand, such as retort products in “En-Si-Tai” brand, canned fruit products in “Chooze” brand, etc. through NSL Intertrade (2023) Co., Ltd., a subsidiary of NSL, specifically engaged in exporting goods.



3. Food Services

are sectors that concern the processing of food such as meat processing (fish scaling, fillet, and packaging to prepare the meat for cooking), with products that include salmon, tuna fish, imitation crab stick, Pangasius Dory fish, snowfish (sablefish), trout, tako octopus, shrimp, crab meat, soft shell crab, Australian/NZ/USA beef, lamb, Japanese scallops, clams, seaweed, Edamame and other frozen vegetables. Food Services also entail businesses that import, process and package food products to be sold under different brand names such as “MyChoice” by Tops. NSL also imports bakery and frozen bakery products. NSL’s Food Services products are sourced both domestically and from various countries, namely Japan, Australia, New Zealand, USA, Chile, France, Belgium, Norway, Denmark, Austria, Germany, Poland, Vietnam and China, for instance.



4. OEM bakery products:

Beside the products made for CPALL, NSL also manufactures other OEM products such as fillings for snacks and bakery products. However, this makes up only a small fraction of NSL's products as OEM is not NSL's main services, and the OEM services are offered because of the surplus production capability of NSL, where some machines and production tools are free during certain periods. NSL's OEM customers are mainly bakery chains located in major shopping malls.

Marketing and Competition

Marketing Policy and Strategy

1. Products Strategy

(A) Bakery products and Snacks

Among the first manufacturer of baked and reheated bakery goods, NSL started to manufacture and distribute baked sandwiches for 7-11 in 2009. NSL offers various flavors for our products, catering to the preference of target groups and becoming the favorites of many target groups. The objectives of NSL are to maintain the quality and flavor of products to generate more sales alongside the growth of our partner, 7-11. NSL is also committed to develop more diverse types of products to generate more revenue. For example, NSL makes bakery goods for All Café such as baked panini, sandwiches, croque monsieur and other types of bread. These products are poised to grow alongside the beverages offered by All Café in some 7-11 stores.

(B) Snacks, bakery, dessert, and other food under NSL's Company Brand

The objectives of NSL's Company Brand (developed and marketed, starting in 2018) are to develop bakery products based on the ingredients used in the products manufactured for 7-11. NSL also makes products for health-conscious consumers by using healthy agricultural ingredients. These products are both delicious and innovative, while offering new taste and nutritional values such as protein chips and fiber chips. The target groups are teenagers and young adults, who are open to trying new things and are following the current healthy-conscious trends and NSL developed product "KhowThang or Rice Bar by NSL" that meet the needs of consumers in convenience and speed, without pouring, without mixing, but forming cooked rice into sticks. There is a filling in the middle and can be held and eaten in one hand for convenience during the rush hour. There are both savory and sweet menus that are suitable for children and adults. Moreover, NSL is stepping into a distributor of bakery and food products as well.

(C) Food Services products

NSL seeks to boost the manufacture of bakery and snacks in order to distribute and utilize the ingredients for NSL's own production process. These products are also intended to cater the demands of HoReCa customers and industrial customers, with high business potential.

2. Marketing Strategy

(A) Bakery products and snacks

This type of products is the mainstay of NSL, where we are recognized as major producers. The marketing strategy for this type of products is to utilize additional marketing to boost the sales and plan the presentation of new products made for 7-11 by offering yearly rollout plan in advance, and NSL will also look for additional Modern Trade points of sale for the products that are not CPALL-exclusive.

(B) Snacks, bakery, dessert, and other food under NSL Company Brand

Our marketing and production teams work together to promote the sales of high-profit products and revise the management structure of our sales division to become more flexible, expanding the points of sale, both MT and TT. NSL also seeks to distribute more products upcountry and boost more sales by engaging in marketing activities, including promotional activities, giving out samples, holding promotions every quarter (E.g., buy-one-get-one promotion), more advertisements, and establishing points of sale online and on social media platforms such as Facebook, Line, Shopee and Lazada. This will enhance NSL's public image and stimulate more people to remember NSL company brand names. NSL also aims to promote the company brand names by building stories, engaging customers digitally, developing products for the elderly and health-conscious groups for exports, and finding new partners to expand our markets, both domestic and international. NSL developed new innovation product "KhowThang or Rice Bar by NSL" and start the first flagship store called "Rice Bar by NSL" at Siam Square which is the most comprehensive branch reflecting the identity of rice bar. It is a quite large and the design of the shop is open to see all the inside and the consumer can ensure in the cleanliness of the store and the quality of the product and it will be a model for other branches in the future which may be adjusted according to the suitability of the area. NSL plan to expand to BTS stations, office building and vending machine in the community as well. Moreover, in 2023, NSL has exported products to sell abroad under NSL's own brand, such as retort products in "En-Si-Tai" brand, canned fruit products in "Chooze" brand, etc.

(C) Food Services products

NSL has established the sales and marketing team. This sales and marketing team will engage in sales and marketing activities that cater to MT and HoReCa target groups by offering new products and guidance on how to offer products that meet customers' demands (Total Food Solutions), while also giving focus to sorting the type of products by theme such as health-conscious menu, Taste of Australia / USA / New Zealand / Chile, and holding marketing activities in conjunction with foreign embassies to raise awareness of NSL products among foreign expats living in Thailand.

3. Brand-building Strategy

Because most NSL's company brands are new such as KhowThang which is new and innovative product and Natural Bites which are innovative products marketed for health-conscious target groups, it is challenging for NSL to gain more market shares for these products. Hence, NSL seeks to promote these products to be more popular by building on their strong points in flavors, products quality, nutritional values, color and packaging of products. NSL seeks to offer our products in a more reasonable price range, believing that innovative production and to be among the first to engage with the consumer target groups will raise more awareness of NSL's products.

While Pangtai products are longstanding products that have gained considerable popularity and market share, in this year, there are new products, including Crispy Rolls, snacks sold in 7-11, NSL will continue to strengthen our brands and give importance to the distribution of products to more regions nationwide.



4. Strategy on Product Safety and Quality

NSL stresses the importance of both consumers' and employees' safety. Factory security system has been set up, and production areas segmented to minimize potential hazards. NSL products are made with quality and sanitation in mind, with a view to ensure consumers' safety. NSL has periodically inspected the quality of our production lines, transports, factory carts, employees' cleanliness standards, packagings and the actual products to ensure that all compositions meet the NSL's product safety and quality standards.

Inspection employees are responsible for (1) inspecting that all products are correct according to purchases; (2) random-sampling to ensure all products are fresh, not expired and come in the right size, color and weight as described; and (3) lab-testing for potential contaminants to ensure the safety and quality of products. NSL's Hazard Analysis Critical Control Point (HACCP) system has been certified, and NSL has been awarded with the Good Manufacturing Practices (GMP), ISO 9001, ISO 14001 and the Thai Labor Standard (TLS 8001-2020). NSL's production practices are done in accordance with Halal standards and has received the Thailand Trust Mark (T Mark), awarded by the Department of International Trade Promotion, Thailand's Ministry of Commerce, certifying that NSL factories meet international standards. NSL employees in the production lines are also trained to understand and fully comply with the safety standards NSL has established.

5. Strategy on Cost Management and Pricing

For bakery and snacks products made under MoU and sold exclusively to CPALL, price changes can be done only by the instructions on the part of CPALL. CPALL regularly reviews its pricing to ensure that the price remains reasonable and comparable to consumers' average purchasing power. On the other hand, NSL products sold under company brands are competitively priced to contend with the high competition in the market for such an easily replaceable product. Price hikes are difficult to carry out. Thus, more attention is given to more efficient cost control measures to ensure that the profits made remain in accordance with the originally-set margins. Machines and production technology are utilized to cut cost and labor, while increasing the capabilities of NSL employees by training them to minimize the production waste. The production ingredients are also sourced directly from producers, and more reasonably-priced ingredients are sought to reduce cost, while ensuring quality.

6. Strategy on Good Services and Customers' Satisfaction

NSL started selling products to 7-11 in 2009, and has since developed our relationship with distributors to achieve good partnerships. Currently, NSL regularly develops new products in consultation with CPALL to ensure that all our products are consumers' favorites. Thus, NSL products always meet the demands of CPALL, becoming bestsellers with ever-increasing sale margins year-on-year. As a result, NSL has established as a longstanding trusted partner of CPALL.

Consumers and Target Groups

- (1) Bakery and light meals products: the target groups are 7-11 customers, mainly consisting of students, and working-age people who prioritize swift services and do not have time to cook.
- (2) Snacks, bakery, dessert and other food products under NSL's brands: the target groups are teenagers, working-age people and healthy food lovers who love to try new things. In the future, NSL seeks to expand its target groups to all.
- (3) Food Services products: the target groups are HoReCa customers who seek seafood, meat, frozen vegetables, frozen bakery products, quality baking ingredients as well as other customers who buy quality ingredients for home-cooking.

Policy on Credit Term

Main customers on credit term are CPALL and other Modern Trade partners. The credit term is 30 days or 60 days, the duration which has been set in consultation and agreement with our partners' trade policy.

Production and Services Branches

NSL has the head office, alongside four production plants and warehouses, as follows;

Branch	Address	Function	Production Capacity	Actual Capacity 2023
Head Office	55/22 M.3 Bang Bua Thong - Nonthaburi Bridge Rd. (345), Lampo Sub-district, Bang Bua Thong District, Nonthaburi.	HQ	None	None
Branch 1	Amata City Industrial Estate 700/707 M.1, Phan Thong Sub-district, Phan Thong District, Chonburi	Bakery goods production plants	450,000 pcs/day	256,118 pcs/day (56.9% of total capacity)
Branch 2	Amata City Industrial Estate 700/836 M.6, Nong Tamlueng Sub-district, Phan Thong District, Chonburi	Bakery goods production plants	800,000 pcs/day	455,216 pcs/day (56.9% of total capacity)
Branch 3 ²	29/52 M. 2 Bang Bua Thong -Nonthaburi Bridge Rd. (345), Lampo Sub-district, Bang Bua Thong District, Nonthaburi.	Bakery fillings production plants	Burger meat toppings (20,000 pcs/day) Fillings (1,000 kg/day) Meat and seafood processing (1,000 kg/day)	13,080 pcs/day, fillings 40 kg/day Seafood processing 572 kg/day
Branch 4	55/11 M. 3 Bang Bua Thong -Nonthaburi Bridge Rd. (345), Lampo Sub-district, Bang Bua Thong District, Nonthaburi.	Office and Warehouse (Food Services)	Warehouse for frozen products (195 tn)	195 tn (100% of total capacity)

² Originally the first factory under the Doughmaker Co., Ltd.

Production Policy

- Bakery and light meals products - products are made as per the order placed by CPALL. CPALL will update the sale status and remaining stocks in every branch every day, then they will submit the total demands of each product as per their SKUs daily. The marketing division will coordinate with production division to manufacture products according to the received demands.
- Snacks, bakery, dessert and other food under NSL's brands and food services products-NSL plans the production and import according to the estimates made by the marketing division. The planning will be in accordance with the Company's policy not to produce or import more than 3-to-6-month worth of surplus products in advance, depending on the type of products.

Acquisition of Production Ingredients

The main ingredients needed for current production are flour, butter, milk, sugar, eggs, ham, sausage and various seasonings. NSL acquires these mainly from domestic producers, while certain products may be imported such as butter and cheese from France, Germany, Australia and New Zealand. NSL will select from the vast pool of sellers and compare the prices of at least 2 sellers. To ensure transparency, all sellers are not associated with NSL, and all are medium-sized to large-sized producers who are respected and known for quality products.

The price of main production ingredients does not tend to fluctuate so much that it may cause severe shortages. During the period when the price briefly goes up, NSL will implement cost control measures by reducing other costs that do not affect the flavor and quality of products. NSL also implements stocks management. If all production branches use the same materials, NSL will bulk-order them to get cheaper quotations.

For Food Services products, NSL sources the ingredients both domestically and internationally, including sourcing products from Japan, Australia, New Zealand, USA, Chile, France, Belgium, Norway, Denmark, Austria, Germany, Poland, Vietnam and China. All sellers are not associated with NSL and are known and respected for their quality products. The price for main ingredients does not fluctuate so much that it may cause severe shortages.

NSL's credit term with most creditors is 30 days or 60 days, the duration which has been set in consultation and agreement with our partners' trade policy.

Production Management

NSL emphasizes quality improvements, products quality and effective distribution. NSL also regularly revises and improves our production system by leaning the process from cost reduction, work practices, expense control and machine improvements. NSL gives importance to cooperation with partners to achieve common goals, through programmes that employees participate in reducing costs. All divisions are also encouraged to keep data of their work practices for use in the review done with other divisions. These encourage more precise decision-making to solve problems as well as the use of tools to analyze the roots of all problems, while working together to avoid repetitions of the same problems. These tools include the 5G principles, cause & effect diagram and the use of visual control in monitoring the workforce. In this way, all employees in the production line will understand the steps, goals and outputs of their work in clear and easy terms, while ensuring that all mistakes are readily corrected. Boards, signs, symbols and colors are also used to communicate with all employees.

Environmental Management

All NSL factories have their environmental impacts controlled throughout the production line. The waste treatment system has been installed to catch wastes, grease and contaminants that have occurred during the production before releasing non-contaminated water down the sewage system. NSL also monitors the water quality released from factories. All pollutions-water, light, dust, heat, noise and smoke-are controlled strictly according to the law. This pollution control goes in accordance with the standards set by the Department of Industrial Works and the international standards, including ISO 14001.

NSL also employs the garbage treatment system, where treatable garbage is properly processed, and non-treatable garbage such as dangerous wastes are transported to be processed according to the law.

NSL also sets up an energy conservation committee to encourage employees to realize the importance of energy conservation. This helps NSL reduce the cost related to energy consumption.

Research and development

NSL is committed to developing high-quality, safe, and delicious products that meet the requirements and conditions of consumers. NSL places a high priority on research and development in order to maximize customer satisfaction through cleanliness and hygienic service. Because such process is one of the keys of NSL's business operations that will promote competitiveness in order to get products that satisfy the requirements of the target group. NSL encourages pertinent employees, including those from the factory, sales and marketing, and food safety department, to collaborate with product development to innovate, create, and enhance products. Including the selection of primary materials and equipment to enhance the production process and ensure that customers are always satisfied. In addition, the research and development department of NSL is primarily responsible for developing new products and enhancing current production formulas in order to reduce costs and discover alternative raw materials through innovation. The NSL new product development guidelines can be divided into 2 categories:

1. Product development based on consumer behavior and demand trends obtained through research, surveys, and information gathering from sales and marketing department.
2. Invention and development within NSL's product development department through the collection of information, experience, and innovative technology.

NSL continuously research and develop since creating new products, developing current products and managing efficiency cost. NSL's research and development sections are divided into 3 lines:

1. Research and development sections for the products under NSL's brands such as KhowThang, Pangtai, NSL Bakery and Natural Bite which is under the responsibility of Vice President-Sales and Marketing.
2. Research and development sections for the products under 7-11 brands which is under the responsibility of Executive Vice President.
3. Innovation and new business sections which establish in 2023, dedicated to innovation and new product development, applying scientific, technological, and innovative research results to the manufacturing industry which is under the responsibility of Executive Vice President.

As for the new product development procedure, it begins with the sales and marketing division gathering consumer and marketing data from various disciplines. Including market research data to analyze and evaluate the needs and behavioral trends of consumers in order to consider market opportunities and value. The information is then forwarded to the Product Development Department for a collaborative study of production, costs, raw materials, and marketing. Therefore, accumulating ideas and developing designs that can respond to the specified market conditions. Once the proper production formula has been determined, it will be used to test prototype products, which will then be distributed to various agencies. Related Customers and target consumer groups also attend to test and evaluate the product's quality. There will be multiple operations in this process until the final product meets the specified requirements, desired flavor, and is priced appropriately. After passing the test, products must apply for licenses based on various standards before they can be manufactured and distributed.

Implementing of developing process

Since operations are the core of NSL's business operations, NSL prioritises developing these operations for efficiency and effectiveness to meet customer needs in light of the fiercer competition.

In order to meet the rising sales volume, NSL aims to improve production efficiency. All aspects of process improvement, work methods, production flow charts, as well as the advancement of machinery, equipment, and employee skill development, are covered. The main strategies include reducing reliance on labour by introducing technology and machinery to increase efficiency and maximise return on investment. NSL has regularly researched new technologies and production innovations from reputable knowledge sources both domestically and abroad in this regard. Including contacting experts in different fields at both the university level institute of technology and various private organizations for advice.

Research and Development expenses

In term of the Company's research and development expenses, they consist of new product research expense, biological examination expense, and product sample expense. The research and development expenses in the past three years can be summarized as following:

Unit : Baht

Year	Research and Development Expenses
2021	8,807,386
2022	12,269,525
2023	14,414,189

Funding history and the fund spending

Unfinished fund spending details

With reference to NSL Foods Public Company Limited ("NSL") issued new shares for capital increase by Initial Public offering (IPO) on May 11-13, 2021 for 75,000,000 shares at the price of 12.00 Baht per share. NSL received proceeds from IPO in the net totaling of Baht 872.38 million (after deducting all IPO-related expenses).

NSL proceeded utilization of capital increase from IPO as of December 31, 2023 as follows:

Unit : Million Baht

Objective of spending	Plan Amount	Amount used	Outstanding balance as of December 31, 2023
1. Financial institution debt settlement	350.00	350.00	-
2. Used as working capital in business operation	172.38	172.38	-
3. Used to finance the construction of new projects			
• Ready Meal	250.00	71.53	178.47
• Rice Bar	100.00	56.36	43.64
	350.00	127.89	222.11
Total	872.38	650.27	222.11

Industrial Trends, Competition and Business Trends

Thailand's Economic Outlook

Economic Projection for 2024

(%YoY)	2022	2023					2024 (f)
	Year	Year	Q1	Q2	Q3	Q4	Year
GDP (CVM)	2.5	1.9	2.6	1.8	1.4	1.7	2.2 – 3.2
Investment ^{1/}	2.3	1.2	3.1	0.4	1.5	-0.4	2.5
Private	4.7	3.2	2.8	1.4	3.5	5.0	3.5
Public	-3.9	-4.6	4.2	-2.1	-3.4	-20.1	-1.8
Private Consumption	6.2	7.1	5.9	7.3	7.9	7.4	3.0
Government Consumption	0.1	-4.6	-6.0	-4.3	-5.0	-3.0	1.5
Export of Goods ^{2/}	5.4	-1.7	-3.8	-5.0	-2.0	4.6	2.9
Volume ^{2/}	1.2	-2.9	-5.7	-5.3	-3.1	3.2	2.4
Import of Goods ^{2/}	14.0	-3.1	0.5	-6.6	-10.7	6.1	4.4
Volume ^{2/}	1.2	-3.6	-3.5	-4.8	-10.4	5.3	3.2
Current Account to GDP (%)	-3.2	1.3	2.7	-0.8	2.1	1.2	1.4
Inflation	6.1	1.2	3.9	1.1	0.5	-0.5	0.9 - 1.9

Note: ^{1/} Investment means Gross Fixed Capital Formation

^{2/} Base on the Bank of Thailand's data

Source: The Office of the National Economic and Social Development Council (NESDC) www.nesdc.go.th

The Office of the National Economic and Social Development Council (NESDC) has summarized the Thai economy in 2023, the Thai economy in 2023 grew by 1.9 percent, decreased from 2.5 percent in 2022. The headline inflation was at 1.2 percent and the current account registered a deficit of 1.3 percent of GDP.

The Thai economy in 2024 is projected to expand in the range of 2.2 - 3.2 percent, mainly supported by (i) the expansion in export, (ii) the expansion in private consumption and investments, (iii) the recovery of tourism sector. Private consumption expenditure and investment is expected to increase by 3.0 and 3.5. The export value of goods in US dollar terms is anticipated to increase by 2.9 percent. Headline inflation is estimated to be in the range of 0.9 - 1.9 percent and the current account is projected to record a surplus of 1.4 percent of GDP.

Trends of consumption in the food and beverage industry in 2023 - 2026

The Department of International Trade Promotion, Ministry of Commerce www.ditp.go.th (<https://www.ditp.go.th/post/146736>) has released food and beverage industry consumption trends for 2023 - 2026 by Exploding Topic, which gathered industrial trends and revealed the 9 Key Food and Beverage Industry Trends (2023-2026).

Trend 1: Direct to consumer (DTC)

The DTC (direct-to-consumer) is now the fastest-growing category in the online retail of the food and beverage industry. US online grocery sales are projected to hit \$187.7 billion in 2024, one reason is the COVID-19 pandemic. Even before the pandemic, e-commerce food sales were already growing quickly. DTC brands cut out intermediary retailers. Which lets them capture more profit margin than traditional players. And because they control the customer relationship, food and beverage DTC companies can easily test new products and adjust on the fly. Plus, DTC brands are free to push more lucrative purchasing options, like subscriptions.

For example: Laird Superfood, its founders report that search volume growth for “Laird Superfood” has increased by 108% over 5 years, and Magic Spoon is a high-protein, low-carb breakfast cereal for adults. Its founders report that searches the past 5 years the volume of “Magic Spoon” has grown by 2,050% over.

Trend 2: Kitchen Robot – More Robot Kitchen Assistants

Kitchen Robots, or the use of robots in serving customers, including robots that assist in food preparation within restaurants, are on the rise just as in food production factories, where there is a trend towards developing robots to aid in production. For example, the robot Flippy, driven by Artificial Intelligence (AI) and produced by Miso Robotics, is capable of frying and flipping burger patties, as well as placing them on buns. Flippy has already been installed in locations like the LA Dodgers Stadium, Arizona Diamondbacks Chase Field, and two CaliBurger restaurants. Additionally, Flippy may soon be seen serving in famous fast-food chains like White Castle and in Cloud Kitchens, a central kitchen for Uber’s delivery food service, in the near future.

Trend 3: Vertical Farming or planting in the building

Vertical Farming on The Rise. It’s estimated that by 2050, global water demand will increase by up to 30%. At the same time, climate change is leading to drops in crop production losses. The integration of new-age technology and innovation can help enhance the quality of agricultural products (AgTech), enabling sustainable cultivation of crops. Vertical farms grow crops in massive, stacked shelf-like layers. Often inside tall, specialized warehouses. The warehouses are carefully controlled for humidity, temperature, and light exposure so that the plants within them are grown as efficiently as possible. Improvements that vertical farming can achieve include higher yields per square foot, up to 95% less water usage, thanks to advanced hydroponic or aeroponic systems, less mold and E. coli risk, with fewer (or no) pesticides and herbicides, year-round growth that doesn’t rely on seasons, and protection from environmental threats like cold snaps, flooding, monsoons, hurricanes, and fires. Vertical farming is now viewed as a potential sustainable answer to food shortages in the future.

Examples of companies involved in vertical farming included, Plenty, a California-based vertical farming startup that’s backed by Jeff Bezos and included some ex-Tesla engineering talent, AeroFarms, which runs the world’s largest vertical farm: a 70,000-square-foot facility that produces up to 2 million pounds of leafy greens per year and also announced plans to build an even larger vertical farm in Abu Dhabi, in addition, Unfold, launched in 2020 with \$30 million in funding from Bayer and Temasek, focuses on developing new produce varieties with biologies specifically suited for vertical farms.

Trend 4: Plant-Based food trend

The trend of plant-based food, or food made from plants, is becoming increasingly popular at present. Consumers are turning more towards maintaining their health and caring for the environment. Worldwide sales of plant-based “meat” products are expected to grow to over \$35 billion in 2027. And the number of vegans in the US increased from 1% of the population in 2014 to 6% in 2017. In fact, most of the interest in plant-based food comes from meat-eaters. According to a study by The NPD Group, about 90% of plant-based food consumers aren’t vegetarian or vegan. And 43% of consumers consider “plant-based” products healthier.

Some of the biggest brands in this space are Beyond Meat with a \$930 million market cap as of this writing in April 2023 and Impossible Foods valued around \$7 billion in 2022. Those two brands of vegan meat have been served (at least in test markets) at KFC, Burger King, Carl’s Jr., Hardee’s, and more. Dairy alternatives are on the rise as well, with global sales expected to rise from \$22.6 billion in 2020 to \$40.6 billion in 2026. Growing products in this category include oat milk.

Trend 5: Smart Kitchen appliances

Smart Kitchen appliances are kitchenware that is integrated with smart technology built-in WiFi or Bluetooth systems, have features such as controlling control systems, control systems of ordering control systems, such as the kitchen component industry. The worldwide smart kitchen appliances industry is worth an estimated \$13.18 billion. And it’s expected to grow at a compound annual growth rate of 18.6% through 2028. While WiFi or Bluetooth-enabled appliances were already growing before COVID-19, the pandemic has pushed interest higher.

54% of Americans say they’re cooking more now, and 51% of those say they’ll continue to do so even after the pandemic ends. In the US the three largest segments of connected kitchens are smart refrigerators, smart ovens, smart cookware and cooktops, and smart dishwashers.

The main smart refrigerator brands are mostly the same as traditional fridges: familiar names like LG, GE, Kenmore, Samsung, Whirlpool, Bosch, etc.

Trend 6: Home Cooks Find Inspiration on Social Media

A large driver of this food trend is social media. Americans are cooking at home more often these days. Research shows that individuals are 5 times more likely to use a recipe they found on social media versus recipes they saw on TV. Foodie influencers and brands have exploded on social media in the past few years.

For example, Tasty, BuzzFeed’s cooking arm, has over 43 million followers on Instagram and over 96 million followers on Facebook, celebrity chefs like Gordon Ramsay and Ree Drummond have millions of followers, but more unexpected are the regular people turned food influencers. For example, naturally.jo posts perfectly staged photos of food on Instagram and had amassed around 1.5 million followers before turning 20 years old and Mariam, a 23-year-old, posts recipe videos on TikTok for her 7 million + followers. It was found that Even people who’ve never cooked before are being inspired by food posts on social media, and these posts often go viral.

Trend 7: Food Becomes A Wellness Category

Nearly 20% of US consumers bought their first plant-based protein during the pandemic, and 92% of them say they'll continue to buy those products. We are also seeing an emerging trend in companies marketing foods to support mental health. For example, Mindright offers "good mood superfood" in its snack bars. The bars contain ginseng for mental health support. Mindright had a \$1.8 million seed round with investments from Joe Jonas and Travis Barker drummer of Blink-182, etc.

In addition to, Adaptogens are one food ingredient marketed to help consumers sleep better. One example of a CPG company jumping on the trend is Moon Juice. The company started as a wellness-based juice bar in California and has grown into a bustling e-commerce business since then. They sell numerous adaptogenic powders that consumers use to mix up lattes before bed. One drink company, Four Sigmatic, offers an adaptogen-based hot chocolate marketed for use at bedtime.

Trend 8: Fermented Drinks Grow In Popularity

Statistics in 2018 show that the fermented food market was valued at 23.64 million US dollars. and it is expected that in 2023 it will increase to 35.54 million USD. Within the next 5 years, the fermented food market is expected to have an average annual growth rate of 17.5 percent. Part of this trend is society's recent focus on gut health and pre/probiotics. Eating fermented foods provides a wide variety of health benefits beyond improved gut health. There's antioxidant and antimicrobial activity, improved absorption of vitamins and minerals, immune system support, and others. Examples of fermented foods, such as yogurt, cheese, sauerkraut, wine, etc.

The current trend in fermented drinks is divided into two types: Kombucha and Kefir.

- 1) Kombucha, a tangy fermented tea drink, originated in China, Russia, and Eastern Europe, but in the United States, it's "one of the fastest-growing grocery segments in the past decade," says one industry expert. The kombucha beverage market is expected to have an average annual growth rate of 42.4 percent from 2021 to 2026. Alcoholic kombucha was named Whole Foods' Top Food Trends of 2021. The alcoholic content of hard kombucha varies, allowing brands to tailor their drinks to a variety of consumers. For example, Luna Bay Booch crafts their blueberry kombucha to have 6% ABV, but their Lychee Lime is a lighter offering with only 4.5% ABV.
- 2) Kefir is a fermented milk drink similar to a thin yogurt. The kefir market is expected to reach \$1.84 billion by 2027, with a 5.4% CAGR. The kefir trend is driven by several consumer-friendly factors. While the fermented drink is usually made with dairy milk, it contains virtually zero lactose. There is also dairy-free kefir on the market, which appeals to vegan consumers. For example, Inner-Eco offers probiotic coconut water, You Gut This is cultured with kefir grains.

Trend 9: Mushrooms Becomes A Consumer – Favorite

Mushrooms are one ingredient that food and beverage industry experts expect to be huge in the coming years. One report said ¼ of consumers plan to eat more mushrooms this year and another 63% plan to eat the same amount as in previous years. Along with cooking with mushrooms at home, people are also eating more mushrooms in restaurants. According to the Mushroom Council, on 80% of restaurant menus, mushrooms are one of the top appearing ingredients. For example, Pan's Mushroom Jerky was an incredible success on Shark Tank, receiving more than 33,000 orders after the show aired. Since then, they've expanded into several online e-commerce shops and retail locations like Urban Outfitters, Whole Foods, and Natural Grocers.

The versatile vegetable contains a variety of healthy vitamins and minerals and can be easily incorporated into a variety of products like proteins, snacks, spices, and condiments.

Opinion of the New York's International Trade Promotion Office:

Food and beverages continue to be a business with growth opportunities in the U.S. market and are considered essential goods that consumers still need to purchase even during the COVID-19 pandemic outbreak. However, after the COVID crisis, it was found that American consumption behavior has changed, resulting in a noticeable shift in the trends of food and beverage products in the U.S. Therefore, regularly studying trends and consumer demands is considered a crucial factor for Thai entrepreneurs to understand the market and develop products in line with these changing trends, in order to create opportunities for their products to expand into the U.S. market effectively.

Source: <https://explodingtopics.com/blog/food-trends>

Compose by the New York's International Trade Promotion Office on September 2023

Industrial Trends – Bakery and Light Meal Products

The global cakes and pastries market reached US\$141.4 billion in 2023, exhibiting a growth rate (CAGR) of 3.4% from 2024-2032. This is because consumers globally consume more bread, with significant increases in India, the Philippines, and Egypt. Among convenient and affordable food staples, bakery products like bread have a higher average global penetration at 81%, which is higher than meat and poultry (76%), dairy products (74%), desserts, and ice cream (64%), and snacks (64%), respectively. The bakery trend to watch for 2024 is shown as follows:

1. **The next step of plant-based bakery recipes** – Although traditional bakery is typically made from several cereals and suitable for vegetarians, these products still contain dairy products, butter, and eggs. Therefore, the guidelines for adjusting essential ingredients in bakery recipes to replace animal products are egg, milk, and butter replacement.
2. **Cereal option** – All-purpose flour in bakery recipes is mostly replaced with alternative flour like oat flour, chickpea flour, buckwheat flour, or whole wheat flour at a proportion of 25-50%. Although they are unsuitable for croissant products that rely on gluten protein to maintain structure and texture, they can be used in cakes and cookies.
3. **Adjust the sweet taste with natural sugar** – Stevia and coconut sugar are natural sweeteners. It is at least 30 times sweeter than sugar and doesn't cause spikes in blood glucose levels. While coconut sugar provides a similar tone to brown sugar.
4. **Find a source of high-protein ingredients** – Sorghum flour has a high protein content and is suitable for baking. Whole grain sorghum provides 30% of the recommended daily protein intake. It contains 12 essential amino acids, dietary fiber, iron, and other nutrients. Sorghum provides a chewy texture in breads, crackers, and cookies, a sensory experience similar to wheat flour.
5. **Fortified floral flavor** – Chamomile, honeysuckle, lavender, and roses are compatible with a variety of baked goods to create a charming scent and a sense of calm. Moreover, some flowers, such as elderflower, orange blossom, and hibiscus, have medicinal properties and are rich in phytochemicals that benefit the body.

Source: <https://www.foodfocusthailand.com/whats-in/bakery-trends-in-2024-alternative-ingredients-for-better-taste-and-better-health>

From consumer's behaviors, producers compete with each other to develop new recipes, enhance the taste, texture and appearance of the food, including the packaging to be more outstanding, and priced more competitively. The competition in the bakery and light meal market is one that competes through taste and pricing. Because bakery and light meal products are generally inexpensive and make profits by mass sale, it is very important for producers to be able to control the cost and utilize innovation in the production process, by coming up with new and delicious recipes, introducing new and exciting tastes, and developing more vibrant and eye-catching packagings.

The fact that NSL's products have been sold at 7-11 for a long time illustrates the high NSL's competitive capabilities.

Industrial Trends – Food Services

Seafood Processing Industry trend in Thailand 2023 – 2025

The Thai seafood processing industry can be divided into two main segments. These are chilled and frozen seafood processing and canned, and processed and prepared seafood, which have higher added value of the processing of seafood. Thailand is the world's 8th biggest exporter of processed seafood by volume and 14th most important by value, with respectively a 3.3% - 3.0% share of the global market.

Output from the Seafood Processing Industry Trends

Over the three years from 2023 to 2025, output from the Thai seafood processing industry is expected to contract by between -0.5% and -1.5% annually, analyzing by product group as follows:

Chilled and frozen seafood: Production is forecast to slip by between -1.0% and -2.0% annually.

Canned seafood: Output will stay flat or decline by up to -1.0% per year.

Domestic Consumption of Processed Seafood Trends

Domestic Consumption of processed seafood is expected to stay flat or slightly increase up to 0.5% per year, analyzing by product group as follows:

Chilled and frozen seafood: The quality of goods distributed to the domestic market is expected to decrease by 1.0% per year.

Canned fish: The forecast is for domestic consumption to rise by 1.0 - 2.0% per year.

Exports of processed Seafoods Trends

Exports of processed seafoods are expected to decline at an annual rate of between 2.0% and 3.0%. These declines will affect different product groups as described below.

Chilled and frozen seafood: This is forecast to translate into an annual contraction of between 2.0% and 3.0% in overseas sales.

Canned seafood: Exports expected to decrease 2.5 - 3.5% per year.

Prepared and preserved seafood: Exports expected to decrease 1.5 - 2.5% per year.

However, Thailand's processed seafood industry still faces many challenges including, Uncertainty in the global economy, barriers to trade and the imposition of international standards, the customs advantages enjoyed by Thailand's competitors, shrinking fish stocks and dangers from natural disasters, as well as the development of new and alternative seafood products.

