

**AQUACULTURE
FEED
LEADER**





AQUACULTURE FEED LEADER

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**To Focus on producing
of the best aquaculture feeds for
sustainable business operations.**

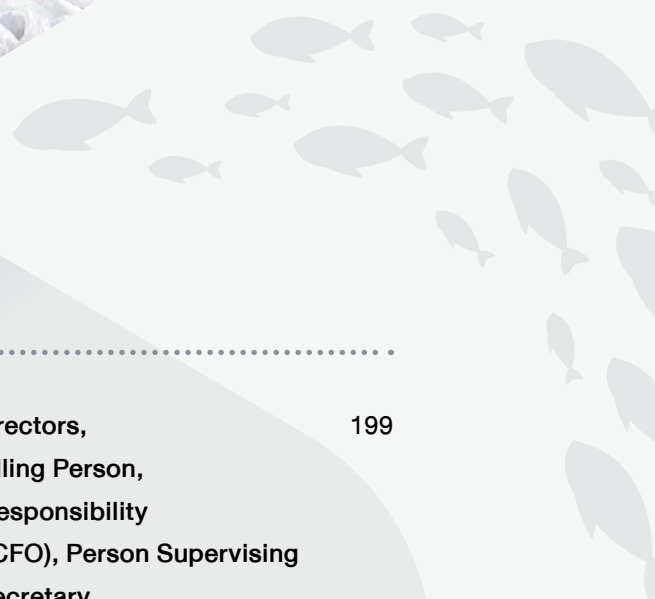
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Message from the Chairman

2023 was the year that Thai Union Feedmill Public Company Limited made several changes to its management structure, including the Company's directors and executives. Individuals with relevant experience, knowledge and capability were recruited to help set the Company's strategy and direction, as well as strengthening the Company. As a result, for the first time in its history, the Company was able to achieve THB 5,000 million in sales. This success came from the team's determination and better operating results of the Company's overseas subsidiaries compared to the previous year.

2023 was another challenging year for the Company, considering economic uncertainties around the world, including rising inflation and interest rates. This has led to the slow down of overall consumption and directly affected the supply chain of the aquaculture industry, including raw material prices that continued to increase in the first half of 2023. However, the Company was able to meet those challenges due to the capability and experience of the team and new innovations that have enhanced the competitiveness of the Company's products to effectively compete with its peers in the aquaculture feed industry. In addition, the Company continued to prioritize the management of internal and external risks, including fluctuating market conditions, whether they be the price of raw materials or the price of aquacultures. These factors affect the Company's operating results. The Board of Directors therefore decided to appoint a risk management committee to close monitor and manage those risks.

In accordance with the guidelines of the Thai Union Group, the Company remains committed to business sustainability, including social and environmental sustainability and corporate governance. This commitment is reflected through its business operations in every aspect of the supply chain, including sourcing of raw materials, product production and product distribution. In the previous year, the Company focused on raising the standards of its products by undergoing inspection to obtain ASC (Aquaculture Stewardship Council) Feed Standard certification.

Finally, as Chairman of the Board of Directors, I thank the Company's directors, executives and employees for contributing to the organizational development, enabling the Company to achieve sales growth. Appreciation must also be extended to our customers for placing their trust in the Company. The Company reaffirms its pledge to be a producer of the best quality aquaculture feed, enabling farmers to achieve better product yields. At the same time, I thank our suppliers, financial institutions and all stakeholders who have always supported and believed in the Company. Be assured that the Company's business conduct will remain based on corporate governance, transparency and good governance, striving to become a leader in the aquaculture feed industry.

Rittirong Boonmechote
Chairman of the Board of Directors



Message from the Chief Executive Officer

The year 2023 was the first year that I took up the position of Chief Executive Officer of Thai Union Feedmill Public Company Limited. It was another challenging year for our business due to various situations, such as rising raw material prices, declining aquaculture feed prices due to reduced consumption of aquatic products, increased production costs caused by the economic conditions in different regions, and natural disasters in foreign countries, such as the floods that affected Pakistan.

However, we have made changes in our internal management structure, especially in the management team, to cope with the situation and to be the main driver for creating sustainable growth. In 2023, the company still had a continuous growth in sales from the previous year, which was 5,081.3 million baht, while our profits began to recover, with a gross profit margin of 8.6%, despite the price of raw materials continuing to rise from the previous year. We were able to achieve this by adjusting the sales portfolio and paying attention to detail in every business unit, whether it was efficient production planning, production cost control in various aspects, as well as expanding the customer base to increase the economy of scale of our factories.

In addition, in the past year, we employed a strategy to expand our customer base, focusing on meeting the needs of customers as the main priority. We utilized the competitive advantage of Thai Union Group in the field of research and development of products and high-quality raw materials, such as using tuna by-products in the production. We also used the synergy of the TU Group in finding end-market channels for aquaculture farmers to strengthen the supply chain. This strategy was also adopted for improving the operations of our overseas subsidiaries.

In 2023, PT Thai Union Kharisma Lestari Limited (TUKL) experienced a significantly higher sales growth than in the previous year. A new vice president of sales, who had extensive experience in the shrimp feed industry in Indonesia, was appointed. Our team believes that TUKL remains a key growth engine for the Company, as Indonesia ranks among the world's top aquaculture producers, especially shrimp farming.

In 2023, the operations of AMG-Thaiunion Feedmill Private Limited or AMG-TFM were faced with the decline of fish prices in Pakistan, affecting the trends of aquaculture. Fish farmers switched from using aquaculture feed to natural food because of lower costs. As a result, the Company promoted marketing

activities for livestock feed to compensate for the reduced production capacity. Additional shrimp feed production lines were added, making it the first company in Pakistan to produce shrimp feed, which will be another main income-generating product for AMG-TFM.

The Company's financial position remained strong, with a debt-to-equity ratio of 0.35, in line with the policy of maintaining the debt-to-equity ratio at less than 1. In addition, with a good cash flow from operations, the Company therefore announced a dividend payment for the year 2023, which was proposed to the shareholders' meeting for approval at 0.13 baht per share, or equivalent to a dividend payout ratio of 74.4 percent. This is in line with the Company's dividend policy of paying dividends at a rate of not less than 50 percent of the net profit.

The Company remains committed to becoming an industry leader in the production and distribution of highest quality aquaculture feed, contributing to strengthening the supply chain of Thailand's aquaculture industry through its strengths in various areas, including innovative production of quality aquaculture feed and its ability to deal with situations, whether it is economic uncertainty in various regions or fluctuation of agricultural product prices in the global market. Our team has managed the manufacturing cost structure to achieve maximum efficiency.

Finally, despite the challenging circumstances, 2023 was another year the Company's operations were able to generate profits. It was also the year of several changes, including internal management which will be crucial for sustaining the Company's growth. I thank the management team and all the employees who have worked tirelessly to achieve our goals. In addition, appreciation must also be extended to all stakeholders, including the customers, suppliers, financial institutions and shareholders, for always lending their continued support. Be assured that the Company will continue to be an industry leader in producing high-quality aquaculture feed.

Peerasak Boonmeechote
Chief Executive Officer



Financial Highlights



Sales

Unit: THB million



2023

5,081.3

2022

4,888.3

Change
3.9%

Cost of Sales

Unit: THB million

2023

4,642.1

2022

4,482.0



Change
4.8 %

Revenue

Unit: THB million

2023

5,142.8

2022

4,959.5



Change
3.7%

Gross Profit

Unit: THB million

2023

439.3

2022

406.3



Change
8.1%



Gross Profit Margin

Unit: %

2023

8.6%

2022

8.3%



Change
30 Bps

Net Profit attributed

Unit: THB million

2023

87.4

2022

109.5



Change
-20.2%



Net Profit Margin

Unit: %

2023

1.3%

2022

1.8%



Change
-48 Bps

EPS

Unit: THB

2023

0.17

2022

0.22



Change
-22.7%

The Company fully Comprises of the knowledge, expertise in production, industry, and capital as well as be accepted **in wide-range both domestic and international.**

Key Financial Ratio

Return on Equity (ROE)

Unit: %



2023
4.0%
2022
5.0%
Change
-102 Bps

Return on Assets (ROA)

Unit: %



2023
2.3%
2022
3.2%
Change
-97 Bps

Interest Bearing Debt / Equity

Unit: times



2023
0.06
2022
0.02

Debt / Equity

Unit: times



2023
0.35
2022
0.31

Consolidated Financial Position

Unit: THB million

■ 2023 ■ 2022

Total Assets



3,320.7
3,201.9
Change **3.7%**

Total Liabilities

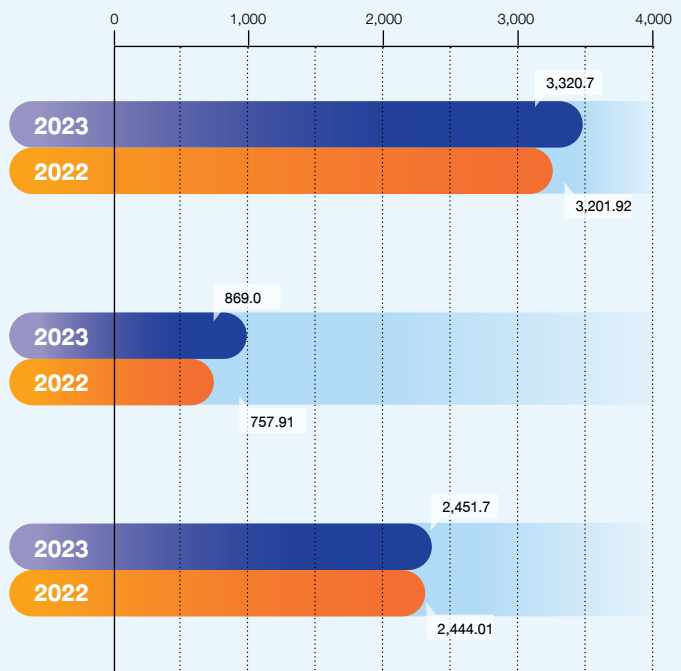


869.0
757.9
Change **14.7%**

Total shareholders' equity



2,451.7
2,444.0
Change **0.3%**



Board of Directors



01



02



03



04



05

01

Mr. Rittirong Boonmechote

Chairman of the Board of Directors /
Chairman of the Executive Committee /
Member of the Nomination and Remuneration
Committee

02

Mr. Thiraphong Chansiri

Director / Member of
the Executive Committee

03

Mr. Kanit Vallayapet

Director

04

Mr. Peerasak Boonmechote

Director / Chief Executive Officer /
Member of Risk Management Committee

05

Mrs. Rachadaporn Rajchataewindra

Chairman of the Audit Committee /
Member of the Nomination and Remuneration
Committee / Independent Director



06



07



08



09



10



11

06

Mr. Cheng Niruttinanon

Director

07

Mr. Shue Chung Chan

Director / Member of Risk Management Committee

08

Mr. Boonyarit Kalayanamit

Member of the Audit Committee / Independent Director / Chairman of the Risk management committee

09

Mr. Bunluesak Sorajjakit

Director / Member of the Executive Committee

10

Dr. Somchai Thaisanguanvorakul

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

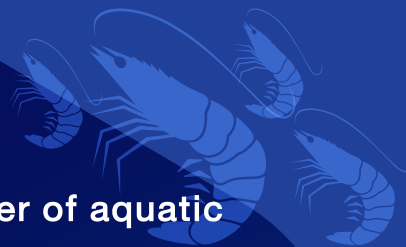
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Mrs. Morragot Kulatumyotin

Member of the Audit Committee / Independent Director

01

Business Operations and Operating Results



We will be a producer of aquatic
animal feed of the highest quality for
sustainable business operations

Policy and Business

1.1 Vision and General Overview

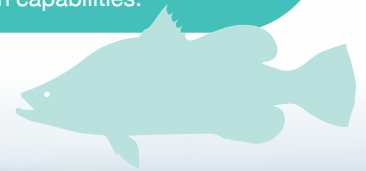
1.1.1 Overview

Thai Union Feedmill Public Company Limited ("**the Company**") produces and distributes animal feeds. The Company is one of the well-known producers and distributors of aquaculture feeds in Thailand. The main products are shrimp and fish feeds (including frog and crab feeds) and livestock feeds. The Company was established by the Thai Union Group Public Company Limited ("TU" or "TU Group" when referred to Thai Union Group Public Company Limited and its affiliates), the Boonmechote family, and several other shareholders. The shareholders saw opportunities in the business of aquaculture feeds which are crucial for the aquaculture industry, one of the important sectors in the Thai economy, making it a significant element that influences the well-being of Thai people. They thus invested and set up the Company on 29 June 2000 as a flagship company of TU Group in the production and distribution of aquaculture feeds. On 20 February 2019, the Board of Directors of TU approved TU's investment in industries related to aquaculture feeds and determined that the Company would become a flagship company of TU Group in this endeavor.

With over 20 years of expertise and experience, and the readiness in terms of human resource, funding, and access to new innovations to improve competitiveness and enhance the industry in general, the Company has consistently been able to produce good quality products for aquatic animals. Products are diverse and comprehensive for the whole life cycles of

aquaculture at affordable prices. These have enabled the Company's products and brands to gain trust and confidence of customers. Moreover, the Company has applied new expertise, production techniques, and innovation to develop new types of aquaculture products or products with specific qualities. For instance, the Company was a pioneer in using ready-made pellet feeds for the breeding of seabass, as well as coming up with new production formula, such as the formula of aquaculture feeds that reduces the amount of fish meal and fish oil used, as well as the formula to produce feeds for gourami and crab.

Currently, the Company has two production plants, namely **(1) Mahachai Plant** which is located in Mueang District, Samut Sakhon Province. It is the head office; and **(2) Ranot Plant** which is located in Ranot District, Songkhla Province. The locations of the plants are appropriate for the production of aquaculture feeds as they are in the central and southern parts of Thailand which are the regions where there are aquaculture farms. Naturally, shipping costs are reduced. Moreover, having two plants in two parts of the country are also beneficial in reducing the risks from an incident that may cause one plant to become dysfunctional or deficient in terms of their production capabilities.





Moreover, as the is intense competition in the shrimp and fish feeds industry domestically due to the shipping costs, the Company has entered into partnerships with three partners abroad to expand the market outside Thailand, namely:

- (1) In 2003, AVANTI Feeds Limited ("**AVANTI**")¹, a major producer of shrimp feeds in India, which was one of the 500 largest companies in the country in 2020², became a partner in which the Company entered into a contract on technical cooperation and permission for AVANTI to use the Company's tradename and production formula for the sales of shrimp feeds in India ("Technical Collaboration Agreement"). This was to enhance AVANTI's competitiveness in the aquaculture feeds production and distribution in India. It was also beneficial for the Company to expand its business in India.
- (2) In 2018, the Company expanded its business to Indonesia by investing in a strategic partner to establish a subsidiary, PT Thai Union Kharisma Lestari ("**TUKL**") to produce and distribute aquaculture feeds in Indonesia. There are two groups of strategic partners, namely (1) local partner, PT Maxmar Summa Kharisma ("**PT MSK**"), a major company which produces frozen and processed food and (2) AVANTI and Srinivasa Cystine Private Limited ("**Srinivasa**"), a company owned by shareholders of AVANTI (collectively called "**AVANTI Group**"). The Company, PT MSK and AVANTI Group held shares in TUKL
- (3) In 2021, the Company invested in the establishment of a subsidiary in Pakistan, namely AMG-Thaiunion Feedmill (Private) Limited ("**AMG-TFM**") to produce and distribute aquaculture feeds in Pakistan. The strategic partner is the AMG Group³, one of the major aquaculture feeds companies in Pakistan. The Company and AMG Group invested in the proportions of 51.0 and 49.0 percent of the registered and paid-up capital of AMG-TFM respectively. The Company and AMG Group have paid for their shares in AMG-TFM in accordance with their shareholding proportions in June and August 2021, totaling PKR 300.0 million. Therefore, as of 31 August 2021, AMG-TFM had paid-up capital of PKR 300.0 million (or approximately THB 60.7 million) (of this, the value of the Company's investment was PKR 120.5 million or approximately THB 31.0 million)⁴. As of 31 December 2021, AMG-TFM had the capability of producing fish feeds of 10,000 tons a year. At the moment, AMG-TFM has started its commercial ventures with revenues and net profits starting to be realized in the second quarter of 2021.

¹ TU, a major shareholder of the Company, also holds shares in AVANTI in the proportion of 24.2 of AVANTI's registered and paid-up capital as of 31 December 2021 (including proportions of direct and indirect shareholdings).

² Ranking by Fortune Magazine (source: AVANTI's Website as of 12 August 2021).

³ AMG Group consists of (1) Mr. Nabeel Akhtar Chadhry (2) Mr. Tanveer Faqir Muhammad (3) Ms. Parveen Akhtar (4) Mr. Jahanzeb Khawaja (5) Mr. Ibad Hussain (6) Mr. Malik Nisar Ahmed (7) Mr. Muhammad Amir Javed and (8) Mr. Abid Hussain.

⁴ Actual Foreign Exchange Rate (source: The Company's financial statements).

1.1.2 Vision Mission and Values of the Company

Vision

To be the producer of the best
aquaculture feeds for sustainable
business operation

Mission

1. Emphasize the details of each step of the work process and improve on it to achieve the highest level of efficiency and customer satisfaction.
2. Continuously conduct research and development to have the best products and services for customers.
3. Generate sustainable benefits with customers, trade partners, employees, and shareholders.

1.2 Strategies and Business Approaches

The Company has three key strategies and business approaches:

(1) Maintaining and Developing the Leadership of the Production and Distribution of Aquaculture Feeds Domestically

- 1.1 Cooperate with animal feed retailers while exploring new potential retailers to expand distribution channels in a comprehensive manner.
- 1.2 Support the growth of existing aquaculture breeding farms.
- 1.3 Look for new customers who are aquaculture breeding farms.

(2) Improving Product Quality and Production Efficiency to Enhance Competitiveness Sustainably

The Company emphasizes the development of the quality of products and production efficiency through research and development. The Company continues to develop and improve on its formula and production process to create difference and elevate qualities of products, together with investing and looking for new production technology and innovation as well as approaches to develop the production process and efficiency. These are in order to develop the production process and the efficiency of production to further enhance competitiveness to become a leading company in the business of aquaculture feeds.

2.1 Focus on the Development of Products and Feed Formula to Enhance Competitiveness within the Industry.

The Company determines processes of studies, researches and development of products and feed formula in a systematic manner. The study begins in the laboratory, before going on to trials to ensure the outcome of the use of new formula. The research and development will discuss; **(1) The development to increase efficacy of aquaculture feeds of The Company when measured against the growth of aquatic animals** which are average daily gain (ADG), feed conversion ratio (FCR), and survival rate. Examples of the products developed by the Company include brand "PROFEED TURBO" and "PROFEED" for giant tiger prawn feed and "NANAMI" for vannamei feed; **(2) Development of new formula for aquaculture feeds** to promote the breeding of various aquatic animals. In the past, the Company has come up with new formula for aquatic animals such as feeds for giant sea bass, grouper, gourami, crab, and red-tail catfish. The Company is one of a few companies that can produce feeds for young aquatic animals which need to have particularly small pellets, thanks to the research and development efforts of the Company. Moreover, at present, the Company is in the process of developing feeds for other aquatic animals such as sea crabs, shrimp breeders, and young shrimp; **(3) Development of feed formula using new raw materials to reduce the reliance on any particular raw material** and raw material costs. This includes the use of plant protein and reduction of the use of fish oil.

2.2 Develop Work Process to be Efficient and in Accordance with International Standards

The Company has emphasized the continued improvement of its work process by applying modern technology in the process, for instance the use of automated production line to produce

products precisely and be able to trace the production throughout the process, the investment in technology to manage the Company's inventory automatically such as the use of robots to move and arrange products, as well as the use of application to manage inventory. This is to ensure accurate, precise, and accountable information.

In terms of the quality of work process, at present, the Company is one of the producers of aquaculture feeds that have been certified in Best Aquaculture Practices (BAP) from Global Aquaculture Alliance (GAA). The BAP asks producers involved with aquatic animals to be responsible for society and the environment as well as to care for the safety of feeds with the requirement for traceability. The Company has passed standards and won several awards such as ISO 9001, ISO 14001, ISO 45000, Good Manufacturing Practice (GMP), Hazard Analysis and Critical Control Point (HACCP) from the Department of Livestock Development and the Department of Fisheries, Ministry of Agriculture and Cooperatives. The Company has also been in the list of producers of aquaculture feeds registered in the Food and Drug Administration (FDA) of the USA.

(3) Expansion of Customers' Base to Countries with Potential to Growth

Currently, aquaculture industry of other countries in Asia, such as Indonesia, Sri Lanka, Pakistan, and Myanmar are at an early stage with a lot of potential to grow. This presents a good opportunity for the Company which is well-equipped with expertise in the production, investment and reputable and acceptable brand both in Thailand and abroad, to expand its customer base to these countries. The Company takes a careful approach to expanding its business abroad, where the executives and the Board of Directors are to thoroughly consider the proposed ventures. Factors that are taken into consideration include the possibility of investment, the expected returns, risks, together with risk management or risk reduction, relevant law, as well as possible conflict of interests that may arise from the investment. The Company has a number of ways to expand its business including exporting products to abroad which is what the Company has done in Malaysia and Sri Lanka, or cooperate with local partners for countries with potential and worthwhile markets and/or with good prospect of growth and local partners that can support the growth of the Company's business. The Company may also make investment in establishing production plants which will help increase competitiveness and reduce shipping costs. At present, the Company has cooperated with local partners in expanding its business and establish production plants in Indonesia and Pakistan.

1.3 History and Key Milestones

The Timeline of Key Milestones of the Company is as Follows:

2000

Registered to Establish the Company to Produce and Distribute Shrimp Feeds, and Acquired the Business of Production and Distribution of Shrimp Feed from Aqua Star Company Limited



- TU and the Boonmechote family registered and established the Company with the registered and paid-up capital of THB 80.0 million with 8.0 million shares at the par value of THB 10.0 per share. The purpose was to produce and distribute shrimp feeds.
- The Company acquired the business of production and distribution of shrimp feeds as well as land, plants and brands **"PROFEED"** **"AQUAFEED"** and **"SEAFEED"** and all related licenses for the conduct of business and/or possession of assets from Aqua Star which was an external party and not considered to be an entity that may be in conflict with the Company.
- The Company had only one location for the Head Office and Production Plant at No. 103/1 Moo 2, Songkhla-Ranot Road, Pak Trae Sub-District, Ranot District, Songkhla Province (Ranot Plant).
- The Company produced and distributed shrimp feeds under the brands **"PROFEED"** and **"AQUAFEED"**.

2001

Increased Paid-up Capital, Built an Additional Plant, Changed the Location of the Company's Head Office, and Began Expanding Business to Malaysia



- The Company registered on increasing of paid-up capital from THB 80.0 million with 8.0 million shares to THB 200.0 million, with 20.0 million shares at the par value of THB 10.0 per share.
- The Company built another plant at No. 89/1, Moo 2, Rama II Road, Kalong Sub-district, Mueang Samut Sakhon District, Samut Sakhon Province 74000 (Mahachai Plant) to accommodate the expansion of production capacity from 24,000 tons per year to 73,000 tons per year. The Company changed the location of its head office from Ranot Plant to Mahachai Plant.
- The Company began exporting products abroad to Malaysia.

2003

Entered into a Technical Collaboration and Tradename Licensing Agreement to use the Company's Tradename with a Partner in India (AVANTI)



The Company became a partner of AVANTI by entering into a Technical Collaboration and Tradename Licensing Agreement for AVANTI to distribute shrimp feeds in India and export shrimp feeds using the production formula and tradename **"PROFEED"** and **"NANAMI"** for vannamai. (AVANTI sold the products under the tradename **"MANAMEI"**).

2006

Expanded Business to Include the Production and Distribution of Fish Feeds



- The Company increased the registered and paid-up capital from THB 200.0 million with 20.0 million shares to THB 300.0 million, with 30.0 million shares at the par value of THB 10.0 per share.
- The Company made amendments in its objective of business operations from **"Production and distribution of shrimp feeds"** to **"Production and distribution of shrimp feeds, fish feeds, livestock feeds, and other animal feeds"**.
- The Company began the production and distribution of freshwater fish feeds under the brands **"PROFEED"**, **"NANAMI"** and **"ONIL"**. These include nila tilapia feeds, catfish feeds, and red tilapia fish.
- The Company began expanding its business to include the production and distribution of seawater fish feeds namely snapper feeds under the brand **"PROFEED"**. The Company was among the first in Thailand to pioneer the snapper feed industry.



2010

Increased the Paid-up Capital



- The Company registered on increasing of paid-up capital from THB 300.0 million with 30.0 million shares to THB 500.0 million, with 50.0 million shares at the par value of THB 10.0 per share.

2012

Joint Venture in TMAC Company Limited ("TMAC")



- The Company cooperated with Mitsubishi, an international trading firm, to establish a joint venture, TMAC to invest and hold shares in shrimp farms and shrimp breeding farms. The Company and Mitsubishi hold shares in TMAC in the proportions of 51.0 and 49.0 percent of the registered and paid-up capital respectively. While TMAC did not operate the same business as the Company, TMAC was in an upstream industry as the Company. At the time, TU permitted the Company to invest in TMAC.

2018

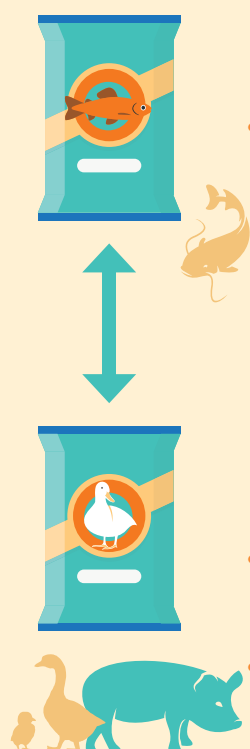
Restructuring the Shareholding, Increased the Paid-up Capital, and the Restructuring of the Company's Affiliates

- In April 2018, TU bought 6.0 million shares of the Company or 12.1 percent of the registered and paid-up capital at the price of THB 78.4 per share from minority shareholders. This resulted in the change in proportion of the Company's shares held by TU from 51.0 percent to 63.1 percent of the registered and paid-up capital.
- The 2018 Annual General Meeting of Shareholders (AGM) on 4 April 2018, the Company resolved to increase the registered and paid-up capital by THB 320 million. The share totaling 32.0 million shares, each had the price of THB 10.0 was allocated to existing shareholders of the Company in accordance with the Right Offering ("**RO**") at the rate of THB 10.0 per share. After RO, the Company had a total registered and paid-up capital of THB 820.0 million. This was constituted of 82.0 million shares categorized as common share. Each share was priced at THB 10.0. Since some shareholders did not exercise their entitled rights to buy shares, TU bought additional shares in accordance with its own proportion and the remaining shares from the allocation in order to ensure that the Company received the fund expected during the increase of registered and paid-up capital. The proportion of TU's shareholding in the Company thus increased from 63.1 percent to 66.9 percent of the registered and paid-up capital of the Company.
- In May 2018, the Company entered into a shareholder agreement to invest and establish the Company's subsidiary in Indonesia, TUKL, together with PT MSK and AVANTI (consisted of AVANTI and Srinivasa) to determine the rights, power and duties of each party of shareholders. The Company, PT MSK, and AVANTI Group had their proportions of investment as 65.0 percent, 25.0 percent, and 10.0 percent of the registered and paid-up capital of TUKL respectively.
- In August 2018, the Company entered into an agreement on sales of investment in TMAC to TU, in the amount of THB 31.6 million.
- In August 2018, the Company, PT MSK and AVANTI Group had already paid for shares in TUKL for the first-time totaling IDR 39,984 million (or approximately THB 92 million, based on the exchange rate on 23 Aug 2018, IDR 434.8 = THB 1)⁵.



2019

2019 Expansion of the Business to Livestock Feeds and Transformation into a Public Company Limited, Increased the Paid-up Capital, Additional Investment in TUKL, and Sale of Land which is Considered a Non-core Operating Asset.



- At the beginning of 2019, the Company expanded its business into the production and distribution of livestock feeds, including poultry and pig feeds to increase business opportunities of the Company. At the same time, this also increased the utilization rate of the Company's machineries.
- The Extraordinary General Meeting of Shareholders No. 2/2019 on 24 May 2019 decided on the following:
 - Approved the transformation of the Company into a public company limited. The name of the Company was changed to Thai Union Feedmill Public Company Limited. (The Company registered its transformation from a limited company to a public company limited and changed its name on 4 June 2019).
 - Changed the par value of the Company's share from THB 10.0 per share to THB 2.0 per share. This resulted in the increase of the Company's share from 82.0 million shares to 410.0 million shares.
 - Increased the registered capital totaling 90.0 million shares. This increased the Company's registered capital from 410.0 million shares to 500.0 million shares, at the par value of THB 2.0 per share.
- In April 2019, the Company, PT MSK and AVANTI Group paid for shares in TUKL for the second time totaling IDR 93,256 million (or approximately THB 217 million based on the exchange rate on 25 April 2019 of IDR 430.3 for THB 1).
- In May 2019, the Company sold a 96.5 Rai of land which was a non-core operating asset in Pang Nga Province to TU. The transaction amounted to THB 440.0 million (the said plot of land had book value of THB 152.2 million as of 31 March 2019) in an effort to restructure the Company and reduce the chance of conflict of interest that may arise from leasing land to other companies in the TU Group.

⁵ Actual exchange rate (source: The Company's financial statements)

2020

Additional Investment in TUKL and Resolved to Invest in Establishing a New Subsidiary in Pakistan with the Name AMG-TFM

- In February 2020, the Company and 2 partners paid for additional shares in TUKL according to their shareholding proportions totaling IDR 33,320 million (or approximately THB 77 million based on the exchange rate on 27 February 2020 of IDR 433.2 for THB 1).
- In September 2020, the Company and 2 partners paid for additional shares in TUKL according to their shareholding proportions totaling IDR 33,320 million (or approximately THB 72 million based on the exchange rate on 30 September 2020 of IDR 460.8 for THB 1). This resulted in TUKL having paid-up capital of IDR 199,920 million (or approximately THB 458 million) as of 30 September 2020. The Company's investment value was equal to IDR 129,948 million (or approximately THB 301 million).
- In November 2020, the Board of Directors' Meeting No. 4/2020 on 3 November 2020 approved the investment in establishing a subsidiary in Pakistan, AMG-TFM to conduct the business of producing and distributing aquaculture feeds in Pakistan.



2021

2021 Expansion of Producing Capacity in Fish Feeds. Increase in Registered Capital. Conducted Initial Public Offering (IPO) and Became a Listed Company in the Stock Exchange of Thailand (SET)

- During 2020 – the second quarter of 2021, the Company had increased one production capacity for fish feed and withdrawn shrimp feeds production line that had been in use for a long time. This resulted in the Company's production capacity as of 30 June 2021 reaching 273,000 tons a year. Of this, the shrimp feeds production capacity was 153,000 ton per year, fish feeds production 90,000 tons per year, and land animal feeds production 30,000 tons per year.
- In January 2021, the Company entered into a Shareholder Agreement with the AMG to determine rights, authorities, and duties of each party of shareholders. The Company and AMG Group would hold shares in AMG-TFM at the proportions of 51.0 percent, and 49.0 percent respectively. It was expected to have the initial investment value of approximately PKR 340.0 million (or around THB 68.9 million)⁶.
- The 2021 Annual General Meeting of Shareholders (AGM) on 1 April 2021 decided on the following:
 - Reduced the registered capital by reducing 90.0 million shares. This resulted in the decrease of the Company's registered capital from 500.0 million shares to 410.0 million shares, with the par value of THB 2.0 per share.
 - Increased the registered capital totaling 90.0 million shares. This resulted in the Company's registered capital increasing from 410.0 million shares to 500.0 million shares, with the determined value of THB 2.0 per share. This was to accommodate the listing of the Company in the Stock Exchange of Thailand.
 - Allocated Right Offering of not exceed 90.0 million shares at the par value of THB 2.0 per share for (1) directors, executives, and employees of TU of not exceed 2.5 million shares (2) directors, executives, and employees of the Company of not exceed 2.5 million shares and (3) the public offering at least 85.0 million shares. The share of the Company was to be listed in the Stock Exchange of Thailand.
- In June 2021, the Company and the AMG Group paid for the shares in AMG-TFM according to their respective proportions of shareholding totaling PKR 170.0 million. This resulted in the AMG-TFM had paid-up capital of PKR 170.0 million as of 30 June 2021 (or approximately THB 34.3 million) (the Company's investment was PKR 86.7 million or around THB 17.5 million)⁷. AMG-TFM had started its commercial operations in the second quarter of 2021.



⁶ The Company's investment was around THB 35.1 million (based on the foreign exchange rate published on the Bank of Thailand website on 30 June 2021. PKR 1 equaled THB 0.2025).

⁷ Actual foreign exchange rate (source: The Company's financial statements).

- In August 2021, the Company and AMG Group increased capital in AMG-TFM in accordance with their respective proportions of shareholding. The total amount of capital increased was PKR 130.0 million (or around THB 26.4 million) (among this was the investment of the Company of PKR 66.3 million or approximately THB 13.4 million). As of 31 August 2021, AMG-TFM had paid-up capital totaling PKR 300.0 million (or approximately THB 60.7 million).
- On 26 October 2021, the Company registered for the increased paid-up capital from THB 820.0 million with 410.0 million shares to THB 1,000.0 million with 500.0 million shares, at the par value of THB 2.0 per share. This was due to the offering of shares to the public. On 29 October 2021, TFM share was listed in the Stock Exchange of Thailand for the first time.

2022

PT Thai Union Kharisma Lestari started its operation and commercial on 1 January 2022

- In 2022, the Company's plan to invest in two (2) shrimp feed production line at Mahachai factory to apply with BOI license with CAPEX, totally THB 180 million. These production lines have completed and operated in December 2022.
- On 25 August 2022, the Executive Committee has resolved and approved the payment of the additional registered shares of AMG-Thaiunion Feedmill Private Limited in the shareholding proportion in the amount of USD 408,000 (or approximately THB 13.8 million) to support the expansion of the shrimp feed production. AMG-TFM will become the first shrimp feed manufacturer in Pakistan.
- In October 2022, the Company and the shareholders of PT Thai Union Kharisma Lestari have passed a resolution to increase the authorized share capital to repay a long-term loan. The Company has increased in the shareholding proportion in the amount of USD 4.94 million (or approximately THB 178.01 million)⁸ because the interest rate is in an uptrend and in order to reduce the Company's financial costs.



2023

Appointment of the new Chief Executive Officer for further new business expansion strategy

- In 2023, the Company has appointed Mr. Peerasak Boonmechote, who has the experience in Thai Union Group PCL., in the position of Managing Director of Frozen business, to be the new Chief Executive Officer since 1 January 2023 onward and management team has been changed.
- In 2023, our subsidiaries in Indonesia, namely PT Thai Union Kharisma Lestari, has appointed Mr. Sang Gyu Kim, who has the experience directly in leading feed Company in Indonesia, to be the senior vice president sales and marketing, to strengthen the Company expansion.



⁸ Actual foreign exchange rate (source: The Company's financial statements).

1.4 Restructuring

Investment in a Subsidiary in Indonesia

The Company invests in TUKL, a subsidiary in Indonesia, to produce and distribute aquaculture feeds in Indonesia. The Company has cooperated with 2 business partners namely (1) PT MSK Group which operates a business of frozen food and baby shrimp breeding in Indonesia and (2) AVANTI Group which produces and distributes aquaculture feeds in India (holding shares through AVANTI and Srinivasa). The Company, PT MSK and AVANTI Group hold shares in TUKL in the proportion of 65.0 percent, 25.0 percent, and 10.0 percent of registered capital of TUKL, respectively.

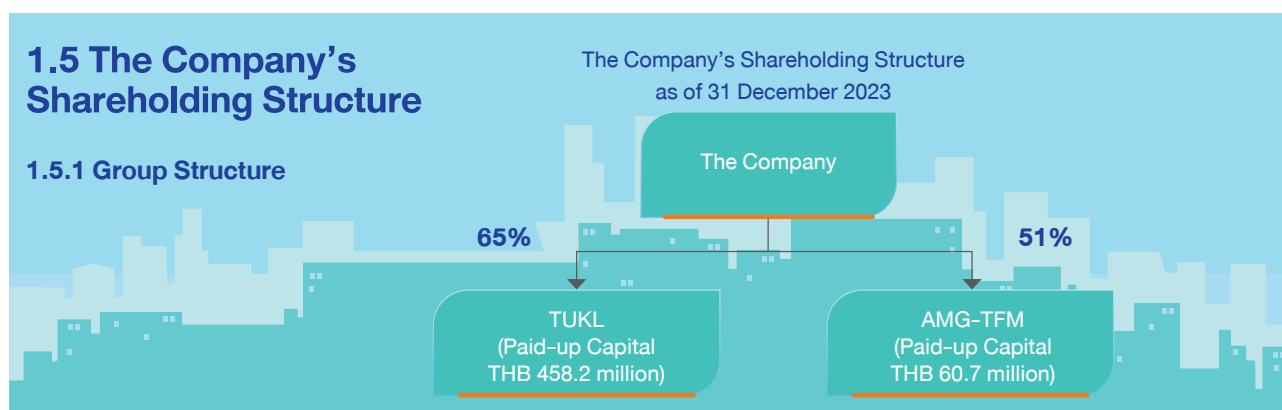
The Company decided to invest in Indonesia because the executives saw the potential and growth in the production and aquaculture feeds in Indonesia.

In May 2018, the Company entered into a shareholder agreement with PT MSK and AVANTI Group to agree on the rights, authorities, and duties of each party of shareholders. Later in August 2018, the Company and the other 2 partners paid for the share in TUKL for the first-time totaling IDR 39,984 million (or approximately THB 92 million based on the foreign exchange rate on 23 August 2018 of IDR 434.8 for THB 1)^{9,10}. Then the Company and two partners paid for the additional share in TUKL according to their respective proportion of shareholding to invest in land, plant building, and production machineries of TUKL. The fund was to be used as the initial working capital for TUKL. As of 30 June 2021, TUKL had paid capital of IDR 199,920 million (or approximately THB 458 million)¹¹.

At the time, TUKL has the capacity to produce 36,000 tons of shrimp feeds per year. Currently, the plant construction, installation of machineries and test run have been completed. TUKL has started its commercial endeavors with revenues started to be realized since 1 January 2022.

Investment in a Subsidiary in Pakistan

On 3 November 2020, the Board of Directors' Meeting No. 4/2020 approved the joint investment to establish AMG-TFM, a subsidiary in Pakistan to produce and distribute aquaculture feeds in Pakistan. In January 2021, the Company entered into a shareholder agreement with AMG, one of the major companies with businesses related to aquaculture feeds in Pakistan to agree on rights, authorities, and duties of each shareholding party. The Company and the AMG Group invested in AMG-TFM in the proportions of 51.0 percent and 49.0 percent respectively. The Company and AMG Group paid for shares in the AMG-TFM according to their respective shareholding proportions two times in June and August 2020 totaling PKR 300.0 million. As of 31 August 2021, AMG-TFM had paid-up capital of PKR 300.0 million (or approximately THB 60.7 million) (The Company's investment was PKR 153.0 million or approximately THB 31.0 million)¹². Initially, AMG-TFM was focused on the production and distribution of fish feeds. AMG-TFM has started commercial operations and begun to revenue in second quarter of 2021.



Remarks:

- The remaining shareholders of TUKL, namely PT MSK and AVANTI Group who hold shares in the proportions of 25.0 percent and 10.0 percent of the registered and paid-up capital of TUKL respectively. The paid-up capital of TUKL was calculated from the sum of the value of paid-up capital in THB.
- The remaining shareholder of AMG-TFM was the AMG Group who held shares in the proportion of 49.0 percent. The paid-up capital of AMG-TFM was calculated from the sum of the value of paid-up capital in THB.

⁹ Actual Foreign Exchange Rate (Source: the Company's Financial Statements)

¹⁰ The Company's proportion approximately IDR 25,990 million (or THB 64 million at the rate of IDR 434.8 to THB 1)

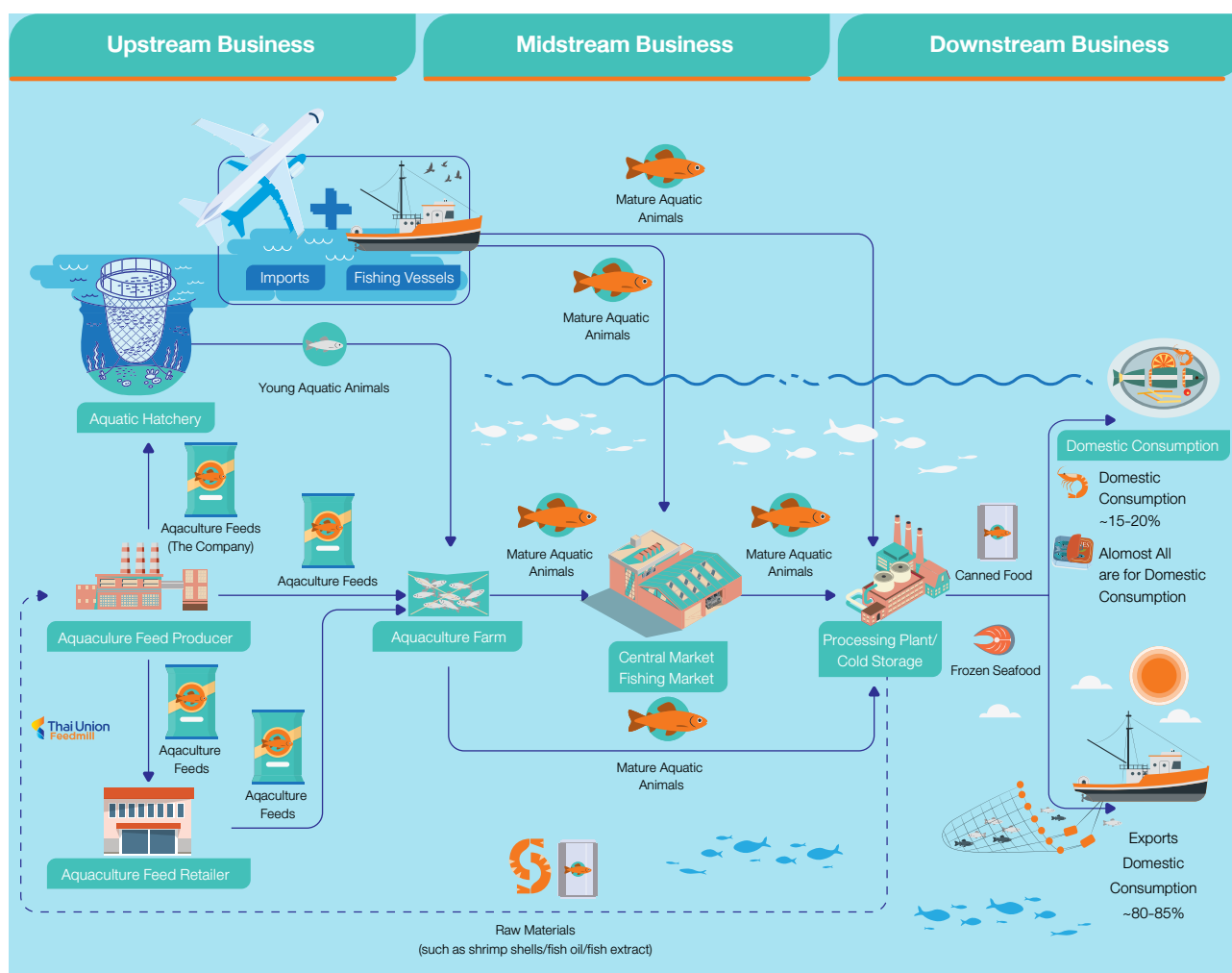
¹¹ The Company investment amount at IDR 129,948 million or THB 302 million)

¹² Actual Foreign Exchange Rate (Source: the Company's Financial Statements)

1.6 Relationship with Major Shareholders

1.6.1 Key Business Relations between the Company and Related Groups of the Company

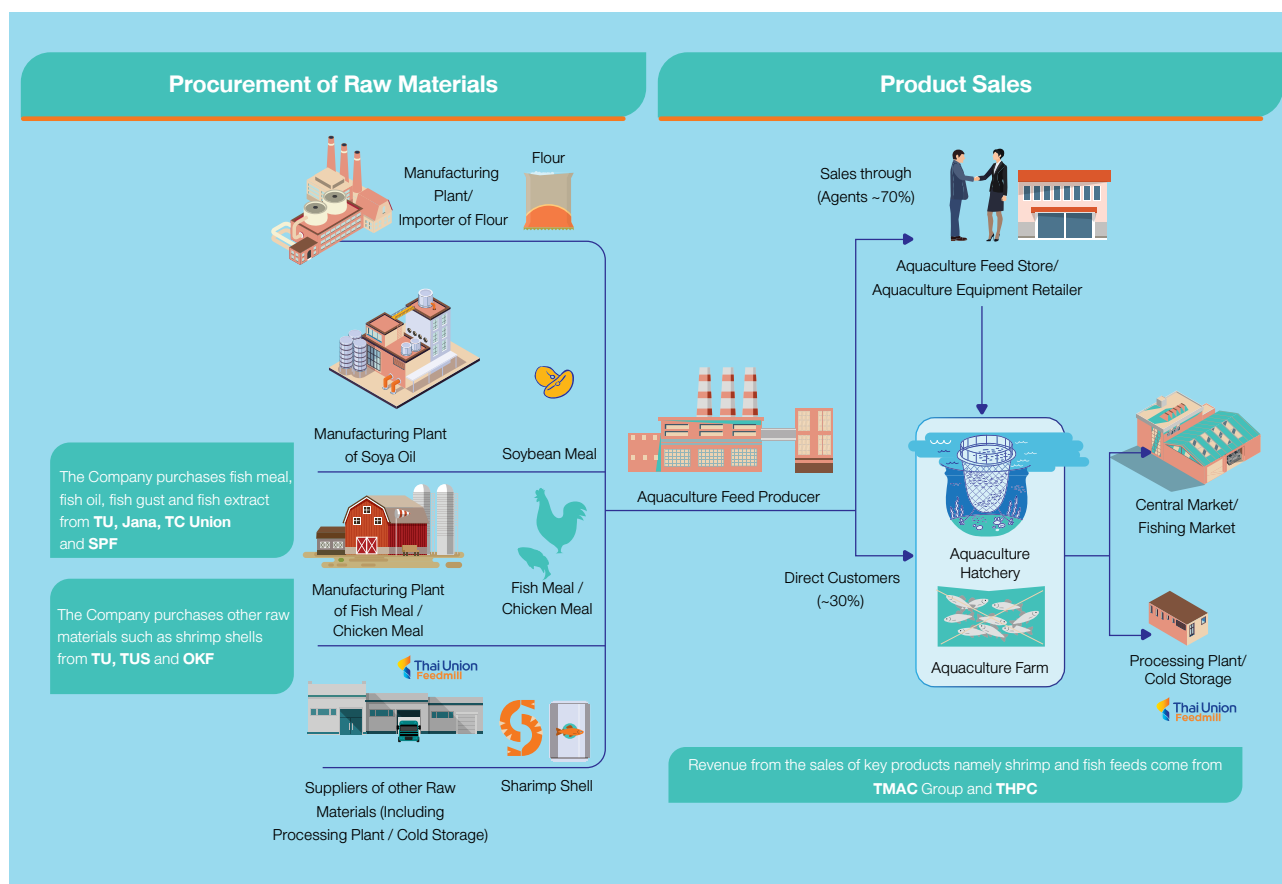
The Company operates the main business of producing and distributing aquaculture feeds namely shrimp and fish feeds (including frog and crab feeds) to be used as raw materials in the aquaculture industry. The value chain of the aquaculture industry is shown in the following diagram.