Source: <https://www.foodfocusupdate.com/content/29862/>

Business Assets

As of 31 December 2023, the assets used in NSL's business operation are as follows;

Property, Plant and Equipment

List	Net Book Value (Million THB)	Type of Ownership	Obligations
Land	297.8	Owner	See Section 1) Bank Loan Agreements
Buildings	399.9	Owner	
Building Improvements	34.4	Owner	
Machines, Tools and Equipment	239.4	Owner	None
Fixtures	7.9	Owner	None
Office equipment	5.9	Owner	None
Vehicles	1.8	Owner	Car lease agreements obligations
Machinery under installation	6.3	Owner	
Construction in progress	8.4	Owner	
Total	1,001.8		

1) Land

Deed No.		Area (rai-ngan-sq wah)	Type of Proprietorship	Net Book Value (Million THB)	Obligations
Head Office - 55/22 M.3 Bang Bua Thong - Nonthaburi Bridge Road (345), Lam Pho Sub-District, Bang Bua Thong District,Nonthaburi					
1	154862	0-2-65.2	Proprietor	5.2	Mortgage with financial institutions
2	154863	0-2-55.6	Proprietor		
Branch 1 - Amata City Industrial Estate 700/707 M.1 Phan Thong Sub-District. Phan Thong District, Chonburi (Phase 7 Factory)					
3	22473	4-3-44	Proprietor	24.1	Mortgage with financial institutions

Deed No.	Area (rai-ngan-sq wah)	Type of Proprietorship	Net Book Value (Million THB)	Obligations
Branch 2 - Amata City Industrial Estate 700/836 M.6 Nong Tam Lueng Sub-District, Phan Thong District, Chonburi (Phase 8 Factory)				
4	31231	5-0-03	Proprietor	251.0
5	31232	5-0-03	Proprietor	
6	31233	23-1-81	Proprietor	
7	67466	2-1-48.9	Proprietor	7.1
Branch 3 - 29/52 M.2 Bang Bua Thong - Nonthaburi Bridge Road (345), Lam Pho Sub-District, Bang Bua Thong District, Nonthaburi				
8	140806	0-2-0	Proprietor	5.0
9	140807	0-2-0	Proprietor	
Branch 4 - 55/11 M.3 Bang Bua Thong - Nonthaburi Bridge Road (345), Lam Pho Sub-District, Bang Bua Thong District, Nonthaburi				
10	154850	0-3-59	Proprietor	5.4
Total			297.8	

Disclaimers: See Obligations in Section 1) Bank Loan Agreements

2) Buildings

Branch	Address	Type of Proprietorship	Net Book Value (Million THB)
Head Office	55/22 M.3 Bang Bua Thong - Nonthaburi Bridge Road (345), Lam Pho Sub-District, Bang Bua Thong District, Nonthaburi	Proprietor	7.0
Branch 1 (Phase 7 Factory)	700/707 M.1 Phan Thong Sub-District, Phan Thong District, Chonburi	Proprietor	54.7
Branch 2 (Phase 8 Factory)	700/836 M.6 Nong Tum Lueng Sub-District, Phan Thong District, Chonburi	Proprietor	327.0
Branch 3	29/52 M.2 Bang Bua Thong - Nonthaburi Bridge Road (345), Lam Pho Sub-District, Bang Bua Thong District, Nonthaburi	Proprietor	0.1

Branch	Address	Type of Proprietorship	Net Book Value (Million THB)
Branch 4	55/11 M.3 Bang Bua Thong - Nonthaburi Bridge Road (345), Lam Pho Sub-District, Bang Bua Thong District, Nonthaburi	Proprietor	11.1
Total			399.9

Disclaimers: See Obligations in Section 1) Bank Loan Agreements

Rights-of-Use Assets





List	Net Book Value (Million THB)
Refridgerated Containers	1.9
Ice Making Machine	5.3
Cars and Forklifts	5.7
Total	12.9







Intangible Assets

As of 31 December 2023, the intangible assets in separate financial statement totaled 5.0 million THB, consisting of computer programs Baht 4.7 million and the network established with customers from the purchase of QFS business Baht 0.3 million.


Trademarks and Patents


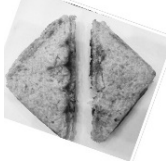




1) Trademarks

	Trademarks	Type of Trademarks	Ownership	Trademark Lifespan	Extension	Remarks
1		Flour-based snacks / Wheat-based snacks / Flour-based light meals	NSL	10 years (18 Aug 2016 - 17 Aug 2026)	Every 10 years	-
2			NSL	10 years (31 Mar 2016 - 30 Mar 2026)	Every 10 years	-
3			NSL	10 years (24 Feb 2016 - 23 Feb 2026)	Every 10 years	-
4			NSL	10 years (18 Aug 2016 - 17 Aug 2026)	Every 10 years	-

	Trademarks	Type of Trademarks	Ownership	Trademark Lifespan	Extension	Remarks
5		Flour-based light meals	NSL	10 years (29 Mar 2018 - 28 Mar 2028)	Every 10 years	-
6		Meat, Fish, Meat extract	NSL	10 years (11 Sep 2022 - 10 Sep 2032)	Every 10 years	-
7		Rice milk, instant noodle, instant rice, instant drink	NSL	-	-	Trademark filed on 14 Sep 2022
8			NSL	-	-	
9			NSL	10 years (14 Sep 2022 - 13 Sep 2032)	Every 10 years	
10	恩喜泰 (Trademark 恩喜泰 pronounced as En-Si-Tai)	Type 29, 30 and 35	NSL	10 years (14 Jul 2022 - 13 Jul 2032)	-	Registered in China
11	 (Trademark 思恩 pronounced as SI EN)	Type 30	NSL	10 years (21 Jan 2017 - 20 Jan 27)	-	Registered in China

2) Products Patents

	Products	Filer	Status as of 31 Dec 2023
1	 Photo of puzzle-shaped snacks	NSL	Patent granted on 27 Apr 2020 with an expiry date of 20 Jan 2026

	Products	Filer	Status as of 31 Dec 2023
2	Method for adjusting the texture of cooked rice to form rice sandwiches	NSL	Patent filed on 1 Dec 21
3	Method for forming rice or noodle sandwiches from soy, egg and tartar cream	NSL	Patent filed on 8 Dec 21
4	 <p>Noodle sandwiches</p>	NSL	Product design patent filed on 17 Dec 21
5	 <p>Rice sandwiches</p>	NSL	Product design patent filed on 17 Dec 21
6	Product design patent for glutinous rice pie/ warm glutinous rice pie/ rice sandwiches	NSL	Product design patent filed on 17 Feb 22
7	 <p>Rice pie</p>	NSL	Product design patent filed on 4 Mar 22
8	 <p>Grilled rice</p>	NSL	Product design patent filed during Jul 22
9	 <p>Rice pie</p>	NSL	Product design patent filed during Jul 22
10	 <p>Rice bar</p>	NSL	Product design patent filed during Sep 22

Summary of significant License and Agreements related to Business-

1) Bank Loan Agreements

No	Debtor	Creditor	Loan Type	Loan Date	Installment Schedule (Million THB / month)	Remaining Amount Payable (Million THB) as of 31 Dec 2023	Total Loan Amount (Million THB)	Interest Rate (%)	Guarantee	Important Financial Conditions
1	NSL	BAY	Credit (for business operation / repayment of previous loans / as guarantee)	8 Jul 2016 (1 st Adjustment on 10 Feb 2023 ³)	N/A	-	995.0 and 6 million USD		1. 2 nd mortgage (13 million THB credit) and 3 rd mortgage (no additional credits) of land and buildings, as per NSL's deeds no. 154862 and 154863 2. 2 nd mortgage (no additional credits) and 3 rd mortgage (no additional credits) of land and buildings, as per NSL's deeds no. 140806 and 140807 3. Mortgage (25 million THB credit) and 2 nd mortgage (no additional credits) of land and buildings, as per NSL's deed no. 154850	1. D/E(adjusted) ¹ ≤ 3:1 from 2019 financial budget onwards 2. Bank Debt/EBITDA ratio < 5:1 from 2018 financial budget onwards Such conditions were terminated on 10 Feb 2023

¹ Formula for D/E (Adjusted): (Total Loan + Loan from Directors / Affiliated Companies)(Capital + Loan from Directors / Affiliated Companies - Loan from Directors / Affiliated Companies)

³ Memorandum of agreements at the end of 11th, increase loan amount and terminated other requirement and conditions

No	Debtor	Creditor	Loan Type	Loan Date	Installment Schedule (Million THB / month)	Remaining Amount Payable (Million THB) as of 31 Dec 2023	Total Loan Amount (Million THB)	Interest Rate (%)	Guarantee	Important Financial Conditions
									<p>4. Mortgage (90 million THB credit limit) and 2nd mortgage (no additional credits) of land and buildings, as per NSL's deed no. 22473</p> <p>5. Mortgage (470 million THB credit limit) and 2nd mortgage (804 million THB credit limit) of land and buildings, as per NSL's deeds no. 31231, 31232, and 31233.</p>	
1.1	NSL	BAY	OD	17 Feb 2010	N/A	-	30.0	MOR	<p>1. Mortgage (40 million THB credit limit) and 2nd mortgage (13 million THB credit limit) of land and buildings, as per NSL's deeds no. 154862 and 154863</p> <p>2. Mortgage (40 million THB credit limit) and 2nd mortgage (no additional credits) of land and buildings, as per NSL's deeds no. 140806 and 140807</p>	N/A

No	Debtor	Creditor	Loan Type	Loan Date	Installment Schedule (Million THB / month)	Remaining Amount Payable (Million THB) as of 31 Dec 2023	Total Loan Amount (Million THB)	Interest Rate (%)	Guarantee	Important Financial Conditions
									3. Mortgage (25 million THB credit limit) of land and buildings, as per NSL's deed no. 154850 4. Mortgage (90 million THB credit limit) of land and buildings, as per NSL's deed no. 22473 5. Mortgage (370 million THB credit limit) of land and buildings, as per NSL's deeds no. 31231, 31232 and 31233 6. Increased credit limit of every mortgage total 470 million THB	
1.2	NSL	BAY	Credit (for business operation / repayment of previous loans / as guaranteee	23 Mar 2018	1 st – 84 th Installments: 9.0	73.2	604.0	Year 1-3: MLR-1.75% and thereafter MLR-1.00% and MLR- 2.00% since 1 Jun 2021	1. Mortgage of land and buildings, as per NSL's deeds no 31231, 31232 and 31233 2. Mortgage of land and buildings, as per NSL's deeds no 154862 and 154863	Same as No.1

No	Debtor	Creditor	Loan Type	Loan Date	Installment Schedule (Million THB / month)	Remaining Amount Payable (Million THB) as of 31 Dec 2023	Total Loan Amount (Million THB)	Interest Rate (%)	Guarantee	Important Financial Conditions
									3. Mortgage of land and buildings, as per NSL's deeds no 140806 and 140807 4. Mortgage of land and buildings, as per NSL's deed no 154850 5. Mortgage of land and buildings, as per NSL's deed no 22473	
1.3	NSL	BAY	PN	23 Mar 2018	N/A	-	160.0	N/A	Same as No.1.2	Same as No.1
1.4	NSL	BAY	L/C, T/R	23 Mar 2018	N/A	60.2	200.0	N/A	Same as No.1.2	Same as No.1
1.5	NSL	BAY	Forward Exchange Contract	8 Aug 2019	Revolving Credit	1,567,463 USD 267,250 AUD	6 million USD	-	-	N/A
2.1	NSL	KTB	L/C, T/R, PN	16 Aug 2021	N/A	-	100	N/A	-	N/A
2.2	NSL	KTB	Forward Exchange Contract	16 Aug 2021	Revolving Credit	-	50	-	-	N/A

No	Debtor	Creditor	Loan Type	Loan Date	Installment Schedule (Million THB / month)	Remaining Amount Payable (Million THB) as of 31 Dec 2023	Total Loan Amount (Million THB)	Interest Rate (%)	Guarantee	Important Financial Conditions
Total Loans						133.4	1,095.0 ²			

2 Total loans are referenced according to the loan agreements with highest credit limit

2) Important Contracts and Agreements

2.1) Acquisition Agreement of the Quality Food Specialty Co., Ltd.

Titles	Details
Date	1 August 2019
Contract Parties	Quality Food Specialty Co., Ltd. (Seller / QFS) NSL Foods Co., Ltd. (Buyer)
Acquisitions	Fish Wholesale Business, Seafood, Meat, Seaweed and Vegetables (Frozen and Processed), and other Seller's Businesses, excluding restaurants
Acquired Assets	<ul style="list-style-type: none"> - Proprietorships, Ownerships, Right of Claim, and other related rights - Benefits in tangible and intangible assets, real estate or movables - Machinery and Tools
Assets and Debts not included in the Agreement	<ul style="list-style-type: none"> - Trade account payables, debts and other seller's obligations - Seller's trade account receivables
Price	5,000,000 THB
Date of Sale Completion	30 December 2019
Important Buyer's Prerequisites	<ul style="list-style-type: none"> - Buyer's confirmation is genuine and true in every respect. - Buyer has been granted permission from relevant government agencies to proceed with the acquisition.
Important Seller's Prerequisites	<ul style="list-style-type: none"> - No significant changes in relevant laws concerning the acquisition or acquired assets, and no incidence takes place that may negatively impact the acquisition - No legal proceedings, lawsuit or any other proceedings by government agencies or any individuals - On the date of agreements conclusion, every employee who would be transferred signs the employment contracts with Buyer, with immediate effect. The number of employees undergoing transfer must be enough for Buyer to continue the acquisition process. - Seller authorizes Ms. Sangdaun Tanavatsatiend and Ms. Waewdao Tanavatsatiend (Guarantors) to sign on a certificate certifying that Seller shall fulfill the responsibilities laid out in the Acquisition Agreement, as follows; <ul style="list-style-type: none"> • While the Guarantors are NSL's employees, the Guarantors or other persons (pursuant to Section 258 of the Securities and Exchange Act B.E. 2535 (1992), as amended) agree to not operate the QFS business or any similar businesses or compete with other businesses similar to QFS in Thailand, except restaurants.

Titles	Details
	<ul style="list-style-type: none"> Within 5 years after the Guarantors' NSL employee status elapsed, the Gurantor or other persons (pursuant to Section 258 of the said Act) agree to not operate the QFS business, similar businesses or to compete with other businesses similar to QFS, except restaurants.
Competition Prohibition	Within 5 years after the acquisition is complete, Seller and Guarantors agree to not operate-directly or indirectly, by themselves or in conjunction with others, as owners, representatives or any other forms, for their own interests or others' any businesses in Thailand that are similar to the business being acquired.
Termination	<ul style="list-style-type: none"> The at-fault Contract Party must correct their breach of contract in every important respect within 30 days after being informed by the other Contract Party. Seller must not repair any acquired assets that are found to be so significantly damaged that if the Buyer has known, the Buyer would not proceed with the acquisition within 30 days after being informed by the Buyer that the acquired assets are significantly damaged.
Governing Law and Authority	Thai Law

2.2) Employment Contract of Ms. Sangdaun Tanavatsatiend

Titles	Details
Date	1 August 2019
Contract Parties	NSL and Mr. Waewdao Tanavatsatiend ("Employee")
Position	General Manager - Food Services
Special Remunerations	NSL agrees to remunerate the sale, in proportion to the income from the Food Services business' revenue and all other operating costs under the supervision of the Employee.
Competition Prohibition	<ul style="list-style-type: none"> Throughout the duration of this Contract, the Employee or other persons (pursuant to Section 258 of the Securities and Exchange Act B.E. 2535 (1992), as amended) agree not to operate the QFS business or other similar businesses, except restaurants, or to compete with NSL in Thailand. Within 5 years after the date the Employee's employment elapsed, the Employee or other persons (pursuant to Section 258 of the said Act) agree to not operate the QFS business, similar businesses or to compete with other businesses similar to QFS, except restaurants.
Non-Disclosure	The Employee will maintain non-disclosure of company secrets throughout the duration of this Contract and in the 5 years after the employment has elapsed.

2.3) Contract of Goods Production for CPALL (7-11)

Titles	Details
Date	22 June 2017, 8 December 2020 and 12 December 2023
Contract Parties	NSL and CPALL Public Co., Ltd. ("CPALL")
NSL's Guarantee	NSL agrees to make products exclusively for CPALL as agreed, and will not produce any products with similar menu, characteristics, recipes, production processes, ingredients, compositions, and packagings for other parties, except explicitly consented by CPALL in letters.
CPALL's Guarantee	CPALL will not buy from other producers any products with similar menu, characteristics, recipes, production processes, ingredients, compositions and packagings to the products bought from NSL, except explicitly consented by NSL in letters.
Effective Duration	19 December 2019 - 18 December 2031
Other Disclaimers	<p>This contract does not preclude NSL from exporting the goods abroad with details, as follows;</p> <ol style="list-style-type: none"> 1) Products whose recipes are owned by CPALL - NSL may not produce the products for any other buyers, both domestic and international. 2) Products whose recipes <u>are not</u> owned by CPALL but with similar appearances, characteristics, recipes, production processes, ingredients, compositions and packagings to the products made for CPALL such as reheated sandwiches - NSL may produce the products for export to other countries.

Securities and Shareholders

Registered Capital and Paid-up Capital

As of 31 December 2023, the Company registered capital stood at 300,000,000 Baht, comprising 300,000,000 ordinary shares at 1 Baht par value and fully paid-up capital totalling 300,000,000 Baht and the Company had no other types of share apart from ordinary share.

Shareholders

The list of Top 10 Major Shareholders of the Company that are listed on the latest shareholder's registration as at 25 August 2023.

Name of Shareholders	No. of Share	(%)
1. Mr. Somchai Asavapiyanond	216,767,300	72.26
2. Thai NVDR Company Limited	11,633,252	3.88
3. Mr. Pongit Manomaiudom	3,954,400	1.32
4. Mr. Wuthichai Charoenpol	3,129,400	1.04
5. Mr. Nattapol Songsaicholchai	2,333,900	0.78
6. Mr. Phornpat Jintanawong	2,250,000	0.75
7. Mr. Arkradej Liamcharoen	2,200,000	0.73
8. Miss Churailuk Jiemwongsa	2,188,700	0.73
9. Mr. Chairat Dhammapeera	2,070,300	0.69
10. Miss Ratana Yingpaiboonwong	1,890,000	0.63
Total	248,417,252	82.81

Persons who may have a conflict of interest and hold shares in subsidiaries or associated companies exceeding 10% of the voting shares of the company

-None-

Other Types of Shares

-None-

Dividend Payment Policy

NSL has a policy to pay dividends to shareholders in an amount no less than 50% of net profits according to the post-tax separate financial statements, legal reserve, other reserve funds (if any), and the obligations as described in loan agreements. Furthermore, NSL will consider dividend payment by taking into account every factor, with a view to maximize the benefits of shareholders. Also, the dividend payment must not significantly affect the normal business operations of NSL. It is also important to note that the amount of dividend payment may alter from the original rate, depending on factors such as business operations, financial position, liquidity, cash flow, and the need to invest working capitals in business operations, further investments and expansion of business. Ultimately, the Board of Directors has to present its decision concerning dividend payment for approval during the shareholders' meeting, except in cases of interim dividends where the Board of Directors has the authority to approve the dividend payment and then report the payment to the shareholders during the next shareholders' meeting.

Dividend payment must be derived only from profits, and must not include the payment derived from any other types of funds. Should NSL record accumulated losses, dividend payment is forbidden, except in the cases of preferred stock whose regulations specify otherwise.

The dividend payment must be approved by the shareholders' meeting and then carried out according to the total number of stocks, with each stock being paid equally.



Risk Managements

Business Risks

1. Risk from high dependence on major customers

The Company depends heavily on a single partner. The Company has reached an agreement with the said partner, effective until 2031, and has a policy to foster strong partnerships with the partner on the basis of good and close business relationship, including the joint business planning in consultation with our partner. Demonstrating our good partnerships, the Company has always been given an opportunity to grow alongside the said main business partner. While the growth in the Food Service sector has fallen short of the expected level as a result of the COVID-19 Pandemic and has fallen short of the growth level of our main business partner because of the smaller market reach, the Company has taken steps towards the expansion of its market share and the strengthening of the Company's brand image. Moreover, in this year, NSL has joint venture with Bake A Wish which has more than 70 franchises branches and has joint venture for expansion export market.

From 2021 - 2023, NSL's sale to CPALL accounts for 91.7%, 90.9% and 90.2% of total sales revenue, respectively. This number is in accordance with the MOU on exclusive products manufacturing confirmation with CPALL, with the agreements spanning 12 years from 19 December 2019 to 18 December 2031. The MOU was first made in 2014 and has since been continuously renewed.

Every year, NSL prepares a Business Plan in conjunction with CPALL that concerns every products group and takes this opportunity to present new products to CPALL, allowing NSL to keep the pace with CPALL. This practice ensures that the two companies' partnership remains strong.

NSL has reiterated its commitment to CPALL that NSL will continue to manufacture the mutually agreed products exclusively for CPALL, and will not produce any products for other customers that resemble the said exclusive products in menu, characteristics, recipe, ingredients, packaging and production process, unless CPALL requests otherwise. Likewise, CPALL confirms that it will not buy the same type of products from any other producers, unless consented in letters by NSL.

Realizing the risks that come with the dependence on CPALL, NSL has developed its products to be marketed under company brands since 2015, including "Pangtai" baked crispy pie, "Natural Bites" protein and fiber chips and Rice Bar by NSL and others continually. NSL has also entered the Food Services business, recognizing the growth potential in this sector as the number of active companies remains low, and because of the expertise and experience of NSL executives in such business sector.

To reduce its dependence on major customers, NSL has the following plan;

- 1) Increase the revenues from other sectors such as Food Services, Rice Bar, Food and Snacks, with a view to keep the sales proportions to CPALL (by MOU) at about 70% of total revenues. The other 30% would come from other sources of income. In 2026, NSL has a plan to expand its export markets and add new points of sale for its snack, Rice Bar, bakery and Ready to eat food products.
- 2) Open for JV and M&A opportunities in business sectors concerning food.

2. Risk from the possible non-renewal of the MOU on products exclusivity with CPALL

NSL started selling products to 7-11 in 2009, and has developed its partnerships with CPALL to become closer and more mutually-understanding. NSL has continuously developed new products in conjunction with CPALL to meet the demands of the target groups, benefiting both NSL and CPALL. The products developed under MOU are properties of CPALL. Having always been able to meet the business needs of CPALL, NSL records more than 70 products currently being sold by CPALL. The products produced by NSL continue to be many's favourites, with increasing sale figures year on year.

Whereas the MOU with CPALL has an expiry date, the NSL executives remain convinced that the good partnerships enjoyed by the two companies will allow them to grow together. NSL is moreover confident in the expertise and capabilities of NSL in food business and cost management flexibility, which together will contribute to the agreements and further renewal of the MOU.

While there is no sign that CPALL will not renew the MOU, NSL envisions that should the MOU have not been renewed, NSL would still be able to manufacture products for CPALL on a non-exclusive basis, where NSL must develop its products to compete with other producers.

Additionally, NSL also possesses the ability to manufacture products for customers other than CPALL if those products are NSL's marketing properties and not covered under the MOU. Nevertheless, the non-renewal of MOU would have considerable impact on NSL's business operations, decreasing sales revenue comparing to that recorded under the MOU.

3. Risk from high competition

Bakery and snacks and ready-to-eat food business as well as the Food Services business are highly competitive, including various big and small companies. Consequently, consumers have many different products to choose from. Thus, the success of NSL depends on its competitiveness both in marketing and effective cost / expense control. NSL is committed to not using a cost-cutting strategy; instead, NSL focuses on making sure that the products are delicious and of good quality, and its branding strong. Along this line, NSL possess many comparative competitive advantages, as follows;

- 1) NSL has good understandings in how to meet the demands and maintain longstanding good partnerships with business partners.
- 2) NSL's executives have high expertise and over-20-year experience in food sectors, ensuring that NSL's business operation is effective.
- 3) NSL's corporate culture is family-like, where mid-level executives can engage and share their opinions with high-level executives, ensuring that the decision-making is well-informed and always with initiatives.
- 4) NSL maintains good partnerships with major Modern Trade retailers, who serve as the points of sale for NSL nationwide.
- 5) NSL possesses innovative products, being among the first in healthy products industry.
- 6) NSL's current business size encourages more effective cost control by means of the economies of scale and increased capabilities in procurements, logistics and advertisements.



4. Risk from the price volatility of raw materials

As the cost of raw food materials is the most important cost for NSL, the price fluctuation may negatively affect the business operations of NSL as it may not be possible to increase the retail price to compensate for higher raw material cost. Important raw materials include flour, butter, sugar, milk, ham, sausage, and seasonings, which at certain times and under certain circumstances, its prices may become volatile as a result of outside factors such as natural disasters, drought and pandemic and exchange rate that causes people to hoard supplies.

To reduce such risk, NSL has implemented several measures to control the raw material cost at an acceptable level. These measures include (1) make a projection in advance of the demands for raw materials with price volatility that may affect total cost as this will help NSL make an appropriate procurements plan with suitable purchase amount and timeframe-this projection will be done at every factory location to enable the company to make bulk order at the same time; (2) pair the purchase of baking supplies with the NSL's Food Services business, which imports baking supplies and frozen bakery products for distribution to HoReCa and Modern Trade customers, this will enable NSL to make bulk order that normally leads to cheaper prices; (3) procure seasonal ingredients in advance and store them in suitable storage that will not negatively affect the ingredients' qualities, this will help cushion the high price volatility that may occur in some seasons-NSL also has as a contingency plan for when certain ingredients are scarce, and the price increases so much that NSL's main product groups are affected; in this case, substitute recipe will be used, and new raw materials sourced without affecting the taste and quality of products. (4) The Company has a policy to negotiate the price of the raw material according to the production demand both for the production carried out by the Company, and other productions that are carried out by outsourced suppliers. The negotiation is done in conjunction with our overseas suppliers, with the consideration inputs from the sales plan and production plan as prepared by the Company. (5) The Procurement Department will follow up on the situation and updates with regards to the price and amount of the raw material required. This also includes the additional sourcing of raw material and the contingency planning in case the essential raw materials become scarce, which would entail an additional sourcing of alternative raw material that does not affect the taste and quality of final products. (6) Our key suppliers are requested to produce a risk management plan with regards to the key raw material. (7) The R&D Department will coordinate with the Procurement Department in finding and trying out a 2nd source for the raw material that is required in large amount.

5. Risk from various diseases and the impact of the COVID-19 pandemic

Since 2022, The government has declared COVID-19 an endemic disease. The Company has regularly monitored and evaluated the impact from the COVID-19 Pandemic since the last year up until present. This monitoring and evaluation begin with the impact assessment conducted by various departments in the Company and culminate in the overall assessment for the whole Company that would explain the future business directions of the Company.

Nonetheless, with or without the pandemic, NSL maintains its emphasis on ingredients sourcing by selecting only quality produces from credible producers whose products possess traceability, allowing NSL to track the production process, from farm to logistics. This is to make sure that all the products that have been brought in meet our standards, are quality products, uncontaminated, clean and safe to consume. For its effort, NSL's food production process has been awarded the Hazard Analysis Critical Control Point (HACCP), the Good Manufacturing Practices (GMP), the quality management standards of ISO 9001 and ISO 14001, the Thai Labor Practices certificate (TLP 8001-2010), the HALAL standards, and the Thailand Trust Mark by the Department of International Trade Promotion, Ministry of Commerce of Thailand, certifying that NSL factories meet the internationally-recognized standards.

In response to the COVID-19 Pandemic, the Company has taken steps to maximize its business operation effectiveness in 3 aspects, including production efficiency, RM P/M efficiency, and operation efficiency. This has resulted in the Company's stable and sustained growth.

6. Cyber Threat and Security Risks

The working mode shift engenders the need to address cyber threats emanating from the practice of remote working, the digitalization of many Companies' business models and the resulting cyber security threats and the possible digital vulnerabilities.

Therefore, the Company has begun raising the cyber security awareness among its employees to address the danger posed by cyber security threats, ranging from raising the awareness of the dangers of malware to scam emails. The Company also has introduced the standard practices and awareness enhancements regarding the safe digital resources management and preservation so that every employee knows how to defend and protect against cyber security threats. Additionally, the Company has acquired more digital tools and digital technology that can protect against cyber attacks and cyber security threats by equipping its IT Department with the capabilities to monitor and investigate the Company's IT and Cyber Security.

7. Data Privacy Risks

In this digital age, information has become an important factor influencing the business competitive advantage. Every company now gathers, analyzes and makes use of the information in enhancing their business performance and advantages. This has prompted a concern that the gathering and analysis of this information may infringe upon the data privacy of consumers and violate the Personal Data Protection Act B.E. 2562 (2019) or PDPA, damaging the image and reputations of the Company.

The Company's risk management against possible personal data privacy violations includes raising awareness on personal data protection, emphasizing the importance of due respect given to each individual's data privacy, personal rights and data protection; all of which form the basis of personal privacy as safeguarded in the PDPA (2019).

The Company has also formulated the policy to protect personal data privacy and to form the standard practices for both executives and personnel from all levels with regards to personal data, ranging from its collection, disclosure, data quality, and protective measures. This is to ensure that the gathered personal data as well as the personal rights of individuals concerned are safeguarded against data privacy violations in accordance with the regulations as stipulated in the PDPA (2019).

Other Risks

1. Risk from having a majority shareholder with more than 50% share

Mr. Somchai Asavapiyanond has over 72.26% of the total share, which constitute a significant and majority shareholder. The majority shareholder has considerable leverage in terms of decisionmaking that concerns the company's general directions, administration and policy, as well as control the shareholders' meeting's outcome that needs a majority vote. Thus, other shareholders may find it difficult to accumulate enough votes to check and balance the points that the majority shareholder proposes. However, when considering the NSL's management structure that comprises the Board of Directors and the Audit Committee, it is clear that the management structure has clearly and transparently specified the scope of power and responsibilities of each committee. The structure also indicates that reports have to be made on the possible connection between the directors, majority shareholder, any other persons who can control the company, and persons who may have conflict of interest. The said persons will not be able to vote on that particular issue. An independent board will also participate in the consideration and voting process to ensure transparency and foster the confidence that the NSL's management structure has check-and-balance mechanism and effective administration.

Corporate Growth towards Sustainability

Sustainable Management Policies and Objectives

NSL Foods Public Co., Ltd. ("Company") operates its business under the framework of good corporate governance, transparency and accountability, with the commitment to the corporate growth that seeks to strike a balance between economy, society and environment. Aiming to become a Good Corporate Citizen, the Company envisions sustainable business operation that would contribute to its sustainability and acceptance among the general public on the basis of virtues and good corporate management. Nonetheless, the Company also works for the benefits of the shareholders with due concerns given to all business operations that affect the Company's stakeholders. To this end, the Sustainable Management Policies of the Company are as follows;

Security and Prosperity Aspect

The Company attaches particular importance to mobilizing a modern and effective production process, coinciding with the globally-renowned food quality and safety standard of ISO9001:2015, the HACCP Codex and GHP Codex standards and also HALAL standard. The Company has also been awarded the environmental management standard of ISO14001 and the Thai Labor Standard of TLS 8001. These awards ensure all stakeholders that the Company meets the accepted quality, hygiene and consumers' safety standards, while remaining eco-friendly and socially responsible.

Moreover, the Company emphasizes innovation in order to enhance productivity while focusing on responsibility towards stakeholders. To this end, the Company has worked alongside academic institutions to conduct projects on food innovation and utilize these researches and innovations in fostering Thailand's economic and social developments. The Company has set up Innovation and new business department to further research innovation and develop new products.

Awareness Raising and Human Resources Development Aspect

- Employees are persons who drive the Company forward towards sustainability. The Company encourages every employee to realize the importance of sustainable growth while understanding the social and environmental contexts that affect the livelihoods of everyone. This is because if every employee realizes the importance of sustainability, the Company would be able to manufacture products that are well-designed and ready to be proudly sold to the consumers.
- The Company also engenders a sense of partnerships between employees and the Company by create NSL Family's Culture activities to express form and behavior in the same direction, they must be a directional activity. Create affection and bonds within the organization, and rely on one another as a family through the following 3 cultures:

Nice attitude Prioritize a positive attitude, an open mind, attentiveness, respect for coworkers, and a focus on the common interest.

Sense of belonging belonging : Having a sense of ownership, recognizing the issues facing the common people, working together to find solutions, and accepting responsibility and creating an atmosphere of exchange and communication within the organization by sharing information and offering assistance.

Lifelong learning Adapting to the situation, continuously seeking knowledge, enhancing abilities, and fostering the growth of others based on their unique abilities.

This is done through corporate operation and activities that are designed to make employees realize that they are a part of the Company's growth. Focus is also given to the continued development of employees' capabilities, transparent evaluation process and a fair system of remunerations and welfare for the employees.

- In 2023, human resources development activities were carried out, both onsite and online, to enhance the knowledge, skills and capabilities of the employees. These served as opportunities for employees to hone their skills and improve their work performance. Employees from every level were given these opportunities in order to ensure that all can equally access the prospect for professional growth, with fair growth and appropriate evaluation in mind in order to continuously build organizational culture.



The pictures of NSL Family's Culture activities since January - December 2023

Staff's training	Units	2023	2022
Training hour	Hour	16,314.50	21,017
The number of staffs	Person	2,774	2,141
Average training hour	Hour/Person/Year	5.88	9.82

Table of the staff's training hour

Partnerships for Sustainability Aspect

In facilitating business growth, the Company realizes the importance of engagements with all stakeholders, from upstream to downstream, in ensuring that the corporate growth could continue alongside the growth of stakeholders and partners. This partnership for growth is built on the foundation of fairness, engagement and value sharing with a view to allow the partners to be proud in being a part of this process of delivering our shared-values products to the consumers.

- The Company seeks to foster business partnership with customers, suppliers and all service providers. Our policy of fostering long-term relationships with customers also includes joint partnerships under the concept of mutual business alliance, which goes beyond just commercial relations, but also comprises close cooperation, opinions exchange, joint business planning, and the joint development of products and packaging that meet the consumers' demands and respond to the market trends effectively.
- The Company also promotes the use of raw materials and packaging that are eco-friendly and considered "Fair Trade," by hiring the services of the suppliers who have such production process.

Eco-friendly Production and Products Aspect

- The Company develops its production process to be up-to-date and seeks to reduce the wastes produced. To this end, measures are introduced such as wastewater management, production waste reduction and alternative energy utilization-solar cell, for instance. These are done alongside the accomplishments of the ISO9001 and ISO14001 standards, making stakeholders confident that the Company's products are eco-friendly, while tasty and high in nutritional values.
- The Company also has a policy concerning the study of alternative resources utilization and innovation such as developing the packaging that is made from natural and eco-friendly materials. This policy is in response to the recent crises that are results of the global scarcity of resources and climate change. These crises include the COVID-19 Pandemic, flood, drought and other disasters that negatively affect agricultural production and may cause certain shortages.
- In 2023, the Company has started the "Build The Change By The Hands" project to separate waste that can be reused or recycled in order to create environmental awareness along with sustainable growth.