TU, as the major shareholder of the Company, is one of the global producers and distributors of canned seafood. TU has expanded its business to cover related businesses, covering key portions of the value chain of the industry related to aquaculture, through a number of subsidiaries. These are **(1) producer and distributor of aquaculture feeds:** operated by the Company **(2) Aquatic Hatcheries and Aquaculture Farms:** operated by TUH, TCM, and TMK (TMAC Group) and Thai Union Hi-tech Pearl Cultivation Company Limited ("THPC") **(3) Producers of Fish Meal:** operated by Jana Industry Company Limited ("Jana") and TC Union Agrotech Company Limited ("TC Union") and SPF Diana (Thailand) Company Limited ("SPF") and **(4) Seafood Processors:** operated by TU, Thai Union Seafood Company

Limited ("**TUS**") and Okeanos Food Company Limited ("**OKF**"). Since the Company is in the same value chain as other companies in the TU Group, the Company has key and related business transactions with companies in the TU Group such as the procurement of raw materials and distribution of products. Moreover, customers of the Company who are owners of aquaculture farms such as Burapha Farm also supply shrimps for TU. **The Company and TU have never engaged in Contract Farming with customers of the Company/aquatic animal suppliers of TU in a way that seeks to impose a condition for TU's suppliers of aquatic animals to buy aquaculture feeds from the Company.**

Key Business Transactions between the Company and other Companies in the TU Group can be Summarized as Follows:



Apart from the transactions of products and raw materials, the Company also has related transactions with other companies in the TU Group such as sales of shrimps and fish from the Company's aquaculture breeding research farm to TU and purchase of baby shrimps for the Company's aquaculture breeding research farm from TUH.

1.6.2 Supervisory Measures on Investments in Subsidiaries and Affiliates of TU Group and Measures to Prevent the Conflict of Interest

TU, a major shareholder of the Company, invests in AVANTI at a significant proportion of 24.2 percent of the registered and paid-up capital as of 31 December 2022 (including direct and indirect shareholding). AVANTI's business is similar to that of the Company as it also produces and distributes shrimp feeds. Hence to prevent any conflict of interest both at present and in the future between TU and the Company, the Board of Directors of TU, on 20 February 2019, approved the TU Group to operate businesses in the aquaculture feeds industry. Details are as follows:

1) Measures to Prevent TU's Conflict of Interest

As long as TU remains a major shareholder of the Company, the Company will be the flagship in the business of aquaculture feed industry. TU will not invest and/or conduct any competing business, direct or indirect, against the Company's aquaculture feed business, except in any of the following conducts:

1. Investment in AVANTI's aquaculture feed business which TU and its subsidiaries have had and operated before the approval of this investment policy.
2. Increase in shareholding proportion in AVANTI from the Right Offering in accordance with the respective shareholding proportions. TU will do its best to reduce its shareholding proportion resulting from such a case to below 25.1 percent of the registered and paid-up capital of AVANTI or the increase in shareholding proportion in AVANTI which is for the purpose of maintaining rights or protect the rights of TU Group as a shareholder of AVANTI and/or companies in AVANTI Group.



3. Other cases as agreed by TU and the Company, in line with the criteria of the relevant bodies of law as well as announcements or criteria under the Securities and Exchange Act B.E. 2535 (1992) (including amendments) and relevant regulations determined by the Capital Market Supervisory Board and/or the Securities and Exchange Commission, and the Stock Exchange of Thailand.



2) Measures to Prevent Conflict of Interests between the Company and AVANTI

The Company and AVANTI entered into a non-compete agreement on 22 February 2019. The key points of the agreement can be summarized as follows:

1. The Company

- The Company will not conduct the business of production and distribution of aquaculture feeds in India.
- The Company will not sell its products to customers based in India except to AVANTI.

2. AVANTI

- AVANTI will not conduct the business of production and distribution of aquaculture feeds in Thailand.
- AVANTI will not sell its products to customers based in Thailand directly.

3. This Agreement will be in force for as long as TU holds shares, direct and indirect, in the Company or AVANTI more than 10.0 percent.

3) Measures to Prevent Conflict of Interests between the Company and ITC

i-Tail offers the various type of pet products under its brands. i-Tail has engaged us to produce dry pet foods. On June 24, 2022, we entered into a memorandum with i-Tail to avoid future conflicts of interest which provided the following conditions:

1. We agreed not to directly or indirectly, engage or invest in any pet food businesses any other businesses which manufacture or sell pet-related products, whether under our trademarks or trademarks of our customers, or other businesses that compete with i-Tail or i-Tail group's businesses, with the exception of investments made through or with i-Tail or i-Tail group or the manufacturing of pet food or pet-related products in relation to purchase orders from i-Tail or i-Tail group; and

2. i-Tail agreed not to directly or indirectly, engage or invest in animal feed manufacturing businesses or businesses which manufacture or sell livestock-related products, whether under i-Tail's own trademarks or customers' trademarks of i-Tail group, or other businesses that compete with the businesses of us or our group with the exception of investments made through or with us or our group or the manufacturing of livestock-related products in relation to purchase orders from us or our group.
3. The memorandum shall terminate upon
 - a) A change in the shareholding structure of i-Tail or that of TU resulting in us and i-Tail no longer have the same group of "major shareholders," as defined in the Notification of the SEC; or
 - b) We and i-Tail are no longer listed on the SET.

1.6.3 The Company's Investment and Measures to Prevent Conflict of Interest between the Company and the TU Group

In 2020, the Company conducted a market trial in the seabass-related business. The Company purchased seabass from agriculturalists to process. This was a way of expanding the market for seabass and supporting agriculturalists who were the Company's customers. However, to prevent any conflict of interest at present and in the future, between the Company and TU Group, in the second quarter of 2021, the Company ended the business of selling those seabass-related products. Moreover, the Board of Directors' Meeting No. 4/2021 on 5 August 2021 decided to approve the following principle of investment for the Company: "The Company focuses on investing in the core business of the Company which includes the commercial production and distribution of animal feeds and supporting and/or related businesses. The Company considers the growth potential and risks of the businesses that the Company is interested in investing. However, the Company does not have a policy to conduct any business that may be in conflict of interest with the Thai Union Group Public Company Limited."

1.2 Used of fund from the Initial Public Offering

Unit : THB million

Use of Proceeds Objective	Proceeds Utilization (Estimated)	Remaining Unutilized as of 31 December 2022	Actual Proceeds Utilization during 1 January - 31 December 2023	Remaining Unutilized as of 31 December 2023
1. Expansion of aquaculture feed production and distribution business in Indonesia	Not exceeding 250.00	70.00	-	70.00
2. Repayment of loans to financial institution	250.00-350.00	-	-	-
3. Used as working capital	577.40-677.40	32.40	32.40	-
Total	1,177.40	102.40	32.40	70.00



Nature of Business

2.1 Revenue Structure

Almost all revenue of the Company or approximately 98 percent of the total revenue during 2021-2023 came from economic animal feed sales such a shrimp feed, fish feed, and livestock feed. In 2021, the Company recognized sales from fish feed sales from a subsidiary in Pakistan since the second quarter onward, and In 2022 the Company expanded its business in Pakistan to livestock feed as well as recognized the revenue from shrimp feed sales from a subsidiary in Indonesia.

The Company's revenue structure for the years 2021-2023 is shown in the table below.

Item	For accounting year ending on 31 December					
	2021		2022		2023	
	THB million	Percentage	THB million	Percentage	THB Million	Percentage
Revenue from the Sales of Shrimp Feeds						
- Domestic	2,195.1	45.4	2,307.2	46.5	2,329.0	45.3
- International	200.5	4.1	215.0	4.4	199.1	3.9
- Subsidiary in Indonesia	0.0	0.0	96.2	1.9	276.4	5.4
Total Revenue from the Sales of Shrimp Feeds	2,395.60	49.5	2,618.4	52.8	2,804.5	54.5
Revenue from the Sales of Fish Feeds						
- Domestic	1,638.3	33.9	1,619.9	32.6	1,676.7	32.6
- Subsidiary in Pakistan	157.2	3.3	123.0	2.5	33.7	0.7
Total Revenue from the Sales of Fish Feeds	1,795.5	37.2	1,742.9	35.1	1,710.4	33.3
Revenue from the Sales of Livestock Feeds						
- Domestic	446.0	9.2	438.6	8.8	428.2	8.3
- Subsidiary in Pakistan	0.0	0.0	11.2	0.2	53.2	1.0
Total Revenue from the Sales of Livestock Feeds	446.0	9.2	449.8	9.0	481.4	9.3
Revenue from Other Sales ¹	136.0	2.8	77.3	1.6	84.9	1.7
Total Revenue from Sales	4,773.1	98.7	4,888.3	98.5	5,081.3	98.8
Other Revenue ²	60.9	1.3	71.2	1.5	61.5	98.8
Total Revenue	4,834.0	100.0	4,959.5	100.0	5,142.8	100.0

Remarks:

¹ Revenue from other sales mainly includes revenue from supplying raw materials to customers, the sales of shrimps and fish from the Company's aquaculture breeding research farm, and the sales of seabass-related products during a marketing trial.

² Other revenue includes revenue from the provision of technical services and the permission to use the Company's tradename, the sales of byproducts, the provision of services related to sales and marketing for TUH, shipping, receipts of bad debts, tax compensations, and interests.

2.2 Product Information

2.2.1 Product Categories

The Company's main business is the production and distribution of animal feeds. The Company's core product categories are shrimp and fish feeds (including frog and crab feeds) and livestock feeds. They are used as raw materials in the breeding industry of the abovementioned animals which are crucial to the Thai economy. The key difference of shrimp feed pellets is their sinking quality whereas most fish feeds are floating pellets except for feeds designed for gourami, grouper, and redtail catfish that are in the form of sinking pellets. Animal feed products can be divided into three types, namely (1) shrimp feeds (2) fish feeds (including frog and crab feeds) and (3) Livestock feeds.



Shrimp Feeds

Shrimps at different stages of life need pellet feeds of different size, and different amount of protein and nutrients. During their larval stage, more protein is needed. To respond to the diverse requirements of shrimp breeders, the Company has designed shrimp feeds that have protein and nutrients appropriate to each breed, and in line with the standards stipulated by the Department of Fisheries. Since the Company's shrimp feeds are of high quality and have a good effect on the rates of growth, strength, and survival of aquaculture, widely accepted by the market, the Company has had the market share of 19 percent in 2023 (based on the prediction of the use of shrimp feeds by the Thai Feedmill Association).

The Company's shrimp feeds products include feed for giant tiger prawns, vannamei, and other shrimp. Each is different in terms of the amount of protein, source of protein, and husbandry methods. For marketing purposes, the products have been classified as premium grade, standard grade, and fighting brand.



Fish Feeds

The Company produces and distributes fish feeds (including frog and crab feeds). The Company's fish feeds took up around 12.2 percent market share of Thailand's fish feeds production in 2021 (according to the expected utilization of shrimp feeds by the Thai Feed Mill Association). Most fish feeds are in the form of floating pellets since fish consume their feeds on the water surface. Feeds for grouper and redtail catfish, however, are in the form of sinking pellets.

The Company's fish feed products can be categorized into four types, namely (1) seawater fish feeds (2) freshwater fish feeds (3) larval feeds and (4) frog feeds. Each type differs in terms of the amount of protein, the source of protein, and husbandry methods. Categorization of the Company's products can also be based on marketing purposes, namely premium, standard, and fighting brand.



Livestock Feeds

The Company sells livestock feeds under the brand PROFEED. There are two types as follows: (1) PROFEED pig feeds with variations according to the size and age of pigs; and (2) PROFEED poultry feeds for broiler, layer, local chicken, duck, duck layer, and quail.

Other Products

Apart from the core products, there are other sales such as the sales of products from the Company's aquaculture breeding research farm such as shrimp and seabass. These are byproducts of the Company's research farm set up to develop and improve aquaculture feed formula.

Measures and Quality Certification

The Company is committed to quality and sustainable working standards. The Company has been developing and improving the production process to be in line with the global standards and corresponding to the needs of customers at home and abroad. The quality has been assured by various international standards and institutions. Details are as follows:

Measure/ Certification	Explanation	Mahachai Plant	Ranot Plant
		Month/Year of the last Certification	Month/Year of the last Certification
ISO 9001:2015	Quality Management System (SGS)	February 2021	May 2021
ISO 14001:2015	Quality Management System (URS)	-	May 2021
ISO 45001:2018	Occupational Health and Safety Management System	-	May 2021
Hazard Analysis and Critical Control Point (HACCP)	Hazard Analysis and Critical Control Point System from the Department of Livestock Development, Ministry of Agriculture and Cooperatives	August 2022	December 2021
Hazard Analysis and Critical Control Point (HACCP)	Hazard Analysis and Critical Control Point System from the Department of Fisheries, Ministry of Agriculture and Cooperatives	October 2021	August 2021
Good Manufacturing Practice (GMP)	Good manufacturing practice in the production of animal feeds from the Department of Livestock Development, Ministry of Agriculture and Cooperatives.	August 2022	December 2021
Good Manufacturing Practice (GMP)	Good manufacturing practice in the production of aquaculture feeds from the Department of Fisheries, Ministry of Agriculture and Cooperatives.	October 2021	August 2021
Best Aquaculture Practices Certification (BAP)	Best aquaculture practices certification for shrimp feeds production plants from Global Aquaculture Alliance (GAA)	March 2021	August 2021
Supplier Ethical Data Exchange (Sedex)	Supplier Ethical Data Exchange (Sedex) from SGS	November 2021	-
Sustainable Aquaculture Improvement Protocol (SEASAIP)	Sustainable aquaculture improvement protocol from Asian Seafood Improvement Collaborative (ASIC)	March 2021	-
Listing in the Food and Drug Administration (FDA)	The only aquaculture feed producer in Thailand that has been listed in the USA's Food and Drug Administration (FDA).	August 2021	-



Investment Promotion Privileges

The Company has received tax privileges in accordance with the Investment Promotion Act from the Board of Investment of Thailand. Details of the Company's investment promotion certificates that are still effective are as follows:

Investment Promotion Certificate No.	1042(2)/2554	2259(2)/2555	58-1973-0-00-1-0	64-0158-1-05-1-0	64-1257-1-00-1-0
Dated	9 November 2010	30 July 2012	7 July 2015	24 December 2020	18 October 2021
Type of Business	Production of animal feeds or ingredients of animal feeds	Production of animal feeds or ingredients of animal feeds	Production of animal feeds or ingredients of animal feeds	Production of animal feeds or ingredients of animal feeds	Production of animal feeds or ingredients of animal feeds
Plant	Ranot Plant Songkhla Province	Mahachai Plant Samut Sakhon Province	Mahachai Plant Samut Sakhon Province	Ranot Plant Songkhla Province	Mahachai Plant Samut Sakhon Province
Privilege					
1. Permit to bring into the Kingdom skilled workers and experts with the number and period of time as deemed appropriate by the considering committee.	Approved	Approved	Approved	Approved	Approved
2. Exemption of import duties on machineries as approved by the considering committee.	Approved	Approved	Approved	Approved	Approved
3. Exemption of corporate income tax on the net profit derived from the promoted activity.	8 years from the date of first realization of revenue from the promoted activity (from 16 July 2016)	8 years from the date of first realization of revenue from the promoted activity (from 20 May 2014)	8 years from the date of first realization of revenue from the promoted activity (from 2 September 2016)	3 years from the date of first realization of revenue from the promoted activity (ongoing implementation)	5 years from the date of first realization of revenue from the promoted activity
4. Permit to offset the amount of net profit gained after the corporate income tax exemption period with the realized loss incurred during the period of investment promotion.	5 years after the date in No.3 lapses	5 years after the date in No.3 lapses	5 years after the date in No.3 lapses	5 years after the date in No.3 lapses	5 years after the date in No.3 lapses
5. Exemption of including dividends gained from the promoted activity in the taxable amount.	8 years from the date of first realization of revenue from the promoted activity (from 16 July 2016)	8 years from the date of first realization of revenue from the promoted activity (from 20 May 2014)	8 years from the date of first realization of revenue from the promoted activity (from 2 September 2016)	3 years from the date of first realization of revenue from the promoted activity (ongoing implementation)	5 years from the date of first realization of revenue from the promoted activity

Investment Promotion Certificate No.	1042(2)/2554	2259(2)/2555	58-1973-0-00-1-0	64-0158-1-05-1-0	64-1257-1-00-1-0
6. Deduction from the costs of installation or construction of facilities.	25 percent of investment apart from general deduction of depreciation	None	None	None	None
7. Exemption of import duty on raw or essential materials imported for use in production for export	5 years from the date of first import	1 year from the date of first import	1 year from the date of first import	none	1 year from the date of first import
8. Exemption of import duty on materials that the promoted company imports to re-export.	5 years from the date of first import	1 year from the date of first import	1 year from the date of first import	none	1 year from the date of first import
9. Permit to take out or remit money abroad in foreign currency.	None	None	Approved	none	Approved
Project-specific Conditions					
1. Import period for machineries	By 11 July 2016	By 5 March 2018	By 28 January 2020	By 15 February 2024	By 19 May 2024
2. Period of machinery initiation	By 11 January 2017	By 5 September 2019	By 28 July 2020	By 15 February 2024	By 19 May 2024
3. Minimum registered capital	THB 300 million	THB 500 million	THB 500 million	THB 820 million	THB 820 million
4. Business Capacity	Annual animal feed production capacity: approx. 66,000 tons (22 hrs/day : 300 days/year)	Annual animal feed production capacity: approx. 150,000 tons (24 hrs/day : 350 days/year)	Annual animal feed production capacity: approx. 120,000 tons (24 hrs/day : 350 days/year)	Annual animal feed production capacity: approx. 42,900 tons (22 hrs/day : 300 days/year)	Annual animal feed production capacity: approx. 168,000 tons (24 hrs/day : 350 days/year)
5. Exempted corporate income tax	Not more than THB 280,315,847.77	Not more than THB 521,604,741.00	Not more than THB 280,000,000.00 ¹	Not more than THB 7,860,000.00 ¹	Not more than THB 200,000,000.00 ¹
6. Plant location	Songkhla Province	Samut Sakhon Province	Samut Sakhon Province	Songkhla Province	Samut Sakhon Province
7. Standard Quality System Certification	ISO 9000 or 14000 or equivalent international standard	ISO 9000 or 14000 or equivalent international standard	ISO 9000 or 14000 or equivalent international standard	ISO 9000 or 14000 or equivalent international standard	ISO 22000 or standard accepted by GFSI

Remarks:

¹ Exempted corporate income tax in accordance with the investment promotion certificate follows the amount of investment excluding land value and actual working capital on the commencement date of the promoted activity.

Research and Development Policy, and Innovation in the Work Process, Products and/or Services or Business Models (if applicable)

The Company's production of animal feeds plays its part in conserving energy by using solar energy from rooftop solar cells and solar farms to produce feeds. Biotechnology from using phytase enzyme to release phosphorus in animal feeds for further utilization. This has made aquaculture activities emit fewer phosphorus into natural waters, causing lower pollution. One kilogram of phytase enzyme can reduce the use of phosphorus by 2.35 kilograms. Annually, the reduction of phosphorus into water amounts to 23,265 kilograms. Also, the use of xylanase enzyme in feeds helps with the utilization of starch and protein in cereals' cells. This helps reduce the loss of nutrients and pollution. Moreover, the Company developed the improvement of odor to be accepted by the farmer and stimulate the appetite of aquatic animal.

The Company's expenses for research and development for 2021, 2022, and 2023 were THB 65.7 million, THB 75.5 million, and THB 56.37 million respectively.

In addition, the Company produced the ornamental fish in carp fish species for the

Target Customers and Distribution Channels

The Company sells its products to two key groups of customers. Each customer group has different ways of purchasing products. Details are as follows:

(1) Aquaculture Feed Retailers – purchase animal feeds to sell to owners of shrimp and fish farms that have their own customer bases. This group of customers supports the Company's sale of animal feeds, including by storing the Company's products for further distribution, the provision of credit terms of customers who are owners of animal breeding farms. Some retailers may also possess their own breeding farms.

(2) Aquaculture / Animal Breeding Farms – purchase animal feeds to be used in their own breeding activities. The amount of order depends on the size of each farm.

Animal feed industry is mainly domestic. The Company's core customers' base constitutes domestic customers where they contributed to 92-97 percent of the Company's total sale revenue during 2021-2023. The rest of the revenue, approximately 3-8 percent of the Company's total sale revenue during 2021-2023 mainly came from exports to Sri Lanka. Distribution channels for domestic and international markets may be elaborated as follows:



Domestic Market Distribution

The Company focuses on presenting Proof of Performance following the use of Company's feeds to let the animal breeding farms realise the value and worth of the Company's feeds, especially in reducing costs. The Company has engaged in the following activities:

- Provide academic knowledge on the right and appropriate ways of farming and management to increase efficiency and effectiveness of livestock farming.
- Help agriculturalists to find more varied marketing channels both domestic and abroad.
- Promote comprehensive new aquaculture projects including breeding of milkfish and crabs, starting from developing quality larvae, providing advice on breeding and management, as well as promote marketing to stimulate consumption.

International Market Distribution

The Company distributes products through two channels, namely direct distribution to farms and through animal feed retailers.

Pricing Policy

The Company sets its product prices in accordance with the Company's policy and strategies, taking into account all stakeholders including shareholders, customers, and business partners.

However, to maintain price competitiveness against other animal feed distributors, in general, the Company sets certain discount rates for customers at certain times. The consideration is based on (1) animal feed prices announced by the Ministry of Commerce (2) competition circumstances in each area (3) selling prices of animal feeds with similar qualities of other companies (4) order amount and/or the negotiating power of each buyer and (5) selling costs and preliminary rate of profits expected.

For domestic customers, in general, the Company agrees to two types of selling prices according to the shipping method, namely factory prices and prices that include shipping costs, depending on the customers' requirements. In terms of international customers, there are three types of selling prices, namely (1) Free on Board Loading Port (FOB) ("**FOB Pricing**"). This refers to selling prices where the Company is responsible

for shipping expenses up to the loading of products on board; (2) Cost and Freight (CNF) ("**CNF Pricing**") refers to the FOB price but also includes freight bill and (3) Cost Insurance and Freight (CIF) refers to the CNF price but also includes product insurance up until the products reach the customer's port, depending on the needs of customers.

The Company provides credit terms. Customers will receive different credit terms from the Company, depending on each customer's credit history and purchase order.

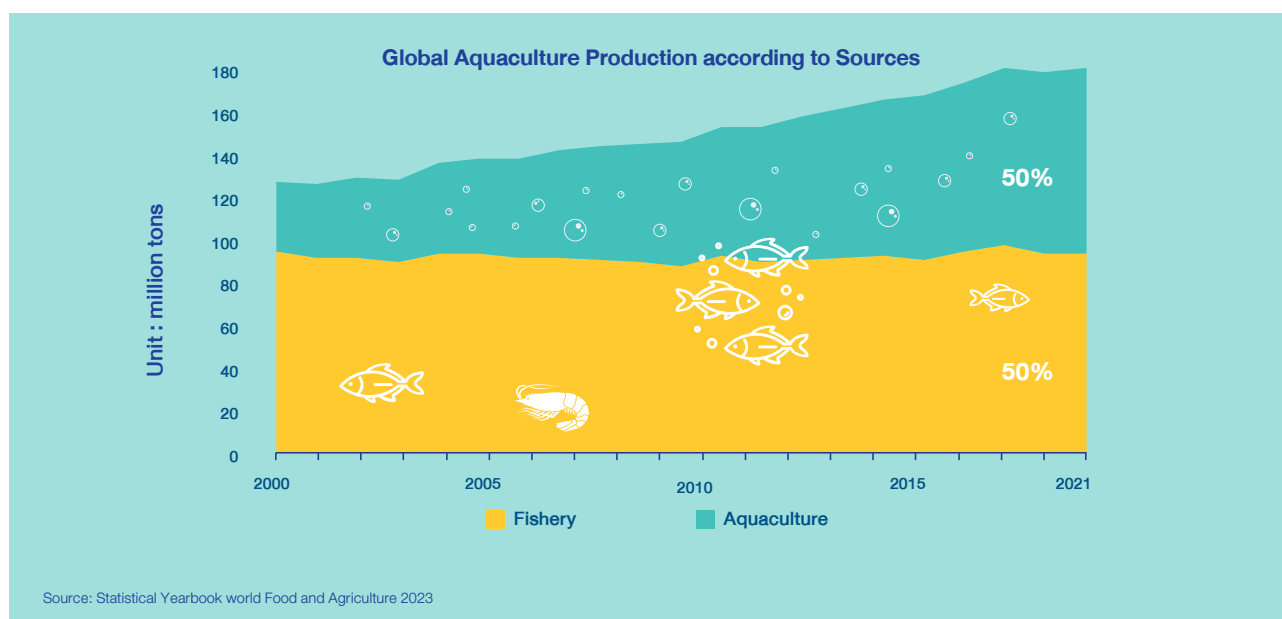
2.2.2 The Industry and Competition Conditions

2.2.2.1 The Industry

(1) The Global Aquaculture Industry

(Source : Food and aquaculture organization of the United States)
The production of aquatic animals across the world (not including aquatic plants) both from aquaculture and fishery has risen to approximately 182 million tons a year or 45 percent growth between 2000 and 2021. The expansion of aquaculture production nowadays comes mainly from farming. The principles of sustainable business undertakings, and the environment have been involved in the aquaculture industry. This has made the production trend of aquatic animals from fishery remains quite steady at approximately 90 million tons.





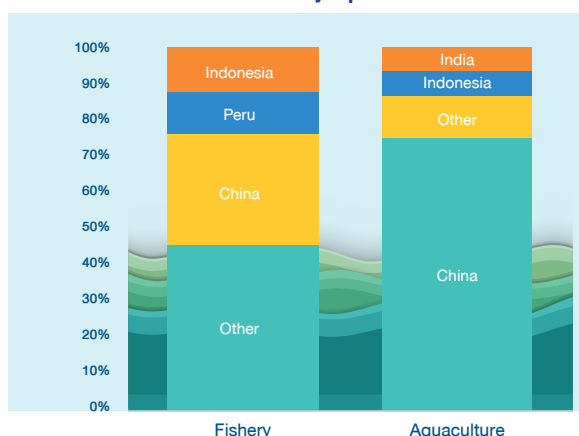
In 2021, Asia is the most aquatic animal producer in the world around 70 percent of the total production, increased from 2000 which was at 57 percent. Republic of China is the biggest producer of both natural caught and aquaculture. In 2021, the United States' had only 13 percent while China was the main producer from both fishery and aquaculture, totally 36 percent. Including main aquaculture producer who are Indonesia and Peru, the aquaculture products from fishery and aquaculture are at 51 percent which their aquaculture products are only 73 percent from total production and fishery only at 30 percent from world fishery production in 2021.

Despite this concentration of production aquaculture has experienced growth across the world, with the unequal rate reflecting differences in local policy as well as environmental factors.

(2) Thailand's Aquaculture Industry

Aquaculture industry consists of several business sectors that are interconnected: (1) upstream businesses such as the production of aquaculture feeds which are used as raw materials for aquaculture businesses; (2) midstream businesses such as aquaculture and fishery businesses. They are the suppliers of aquatic animals for seafood processing; and (3) downstream businesses which process and add value to fresh seafood into ready-to-distribute products to be exported to key markets around the world. Every business that has been mentioned is interconnected in the form of a supply chain. The relations between these businesses change according to the amount of aquaculture in the country. At the same time, the amount of aquaculture activities will also depend on the amount of processed seafood exported as well as the number of aquatic animals from the fishery sector.

Proportions of fishery and aquaculture of the world's major producers



Source : Statistical Yearbook World Food and Agriculture 2023

(3) Thailand's Aquaculture Industry trend

Aquaculture industry in Thailand is one of the important industries for the Thai economy since Thailand is also one of the leading countries in the global fishery industry. Thailand's shrimp production ranked sixth in the world in 2022. While there are more aquatic animal products that are from fishery, the aquatic animal products from fisheries are in decline over the past decades due to overfishing. This prompted the Thai government to accelerate the promotion of aquaculture to alleviate the lack of fishery resources and strengthen seafood security, in accordance with the Royal Ordinance on Fisheries B.E. 2558 (2015) Chapter 6 on Aquaculture Promotion. Moreover, given the trend seen in the world's major importers, as well as the policy of the Thai government, it is likely that fisheries will be

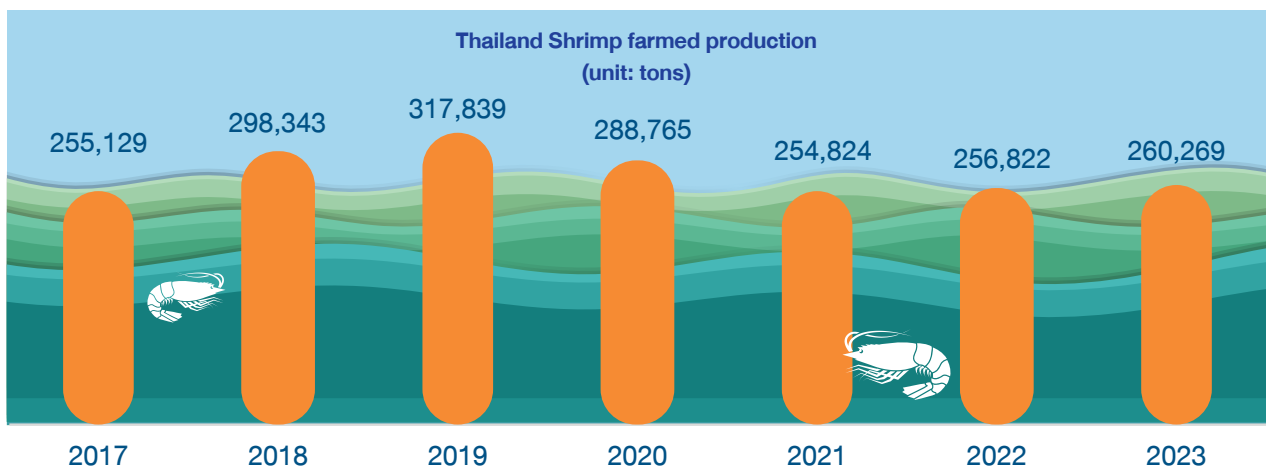
controlled and monitored to ensure that they are carried out correctly and in line with international standards. This poses an obstacle to fisheries of several exporting countries. In the future, there is a possibility of having more products from aquaculture. The growth in demand from an increase in global population will be a positive factor for aquaculture feeds industry.

In 2023, the Thai Feedmill Association expected that the demand for aquaculture feeds would reach 1,080,000 tons (shrimp feeds 510,000 tons and fish feeds 570,000 tons), representing an increase of 1.0 percent year-on-year in 2022.

Shrimp Industry in Thailand

(Source : Fisheries Economy Unit, Fisheries Development Policy and Planning Division)

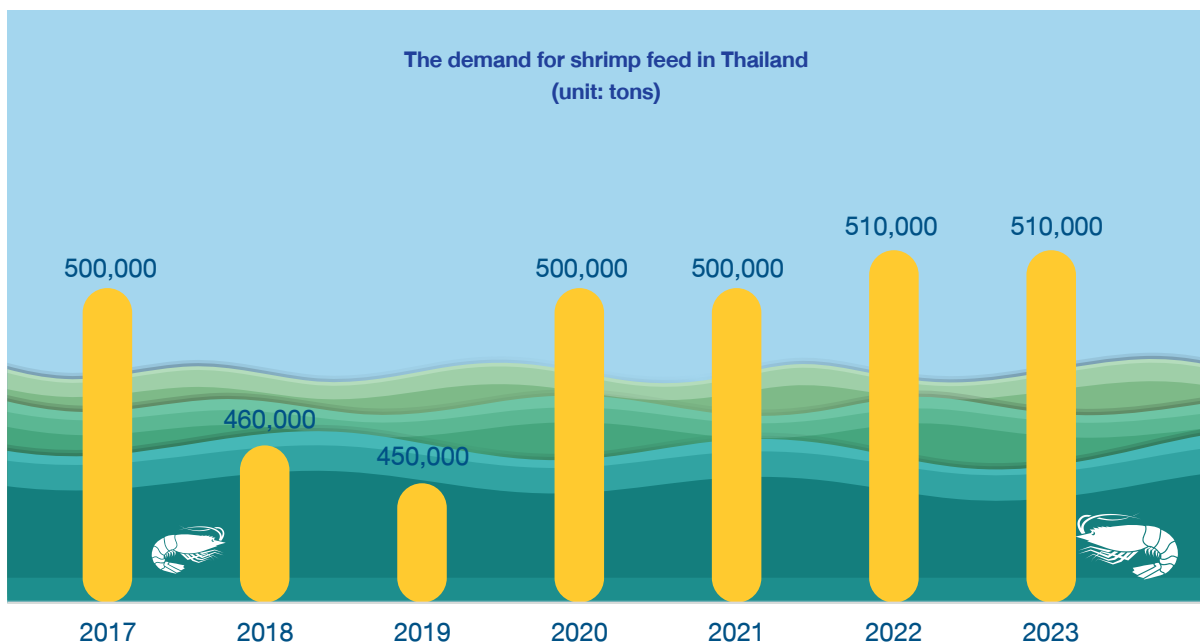
In 2023, the total shrimp production was 260,269 tons, increased 1.3% year-on-year as a result of the higher shrimp production price as well as the relaxation of COVID-19 control measure, caused a recovery of seafood consumption demand during the year, despite during the end of this year the shrimp price declined, shrimp production remained the same as previous year.



Source: Fishery Economic group, Fishery Development Policy and Planning Division

The amount of shrimp feed production varies according to the demand for shrimp feed which in turn depends on the amount of production from shrimp farms in Thailand. According to the

estimates of the Thai Feedmill Association, it was expected that in 2023, the amount of shrimp feed utilization would reach approximately 510,000 tons, remained the same as previous year.



Source: Thai Feedmill Association (TFMA)

2.2.2.2 Competition and Market Conditions

Thailand's aquaculture feeds industry mainly features domestic competition. Shipping costs constitute an important cost factor that has an impact on competitiveness of animal feed producers. In Thailand, there are about 8 middle to large entrepreneurs involved in the business of aquaculture feed production. They are (1) the Company (2) CPF Public Company Limited ("**CPF**") (3) Betagro Public Company Limited ("**Betagro**") (4) Cargill Company Limited ("**Cargill**") (5) Inteqc Company Limited ("**INTEQC**") (6) Grobest Corporation Company Limited ("**Grobest**") (7) Asian Sea Corporation Public Company Limited ("**ASIAN**") and (8) TRF Feedmill Company Limited ("**TRF**"). Their combined market share are the majority of the sales of shrimp and fish feeds in Thailand while small entrepreneurs' market share is in the minority.

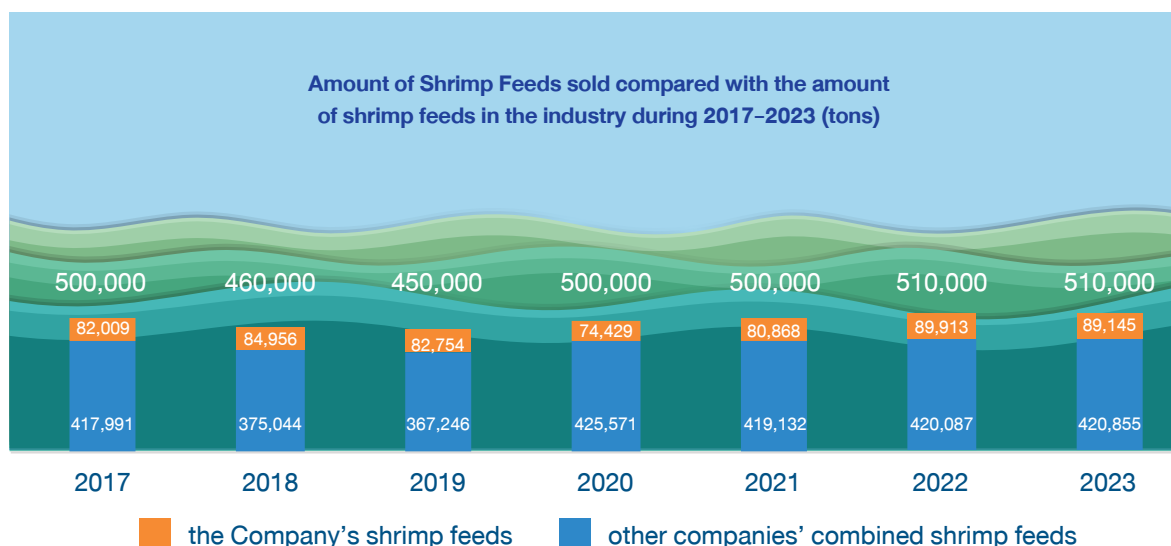
Important factors related to competition in the aquaculture feed industry are; (1) quality and consistency of products and services, where freshness and nutritional values of the products are key. Determiners are Average Daily Gain (ADG) and Feed Conversion Ratio (FCR) of aquatic animals; (2) price competitiveness which includes credit limit and credit term; (3) the ability to procure shrimp larvae with high rate of growth; (4) the ability to find markets to accommodate aquaculture products; (5) the ability to deliver products within the determined time; and (6) the ability to provide assistance/knowledge on aquaculture.

Each group of aquaculture feed producers focus on different needs of customers. Most middle and large producers mainly

emphasize on the production of quality products. This depends on the selection of good raw materials together with the production system that is of international standard. Some plants apply automatic production system to be able to ensure consistent quality of the products, while some small and medium producers may focus on price competition and credit terms. Since the majority of aquaculture feed entrepreneurs are in the aquatic animal supply chains (both upstream and downstream industries), or other related industries such as the Company (a company under TU group which is a major seafood processing entrepreneur in Thailand), CPF and Betagro. Thus, middle to large entrepreneurs are quite equipped with expertise and experience in aquaculture feed industry. They are able to respond to customers' demands/provide additional support for customers in other areas such as the procurement of quality shrimp larvae. These are an important factor that determines the decision to buy aquaculture feeds of customers who are entrepreneurs in the aquaculture industry, as well as exploring markets to accommodate the customers' aquaculture products, and providing knowledge on aquaculture.

(1) The Company's Shrimp Feed Market Share

Between 2017–2023, the Company's shrimp feed market share grew from 15.8 percent in 2016. The estimate of the use of shrimp feeds by the Thai Feedmill Association in 2023 stood at 510,000 tons. This led market share of the Company's shrimp feeds rose to 19.0 percent in 2023, due to the sales strategy adjustment to focus on high-quality products while the selling volume was at 89,145 tones.



Source: Thai Feedmill Association and the Company's data

2.2.3 Procurement of Goods and Raw Materials for the Production

2.2.3.1 Production Bases and Capacity

As of 31 December 2023, the Company had 1 **Head Office** located in Mueang Samut Sakhon District, Samut Sakhon Province and 2 manufacturing plants, namely (1) **Mahachai Plant** which is located in Mueang Samut Sakhon District, Samut Sakhon Province and (2) **Ranot Plant** which is located in Ranot District, Songkhla Province. Locations of the two plants are suitable to the Company's aquaculture feed production since they are in the central and southern regions where important animal farming activities are located, especially aquaculture. This saves the Company's shipping costs. Moreover, having plants in two regions are beneficial in terms of risk management should any one of the plants becomes dysfunctional.

In addition, the Company also has the production plants in overseas located in 2 countries (3) **Indonesia** located in East Java which was the shrimp farming area due to there is the sea area around there. This plant mainly focuses in shrimp feed to expand the Company's market to the shrimp farmers in Indonesia, the leading country of shrimp producer and exporter in the world. (4) **Pakistan** located in Lahor city, started its business with fish feed production plants (Rohu and Trout), after that expanded its product to livestock feed and was in the installation process of shrimp feed production.

Since animal feed production is a business that is promoted with tax benefits by the government, in order for the Company to manage tax-related expenses efficiently, in general, the Company mainly uses machineries with BOI Capacity in its production. The Company may use certain old production lines that are not benefited from tax incentives provided by the BOI only in the case where the order exceeds the BOI Capacity, and the Company has come to a decision that it is not necessary to invest in additional machineries to receive BOI benefits.

2.2.3.2 Procurement of Raw Materials

Raw materials that are used in the Company's animal feed productions can be categorized into 4 groups, namely (1) fish meal and chicken meal (2) soybean meal (3) flour (collectively called "**main raw materials**") and (4) other raw materials. The Company's cost of procuring main raw materials amounted to more than 65 percent of the total raw material



expenses during 2019-2022. Other raw materials include vitamins and minerals, additives, and containers.

Over 80 percent of raw material expenses during 2020-2023 were for materials sourced from domestic producers/importers. The rest were for materials sourced from producers/distributors abroad. The proportion of raw materials from the top ten suppliers amounted to approximately 50-60 percent of the total raw materials supplied during 2020-2023. The Company does not source raw materials from any one supplier more than 20 percent of the total value of raw material expenses at any time.

The Company seeks to produce the best quality animal feeds. Therefore, the Company prioritizes quality of raw materials which affect the Average Daily Gain (ADG) and Feed Conversion Ratio (FCR) of animals. The Company only purchases raw materials from suppliers in the Company's Approved Vendor List which has been verified that vendors on the list supply quality raw materials with acceptable standards. The credit term that the Company receives from suppliers is usually between 7-60 days.

For the majority of raw materials, the Company agrees on price and amount of a raw material with each supplier in advance and on a quarterly basis (depending on the market conditions at any one time both in terms of the price tendency and the supply of raw materials in the market). Each week, the Company, together with each supplier, come up with the raw material delivery plan based on the Company's raw material utilization plan. This is to ensure consistent production

with fresh raw materials. The Company's procurement team monitors the conditions on the amount and price of raw materials closely and constantly in order to decide and plan the purchase in accordance with the supply and price conditions. At a time when a raw material tends to be insufficient or to have an increase in price, the procurement team will coordinate with the supplier of that raw material to agree on the price and determine the amount to be delivered for each period in advance. The procurement team may also decide to have some spare raw materials in order to ensure that the Company can obtain sufficient raw materials at appropriate costs. The Company has a policy to have spare raw materials in safety stock for at least 15 days. Details of each raw material and its procurement plan are as follows:

(1) Fish Meal is sourced from legal and quality fisheries.

Fish meal is a good source of protein and is one of the important protein sources in animal feeds.

The Company procures fish meal from fish meal production plants in Thailand. These include fish meal plants under the TU Group such as Jana Fish Industries Company Limited (Jana), TC Union Agrotech Company Limited (TC Union), and SPF Diana (Thailand) Company Limited, as well as fish meals from abroad that have received IFFO Standard for Responsible Supply Chain of Custody (IFFO RSCoC).

(2) Soybean Meal is a byproduct from the production of soybean oil. Soybean meal is another important source of protein in animal feeds since it is a major plant-based protein source.

Soybean meal can be procured from soybean oil production plants. The Company procures this from external producers which are major producers of soybean meal.

(3) Flour is a raw material that provides energy for animals.

Flour is made from corn, wheat and tapioca. They can

generally be sourced from within Thailand. Some is imported from abroad from external distributors. (Wheatflour is imported and procured through E-Auction System).

(4) Other Raw Materials

(4.1) Vitamins and Minerals

Vitamins and minerals are in the form of chemical compounds since only a small amount is used in the feed formula. They are usually premixed and are usually called "premixed substance". Sometimes, they are called "supplements". The Company sources vitamins and minerals from quality external distributors.

(4.2) Lipid Raw Materials are raw materials that provide

energy, give out essential lipid acid, and dissolve certain vitamins. Sometimes, they are used as flavoring agent to stimulate animals to consume more feeds. Oil that the Company uses in animal feeds is categorized into two major types:

- (1) Animal oil, namely fish oil. This is a product and byproduct of frozen tuna plants. The Company sources fish oil from plants that process byproducts in Thailand, as well as plants that produce raw materials for animal feeds under TU Group such as Jana, TC Union, and SPF.
- (2) Plant oil such as soybean oil. The Company procures quality plant oil from external plant oil manufacturers in Thailand.

(4.3) Additives

- (1) Binders - make feeds last in water.
- (2) Feed favoring agents - help enhance smells and flavors of the feeds.