BUILD THE CHANGE BY THE HANDS



ขยะรีไซเคิล หรือขยะที่สามารถนำกลับมาใช้ประโยชน์ใหม่ได้ เช่น กระดาษ ขวดแก้ว ขวดพลาสติก และกระป๋องเครื่องดื่ม



ขยะอันตราย สารไวไฟ สารมีพิษ หรือสารกัดกร่อน เช่น ถ่านไฟฉาย แบตเตอรี่ โทรศัพท์ กระป๋องสเปรย์ ขวดยาฆ่าแมลง



ขยะทั่วไปประเภทที่ไม่สามารถนำกลับมาใช้ใหม่ได้ เช่น พลาสติกห่อขนม ขอบกระทงสำเร็จรูป หลอดกาแฟ ถังล้างไฟ



ขยะอินทรีย์ ขยะเปียก ขยะเน่าง่าย ย่อยสลายได้เร็ว เช่น เศษอาหาร เศษผัก เปลือกผลไม้ มูลสัตว์ กิ่งไม้และเศษใบ

แยกเพื่อ...

ขวด กระป๋อง กล่อง แก้ว หมดแล้วไปไหน? BUILD THE CHANGE BY THE HANDS



เทน้ำให้หมด-บีบขวดให้แบน-ไม่ต้องแยกฝา

- การแยกฝาอาจเกิดการปนเปื้อนในขวดได้ง่าย
- เมื่มน้ำให้บีบมากกว่าบีบ เพราะโรงงานจะได้ดึงฉลากออกได้ง่าย เพื่อลดพื้นที่ในการขนส่ง
- รีไซเคิลเป็นเม็ดพลาสติก และเส้นใยโพลีเอสเตอร์



เทน้ำให้หมด-บีบหรือเหยียบให้แบน

- กล่องทั้งขวดรีไซเคิล กระป๋องจะลูบเนียนสามารถหลอมกลับมาเป็นกระป๋องอะลูมิเนียมใหม่ได้ภายใน 60 วัน (ถ้าทั้งทุก)



แยกกระดาษแต่ละประเภทออกจากกัน

- นำกระดาษไปเป็นชั้นตอนสำหรับการทำเยื่อกระดาษอีกครั้ง
- ผลบดกระดาษจะสะอาดเพื่อขจัดสารปนเปื้อน ไรต์รอน และเข้าเครื่องปั่นเพื่อให้ง่ายต่อการส่งต่อไปใช้งาน การขนส่ง



เทน้ำให้หมด-ทิ้งใส่ถังขยะรีไซเคิล

- ขวดแก้วที่สภาพสมบูรณ์ดี จะถูกนำกลับเข้าโรงงานเพื่อทำความสะอาดและนำกลับมาใช้ใหม่
- ในส่วนของเศษแก้ว ที่บิ่นชำรุด เสียหายจะถูกนำมากัดแยกเพื่อรีไซเคิล บดละเอียด คัดสี ส่งต่อไปยังโรงงานเพื่อหลอมให้กลายเป็นแก้วใหม่ต่อไป

BUILD THE CHANGE BY THE HANDS

" เมื่อการดำเนินธุรกิจรูปแบบเดิม ที่มุ่งเน้นเฉพาะผลกำไร ลดต้นทุน อาจไม่ตอบโจทย์ กับบริบทของโลกยุคต่อจากนี้ได้อีกต่อไป ธุรกิจจึงจำเป็นต้องปรับตัว เพื่อเติบโตได้อย่างเกื้อกูลแก่ทุกฝ่าย และสร้างผลตอบแทนได้อย่างยั่งยืน "

E = Environment (สิ่งแวดล้อม)

การใช้ทรัพยากรธรรมชาติอย่างมีประสิทธิภาพรวมถึง การรักษาและฟื้นฟูสภาพแวดล้อมที่ได้รับผลกระทบจากการดำเนินธุรกิจ

S = Social (สังคม)

การบริหารทรัพยากรบุคคลขององค์กรอย่างเป็นธรรมและเท่าเทียม คำนึงถึงสภาพแวดล้อมในการทำงาน และสุขภาพของพนักงาน ไปจนถึงลูกค้า ชุมชน และผู้ทำงานตลอดห่วงโซ่อุปทาน (Supply Chain)

G = Governance (ธรรมาภิบาล)

การดำเนินงานธุรกิจอย่างโปร่งใส สามารถตรวจสอบได้ ตลอดจนการทุจริต มีการกำกับดูแลกิจการที่ดีและดูแลผลประโยชน์ของผู้มีส่วนได้ส่วนเสียกับบริษัทอย่างเป็นธรรม

ทำไมต้อง ESG

Business Value Chain Stakeholders' Impact Management

The Company's main business activities are the production and sale of bakery products. Hence, its value chains start from the upstream process of raw material producers, delivery to factory, midstream process of goods processing such as bread, sandwich, croissant and other baked goods to the downstream process of distribution to various points of sale to the hands of consumers. Besides the main value chains that concern the production and distribution of products, other stakeholders also exist. The business value chains could be assessed and divided into various stakeholders, as follows;



Value Chain

- Provide the procurement of raw materials, consider the quality and sustainability of suppliers' reports
- Quality control of raw materials
- Raw materials and ESG Services Risk Assessment
- Produce quality and safety products along with social and environmental operations, responding to consumer needs
- Delivery while maintaining the quality of the goods
- Organize delivery by minimizing affect to surrounding community
- Receiving and handling customer complaints and feedback while weighing the expectations of various parties
- Analysis of market and customer needs for ongoing product development

Provide raw materials



Product development and production



Delivery



After-sales service



Value Chain Stakeholders'



Customers



Raw Material
Producers/
Partners



Employees/
Labor



Surrounding
Communities



Investors



Consumers



Government
Agencies



Shareholders

1	✓	✓	✓	✓	✓	✓	
2	✓	✓	✓	✓	✓	✓	
3	✓	✓	✓	✓	✓	✓	
4	✓	✓	✓	✓	✓	✓	✓

Stakeholders	Communication Channel	Expectations	Company's Responses
Customers	<ul style="list-style-type: none"> Stakeholders survey Business review Company website Customer satisfaction survey every 4 months Receiving complaints channels Email 	Products' Values	The Company emphasizes our responsibility in delivering to customers products that are of high quality, meet the set standards such as ISO9001:2015, GHP/HACCP Codex, ISO14001 and preparing to support the GFSI standard in retort products and could respond to the demands of customers. This responsibility also entails the understanding and cooperation with customers, customers' data protection and assessments, with activities including customers' satisfaction survey every 4 months and the opening of channels for customers' complaints.
Raw Material Producers/ Partners	<ul style="list-style-type: none"> Stakeholders survey Company website Email Meeting with suppliers every 3 months 	Fair Treatments	The Company has a policy concerning the "Fair Trade" transactions, fair selection, growth promotion and adherence to the jointly-agreed agreements with our partners.
Employees/Labor	<ul style="list-style-type: none"> Stakeholders Survey Receiving complaints channels Morning talk Board of employee welfare meeting 	Fair Treatments	The Company realizes that the employees and the labor force are the hearts of its operation. These main stakeholders are the main reasons why the Company could continue to develop. Demonstrating this, the Company is committed to human resources development, capability and knowledge enhancement of our employees, with due respect given to the equal treatments of persons, notwithstanding their genders or personal preferences. These illustrate the Company's devotion to human dignity, fair remunerations, evaluation, welfare and the compliance with relevant labor laws such as Thai Labor Standard, TLS 8001.

Stakeholders	Communication Channel	Expectations	Company's Responses
Surrounding Communities	<ul style="list-style-type: none"> Stakeholders Survey Receiving Complaints channels 	Factory's Surroundings and the Factory-Community Co-existence	Our factories utilize the management standards that give importance to the environment and compliance with the relevant laws. These include the existence of adequate control and review of waste management systems, and the promotion of projects that seek to minimize waste, listen and respond to the community's complaints and predicaments.
Investors	<ul style="list-style-type: none"> Company website AGM Meeting SET Opportunity day 	The Company's growth, business development and disclosure	In accordance with ethical standards and sound corporate governance, the Company provides good cooperation and equally and transparently discloses information to investors. Maintain positive relationships with stakeholder groups while supervising them. The objectives of the business plan are made abundantly clear.
Consumers	<ul style="list-style-type: none"> Receiving complaints channels Website and Email 	Products' Values	The Company has a goal in delivering innovative and health-friendly food products to the consumers, with due attention given to products' responsibilities, information disclosure and consumers' demands.
Government Agencies	<ul style="list-style-type: none"> Email Company website Government agencies walk-in Joining Government project 	Legal Compliance	The Company monitors the issuance of all laws and regulations that concern our business operation in order to ensure the Company's legal compliance.
Shareholders	<ul style="list-style-type: none"> Company website AGM Meeting SET opportunity day One report 	Corporate Growth Data, Corporate Values Enhancement and Disclosure	The Company emphasizes effective, transparent and accountable business operation, with complete and timely disclosure of information for all shareholders a key component. This is done under the framework of virtues and good corporate governance, while ensuring good relationships with all stakeholders. The Company also has clearly defined business policies. Even during the COVID-19 Pandemic, the Company is still able to conduct cost management, maximize productivity and ensuring the Company's equal treatments towards all shareholders in terms of information disclosure.

Environmental Sustainability Management

Environmental Policies and Practices

NSL Foods Public Co., Ltd. - a leading manufacturer of bakery goods and other consumer goods is committed to the manufacture of products that meet the consumers' demands, while taking care of the environment and natural resources sustainability, in accordance with the Sustainable Development Goals, international standards, environmental responsibilities and our policies concerning eco-friendly production process both ours and our partners'. These policies and practices are as follows;

1. The Planning of Production Process that Minimizes Waste and Energy Consumption

The Company plans our production process in order to reduce waste and energy consumption. This will help immensely with respect to the environment, complaints reduction, confidence building among the communities and the cost reduction. The practices are as follows;

- The Company has planned its production process and line based on the approved assessment by employees and experienced advisors. Effectiveness of production process is also assessed with areas to be improved highlighted.
- The Company carries out regular maintenance of machines to ensure maximum efficiency and efficient energy consumption.

2. Production Waste Management

Production waste is managed strictly according the law and other relevant environmental regulations to control the Company's impact on the environment and ensure stakeholders that the Company's operation is in compliance with the law, with a view to go above and beyond the existing regulations and achieve exemplary standards, including;

- The Company's operation coincides with the concerned regulations and international standards, including ISO9002:2015, ISO14001 as well as other standards as specified by customers.
- The Company selects its waste management provider who is certified and approved by the Department of Industrial Works, in order to ensure legal compliance.
- The Company produces reports on the management of production waste and business operation to dictate its waste management policy in coherence with effective business operation.

3. Finding Alternative and Clean Energy Sources

Alternative Energy and Clean Energy are one of the main goals of eco-friendly factory operation. The Company has set up a team to research the possibilities of sourcing energy from a clean energy source such as solar energy, for instance and reduce using the energy that effect greenhouse gases. The Company plan to install the solar rooftop as a source of electricity for the company which is clean energy since the end of this year.

4. Specifying Environmental KPIs, Objectives and Goals

To reduce and control the risks of environmental impact from business operation throughout the process, the environmental KPIs, objectives and goals are specified to foster the Company's commitment on eco-friendly policy implementation, eco-friendly corporate culture as well as the evaluation process that coincides with the set objectives and goals.

5. Review of Environmental Policies

Environmental policies are constantly reviewed to ensure compliance with international standards. The policies are then constantly evaluated and modified to demonstrate the commitment pledged towards the environmental, health and safety of all employees, stakeholders and communities.

Eco-friendly Activities in 2023

Implementation of environmental control in accordance with predetermined objectives

- Environmental laws and regulations that have an impact on the environment are the subject of complaints. "Not happened".
- The prevention of exhaust ventilation, dust, and waste water is strictly adhered to in accordance with all legal requirements.
- No accidents were found as a result of supervision, accident prevention, or pollution-related accidents.
- The control of energy consumption, electricity, water, and gas, average amount calculated according to the amount of baht per piece of work, is within the specified control criteria.
- The average production process's waste control included branches 1 and 2 "not exceeding the target".
- As planned, a meeting is being held to review the environmental management plan.
- Environmental law violations and the use of toxic substances are both considered to have "Not happened".
- In 2023, there is one project plans related to energy or the environment.

Waste Management

In 2023, the Company continuously encouraged our employees to sort waste into types: 1. General waste 2. Food waste 3. Recyclable waste and 4. Hazardous waste. This is to facilitate the process of waste management and recycling, as well as the reduction of undesirable smell and disease-carrying insects which may harm the health of the employees. There is a continuous control and monitoring of waste amount to reduce waste within the organization.



Energy Management

In 2023, the Company continuously encouraged our employees to conserve energy and use energy only when needed, as well as carried out maintenance of the electrical system. In 2024, the Company aims to reduce the consumption of energy compared to 2023, and produce energy usage report and conduct evaluation of every project, including;

- Continue Energy conservation projects and the adjustment of the chiller's temperature to conserve energy
- Changing the factory lighting from 36W fluorescent lamps to LED54W lamps, with the results of saving electricity in 2023 calculated to be 0.48%.
- Carry out an energy reduction project by installing a 0.99 Mw Solar Rooftop at the end of 2023 to reduce the amount of electricity used. It is expected to be operational in April 2024.

In addition, there are continuous activities and training every year to enhance employees' energy-saving awareness. For example:

- Provide "Energy management" training for engineering department
- Provide "Energy conservation" training for all new employees
- During daily breaks, announce energy-saving policies, slogans, and methods to employees
- Set up Safety & Energy Week

Water Management

- 1) Promote corporate culture that promotes water conservation and encourages employees to realize the values of water and water resource management
- 2) Foster efficient wastewater management system
- 3) There is a plan to improve water treatment with clean energy by installing solar cell turbines in 2024.

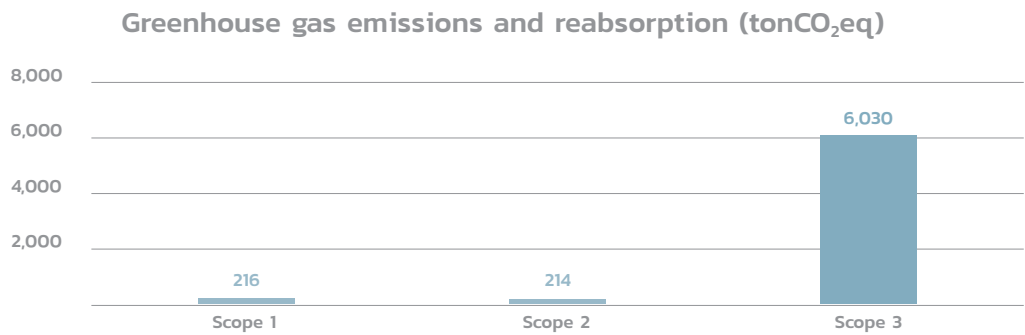
Greenhouse Gas Management

In 2023, NSL has collecting data on greenhouse gas emission, and the following actions were taken:

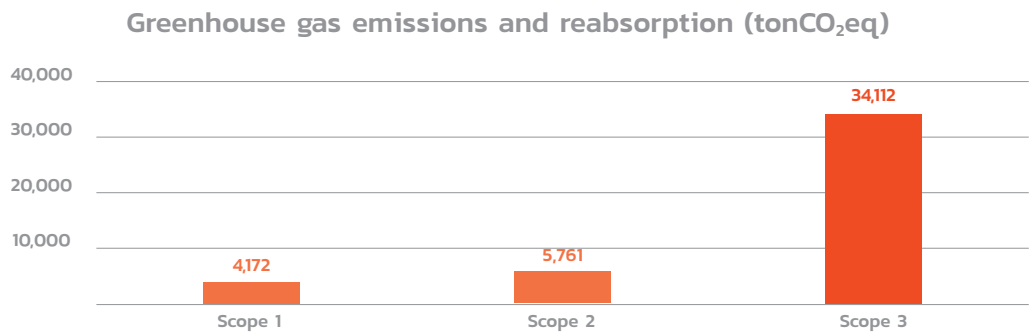
- 1) A Consulting Company continuously advice on the collection of data on greenhouse gases, establishing the Carbon Footprint for Organization (CFO) working group, defining its mission, purpose, and action plans, among other things.
- 2) The CFO committee and those involved has additional training on greenhouse gas reporting.
- 3) Gathering information on primary greenhouse gases, such as stationary combustion. Mobile combustion uses fire extinguishers, refrigerants, electricity, paper, etc.
- 4) Set a monthly target for the company's greenhouse gas data collection in 2023 and review establish a committee for greenhouse gas management to support and manage pertinent information. Summarize reports and documents for consultants to review. Additionally, it fosters an organizational culture that promotes environmental awareness and educates staff on how they can help lessen the effects of global warming and climate change continuously.

The Company collected data for greenhouse gas emission and reabsorption in 2023 for Head office and the factory branch 2 as the below result. The Company data has been reviewed by ECEE Co., Ltd.

Head office



Branch 2



Note: Scope 1 is direct greenhouse gas emissions and reabsorption. Scope 2 is the emission and indirect absorption of greenhouse gases from energy consumption and Scope 3 is other indirect greenhouse gas emissions (Category 1 Purchased goods and services, Category 3 Fuel and energy related activities, Category 4 Upstream transportation and distribution, Category 5 Waste generated in operations and Category 9 Downstream transportation and distribution).

Sustainable Management in Social Aspect

Social Policies and Practices

The Company has a policy that emphasizes social responsibility and sustainability. This policy has always been central to the Company's core policies, both at the company level by fostering transparent and efficient management and good corporate governance, and at the customer and partner levels by preserving the quality of our products and producing the goods that are beneficial to consumers. Additionally, the Company supports the activities that benefit the society and community, with the practices as follows;

1. Virtuous and Fair Business Operation

The Company emphasizes business operation that engenders sustainable growth under prudent, virtuous, transparent and professional administration in accordance with the regulations and relevant laws. Our business operation also takes into account good corporate governance, as stipulated by the Stock Exchange of Thailand. The Company has always treated its partners and creditors with fairness, equality and non-exploitation, while making sure that all commercial conditions and agreements are duly observed in order to promote business partnerships that are mutually beneficial. Fair competition is also emphasized, and any activities that are deemed unfair and unjustly damaging to other competitors avoided.

2. Respect for Human Rights

The Company has been certified according to the Thai Labor Standard, TLS 8001, demonstrating our respect for human rights and non-usage of child labor. The Company believes that everyone must be treated as part of the community, with freedom and human dignity, free from injustice and discrimination be it gender or status. The Company pledges to adopt human rights as key principles in business operation, with a view to achieve a corporate administration that is family-like, united and with a shared vision. To this end, employees at every level are treated equally.

NSL has adopted labor standards and social responsibility on labor to the business in order to demonstrate the social responsibility of labor to the company's business (TLS 8001/2020) used in the company with the scope covering all areas of the factory and covering hired and contracted work, in which all parties involved must be carried out in accordance with the intent of the standard and in accordance with the legal requirements, with the following objectives;

1. The majority of Thai labor laws' general requirements are managed through written documents 100%.
2. At least once a year, management held a meeting to review labor law (Management review).
3. Zero complaints about forced labor
4. Zero complaints about illegal wage payments and compensation for work
5. Working hours Overtime exceeding 24 hours per week must be zero.
6. According to the law, employees are entitled to holidays and leave.
7. Zero complaints about discrimination
8. Punishment and discipline must entirely adhere to the law.

The 2023 operation achieved the above target at 100%.

Labor Practice

The Company ensures that the remunerations rendered are suitable to Thai industrial contexts, with periodical adjustments regarding corporate structure done on the basis of Thai law. The Company also follows the law and regulations on hygiene and safety, creating a safe working environment for employees and observers with the objectives to minimize losses or dangers caused by accidents. Steps are also taken to increase opportunities for growth for employees by promoting professional training and learning opportunities.

The objectives and targets are as the following;

1. Implementing the 100% of safety plan
2. Disability-causing workplace accidents down to zero
3. Discovering no illnesses among workers as a result of risk factors

The 2022 operation achieved the above target at 100%.

Fair Treatments

1) Fair Business Operation

The Company emphasizes fair business operation, specifying clear rules and regulations concerning all procurements to encourage fair competition and partner selections, complete with the auditing done by external agencies to avoid potential corruptions and create a network of shared interests, experiences and goals in enhancing the competitive capabilities. The Company also has policies and practices concerning non-infringement of copyrights and intellectual property, conduct business based on good corporate governance, responsibility towards all stakeholders and compliance with the law, contracts, and agreements.

2) Fair Treatment of Employees

The Company attaches importance and attention to our employees. They are treated fairly and with respect to human resource management. The employees are recruited, developed and encouraged to become effective employees with a view towards efficient business operation and achievement of set goals. The Company also makes sure that the remunerations are specified appropriately based on each employee's capabilities and performance, and on the rate comparable with other companies. Employees can also access appropriate welfare and assistance. In human resources development, the Company has taken steps to ensure that all employees can access adequate training opportunities to enhance their capabilities that contribute to personal professional growth and corporate benefits. Employees are also encouraged to share their thoughts, both directly and indirectly, which would foster a participatory solution-finding process.

3. Relationships with Customers and Partners

The Company focuses on the production process that is of high quality, meets accepted standards and the demands of customers. Partners are treated based on fairness, equality, corporate honesty, mutual interest and business ethics. The Company seeks to maintain and develop its relationships with partners going forward.

NSL continues to perform annual quality system audits for ISO9001 GHPs and HACCP. In addition, there is a monthly channel for receiving health-related or unsafe product consumption teachings as well as corrective and remedial measures.

4. Joint Development of Community and Society

The Company conducts our business with community and social responsibilities in mind. Always realizing that a strong community and society is a positive factor for business operation, the Company seeks to participate in developing the community and society by taking part in activities.



Make merit at the Royal Kathina almshouse with the Department of Labor Protection and Welfare



School and electronic library development activities



Computers for children project at Wat Kammasen School Prachuap Khiri Khan Province



Build the Change by the Hands project

Management Discussion and Analysis for the year ended 31 December 2023

Summary of operating performance of 2023

Operating Performance	Consolidated financial statement	Separate financial statements			
	2023	2023	2022	Increase (Decrease)	% Increase (Decrease)
	MB	MB	MB		
Sales	4,788.4	4,735.7	4,001.5	734.2	18.3%
Revenue from franchise license	4.4	-	-	-	-
Other income	16.5	13.0	8.3	4.7	57.1%
Total Revenues	4,809.3	4,748.7	4,009.8	738.9	18.4%
Cost of sales	3,910.1	3,864.2	3,259.3	604.8	18.6%
Distribution costs	334.8	324.9	267.1	57.8	21.6%
Administrative expenses	127.3	117.5	101.4	16.1	15.9%
Profit from Operating Activities	437.1	442.1	381.9	60.2	15.8%
Finance costs	10.6	10.4	10.3	0.2	1.6%
Share of loss of joint venture accounted for using equity method	8.9	-	-	-	-
Profit before income tax	417.6	431.7	371.6	60.1	16.2%
Income tax expenses	85.4	86.4	74.0	12.4	16.7%
Net Profit	332.2	345.3	297.6	47.7	16.0%

Revenue

Separate financial statements						
Revenue Structure	2023		2022		Increase (Decrease)	% Increase (Decrease)
	MB	%	MB	%		
Sales	4,735.7	99.7%	4,001.5	99.8%	734.2	18.3%
• Bakery and appetizers	4,281.6	90.2%	3,643.4	90.9%	638.2	17.5%
• Snack under NSL's brands and trading	110.0	2.3%	34.9	0.9%	75.1	215.1%
• Food Services	275.7	5.8%	288.3	7.2%	(12.5)	(4.3%)
• OEM and others	68.4	1.4%	34.9	0.9%	33.4	95.7%
Other income	13.0	0.3%	8.3	0.2%	4.7	57.1%
Total Revenue	4,748.7	100.0%	4,009.8	100.0%	738.9	18.4%

In 2023, NSL's revenue from sales were accounted for 99.7% and other income were accounted for 0.3% of total revenue. Revenue from sales comprises products of bakery, appetizers, snacks by NSL's brands and trading, food services, OEM and others.

In 2023 period, NSL had revenue from sales of 4,735.7 THB millions, increased from 2023 by 734.2 THB millions or accounted for the increase of 18.3%, mainly due to COVID-19 pandemic situation could recover and more relax since Q422 until end of 2023 and partner emphasize delivery sales and promotion continuously in the result of sales increasing. Moreover, the revenue from food services slightly decreased in 2023 from the previous year.

Other income

In 2023 period, NSL's other income increased from 2022 by 4.7 THB million

Cost of sales and Gross profit

Separate financial statements						
Description	2023		2022		Increase (Decrease)	% Increase (Decrease)
	MB	%	MB	%		
Revenue from sales	4,735.7	100.0%	4,001.5	100.0%	734.2	18.3%
Cost of sales	3,864.2	81.6%	3,259.3	81.5%	604.8	18.6%
Gross Profit	871.5	18.4%	742.1	18.5%	129.4	17.4%

In 2023, gross profit margin was slightly decreased from the same period of the previous year mainly due to raw material cost and utilities cost increased, however, NSL has adjusted price of some products thus they are partially offsetting the increase in costs.

Distribution Costs

Separate financial statements						
Distribution Costs	2023		2022		Increase (Decrease)	% Increase (Decrease)
	MB	% of total revenue	MB	% of total revenue		
Promotional and advertising expenses	9.2	0.2%	3.4	0.1%	5.8	170.4%
Sales transportation expenses	227.7	4.8%	196.5	4.9%	31.1	15.8%
Salaries, wages, overtime, bonuses, and employee benefits	55.4	1.2%	47.9	1.2%	7.5	15.6%
Other distribution costs	32.6	0.7%	19.2	0.5%	13.4	69.4%
Total Distribution costs	324.9	6.8%	267.1	6.7%	57.8	21.6%

The distribution costs in 2023 increased from the previous year by 57.8 THB million. It was mainly due to the increase of sales transportation expenses from increasing of fuel price and more product delivery cycle. Moreover, salaries, wages, overtime, bonuses, and employee benefits increased from increasing in personnel in sales and marketing department and sales promotion for boost up sales.

งบการเงินเฉพาะกิจการ						
Administrative Expenses	2023		2022		Increase (Decrease)	% Increase (Decrease)
	MB	% of total revenue	MB	% of total revenue		
Salaries, wages, overtime, bonuses, and employee benefits	73.6	1.5%	65.7	1.6%	7.9	12.0%
Consulting fees and service fees	19.8	0.4%	13.2	0.3%	6.7	50.8%
Depreciation and amortization	5.5	0.1%	3.7	0.1%	1.8	49.2%
Utilities and equipment repair	5.0	0.1%	4.3	0.1%	0.7	16.1%
Other administrative expenses	13.6	0.3%	14.6	0.4%	(1.0)	(6.6%)
Administrative Expenses	117.5	2.5%	101.4	2.5%	16.1	15.9%

Finance Costs

In 2023, finance costs had increased when compare with the previous year, caused by the borrowings from a financial institution which interest rate was increased.

Net profit and Net profit margin

Net profit and Net profit margin	Unit	2023	2022	Increase (Decrease)	% Increase (Decrease)
Consolidated financial statement					
Net profit	MB	332.2	297.6	34.6	11.6%
Net profit margin (%)	%	6.9%	7.4%	(0.5%)	
Separate financial statements					
Net profit	MB	345.3	297.6	47.7	16.0%
Net profit margin (%)	%	7.3%	7.4%	(0.6%)	

In 2023, NSL had net profit in the separate financial statement of 345.3 THB million, higher than the previous year by 47.7 THB million, however, net profit margin is lower than the previous year by 0.6%. It resulted from increasing in revenue from recovery of COVID-19 situation, however, raw material cost, fuel cost and utilities cost increased so net profit margin decreased when compare with the same period of the previous year.

Moreover, for consolidated financial statement, in 2023 NSL invested in Pen 1 F & B Co., Ltd. amounting to 15 THB million and had share of loss of joint venture accounted for using equity method amounting to 8.9 THB million from operating expense and selling expense and in 2023, NSL invested in NSL INTERTRADE (2023) Co., Ltd. amounting to 8 THB million and NSL Bake a Wish Co., Ltd. amounting to 24 THB million had a little share of loss of such investment from operating expense so remaining net profit from Consolidated financial statement was 332.2 THB million.

Financial Position

Financial Position	Consolidated financial statement	Separate financial statements			
	31 Dec 23	31 Dec 23	31 Dec 22	Increase (Decrease)	% Increase (Decrease)
	MB	MB	MB		
Total Assets	2,499.6	2,438.1	2,289.7	148.5	6.5%
Total Liabilities	923.2	866.7	883.6	(16.9)	(1.9%)
Total Shareholders' Equity	1,576.4	1,571.4	1,406.1	165.4	11.8%

Assets

Assets	Consolidated financial statement	Separate financial statements				
	31 Dec 23	31 Dec 23	31 Dec 22	Increase (Decrease)	% Increase (Decrease)	% Proportion per total assets 31 Dec 23
	MB	MB	MB			
Cash and cash equivalents	133.9	105.3	115.1	(9.8)	(8.5%)	4.3%
Trade and other current receivables	732.0	729.8	595.4	134.4	22.6%	29.9%
Short-term loans to a subsidiary	-	21.0	-	21.0	100%	0.9%
Inventories	274.4	262.7	267.1	(4.4)	(1.6%)	10.8%
Investment in subsidiaries	-	32.0	-	32.0	100%	1.3%
Investment in a joint venture	6.1	15.0	-	15.0	100%	0.6%
Property, plant and equipment and Right-of-use assets	1,049.9	1,014.6	969.7	45.0	4.6%	41.6%
Other assets	303.3	257.6	342.3	(84.7)	(24.7%)	10.6%
Total Assets	2,499.6	2,438.1	2,289.7	148.5	6.5%	100.0%

NSL's total assets in 2023 increased from the previous year, mainly due to the increase of Trade and other current receivables based on sales growth. Moreover, there is increasing in Property, plant and equipment from investing.

Moreover, in 2023 NSL invested in Pen 1 F & B Co., Ltd. amounting to 15 THB million and had share of loss of joint venture accounted for using equity method amounting to 8.9 THB million from operating expense and selling expense so remaining investment in a joint venture from consolidated financial statement was 6.1 THB million and in 2023 NSL invested in NSL INTERTRADE (2023) Co., Ltd. amounting to 8 THB million and NSL Bake A Wish Co., Ltd. 24 THB million. Moreover, there is short-term loans to NSL Bake A Wish Co., Ltd. 21 THB million.

Liabilities

Liabilities	Consolidated financial statement	Separate financial statements				
	31 Dec 23	31 Dec 23	31 Dec 22	Increase (Decrease)	% Increase (Decrease)	% Proportion per total assets 31 Dec 23
	MB	MB	MB			
Trade and other current payables	650.0	626.1	559.5	66.6	11.9%	25.7%
Long-term borrowings from a financial institution	133.4	133.4	234.3	(100.9)	(43.1%)	5.5%
Lease liabilities	22.2	11.0	12.7	(1.7)	(13.1%)	0.5%
Other liabilities	117.6	96.1	77.1	19.0	24.7%	3.9%
Total Liabilities	923.2	866.7	883.6	(16.9)	(1.9%)	35.5%

NSL's total liabilities in 2023 was slightly decreased from the previous year mainly caused by the decrease of short-term and long-term borrowings from a financial institution was due to the repayment of the borrowings and trade and other current payables increased by 66.6 THB million from purchasing for support sales at the end of the year.

Shareholder's Equity

Shareholder's Equity	Consolidated financial statement	Separate financial statements				
	31 Dec 23	31 Dec 23	31 Dec 22	Increase (Decrease)	% Increase (Decrease)	% Proportion per total assets 31 Dec 23
	MB	MB	MB			
Issued and paid-up share capital	300.0	300.0	300.0	-	0.0%	12.3%
Premium on ordinary shares	797.4	797.4	797.4	-	0.0%	32.7%
Retained earnings - Legal reserve	30.0	30.0	30.0	-	0.0%	1.2%
Retained earnings - Unappropriated	432.3	444.1	278.7	165.4	59.3%	18.2%
Non-Controlling Interests	16.7	-	-	-	-	-
Total Shareholders' Equity	1,576.4	1,571.4	1,406.1	165.4	11.8%	64.5%

Shareholders' equity in 2023 was 1,571.4 THB million, increased by 165.4 THB million or accounted for 11.8%. It resulted from the increase of retained earnings from net profit during the period by 345.3 THB million. There was dividend payment in 2023 by 179.9 THB million

Key Financial Ratios

Financial Ratio	Unit	For the fiscal period ended		
		31 Dec 23	31 Dec 22	Increase (Decrease)
Current ratio	times	1.6	1.7	(0.0)
Quick ratio	times	1.0	0.9	0.1
Return on Assets (ROA)	%	18.7	17.4	1.3
Return on Equity (ROE)	%	23.2	22.4	0.8
Debt to Equity ratio (D/E Ratio)	times	0.6	0.6	(0.1)
Bank Debt to EBITDA ratio (Bank Debt / EBITDA)	times	0.2	0.5	(0.2)
Debt Service Coverage ratio (Cash Basis)	times	0.9	0.5	0.5

Current ratio and Quick ratio

At the end of 2023, the current ratio and quick ratio is the same as previous year.

Return on Assets (ROA)

At the end of 2023, return on assets increased to 18.7%, mainly due to the increase of net profit.

Return on Equity (ROE)

Return on equity at the end of 2023 increased to 23.2%, mainly due to the increase of net profit.

Debt-to-Equity ratio (D/E ratio) and Bank debt to EBITDA ratio (Bank Debt / EBITDA)

At the end of 2023, debt-to-equity ratio (D/E ratio) and bank debt to EBITDA ratio (Bank Debt / EBITDA) decreased comparing with the previous year from the repayment of the borrowings.

Debt service coverage ratio

The debt service coverage ratios in 2023 was 0.9 times which were lower than 1.0 time. It resulted from the repayment of loan from a financial institution and dividend payment. However, NSL has never defaulted on repayment of loans and interests. In addition, NSL has cash and cash equivalents and undrawn reserve limit to support financial liquidity in 9M23, which are bank overdrafts (OD) of 30 THB million, short term loan (PN) of 210 THB million and import credit facility (LC/TR) of 189.8 THB million.