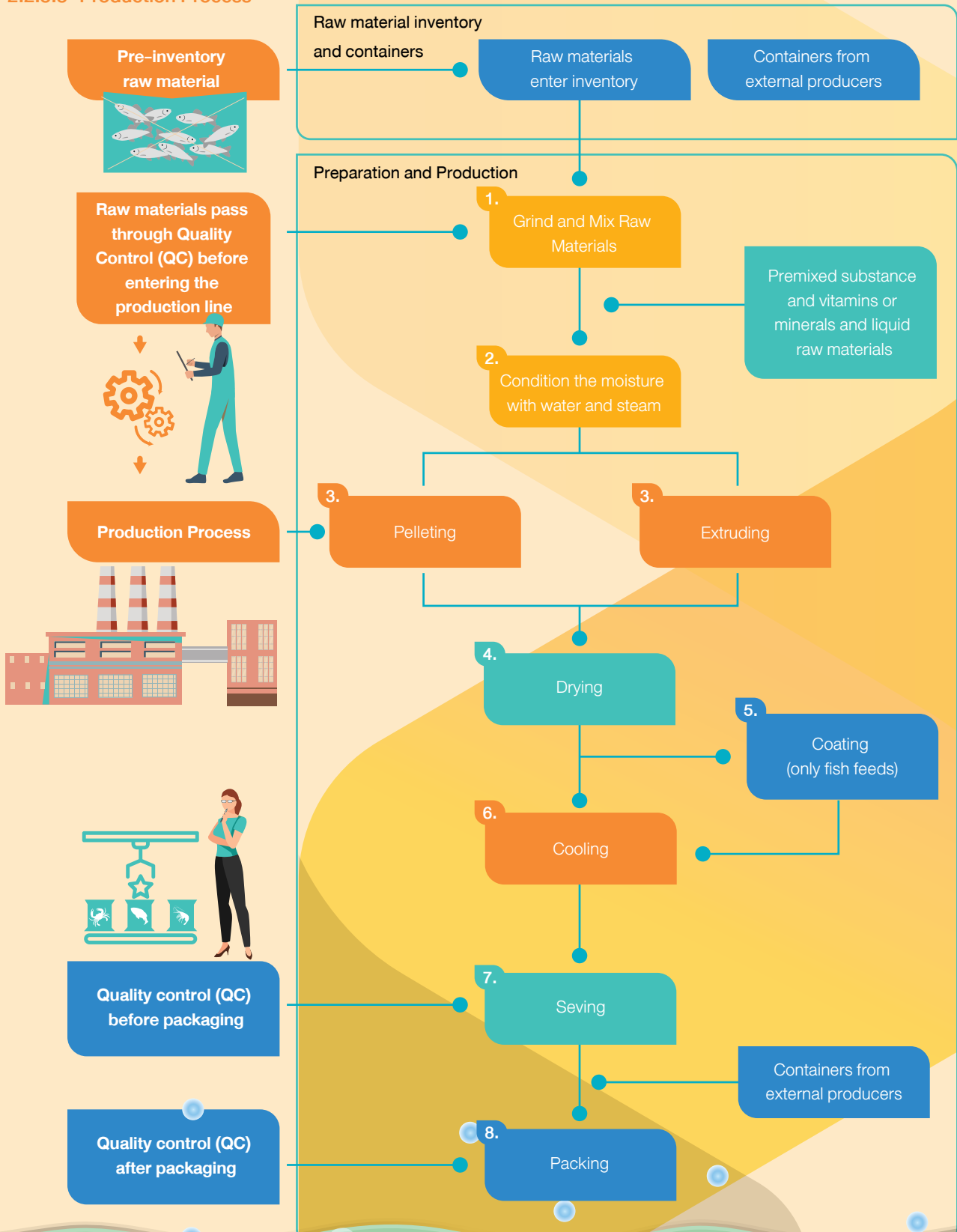
(4.4) Containers are packaging materials for the

Company's products. They are made from materials that prevent moisture from contacting the feed. This is to prolong the shelflife of feeds. Containers are to be tested for their physical qualities, ensuring that they are of the correct brand, size, color, width, length, registration, and have the features as written on the labels. The Company procures containers from external suppliers in Thailand.

In the procurement of raw materials both at Mahachai and Ranot plants, there are both cases where the suppliers are responsible for the shipping and where the Company picks up the raw materials from the suppliers' premises.



2.2.3.3 Production Process





2.2.3.3 Law and Regulations related to the Business Operations

(1) Laws relating to the Production, Importation and Distribution of Animal Feeds

In 2015, the National Legislative Assembly of Thailand approved the Animal Feed Quality Control Act B.E. 2558 (2015) ("**Animal Feed Quality Control Act**"). This Act replaces the Animal Feed Control Act B.E. 2525 (1982) (including amendments).

The Animal Feed Quality Control Act determines that those who wish to produce for sale, import for sale, and sell specifically controlled animal feed as prescribed by the Notification of the Minister of Agriculture and Cooperatives must apply for license from the Director-General of the Department of Livestock Development or a person authorized by the Director-General of the Department of Livestock Development prior to the conduct of such activity. The Ministerial Notification on the Determination of Specifically Controlled Animal Feed B.E. 2558 (2015) prescribes mixed animal feed for tiger prawns, freshwater prawns, herbivorous freshwater fish, carnivorous freshwater fish, carnivorous seawater fish, frogs, broilers, layers, local chicken, duck layers, duck, quails, pigs, beef cattle, and milk cattle are specifically controlled animal feed according to the Animal Feed Quality Control Act.

The Animal Feed Quality Control Act prescribes three classifications of licenses, namely (1) license to produce specifically controlled animal feeds with the validity of three years from the date of issue; (2) license to import specifically controlled animal feeds with the validity of one year from the date of issue; and (3) license to sell specifically controlled animal feed with the validity until the end date of the calendar year in which the license is granted. The licensee who wishes

to renew his or her license shall submit an application before the expiry date of the relevant license. After submitting the application, the licensee shall continue with the operation until the licensor refuses to renew the application. Moreover, the application must be decided upon within thirty days after the date of the receipt of the application with complete documents. In case the licensee wishes to submit the renewal application after the license's expiry date, he or she may do so within thirty days after the expiry date together with reasons for not being able to submit a license renewal application in time.

If it is found that a person produces or imports specifically controlled animal feeds without license, that person is liable to imprisonment for a term not exceeding three years or to a fine not exceeding THB sixty thousand or to both. If a person is found to sell animal feeds without license, that person is liable to imprisonment for a term not exceeding one year or to a fine not exceeding THB twenty thousand or to both. In case the offender is a juristic person as a result of a directive or action of any person or of a failure to issue an order or to perform the required duties of the managing director, manager/director, or a person responsible for the operation of such juristic person in accordance with the Animal Feed Quality Control Act, such person shall be liable to the punishment prescribed for such offence.

Moreover, under the same Act, after an entrepreneur has been granted a license to produce or import animal feed, the licensee shall register the animal feed to the Department of Livestock Development. The licensee may produce or import such animal feed only after receiving a certificate of registration. The certificate of registration of animal feed does not have an expiry date unless annulled or revoked.

(2) Laws relating to the Importation of Raw Materials for the Production of Animal Feeds

The Ministry of Commerce Regulation on the Criteria, Procedure and Conditions for the Application and Permission to Import Wheat into the Kingdom (including amendments) stipulates that any person who wishes to import wheat into the Kingdom for the purpose of producing animal feeds must apply for a license from the Director-General of the Department of Foreign Trade, who will only permit the importation of wheat as necessary for the production of shrimp feeds. The amount is to be certified by the Department of Fisheries.

The Regulation of the Department of Fisheries on the Criteria to Certify the Amount of Wheat necessary to Produce Shrimp Feeds and the Issuance of Certification of the Amount of Wheat to be used for the Production of Shrimp Feeds B.E. 2560 (2017) stipulates that the Department of Fisheries may issue a certification on the amount of wheat for the production of shrimp feeds as necessary. An entrepreneur may have wheat as a composition in shrimp feed of not more than 20 percent.

(3) Laws Relating to Public Health

The Public Health Act B.E. 2535 (1992) (including amendments) ("**Public Health Act**") stipulates that the Minister of Public Health, with the advice of the Committee of Public Health, may prescribe any business being hazardous to health. The local government has the power to issue local ordinances prescribing category of certain business or business listed in the Notification of the Minister of Public Health on Business that is Hazardous to Health, as controlled business within such locality and prescribing

general rules and conditions in respect of care of conditions or hygiene of the place used for business operation, and preventive measures against health hazards. To produce, mill, meal, grind, mix, pack, collect or conduct any other action on animals or plants or parts of animals or plants for the purpose of producing animal feed or ingredients of animal feed is considered a business hazardous to health and is a controlled business under the Kalong Subdistrict Administrative Organization, Mueang Samut Sakhon District, Samut Sakhon Province.

Any person who wishes to conduct a business that is hazardous to health which is a controlled business in a locality shall apply for a license from the local competent official. The license is valid for one year from the date of issue. It shall only be valid in the jurisdiction of the locality where the license is issued. The licensee is to submit the application to renew the license prior to the expiry date. After submitting the application, the licensee shall continue with the operation until the application for the renewal is denied. Any person who operates a business that is hazardous to health which is a controlled business in a locality without a license shall be liable to imprisonment for a term not exceeding six months or to a fine not exceeding fifty thousand baht or to both. In case the offender is a juristic person as a result of a directive or action of any person or of a failure to issue an order or to perform the required duties of the managing director, manager/director, or a person responsible for the operation of such juristic person in accordance with the Public Health Act, such person shall be liable to the punishment prescribed for such offence.





(4) Laws relating to the Operation of Manufacturing Plants

The Factory Act B.E. 2535 (1992) (including amendments) ("**Factory Act**") stipulates three categories of factory depending on the type, kind and size as provided for in a ministerial regulation. The first category of factory/plant is a factory/plant that is capable of engaging in a factory business immediately without the need to notify or apply for license from a relevant government agency. The second category of factory/plant is a factory/plant that needs to notify the Grantor (or the permitting authority) before engaging in a factory business. The third category of factory/plant is the factory/plant that needs to be granted a License to Engage in a Factory business ("**License to Engage in a Factory Business**") from the Permanent Secretary of the Ministry of Industry or a person authorized by the Permanent Secretary of the Ministry of Industry prior to engaging in a factory business. This also applies to the expansion of factory/plant or the increase of production capacity. The licensee shall apply for license prior to such action. The Ministerial Regulation B.E. 2535 (1992) (including amendments), by virtue of the Factory Act, has stipulated the type, kind, and size for the three categories of factory/plant above. The categorization mainly takes into account the type and size (including horse powers and the number of workers). For instance, a factory/plant that produces mixed feeds or ready feeds for animals have machineries not exceeding 50 horse powers is considered to be in the second category. If that factory/plant has machineries exceeding 50 horse powers, then it is in the third category.

Entrepreneurs shall follow the provisions prescribed in ministerial regulations and other relevant rules and regulations which include the following aspects (1) location, the environment, nature of the factory/plant building, and the

interior of the factory/plant (2) machineries, equipment or other objects used in the factory business (3) adherence to labor-related laws (4) control the discharge of wastes, pollutants, or anything that affects the environment, including wastewater treatment and noise control (5) safety of factory business and (6) other provisions stipulated in the License to Engage in a Factory Business. In general, any person who operates the third category of factory/plant without license is liable to imprisonment for a term not exceeding two years or to a fine not exceeding two hundred thousand baht or to both. In case the offender is a juristic person as a result of a directive or action of any person or of a failure to issue an order or to perform the required duties of the managing director, manager/director, or a person responsible for the operation of such juristic person, such person shall be liable to the punishment prescribed for such offence.

In case, the entrepreneur engaging in a factory business does not follow the directives of the competent officials without any reasonable grounds or engage in an activity that may cause hazard, damage or grave disturbance to an individual or asset in the factory/plant or the surrounding, the Permanent Secretary of the Ministry of Industry or a person authorized by the Permanent Secretary of the Ministry of Industry shall have the power to order a suspension of the entire or part of the factory operation and to improve or rectify the action. If this is not carried out within the determined period, the Permanent Secretary of the Ministry of Industry or a person authorized by the Permanent Secretary of the Ministry of Industry has the power to order the closure of factory/plant. The closure order also has an effect of revoking the license to engage in a factory business for the third category of factory/plant.

At present, the Company has been granted all the necessary licenses for the Company's business operations.

2.2.4 Assets used in Business Operations

2.2.4.1 Core Fixed Assets

As of 31 December 2023, the Company had 2 types of core fixed assets used in business operations, namely, property, plant, and equipment owned by the Company, and right-of-use as-sets. Details are as follows:

Property, Plant and Equipment

As of 31 December 2023, the Company possessed the following core fixed assets used in business operations; land and land improvements, buildings and building improvements, machinery and factory equipment, furniture, fixtures and office equipment, vehicles, and assets under construction, owned by the Company (recorded under property, plant, and equipment item in the financial statements). The total net value according to the list in the Company's total financial state-ments was THB 1,426.0 million or 42.9 percent of the total assets. Details are as follows:



Item	Type of Ownership	Net Value (THB million)	Obligation
1. Land and land improvements	Company-owned	323.6	- none -
2. Buildings and building improvements	Company-owned	456.5	- none -
3. Machinery and factory equipment	Company-owned	593.6	- none -
4. Furniture, fixtures and office equipment	Company-owned	10.0	- none -
5. Vehicles	Company-owned	2.4	- none -
6. Assets under construction	Company-owned	39.9	- none -
Total		1,426.0	

Right-of-use Assets

As of 31 December 2023, the Company possessed the following right-of-use key fixed assets used in business operations; land and land improvements, buildings and building improve-ments, furniture, fixtures and office equipment, and vehicles (recorded under right-to-use assets item in the financial statements). The total net value according to the list in the Company's total financial statements was THB 6.0 million or 0.2 percent of the total assets. Details are as follows:

Item	Type of Ownership	Net Value (THB million)	Obligation ¹
1. Land and land improvements	Rented from a party that may be in conflict/an external party	0.7	
2. Buildings and building improvements	Rented from a party that may be in conflict/an external party	2.2	
3. Furniture, fixtures, and office equipment	Rented from a party that may be in conflict/an external party	0.7	
4. Vehicles	Rented from an external party	2.3	
Total		6.0	

Remark: ¹ Right-of-use assets are those that the Company does not have ownership.

Investments in Subsidiaries

As of 31 December 2023, the Company's value of investment calculated with the cost method was THB 528.7 million or 17.4 percent of the total assets according to separate financial statements. Details of such investments are as follows:

Subsidiary	Proportion of Shareholding (Percent)	Paid-up Capital	Investment calculated with the Cost Method (THB million)
PT Thaiunion Kharisma Lestari (TUKL)	65.0	IDR 309,360 million	480.2
AMG-Thaiunion Feedmill (Private) Limited (AMG-TFM)	51.0	PKR 500 million	48.5

2.2.4.3 Policy on Investments in Subsidiaries and Affiliates

The Company has a policy to invest in a business where its executives are also shareholders to ensure that the executive team will supervise and manage such business towards success. At the same time, the Company monitors the undertakings of such business closely, be it in the areas of annual plans, expansion of business, and increase in investments, so that they are under the same direction and policy. An audit unit has been set up to conduct audit on the Company and subsidiaries to monitor compliance with the policies of the Board of Directors in an efficient, transparent, and accountable in every step of the operation.

The Company invests in a business that complements and/or relates to the main business of the Company. The business must have the potential to grow and generate income and profits for the Company. In the case of a subsidiary or a business that the Company has the authority to control, the management of the subsidiary or business will be in accordance with the Company's policy. The Company may send representatives to be directors and/or executives to take part in the management of the business. This is to be in line with the Company's proportion of shareholding in the business. Every investment must receive an approval from the authorizing entity according to the Company's delegation of authority. The authorizing entity may set up a team to conduct studies on the feasibility and reasonableness of an investment, taking into account the necessity, suitability, and benefits to the Company and shareholders. The investment must be in line with the notification of the Board of the Governors of the Stock Exchange of Thailand, and the Capital Market Supervisory Board.



2.2.4.4 Investment Policy

In order for the Company's operations on investment in various projects, be it domestic and international investments, direct investments, investments and holding of stocks in other businesses or investment in joint ventures, to have good internal control, appropriate risk management in place, and compliance with laws and regulations of relevant regulators, as well as transparency and accountability, the Board of Directors has decided on an investment policy with details as follows:

- 1) The Company invests in a business where its executives are also shareholders to ensure that the executive team will supervise and manage such business towards success. At the same time, the Company monitors the undertakings of such business closely, be it in the area of annual plans, expansion of business, and increase in investments, so that they are under the same direction and policy. An audit unit has been set up to conduct audit on the Company and subsidiaries to monitor compliance with the policies of the Board of Directors in an efficient, transparent, and accountable in every step of the operation.



- 2) The Company prioritizes investments in the Company's key business, namely the commercial production and distribution of animal feeds. In this regard, the Company invests in businesses that support or are related to the Company's main business. The Company will consider the growth potentials and risks of the business it is about to invest in. However, the Company does not conduct any business that is in conflict with the interests of Thai Union Group Public Company Limited.
- 3) In the case of the Company investing in a subsidiary or a business that the Company has the authority to control, the management of the subsidiary or business will be in accordance with the Company's policy. The Company may send representatives to be directors and/or executives to take part in the management of the business. This is to be in line with the Company's proportion of shareholding in the business.
- 4) Every investment must receive an approval from the authorizing entity according to the Company's delegation of authority. The authorizing entity may set up a team to conduct studies on the feasibility and reasonableness of an investment, taking into account the necessity, suitability, and benefits to the Company and shareholders.
- 5) The executives or the team that proposes an investment must consider

5.1 Budget and/or expense needed for the investment, the funding source, and the shareholding structure in the business that the Company is to invest in.

5.2 Business synergy with the Company's business, feasibility of investment, expected returns, risks, management or risk mitigation approaches, as well as other relevant legal aspects.

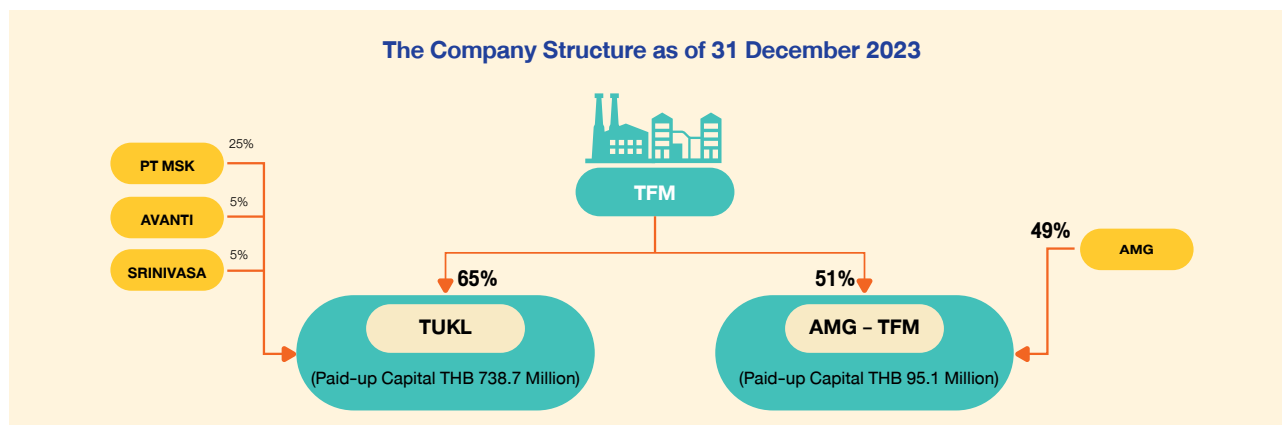
5.3 Conflict of interest that may arise from the investment.

- 6) Due diligence must be conducted on various issues, namely ultimate shareholders, technical information, financial accounts, as well as other relevant legal aspects.
- 7) For corporate social responsibility (CSR) projects or charity projects or other projects that are important to the Company's reputation, the team may submit details of the projects to the authorizing entity, according to the Company's delegation of authority, for approval on a case by case basis.
- 8) An investment must be in line with the notification of the Board of the Governors of the Stock Exchange of Thailand and the Capital Market Supervisory Board on Rules on Entering into Material Transactions Deemed as Acquisition or Disposition of Assets, and Rules on Connected Transactions.
- 9) Progress and outcomes of the approved projects must be monitored and reported to the relevant committees such as the Budget Committee, and/or the Executive Committee, and/or the Board of Directors at the end of every quarter.



1.3 Shareholding Structure

1.3.1 Shareholding Structure



Remark: PT MSK and AVANTI Group hold in proportion of 25.0% and 10.0% respectively of the total paid-up capital shares of TUKL. The paid-up capital of TUKL is calculated in Baht currency. AMG group holds 49.0% of the total paid-up capital share of AMG-TFM. The paid-up capital of AMG-TFM is calculated in Baht currency.

No.	Company Name	Head Office	Type of Business	Registered Capital (THB Million)	Paid-up Capital (THB Million)	Total of paid-up share	No. of shareholding	% of shareholding	Type of share
1	PT Thai Union Kharisma Lestari Limited (TUKL) Tel: +62 (0) 31-7491000	Indonesia	Manufacturer and distributor of animal feeds	738.7	738.7	30,936,000 shares	20,108,400 shares	65%	Common share
2	AMG-Thaiunion Feedmill (Private) Limited (AMG-TFM) Tel: +92 (0) 34-58460707	Pakistan	Manufacturer and distributor of animal feeds	95.1	95.1	4,600,000 shares	2,346,000 shares	51%	Common share



1.3.2 Major Shareholders

(1) Top 10 major shareholders as of record date on 30 December 2023 shall be as follow:

Name of shareholders	No. of share	%
1. Thai Union Group Public Company Limited ¹	255,000,075	51.00
2. Group of Mr. Rittirong Boonmechote ²		
2.1 Mr. Rittirong Boonmechote	61,490,500	12.30
2.2 Mrs. Nittaya Boonmechote	4,500,000	0.90
Total share of group of Mr. Rittirong Boonmechote	65,990,500	13.2
3. Mr. Bunluesak Sorajjakit	15,500,000	3.10
4. Ms. Rungtiwa Boonmechote	9,425,000	1.89
5. Master Kantapong Piemongsuk	7,500,000	1.50
6. Mr. Sukson Yasasin	6,977,300	1.40
7. Mr. Chinnachot Boonmechote	5,625,000	1.13
8. Mr. Chotiwat Boonmechote	5,000,000	1.00
9. Mr. Thanachote Boonmechote	4,422,000	0.88
10. Mr. Boonpaween Boonmechote	4,125,000	0.83
11. Other shareholders	120,415,125	24.08
Total	500,000,000	100.0

Remark:

¹ Top 10 shareholders of TU as of record date on 28 December 2023 which including their associates and persons who are under controlling persons shall be as follow:

² Miss Nittiya Boonmechote is a spouse of Mr. Rittirong Boonmechote.

Top 10 shareholders of TU	No. of share	%
1. Chansiri Family	935,29,296	19.60
2. Thai NVDR Company Limited	632,685,519	13.26
3. Niruttinanon Family	347,745,120	7.29
4. MITSUBISHI CORPORATION	327,242,084	6.86
5. MS. JARUNEE CHINWONGWORAKUL	216,707,008	4.54
6. Social Security Office	152,421,200	3.19
7. SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	118,776,424	2.49
8. Thai Union Group Public Company Limited*	116,682,800	2.45
9. STATE STREET EUROPE LIMITED	99,471,038	2.08
10. Boonmechote Family	84,242,980	1.77
Total	3,031,270,469	63.53

Remark:

* No. of treasury stock of TU

(2) Agreement between major shareholders affecting the issuance and offering of shares or the management of the Company and subsidiaries and business' operation

The Company has no agreement between shareholders of the Company. However, the Company has entered into joint venture agreement with the shareholders of the subsidiaries. (The details of such agreement shall be described in section 1, item 5 'other information' of this report.)

Report on change of shareholding of directors and management in 2023

As of 31 December 2023

No.	Name	Position	No. of shareholding as of 31 December 2022	No. of shareholding as of 31 December 2023	No. of share which change (increase/decrease) in 2023	% of shareholding
1	Mr. Rittirong Boonmechote	Chairman of the Board of Director/Chairman of the Executive Committee	61,490,500	61,490,500	-	12.30%
	Spouse and minor child		4,500,000	4,500,000	-	0.90%
2	Mr. Thiraphong Chansiri	Director/Member of the Executive Committee	3,250,000	3,250,000	-	0.65%
	Spouse and minor child		-	-	-	-
3	Mr. Cheng Niruttinanon	Director	250,025	250,025	-	0.05%
	Spouse and minor child		6,800	6,800	-	0.00%
4	Mr. Shue Chung Chan	Director	250,000	250,000	-	0.05%
	Spouse and minor child		-	-	-	-
5	Mr. Bunluesak Sorajjakit	Director/Member of the Executive Committee	15,500,000	15,500,000	-	3.10%
	Spouse and minor child		-	-	-	-
6	Mr. Kanit Vallayapet	Director	-	-	-	-
	Spouse and minor child		-	-	-	-
7	Mrs. Rachadaporn Rajchadaewindra	Chairman of the Audit Committee/Independent Director	-	-	-	-
	Spouse and minor child		-	-	-	-
8	Dr. Somchai Thaisanguangvorakul	Member of the Audit Committee/Independent Director	-	-	-	-
	Spouse and minor child		-	-	-	-
9	Mrs. Morragot Kulatumyotin	Member of the Audit Committee/Independent Director	-	-	-	-
	Spouse and minor child		63,000	63,000	-	0.01%
10	Mr. Boonyarit Kalayanamit	Member of Audit Committee/Independent Director	-	-	-	-
	Spouse and minor child		-	-	-	-

No.	Name	Position	No. of shareholding as of 31 December 2022	No. of shareholding as of 31 December 2023	No. of share which change (increase/decrease) in 2023	% of shareholding
11	Mr. Peerasak Boonmechote	Director/Member of the Executive Committee Chief Executive Officer	1,225,000	1,246,400	21,400	0.25%
	Spouse and minor child		-	-	-	-
12	Mr. Suchat Yuddon	Senior Vice President and (Acting) Vice President - Sales and Marketing	-	-	-	-
	Spouse and minor child		-	-	-	-
13	Mr. Ekkaphoom Thakolpattanakul	Senior Vice President Plant Operation	-	-	-	-
	Spouse and minor child		-	-	-	-
14	Mr. Chertchoo Ketkaew	Vice President - Plant Operations	-	-	-	-
	Spouse and minor child		-	-	-	-
15	Mr. Adisorn Jarusyothinnuwad	Vice President Human Resource	-	-	-	-
	Spouse and minor child		-	-	-	-
16	Mr. Preecha Bangnokkhaek	Vice President - Research and Development	-	-	-	-
	Spouse and minor child		-	-	-	-
17	Mr. Komgrit Pavasuttinon	Vice President - Accounting, Finance and Credit Control	-	-	-	-
	Spouse and minor child		-	-	-	-
18	Ms. Kanthima Reanarom	Accounting Manager	-	-	-	-
	Spouse and minor child		-	-	-	-
19	Mrs. Savitri Jaiprasong	Financial Manager	-	-	-	-
	Spouse and minor child		-	-	-	-



No. of registered and paid-up capital

As of 31 December 2023, the registered capital of the Company shall be 1,000,000,000 Baht, comprising of 500,000,000 shares with the par value of 2 Baht per share. The total of shares has been paid-up.

1.4 Issuance of other securities

None

1.5 Dividend payment policy

Dividend payment policy of the Company

The Board of Directors may consider the annual dividend payment of the Company. This must be approved at the Shareholders' Meeting unless it is an interim dividend payment which the Board of Directors has the authority to approve a dividend payment from time to time when the Board of Directors deems that the Company has appropriate profits to do so. The Board of Directors shall report such interim dividend payment to the next shareholders' meeting.

The Company has a policy to pay dividend to shareholders at least 2 times a year with the total amount of not less than 50% of the net profit according to the consolidated financial statements of the Company after the deduction of all types of reserves required by the Company's Article of Association and laws. Such dividend payment shall not over the retained earnings of the Company's financial statements. The Board of Directors will consider a dividend payout by considering various factors for the benefit of shareholders, such as economic conditions, operating results, financial position, cash flow, investment plan, reserves for future investments, reserves for loan payments, or as working capital within the Company. The conditions and restrictions specified in the loan agreement and the dividend payment do not significantly affect the normal business operations of the Company as the Board of Directors deems appropriate or suitable.



Dividend payment policy of the subsidiaries

The Board of Directors of the subsidiaries may consider the annual dividend payment of the subsidiaries. This must be approved at the Shareholders' Meeting of the subsidiaries unless it is an interim dividend payment which the Board of Directors of the subsidiaries have the authority to approve a dividend payment from time to time when the Board of Directors of the subsidiaries deems that the subsidiaries have appropriate profits to do so. The Board of Directors of the subsidiaries shall report such interim dividend payment to the next shareholders' meeting of the subsidiaries.

The subsidiaries have a policy to pay dividend to shareholders at least 2 times a year with the total amount of not less than 50% of the net profit according to the consolidated financial statements of the subsidiaries after the deduction of all types of reserves required by the subsidiaries' Article of Association and laws (in the case that the subsidiaries do not have a consolidated financial statement, they will consider paying dividends from the separate financial statements of such

subsidiaries). Such dividend payment shall not over the retained earnings of the subsidiaries' financial statements. The Board of Directors the subsidiaries will consider a dividend payout by considering various factors for the benefit of shareholders, such as economic conditions, operating results, financial position, cash flow, investment plan, reserves for future investments, reserves for loan payments, or as working capital within the subsidiaries. The conditions and restrictions specified in the loan agreement and the dividend payment do not significantly affect the normal business operations of the subsidiaries as the Board of Directors of the subsidiaries deems appropriate or suitable.

PT Thai Union Kharisma Lestari (TUKL), subsidiary of the Company, has entered into loan agreement with financial institute for plant construction, purchasing machine, and working capital of TUKL. This loan agreement has a condition that during the balance of the loan under this agreement, TUKL agrees not dividend payment or return the funds or assets to the shareholders and/or directors of TUKL (please consider the details of the loan agreement of TUKL).

Dividend payment information

	2020	2021	2022	2023
Earning per share	THB 1.00	THB 0.50	THB 0.22	THB 0.17
Dividend per share	THB 0.60	THB 1.15	THB 0.13 ²	THB 0.13 ²
Dividend payout ratio (%)	59.75%	230.00% ¹	59.34%	74.40%

Remarks:

¹ In 2021, the Company paid dividend from net profit at the rate of THB 0.40 per share while earning per share was at THB 0.50 (The weighted average number of shares was 425 million shares). This represents the dividend payout ratio at 83.9% of net profit. The Company also paid dividend from retained earning at the rate of THB 0.76 per share (The amount of share before IPO was 410 million shares) and this represents the dividend payout ratio at 98.5% of net profit.

² In 2022, the interim dividend has been paid at THB 0.05 per share from the first-half operation and the rest shall be paid after approved by the shareholders.



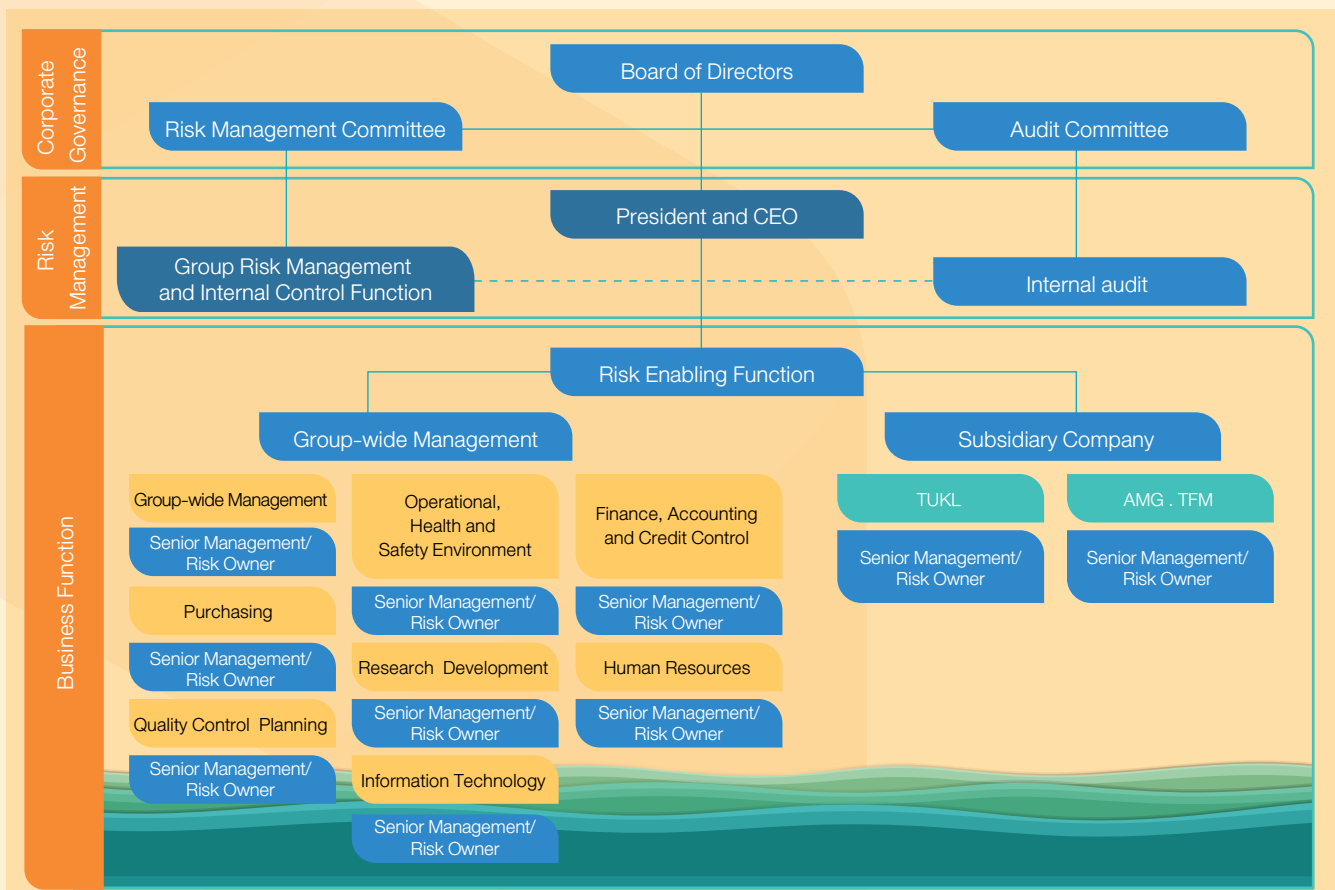
Risk Management

2.1 Risk Management Policy and Governance

Thai Feedmill Public Company Limited (the Company), which is one of the well-known producers and distributors of aquaculture feeds and a subsidiary of Thai Union Group Public Company Limited (TU or TU Group), The Company is aware of the importance of risk management and is committed to systematic and consistent risk management throughout the Company and its subsidiaries with an aim to promote good corporate governance, bolstering confidence among investors, and facilitating the achievement of the Company's commitments to **"Healthy Living, Healthy Oceans"** and making progress towards it. With the difficult headwinds from global challenges, the Company has continued to demonstrate the desire to embed risk culture through all business levels.

Risk management structure, roles and responsibilities are clearly established. The Board of Director (BoD) provides

important oversight to enterprise risk management, and is aware of and concurs with the Company's risk appetite level. The BoD appointed the Risk Management Committee (RMC) to oversee risk management implementation and regularly reports risks and mitigations. The RMC is diverse, composed of independent directors and top executives, while the chairman of RMC is an independent director. They possess the expertise and knowledge in the Company's business and risk management. The CEO is to ensure the appropriate and effective implementation of risk management throughout the organization. The Group Risk Management and Internal Control function, directly reports to RMC and dotted reports to the CEO and plays an important role in implementing the risk management program at a Group level, while providing advice and guidance on the risk management framework and process to risk enabling function. Risk owner implements risk management according to the Company's guidance. Management and employees are responsible for managing risks in their areas of responsibility.



Throughout the year, the Company has been continuously improving the risk management program to respond with business desires by embedding risk management in different areas;

1. Strategic risk: the Company integrates risk management in business planning process, formulates mitigation plan during business planning process from different scenarios. As such macroeconomic and supply chain challenges are assessed with TU Group's Global Leadership Team (GLT) and reported the RMC respectively.

2. Sustainability – related risk: TU Group formulates Sustainable Development (SD) Committee. The SD Committee is chaired by the CEO and co-chaired by the Group Director of Sustainability, and brings together key senior executives to review progress towards sustainability commitments, consider and assess emerging issues, and make strategic decisions to drive Thai Union's sustainability initiatives. Through the TU Group's global sustainability strategy, SeaChange®, the Company is working to implement programs that deliver long-term and sustainable change to support TU Group. In 2023, the TU Group announced a major update to SeaChange® with new goals and new commitments through to 2030.

3. Financial risk: the Company manages financial risk according to TU Group's Financial Risk Management and Treasury Policy and the policy will be annually reviewed and approved by the Executive Committee (EXCOM) of TU Group.

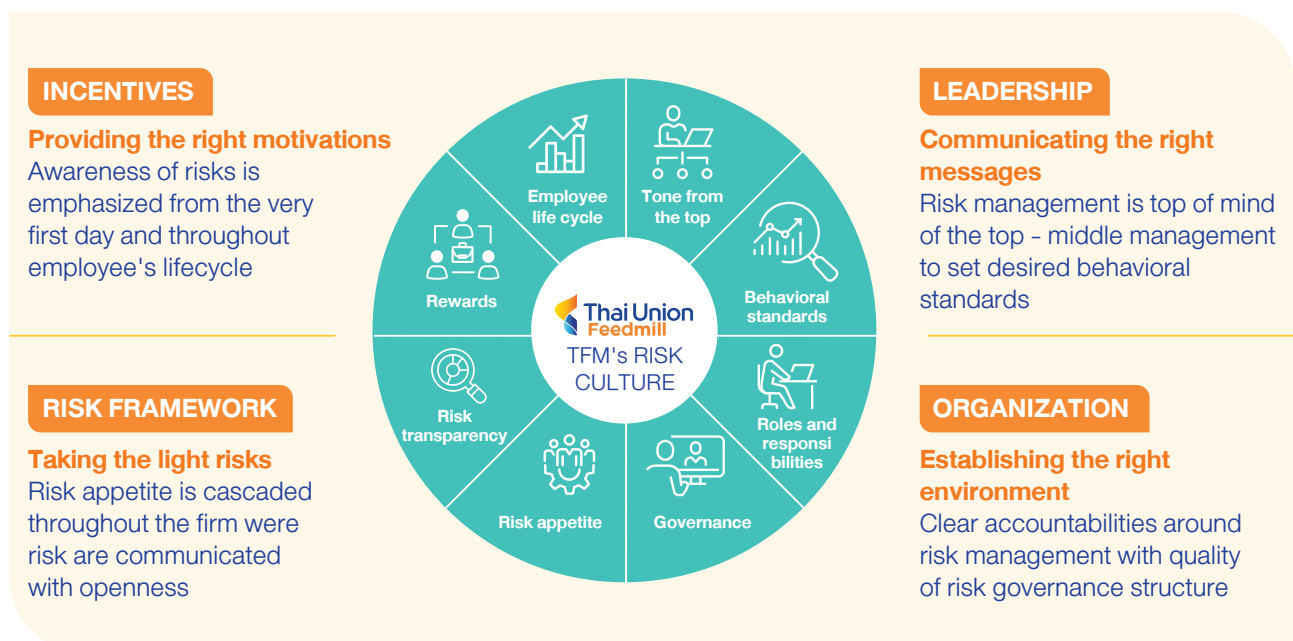
4. Cybersecurity: TU Group formulates IT Security Committee, chaired by CEO & President, to oversee IT security policy, practices and ensure that those are aligned with business directions and can effectively present business operation from cyberthreats.

5. Investment risk: the Company implements a clear investment playbook for how the Company should pursue investments going forward to ensure alignment with growth strategy, systematic screening, and rigorous due diligence/decision-making process and, monitoring investment which is steered by the Executive Committee (EXCOM).

Risk Management Culture

To cultivate risk management culture, BoD promotes risk management as part of the organizational culture and is aware of existing risks and mitigation plans. The Company promotes and enforces the consistent and effective risk management to become a part of the organizational culture. The policy, framework, guidelines, and structure on risk management demonstrate formal communication systematically and consistently. Management personnel embed risk management in business decisions, with no compromise even if it presents higher costs or more operational challenges

Employees are encouraged to have a positive attitude towards proper risk management from 1st day and throughout the employee's lifecycle; for example, new joiner program, regular risk management training, activities, and internal news updates.





Risk Management Framework

The Company's risk management framework is in accordance with the international standards of COSO ERM. It is a guideline for management and employees to operate consistently. The framework is designed to identify, assess, manage, monitor, and communicate systematically and consistently in order to minimize the probability of risks occurring and limit their potential impact on Company business. The Company processes risk management at a Group-wide level, and entity level. The quarterly risk exposure review is conducted with entity risk coordinator, risk owner and Risk Management Committee (RMC). In the meantime, RMC quarterly reports significant risks, mitigations, and improvements to the BoD.

In addition, the Company commits to continuous improvement in risk management practices, thus self-evaluation of RMC and employee risk management feedback on risk management process is regularly conducted for further improvement.

Risk Appetite Statement

Risk appetite is an important factor to consider when the Company sets strategies and determines the direction of risk management. High and Medium-High are considered to exceed the acceptable level and require the immediate actions or mitigation plans. Below are the examples of the Company's risk appetite:

Health & Safety:

We are not willing to accept any permanent disability or death from work-related injuries. We will ensure the safety of everyone at our sites around the world.

Business Interruption (Plant):

We are not willing to accept any incidents causing unplanned plant shutdowns and impact daily plant capacity. We will strive to reduce likelihood and impact of the incidents impact more than 1 day

Anti-Bribery and Corruption:

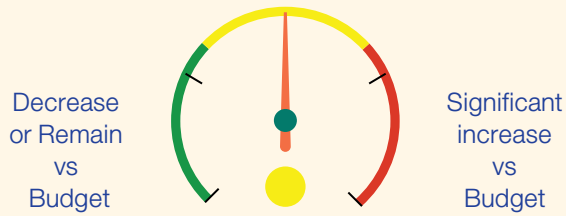
We have zero-tolerance towards bribery and corruption and comply with the anti-bribery and corruption laws everywhere it does business.

Key Risk Indicator

For materiality risks, Key Risk Indicators, or KRIs, are set up and closely monitor movement. KRIs provide an early signal of increasing risk exposures in various areas of the enterprise and combine of lagging and leading indicators. For example, the Company monitors raw material price trend, global incident cyberthreat trend.

Raw Material Price Trend

Slightly increase vs Budget



Cyber treats situation trend

Slightly increase



2.2 Risk Factors on Business Operations

The Company is a leader in is one the well-known producers and distributors of aquaculture feeds, and its operating and financial results are subject to a variety of risks inherent in the feed industry. The Company can prepare for many of the risks to mitigate any impact and/or minimize the likelihood, however many of them are not within our control and could impact the Company's operations, financial position, reputation, and commitment to stakeholders. Thus, the Company defines risk management framework and manual to cover the impact in seven (7) perspectives



Financial perspective



Reputational perspective



Health & safety perspective



Business interruption perspective



Laws & Regulations or Non-compliance perspective



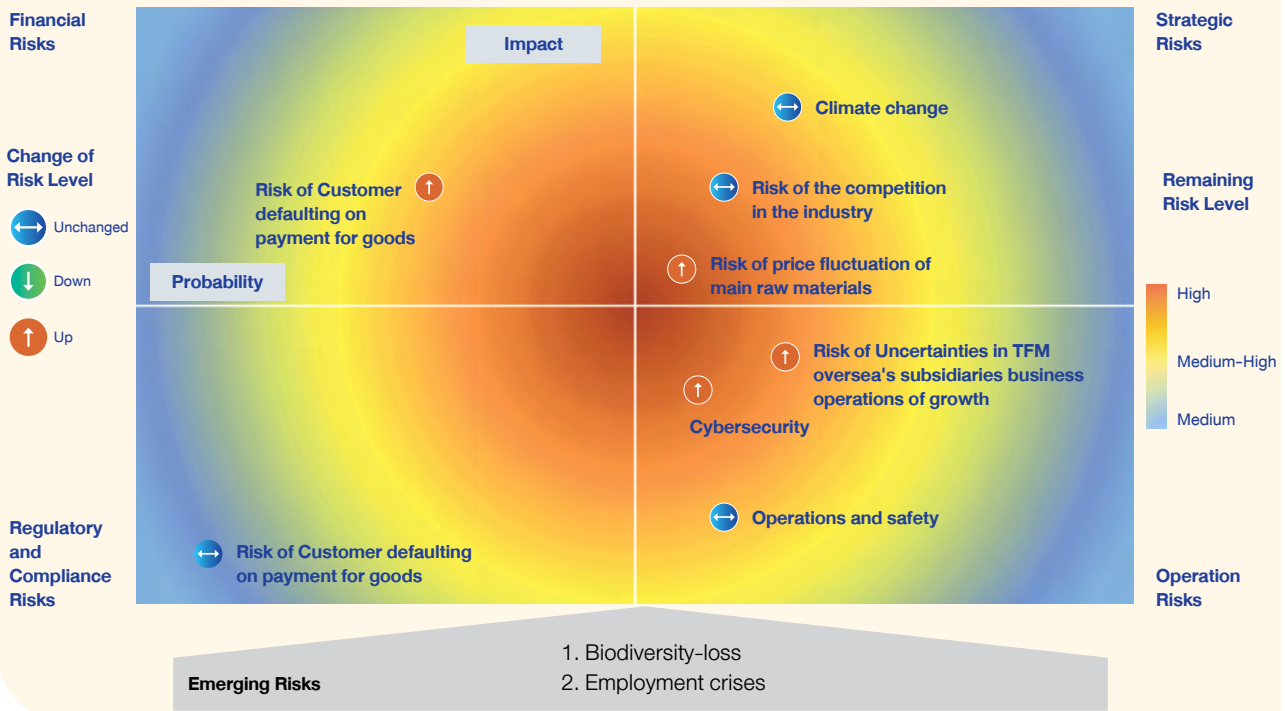
Environment & Social perspective



Information technology perspective

Current and Emerging Risk

Risk Radar



The above risk radar provides an overview of key business risk factors and emerging risks to the Company at the end of 2023 and risk level evolution compared to 2022. To ensure the emerging risk is within TU Group and the Company risk radar, TU Group conducts the annual risk assessment workshop with TU's Global Leadership Team (GLT), which GLT is composed of chairman of the board of the Company. The inside-out and outside-in environment from global risk survey was incorporated in the workshop assumption to illustrate long-term risks that can impede TU Group and the Company strategy and business objectives.