Financial Highlights

Statement of Financial Position

Account (Unit: Million Baht)	Separate FS				Consolidated FS	
	31 Dec 2022		31 Dec 2023		31 Dec 2023	
	Amount	%	Amount	%	Amount	%
ASSETS						
<u>CURRENT ASSETS</u>						
Cash and cash equivalents	115.1	5.0%	105.3	4.3%	133.9	5.4%
Trade and other current receivables	595.4	26.0%	729.8	29.9%	732.0	29.3%
Short-term loans to a subsidiary	-	0.0%	21.0	0.9%	-	0.0%
Inventories	267.1	11.7%	262.7	10.8%	274.4	11.0%
Other current financial assets - temporary investments	301.0	13.1%	214.1	8.8%	214.1	8.6%
Derivative assets	-	0.0%	0.0	0.0%	0.0	0.0%
Other current assets	2.7	0.1%	4.1	0.2%	6.7	0.3%
Total Current Assets	1,281.4	56.0%	1,337.1	54.8%	1,361.2	54.5%
<u>NON-CURRENT ASSETS</u>						
Investment in subsidiaries	-	0.0%	32.0	1.3%	-	0.0%
Investment in a joint venture	-	0.0%	15.0	0.6%	6.1	0.2%
Property, plant and equipment	954.4	41.7%	1,001.7	41.1%	1,025.9	41.0%
Right-of-use assets	15.2	0.7%	12.9	0.5%	24.0	1.0%
Goodwill	-	0.0%	-	0.0%	2.3	0.1%
Other intangible assets other than goodwill	6.1	0.3%	5.0	0.2%	44.4	1.8%
Deferred tax assets	8.1	0.4%	9.8	0.4%	10.6	0.4%
Other non-current assets	24.3	1.1%	24.6	1.0%	25.1	1.0%
Total Non-current Assets	1,008.2	44.0%	1,101.1	45.2%	1,138.4	45.5%
TOTAL ASSETS	2,289.7	100.0%	2,438.1	100.0%	2,499.6	100.0%

Account (Unit: Million Baht)	Separate FS				Consolidated FS	
	31 Dec 2022		31 Dec 2023		31 Dec 2023	
	Amount	%	Amount	%	Amount	%
LIABILITIES AND SHAREHOLDERS' EQUITY						
<u>CURRENT LIABILITIES</u>						
Bank overdrafts and short-term borrowings from a financial institution	58.8	2.6%	60.2	2.5%	60.2	2.4%
Trade and other current payables	559.5	24.4%	626.1	25.7%	650.0	26.0%
Current contract liabilities - advance received from franchise license	-	0.0%	-	0.0%	7.3	0.3%
Current portion of long-term borrowings from a financial institution	103.3	4.5%	73.2	3.0%	73.2	2.9%
Current portion of lease liabilities	5.3	0.2%	4.8	0.2%	7.8	0.3%
Current income tax payable	34.2	1.5%	46.7	1.9%	46.7	1.9%
Derivative liabilities	3.8	0.2%	2.1	0.1%	2.1	0.1%
Other current liabilities	8.5	0.4%	11.3	0.5%	12.0	0.5%
Total Current Liabilities	773.6	33.8%	824.4	33.8%	859.3	34.4%
<u>NON-CURRENT LIABILITIES</u>						
Long-term borrowings from a financial institution	72.2	3.2%	-	0.0%	-	0.0%
Lease liabilities	7.4	0.3%	6.2	0.3%	14.4	0.6%
Non-current contract liabilities - advance received from franchise license	-	0.0%	-	0.0%	9.9	0.4%
Non-current provisions for employee benefit	30.5	1.3%	36.1	1.5%	39.6	1.6%
Total Non-current Liabilities	110.0	4.8%	42.3	1.7%	63.9	2.6%
TOTAL LIABILITIES	883.6	38.6%	866.7	35.5%	923.2	36.9%
SHAREHOLDERS' EQUITY						
Issued and paid-up share capital	300.0	13.1%	300.0	12.3%	300.0	12.0%
PREMIUM ON ORDINARY SHARES	797.4	34.8%	797.4	32.7%	797.4	31.9%
RETAINED EARNINGS						
Legal reserve	30.0	1.3%	30.0	1.2%	30.0	1.2%
Unappropriated	278.7	12.2%	444.1	18.2%	432.3	17.3%
NON-CONTROLLING INTERESTS	-	0.0%	-	0.0%	16.7	0.7%
TOTAL SHAREHOLDERS' EQUITY	1,406.1	61.4%	1,571.4	64.5%	1,576.4	63.1%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	2,289.7	100.0%	2,438.1	100.0%	2,499.6	100.0%

Statements of Comprehensive Income

Account (Unit: Million Baht)	Separate FS				Consolidated FS	
	2022		2023		2023	
	Amount	%	Amount	%	Amount	%
REVENUES						
Revenue from sales	4,001.5	99.8%	4,735.7	99.7%	4,788.4	99.6%
Revenue from franchise license	-	0.0%	-	0.0%	4.4	0.1%
Other income	8.3	0.2%	13.0	0.3%	16.5	0.3%
Total Revenues	4,009.8	100.0%	4,009.8	100.0%	4,809.3	100.0%
EXPENSES						
Cost of sales	3,259.3	81.3%	3,864.2	81.4%	3,910.1	81.3%
Distribution costs	267.1	6.7%	324.9	6.8%	334.8	7.0%
Administrative expenses	101.4	2.5%	117.5	2.5%	127.3	2.6%
Total Expenses	3,627.9	90.5%	4,306.6	90.7%	4,372.2	90.9%
PROFIT FROM OPERATING ACTIVITIES	381.9	9.5%	442.1	9.3%	437.1	9.1%
Finance costs	10.3	0.3%	10.4	0.2%	10.6	0.2%
Share of loss of joint venture accounted for using equity method	-	0.0%	-	0.0%	8.9	0.2%
PROFIT BEFORE INCOME TAX	371.6	9.3%	431.7	9.1%	417.6	8.7%
Income tax expenses	74.0	1.8%	86.4	1.8%	85.4	1.8%
PROFIT FOR THE YEAR	297.6	7.4%	345.3	7.3%	332.2	6.9%
Item that will not be reclassified subsequently to profit or loss						
Remeasurements of retirement benefit obligations	8.1	0.2%	-	0.0%	-	0.0%
Income tax relating to remeasurements of retirement benefit obligations	(1.6)	0.0%	-	0.0%	-	0.0%
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	304.1	7.6%	345.3	7.3%	332.2	6.9%
PROFIT ATTRIBUTABLE TO						
Owners of the parent	297.6	7.4%	345.3	7.3%	333.5	6.9%
Non-controlling interests	-	0.0%	-	0.0%	(1.3)	0.0%
	297.6	7.4%	345.3	7.3%	332.2	6.9%
COMPREHENSIVE INCOME ATTRIBUTABLE TO						
Owners of the parent	304.1	7.6%	345.3	7.3%	333.5	6.9%
Non-controlling interests	-	0.0%	-	0.0%	(1.3)	0.0%
	304.1	7.6%	345.3	7.3%	332.2	6.9%
Basic earnings per share (Baht) (Par 1 Baht)	0.99		1.15		1.11	

Statement of Cash Flows

Account (Unit: Million Baht)	Separate FS		Consolidated FS
	2022	2023	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before income tax	371.6	431.7	417.6
Adjustments for			
- Depreciation	95.3	109.4	110.5
- Amortization of rights-of-use assets	5.7	6.1	7.2
- Amortization of intangible assets	1.2	1.2	2.2
- Revenue from franchise license	-	-	(2.6)
- Loss on write-off of fixed assets	0.0	0.6	0.6
- Gain on disposal of fixed assets	(0.0)	(0.2)	(0.2)
- Non-current provisions for employee benefit expense	4.8	8.3	8.5
- Expected credit losses (reverse)	0.8	(0.5)	(0.5)
- Loss on deterioration of inventories	2.5	4.7	4.7
- Unrealized loss (gain) on exchange rate	(4.0)	1.2	1.2
- Unrealized loss (gain) on derivative	3.8	(1.8)	(1.8)
- Gain on revaluation of other current financial assets	(1.0)	(3.1)	(3.1)
- Interest income	(0.6)	(0.8)	(0.8)
- Finance cost	10.3	10.4	10.6
- Share of loss from joint venture	-	-	8.9
Profit from operation before changes in operating assets and liabilities	490.3	567.3	563.0
Operating assets and liabilities (increase) decrease			
- Trade and other current receivables	(99.6)	(134.1)	(136.3)
- Inventories	(80.8)	(0.3)	(3.9)
- Other current assets	(0.4)	(1.4)	(3.9)
- Other non-current assets	0.0	(1.3)	(1.8)
- Trade and other current payables	112.1	62.8	86.7
- Other current liabilities	0.6	2.7	3.4
- Advance cash received from franchise license	-	-	0.3
- Cash paid for employee benefit	(16.1)	(2.7)	(2.7)
Cash received from operation	406.2	493.0	504.7
Cash received from deposit interest	0.3	1.0	1.0
Cash paid for income tax expenses	(59.6)	(75.6)	(75.7)
Net cash provided by operating activities	346.9	418.4	430.0

Account (Unit: Million Baht)	Separate FS		Consolidated FS
	2022	2023	2023
CASH FLOWS FROM INVESTING ACTIVITIES			
Cash paid for short-term loan to a subsidiary	-	(21.0)	-
Cash paid for other current financial assets - temporary investments	(300.0)	-	-
Cash received from other current financial assets - temporary investments	-	90.0	90.0
Cash paid for purchases of fixed assets	(144.7)	(151.9)	(157.9)
Proceeds from sales of fixed assets	0.0	0.3	0.3
Cash paid for purchases of intangible assets	(0.4)	(0.1)	(0.2)
Cash paid for investing in subsidiaries	-	(32.0)	-
Cash paid for investing in joint venture	-	(15.0)	(15.0)
Cash paid for business acquisition	-	-	(46.9)
Net cash used in investing activities	(445.1)	(129.8)	(129.6)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash received from short-term borrowing from a financial institution	23.9	0.5	0.5
Cash repaid for long-term borrowings from a financial institution	(101.8)	(101.8)	(101.8)
Cash repaid for lease liabilities	(7.6)	(6.7)	(7.9)
Interest paid	(10.5)	(10.5)	(10.5)
Dividends paid	(150.0)	(179.9)	(179.9)
Proceeds from non-controlling interest from investing in subsidiaries	-	-	18.0
Net cash provided by (used in) financing activities	(246.0)	(298.4)	(281.6)
Net increase (decrease) in cash and cash equivalents	(344.2)	(9.8)	18.8
Cash and cash equivalents as at January 1,	459.3	115.1	115.1
Cash and cash equivalents as at December 31,	115.1	105.3	133.9

Financial ratios highlights

Financial ratios	Unit	Separate FS	
		2022	2023
LIQUIDITY RATIO			
Current ratio	times	1.7	1.6
Quick ratio	times	0.9	1.0
Operating Cash Flow to Current Liabilities	times	0.5	0.5
Account receivable turnover	times	7.5	7.3
Average collection period	days	47.9	49.2
Inventory turnover	times	14.3	14.6
Average sale (inventory) period	days	25.2	24.7
Account payable turnover	times	7.9	8.0
Average payment period	days	45.3	44.8
Cash cycle	days	27.8	29.0
PROFITABILITY RATIO			
Gross profit margin	%	18.5%	18.4%
Operating profit margin ¹	%	9.3%	9.0%
Other profit margin ²	%	0.2%	0.3%
Operating cash flow to profitability	%	90.8%	94.6%
Net profit margin	%	7.4%	7.3%
Return on equity	%	22.4%	23.2%
EFFICIENCY RATIO			
Return on assets	%	17.4%	18.7%
Return on fixed assets	%	42.1%	46.4%
Asset turnover	times	1.8	2.0
FINANCIAL POLICY RATIO			
Debt to equity	times	0.6	0.6
Bank debt to EBITDA (Bank Debt / EBITDA) ³	times	0.5	0.2
Interest Coverage	times	40.5	48.3
Commitment coverage (Cash Basis)	times	0.5	0.5
Dividend payout	%	50.4%	52.1%

¹ Operating profit was calculated from gross profit (not included other income) deducted by distribution costs and administrative expenses.

² Calculated from other income divided by total revenues

³ Calculated from borrowings from a financial institution divided by profit before depreciation, amortization, finance costs and income tax expenses

General Information and Other Significant Information

Name	:	NSL Foods Public Company Limited
Ticker Symbol	:	NSL
Business Overview	:	Manufactures and distributes food, and imports and distributes meat products and frozen vegetables.
Registration Number	:	0107563000088
Head Office	:	55/22 M.3 Bang Bua Thong - Nonthaburi Bridge Road (345), Lam Pho Sub-District, Bang Bua Thong District, Nonthaburi 11110
Branch	:	<p>Branch 1 : Amata City Industrial Estate 700/707 M.1 Phan Thong Sub-District, Phan Thong District, Chonburi 20160</p> <p>Branch 2 : Amata City Industrial Estate 700/836 M.6 Nong Tamlueng Sub-District, Phan Thong District, Chonburi 20160</p> <p>Branch 3 : 29/52 M.2 Bang Bua Thong - Nonthaburi Bridge Road (345), Lam Pho Sub-District, Bang Bua Thong District, Nonthaburi 11110</p> <p>Branch 4 : 55/11 M.3 Bang Bua Thong - Nonthaburi Bridge Road (345), Lam Pho Sub-District, Bang Bua Thong District, Nonthaburi 11110</p>
Telephone	:	+66(0)2 525 8537 +66(0)2 525 8520 - 22 +66(0)2 149 9436 - 39
Fax	:	+66 (0) 2525 8538
Corporate Website	:	http://nslfoods.com/
Registered Capital	:	300,000,000 Baht
Issued and Paid-up Capital	:	300,000,000 Baht comprising ordinary shares of 300,000,000 shares at par value of 1.0 Baht per share



Preferred Share	:	None
First Trade Date	:	19 May 2021
Company Secretary	:	Telephone : +66 (0) 2525 8520-1 Ext. 1010 E-mail : jariya.mu@nslfoods.com
Investor Relations	:	Telephone : +66 (0) 2525 8520-1 Ext. 1010 E-mail : ir@nslfoods.com

Other Reference

Registrar	:	Thailand Securities Depository Company Limited Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400 Telephone : +66 (0) 2009 9999 Fax : +66 (0) 2009 9991
Auditor	:	Deloitte Touche Tohmatsu Jaiyos Co., Ltd. Mr. Mongkol Somphol Certified Public Accountant ID 8444 AIA Sathorn Tower, 23 rd - 27 th Floor 11/1 South Sathorn Road Yannawa, Sathorn, Bangkok 10120 Telephone : +66 (0) 2034 0000 Fax : +66 (0) 2034 0100
Legal Advisor	:	Kudun and Partners Company Limited 34/3 Vivre Langsuan, 4 th , 5 th , and 6th Floor, Soi Langsuan, Lumpini, Pathumwan, Bangkok 10330 Telephone : +66 (0) 2838 1750 Fax : +66 (0) 2838 1795

Legal Disputes

As of 31 December 2023, NSL has no ongoing legal disputes that may impact NSL's assets of more than 5% of total equity.

Additionally, in 2023, NSL has no legal disputes that have negative impact on NSL's business operation.





Part 2

Corporate Governance

- Corporate Governance Policy
- Corporate Governance Structure and Information Concerning Board of Directors, Sub-committees, Executives, Employees and Others
- Audit Committee Report
- Internal Control and Internal Audit
- Related-Party Transactions

Corporate Governance Policy

NSL has closely followed the relevant law, company objectives, regulations, NSL shareholders' meeting resolutions as well as the corporate governance policy practice of the registered companies. Moreover, NSL has ensured that the Company has a corporate governance policy, good management policy, as well as the regulations and practices as specified by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. These policies and practices serve as a framework for business operation, which is reviewed and evaluated every year to ensure they remain appropriate and coherent with the current situations. The implementation of these policies and practices are also prioritized among all shareholders to ensure fairness, corporate justice, transparency and accountability.



The Board of Directors also set up a sub-committee to handle the evaluation, internal control, risk management and corporate governance compliance of NSL, along with promoting corporate transparency and justice among executives. Thus, all stakeholders could rest assured that the Company closely follows the corporate governance policy and practices to ensure the Company's sustainable growth going forward. The Board of Directors' Meeting no. 1/2023 on 24 February 2023 approved the Good Corporate Governance Code, that encompasses all 8 Corporate Governance Practices, as follows; (The details appear on the Company's website: <https://investor.nslfoods.com/en/corporate-governance/corporate-governance-policy>).

Practice 1	Role and Responsibilities of the Board
Practice 2	Company's Objectives and Goals
Practice 3	Promotion of the Board's Efficiency
Practice 4	Selection and Development of Executives and Human Resource Management
Practice 5	Innovation Promotion and Responsible Business Operation
Practice 6	Fostering Suitable Risk Management and Internal Control Systems
Practice 7	Financial Confidence Preservation and Disclosure of Information
Practice 8	Shareholders' Communication and Participation Promotion

Committees

The Company Board's structure consists of the Board of Directors, Audit Committee and Executive Committee.

Board of Directors

The NSL Directors are highly qualified persons that take major parts in the overall decision-making, Company's policy setting, management, review and evaluation of all NSL's undertakings to make sure that its operation lives up to the pre-existing independently specified work plan. As of 31 December 2023, the Board of Directors consists of 8 directors. All NSL committees must have pre-set compositions, roles, responsibilities as well as the terms and conditions concerning directorial elections and tenure as the details appear on the Company's website: <https://investor.nslfoods.com/en/corporate-governance/corporate-governance-policy> "Board of Directors Charter"

Audit Committee

As of 31 December 2023, the Audit Committee of NSL consists of 3 independent directors. The Audit Committee must have pre-set compositions, roles, responsibilities as well as the terms and conditions concerning appointments and tenure as the details appear on the Company's website: <https://investor.nslfoods.com/en/corporate-governance/corporate-governance-policy> "Audit Committee Charter"

Executive Committee

As of 31 December 2023, the Executive Committee consists of 10 executive directors. All NSL committees realize the importance of NSL management. To this end, the Executive Committee is considered and appointed to comprise clear policies on the compositions, roles, responsibilities as well as the terms and conditions concerning the tenure of the Executive Committee members as the details appear on the Company's website: <https://investor.nslfoods.com/en/corporate-governance/corporate-governance-policy> "Executive Committee Charter"

Executives

As of 31 December 2023, the Executive consists of 7 executives, as follows;

Name	Position
1. Mr. Somchai Asavapiyanond	President
2. Mr. Weerachon Khaophong	Executive Vice President
3. Mr. Charoen Asavapiyanond	VP Operations
4. Mr. Arkradej Liamcharoen	VP Accounting and Finance
5. Ms. Waewdao Tanavatsatiend	VP Commercial - Food Services
6. Mr. Visut Pornsalanu wattana	VP Commercial - Brand & Business Development
7. Ms. Phimnada Charoennaraphiwat *	VP Commercial - 7-11

* Ms. Phimnada Charoennaraphiwat was appointed as VP Commercial - 7-11, an executive position in the company, effective from 1 January 2023 onwards.

President

The Board of Directors is responsible for the appointment of the President to fulfil the role of NSL overall management; the position of President also has pre-set roles and responsibilities as the details appear on the Company's website: <https://investor.nslfoods.com/en/corporate-governance/corporate-governance-policy> "President Charter".

Company secretary

The Board of Directors realize the importance of the position of Company Secretary. To this end, Company Secretary is appointed to fulfil the roles of supporting the work of the Board of Directors in order to ensure that the Board and NSL are able to operate within the legal framework and in accordance with the good corporate governance policy and practice, as specified by the Stock Exchange of Thailand. Thus, the position of Company Secretary also has pre-set roles and responsibilities as the details appear on the Company's website: <https://investor.nslfoods.com/en/corporate-governance/corporate-governance-policy> "Company Secretary Charter".

The Selection and Appointment of Board Directors and High-Level Executives

The Committee shall consider and specify the practices and guidelines concerning the selection of Directors, sub-committee, President and High-Level Executives based on their qualifications such as the required knowledge, skills and experience that fit the NSL's mode of business. The selection process for the position of President is handled by the Board of Directors, and in turn, the President is responsible for the selection of High-Level Executives.

The Board of Directors shall organize a meeting to consider the rules and process concerning the selection of Directors who have the required qualifications to ensure that the Board comprises of persons with sufficient expertise and knowledge with regards to accountancy, finance and business in various aspects. These persons must be able to protect the interest of the shareholders, have the characteristics as specified in the regulations as stipulated by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. Additionally, these persons must not be of the characteristics as prohibited by the Public Limited Companies Act B.E. 2535 (1992), and the Securities and Exchange Act B.E. 2535 (1992). To this end, the profile of the said persons has to be screened before submitting for the Shareholders' Meeting's appointments. Before the meeting, NSL shall ensure that the shareholders possess sufficient information regarding the persons in question.

Investments in Subsidiaries and Associated Companies

NSL shall invest in other businesses that are relevant, similar or deemed beneficial and supportive of the NSL's business operations. These investments will serve to foster the Company's security and operation, with the Company constantly analyzing the possibilities of investment projects, investment risk assessment, revenue and liquidity of NSL's finance. The Board of Directors and Shareholders' Meeting have to consider and approve the proposed investments in accordance with the pre-existing practices and the regulations as specified by the Capital Market Supervisory Board and the Stock Exchange of Thailand, as well as other relevant laws.

Policies Concerning the Management and Administration of Subsidiaries and Associated Companies

NSL has specified the policies concerning the management and administration of subsidiaries and associated companies with the objective to allow the NSL to specify the measures and mechanisms used in following the progress of the said subsidiaries and associated companies, as well as in ensuring that all policies are followed. This is to ensure compliance with the NSL's policies, the laws concerning public limited companies, securities and exchange, the Civil and Commercial Law and other related acts. These also include the regulations and announcements made by the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, and the Stock Exchange of Thailand as the details appear on the Company's website: <https://investor.nslfoods.com/en/corporate-governance/corporate-governance-policy> "Policies Concerning the Management and Administration of Subsidiaries and Associated Companies".

Policies Concerning the Usage of Company Information and Asset Acquisitions of NSL Directors, Executives and Personnel

NSL's policies prohibit its Directors, Executives and persons with inside knowledge that may concern stock price from buying, selling, offering to buy or sell, and asking others to buy or sell on their behalf the listed stocks of NSL, both directly and indirectly. All of the said activities must be conducted no less than 30 days before the public disclosure of the Company's financial data, and after the disclosure, the said personnel should wait for at least 24 hours before partaking in any of the said activities.

NSL also specifies that the Directors, Executives, and Auditors must compile, disclose and submit the report concerning the ownerships of NSL stocks and every change in stock ownerships to the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand within the specified timeframe. NSL also specifies that the Company Secretary must compile a summary on the stock ownerships and the changes in stock ownerships to present to the Board of Directors for their acknowledgement every 6 months.

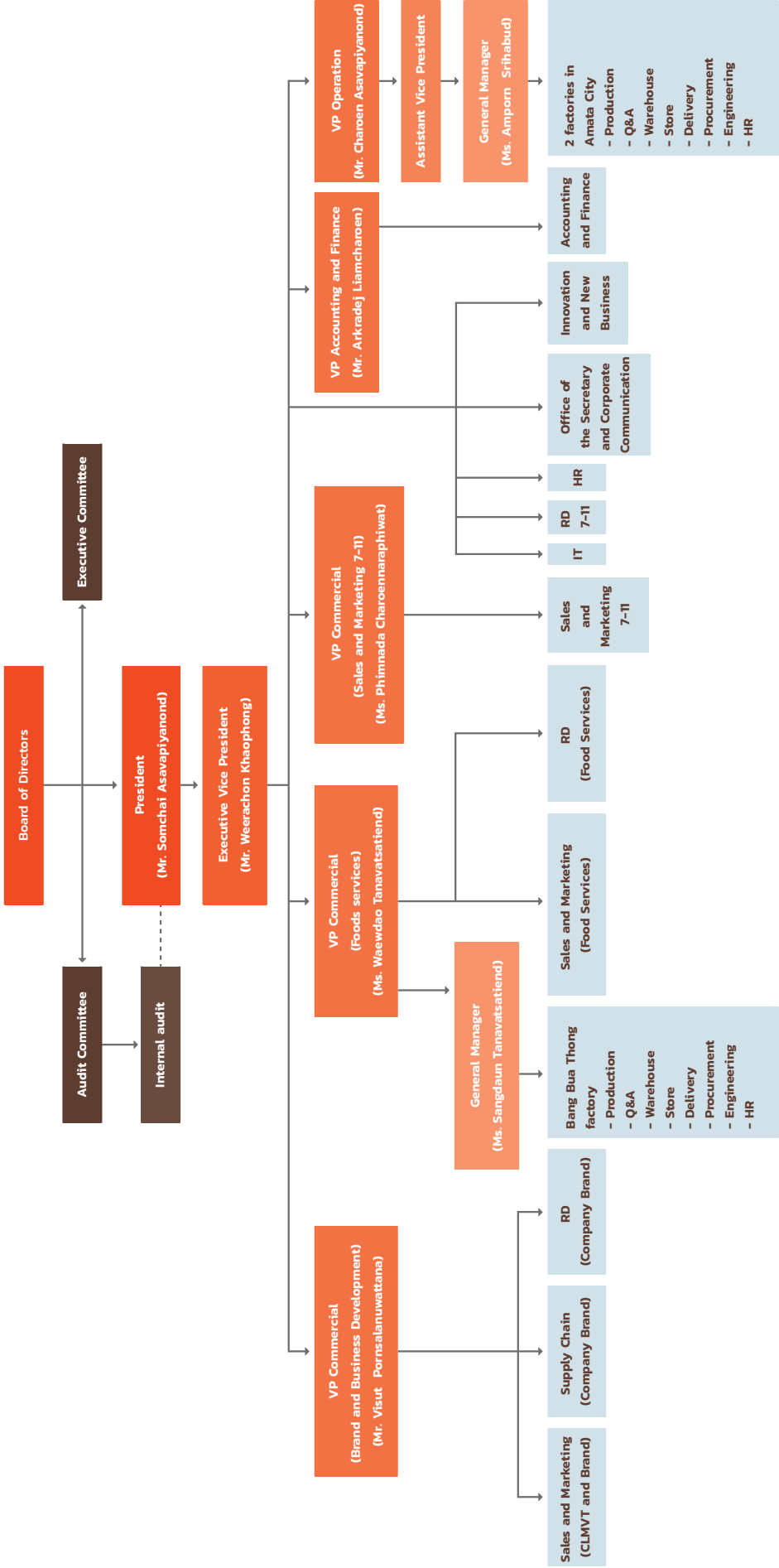
Auditor's remuneration

In 2022 and 2023, NSL had audit fee payment to Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. as follows:

Description (Baht)	2022	2023
1. Audit fee	2,000,000	2,100,000
2. Other service (non-audit fee)	50,139	303,046
Total	2,050,139	2,403,046

Organization Chart

As of 31 December 2023, the Organization Chart of NSL is as follows;



*The 2 factories in Amata City are;

1. Factory Branch 1 - 700/707 M.1 Phan Thong Sub-District, Phan Thong District, Chonburi
 2. Factory Branch 2 - 700/836 M.6 Nong Tamieng Sub-District, Phan Thong District, Chonburi
- NSL appointed Unique Advisor Co., Ltd. as an internal audit.

The Board of Directors

As of 31 December 2023, the Board of Directors consists of 4 independent directors and 4 executive directors. The 8 Directors are distinguished individuals as stipulated in the Section 68 of the Public Limited Companies Act, B.E. 2535 (1992), as well as all subsequent adjustments.

The names of the 8 Directors are as follows;

Name and Surname	Position
1. Mrs. Suvimol Chrityakierne	Chairman of the Board / Independent Director
2. Mrs. Pannipa Rodwanna	Independent Director / Chairman of the Audit Committee
3. Mr. Chaiwut Jumnongsutasathien	Independent Director / Audit Committee
4. Mr. Anajak Limphaisan	Independent Director / Audit Committee
5. Mr. Somchai Asavapiyanond	Director / President
6. Mr. Charoen Asavapiyanond	Director / VP Operation
7. Mr. Weerachon Khaophong	Director / Executive Vice President
8. Mr. Arkradej Liamcharoen	Director / VP Accounting and Finance

Mrs. Jariya Musigchai was appointed the Company Secretary during the Board of Directors' Meeting no.1/2020 on 29 February 2020.

Directors who are authorized to sign documents on behalf of the Company

Directors who are authorized to sign documents on behalf of the Company consist of 4 Directors, namely Mr. Somchai Asavapiyanond, Mr. Charoen Asavapiyanond, Mr. Weerachon Khaophong and Mr. Arkradej Liamcharoen. Two in four of the said Directors could sign and seal the documents on behalf of the Company.



Board of Directors' Meeting

The details of the Board of Directors' Meetings in 2022 and 2023 are as follows;

Name and Surname	Number of Meetings Attended	
	2022	2023
1. Mrs. Suvimol Chrityakierne	6/6	6/6
2. Mrs. Pannipa Rodwanna	6/6	6/6
3. Mr. Chaiwut Jumnongsutasathien	6/6	6/6
4. Mr. Anajak Limphaisan	6/6	6/6
5. Mr. Somchai Asavapiyanond	6/6	6/6
6. Mr. Charoen Asavapiyanond	6/6	6/6
7. Mr. Weerachon Khaophong	6/6	6/6
8. Mr. Arkradej Liamcharoen	6/6	6/6

Disclaimers: All Directors, except Mr. Somchai, were appointed during the Extraordinary Shareholders' Meeting no. 3/2019 on 21 October 2019.

Audit Committee

As of 31 December 2023, the Audit Committee of NSL consists of 3 independent directors, as follows;

Name and Surname	Position
1. Mrs. Pannipa Rodwanna	Chairman of the Audit Committee
2. Mr. Chaiwut Jumnongsutasathien	Audit Committee
3. Mr. Anajak Limphaisan	Audit Committee

Mrs. Pannipa Rodwanna and Mr. Chaiwut Jumnongsutasathien are members of the Audit Committee, who are highly qualified in the areas of accounting and finance and well-equipped to audit the validity of financial budgets. Mrs. Jariya Musigchai is the Secretary of the Audit Committee, appointed during the 1/2563 (2019) Audit Committee Meeting on 29 February 2019.

The details of the Audit Committee Meetings in 2022 and 2023 are as follows;

Name and Surname	Number of Meetings Attended	
	2022	2023
1. Mrs. Pannipa Rodwanna	5/5	5/5
2. Mr. Chaiwut Jumnongsutasathien	5/5	5/5
3. Mr. Anajak Limphaisan	5/5	5/5

Disclaimers: The Audit Committee was appointed during the Extraordinary Shareholders' Meeting no. 3/2019 on 21 October 2019.

The Executive Committee

As of 31 December 2023, the Executive Committee consists of 10 executive directors, as follows;

ชื่อ-สกุล	ตำแหน่ง
1. Mr. Somchai Asavapiyanond	Chairman of the Executive Committee
2. Mr. Charoen Asavapiyanond	Executive Director
3. Mr. Weerachon Khaophong	Executive Director
4. Mr. Arkradej Liamcharoen	Executive Director
5. Ms. Waewdao Tanavatsatiend	Executive Director
6. Ms. Phimnada Charoennaraphiwat	Executive Director
7. Ms. Sangdaun Tanavatsatiend	Executive Director
8. Ms. Amporn Srihabud	Executive Director
9. Ms. Nootchanart Riphim	Executive Director
10. Mr. Visut Pomsalanuwattana	Executive Director

Disclaimers: The Executive Committee was appointed during the Board of Directors' Meeting no.1/2020 on 29 February 2020.

The Board of Directors' Meeting no.1/2021 on 23 February 2021 appointed Mr. Visut Pomsalanuwattana as an executive director.

Mrs. Maliwan Theeratuntikiat was appointed as the Secretary of the Executive Committee during the Board of Directors' Meeting no. 1/2020 on 29 February 2020.

Executives

As of 31 December 2023, NSL has 7 executives, as follows;

Name and Surname	Position
1. Mr. Somchai Asavapiyanond	President
2. Mr. Weerachon Khaophong	Executive Vice President
3. Mr. Charoen Asavapiyanond	VP Operations
4. Mr. Arkradej Liamcharoen	VP Accounting and Finance
5. Ms. Waewdao Tanavatsatiend	VP Commercial - Food Services
6. Mr. Visut Pornsalanu wattana	VP Commercial - Brand & Business Development
7. Ms. Phimnada Charoennaraphiwat *	VP Commercial - 7-11

* Ms. Phimnada Charoennaraphiwat was appointed as VP Commercial - 7-11, an executive position in the company, effective from 1 January 2023 onwards.

Company Secretary

In accordance with the good practices on company administration, the Board of Directors' Meeting no.1/2020 on 29 February 2020 appointed Mrs. Jariya Musigchai as the Company Secretary, with the portfolio to assist the activities concerning the Board of Directors in ensuring that the Company's business administration is heading in the right direction, while transparent and efficient.

Persons responsible for accounting supervision

Mrs. Jariya Musigchai has served as the Senior Manager of the Accounting and Finance Department and the Chief Accountant of NSL since 2 January 2018. The NSL's Chief Accountant is fully qualified according to the criteria set by the Securities and Exchange Commission: being a graduate of BA in Accounting from Srinakharinwirot University and MBA from Rajamangala University of Technology Rattanakosin, and has at least 10 years of professional accounting experience.

Remunerations for Directors and Executives

NSL has established the yearly remuneration policy for Directors, paid every month, and the remuneration for Executives in the form of salary, bonus and other benefits such as travelling expense, telephone allowance and contributions to the provident fund, with clearly defined salary cap. The salary cap is determined and regularly adjusted by external comparison in order to remain competitive and relative to the position's responsibilities. This practice has been successful in driving the company forward. For other types of remunerations such as bonus, they will be determined in relation to the company's revenue and the evaluation of the individual's contributions to the company according to NSL's performance standards.

Monetary remunerations

Remunerations for Directors

The 2023 Shareholders' Meeting on 21 April 2023 agreed the amount of remunerations for Directors and other Committee, as follows;

Yearly Remunerations

Position	2022 Salary in THB (Yearly)	2023 Salary in THB (Yearly)
Chairman of the Board	350,000	380,000
Director	250,000	280,000
Chairman of Audit Committee	350,000	380,000
Audit Committee	270,000	300,000

Disclaimers: If one individual is a member of more than one committee, he/she shall receive only the salary of the better-paid position, by quarterly payment.

Monetary remunerations for each Committee Member in 2022 and 2023 are as follows;

Name and Surname	Salary (THB)			
	2022		2023	
	Executive Committee	Audit Committee	Executive Committee	Audit Committee
1. Mrs. Suvimol Chrityakierne	350,000.0	-	380,000.0	-
2. Mrs. Pannipa Rodwanna	-	350,000.0	-	380,000.0
3. Mr. Chaiwut Jumnongsutasathien	-	270,000.0	-	300,000.0
4. Mr. Anajak Limphaisan	-	270,000.0	-	300,000.0
5. Mr. Somchai Asavapiyanond	250,000.0	-	280,000.0	-
6. Mr. Charoen Asavapiyanond	250,000.0	-	280,000.0	-
7. Mr. Weerachon Khaophong	250,000.0	-	280,000.0	-
8. Mr. Arkradej Liamcharoen	250,000.0	-	280,000.0	-
Sub-Total	1,350,000.0	890,000.0	1,500,000.0	980,000.0
Total	2,240,000.0		2,480,000.0	

Remunerations for Executives

	2022	2023
Number of Executives (Persons)	6	7
Monetary Remunerations (THB)		
Salary and Bonus	22,200,000	25,770,000
Others ^{/1}	727,392	827,124
Total	22,927,392	26,597,124

Disclaimers: Executives include the positions of President, Executive Vice President, VP Commercial, VP Accounting and Finance and VP Operation.

^{/1} Other remunerations include fuel costs, insurance premiums, social security money and contributions to the provident fund.

Other Remunerations

-None-

Personnel

NSL's employee do not form unions which the number of staff by department are as follows;

Department	No. of staff			
	2022		2023	
	Daily	Monthly	Daily	Monthly
1. Management ¹	-	3	-	1
2. Production	1,303	110	1,746	151
3. Sales and Marketing - 7-11	-	16	-	15
4. Sales and Marketing - Brand and Food Services	2	41	16	45
5. R&D - 7-11	10	36	12	49
6. R&D - Brand and Food Services	6	19	8	19
7. Accounting and Finance	-	16	-	20
8. IT	-	6	-	7
9. HR	61	33	47	59
10. Delivery	62	23	63	21
11. Procurement	-	14	-	13

Department	No. of staff			
	2022		2023	
	Daily	Monthly	Daily	Monthly
12. Q&A	31	148	45	196
13. Warehouse	62	25	62	29
14. Store	29	27	36	38
15. Engineering	6	52	5	71
Total	1,572	569	2,040	734
Total daily and monthly	2,141		2,774	

The number of staff by gender are as follows;

	2022	2023
Male	995	1,284
Female	1,146	1,490
Total	2,141	2,774

Disclaimers: All employee work in 3 places such as factory and office in Nonthaburi, factory branch 1 and 2 in Chonburi

[†] Staffs in Management department are executives's secretary.

Remunerations for Employees

Remunerations for NSL employees include salary, bonus and others such as social security money, contributions to the provident fund, overtime (OT), travelling expenses, commissions and compensations, as follows;

	2022 (Million THB)	2023 (Million THB)
Remunerations for Employees	508.1	620.6

Long-term Benefits for Executives and Employees

Types of Remunerations	2022 (Million THB)	2023 (Million THB)
Post-retirement benefits and long-term benefits for executives and employees	4.8	8.3

Disclaimers: Benefits for long-serving executives and employees are remunerated in cash after the first 3 years, and in gold after every 5 years.

Major Labor Disputes in the Past 3 Years

-None-

Human Resource Development Policy

NSL intends to adjust the management structure of the Company to create a balanced number of employees at every level. This is done by engaging in capacity-building activities for employees, encouraging more administrative skills and promoting those who exhibit evidently high level of skills development. However, if an employee could not develop and get promoted, NSL has a plan to recruit others with appropriate skills and experience to continuously raise the overall performance of every division.

1. Human Resource Development

NSL is committed to the development of employees' skills and capabilities in order to encourage upward movements inside the company, and the enhancement of employees' job securities. This is conducted in steps, as follows;

- 1.1 Self-learn by studying the operation manuals or consulting their supervisors and colleagues.
- 1.2 Learn more skills via Morning Talk, where supervisors share their techniques and practices, give professional advice and teach how to deal with obstacles on the job.
- 1.3 Undergo tests to evaluate the level of understandings in the job at hand, where supervisors supervise the test and give advice on how to improve further.
- 1.4 Skilled employees are encouraged to share their experience and knowhow to enhance other employees' capabilities during workshops and training courses.
- 1.5 Undergo trainings and workshops that NSL organized according to the lines of work and management levels.
- 1.6 Employees may seek approval from supervisors to undergo trainings and seminars organized by other agencies to build more capacities.

2. Succession Plan

NSL has a succession plan to smoothen the transition and replacements of individuals in executive positions for when those in the positions retire or become unable to fulfil their duties. The plan instructs the Board of Directors or other higher-level executives (depending on cases) to consider possible replacements and pass on professional knowledge to NSL employees who are deemed capable to assume the executive positions in cases of retirements or emergency, by considering the said employees' qualities, knowledge, skills and experience. This is to reduce the possible impacts on NSL business operations.

Steps

1. If a managerial position becomes available or those in the position cannot fulfil their duties, the President may consider possible replacements from the pool of capable individuals who have passed NSL's training courses or from outside persons.
2. If the President's position becomes available, or the person in position cannot fulfil his/her duties, the Board of Directors may consider possible replacements from persons who have passed NSL's training courses to assume the position or find suitable replacements from outside persons. The appointment must be made by vote during the Board of Directors' Meeting and decided by majority vote of Directors. If the vote results in a tie, the Chairman of the Board may cast the tiebreaker vote.

Audit Committee Report

Dear Shareholders,

The Audit Committee of NSL Foods Public Company Limited consists of 3 company directors who are independent directors and are qualified with professional experiences in the fields of Administration, Accounting, Finance and Law. The qualification of Audit Committee is in accordance with the criteria regulated in the Notification of SET Commission. The Audit Committee consists of;

Name-Surname	Position
1. Assoc. Prof. Dr. Pannipa Rodwana	Chairman of the Audit Committee
2. Mr. Chaiwut Jumnongsutasathien	Audit Committee
3. Mr. Anajak Limphaisan	Audit Committee

The Audit Committee independently performs their duties in accordance with the scope of the duties and responsibilities assigned by the Board of Directors, specified in writing in the Charter of the Audit Committee and in compliance with the requirements stipulated by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The Audit Committee reviewed and pushed for NSL's compliance with corporate governance, sufficient risk management and internal control systems, efficient and effective internal audit, and a systematic structure business process as well as ensured NSL's emphasis being a transparent organization while upgrading quality of NSL's internal audit as to achieve goals and sustainable business operation.

In 2023, the Audit Committee held five (5) meetings which was discussed with the management, internal auditors and auditors which all the Audit Committee attended in every meeting.

The summary of the significant activities and the opinions of the Audit Committee have been summarized below.

Review of Financial Report

The Audit Committee reviewed the interim financial information, the financial statements jointly with the auditors and the management regarding the accuracy and completeness of the financial statements, adjustment of key journal entries and account estimations affecting the statements, adequacy and suitability of account recording, audit scope, information disclosure that was accurate, complete, and adequate, as well as the external auditor's independence. All these ensured that the preparation of the financial statements followed legal requirements and accounting standards under generally accepted accounting principles that are credible and timely, and that adequate information was disclosed in such statements for the benefit of financial statement users. In addition, the Audit Committee discussed exclusively with the external auditor about the audit plans, risk and internal control as well as independence to fulfill its responsibilities and its opinions. For the year 2023 the external auditors did not make any significant observations and did not find the suspicious circumstance. Then, the Audit Committee has the opinion that the Company has a proper financial reporting process to disclose its financial information without information that is in conflict with the material facts and prepared in accordance with Thai Financial Reporting Standards.

Review of Related Party Transactions or Conflict of Interest Transactions

The Audit Committee reviewed the related party transactions or conflicts-of-interest transactions of the Company in accordance with the notifications of the Securities and Exchange Commission and the Stock Exchange of Thailand. The review suggested that related party transactions of the Company were reasonable, in the best interest of the Company and did not preferentially benefit any particular parties.

Review of Risk Management

The Board of Directors and Management have given priority to Risk Management by assessing Internal and External risk factors together with their impacts and likelihood and regularly update its performance to the Board of Directors. The Audit Committee also follow up and acknowledge risk management outcomes from the reports and review the effectiveness of risk management practices based on the reports of individual management responsible and the audit result of internal audit and the external auditor. These actions led the guarantee of risk management capability to ward off or mitigate potential impacts within its risk tolerance levels.

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.

Oversight of Internal Auditing

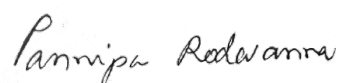
The Audit Committee also reviewed annual internal audit plans, their performances and audit engagement reports (Unique Advisor Co., Ltd.). The Audit Committee provided recommendations and monitored corrective actions for significant issues for good governance and adequate internal control.

Appointment of the External Auditors for the year 2023

The Audit Committee considered the nomination of auditors by taking into account their independence, skills, knowledge, capabilities and experiences including the rotation of the auditor in accordance with the relevant Notifications of the Capital Market Advisory Board. The Audit Committee recommended the appointment one of the following auditors, namely 1) Mr. Mongkol Somphol, CPA License No. 8444 or 2) Mr. Manoon Manusook, CPA Licence no. 4292 or 3) Mr. Choopong Surachutikarn, CPA Licence no. 4325 or 4) Ms. Sophaphan Saptipparattana, CPA Licence no. 6523 from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. as the approved auditor by the Securities and Exchange Commission for the Company's financial statements including the audit fee for the year 2023.

The Audit Committee performed their charter duties and responsibilities with competence, care, prudence and adequate freedom while providing creative views and recommendations for the equitable benefit of all stakeholders. Their opinions are that NSL's financial statements were accurate, credible and in line with generally accepted accounting standards. In addition, NSL commanded compliance with applicable laws and business obligations, together with good governance, adequate risk management and a suitable, effective internal audit system.

For and on behalf of the Audit Committee of
NSL Foods Public Company Limited



Assoc. Prof. Dr. Pannipa Rodwanna
Chairman of the Audit Committee

Internal Control and Internal Audit

NSL's Board of Directors gives great importance to the internal control system. To this end, the Board has established the internal control system to ensure that the company's finance, management and operation are effective, efficient and compliant with the law and relevant regulations. NSL has continuously developed the system according to the model as put forth by the Committee of Sponsoring Organization of Treadway Commission (COSO), utilizing this method in making NSL's internal control and risk management system more complete, and ensuring that NSL's operation is as effective and efficient as possible.

Moreover, the Board of Directors also evaluated whether the NSL's internal control system suffices the methods as described by the Securities and Exchange Commission (SEC). These methods comprise 5 components, namely the company's internal control system, risk management, operational control, information and communications system, and the monitoring system. The Meeting concluded that the NSL's internal control system is sufficient and properly implemented.

NSL also hired Unique Advisor Co., Ltd. ("Unique") to serve as the monitors and evaluators to determine whether the NSL's internal control system is sufficient in 2023, covering all important components of NSL's operation, as follows;

1. The production management and cost system
2. Human Resources system
3. The procurement, expense and transaction system
4. The revenue, revenue recognition and receipt of payment system
5. The finance management, budget and cash management
6. The risk management
7. Operating sustainable organizational development according to ESG principles
8. The information technology general control system
9. The fixed assets management system



Emphasizing NSL's priority in having an effective internal control system, the Board of Directors has entrusted the Evaluation Committee with the tasks to assess and evaluate the company's internal control system, then compose a full report to present to the Board of Directors. This will assist in the administration of NSL, as well as in ensuring the internal control system functions and contributes to the enhancements of NSL's business operation, performance, resource usage, assets management, risk and damage control, and the reduction of potential mistakes. This will also ensure that NSL can produce a credible financial report, and operates according to the law and relevant regulations.

Related-Party Transactions

1. Persons with Possible Conflict of Interest and Relationships

Possible Related Persons	Relationships
1. Mr. Somchai Asavapiyanond ("Mr. Somchai")	<ul style="list-style-type: none"> Positions as Directors, President and Major Shareholders of NSL, with a combined share of 72.26% (according to the data from TSD and SEC on 31 December 2023) Position as Director who is authorized to sign documents on behalf of the Company
2. Quality Food Specialty Co., Ltd. ("QFS") Business: Wholesaler of Fish, Seafood, Meat, Seaweed and Vegetables, both frozen and processed	<ul style="list-style-type: none"> Person who is related to Ms. Waewdao and is an executive of NSL is Ms. Sangdaun (younger sister). She is a major shareholder of NSL, holding a total of 73.80% share and is a Director who is solely authorized to sign documents on behalf of the Company (according to the data from BOL on 31 December 2023) (Ms. Waewdao and Ms. Sangdaun (her younger sister) used to majority shareholders, holding 15% and 10% shares, respectively. Both are Directors who are authorized to sign documents on behalf of the Company. Their shareholding details have already been adjusted accordingly.) NSL agreed to acquire QFS on 1 August 2019, with QFS' main personnel—Ms. Waewdao and Ms. Sangdaun—assuming the positions of VP Commercial (contract began on 1 May 2019) and General Manager for Foods Service (contract began on 1 August 2019), respectively. QFS also agreed not to conduct any businesses of similar characteristics nor compete with NSL.
3. Thungthong Prasobchock Co., Ltd. ("Thungthong Prasobchock") Business: Restaurants, Retailer of Frozen and Processed Seafood and Meat for sale in restaurants	<ul style="list-style-type: none"> An NSL executive, Ms. Waewdao is majority shareholder, holding 7.69% of total share, while her related person, Ms. Sangdaun, is a majority shareholder, holding 76.92% of total share and is a Director with the power to sign on behalf of Thungthong Prasobchock
4. Ms. Waewdao Tanavatsatiend ("Ms. Waewdao")	<ul style="list-style-type: none"> An NSL executive is also a VP Commercial - Food Services.
5. Ms. Sangdaun Tanavatsatiend ("Ms. Sangdaun")	<ul style="list-style-type: none"> Younger sister of Ms. Waewdao is an NSL employee in the position of General Manager for Food Services.
6. Pen 1 F&B Co., Ltd. ("PEN 1")	<ul style="list-style-type: none"> On January 9, 2023, the Company entered into a shareholder's agreement to jointly establish a company with share capital of 6,000,000 shares at Baht 10 per share, totaling Baht 60 million. The Company has shareholding portion at 33.33%. PEN 1 registered on January 16, 2023 and operate for manufacture and distribute of beverages. For the year ended December 31, 2023, the Company has paid for share amounting to Baht 15 million.

Possible Related Persons	Relationships
7. NSL Intertrade (2023) Co., Ltd. ("NSL Intertrade")	<ul style="list-style-type: none"> On July 7, 2023, NSL Intertrade was registered for establishment to engage in exporting and importing products with share capital of 2,000,000 shares at Baht 10 per share, totaling Baht 20 million. The Company has shareholding portion at 80%. As at December 31, 2023, the Company has paid for shares amounting to Baht 8 million.
8. NSL Bake A Wish Co., Ltd. ("NSLBAW")	<ul style="list-style-type: none"> On August 9, 2023, at the Board of Directors' Meeting No.4/2023 of the Company, the Board of Directors had passed a resolution to approve establishment NSLBAW to engage in produce and distribute bakery and franchise with share capital of 5,000,000 shares at Baht 10 per share, totaling Baht 50 million. The Company has shareholding portion at 60%. As at December 31, 2023, the Company has paid for shares amounting to Baht 24 million.
9. Miss Veji Prachyasilpawut ("Miss Veji")	<ul style="list-style-type: none"> Positions as Directors and Management of NSLBAW and Directors and Management of Bake A Wish J.H.C. Co., Ltd.
10. Mr. Kawin Prachyasilpawut ("Mr. Kawin")	<ul style="list-style-type: none"> Positions as Directors and Management of NSLBAW and Directors and Management of Bake A Wish J.H.C. Co., Ltd.
11. Mr. Jirawat Daechasatien ("Mr. Jirawat")	<ul style="list-style-type: none"> Positions as Directors and Management of NSL Intertrade



2. Related Party Transactions between NSL and Persons with Possible Conflicts of Interest

In 2022 and 2023, NSL recorded transactions with Persons with Possible Conflicts of Interest. However, the said transactions did not amount to conflict of interest, with details as follows;

Persons with Possible Conflicts of Interest	Transactions	2022	2023	Reasons and Necessity of Transactions
1. Thungthong Prasobchock Co., Ltd. ("Thungthong Prasobchock")	Revenue from sales Trade receivables at period end	4,073,828 465,986	2,381,342 251,928	<ul style="list-style-type: none"> Thungthong Prasobchock conducts restaurant business, namely the Food Identity and Cook by Food Identity, with its 2 branches being located in 1. Ratchaphruek - Bhudhamont Road 2. Krung Thep Kritha Market Place, with NSL selling its meat and frozen vegetables to Thungthong Prasobchock. Price of goods is calculated on the basis of cost plus, comparable to the price rate for outside parties. <p><u>Opinions of the Audit Committee</u></p> <ul style="list-style-type: none"> The Audit Committee considers this transaction normal, necessary, reasonable and useful for business. The price, terms of payment and commerce are also normal and comparable to those offered to other parties.
2. Pen 1 F&B Co., Ltd. ("PEN 1")	Purchases Trade receivables at period end	- -	17,761,194 4,211,377	<ul style="list-style-type: none"> On January 9, 2023, the Company entered into a shareholder's agreement to jointly establish a company with share capital of 6,000,000 shares at Baht 10 per share, totaling Baht 60 million. The Company has shareholding portion at 33.33%. PEN 1 registered on January 16, 2023 and operate for manufacture and distribute of beverages. Price of goods is calculated on the basis of cost plus, comparable to the price rate for outside parties.

Persons with Possible Conflicts of Interest	Transactions	2022	2023	Reasons and Necessity of Transactions
				<p><u>Opinions of the Audit Committee</u></p> <ul style="list-style-type: none"> ● The Audit Committee considers this transaction normal, necessary, reasonable and useful for business. The price, terms of payment and commerce are also normal and comparable to those offered to other parties.
3. NSL Bake A Wish Co., Ltd. ("NSLBAW")	Revenue from sales Interest income Purchases License fee Trade receivables at period end Accrued interest Short-term loans Trade payable Accrued expense	- - - - - - - -	10,427,062 53,347 3,478,555 1,177,733 5,701,952 53,347 21,000,000 2,834,266 186,834	<ul style="list-style-type: none"> ● On August 9, 2023, at the Board of Directors' Meeting No.4/2023 of the Company, the Board of Directors had passed a resolution to approve establishment NSLBAW to engage in produce and distribute bakery and franchise with share capital of 5,000,000 shares at Baht 10 per share, totaling Baht 50 million. The Company has shareholding portion at 60%. As at December 31, 2023, the Company has paid for shares amounting to Baht 24 million. ● Price of goods is calculated on the basis of cost plus, comparable to the price rate for outside parties. ● License fees charged by NSLBAW from NSL are contractually agreed prices at the rate of 3 - 5 % of sales. ● As at December 31, 2023, NSL had short-term loans to NSLBAW without collateral that bear average interest rate at 5.45 percent per annum and are repayable within June 30, 2024. <p><u>Opinions of the Audit Committee</u></p> <ul style="list-style-type: none"> ● The Audit Committee considers this transaction normal, necessary, reasonable and useful for business. The price, terms of payment and commerce are also normal and comparable to those offered to other parties.

Persons with Possible Conflicts of Interest	Transactions	2022	2023	Reasons and Necessity of Transactions
4. NSL Intertrade (2023) Co., Ltd. ("NSL Intertrade")	Revenue from sales Trade receivables at period end	- -	511,560 547,369	<ul style="list-style-type: none"> On July 7, 2023, NSL Intertrade was registered for establishment to engage in exporting and importing products with share capital of 2,000,000 shares at Baht 10 per share, totaling Baht 20 million. The Company has shareholding portion at 80%. As at December 31, 2023, the Company has paid for shares amounting to Baht 8 million. Price of goods is calculated on the basis of cost plus, comparable to the price rate for outside parties. On January 18, 2024, NSL Intertrade entered into credit facilities agreement with a local financial institution totaling Baht 35 million and USD 1 million. Such credit facilities are guaranteed by NSL. <p><u>Opinions of the Audit Committee</u></p> <ul style="list-style-type: none"> The Audit Committee considers this transaction normal, necessary, reasonable and useful for business. The price, terms of payment and commerce are also normal and comparable to those offered to other parties.

3. Guarantees, Mortgages and Pledges

Guarantor	Recipient of Loans	Type of Credit / Securities	Credit limit (Million Baht)	Used as at 31 Dec 22 (Million Baht)	Used as at 31 Dec 23 (Million Baht)	Details of the Guarantees, Mortgages and Pledges	Opinions of the Audit Committee
As at 31 Dec 2022 and 2023, the Company has no guarantees, mortgages and pledges by the person with possible conflict of interest.							

4. Financial Lease Guarantees (car lease)

Lessor	Leased Properties (car lease)	Value from finance lease agreement (Million Baht)	Finance lease payable as at 31 Dec 22 (Million Baht)	Finance lease payable as at 31 Dec 23 (Million Baht)	Guarantor	Opinions of the Audit Committee
As at 31 Dec 2022 and 2023, the Company has no financial lease guarantees (car lease) by the person with possible conflict of interest.						

5. Reasons and Necessity of Transaction

NSL conducts every transaction carefully, while keeping in mind the utmost interest of NSL and its shareholders. The transactions between NSL and every person with possible conflict of interest are normal transactions that are conducted on the basis of necessity and reasonableness to support the business operation of NSL. The terms of transactions are specified according to the standard business practices and market price; the transaction process is also normal and based on the practices rendered to outside parties with similar characteristics. Loans are only secured from persons related to the Company only when necessary.

6. Transaction Approval Process

NSL approves every transaction with the interest of NSL in mind. The consideration process is also conducted in compliance with NSL regulations and in consultation with the Committees as specified by the standard practices. The Audit Committee, the Board of Directors and NSL Executives jointly consider every transaction based on its impact and ensure that the agreed price is reasonable and comparable to the process rendered for outside parties.

In the case where there are possible conflicts of interest between Directors, Executives and the concerned persons, the said Directors and executives shall not be able to take part in the approval process of the transaction. This is in accordance with the practices as specified by the Securities and Exchange Commission (SEC) and/or the Stock Exchange of Thailand.

In the case where the Audit Committee does not possess the required credentials to consider a particular transaction, NSL may appoint an independent expert or NSL auditor to give opinions on the transactions for the consideration of the Audit Committee, the Board of Directors or the shareholders (depending on the case). This is to make sure that the transaction is necessary, reasonable and conducted with the interest of NSL in mind. Additionally, NSL shall disclose the details of every transaction in the annual information report, annual report and the notes to financial statement, which would be audited by the NSL auditors.

Transactions that are general business agreements

Normal business and business support transactions between NSL and its subsidiaries and its Directors, Executives or persons with conflict of interest that have been approved by the Board of Directors could be carried out if the said transactions appear to be normal according to the standard practices rendered by other parties in similar circumstances. The transactions must be conducted without any business leverage that stems from the fact that the persons concerned hold the positions of Director, Executive or other related persons with the Company. Moreover, NSL would prepare the summary of all transactions and present it to the Audit Committee and the Board of Directors every quarter.

Transactions that are not general business agreements

Transactions that are not general business agreements must be considered and commented on by the Audit Committee before submitting for the consideration of the Board of Directors or the Shareholders' Meeting (depending on the case). Nonetheless, every transaction must be in accordance with the law concerning stock and stock market, other related regulations, announcements and orders by the Capital Market Supervisory Board and the Stock Exchange of Thailand, as well as the regulations concerning the disclosure of related transaction data.

7. Policies and Trends of Future Transactions

Transactions that may be conducted in the future must be in accordance with the law concerning stock and stock market, other related regulations, announcements and orders by the Capital Market Supervisory Board and the Stock Exchange of Thailand, as well as the regulations concerning the disclosure of related transaction data between NSL and subsidiaries, according to the accounting standards as specified by the Federation of

Accounting Professions. However, NSL is of the opinion that only 1 transaction shall remain, which is the sale of products to Thungthong Prasobchock, with other transactions having no tendency to continue going forward.

8. Guarantee Agreements to delineate the business areas

As Ms. Waewdao—an NSL executive—and Ms. Sangdaun—a related person of Ms. Waewdao—are both major shareholders and Directors with authorization to sign documents on behalf of the Company that may have conflicts of interest with NSL, the said persons have agreed to sign the Guarantee Agreements, delineating the business areas in order to protect against potential conflict of interest. The Agreements are summarized as follows;

Signatories	:	1. Ms. Waewdao Tanavatsatiend 2. Ms. Sangdaun Tanavatsatiend
Contract Date:	:	1 August 2019
Commencement Date	:	1 August 2019 (Contract Date)
Terms	:	Non-competition with NSL group: the signatories agree that the signatories and other persons as stipulated by Section 258 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) will not conduct any businesses that will compete with NSL, including the wholesaling of fish, seafood, meat, seaweed, vegetables, both frozen and processed as well as any other businesses of similar or comparable characteristics, nor will they compete with such business in Thailand.
Contract Duration	:	The Agreements will cease to be effective 5 years after the signatories have ceased to be NSL employees.





Part 3

Financial Statement

- Report of the Board of Directors' Responsibilities for the Financial Reports
- Report of The Independent Certified Public Accountants
- Financial Statement

Report of the Board of Directors' Responsibilities for the Financial Reports

The Board of Directors is responsible for the financial statements of NSL Foods Public Company Limited (the "Company") of the Company which have been prepared in accordance with the appropriate accounting policies and have been consistently applied. The notes to the financial statements adequately and transparency disclose the important details for shareholders and normal usages. The external auditors of the Company has audited the financial statements and expressed and unqualified opinion in the auditor's report.

The Board of Directors has provided the system of controls and risk management including the effective internal controls system in order to have reasonable assurance that the financial records are accurate, complete and adequate to maintain and preserve the assets of the Company and to protect any causes of fraud or significant irregular operations.

The Board of Directors has appointed the Audit Committee, which comprises of independent directors, to review the quality of the financial reports and to evaluate the internal control system, risk management system, and various systems to support effective financial documentation to ensure that accounting records are correct, complete, timely, adequate to protect its asset, as well as able to prevent fraud or materially irregular operations. The Audit Committee's opinion is presented in the Audit Committee report which is a part of this annual report.

The Board of Directors considers that the internal control system and the internal audit of the Company provide credibility to the financial statements of the Company for the year ended 31 December 2023 are adequately disclosed the financial position, financial results and cash flows are fairly presented in all material respects with the financial reporting standards.



Mrs. Suvimol Chrityakierne

Chairman of the Board



Mr. Somchai Asavapiyanond

Chairman of the Executive Committee

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS

NSL FOODS PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of NSL Foods Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of NSL Foods Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2023, and the related consolidated and separate statements of comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of NSL Foods Public Company Limited and its subsidiaries and of NSL Foods Public Company Limited as at December 31, 2023, and financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are 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 the audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key Audit Matters	Audit Responses
<p>Revenue recognition near the end of the reporting period</p> <p>The revenue from sales represented significant amounts in the financial statements, and directly affect profit or loss of the Company. As a result, there is a risk with respect to the timing of transfer the control of goods that also impact to revenue recognition. We therefore give attention to the revenue recognition of the Company near the end of the reporting period.</p> <p>The accounting policy of revenue recognition of the Company are disclosed in notes to the financial statements no. 3.13.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> • Gained understanding and performed test of design and implementation as well as operating effectiveness of the relevant controls over revenue recognition process near the end of the reporting period. • Tested sales transactions occurred before and after the end of the reporting period with sales order and delivery note/tax invoice to ensure whether the revenue is recognized in the appropriate period. • Performed the analysis of disaggregated data by type of product and compared the gross margin by type of product to detect possible irregularities in sales transactions throughout the reporting period.
<p>Accounting for business acquisition</p> <p>During the year 2023, the Company completely acquired a subsidiary, which its business related to manufacture and distribution of bakery and franchise of Baht 46.87 million and accounted for business acquisition and recorded goodwill of Baht 2.30 million in the consolidated financial statements, accordingly.</p> <p>The accounting for business acquisition is complicated. The Company engaged specialists to evaluate the fair value of identified assets and liabilities and recorded goodwill arising from the business acquisition.</p> <p>The accounting policy of business acquisition and the detail of business acquisition are disclosed in notes to the financial statements no.3.1 and 4, respectively.</p>	<p>Key audit procedures included:</p> <ul style="list-style-type: none"> • Gained understanding and performed test of design and implementation of the controls over business acquisition. • Read the sale and purchase assets agreement and understood key terms and conditions which is considered as business acquisition. • Examined the payment documents and assets transferred documents. • Evaluated the appropriateness of the identification of assets and liabilities acquired at the acquisition date including understanding on the procedures on identification of fair value which was prepared by the management. • Evaluated the independence and competency of independent asset appraiser of the Group. • Involved the auditor's specialist in assessing the valuation methodology, parameters and assumptions applied to the identification of fair value. • Evaluated significant assumptions in determining fair values reference to internal and external information and tested the calculation as well as the management's key assumptions used in the estimation of fair value. • Evaluated the accuracy of accounting and the adequacy disclosure in accordance with the relevant Thai Financial Reporting Standards

Other Information

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

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

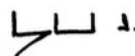
- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.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

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

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

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



Mongkol Somphol

Certified Public Accountant (Thailand)

Registration No. 8444

BANGKOK

February 28, 2024

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

STATEMENT OF FINANCIAL POSITION

NSL FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT DECEMBER 31, 2023

UNIT : BAHT

	Notes	UNIT : BAHT		
		CONSOLIDATED	SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2023	2023	2022
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	5	133,927,130	105,348,086	115,148,373
Trade and other current receivables	7	731,988,624	729,829,602	595,411,912
Short-term loans to a subsidiary	30	-	21,000,000	-
Inventories	8	274,376,609	262,698,186	267,104,666
Other current financial assets				
- temporary investments	9	214,112,892	214,112,892	301,045,495
Derivative assets	10	20,257	20,257	-
Other current assets		6,735,790	4,056,244	2,696,924
Total Current Assets		1,361,161,302	1,337,065,267	1,281,407,370
NON-CURRENT ASSETS				
Investment in subsidiaries	11	-	32,000,000	-
Investment in a joint venture	12	6,133,652	15,000,000	-
Property, plant and equipment	13	1,025,874,153	1,001,747,862	954,448,280
Right-of-use assets	14	24,000,682	12,899,212	15,248,014
Goodwill	4	2,295,599	-	-
Other intangible assets other than goodwill	15	44,446,471	5,022,552	6,069,756
Deferred tax assets	16	10,600,494	9,828,296	8,146,333
Other non-current assets	17	25,088,741	24,580,474	24,335,722
Total Non-current Assets		1,138,439,792	1,101,078,396	1,008,248,105
TOTAL ASSETS		2,499,601,094	2,438,143,663	2,289,655,475

Notes to the financial statements form an integral part of these statements

STATEMENT OF FINANCIAL POSITION (CONTINUED)

NSL FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT DECEMBER 31, 2023

UNIT : BAHT

	Notes	UNIT : BAHT		
		CONSOLIDATED	SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2023	2023	2022
LIABILITIES AND SHAREHOLDERS' EQUITY				
CURRENT LIABILITIES				
Bank overdrafts and short-term borrowings				
from a financial institution	18	60,206,124	60,206,124	58,791,591
Trade and other current payables	19	649,982,155	626,118,307	559,495,717
Current contract liabilities - advance received				
from franchise license		7,327,288	-	-
Current portion of long-term borrowings				
from a financial institution	20	73,211,983	73,211,983	103,339,853
Current portion of lease liabilities	21	7,810,943	4,812,310	5,329,613
Current income tax payable		46,692,608	46,692,608	34,216,090
Derivative liabilities	22	2,090,198	2,090,198	3,840,594
Other current liabilities		11,988,114	11,288,766	8,546,738
Total Current Liabilities		859,309,413	824,420,296	773,560,196
NON-CURRENT LIABILITIES				
Long-term borrowings from a financial institution	20	-	-	72,164,348
Lease liabilities	21	14,411,906	6,218,895	7,365,055
Non-current contract liabilities - advance received				
from franchise license		9,883,507	-	-
Non-current provisions for employee benefit	23	39,597,701	36,054,568	30,474,865
Total Non-current Liabilities		63,893,114	42,273,463	110,004,268
TOTAL LIABILITIES		923,202,527	866,693,759	883,564,464
SHAREHOLDERS' EQUITY				
SHARE CAPITAL				
Authorized share capital				
300,000,000 ordinary shares of Baht 1 each		300,000,000	300,000,000	300,000,000
Issued and paid-up share capital				
300,000,000 ordinary shares of Baht 1 each,				
fully paid		300,000,000	300,000,000	300,000,000
PREMIUM ON ORDINARY SHARES	24	797,375,186	797,375,186	797,375,186
RETAINED EARNINGS				
Appropriated				
Legal reserve	25	30,000,000	30,000,000	30,000,000
Unappropriated		432,282,500	444,074,718	278,715,825
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY		1,559,657,686	1,571,449,904	1,406,091,011
NON-CONTROLLING INTERESTS		16,740,881	-	-
TOTAL SHAREHOLDERS' EQUITY		1,576,398,567	1,571,449,904	1,406,091,011
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		2,499,601,094	2,438,143,663	2,289,655,475

Notes to the financial statements form an integral part of these statements

STATEMENTS OF COMPREHENSIVE INCOME

NSL FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2023

UNIT : BAHT

	Notes	CONSOLIDATED	SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	
		2023	2023	2022
REVENUES				
Revenue from sales		4,788,448,670	4,735,657,490	4,001,472,632
Revenue from franchise license		4,361,272	-	-
Other income		16,515,486	13,041,055	8,298,692
Total Revenues		4,809,325,428	4,748,698,545	4,009,771,324
EXPENSES				
Cost of sales		3,910,070,766	3,864,181,157	3,259,347,644
Distribution costs		334,811,966	324,924,739	267,125,341
Administrative expenses		127,335,225	117,451,738	101,378,174
Total Expenses		4,372,217,957	4,306,557,634	3,627,851,159
PROFIT FROM OPERATING ACTIVITIES		437,107,471	442,140,911	381,920,165
Finance costs		10,640,196	10,442,400	10,281,445
Share of loss of joint venture accounted for using equity method		8,866,348	-	-
PROFIT BEFORE INCOME TAX		417,600,927	431,698,511	371,638,720
INCOME TAX EXPENSES	16	85,382,861	86,429,108	74,041,436
PROFIT FOR THE YEARS		332,218,066	345,269,403	297,597,284
OTHER COMPREHENSIVE INCOME (LOSS)				
Item that will not be reclassified subsequently to profit or loss				
Remeasurements of retirement benefit obligations	23.1	-	-	8,086,398
Income tax relating to remeasurements of retirement benefit obligations	16	-	-	(1,617,280)
OTHER COMPREHENSIVE INCOME FOR THE YEARS				
- NET OF TAX		-	-	6,469,118
TOTAL COMPREHENSIVE INCOME FOR THE YEARS		332,218,066	345,269,403	304,066,402
PROFIT ATTRIBUTABLE TO				
Owners of the parent		333,477,185	345,269,403	297,597,284
Non-controlling interests		(1,259,119)	-	-
		332,218,066	345,269,403	297,597,284
COMPREHENSIVE INCOME ATTRIBUTABLE TO				
Owners of the parent		333,477,185	345,269,403	304,066,402
Non-controlling interests		(1,259,119)	-	-
		332,218,066	345,269,403	304,066,402
Basic earnings per share (Baht)	29	1.11	1.15	0.99
Weighted average number of ordinary shares (shares)	29	300,000,000	300,000,000	300,000,000