In addition to the risk radar, TU Group, and the Company are aware of the most severe emerging risks on a global scale over the long-term such as biodiversity loss, employment crises, social cohesion erosion, livelihood crises, infectious diseases, human environmental damage, natural resource crises, debt crises, and geoeconomic confrontation. Those emerging risks are incorporated in the annual risk assessment workshop with GLT in order to ensure the emerging risks are assessed and captured at the early stage.

The following pages provide description of key risks and their potential impact, management and mitigation linked to ESG aspect, which management and mitigation plan aim to improve ESG-related factors.

Improves ESG-related factors below



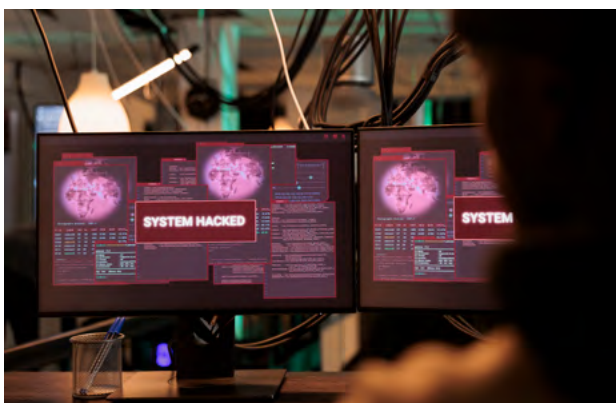
Environment



Social



Governance



Cybersecurity

Description and Impact

Predicting future cyber threats is challenging due to the evolving nature of cybersecurity and digital landscape. However, it is anticipated that threats like sophisticated ransomware attacks, supply chain vulnerabilities, and AI-driven cyber threats will persist. The overall impact extends to the loss of reputation and law enforcement, trust from stakeholders due to compromised data integrity and security breaches. Vigilant cybersecurity measures are crucial to mitigate these risks and safeguard from regulatory compliance, operational continuity, and stakeholder confidence.

Management and Mitigation Plan

- In 2023, TU Group has elevated its cybersecurity governance and mitigation strategies, building upon the foundations laid in the previous year. TU Group renewed focus encompasses a comprehensive management and mitigation plan addressing newer ever evolving cyber threats.
- TU Group has reinforced the cybersecurity function by appointing Global Head of Cyber Security to decide on cyber security strategic direction, implementing robust system and data protection measures, and IT risk management program. Moreover, to improve overall security and robustness of infrastructure, as well as promote awareness and provide training for employees across the organization.
- TU Group's IT Security Committee, chaired by the President and CEO of TU Group, continues to oversee, and align information technology security policies with business objectives. The committee ensures a proactive stance against cyber threats by integrating security practices into our core operations.
- Published updated policies, standards, and procedures to support functions for better alignment and enhanced security measures. Further initiatives are underway to align Thai Union globally toward the defined frameworks, facilitating seamless operational responses to evolving security threats.
- Planned investments over a multiyear roadmap in diverse technologies and tools across different levels to enhance security, such as identity protection, endpoint, application, and network security. Additionally, TU Group's focus is on establishing comprehensive security operations center to strengthen the Company's proactive responses, and fortifying lines of defense.



- Comprehensive Disaster Recovery and Incident Response: TU Group has enhanced our Disaster Recovery Plan (DRP) for key applications, ensuring seamless continuity of operations during cyber emergencies.

Improves ESG-related factors below



Social



Governance

Risk of industry competition

Description and Impact

The Company faces competition from several players in the aquaculture feed industry. They are reputable operators in terms of product quality, manufacturing capacity and funding source to increase the manufacturing capacity, including the industry's long-established player with a large market share and flexibility of credit.

In 2023, global challenges headwinds from climate change, significant drop of aquaculture price, tightening monetary policy leading to economic downturn and financial volatility, as well as unfolding geopolitical tensions had caused an economic downturn worldwide as well as in Thailand, affecting aquaculture product price stabilizing at low level, pushing many farmers into loss-making situation and doubtful debt issues. In the meantime, rising costs of raw materials and limited scope for upward price adjustment continued to pressure the Company's profitability.

Management and Mitigation Plan

In addition to adjusting the product portfolio by focusing more on products with higher profit margins, the Company also managed its risks by continuously striving to enhance its competitiveness to meet our customers' various needs. This included product and manufacturing formula development; launching new products to gain an advantage in a particular



market, e.g. Seabass feed, Koi fish feed and Gourami fish feed; manufacturing cost management to enhance price competitiveness; procuring baby shrimp from business partner; identifying a market for customers; setting a suitable credit line and credit term for respective customer businesses; implementing buy-back program, and maintaining good customer relations

Improves ESG-related factors below



Environment



Social



Governance

Risk of customer default

Description and Impact

The company's main customer groups are animal feed shops and aquaculture farmers, which are mostly domestic and international small and medium enterprises (SMEs). The credit

term for almost all of them is set at not exceeding 60 days. Therefore, the company bears the risk of adverse events affecting the business operations of aquaculture farmers who are its debtors, e.g. flooding of shrimp or fish farms, or other negative events affecting the aquaculture market. Thus, the company is required to record allowances for doubtful accounts and/or bad debts in case of receivable for delivered goods unlikely to be collected. The company recognizes the importance of customer default risk and its impact, and manages such risk with an appropriate and cautious credit term policy, to serve as a standard guideline for setting the credit limit, credit term, and credit conditions. Moreover, the procedure of approving credit is divided to stages where applications are pre-screened before submitting to an authorized person for a final decision. In case of debtors with overdue payments, the company regularly follows up and asks for payment for goods to be made. Different approaches apply for different approaches apply for different groups of debtors categorized by the duration of overdue payment, while a quarterly report is regularly submitted to the company's Board of Directors.



Management and Mitigation Plan

The company recognizes the importance of customer default risk and its impact, and manages such risk with an appropriate and cautious credit term policy, to serve as a standard guideline for setting the credit limit, credit term, and credit conditions. Moreover, the procedure of approving credit is divided to stages where applications are pre-screened before submitting to an authorized person for a final decision. In case of debtors with overdue payments, the company regularly follows up and asks for payment for goods to be made. Different approaches apply for different groups of debtors (categorized by the duration of overdue payment, while a quarterly report is regularly submitted to the company's Board of Directors.

Improves ESG-related factors below



Social



Governance

Climate Change

Description and Impact

Climate change presents a global risk as the planet continues to warm, including the threat of increasing extreme weather events. A warming planet is also impacting the world's oceans, which pose a risk to marine species and aquaculture production on which Thai Union depends. Severe weather and natural disasters which are associated with climate change include floods, droughts, and tsunamis, as well as ocean warming and acidification, which could all impact our production, raw material supply and human resources.

Management and Mitigation Plan

TU Group operates with a strong commitment to respect and responsibility, showing a duty of care to our workers through responsible operations. We have a number of initiatives in place that contribute to water reduction, waste to landfill reduction, greenhouse gas emission reduction and monitoring natural disaster hazards and water risk management. We want everyone that works at Thai Union to play an active role in delivering against our environmental and safety goals. We see safety and environmental protection as everyone's business.

In 2023, Thai Union has committed and implemented a number of initiatives, including:

- In SeaChange® 2030's commitment, Thai Union marks a significant expansion of the company's sustainability strategy, first created in 2016, due to its 11 interconnected goals that will drive global impact for our people and our planet. The commitments, which actively support the delivery of 10 of the United Nations' Sustainable Development Goals. Examples of climate action include path to net zero emissions, responsible agriculture, responsible aquaculture, and ecosystem restoration. More information on the commitment <https://www.seachangesustainability.org/commitments/>.
- Continued to publicize Task Force on Climate-related Financial Disclosures (TCFD) aiming to demonstrate how climate change considerations are integrated into businesses' internal processes, systems, and goals. As Thai Union seeks to continually improve its climate risk and opportunity management, Thai Union's TCFD Report 2023 marks a milestone in disclosing climate-related challenges and opportunities in quantitative financial metrics.
- Continued initiatives: Project Sunseeker, under which we have installed solar panels on the rooftops of our factories.
- Initiated mitigation efforts on aquaculture decarbonization. A pilot study aims to explore the potential emission reduction and a transition to low carbon shrimp products.
- As Thai Union Group PCL President & CEO - Thiraphong Chansiri is the current Chair of the Seafood Business for Ocean Stewardship (SeaBOS), a joint initiative between the world's largest commercial seafood companies and science to strengthen sustainable practices within the seafood industry. Lately in October 2023, SeaBOS launched its first Impact report at the Tokyo Sustainable Seafood Summit. In addition, Thai Union's Group Director of Sustainability, Adam Brennan, was appointed Task Force Lead in addressing climate change for SeaBOS goals and action 2022-2023.

Improves ESG-related factors below



Environment



Social



Governance



Operations and Safety

Description and Impact

There are several possible risks in a manufacturing plant, e.g. occupational health, and safety of employees, surrounding communities, fire or flood damage, product quality control, and inventory management. These factors may directly and indirectly impact the company's sales and targets.

Management and Mitigation Plan

The company recognizes the importance of operational excellence and continuous-improvement. Regarding the safety risk, the company assesses the risk in each manufacturing plant as the risk patterns continue to change by human-induced causes or natural disasters to prevent and reduce the risks. Additionally, the company constantly assesses its safety risk. We carry out projects on structural engineering, risk management and risk mitigation, e.g. developing a master plan which is a collection of standardized operational guidelines and required investment, and in particular a project to mitigate the risk of

fire and flood, which included reduction of environmental impact i.e., reduction of energy consumption, utilization of clean energy. Moreover, the company carefully considers its investment in new projects and any changes of plant design, construction, equipment, machinery, and other issues with implications on safety, health and environmental (SHE) risks. This is to ensure that SHE consideration framework is adhered to before approving any investment. On product quality control, the company uses an internationally-recognized quality management system. The internal quality control management system has been inspected and independently certified, e.g. with the ISO 9001:2015 system standard by URS, SEASAIP system standard by NSF, Good Manufacturing Practice (GMP) system standard by the Department of Fisheries, and GMP certificate from the Department of Livestock Development.

Improves ESG-related factors below



Environment



Social



Governance

Volatility of Raw Material

Description and Impact

Raw material cost is one of the company's major business expenses. In 2023, the cost of raw materials accounted for more than 70 percent of the aggregate sales costs. The company's 3 types of key raw materials used in manufacturing are soybean meal, wheat flour, and fish meal. The majority effect from raw material price volatility was from fish meal, which was higher than around 10-20 percent from 2022 due to supply chain disruption, and high fuel price in fisheries process.

Since the company is unable to adjust the price of products to fully and/or partially reflect such increase, as such, the company's manufacturing costs, profit margins and operating results have been significantly affected. The company manages the risks by adjusting its product portfolio to focus more on products with higher profit margins and by effectively managing the manufacturing costs.

Management and Mitigation Plan

The company manages the risks by adjusting its product portfolio to focus more on products with higher profit margins and by effectively managing the manufacturing costs.



In addition, the company sources its raw materials from major suppliers in respective industries, ensuring, to a certain extent, uninterrupted supplies at sufficient quantity and appropriate price to meet the company's demand for raw materials. In some cases, the procurement team would deal with the suppliers to agree in advance on pricing, quantity, and delivery schedules. Moreover, the procurement team may consider stockpiling certain raw materials with a long shelf life, e.g. fish meal, when a possible shortage is looming. This is to ensure that enough high-quality raw materials can be procured to meet the company's demand at an appropriate cost.

Improves ESG-related factors below



Environment



Social



Governance

Uncertain growth of the overseas subsidiary companies

Description and Impact

The Company entered joint ventures with local business partners operating a business and/or having experience relating to the manufacturing and selling of aquaculture feed, to form subsidiary companies to manufacture and sell aquaculture feed in Indonesia (TUKL) and Pakistan (AMG-TFM).

On the business front, the Company's subsidiary (TUKL) faced the challenges in expanding the market, resulting in unable to break-even of the business. In the meantime, the Company's subsidiary (AMG-TFM) also faced unfavorable economic conditions leading to high provision for account receivables.

Management and Mitigation Plan

As market attractiveness and opportunity to grow in Indonesia and Pakistan, the Company remains committed to its strategy and implemented the following risk management measures to minimize risks as well as provide a balance with business opportunities:

- Improve feed quality and appearance (odor and color) by feed reformulating to compete with competitors to gain more market share and volume sold to break even.

- Raw material sourcing and inspection on receiving to get qualified raw material and bulk purchasing by sharing quantity with TFM for easily price negotiation (TUKL only).
- Apply customer credit control policy and selective sales approach to minimize doubtful debt issue.
- Strictly follow up on debt collection of overdue customers or take prosecution process against debtor.
- Standardize all departments monitoring platform (Sales, Operations, Support).

Improves ESG-related factors below



Environment



Social



Governance

Emerging Risk – Biodiversity Loss

Description and Impact

Biodiversity loss can have significant implications to the Company, which is one of the world's largest seafood companies. As the Company heavily reliant on the ocean's resources, biodiversity loss can directly impact Thai Union Group's business operations and supply chain in several ways:

- 1. Supply Chain Disruption:** Biodiversity loss can lead to declines in fish populations and the degradation of marine ecosystems. This can disrupt the availability of certain seafood products, impacting Thai Union Group's ability to source key ingredients for its products.
- 2. Regulatory and Compliance Risks:** Biodiversity loss often leads to increased regulatory scrutiny and tighter regulations aimed at protecting vulnerable species and ecosystems. This can result in stricter fishing quotas, environmental standards, and other regulations that may affect the company's operations and require significant investments in compliance.
- 3. Reputational Risks:** As awareness of environmental issues grows, consumers and investors are increasingly concerned about the environmental impact of the companies they support. Biodiversity loss can lead to reputational risks for Thai Union

Group if it is perceived as contributing to or not doing enough to mitigate the problem.

4. Market Access and Certification: Biodiversity loss can affect market access, especially in regions where sustainable sourcing and environmental responsibility are highly valued. Certification programs such as Marine Stewardship Council (MSC) and Aquaculture Stewardship Council (ASC) may become more stringent, making it harder for companies to meet the criteria for sustainable and responsible sourcing.

Risk Category: Environmental
Source of Risk: The Global Risk Report of World Economic Forum
Timeframe of Impact: Ten-year timeframe

Management and Mitigation Plan

As the Company recently launched SeaChange® 2023, its sustainability plan to reshape the seafood industry with unified solutions for People and Planet that better sustain a reciprocal relationship for all. Through SeaChange® 2023 commitments, the Company is dedicating resources for group-wide commitments and strategies for biodiversity with aim to safeguard life and ecosystem. The commitments cover responsible wild caught seafood, responsible aquaculture, responsible agriculture, path to net zero emissions, ocean plastics reduction, ecosystem restoration. Please visit www.seachangesustainability.org for full details.

Improves ESG-related factors below



Environment



Social



Governance

Emerging Risk – Employment Crises

Description and Impact

In the past, operating in a developing country was advantageous due to the availability of inexpensive labor. However, as production shifts towards technology-oriented processes, there has been a change in the type of labor required. Despite the COVID-19 pandemic accelerating the process of labor mobilization and remote working, which opened doors to

accessing human resources from various locations, the company still heavily relies on the supply of human resources from Thailand. Unfortunately, the country's education system is beyond control. Consequently, this poses a challenge for companies in finding qualified employees to keep up with the increasing consumer trend, coupled with advancements in technology and production method. Thai Union Group is no exception, our employment trends are showing changes which can potentially cause impact to our operations and people. The scarcity of skilled workforce can impede productivity, innovation, and overall growth for company.

Thai Union's People-related risks and Employment Crises impacts include:

- Industry mismatches between labor supply and demand, workforce is exiting the Company or moving to other organizations who fit more to their preference, for example, providing permanent remote or hybrid work, digitalized working process, which may cause our operation to be short-handed on staffs which further impact our production rates.
- Displacement due to automation, innovation, and digitalization leading to succession challenges and difficulty in attracting top talent in a tightening talent market limiting us to achieve our goals.
- Underemployment as a result of rapidly changing nature of work and skills. There is a risk that our workforce is not equipped with the skills required to support our goals and new work environment which may affects Thai Union growth.

Risk Category: Societal
Source of Risk: Macroeconomic (Digital inequality, challenge in talent attraction, retention, and engagement)
Timeframe of Impact: Three-five years

Management and Mitigation Plan

We are aware of the changing work environment and are closely monitoring this change in the society. Our strategy will focus on talent development, strengthening our people capabilities and increase employee engagement across all our businesses. Through the Thai Union Academy, we focus on upskilling and reskilling our workforce with high demand curriculums to ensure our workforce is skilled and talented.

We will also continue to place priorities in understanding our employee demographics and drive employee engagement to keep our workforce happy including promoting flexibility working environment. Moreover, we have a policy to review critical positions and prepare development plan of successors as well as succession in an unexpected situation to ensure the success of our employee and continuity of our business.

Improves ESG-related factors below



Social



Governance

Investment risk affecting shareholders

Risk of security price and return

The Company's share price may fluctuate wildly due to several factors, including business operating result and other factors both controllable and uncontrollable factors.

- Significant risk which may affect the business operating result as per the explanation under the heading the operating risk.
- Economic situation, inflation and crisis or uncertain situation.
- Geopolitic, trade dispute or changing in trade sanction.
- Change of policy, laws and regulation affecting the industry.

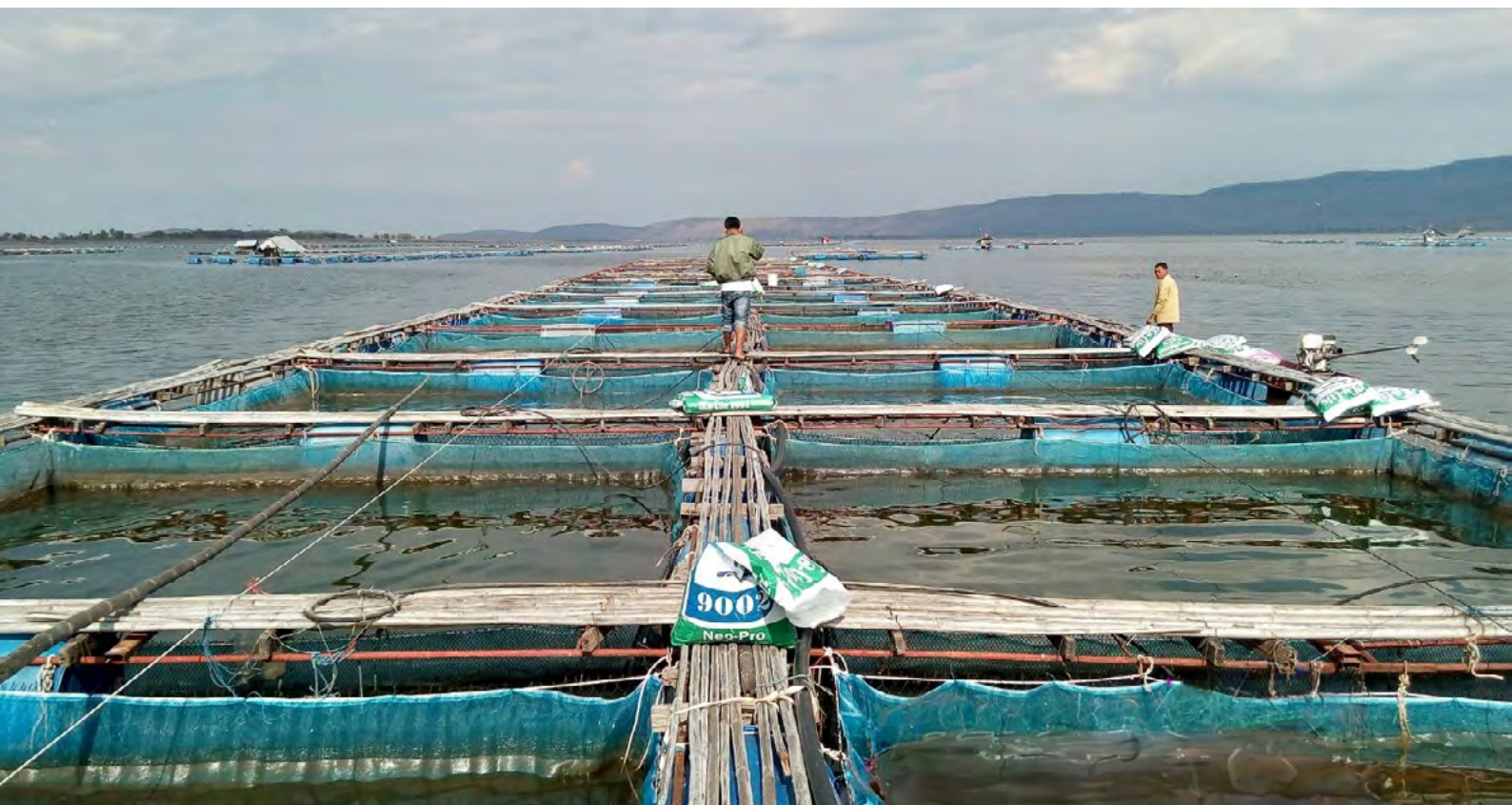
These factors may put a pressure on share price lower, higher or both. Therefore, it is risk that an investor may face in term of return on invesment.

Risk from Investment in foreign securities (where the instruments were issued by foreign companies)

There is no significant risk.



Business Sustainability



3.1 Policy and goal on sustainability management

The company conducts its business with good governance and transparency, taking into account the stakeholders, economy, society, environment, reputation of the company, shareholders, and investors. Therefore, the company's business operations are underpinned by moralities and ethics, as well as being guided by governance to ensuring that its activities are carried out with honesty, transparency, and fairness. Possible negative impacts on the stakeholders, economy, society, environment, reputation of the company, shareholder, and investors are always considered, so as to come up with measures to mitigate them. The goal is to achieve business sustainability and sincerely demonstrate our responsibility towards the stakeholders, economy, society, environment, shareholders, and investors.

The company's corporate social responsibility (CSR) policy is morally-based, ensuring fairness for all stakeholders, as well as being guided by the principle of corporate governance to

balance every aspect of the operations – economic, community, social, and environmental. This would lead to successful business development in a sustainable manner.