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

NSL FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2023

UNIT : BAHT

	Consolidated financial statements							
	Owners of the parent						Non-controlling Interests	Total Shareholders' Equity
	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Retained Earnings		Total Attributions to Owners of the Parent			
			Appropriated	Unappropriated				
			Legal Reserve					
Note								
	300,000,000	797,375,186	30,000,000	278,715,825	1,406,091,011	-	1,406,091,011	
	-	-	-	-	-	18,000,000	18,000,000	
26	-	-	-	(179,910,510)	(179,910,510)	-	(179,910,510)	
	-	-	-	333,477,185	333,477,185	(1,259,119)	332,218,066	
	300,000,000	797,375,186	30,000,000	432,282,500	1,559,657,686	16,740,881	1,576,398,567	
	Balance as at December 31, 2023							

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

NSL FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES FOR THE YEAR ENDED DECEMBER 31, 2023

UNIT : BAHT

	Note	Separate financial statements				
		Issued and Paid-up Share Capital	Premium on Ordinary Shares	Retained Earnings		Total Shareholders' Equity
				Appropriated	Unappropriated	
				Legal Reserve		
Balance as at January 1, 2022		300,000,000	797,375,186	30,000,000	124,648,823	1,252,024,009
Dividends paid	26	-	-	-	(149,999,400)	(149,999,400)
Total comprehensive income for the year		-	-	-	304,066,402	304,066,402
Balance as at December 31, 2022		<u>300,000,000</u>	<u>797,375,186</u>	<u>30,000,000</u>	<u>278,715,825</u>	<u>1,406,091,011</u>
Balance as at January 1, 2023		300,000,000	797,375,186	30,000,000	278,715,825	1,406,091,011
Dividends paid	26	-	-	-	(179,910,510)	(179,910,510)
Total comprehensive income for the year		-	-	-	345,269,403	345,269,403
Balance as at December 31, 2023		<u>300,000,000</u>	<u>797,375,186</u>	<u>30,000,000</u>	<u>444,074,718</u>	<u>1,571,449,904</u>

STATEMENT OF CASH FLOWS

NSL FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2023

UNIT : BAHT

	Notes			
		CONSOLIDATED	SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	
		2023	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit for the year		332,218,066	345,269,403	297,597,284
Adjustments:				
Income tax expense		85,382,861	86,429,108	74,041,436
Depreciation		110,534,401	109,428,863	95,307,525
Amortization of rights-of-use assets		7,171,695	6,114,963	5,745,237
Amortization of intangible assets		2,175,585	1,159,204	1,150,328
Revenue from franchise license		(2,618,959)	-	-
Loss on write-off of fixed assets		575,839	575,839	14,875
Gain on disposal of fixed assets		(180,911)	(180,911)	(26,408)
Non-current provisions for employee benefit expense		8,475,258	8,323,921	4,792,560
Expected credit losses (reverse)		(533,659)	(533,659)	763,862
Loss on deterioration of inventories		4,713,902	4,713,902	2,489,815
Unrealized loss (gain) on exchange rate		1,193,473	1,193,473	(4,023,896)
Unrealized loss (gain) on derivative		(1,770,653)	(1,770,653)	3,807,725
Gain on revaluation of other current financial assets		(3,067,393)	(3,067,393)	(1,044,492)
Interest income		(805,550)	(828,204)	(582,029)
Finance cost		10,640,196	10,442,400	10,281,445
Share of loss from joint venture		8,866,348	-	-
Profit from operation before changes in operating assets and liabilities		562,970,499	567,270,256	490,315,267
Operating assets (increase) decrease				
Trade and other current receivables		(136,266,752)	(134,054,383)	(99,601,618)
Inventories		(3,924,356)	(307,422)	(80,755,434)
Other current assets		(3,944,028)	(1,359,320)	(403,388)
Other non-current assets		(1,797,667)	(1,289,400)	-
Operating liabilities increase (decrease)				
Trade and other current payables		86,653,513	62,789,665	112,092,329
Other current liabilities		3,441,376	2,742,028	616,234
Advance cash received from franchise license		300,000	-	-
Cash paid for employee benefit		(2,744,218)	(2,744,218)	(16,058,196)
Cash received from operation		504,688,367	493,047,206	406,205,194
Cash received from deposit interest		1,029,245	998,552	290,244
Cash paid for income tax expenses		(75,729,391)	(75,634,553)	(59,595,819)
Net cash provided by operating activities		429,988,221	418,411,205	346,899,619

STATEMENT OF CASH FLOWS (CONTINUED)

NSL FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2023

UNIT : BAHT

	Notes	UNIT : BAHT		
		CONSOLIDATED	SEPARATE	
		FINANCIAL STATEMENTS	FINANCIAL STATEMENTS	FINANCIAL STATEMENTS
		2023	2023	2022
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash paid for short-term loan to a subsidiary		-	(21,000,000)	-
Cash paid for other current financial assets - temporary investments		-	-	(300,000,000)
Cash received from other current financial assets - temporary investments		90,000,000	90,000,000	-
Cash paid for purchases of fixed assets	6.1	(157,853,547)	(151,933,618)	(144,741,151)
Proceeds from sales of fixed assets		257,711	257,711	26,416
Cash paid for purchases of intangible assets		(152,300)	(112,000)	(368,000)
Cash paid for investing in subsidiaries		-	(32,000,000)	-
Cash paid for investing in joint venture		(15,000,000)	(15,000,000)	-
Cash paid for business acquisition	4	(46,873,389)	-	-
Net cash used in investing activities		(129,621,525)	(129,787,907)	(445,082,735)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash received from short-term borrowing from a financial institution	6.2	483,456	483,456	23,932,729
Cash repaid for long-term borrowings from a financial institution	6.2	(101,780,058)	(101,780,058)	(101,780,121)
Cash paid for lease liabilities	6.2	(7,870,476)	(6,706,122)	(7,603,053)
Interest paid	6.2	(10,510,351)	(10,510,351)	(10,547,913)
Dividend paid	26	(179,910,510)	(179,910,510)	(149,999,400)
Proceeds from non-controlling interest from investing in subsidiaries		18,000,000	-	-
Net cash used in financing activities		(281,587,939)	(298,423,585)	(245,997,758)
Net increase (decrease) in cash and cash equivalents		18,778,757	(9,800,287)	(344,180,874)
Cash and cash equivalents as at January 1,		115,148,373	115,148,373	459,329,247
Cash and cash equivalents as at December 31,	5	133,927,130	105,348,086	115,148,373

NOTES TO THE FINANCIAL STATEMENTS

NSL FOODS PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

FOR THE YEAR ENDED DECEMBER 31, 2023

1. THE GROUP'S OPERATIONS AND GENERAL INFORMATION

1.1 General Information

NSL Foods Public Company Limited (the “Company”) was incorporated as a limited company under the Thai Civil and Commercial Code on January 23, 2006. Subsequently, the Company registered the conversion of a private company into a public company on April 23, 2020 and registered with the Stock Exchange of Thailand on May 19, 2021 with its head office and branch offices located as follows:

Head office	: 55/22 Moo 3, Bangbuathong-Nonthaburi bridge (345) Road, Tambol Lam Pho, Amphur Bang Bua Thong, Nonthaburi
The first branch office	: 700/707 Moo 1, Tambol Phan Thong, Amphur Phan Thong, Chonburi
The second branch office	: 700/836 Moo 6, Tambol Nong Tamlueng, Amphur Phan Thong, Chonburi
The third branch office	: 29/52 Moo 2, Bangbuathong-Nonthaburi bridge (345) Road, Tambol Lam Pho, Amphur Bang Bua Thong, Nonthaburi
The fourth branch office	: 55/11 Moo 3, Bangbuathong-Nonthaburi bridge (345) Road, Tambol Lam Pho, Amphur Bang Bua Thong, Nonthaburi

The Company is engaged in manufacture and distribution of all kinds of bakery, wholesaler of frozen and processed fish, aquatic products, meat, seaweeds and vegetables and hold investment in other companies.

The Company, its subsidiaries and its joint venture together referred to as the “Group”. The principal businesses of its subsidiaries and its joint venture disclosed in Notes 1.2 and 1.3, respectively.

As at December 31, 2023 and 2022, the Company’s major shareholder is Mr. Somchai Asavapiyanond, holding 72.26% and 71.67% of the Company’s paid-up share capital, respectively.

The Company has extensive transactions and relationships with its related parties. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred had the Company operated without such affiliations.

1.2 Subsidiaries

The information of the subsidiaries as at December 31, 2023 (2022: Nil) are as follows:

Company's name	Country of incorporation and principal place of business	Registered date	Main business objective	Registered office
NSL Intertrade (2023) Co., Ltd.	Thailand	July 7, 2023	Exporting and importing products	589/161 Central City Tower Building, 32nd Floor, Room no.589/161-1 Thepbharat Road, Bang Na Nua Sub-district, Bang Na District, Bangkok
NSL Bake A Wish Co., Ltd.	Thailand	August 15, 2023	Manufacture and distribution of bakery, and franchise	116 Soi Suksawat 26, Bang Mod Sub-district, Jom Thong District, Bangkok

1.3 Joint venture

The information of joint venture as at December 31, 2023 (2022: Nil) is as follows:

Company's name	Country of incorporation and principal place of business	Registered date	Main business objective	Registered office
Pen 1 F&B Co., Ltd.	Thailand	January 16, 2023	Manufacture and distribute of beverages	1213/384 Soi Lad Phrao 94 (Punjamitr) Plab-Pla Sub-district, Wang Thong Lang District, Bangkok

2. BASIS FOR PREPARATION AND PRESENTATION OF THE INTERIM CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

- 2.1 The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
- 2.2 The Group's financial statements have been prepared in accordance with the Thai Accounting Standard No. 1 "Presentation of Financial Statements" and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statement (No.3) B.E. 2562" dated December 26, 2019.
- 2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).
- 2.4 The separate statements of financial position as at December 31, 2022, presented herein for comparison, have been derived from the audited financial statements of the Company for the year then ended.
- 2.5 The management prepares the consolidated financial statements for the year ended December 31, 2023 for the first time as the Company has recently invested in the investment in subsidiaries, and a joint venture as disclosed in Note 11 and Note 12 respectively.
- 2.6 The consolidated financial statements included the accounts of the Company and its subsidiaries, after elimination of intercompany transactions for the year ended December 31, 2023 are as follows: (2022: Nil)

Company's name	Country of incorporation	Main business objective	2023 % holding
NSL Intertrade (2023) Co., Ltd.	Thailand	Exporting and importing products	79.99
NSL Bake A Wish Co., Ltd.	Thailand	Manufacture and distribution of bakery, and franchise	59.99

- 2.7 The consolidated financial statements for the year ended December 31, 2023 consist of the joint venture as follows: (2022: Nil)

Company's name	Country of incorporation	Main business objective	2023 % holding
Pen 1 F & B Co., Ltd.	Thailand	Manufacture and distribution of beverage	33.33

- 2.8 The preparation of the financial statements in conformity with Thai Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. The areas involve a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements (see Note 3).

2.9 The English version of the financial statements have been prepared from the interim financial statements that is in the Thai language under law. In the event of a conflict or a difference in interpretation between the two languages, the Thai version of financial information shall prevail.

2.10 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements.

During the period, the Group has adopted the revised financial reporting standards issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and clarification of accounting requirements. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

2.11 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2024, onwards

The revised TFRSs are mostly the revision of wording and terminology and clarification of accounting requirements. TFRSs which have been amended and are relevant to the Group are as follows:

Thai Accounting Standard No.1 “Presentation of Financial Statements”

The amendments change the requirements regarding the disclosure of accounting policies from “significant accounting policies” to “material accounting policy information”. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements.

Thai Accounting Standard No.8 “Accounting Policies, Changes in Accounting Estimates and Errors”

The amendments change the definition of accounting estimates to be “monetary amounts in financial statements that are subject to measurement uncertainty”, to help an entity to be able to segregate the difference of “change in accounting estimates” from “change in accounting policies”.

Thai Accounting Standard No.12 “Income Taxes”

The amendments add the requirements for the initial recognition of deferred tax, which give rise to equal taxable and deductible temporary differences such as right-of-use assets and lease liabilities and decommissioning obligation. The amendments apply to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period an entity recognizes a deferred tax asset, to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized, and a deferred tax liability for all deductible and taxable temporary differences associated with such transactions. The cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of shareholders' equity, as appropriate).

In addition, such amendments also add the exemption for the International Tax Reform - Pillar Two Model. An entity should not recognize and not disclose the deferred tax assets and deferred tax liability which are relevant to Pillar Two income tax.

The Group's management will adopt such TFRSs in the preparation of the Group's financial statements when it becomes effective. The Group's management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

Thai Financial Reporting Standard which will be effective for the financial statements for the period beginning on or after January 1, 2025, onwards

Thai Financial Reporting Standard No.17 “Insurance Contracts”

Thai Financial Reporting Standard No.17 “Insurance Contracts” establishes the principles for the recognition, measurement, presentation and disclosure of insurance contracts and supersedes Thai Financial Reporting Standard No.4 “Insurance Contracts”. The Group does not have accounting transaction which should be adopted this Financial Reporting Standard.

3. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are as follows:

3.1 Basis of preparation of the consolidation financial statements

The consolidated financial statements comprise the Company and its subsidiaries' financial statements and the Group's interest in and a joint venture.

Business combinations

The Group applies the acquisition method for all business combinations except for the business combination under common control.

The Group's control is achieved when the Group (1) has the power over the investee (2) is exposed, or has rights, to variable returns from its involvement with the investee and (3) has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Goodwill is measured at the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. If the net realized amount (fair value) of identifiable assets acquired and liability assumed is higher than the fair value of the consideration transfer, the Group will recognize the surplus as gain in statement of comprehensive income.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, and equity interests issued by the Group. Consideration transferred also includes the fair value of any contingent consideration.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree or measures using the fair value.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are recognized as expenses when incur.

Transactions eliminated on consolidated financial statements

Significant intra-group balances and transactions have been eliminated in the preparation of the consolidated financial statements. The consolidated financial statements for the year ended December 31, 2023 were prepared by using the financial statements of its subsidiaries and joint venture as of the same date.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash and all types of deposits at financial institutions with original maturities of 3 months or less from the date of acquisition, excluding deposits at financial institutions used as collateral (if any).

3.3 Financial instruments

Initial recognition and measurement of financial assets and financial liabilities

- A financial asset measured at amortized cost and a financial asset measured at fair value through other comprehensive income are measured at their fair value, plus or less transaction costs that are directly attributable to the acquisition or issuance of the financial assets.
- A financial asset measured at fair value through profit or loss is measured at its fair value. Transaction costs are expensed in profit or loss.
- Financial liabilities, which are not measured at FVTPL is measured at fair value minus transaction costs that are directly attributable to the acquisition or issuance of the financial liabilities.

Subsequent measurement of financial assets

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

The financial assets that meet the following conditions are measured subsequently at amortized cost;

- The financial asset is held within a business model whose objective is to hold financial assets 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.

The financial assets that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI);

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; 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.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss associated with its financial assets carried at amortized cost. The Group applies simplified approach for allowance for expected credit losses consideration.

Subsequent measurement of financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid and received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Derivative financial instruments

Derivatives are recognized initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognized in profit or loss immediately.

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset. A derivative is presented as a non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

3.4 Trade and other receivables

Trade receivables, other receivables are stated at their invoice value less allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 3.3.

3.5 Inventories

Inventories are stated at the lower of cost or net realizable value.

Cost is determined by the weighted average method.

Net realizable value 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.

Allowance for obsolescence and slow moving is recorded based on the consideration of future use of those inventories and the aging analysis at the end of each reporting period.

3.6 Investments in subsidiaries and a joint venture

Investments in subsidiaries and a joint venture in the separate financial statements of the Company are accounted for using the cost method. Investment in joint venture in the consolidated financial statements is accounted for using the equity method.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases. Intra-group balances and transactions, and any unrealized income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Under the equity method, an investment in a joint venture is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of joint venture. When the Group's share of losses of a joint venture equals or exceeds the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of joint venture.

An investment in a joint venture is accounted for using the equity method from the date on which the investee becomes a joint venture. On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Company's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment is recognized immediately as profit or loss in the statement of comprehensive income in the period in which the investment is acquired.

The Group discontinues the use of the equity method from the date when the investment ceases to be a joint venture, or when the investment is classified as held-for-sale.

When the Group reduces its ownership interest in a joint venture but the Company continues to use the equity method, the Group reclassifies to profit or loss for the proportion of the gain or loss that had previously been recognized in other comprehensive income relating to that reduction in ownership interest in the statement of comprehensive income if that gain or loss would be reclassified to profit or loss upon the disposal of the related assets or liabilities.

When the Group transacts with a joint venture, profits and losses resulting from such transactions are recognized in the Group's financial statements in which the equity method is applied only to the extent of interests in the joint venture that are not related to the Company.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognized as profit or loss in the statement of comprehensive income.

If the Group disposes of a partial of its holding investment, the deemed cost of the sold investment is determined using the weighted-average method applied to the carrying value of the total holding of the investment.

3.7 Property, plant and equipment

Land is stated at cost less allowance for impairment, if any.

Plant and equipment are stated at cost less accumulated depreciation and allowance for impairment, if any.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the assets to a working condition for their intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for separately by major components.

Subsequent costs

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

Depreciation

Depreciation is calculated based on the depreciable amount of plant and equipment, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged as an expense to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment. The estimated useful lives are as follows:

Buildings	20 years
Building improvement	20 years
Machinery	5 years and 10 years
Tools and equipment	3 years, 5 years and 10 years
Furniture	5 years
Office equipment	5 years
Vehicles	5 years

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

In case impairment of property, plant and equipment has occurred, the resultant loss on impairment is recognized as expenses in the statement comprehensive income.

3.8 Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes right-of-use assets and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases with a lease term of 12 months or less and leases of low value assets, in which the lease payments are recognized as operating expense on a straight-line basis over the lease term and presents as an expense in the statement of comprehensive income.

The lease liability is initially measured at the present value of the lease payments that are not paid at that date, discounted by using the interest rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise fixed payments (including in-substance fixed payments), less any lease incentives receivable.

The lease liability is subsequently measured using the effective interest method and by reducing the carrying amount to reflect the lease payments made. The Company recognizes interest from lease liability in the statement of comprehensive income.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and accumulated impairment losses.

Right-of-use assets are depreciated over the period of lease term starting from the commencement date of the lease and are assessed for impairment in accordance with TAS 36 “Impairment of assets”.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

3.9 Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. The measurement of goodwill at initial recognition is described in Note 3.1.

Subsequent to the initial recognition, goodwill is measured at cost less allowance for impairment. The Group assesses an impairment of goodwill annually, regardless of consideration of indication that such goodwill may be impaired.

Goodwill is allocated to each of the Group’s cash-generating units that is expected to benefit from the synergies of the business combination.

3.10 Other intangible assets other than goodwill

Other intangible assets other than goodwill represent computer software, customer relationship, brand and franchise agreements arising from business acquisition which is stated at cost, net of accumulated amortization and allowance for impairment of assets (if any).

Amortization is recognized as an expense in the statement of comprehensive income on a straight-line basis over the estimated useful lives of intangible assets other than goodwill from the date that they are available for use.

The estimated useful lives of intangible assets other than goodwill are as follows:

Computer software	5 years and 10 years
Customer relationship	5 years and 6 years
Franchise agreements	10 years

No amortization is provided on brand as there is indefinite useful lives. Impairment is tested annually or when there is an indicator that the asset may be impaired.

In case of impairment of intangible assets other than goodwill has occurred, the resultant loss on impairment is recognized by the Company as expense in the statement of comprehensive income.

3.11 Provisions

Provisions are recognized when the Company 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.

3.12 Employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity (provident fund) and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognized as an employee benefit expense in the statement of comprehensive income in the periods during which services are rendered by employees.

Defined benefit plans and other long-term employee benefits

The Group records employee benefit obligations under the Labor Protection Act and other long-term benefits obligation under the Company's employment policy for employees who work in defined periods which employees will receive additional benefits when they work for the Company for 3 years, and after that employees will receive it every 5 years, using the Projected Unit Credit Method calculated by an independent actuary based on actuarial assumptions as at the statement of financial position date, using various factors including assessment of the average age and employment life of its employees, employee turnover rate and assumption of future salary increases. The employee benefit obligations is discounted to the present value as at the statement of financial position date and under the assumption that the employees of various ages will work with the Company until retirement age.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions under the Labor Protection Act are charged to other comprehensive income in the period in which they arise.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions under other long-term benefits obligation are charged to statement of comprehensive income in the period in which they arise.

Past-service costs are recognized immediately in the statement of comprehensive income.

Past-service costs related to plan amendment is recognized as an expense in the statement of comprehensive income when the plan amendment is effective.

3.13 Revenues and expenses recognition

Revenues from sales

Revenues from sales are recognized at point in time and recognized when control of the goods has transferred to the customer, being at the point the goods are delivered to the customer. Revenue from sales are measured at the amount of the consideration received or expect to be received for the delivered goods after deduction of trade discount given to the customer excluding value-added tax.

Revenue from franchise license

Revenue from franchise license is recognized over the period in which enter into the franchise agreements. Deferred revenue from franchise license is presented as contract liabilities - advance received from franchise license.

Other income are recognized in the statement of comprehensive income on an accrual basis.

Expenses are recognized on an accrual basis.

3.14 Finance costs

Finance costs is recognized using the effective interest method and comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration.

3.15 Income tax expenses

Income tax expenses comprise the sum of the current income tax and deferred tax.

3.15.1 Current income tax

Current income tax is tax payable which is calculated from taxable profit for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using tax rates that have been enacted at the statement of financial position date.

3.15.2 Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and the corresponding tax bases used in the computation of taxable profit (tax base). Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realized, based on tax rates that have been enacted or substantively enacted at the statement of financial position date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and intends to settle on a net basis or to realize the asset and settle the liability simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized. The Group recognizes deferred tax liabilities for all taxable temporary differences in the financial statements.

3.16 Foreign currency transactions

Transactions denominated in foreign currencies during the year are converted into Baht at the rates of exchange prevailing at the transaction dates. All balances of monetary assets and liabilities in foreign currencies at the statement of financial position date are converted into Baht at the reference exchange rates established by the Bank of Thailand at that date.

Gains or losses on foreign exchange arising on settlements and conversion are recognized as income or expenses in the statement of comprehensive income.

3.17 Basic earnings per share

Basic earnings per share are calculated by dividing net profit for the year by the weighted average number of outstanding ordinary shares at the statement of financial position date. In case of a capital increase, the number of ordinary shares is weighted according to time of subscriptions received for the increase in issued and paid-up capital.

The Company does not have any potential ordinary shares to dilute the earnings per share.

3.18 Operating segments

The Group presented the operating segments on the basis of internal reports that are regularly reviewed by the chief operating decision maker for the purposes of making decisions about allocating resources to the segments and assessing the performance of the operating segments. The Group has three segments which are manufacturing and distribute all kind of bakery segment and wholesaler of frozen and processed fish, aquatic products, meat, seaweeds and vegetables segment, and exporting and importing product segment. The Group also operate in a single geographic area which is Thailand.

3.19 Fair value measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1: inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2: inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs are unobservable inputs for the asset or liability.

3.20 Use of management's judgments

The preparation of financial statements in conformity with TFRS requires the Group's management to exercise judgments in order to determine the accounting policies, estimates and various assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

4. BUSINESS ACQUISITION

On September 1, 2023, NSL Bake A Wish Co., Ltd. which is a subsidiary, has entered into sale and purchase assets agreement with Bake A Wish J.H.C. Co., Ltd. which is considered as business acquisition by transferring agreements, employee, identified net assets and liabilities in order to engage in bakery franchise of Baht 46.87 million. As at December 31, 2023, such subsidiary has paid in full amount.

Details of identified net assets and liabilities and goodwill are as follows:

	Notes	Unit : Baht
Assets		
Inventories		8,061,489
Equipment		
Machinery and equipment	13	14,806,800
Tools and office equipment	13	2,524,200
Vehicles	13	1,980,900
Total		<u>19,311,900</u>
Right-of-use assets	14	6,619,016
Other intangible assets other than goodwill		
Brand	15	10,000,000
Franchise agreements	15	30,400,000
Total		<u>40,400,000</u>
Deferred tax assets	16	<u>3,905,951</u>
Total assets		<u>78,298,356</u>
Liabilities		
Non-current provisions for employee benefit	23.1	(3,391,796)
Advance received from franchise license		(19,529,754)
Lease liabilities		(6,619,016)
Deferred tax liabilities	16	<u>(4,180,000)</u>
Total liabilities		<u>(33,720,566)</u>
Identified net assets and liabilities		44,577,790
Consideration paid		46,873,389
Goodwill		<u>2,295,599</u>

From the acquisition date to December 31, 2023, the above subsidiary has revenue in the amount of Baht 74.95 million and net loss in the amount of Baht 2.11 million which represent in a part of operation result in the consolidated financial statements.

During the year 2023, the Group engaged an independent appraiser to evaluate the fair value of identifiable assets acquired and allocation of fair value at the acquisition date. The Group received the purchase price allocation report dated January 11, 2024 from the independent appraiser. The Group has applied Thai Financial Reporting Standard No. 3 “Business combinations” to recognize the business combination transaction.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, consist of:

	Unit : Baht		
	Consolidated financial statements 2023	Separate financial statements 2023	2022
Cash on hand	110,468	77,287	65,633
Cash at banks - current account	4,725,274	4,683,824	4,672,215
Cash at banks - savings account	129,090,382	100,585,969	110,409,524
Cash at banks - 3 months fixed account	1,006	1,006	1,001
	<u>133,927,130</u>	<u>105,348,086</u>	<u>115,148,373</u>

Cash at banks in the consolidated financial statements for year 2023 bear interest rate at 0.25% per annum to 0.85% per annum and cash at banks in the separate financial statements for year 2023 and 2022 bear interest rate 0.25% per annum to 0.85% per annum and 0.20% per annum to 0.40% per annum, respectively.

6. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

6.1 Purchases of fixed assets for the year ended December 31, are as follows:

	Notes	Unit : Baht		
		Consolidated financial statements 2023	Separate financial statements 2023	2022
Accounts payable - acquisition of fixed assets brought forward		7,362,240	7,362,240	12,723,392
<u>Add</u> Fixed assets purchased during the years	13	162,468,724	156,548,795	135,415,199
<u>Add</u> Advance payment for fixed assets				
Increase (decrease) ⁽¹⁾		(1,044,648)	(1,044,648)	3,964,800
<u>Less</u> Cash paid during the years		(157,853,547)	(151,933,618)	(144,741,151)
Accounts payable - acquisition of fixed assets carried forward	19	<u>10,932,769</u>	<u>10,932,769</u>	<u>7,362,240</u>

⁽¹⁾ Advance payment for fixed assets was recorded as a part of other non-current assets.

6.2 Reconciliation of liabilities arising from financing activities

The below table presents change in the liabilities arising from financing activities, including both change arising from cash flows and non-cash changes as follows:

	Unit : Baht						
	Balance as at January 1, 2023	Cash provided by financing activities	Cash used in financing activities	Adjust interest according to effective interest rate	Asset under lease agreement increase	Unrealized loss on exchange rate	Recognized interest expense
Short-term borrowings from a financial institution	58,791,591	483,456	-	-	-	931,077	-
Long-term borrowings from a financial institution	175,504,201	-	(101,780,058)	(512,160)	-	-	-
Lease liabilities	12,694,668	-	(7,870,476)	-	16,756,652	-	642,005
Accrued interest expense	-	-	(10,510,351)	512,160	-	-	9,998,191
Total	<u>246,990,460</u>	<u>483,456</u>	<u>(120,160,885)</u>	<u>-</u>	<u>16,756,652</u>	<u>931,077</u>	<u>10,640,196</u>
							<u>155,640,956</u>

Unit : Baht

	Separate financial statements							Unit : Baht
	Balance as at January 1, 2023	Cash provided by financing activities	Cash used in financing activities	Non-cash changes			Balance as at December 31, 2023	
				Adjust interest according to effective interest rate	Asset under lease agreement increase	Unrealized loss on exchange rate		Recognized interest expense
Short-term borrowings from a financial institution	58,791,591	483,456	-	-	-	931,077	-	60,206,124
Long-term borrowings from a financial institution	175,504,201	-	(101,780,058)	(512,160)	-	-	-	73,211,983
Lease liabilities	12,694,668	-	(6,706,122)	-	4,598,450	-	444,209	11,031,205
Accrued interest expense	-	-	(10,510,351)	512,160	-	-	9,998,191	-
Total	246,990,460	483,456	(118,996,531)	-	4,598,450	931,077	10,442,400	144,449,312

Unit : Baht

	Separate financial statements							Unit : Baht
	Balance	Cash provided	Cash used in	Non-cash changes				Balance
	as at	by financing	financing	Adjust interest	Asset under	Unrealized	Recognized	as at
	January 1, 2022	activities	activities	according to effective interest rate	lease agreement increase	gain on exchange rate	interest expense	December 31, 2022
Short-term borrowings from a financial institution	38,656,217	23,932,729	-	-	-	(3,797,355)	-	58,791,591
Long-term borrowings from a financial institution	278,088,354	-	(101,780,121)	(804,032)	-	-	-	175,504,201
Lease liabilities	10,202,107	-	(7,603,053)	-	9,558,050	-	537,564	12,694,668
Accrued interest expense	-	-	(10,547,913)	804,032	-	-	9,743,881	-
Total	326,946,678	23,932,729	(119,931,087)	-	9,558,050	(3,797,355)	10,281,445	246,990,460

7. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, consist of:

Unit : Baht

	Note	Consolidated financial statements	Separate financial statements	
		2023	2023	2022
Trade receivables - other companies		712,846,497	704,924,660	577,211,685
<u>Less</u> Allowance for expected credit losses		(363,609)	(363,609)	(932,586)
Trade receivable - a related party	30	4,463,305	10,712,626	465,986
Other receivables - other companies		2,373,914	2,038,804	2,911,812
Accrued interest - a related company	30	-	53,347	-
Prepaid expenses		12,668,517	12,463,774	15,755,015
		<u>731,988,624</u>	<u>729,829,602</u>	<u>595,411,912</u>

Trade receivables as at December 31, are classified by aging as follows:

	Unit : Baht		
	Consolidated financial statements 2023	Separate financial statements 2023	2022
Other companies			
Within credit terms	468,112,483	466,754,310	381,123,392
Overdue			
Less than 30 days	240,758,945	235,145,588	190,159,553
Over 30 days but less than 60 days	2,418,112	1,997,230	3,328,813
Over 60 days but less than 90 days	706,458	382,901	567,411
Over 90 days but less than 120 days	618,902	413,034	268,403
Over 120 days but less than 180 days	37,804	37,804	299,250
Over 180 days but less than 365 days	32,458	32,458	1,064,555
Over 365 days	161,335	161,335	400,308
	<u>712,846,497</u>	<u>704,924,660</u>	<u>577,211,685</u>
A related party			
Within credit terms	251,928	3,778,034	233,123
Overdue			
Less than 30 days	4,211,377	6,934,592	232,863
	<u>4,463,305</u>	<u>10,712,626</u>	<u>465,986</u>

The normal credit term granted by the Group ranges for 30 days.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors. The Group has recognized a loss allowance of 50% against over 180 days but less than 365 days and a loss allowance of 100% against all receivables over 365 days past due because historical experience has indicated that these receivables are generally not recoverable.

The following table details the risk profile of trade receivables based on the Group's provision expected credit losses matrix as at December 31, 2023 and 2022.

	Unit : Baht						
As at December 31, 2023	Consolidated financial statements						
	Trade receivables - days past due						
	Not past due	< 30 days	31 - 90 days	91 - 180 days	181 - 365 days	> 366 days	Total
Expected credit loss rate (%)							
	0.01	0.02	1.54	9.10	50	100	
Trade receivables	468,364,411	244,970,322	3,124,570	656,706	32,458	161,335	717,309,802
Lifetime ECL	36,962	41,150	48,143	59,790	16,229	161,335	363,609

	Unit : Baht						
As at December 31, 2023	Separate financial statements						
	Not past due	< 30 days	Trade receivables - days past due				Total
			31 - 90 days	91 - 180 days	181 - 365 days	> 366 days	
Expected credit loss rate (%)	0.01	0.02	2.02	13.26	50	100	
Trade receivables	470,532,344	242,080,180	2,380,131	450,838	32,458	161,335	715,637,286
Lifetime ECL	36,962	41,150	48,143	59,790	16,229	161,335	363,609

	Unit : Baht						
As at December 31, 2022	Separate financial statements						
	Trade receivables - days past due						
	Not past due	< 30 days	31 - 90 days	91 - 180 days	181 - 365 days	> 366 days	Total
Expected credit loss rate (%)	0	0	0	0	50	100	
Trade receivables	381,356,515	190,392,416	3,896,224	567,653	1,064,555	400,308	577,677,671
Lifetime ECL	-	-	-	-	532,278	400,308	932,586

8. INVENTORIES

Inventories as at December 31, consist of:

	Unit : Baht		
	Consolidated	Separate	
	financial statements 2023	financial statements 2023	financial statements 2022
Raw materials	202,362,215	199,212,020	188,255,636
Supplies and packages	33,682,845	26,442,158	19,018,777
Work in process	6,736,255	6,736,255	3,883,856
Finished goods	35,531,454	34,243,913	33,995,932
Goods in transit	5,693,722	5,693,722	26,866,445
<u>Less</u> Allowance for deterioration	<u>(9,629,882)</u>	<u>(9,629,882)</u>	<u>(4,915,980)</u>
	<u>274,376,609</u>	<u>262,698,186</u>	<u>267,104,666</u>

During the years 2023 and 2022, the Company recorded the write-down of cost for allowance for obsolescence of inventories of Baht 4.71 million and Baht 2.49 million, respectively, as part of cost of sales.

Cost of inventories of Baht 3,033.79 million recognized as cost of sales in the consolidated financial statements for the year ended December 31, 2023 and cost of inventories of Baht 3,004.63 million and Baht 2,534.34 million recognized as cost of sales in the separate financial statements for the years ended December 31, 2023 and 2022, respectively.

9. OTHER CURRENT FINANCIAL ASSETS - TEMPORARY INVESTMENTS

Other current financial assets - temporary investments as at December 31, consist of:

	Unit : Baht		
	Consolidated	Separate	
	financial statements 2023	financial statements 2023	financial statements 2022
Financial assets at amortization costs (see Note 27)			
- Fixed deposit at bank maturity within 12 months ⁽¹⁾ (Interest rate 0.875% per annum, and 0.375% per annum)	10,001,007	10,001,007	100,001,003
Financial assets at fair value through profit or loss (see Note 27)			
- Opened-end fixed income funds	204,111,885	204,111,885	201,044,492
Total	<u>214,112,892</u>	<u>214,112,892</u>	<u>301,045,495</u>

⁽¹⁾ The Company's fixed deposit at bank maturity within 12 months is guaranteed for credit limit for bills of exchange and/or promissory notes and credit limit for letter of credit and/or trust receipt with a local financial institution (see Note 18). As at December 31, 2023 and 2022, the Company has not used such credit limit.

10. DERIVATIVE ASSETS

Derivative assets as at December 31, 2023 (2022: Nil) consist of:

Type of contract	Consolidated and separate financial statements As at December 31, 2023		
	Contract amount		Fair value contract
	Receiving	Delivering	Asset
	AUD	THB	THB
Forward foreign exchange contracts (see Note 27)	267,250	6,210,888	20,257
Total derivative	267,250	6,210,888	20,257

11. INVESTMENT IN SUBSIDIARIES

Investments in subsidiaries which recorded in separate financial statement by the cost method as at December 31, 2023 (2022: Nil) consist of:

Company's name	Separate financial statements			Cost method
	Share capital	Paid-up capital	Percentage of shareholding	
	Baht	Baht	%	Baht
NSL Intertrade (2023) Co., Ltd. ⁽¹⁾	20,000,000	10,000,000	79.99	8,000,000
NSL Bake A Wish Co., Ltd. ⁽²⁾	50,000,000	40,000,000	59.99	24,000,000
				<u>32,000,000</u>

⁽¹⁾ On May 9, 2023, at the Board of Directors' Meeting No.3/2023 of the Company, the Board of Directors had passed a resolution to approve establishment NSL Intertrade (2023) Co., Ltd. to engage in exporting and importing products with share capital of 2,000,000 shares at Baht 10 per shares, totaling Baht 20 million. The Company has shareholding portion at 80%. As at December 31, 2023, the Company has paid for shares amounting to Baht 8 million.

⁽²⁾ On August 9, 2023, at the Board of Directors' Meeting No.4/2023 of the Company, the Board of Directors had passed a resolution to approve establishment NSL Bake A Wish Co., Ltd. to engage in produce and distribute bakery and franchise with share capital of 5,000,000 shares at Baht 10 per share, totaling Baht 50 million. Subsequently, on August 10, 2023, the Company has entered into joint venture agreement with Bake A Wish J.H.C. Co., Ltd. in order to jointly establish such subsidiary which was registered on August 15, 2023. The Company has shareholding portion at 60%. As at December 31, 2023, the Company has paid for shares amounting to Baht 24 million.

For the year ended December 31, 2023, there was no dividend income from subsidiaries.

12. INVESTMENT IN A JOINT VENTURE

Investment in a joint venture as at December 31, 2023 (2022: Nil) consist of:

Company's name	Paid-up capital (Baht)	Investment portion (%)	Financial statements in which the equity method	Separate financial statements
			Equity method (Baht)	Cost method (Baht)
Pen 1 F & B Co., Ltd.	45,000,000	33.33	6,133,652	15,000,000
	45,000,000	33.33	6,133,652	15,000,000

For the year ended December 31, 2023, there was no dividend income from a joint venture.

On January 9, 2023, the Company entered into a shareholder's agreement to jointly establish a company with share capital of 6,000,000 shares at Baht 10 per share, totaling Baht 60 million. The Company has shareholding portion at 33.33%. For the year ended December 31, 2023, the Company has paid for share amounting to Baht 15 million.

Aggregate information of the joint venture consists of the following:

Unit : Baht	
	As at December 31, 2023
Total assets	28,577,552
Total liabilities	(9,998,931)
Net assets of the joint venture	18,578,621
Unit : Baht	
	For the period from January 16, 2023 to December 31, 2023
Net loss	(26,421,379)

Reconciliations of the above financial information to the carrying amount of the interest in the joint venture are as follows:

Unit : Baht	
	Consolidated financial statements As at December 31, 2023
Net assets of the joint venture	18,578,621
Elimination of intercompany profit	(177,666)
	18,400,955
Proportion of the Company's ownership interest in the joint venture (%)	33.33
Carrying amount of the joint venture under equity method	6,133,652

13. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment, consist of:

As at December 31, 2023

	Consolidated financial statements						Unit : Baht
	Balance as at January 1, 2023	Addition	Transfer from business acquisition (See Note 4)	Transfer from right- of-use asset (see Note 14)	Decrease	Transfer in/ (out)	Balance as at December 31, 2023
Cost:							
Land	290,649,250	7,116,750	-	-	-	-	297,766,000
Buildings	672,183,082	22,670,332	-	-	-	-	694,853,414
Buildings improvement	30,237,608	11,403,405	-	-	-	-	41,641,013
Machinery	516,497,679	70,331,854	14,806,800	-	(15,421,500)	12,740,748	598,955,581
Tools and equipment	165,343,093	23,525,917	-	-	(5,667,279)	-	183,201,731
Fixtures	14,447,033	4,960,693	-	-	(71,142)	-	19,336,584
Office equipment	19,361,402	5,433,660	2,524,200	-	(644,596)	-	26,674,666
Vehicles	28,789,029	330,000	1,980,900	2,358,720	-	-	33,458,649
Total cost	<u>1,737,508,176</u>	<u>145,772,611</u>	<u>19,311,900</u>	<u>2,358,720</u>	<u>(21,804,517)</u>	<u>12,740,748</u>	<u>1,895,887,638</u>
Accumulated depreciation:							
Buildings	(261,149,880)	(33,804,975)	-	-	-	-	(294,954,855)
Buildings improvement	(3,733,489)	(1,714,344)	-	-	-	-	(5,447,833)
Machinery	(346,597,635)	(55,684,947)	-	-	14,948,111	-	(387,334,471)
Tools and equipment	(133,452,556)	(12,756,951)	-	-	5,535,816	-	(140,673,691)
Fixtures	(6,798,721)	(3,029,259)	-	-	48,476	-	(9,779,504)
Office equipment	(15,200,593)	(2,102,596)	-	-	619,475	-	(16,683,714)
Vehicles	(26,851,695)	(1,441,329)	-	(1,526,431)	-	-	(29,819,455)
Total accumulated depreciation	<u>(793,784,569)</u>	<u>(110,534,401)</u>	<u>-</u>	<u>(1,526,431)</u>	<u>21,151,878</u>	<u>-</u>	<u>(884,693,523)</u>
Machinery under installation	10,724,673	8,283,875	-	-	-	(12,740,748)	6,267,800
Construction in progress	-	8,412,238	-	-	-	-	8,412,238
Property, plant and equipment	<u>954,448,280</u>						<u>1,025,874,153</u>

Depreciation for the year ended December 31,

2023

Baht 110,534,401

As at December 31, 2023

Unit : Baht

	Separate financial statements					Balance as at December 31, 2023
	Balance as at January 1, 2023	Addition	Transfer from right- of-use asset (see Note 14)	Decrease	Transfer in/ (out)	
Cost:						
Land	290,649,250	7,116,750	-	-	-	297,766,000
Buildings	672,183,082	22,670,332	-	-	-	694,853,414
Buildings improvement	30,237,608	9,479,138	-	-	-	39,716,746
Machinery	516,497,679	70,012,467	-	(15,421,500)	12,740,748	583,829,394
Tools and equipment	165,343,093	23,497,667	-	(5,667,279)	-	183,173,481
Fixtures	14,447,033	3,216,305	-	(71,142)	-	17,592,196
Office equipment	19,361,402	3,530,023	-	(644,596)	-	22,246,829
Vehicles	28,789,029	330,000	2,358,720	-	-	31,477,749
Total cost	1,737,508,176	139,852,682	2,358,720	(21,804,517)	12,740,748	1,870,655,809
Accumulated depreciation:						
Buildings	(261,149,880)	(33,804,975)	-	-	-	(294,954,855)
Buildings improvement	(3,733,489)	(1,597,759)	-	-	-	(5,331,248)
Machinery	(346,597,635)	(55,219,338)	-	14,948,111	-	(386,868,862)
Tools and equipment	(133,452,556)	(12,755,682)	-	5,535,816	-	(140,672,422)
Fixtures	(6,798,721)	(2,929,814)	-	48,476	-	(9,680,059)
Office equipment	(15,200,593)	(1,812,387)	-	619,475	-	(16,393,505)
Vehicles	(26,851,695)	(1,308,908)	(1,526,431)	-	-	(29,687,034)
Total accumulated depreciation	(793,784,569)	(109,428,863)	(1,526,431)	21,151,878	-	(883,587,985)
Machinery under installation	10,724,673	8,283,875	-	-	(12,740,748)	6,267,800
Construction in progress	-	8,412,238	-	-	-	8,412,238
Property, plant and equipment	954,448,280					1,001,747,862

As at December 31, 2022

Unit : Baht

	Separate financial statements				Balance as at December 31, 2022
	Balance as at January 1, 2022	Addition	Decrease	Transfer in/ (out)	
Cost:					
Land	290,649,250	-	-	-	290,649,250
Buildings	672,183,082	-	-	-	672,183,082
Buildings improvement	21,629,151	6,245,157	-	2,363,300	30,237,608
Machinery	419,550,724	93,659,755	(672,800)	3,960,000	516,497,679
Tools and equipment	155,223,408	11,332,881	(1,213,196)	-	165,343,093
Fixtures	8,716,950	5,820,083	(90,000)	-	14,447,033
Office equipment	17,307,799	2,293,185	(239,582)	-	19,361,402
Vehicles	28,254,029	535,000	-	-	28,789,029
Total cost	<u>1,613,514,393</u>	<u>119,886,061</u>	<u>(2,215,578)</u>	<u>6,323,300</u>	<u>1,737,508,176</u>
Accumulated depreciation:					
Buildings	(227,557,909)	(33,591,971)	-	-	(261,149,880)
Buildings improvement	(2,490,187)	(1,243,302)	-	-	(3,733,489)
Machinery	(302,196,289)	(45,061,091)	659,745	-	(346,597,635)
Tools and equipment	(123,552,909)	(11,112,839)	1,213,192	-	(133,452,556)
Fixtures	(5,126,275)	(1,762,445)	89,999	-	(6,798,721)
Office equipment	(14,063,311)	(1,375,041)	237,759	-	(15,200,593)
Vehicles	(25,690,859)	(1,160,836)	-	-	(26,851,695)
Total accumulated depreciation	<u>(700,677,739)</u>	<u>(95,307,525)</u>	<u>2,200,695</u>	<u>-</u>	<u>(793,784,569)</u>
Machinery under installation	800,000	13,884,673	-	(3,960,000)	10,724,673
Construction in progress	718,835	1,644,465	-	(2,363,300)	-
Property, plant and equipment	<u>914,355,489</u>				<u>954,448,280</u>

Depreciation for the years ended December 31,

2023	Baht	<u>109,428,863</u>
2022	Baht	<u>95,307,525</u>

As at December 31, 2023 and 2022, the Company had pledged all land and buildings with carrying value amounting to Baht 690.55 million and Baht 701.68 million, respectively, as collateral against credit facilities from a financial institution (see Note 18 and Note 20).

As at December 31, 2023 and 2022, costs of property, plant and equipment in the financial statements that were fully depreciated but still in use were Baht 287.26 million and Baht 223.67 million, respectively.

14. RIGHT-OF-USE ASSETS

Right-of-use assets as at December 31, consist of:

As at December 31, 2023

Unit : Baht

	Consolidated financial statements					Balance as at December 31, 2023
	Balance as at January 1, 2023	Addition	Transfer from business acquisition (See Note 4)	Decrease	Transfer to plant and equipment (see Note 13)	
Cost:						
Rental buildings	-	5,539,186	6,619,016	-	-	12,158,202
Machinery	14,038,227	4,954,192	-	(3,820,910)	-	15,171,509
Tools and equipment	3,338,099	880,246	-	-	-	4,218,345
Vehicles	11,306,749	559,919	-	-	(2,358,720)	9,507,948
Total cost	<u>28,683,075</u>	<u>11,933,543</u>	<u>6,619,016</u>	<u>(3,820,910)</u>	<u>(2,358,720)</u>	<u>41,056,004</u>
Accumulated amortization:						
Rental buildings	-	(1,056,732)	-	-	-	(1,056,732)
Machinery	(8,465,362)	(3,439,992)	-	2,025,003	-	(9,880,351)
Tools and equipment	(1,556,916)	(713,741)	-	-	-	(2,270,657)
Vehicles	(3,412,783)	(1,961,230)	-	-	1,526,431	(3,847,582)
Total accumulated amortization	<u>(13,435,061)</u>	<u>(7,171,695)</u>	<u>-</u>	<u>2,025,003</u>	<u>1,526,431</u>	<u>(17,055,322)</u>
Right-of-use assets	<u>15,248,014</u>					<u>24,000,682</u>

Amortization for the year ended December 31,
2023

Baht

7,171,695

As at December 31, 2023

Unit : Baht

	Separate financial statements				Balance as at December 31, 2023
	Balance as at January 1, 2023	Addition	Decrease	Transfer to plant and equipment (see Note 13)	
Cost:					
Machinery	14,038,227	4,954,192	(3,820,910)	-	15,171,509
Tools and equipment	3,338,099	880,246	-	-	4,218,345
Vehicles	11,306,749	559,919	-	(2,358,720)	9,507,948
Total cost	<u>28,683,075</u>	<u>6,394,357</u>	<u>(3,820,910)</u>	<u>(2,358,720)</u>	<u>28,897,802</u>
Accumulated amortization:					
Machinery	(8,465,362)	(3,439,992)	2,025,003	-	(9,880,351)
Tools and equipment	(1,556,916)	(713,741)	-	-	(2,270,657)
Vehicles	(3,412,783)	(1,961,230)	-	1,526,431	(3,847,582)
Total accumulated amortization	<u>(13,435,061)</u>	<u>(6,114,963)</u>	<u>2,025,003</u>	<u>1,526,431</u>	<u>(15,998,590)</u>
Right-of-use assets	<u>15,248,014</u>				<u>12,899,212</u>

As at December 31, 2022

Unit : Baht

	Separate financial statements			
	Balance as at January 1, 2022	Addition	Decrease	Balance as at December 31, 2022
Cost:				
Machinery	11,082,705	3,449,279	(493,757)	14,038,227
Tools and equipment	2,123,472	1,214,627	-	3,338,099
Vehicles	6,001,141	5,305,608	-	11,306,749
Total cost	<u>19,207,318</u>	<u>9,969,514</u>	<u>(493,757)</u>	<u>28,683,075</u>
Accumulated amortization:				
Machinery	(5,484,266)	(3,063,389)	82,293	(8,465,362)
Tools and equipment	(873,595)	(683,321)	-	(1,556,916)
Vehicles	(1,414,256)	(1,998,527)	-	(3,412,783)
Total accumulated amortization	<u>(7,772,117)</u>	<u>(5,745,237)</u>	<u>82,293</u>	<u>(13,435,061)</u>
Right-of-use assets	<u>11,435,201</u>			<u>15,248,014</u>
Amortization for the years ended December 31,				
2023			Baht	<u>6,114,963</u>
2022			Baht	<u>5,745,237</u>

15. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

Other intangible assets other than goodwill as at December 31, are as follows:

Unit : Baht

	Consolidated financial statements				Unit : Baht
	Balance as at January 1, 2023	Increase	Transfer from business acquisition (See Note 4)	Transfer in/ (out)	Balance as at December 31, 2023
Cost					
Computer software	8,432,690	152,300	-	-	8,584,990
Customer relationship	1,377,000	-	-	-	1,377,000
Brand	-	-	10,000,000	-	10,000,000
Franchise agreements	<u>-</u>	<u>-</u>	<u>30,400,000</u>	<u>-</u>	<u>30,400,000</u>
Total cost	<u>9,809,690</u>	<u>152,300</u>	<u>40,400,000</u>	<u>-</u>	<u>50,361,990</u>
Accumulated amortization					
Computer software	(2,897,849)	(902,888)	-	-	(3,800,737)
Customer relationship	(842,085)	(259,364)	-	-	(1,101,449)
Franchise agreements	<u>-</u>	<u>(1,013,333)</u>	<u>-</u>	<u>-</u>	<u>(1,013,333)</u>
Total accumulated amortization	<u>(3,739,934)</u>	<u>(2,175,585)</u>	<u>-</u>	<u>-</u>	<u>(5,915,519)</u>
Intangible assets	<u>6,069,756</u>				<u>44,446,471</u>
Amortization for the years ended December 31,					
2023				Baht	2,175,585

As at December 31, 2023, the remaining amortization period of franchise agreements is 9.67 years.

Unit : Baht				
	Balance as at January 1, 2023	Separate financial statements Increase	Transfer in/ (out)	Balance as at December 31, 2023
Cost				
Computer software	8,432,690	112,000	-	8,544,690
Customer relationship	1,377,000	-	-	1,377,000
Total cost	<u>9,809,690</u>	<u>112,000</u>	<u>-</u>	<u>9,921,690</u>
Accumulated amortization				
Computer software	(2,897,849)	(899,840)	-	(3,797,689)
Customer relationship	(842,085)	(259,364)	-	(1,101,449)
Total accumulated amortization	<u>(3,739,934)</u>	<u>(1,159,204)</u>	<u>-</u>	<u>(4,899,138)</u>
Intangible assets	<u>6,069,756</u>			<u>5,022,552</u>

Unit : Baht				
	Balance as at January 1, 2022	Separate financial statements Increase	Transfer in/ (out)	Balance as at December 31, 2022
Cost				
Computer software	8,320,690	112,000	-	8,432,690
Customer relationship	1,377,000	-	-	1,377,000
Total cost	<u>9,697,690</u>	<u>112,000</u>	<u>-</u>	<u>9,809,690</u>
Accumulated amortization				
Computer software	(2,006,885)	(890,964)	-	(2,897,849)
Customer relationship	(582,721)	(259,364)	-	(842,085)
Total accumulated amortization	<u>(2,589,606)</u>	<u>(1,150,328)</u>	<u>-</u>	<u>(3,739,934)</u>
Intangible assets	<u>7,108,084</u>			<u>6,069,756</u>
Amortization for the years ended December 31,				
2023			Baht	<u>1,159,204</u>
2022			Baht	<u>1,150,328</u>

16. DEFERRED TAX ASSETS AND INCOME TAX EXPENSE

Deferred tax assets as at December 31, consist of:

Unit : Baht			
	Consolidated financial statements 2023	Separate financial statements 2023	2022
Deferred tax assets	<u>10,600,494</u>	<u>9,828,296</u>	<u>8,146,333</u>

The movements of deferred tax assets and liabilities for the years ended December 31, are as follows:

As at December 31, 2023

Unit : Baht

	Consolidated financial statements				
	Balances as at January 1, 2023	Transfer from business acquisition (See Note 4)	Items as recognized in profit or loss revenue (expense) Increase Utilized		Balances as at December 31, 2023
Deferred tax asset					
Allowance for expected credit losses	186,517	-	-	(113,795)	72,722
Allowance for deterioration	983,196	-	942,780	-	1,925,976
Difference in useful lives of assets	157,436	-	30,659	-	188,095
Amortization of goodwill	106,520	-	-	(31,484)	75,036
Provision for employee benefit	6,094,973	-	1,695,052	(548,844)	7,241,181
Derivative liabilities	768,119	-	418,040	(768,119)	418,040
Advance received from franchise license	-	3,905,951	60,000	(523,792)	3,442,159
Unused tax loss	-	-	1,422,409	-	1,422,409
	<u>8,296,761</u>	<u>3,905,951</u>	<u>4,568,940</u>	<u>(1,986,034)</u>	<u>14,785,618</u>
Deferred tax liabilities					
Derivative assets	-	-	(4,051)	-	(4,051)
Customer relationship	(106,983)	-	-	51,873	(55,110)
Fair value adjustment of assets from business acquisition	(43,445)	-	-	24,816	(18,629)
Brand	-	-	(66,667)	-	(66,667)
Franchise agreements	-	(4,180,000)	-	139,333	(4,040,667)
	<u>(150,428)</u>	<u>(4,180,000)</u>	<u>(70,718)</u>	<u>216,022</u>	<u>(4,185,124)</u>
Deferred tax asset - net	<u>8,146,333</u>	<u>(274,049)</u>	<u>4,498,222</u>	<u>(1,770,012)</u>	<u>10,600,494</u>

As at December 31, 2023, subsidiaries have taxable cumulative losses carried forward of Baht 7.11 million, which will be expired in 2028. The Group recognize this transaction as deferred tax assets as there is certain possibility to utilize the tax benefit in the future.

As at December 31, 2023

Unit : Baht

	Separate financial statements			
	Balances as at January 1, 2023	Items as recognized in profit or loss revenue (expense)		Balances as at December 31, 2023
		Increase	Utilized	
Deferred tax asset				
Allowance for expected credit losses	186,517	-	(113,795)	72,722
Allowance for deterioration	983,196	942,780	-	1,925,976
Difference in useful lives of assets	157,436	30,659	-	188,095
Amortization of goodwill	106,520	-	(16,180)	90,340
Provision for employee benefit	6,094,973	1,664,784	(548,844)	7,210,913
Derivative liabilities	768,119	418,040	(768,119)	418,040
	<u>8,296,761</u>	<u>3,056,263</u>	<u>(1,446,938)</u>	<u>9,906,086</u>
Deferred tax liabilities				
Derivative assets	-	(4,051)	-	(4,051)
Customer relationship	(106,983)	-	51,873	(55,110)
Fair value adjustment of assets from business acquisition	(43,445)	-	24,816	(18,629)
	<u>(150,428)</u>	<u>(4,051)</u>	<u>76,689</u>	<u>(77,790)</u>
Deferred tax asset - net	8,146,333	3,052,212	(1,370,249)	9,828,296

As at December 31, 2022

Unit : Baht

	Separate financial statements				Balances as at December 31, 2022
	Balances as at January 1, 2022	Items as recognized in profit or loss revenue (expense) Increase	Utilized	Items as recognized in other comprehensive income	
Deferred tax asset					
Allowance for expected credit losses	44,520	141,997	-	-	186,517
Allowance for deterioration	485,233	497,963	-	-	983,196
Difference in useful lives of assets	314,844	-	(157,408)	-	157,436
Amortization of goodwill	122,700	-	(16,180)	-	106,520
Provision for employee benefit	9,965,380	958,512	(3,211,639)	(1,617,280)	6,094,973
Derivative liabilities	39,820	768,119	(39,820)	-	768,119
	<u>10,972,497</u>	<u>2,366,591</u>	<u>(3,425,047)</u>	<u>(1,617,280)</u>	<u>8,296,761</u>
Deferred tax liabilities					
Derivative assets	(33,246)	-	33,246	-	-
Customer relationship	(158,856)	-	51,873	-	(106,983)
Fair value adjustment of assets from business acquisition	(68,261)	-	24,816	-	(43,445)
	<u>(260,363)</u>	<u>-</u>	<u>109,935</u>	<u>-</u>	<u>(150,428)</u>
Deferred tax asset - net	<u>10,712,134</u>	<u>2,366,591</u>	<u>(3,315,112)</u>	<u>(1,617,280)</u>	<u>8,146,333</u>

Income tax expenses for the years ended December 31, consist of:

Unit : Baht

	Consolidated financial statements 2023	Separate financial statements 2023	Separate financial statements 2022
Current income tax expense	88,111,071	88,111,071	73,092,915
Deferred tax in respect of temporary difference	(2,728,210)	(1,681,963)	948,521
Income tax expense	<u>85,382,861</u>	<u>86,429,108</u>	<u>74,041,436</u>

Income tax expense for the years ended December 31, can be reconciled to the accounting profit are as follows:

Unit : Baht

	Consolidated financial statements 2023	Separate financial statements 2023	Separate financial statements 2022
Profit before income tax expense	417,600,927	431,698,511	371,638,720
Corporate income tax rate (%)	<u>20</u>	<u>20</u>	<u>20</u>
Income tax at the tax rate	83,520,185	86,339,702	74,327,744
Effect of the non-taxable income and non-deductible expense	<u>1,862,676</u>	<u>89,406</u>	<u>(286,308)</u>
Income tax expense	<u>85,382,861</u>	<u>86,429,108</u>	<u>74,041,436</u>
Effective tax rate (%)	20.45	20.02	19.92

17. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, consist of:

	Unit : Baht		
	Consolidated financial statements 2023	Separate financial statements 2023	2022
Deposit for electrical and building usage	7,720,767	7,212,500	5,923,100
Advance payment for fixed assets ⁽¹⁾	17,367,974	17,367,974	18,412,622
	<u>25,088,741</u>	<u>24,580,474</u>	<u>24,335,722</u>

⁽¹⁾ As at December 31, 2023 and 2022, the Company had capital commitments of approximately Baht 23.43 million and Baht 13.75 million, respectively, relating to the acquisition of land, building improvement, machinery and equipment.

18. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM A FINANCIAL INSTITUTION

Bank overdrafts and short-term borrowings from a financial institution as at December 31, consist of the following:

	Credit facilities (Baht)			Outstanding balance (Baht)			Interest rate % per annum	
	Consolidated	Separate		Consolidated	Separate		Consolidated and	
	financial statements	financial statements		financial statements	financial statements		Separate financial statements	
	2023	2023	2022	2023	2023	2022	2023	2022
Bank overdrafts	30,000,000	30,000,000	30,000,000	-	-	-	MOR	MOR
Letter of credit and/or							Rate as mutually	Rate as mutually
trust receipt	250,000,000	250,000,000	150,000,000	60,206,124 ⁽¹⁾	60,206,124 ⁽¹⁾	58,791,591 ⁽²⁾	agreed	agreed
Bills of exchange and/or							Rate as mutually	Rate as mutually
promissory notes	210,000,000	210,000,000	210,000,000	-	-	-	agreed	agreed
	<u>490,000,000</u>	<u>490,000,000</u>	<u>390,000,000</u>	<u>60,206,124</u>	<u>60,206,124</u>	<u>58,791,591</u>		

⁽¹⁾ As at December 31, 2023, the Company has trust receipt from a local commercial bank of USD 1,565,286 and AUD 267,250 or equivalent to Baht 60,206,124.

⁽²⁾ As at December 31, 2022, the Company has trust receipt from a local commercial bank of USD 1,320,511 and AUD 543,240 or equivalent to Baht 58,791,591.

Bank overdrafts and short-term borrowings from a financial institution are guaranteed by land and buildings (see Note 13) of the Company. Such facility agreement contains normal covenants related to various matters which are the maintenance of certain debt to equity ratio and the maintenance of certain debt service coverage ratio as specified in the agreement. However, on February 10, 2023, such financial institution cancelled the maintenance of certain debt to equity ratio and the debt service coverage ratio.

Credit limit for bills of exchange and/or promissory notes and credit limit for letter of credit and/or trust receipt with a local financial institution are guaranteed by the Company's fixed deposit at bank maturity within 12 months (see Note 9).

19. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, consist of:

	Notes	Unit : Baht		
		Consolidated financial statements 2023	Separate financial statements 2023	2022
Trade payables - other companies		523,707,944	501,159,871	458,746,110
Trade payable - a related party	30	-	2,834,266	-
Other payables - other companies		49,249,567	46,716,518	47,730,750
Accounts payable - acquisition of fixed assets	6.1	10,932,769	10,932,769	7,362,240
Accrued expenses		66,091,875	64,288,049	45,656,617
Accrued expenses - a related party	30	-	186,834	-
		<u>649,982,155</u>	<u>626,118,307</u>	<u>559,495,717</u>

20. LONG-TERM BORROWINGS FROM A FINANCIAL INSTITUTION

Long-term borrowings from a financial institution as at December 31, consist of:

		Unit : Baht		
		Consolidated financial statements 2023	Separate financial statements 2023	2022
Opening balance		175,504,201	175,504,201	278,088,354
Repayment during the year		(101,780,058)	(101,780,058)	(101,780,121)
Adjust interest according to effective interest rate		(512,160)	(512,160)	(804,032)
Ending balance		<u>73,211,983</u>	<u>73,211,983</u>	<u>175,504,201</u>
<u>Less</u> Current portion		<u>(73,211,983)</u>	<u>(73,211,983)</u>	<u>(103,339,853)</u>
		<u>-</u>	<u>-</u>	<u>72,164,348</u>

On March 23, 2018, the Company entered into a loan agreement with a local financial institution in the amount of Baht 604 million. The principal and interest are monthly repayable within 7 years from the drawdown date. The interest rate per annum for the first year to the third year is Minimum Loan Rate (MLR) minus 1.75 percent per annum. Then, the interest rate is MLR minus 1 percent per annum. The borrowings are guaranteed by certain land and buildings (see Note 13). Such loan agreement contains normal covenants related to the maintenance of certain debt to equity ratio and the maintenance of certain debt service coverage ratio as specified in the agreement. Subsequently, on June 1, 2021, the condition of the long-term loan agreement from a financial institution was amended by change interest rate for the loan amount of Baht 604 million from MLR minus 1 percent per annum to be MLR minus 2 percent per annum.

On August 8, 2019, the Company entered into an additional loan agreement with the same local financial institution, totaling Baht 50 million. The principal and interest are monthly repayable within 5 years from the drawdown date. The interest rate per annum for the first year to the third year is Minimum Loan Rate (MLR) minus 1.75 percent per annum. Then, the interest rate is MLR minus 1 percent per annum. The borrowings are guaranteed by land and buildings, machinery, tools and equipment (see Note 13). The Company received the first installment on the same day in the amount of Baht 3,000,000. Subsequently, on September 19, 2019, the Company received the second installment of Baht 25,212,062. During the year 2022, the Company fully paid borrowings from a financial institution for such credit facilities.

On February 10, 2023, such financial institution cancelled the maintenance of certain debt to equity ratio and the debt service coverage ratio.

The interest rates of long-term borrowings from a financial institution as at December 31, 2023 and 2022 are 4.08 - 5.28 percent per annum and are 3.58 - 4.08 percent per annum, respectively, and the periods in which the borrowings mature were as follows:

	Unit : Baht		
	Consolidated financial statements 2023	Separate financial statements 2023	2022
Within 1 year	73,211,983	73,211,983	103,339,853
Over 1 year but within 5 years	-	-	72,164,348
Total	<u>73,211,983</u>	<u>73,211,983</u>	<u>175,504,201</u>

21. LEASE LIABILITIES

Lease liabilities as at December 31, consist of:

	Unit : Baht					
	Minimum lease payments			Present value of minimum lease payments		
	Consolidated financial statements 2023	Separate financial statements 2023	2022	Consolidated financial statements 2023	Separate financial statements 2023	2022
Within 1 year	9,316,593	5,579,010	6,149,104	7,810,943	4,812,310	5,329,613
Over 1 year but within 5 years	16,519,091	7,079,786	8,300,287	14,411,906	6,218,895	7,365,055
	25,835,684	12,658,796	14,449,391	22,222,849	11,031,205	12,694,668
<u>Less</u> Deferred interest expense	(1,922,649)	(799,444)	(809,434)	-	-	-
<u>Less</u> Deferred value-added tax	(1,690,186)	(828,147)	(945,289)	-	-	-
	<u>22,222,849</u>	<u>11,031,205</u>	<u>12,694,668</u>	<u>22,222,849</u>	<u>11,031,205</u>	<u>12,694,668</u>

	Unit : Baht		
	Consolidated financial statements 2023	Separate financial statements 2023	2022
Classification			
- Current portion of lease liabilities	7,810,943	4,812,310	5,329,613
- Lease liabilities	14,411,906	6,218,895	7,365,055
	<u>22,222,849</u>	<u>11,031,205</u>	<u>12,694,668</u>

22. DERIVATIVE LIABILITIES

Derivative liabilities as at December 31, 2023 and 2022 consist of:

Type of contract	Consolidated and Separate financial statements As at December 31, 2023		
	Contract amount		Fair value contract
	Receiving	Delivering	Liability
	USD	THB	THB
Forward foreign exchange contracts (see Note 27)	1,567,463	55,154,686	2,090,198
Total derivative	1,567,463	55,154,686	2,090,198

Type of contract	Separate financial statements As at December 31, 2022			
	Contract amount			Fair value contract
	Receiving	Delivering		Liability
	USD	AUD	THB	THB
Forward foreign exchange contracts (see Note 27)	1,395,949	555,218	64,425,439	3,840,594
Total derivative	1,395,949	555,218	64,425,439	3,840,594

23. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Non-current provisions for employee benefit as at December 31, consist of:

	Unit : Baht		
	Consolidated financial statements	Separate financial statements	
	2023	2023	2022
Retirement employee benefit obligations according to the Labor Protection Act	25,866,673	22,323,540	19,306,402
Other long-term employee benefits according to long service award	13,731,028	13,731,028	11,168,463
	39,597,701	36,054,568	30,474,865

23.1 The Group has retirement benefit plan in accordance with Labor Protection Act, which is the unfunded defined benefit plan.

Movements in the present value of the retirement employee benefit obligations for the years ended December 31, are as follows:

	Note	Unit : Baht		
		Consolidated financial statements	Separate financial statements	
		2023	2023	2022
Opening balance of the present value of non-current provisions for employee benefit		19,306,402	19,306,402	23,927,638
Transfer from business acquisition	4	3,391,796	-	-
Current service costs		2,695,093	2,577,186	3,756,727
Interest costs		473,382	439,952	397,659
Gain on remeasurement of retirement benefit obligations		-	-	(8,086,398)
Paid during the year		-	-	(689,224)
Ending balance of the present value of non-current provisions for employee benefit		25,866,673	22,323,540	19,306,402

The principal actuarial assumptions used to calculate non-current provisions for employee benefit as at December 31, consist of:

	Unit : Baht		
	Consolidated	Separate	
	financial statements	financial statements	financial statements
	2023	2023	2022
Discount rate	2.81 - 3.27 percent per annum	2.81 percent per annum	2.81 percent per annum
Expected rate of salary increase	3.00 to 7.00 percent per annum depend on age range of employees	3.50 to 7.00 percent per annum depend on age range of employees	3.50 to 7.00 percent per annum depend on age range of employees
Employee turnover rate	9.00 to 30.00 percent per annum depend on age range of employees	9.00 to 30.00 percent per annum depend on age range of employees	9.00 to 30.00 percent per annum depend on age range of employees

As at December 31, 2023, the weighted-average duration of the defined benefit obligation in consolidated financial statements was 11.8 years to 19.5 years.

As at December 31, 2023 and 2022, the weighted-average duration of the defined benefit obligation in separate financial statements was 11.8 years.

The sensitivity analysis of the above actuarial assumptions impacted on increase (decrease) in present value of non-current provisions for employee benefit as at December 31, as follows:

	Unit : Baht		
	Consolidated	Separate	
	financial statements	financial statements	financial statements
	2023	2023	2022
<u>Discount rate</u>			
Discount rate - 1% decrease	2,298,400	1,595,824	1,517,375
Discount rate - 1% increase	(1,971,831)	(1,393,655)	(1,328,102)
<u>Salary increase rate</u>			
Salary increase rate - 1% decrease	(2,180,310)	(1,595,640)	(1,327,613)
Salary increase rate - 1% increase	2,491,917	1,794,742	1,486,883
<u>Employee turnover rate</u>			
Employee turnover rate - 20% decrease of assumption	2,279,087	2,085,706	1,666,936
Employee turnover rate - 20% increase decrease of assumption	(1,707,182)	(1,549,976)	(1,248,561)

23.2 Other long-term employee benefit obligation according to long service award

Movements in the long service award plan for the years ended December 31, are as follows:

	Unit : Baht		
	Consolidated	Separate	
	financial statements	financial statements	
	2023	2023	2022
Opening balance of the present value of non-current provisions for employee benefit	11,168,463	11,168,463	25,899,261
Current service costs	5,170,150	5,170,150	4,185,563
Interest costs	136,633	136,633	118,679
Remeasurement recognized in profit or loss	-	-	(3,666,068)
Paid during the year	(2,744,218)	(2,744,218)	(15,368,972)
Ending balance of the present value of non-current provisions for employee benefit	13,731,028	13,731,028	11,168,463

Such expense was recognized in the statement of comprehensive income for the years ended December 31, as follows:

	Unit : Baht		
	Consolidated	Separate	
	financial statements	financial statements	
	2023	2023	2022
Cost of sales	4,197,273	4,149,621	2,852,672
Distribution costs	1,671,032	1,625,514	766,132
Administrative expenses	2,606,953	2,548,786	1,173,756
Total	8,475,258	8,323,921	4,792,560

24. PREMIUM ON ORDINARY SHARES

On May 14, 2021, the Company received the share subscription of 75,000,000 ordinary shares at Baht 12 per share, totaling Baht 900,000,000 from initial public offering. The Company registered the increased paid-up share capital with the Department of Business Development on the same day. The Company recorded the cost of distribution of shares at the amount of Baht 27,624,814 which deducted in the account of premium on ordinary shares. As at December 31, 2021, the Company has premium on ordinary shares at the amount of Baht 797,375,186. The Company's ordinary shares has started trading on the Stock Exchange of Thailand since May 19, 2021.

25. LEGAL RESERVE

Section 116 of the Public Limited Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit less the accumulated losses brought forward, if any, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered capital. The legal reserve is not available for dividend distribution.

As at December 31, 2023 and 2022, the Company's legal reserve equaled to one-tenth of the registered share capital.

26. DIVIDENDS PAID

- 26.1 On April 22, 2022, the Annual General Meeting of the shareholders 2022 of the Company passed a resolution to approve the dividend payment for the 2021 operating result at Baht 0.50 per share. The Company already paid the interim dividend since September 10, 2021 at Baht 0.25 per share resulting in the remaining dividend will be paid at Baht 0.25 per share, amounting to Baht 75 million. Such dividend was paid to shareholders in May 2022.
- 26.2 On August 9, 2022, at the Board of Directors' Meeting No. 4/2022 of the Company, the Board of Directors had passed a resolution to approve the appropriation of interim dividend from the net profit for the six-month period ended June 30, 2022 at Baht 0.25 per share, amounting to Baht 75 million. Such interim dividend was paid to the shareholders in September 2022.
- 26.3 On April 21, 2023, the Annual General Meeting of the shareholders 2023 of the Company passed a resolution to approve the dividend payment for the 2022 operating result at Baht 0.55 per share. The Company already paid the interim dividend since September 8, 2022 at Baht 0.25 per share resulting in the remaining dividend will be paid at Baht 0.30 per share, amounting to Baht 90 million. Such dividend was paid to shareholders in May 2023.
- 26.4 On August 9, 2023, at the Board of Directors' Meeting No. 4/2023 of the Company, the Board of Directors had passed a resolution to approve the appropriation of interim dividend from the net profit for the six-month period ended June 30, 2023 at Baht 0.30 per share, amounting to Baht 90 million. Such interim dividend was paid to the shareholders in September 2023.

27. FINANCIAL INSTRUMENTS

Financial risk management policies

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital management

The primary objective of the Company's capital management is to provide good returns to shareholders and benefits to other stakeholders, also to maintain an optimal capital structure in order to support asset management plan or investment opportunities which will create value and strengthen financial position for the Company. The Company has to maintain debt to equity ratio and certain debt service coverage ratio as specified in the agreements (see Note 18 and Note 20).

Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows. The Company has interest rate risk from its borrowings (see Note 18 and Note 20).

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for financial liabilities at the reporting date. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year and using an increase or decrease rate by considering the reasonably possible change in interest rates.

	Unit : Million Baht					
	Consolidated		Separate			
	financial statements		financial statements		financial statements	
	2023		2023		2022	
	Increase	Decrease	Increase	Decrease	Increase	Decrease
As at December 31,						
Interest rates change by 1%						
Finance costs	1.33	(1.33)	1.33	(1.33)	2.34	(2.34)

Foreign currency risk

The Company has foreign exchange risk arisen from the fluctuation of foreign exchange rate from purchases of inventories for operation, which are denominated in foreign currencies, USD and AUD. The Company manages that risk by entering into forward foreign exchange contracts to hedge such financial liabilities denominated in foreign currencies that are recorded in the statement of financial position.

As at December 31, 2023 and 2022, the Company was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Unit : Baht		
	Consolidated	Separate	
	financial statements	financial statements	
	2023	2023	2022
USD			
Financial liabilities	(53,826,414)	(53,826,414)	(58,626,922)
Gross statement of financial position exposure	(53,826,414)	(53,826,414)	(58,626,922)
Net foreign currency exchange contracts	55,154,686	55,154,686	51,111,319

	Unit : Baht		
	Consolidated financial statements 2023	Separate financial statements 2023	2022
<i>AUD</i>			
Financial liabilities	(6,379,710)	(6,379,710)	(26,768,718)
Gross statement of financial position exposure	(6,379,710)	(6,379,710)	(26,768,718)
Net foreign currency exchange contracts	6,210,888	6,210,888	13,314,120

Foreign currency sensitivity analysis

The following table details the Company's sensitivity to a 10% increase and decrease in THB currency against USD currency. 10% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items, which were not hedged by forward exchange contracts and adjusts their translation at the year-end for a 10% change in foreign currency rates.

Unit : Baht				
	Consolidated financial statements		Separate financial statements	
	Strengthens	Weakens	Strengthens	Weakens
As at December 31, 2023				
Exchange rate change by 10%				
Net gain (loss) on foreign exchange rate	7,488	(7,488)	7,488	(7,488)

Unit : Baht			
	Separate financial statements		
	Strengthens	Weakens	
As at December 31, 2022			
Exchange rate change by 10%			
Net gain (loss) on foreign exchange rate	2,369,881	(2,369,881)	

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or a counterparty to settle its financial and contractual obligations to the Company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the end of the reporting period, there were no significant concentrations of credit risk.

Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following tables detail the Company's remaining contractual maturity as at December 31, 2023 and 2022 for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

				Unit : Baht
	Consolidated financial statements			Total
	Within 1 year	After 1 year but within 5 years	Over 5 years	
As at December 31, 2023				
Bank overdrafts and short-term borrowings				
from a financial institution	60,206,124	-	-	60,206,124
Trade and other current payables	649,982,155	-	-	649,982,155
Long-term borrowings	73,027,072	-	-	73,027,072
Lease liabilities	9,316,593	16,519,091	-	25,835,684
Other current liabilities	536,715	-	-	536,715

				Unit : Baht
	Separate financial statements			Total
	Within 1 year	After 1 year but within 5 years	Over 5 years	
As at December 31, 2023				
Bank overdrafts and short-term borrowings				
from a financial institution	60,206,124	-	-	60,206,124
Trade and other current payables	626,118,307	-	-	626,118,307
Long-term borrowings	73,027,072	-	-	73,027,072
Lease liabilities	5,579,010	7,079,786	-	12,658,796
Other current liabilities	536,715	-	-	536,715

				Unit : Baht
	Separate financial statements			Total
	Within 1 year	After 1 year but within 5 years	Over 5 years	
As at December 31, 2022				
Bank overdrafts and short-term borrowings from a financial institution	58,791,591	-	-	58,791,591
Trade and other current payables	559,495,717	-	-	559,495,717
Long-term borrowings	102,765,106	72,042,023	-	174,807,129
Lease liabilities	6,149,104	8,300,287	-	14,449,391
Other current liabilities	541,764	-	-	541,764

Determination of fair values of financial asset and financial liabilities

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset and liability.

Financial assets and financial liabilities measured at fair value

Forward foreign exchange contracts are categorized into fair value measurements Level 2 based on the estimated discounted cash flow. The future cash flow is based on forward foreign exchange rate (from observable forward foreign exchange rate as of the reporting period) and forward foreign exchange rate contract discounted by the relevant market rate (see Note 10 and Note 22).

Financial assets at fair value through profit or loss - opened-end fixed income funds (see Note 9) are categorized into fair value measurements Level 2 based on use of other observable inputs for such assets or liabilities, whether directly or indirectly.

Financial assets and financial liabilities not measured at fair value

Valuation technique for financial assets and financial liabilities not measured at fair value of the Company are as follows:

Cash and cash equivalents, trade and other receivables, short-term loans to a subsidiary, financial assets at amortization costs - fixed deposit at bank maturity within 12 months (see Note 9) and other current assets that are measured at amortized cost, the carrying amounts approximate their fair values due to the relatively short-term maturity of these financial instruments.

Bank overdrafts and short-term borrowings from a financial institution, trade and other current payables and other current liabilities that are measured at amortized cost, the carrying amounts approximate their fair values because of the short-term period to maturity of these financial instruments.

Long-term borrowings from a financial institution with floating interest rate and lease liabilities that are measured at amortized cost, the carrying amounts approximate their fair value.

28. EXPENSES BY NATURE

Expenses by nature for the years ended December 31, consists of

	Unit : Baht		
	Consolidated financial statements 2023	Separate financial statements 2023	2022
Raw materials, supplies and packages used	3,080,434,018	3,050,495,924	2,619,148,122
Salaries and other benefits	636,417,378	627,394,019	512,098,453
Depreciation and amortization	119,881,681	116,703,030	102,203,090
Utilities and transportations expenses	319,122,987	314,450,740	259,205,177
Remuneration of directors and key management	31,899,914	30,637,542	25,972,241

29. BASIC EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to shareholders by the weighted average number of ordinary shares issued during the years.

	Consolidated financial statements 2023	Separate financial statements 2023	2022
Basic earnings per share			
Profit attributable to equity holders of the Company (Baht)	333,477,185	345,269,403	297,597,284
Weighted average number of ordinary shares (shares)	300,000,000	300,000,000	300,000,000
Basic earnings per share (Baht)	<u>1.11</u>	<u>1.15</u>	<u>0.99</u>

30. RELATED PARTY TRANSACTIONS

Related parties are enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Joint venture and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Relationships between the Company and related parties are as follows:

Company and related parties' name	Relationships
Key management personnel	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly
Thung Thong Prasobchoke Co., Ltd.	Director is key management personnel's close member of family
NSL Intertrade (2023) Co., Ltd.	Subsidiary company since July 7, 2023
NSL Bake A Wish Co., Ltd.	Subsidiary company since August 15, 2023
Pen 1 F & B Co., Ltd.	Joint venture since January 16, 2023

The pricing policies for transactions are explained further below:

Transactions	Pricing policies
Revenue from sales	Contractually agreed prices
Interest income	Contractually agreed rates
Purchases	Contractually agreed prices
License fee	Contractually agreed prices
Directors' remunerations	The rate approved by the Board of Directors and shareholders

Significant balances between the Group and its related parties as at December 31, are as follows:

Account name/Company's name	Unit : Baht		
	Consolidated financial statements 2023	Separate financial statements 2023	2022
Trade receivable - related parties (see Note 7)			
Thung Thong Prasobchoke Co., Ltd.	251,928	251,928	465,986
NSL Bake A Wish Co., Ltd.	-	5,701,952	-
NSL Intertrade (2023) Co., Ltd.	-	547,369	-
Pen 1 F & B Co., Ltd.	4,211,377	4,211,377	-
	<u>4,463,305</u>	<u>10,712,626</u>	<u>465,986</u>
Accrued interest - a related party (see Note 7)			
NSL Bake A Wish Co., Ltd.	-	53,347	-
	<u>-</u>	<u>53,347</u>	<u>-</u>
Short-term loans to a subsidiary			
NSL Bake A Wish Co., Ltd. ⁽¹⁾	-	21,000,000	-
	<u>-</u>	<u>21,000,000</u>	<u>-</u>
Trade payable - a related party (see Note 19)			
NSL Bake A Wish Co., Ltd.	-	2,834,266	-
	<u>-</u>	<u>2,834,266</u>	<u>-</u>
Accrued expense (see Note 19)			
NSL Bake A Wish Co., Ltd.	-	186,834	-
	<u>-</u>	<u>186,834</u>	<u>-</u>

⁽¹⁾ As at December 31, 2023, the Company had short-term loans to a subsidiary without collateral that bear average interest rate at 5.45 percent per annum and are repayable within June 30, 2024.

Significant transactions between the Group and its related parties for the years ended December 31, are as follows:

Account name/Company's name	Unit : Baht		
	Consolidated financial statements 2023	Separate financial statements 2023	2022
Revenue from sales			
Thung Thong Prasobchoke Co., Ltd.	2,381,342	2,381,342	4,073,828
NSL Bake A Wish Co., Ltd.	-	10,427,062	-
NSL Intertrade (2023) Co., Ltd.	-	511,560	-
	<u>2,381,342</u>	<u>13,319,964</u>	<u>4,073,828</u>
Interest income			
NSL Bake A Wish Co., Ltd.	-	53,347	-
	<u>-</u>	<u>53,347</u>	<u>-</u>
Purchases			
Pen 1 F & B Co., Ltd.	17,761,194	17,761,194	-
NSL Bake A Wish Co., Ltd.	-	3,478,555	-
	<u>17,761,194</u>	<u>21,239,749</u>	<u>-</u>
License fee (see Note 33.3)			
NSL Bake A Wish Co., Ltd.	-	1,177,733	-
	<u>-</u>	<u>1,177,733</u>	<u>-</u>
Remuneration of directors and executives			
Directors' remunerations	2,480,000	2,480,000	2,240,000
Management's remuneration - short-term benefits	27,483,500	26,250,000	22,680,000
Management's remuneration - long-term benefits	1,936,414	1,907,542	1,052,241
	<u>31,899,914</u>	<u>30,637,542</u>	<u>25,972,241</u>

31. FINANCIAL INFORMATION BY SEGMENT AND DISAGGREGATION OF REVENUES

The Group presented the segment financial information in respect of the Company under management approach. Operating segment is based on the Company's management, the management structure and internal reporting. The Group has three segments which are manufacture and distribution all kinds of bakery segment and franchise, wholesaler of frozen and processed fish, aquatic products, meat, seaweeds and vegetables, and exporting and importing product. However, wholesaler of frozen and processed fish, aquatic products, meat, seaweeds and vegetables, and exporting and importing product segment do not meet the quantitative thresholds to present the operating segment. The Group operates in one geographical area which is Thailand. Therefore, revenue, profit from operation and assets disclosed in the financial statements presented as operating segment.

Disaggregation of revenues

The Group disaggregated revenue from sales at a point in time and disaggregated revenue from franchise license at over time. This is consistent with the revenue information that is disclosed for each reportable segment under TFRS 8 Operating Segment.

	Unit : Baht
	Consolidated financial statements
	For the year ended
	December 31, 2023
Timing of revenue recognition	
<u>Point in time</u>	
Revenue from sales	4,788,448,670
<u>Over time</u>	
Revenue from franchise license	4,361,272

Major customer information

For the years ended December 31, 2023 and 2022, the Group earns revenue from sales from a major customer totalling approximately 91% of the Group's total revenue from sales.

32. PROVIDENT FUNDS

The Company established the provident fund in compliance with the Provident Fund Act B.E. 2530 on April 1, 2020. The fund is voluntarily joined by employees. Under the fund's regulations, the members contribute 2% to 10% of their monthly salary to the fund and the Company contribute 2% of such monthly salary. Such fund will be paid to the employees upon termination in accordance with the rules of the provident fund. The provident fund is registered with the Ministry of Finance as a juristic entity and is managed by a licensed Fund Manager.

For the year ended December 31, 2023 the Group's contributions to the provident fund which were recorded as expenses in the consolidated statements of comprehensive income were Baht 1.60 million (2022: Nil).

For the years ended December 31, 2023 and 2022, the Company's contributions to the provident fund which were recorded as expenses in the statements of comprehensive income were Baht 1.60 million and Baht 1.29 million, respectively.

33. SIGNIFICANT AGREEMENT, COMMITMENTS AND CONTINGENT LIABILITIES

- 33.1 As at December 31, 2023 and 2022, the Company has credit limit for forward foreign exchange contracts that have not been used with local financial institutions in the amount of USD 4.25 million and Baht 50 million and in the amount of USD 1.42 million and Baht 50 million, respectively.
- 33.2 The Company entered into a trade agreement with a customer. The Company must comply with trade agreement as specified in the agreement within the specified period.
- 33.3 The Company entered into a joint production agreement with a subsidiary. The Company must pay fee as specified in the agreement within the specified period.

34. EVENT AFTER THE REPORTING PERIOD

- 34.1 On January 18, 2024, a subsidiary entered into credit facilities agreement with a local financial institution totaling Baht 35 million and USD 1 million. Such credit facilities are guaranteed by the Company.
- 34.2 On February 28, 2024, the Board of Directors' Meeting No. 1/2024 of the Company passed a resolution to propose to the Annual General Meeting for approving the dividend payment for the 2023 operating result at Baht 0.65 per share. The Company has already paid the interim dividend since September 8, 2023 at Baht 0.30 per share resulting in the remaining dividend will be paid at Baht 0.35 per share, amounting to Baht 105 million.
- 34.3 On February 28, 2024, at the Board of Directors' Meeting No. 1/2024 of the Company, passed a resolution to approve entering into an investment in a company to engage in production, wholesale, retail, export foods and ingredients with share capital after share capital increment of 5,000,000 shares at Baht 10 per share, totaling Baht 50 million. The Company has shareholding portion at 79%.

35. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issuance by the Board of Directors of the Company on February 28, 2024.

Attachment 1

Profiles of Directors, Executives, Persons in Charge, Person taking the highest responsibility in finance and accounting, Person supervising accounting and Company Secretary as of 31 December 2023

Name and Surname / Position	Age (Yrs)	Education / Diploma / Training Course	Shareholding Proportion (%)	Relations with other executives / directors	Professional Experience		
					Duration	Position and Name of Agency / Company	Business Sector
1. Mrs. Suvimol Chrityakierne	71	1. BA in Accountancy, Chulalongkorn University	0.01%	None	2019 - Present	Independent Director and Chairman of the Board / NSL	Bakery / Food / Frozen Food
• Chairman of the Board		2. MA in Accountancy, Chulalongkorn University			2017 - Present	Independent Director and Audit Committee / Team Consulting	Engineering Consultant
• Independent Director		3. DCP 92/2550				Engineering and Management Public Co., Ltd.	
		4. Diploma - Advanced Audit Committee Program (AACP) Batch 27/2560 (2017) by the Thai Institute of Directors			2015 - Present	Independent Director and Chair of Audit Committee / Khonburi Sugar Public Co., Ltd.	Sugar Production and Distribution
		5. Ethical Leadership Program (ELP) 10/2560					
		6. Audit Committee Program (ACP)					
		7. R-DF - Director Forum (R-DF)			2010 - Present	Director / DIA International Audit Co., Ltd.	Auditing
		8. Federation of Accounting Professions Certificate of Tax Accountant : CTA 3			2002 - Present	Director / 75 CPE Co., Ltd.	Career and Law Seminar

Name and Surname / Position	Age (Yrs)	Education / Diploma / Training Course	Shareholding Proportion (%)	Relations with other executives / directors	Professional Experience		
					Duration	Position and Name of Agency / Company	Business Sector
					1990 - Present	Director / DIA Audit Co., Ltd.	Auditing
					1988 - Present	Director / Yongsomjai Co., Ltd.	Investment
					1979 - 2009	Managing Partner / DIA International Audit Co., Ltd.	Auditing
					1976 - 1979	Assistant Auditor / Jaiyos Audit	Auditing
					1975 - 1976	Assistant Auditor / Cathay Finance Co., Ltd.	Financial Institution
					2019 - Present	Independent Director and Chair of Audit Committee / NSL	Bakery / Food / Frozen Food
2. Assoc. Prof. Dr. Pannipa Rodwanna • Chairman of Audit Committee • Independent Director	70	1. BA in Accountancy, Chulalongkorn University 2. MA in Accountancy, Chulalongkorn University 3. M.S. Computer Information System, Assumption University 4. Ph.D. in Accountancy, Chulalongkorn University 5. Graduate Diploma in Auditing, Chulalongkorn University 6. DAP 167/2562 (2019)	None	None	2013 - Present	Special Instructor, Faculty of Commerce and Accountancy / Chulalongkorn University	Education
					2014 - 2015	Deputy Dean for Administration, School of Agricultural Resources / Chulalongkorn University	Education

Name and Surname / Position	Age (Yrs)	Education / Diploma / Training Course	Shareholding Proportion (%)	Relations with other executives / directors	Professional Experience		
					Duration	Position and Name of Agency / Company	Business Sector
					2008 - 2013	Associate Professor / Chulalongkorn University	Education
					2004 - 2008	Assistant Professor / Chulalongkorn University	Education
					1996 - 2004	Professor / Chulalongkorn University	Education
					1979 - 1996	Manager / P.A. Accounting and Lawyer	Auditing
					1975 - 1979	Professor / Bangkok University	Education
3. Mr. Chaiwut Jumnongsutasathien	46	1. BA in Accountancy, Thammasat University 2. MA in Business Administration, Kasetsart University 3. DAP 161/2562 (2019)	0.04%	None	2019 - Present	Independent Director and Audit Committee / NSL	Bakery / Food / Frozen Food
					2018 - Present	Independent Director / Right Tunnelling Public Co., Ltd.	Geotechnical Construction and Civil Engineering Contractor
					2018 - Present	Audit Partner / AST Master Co., Ltd.	Auditing
					2016 - Present	Director / SM Lertpipat Co., Ltd.	Shoemaking
					1999 - 2017	Audit Director / Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.	Auditing

Name and Surname / Position	Age (Yrs)	Education / Diploma / Training Course	Shareholding Proportion (%)	Relations with other executives / directors	Professional Experience		
					Duration	Position and Name of Agency / Company	Business Sector
4. Mr. Anajak Limphaisan • Independent Director • Audit Committee	39	1. BA in Applied Statistics, Chulalongkorn University 2. BA in Laws, Ramkhamhaeng University 3. MA in Advanced Studies in International Tax Law (LL.M.), Leiden University 4. DAP 165/2562 (2019) 5. DCP 292/2563 (2020) 6. CSP 115/2564 (2021) 7. ACPG 57/2564 (2021)	None	None	2019 - Present	Independent Director and Audit Committee / NSL	Bakery / Food / Frozen Food
					Oct 2020 - Present	Director in Legal Affairs, Company secretary and Director / Taokaenoi Food and Marketing Public Co., Ltd.	Snacks
					May 2023 - Present	Director / Mookata Billion Co., Ltd.	Food
					Dec 2021 - Present	Director / Show No Limit Co., Ltd.	Entertainment
					2019 - Sep 2020	Deputy Managing Director for Management / Polynet Co., Ltd.	Rubber and Plastic
					2019	Director / GroupM Thailand Co., Ltd.	Advertising and Entertainment
					2015 - 2019	Lawyer / Kudun and Partners Co., Ltd.	Law Firm
					2008 - 2012	Legal Advisor / Tisco Financial Group Public Co., Ltd.	Financial Institution

Name and Surname / Position	Age (Yrs)	Education / Diploma / Training Course	Shareholding Proportion (%)	Relations with other executives / directors	Professional Experience		
					Duration	Position and Name of Agency / Company	Business Sector
5. Mr. Somchai Asavapiyanond	63	1. B.Sc. in Food Science, Kasetsart University 2. MA in Business Administration, Thammasat University 3. DAP 157/2562 (2019)	72.26%	Mr. Charoen's Older Brother	2006 - Present	Director and President / NSL	Bakery / Food / Frozen Food
					Aug 2023 - Present	Director / NSL Bake A Wish Co., Ltd.	Bakery and Franchise
					2003 - 2018	Chairman and Managing Director / Dough Maker Co., Ltd.	Bakery
6. Mr. Weerachon Khaophong	55	1. B.Sc., Srinakharinwirot University 2. MA in Environmental Management, National Institute of Development Administration (NIDA) 3. DAP 164/2562 (2019) 4. FSD 43/2563 (2020) 5. HRP 34/2566 (2023) 6. RCL 30/2566 (2023)	None	None	2020 - Present	Director and Executive Vice President / NSL	Bakery / Food / Frozen Food
					Aug 2023 - Present	Director / NSL Bake A Wish Co., Ltd.	Bakery and Franchise
					Jul 2023 - Present	Director / NSL Intertrade (2023) Co., Ltd.	Import / Export
					Jan 2023 - Present	Director / Pen1 F&B Co., Ltd.	Beverage
					1999 - 2019	Managing Director / Q&A Quality and Calibration Co., Ltd.	Consulting and Training
					1991 - 1999	Head of Research / TOA Dovechem Industries Co., Ltd.	Chemicals

Name and Surname / Position	Age (Yrs)	Education / Diploma / Training Course	Shareholding Proportion (%)	Relations with other executives / directors	Professional Experience		
					Duration	Position and Name of Agency / Company	Business Sector
7. Mr. Charoen Asavapiyanond • Director • VP Operation	62	1. BEng on Textile Chemistry Engineering, Rajamangala University of Technology 2. DAP 157/2562 (2019)	0.00%	Mr. Somchai's Younger Brother	2010 - Present	Director and VP Operation / NSL	Bakery / Food / Frozen Food
					1983 - 2010	Director / Bae Cheng Chig Co., Ltd.	Textiles
8. Mr. Arkradej Liamcharoen • Director • Chief Financial Officer (CFO) • Person taking the highest responsibility in finance and accounting	63	1. BA in Business Administration and Accountancy, Ramkhamhaeng University 2. DAP 153/2561 (2018) 3. CFO's Orientation Course for New IPOs Batch 4	0.73%	None	2020 - Present	Director and CFO / NSL	Bakery / Food / Frozen Food
					Aug 2023 - Present	Director / NSL Bake A Wish Co., Ltd.	Bakery and Franchise
					Jul 2023 - Present	Director / NSL Intertrade (2023) Co., Ltd.	Import / Export
					Jan 2023 - Present	Director / Pen1 F&B Co., Ltd.	Beverage
					1996 - 2019	Accounting and Tax Advisor / Freelance	Accounting and Tax
					1990 - 1996	Accounting Director / Mittraphap Product Public Co., Ltd.	Livestock
					1984 - 1990	Head of Audit / DIA International Audit Co., Ltd.	Auditing

Name and Surname / Position	Age (Yrs)	Education / Diploma / Training Course	Shareholding Proportion (%)	Relations with other executives / directors	Professional Experience		
					Duration	Position and Name of Agency / Company	Business Sector
9. Ms. Waewdao Tanavatsatiend • VP Commercial - Food Services	52	1. BA in General Management, Assumption University 2. MA in Marketing Program (MIM), Thammasat University	0.03%	None	2019 - Present	VP Commercial - Export and Food Services / NSL	Bakery / Food / Frozen Food
					2014 - 2019	Commercial Director / Quality Food Specialty Co., Ltd.	Fish, Seafood, and Seaweed (Frozen and Processed) Wholesaler
					2011 - 2013	Sales & Marketing Director / Pan Food Co., Ltd.	Import / Export
					2009 - 2011	Sales & Marketing Director / S. Khonkaen Foods Public Co., Ltd.	Food Production
					2005 - 2009	Sales & Marketing Director / Narai Interfood Co., Ltd.	Frozen Delicatessen Production and Distribution
					2003 - 2005	Business Advisor / Australian Trade and Investment Commission (Austrade)	Australian Government Agency
					2001 - 2003	Area Sales Manager / Plan Toys Co., Ltd.	Toys Manufacturing and Export

Name and Surname / Position	Age (Yrs)	Education / Diploma / Training Course	Shareholding Proportion (%)	Relations with other executives / directors	Professional Experience		
					Duration	Position and Name of Agency / Company	Business Sector
					1998 - 2001	International Sales Section Manager / BST Elastomers Co., Ltd.	Synthetic Rubber Manufacturing and Distribution
					1994 - 1998	Executive Sales and Area Supervisors / Ekarat Transformer Part Co., Ltd	Transformer Factory
10. Mr. Visut Pornsalanu wattana	49	1. BA in Business Administration (Marketing), Ramkhamhaeng University 2. EMBA, University of the Thai Chamber of Commerce	None	None	2021 - Present	VP Commercial - Brand & Business Development / NSL	Bakery / Food / Frozen Food
					2011 - 2020	Commercial Director / Foodstar Co., Ltd.	Fruit Juice Production and Distribution
					2007 - 2011	Sales & Marketing Director / Nguan Chiang Food Industry Co., Ltd.	Seasonings
					2005 - 2007	General Manager / Blue Ribbon Advertising Agency Co., Ltd.	Advertising Agency
					1998 - 2004	Group Product Manager / Dutch Mill Co., Ltd.	Dairy Products

Name and Surname / Position	Age (Yrs)	Education / Diploma / Training Course	Shareholding Proportion (%)	Relations with other executives / directors	Professional Experience		
					Duration	Position and Name of Agency / Company	Business Sector
11. Ms. Phimnada Charoenaraphiwat ⁽³⁾ • VP Commercial - 7-11	53	1. B.Sc. in Home Economics, Kasetsart University	None	None	2004 - Present	VP Commercial - 7-11 / NSL	Bakery / Food / Frozen Food
12. Mrs. Jariya Musigchai • Company Secretary • Accounting and Finance Senior Manager • Person supervising accounting	37	1. BA in Business Administration (Accountancy), Srinakharinwirot University 2. MA in Business Administration (Accountancy), Rajamangala University of Technology Rattanakosin 3. Company Secretary Program (CSP) Batch 105/2020 4. Company Reporting Program (CRP) 34/2023 5. Certified Public Accountant (CPA) 6. Statutory Accountant with Complete Continuing Professional Development (CPD)	0.01%	None	2018 - Present	Accounting and Finance Senior Manager and Company Secretary / NSLL	Bakery / Food / Frozen Food
					Jul 2023 - Present	Director / NSL Intertrade (2023) Co., Ltd.	Import / Export
					2009 - 2017	Manager / Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.	Auditing

Remark

1. The shareholding proportion shows both direct and non-direct shareholding.
2. Directors who are authorized to sign documents on behalf of the Company consist of 4 Directors, namely Mr. Somchai Asavapiyanond, Mr. Charoen Asavapiyanond, Mr. Weerachon Khaophong and Mr. Arkradej Liamcharoen. Two in four of the said Directors could sign and seal the documents on behalf of the Company.
3. Ms. Phimnada Charoenaraphiwat was appointed as VP Commercial - 7-11, an executive position in the company, effective from 1 January 2023 onwards.

Attachment 2

Details of the Directors of the Subsidiaries as of 31 December 2023

Director name	Subsidiaries	
	NSL Intertrade (2023) Co., Ltd.	NSL Bake A Wish Co., Ltd.
1. Mr. Somchai Asavapiyanond		C, X
2. Mr. Weerachon Khaophonong	C, X	X
3. Mr. Arkradej Liamcharoen	X	X
4. Mrs. Jariya Musigchai	X	
5. Mr. Jirawat Daechasatien	X, /	
6. Miss Veji Prachyasilpawut		X, /
7. Mr. Kawin Prachyasilpawut		X, /

Note : C = Chairman of the Board

X = Director

/ = Executive Director committee

Attachment 3

Details and Profile of the Company's Head of Internal Audit and Head of Compliance

Head of Internal Audit

NSL employs an external agency to conduct internal monitoring and evaluation of the internal audit system at every level and process, from company-level control to risk management. This is to ensure that the internal control and risk management systems, as well as the compliance system of NSL suffice and achieve the predetermined objectives. To this end, the Board of Directors appointed Unique Advisor Co., Ltd. ("Unique") as internal auditor from 1 April 2020 to 31 December 2023, with the role also including following up on the adjustments and modifications as recommended. The profile of the Head of Internal Audit is as follows;

Company	Unique Advisor Co., Ltd.
Person appointed as Head of Internal Audit	Mr. Kosol Yamleemul
Position	Head of Internal Audit
Education and Qualifications	<ul style="list-style-type: none"> • M.Sc. in Information Technology in Business, Chulalongkorn University • BA in Commerce and Accountancy, Thammasat University • Certificate for Business Advisor (Kasetsart University) • Certificate of Real Estate Entrepreneur (Kasetsart University) • Certified Public Accountant (CPA) License No. 4575 • Certified Internal Auditor (CIA) • Certified Financial Service Auditor (CFSA)
Training courses	<ul style="list-style-type: none"> • Orientation Course - CFO Focus on Financial Reporting Class 4/2018 • Training Course for Independent Auditors in Auditing Reference Documents of SMEs - CAC SME Certification • Intra-Organizational Anti-Corruption Working Paper Course • COSO 2013 Course (Theory and Practice) • IT Audit Course by the Federation of Accounting Professions (FAP) • Internal Audit Course by the Institute of Internal Auditors (IIA) Thailand • Course on Tax and Tax Planning • Consecutive Course on Financial Reporting and Auditing Standards • Standard Course on Improved Accounting Standards • Course on Auditing and Software-assisted Auditing • Advanced COSO ERM • Course for Financial Advisors by the Association of Thai Securities Companies (ASCO)
Professional Experience	<ul style="list-style-type: none"> • 2013 - Present President, Unique Advisor Co., Ltd. • 2002 - 2013 Partner and Director, Grant Thornton Co., Ltd.

Head of Compliance

The position of Head of Compliance has been given to the Company Secretary, with the roles including supervising and coordinating with every department to ensure compliance with the relevant law, regulations, requirements, rules, resolutions of the Board of Directors' Meeting and Shareholders' Meeting, as well as the policies concerning good corporate governance and business ethics (the details and profile concerning education, qualifications and professional experience of the Head of Compliance could be found in Attachment 1 Details and Profile of the Company's Directors, Executives, Persons in Charge, Person taking the highest responsibility in finance and accounting, Person supervising accounting and Company Secretary).

Attachment 4

Corporate Governance Policy, Code of Conduct, and Charters of the Board of Directors and Sub-committees

The details appear on the Company's website: <https://investor.nslfoods.com/en/corporate-governance/corporate-governance-policy>

NSL FOODS

The Happy Taste Creator

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