3.2 Managing the impact on stakeholders in the business value chain

Environmental stakeholder assessment

Since the company's operations are situated in various locations worldwide, it is necessary to conduct an assessment of significant issues. This is done by analyzing our global operations to identify and prioritize issues of significance for the stakeholders and overall business. The company always works with our main stakeholders to prioritize the sustainability risks and determine appropriate measures to address such challenges facing the company. Stakeholders directly participate in the process of review and contributing input regarding the company's strategic targets. The results are summarized in the table on page 65

Stakeholders	Issues	Company's response
Investors	<ul style="list-style-type: none"> • Social and environmental responsibility • Information transparency 	<ul style="list-style-type: none"> • Climate change and environmental conservation • Corruption prevention, information disclosure and information reporting
Trading partners	<ul style="list-style-type: none"> • Fair and transparent procurement • Prevention of serious incidents that may disrupt business continuity and cause community impact • Purchasing order and consistency 	<ul style="list-style-type: none"> • Environmentally-responsible procurement of raw materials • Trading partner assessment and capacity building
Customers	<ul style="list-style-type: none"> • Product quality (health and nutrition) • Environmental standards (ISO 14001) and green labeling 	<ul style="list-style-type: none"> • Product innovation and responsibility (food quality and safety) • Responsible procurement of raw materials • Climate change and environmental conservation
Consumers	<ul style="list-style-type: none"> • Green labeling • Environmentally-friendly products • Food safety • Customer responsiveness 	<ul style="list-style-type: none"> • Product innovation and responsibility (food quality and safety and ISO 22000) • Responsible procurement of raw materials
Employees/foreign workers	<ul style="list-style-type: none"> • Fair compensation and benefits • Fair treatment of workers • Career advancement opportunity 	<ul style="list-style-type: none"> • Human rights and fair treatment of workers • Human resource development • Enhancement of employee benefits
Non-governmental organizations	<ul style="list-style-type: none"> • Social and environmental responsibility • Participation in social and environmental projects • Transparent information disclosure • Regulatory compliance • Corruption prevention 	<ul style="list-style-type: none"> • Climate change and environmental conservation • Transparency report on procurement of raw materials • Corruption prevention, information disclosure, and information reporting
Community/educational institutions	<ul style="list-style-type: none"> • Social and environmental responsibility • Participation in social and environmental projects 	<ul style="list-style-type: none"> • Climate change and environmental conservation • Community engagement
Media	<ul style="list-style-type: none"> • Transparent information disclosure • Responsive information disclosure 	<ul style="list-style-type: none"> • Responsive information disclosure, transparency, and prevention oversight • Participation in significant issues

3.3 Environmental sustainability management

Environmental policy and guidelines

The Company is committed to aligning its environmental management system with the corporate sustainable development goals or in accordance with regulations, laws and international standards. It therefore focuses on environmental protection and reducing environmental impacts, including dealing with climate change. The goals are set in the Company's environmental plans and policies, striving to minimize negative environmental impact on the community, society, employees or stakeholders. The risk and impact on the environment of each activity, process and service is taken into account for effective prevention and continuous improvement. Environmental problems and other factors including energy consumption, resource and raw material utilization and waste disposal (i.e. discharged water, industrial waste, and air pollution) are considered to guide system improvement and development, to achieving a more efficient manufacturing process that produces the least environmental impact.

Climate change

Natural resource utilization and waste disposal have created more and more negative impacts on our environment as well as posing a threat to the Company's various operations and the environment on which we depend.

Therefore, the Company's operations must be environmentally responsible and protect the environment by reducing natural

resource utilization to minimize environmental impacts. Several programs were initiated in the workplace in this regard, including reducing water and energy consumption, landfill waste and greenhouse gas emissions; using more solar energy; and improving the Company's environmental performance. It has obtained relevant environmental certifications, such as "green industry" which brings in various systems to control and reduce the environmental impact caused by sustainability operations.

The Company recognizes the importance of greenhouse gas reduction and has therefore implemented energy-saving measures. In 2023, the amount of greenhouse gas emissions from business operations increased by 33 percent per ton production from 2022 to approximately 48,733.75 tons of carbon dioxide equivalent. The amount of landfill waste from business operations increased by 26 percent per ton production. Water consumption increased by 6 percent per ton production.

With these efforts, the Company is transitioning to an organization that reduces its carbon footprint and the impact of greenhouse gases on the environment and society.

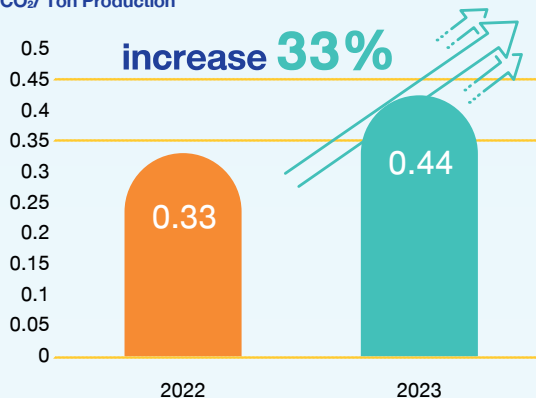
Resource and environmental management

The Company strives to achieve efficient natural resource and environmental management, both in terms of economical use and conservation, ensuring the sustainability of natural resources and the environment as well as minimizing the environmental impact.

Energy

Information on the concentration
of total greenhouse gas (GHG) emissions

Ton CO₂/ Ton Production



GHG emissions in 2023

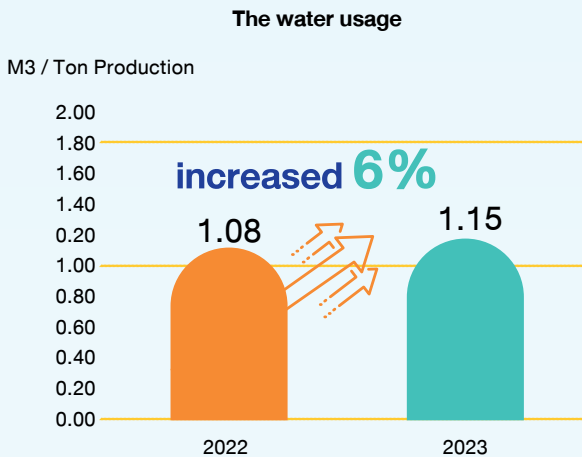
increase 33% from 2022



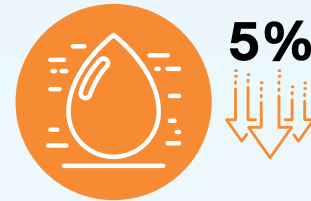
2024 target of reducing GHG
emissions by 5% from 2023

Water resource

Information on water consumption



Water footprint in 2023
increased 6% from 2022



2024 target of reducing water footprint by 5% from 2023

Pollution and waste management

Air pollution

The Company uses pollution removal systems, e.g. wet scrubber and bag filter, to treat industrial exhaust gases before they are released into the environment. The air quality is monitored to ensure that it complies with the law or required standards. Measurements are taken twice a year. In results for 2023 showed that the amount of air pollutants released was below the standard level.



Noise pollution

The Company carries out ambient noise measurements to assess the noise levels of industrial noise and disturbing noise. According to the measurements conducted in 2023 by an authorized person from the Department of Industrial Works, the noise levels of industrial noise and disturbing noise generally complied

with regulatory requirements. While legal limits were exceeded for a few locations, they were urgently rectified to prevent recurrence.



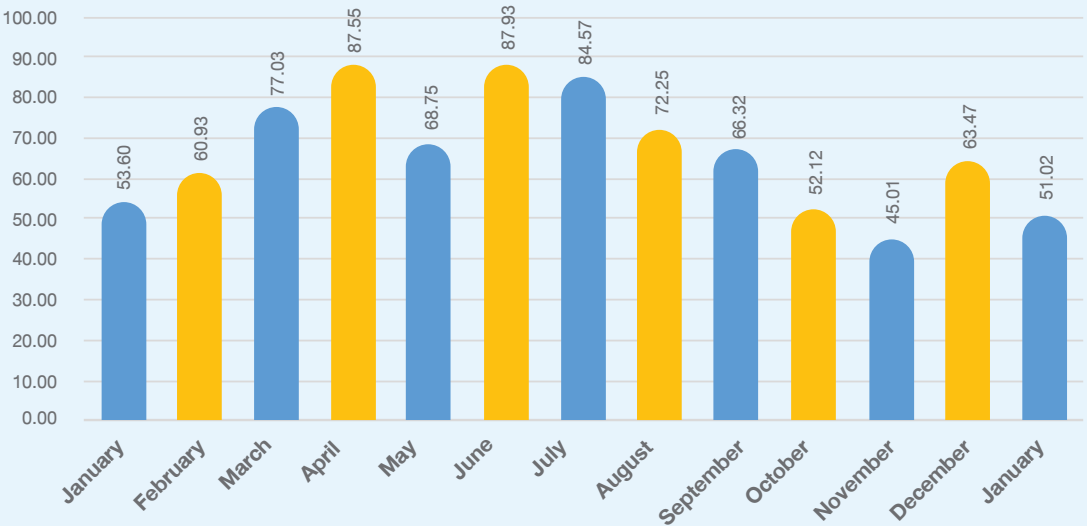
Water pollution

The Company monitors and manages its wastewater treatment system, ensuring compliance with regulatory standards. The quality of treated wastewater is checked and tested before being discharged. A sequence batch reactor (SBR) is the adopted system to ensure that the quality of discharged water does not exceed the legal limit. The average daily amount of wastewater from manufacturing and consumption is 21 cubic meters, whereas the Company's wastewater treatment system has the capacity of treating up to 100 cubic meters of wastewater. The average amount of treated wastewater being discharged is 31 cubic meters per day. Discharged water is reused for other operations.

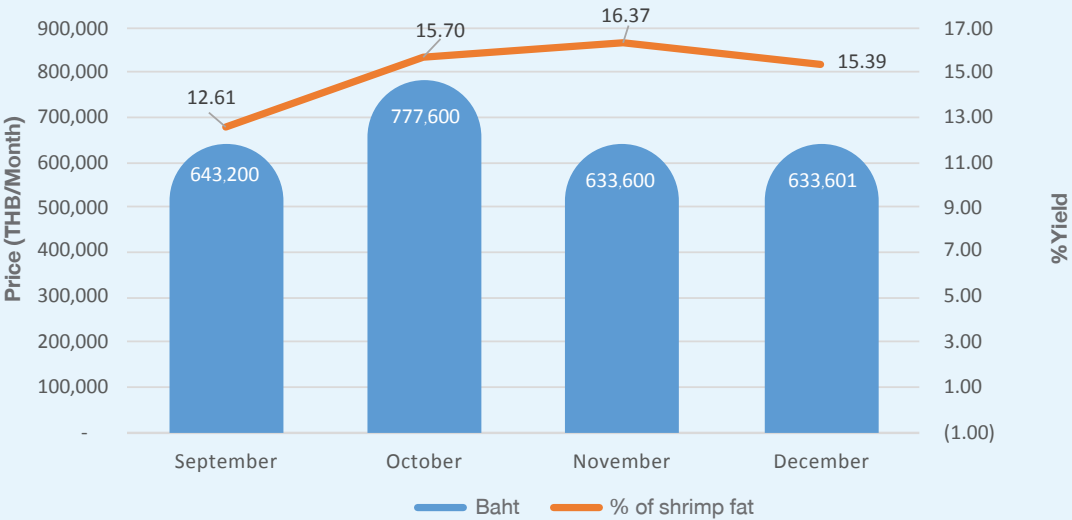
The Company's zero effluent marine protein project reduces the amount of wastewater entering the wastewater treatment system. Effluents from shrimp shell transport trucks and shrimp shell drying process are reused in other stages of the manufacturing

process instead of going into wastewater treatment ponds. This operation reduces the amount of wastewater and the costs of wastewater treatment, as well as recovering 3.16 percent of product waste to produce shrimp oil product.

Wastewater treatment cost in 2023 (THB/Q)



Shrimp Fat (THB/Month)





Waste

The Company's waste management system treats different types of waste according to regulatory requirements, including a system to prevent environmental contamination from the point of collection to the point of disposal; waste sorting; an internal management system; records of the amount of daily and monthly waste; suitable waste storage; and using a waste disposal operator authorized by the Department of Industrial Works. The entire process is traceable, for example:

- Hazardous waste i.e. obsolete electronic equipment, contaminated containers, used lubricant oil and lab waste are sent to an authorized waste disposal operator to be recycled, sent to landfill, or disposed by other means.

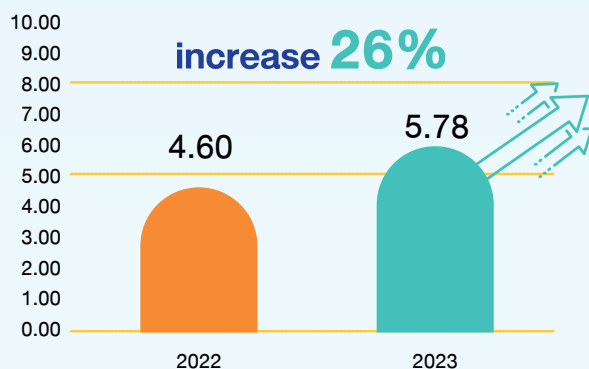


- General waste (non-hazardous) e.g. coal ash, plastic bags, plastic bottles, scrap paper, scrap metal and plastic sacks are sorted, to reduce landfill waste, and sent to an authorized waste disposal operator to be recycled. The method of disposing coal ash was switched from sending to landfill to making fertilizers, which has reduced the Company's landfill waste by approximately 79 percent.

Information on hazardous and non-hazardous landfill waste

The total amount of Landfill Disposal
of both dangerous and non-dangerous wastes

Kg / Ton Production



2023 waste sent to landfill
increase 26% from 2022



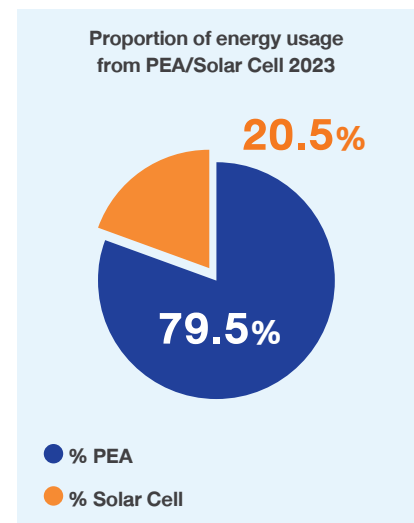
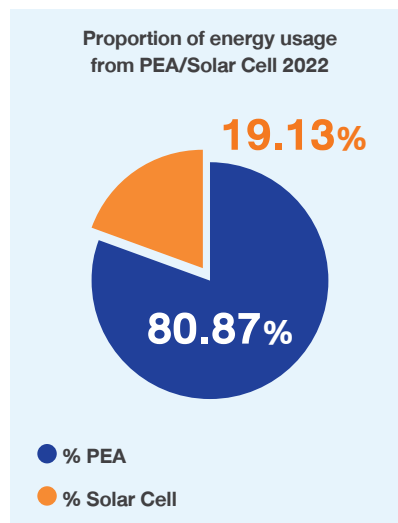
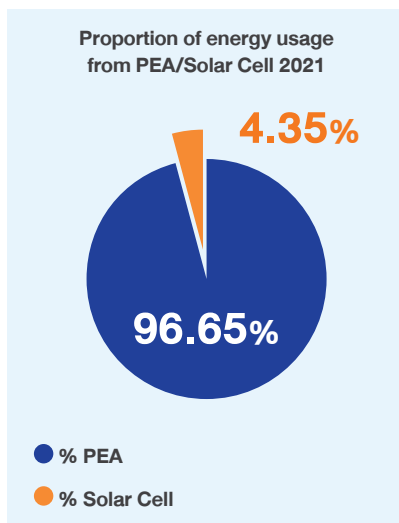
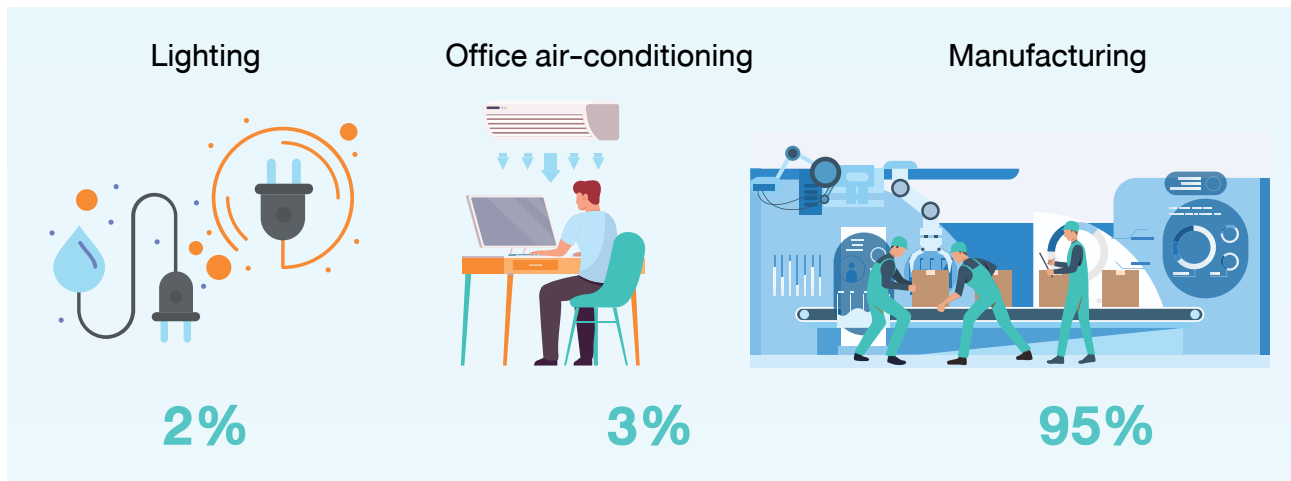
2024 target of reducing waste sent to
landfill by 5% from 2023

Energy conservation

The Company uses an energy management system in its aquaculture feed manufacturing process. Having recognized that energy conservation is a major cost-saving element in product manufacturing and that every employee is responsible for managing and conserving energy, it has thus adopted an

energy conservation policy to guide efforts on energy management, promoting energy efficiency, and sourcing alternative energy such as solar energy.

In 2023, the Company's electricity consumption by system type is as follows:



Occupational health and safety policy

Work safety is a priority and a responsibility for every employee. The Company supports improvement of the work environment by organizing awareness-raising activities for employees, e.g. a safety campaign and mandatory and capacity building training courses for employees. Supervisors at all levels are encouraged to set an example, teach, train, and entice safe work practices. The goal is to make every employee aware about one's own safety and that of his/her co-workers and the company's property when he/she is working; pay attention to the cleanliness and tidiness of his/ her work area; take part in

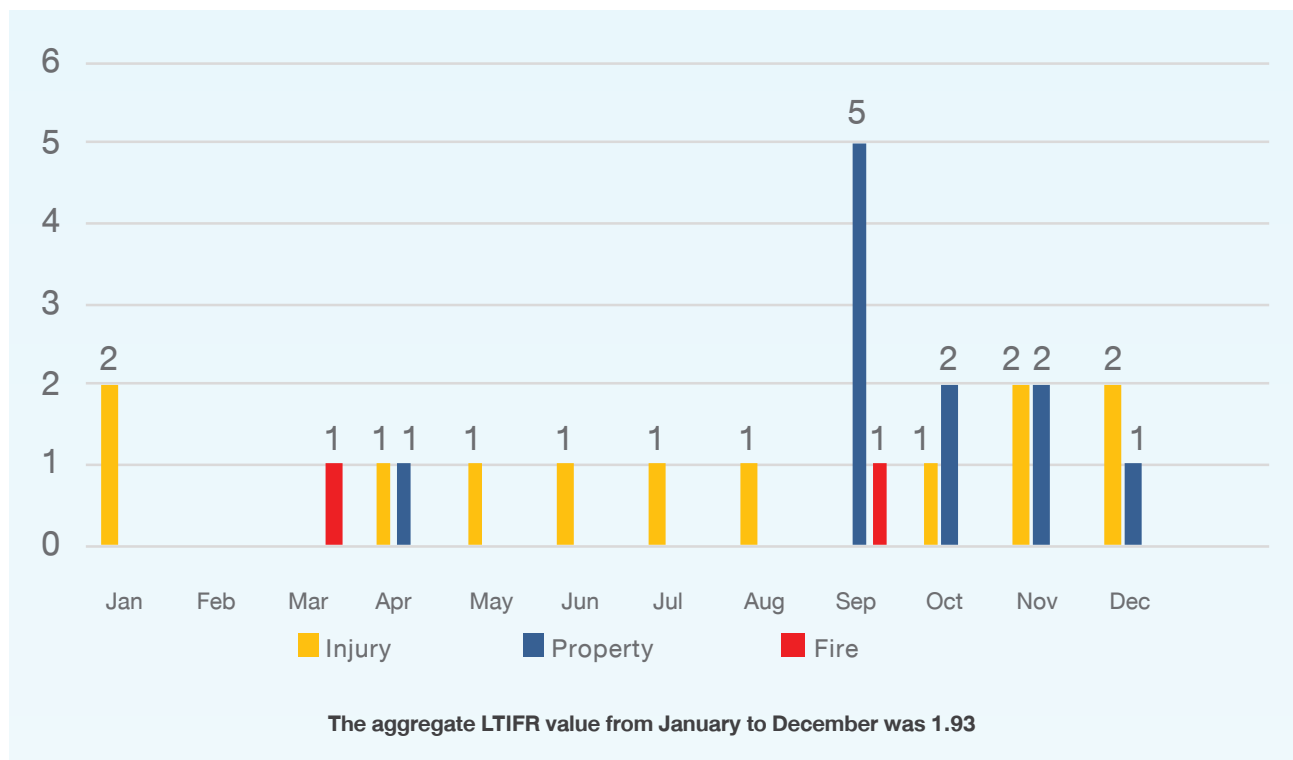


the Company's occupational health and safety campaign; and share their ideas to improve the safety of work conditions and work practices.

The Company strives to improve its operational efficiency to reduce the risk of illness, injury and death. Due attention is also paid to improving the quality of life of our employees and staff,

including by complying with relevant laws and regulations and through safety management. In 2023, there were 12 incidents of work-related injuries. Preventive measures were taken to prevent future accidents: revision of rules, regulations and operations manual on work safety, as well as organizing an ongoing campaign on accident reduction.

Graph summarizing incidents in 2023



Campaign on accident reduction: "Free Meals, Zero Accident"



กิจกรรมรณรงค์ลดอุบัติเหตุจากการทำงานให้ป็นศูนย์



โครงการ "ชวนเพื่อนทานข้าวฟรี อุบัติเหตุไม่มีป็น ศูนย์" (ปี 3)

เงื่อนไข

- ต้องไม่มีอุบัติเหตุร้ายแรงเกิดขึ้น รวมกรณีไม่ทำงานและหยุดงาน (อุบัติเหตุภายใน)
- ต้องไม่มีอุบัติเหตุร้ายแรงขึ้นอีก (หากมีงานเป็นภาระ)
- ต้องไม่มีอุบัติเหตุร้ายแรงขึ้นอีก (อุบัติเหตุภายนอก)
- หากมีอุบัติเหตุเกิดขึ้นได้ทำการบันทึกอุบัติเหตุภายในเป็นศูนย์ 1 ไม่นับเป็นศูนย์
- หากมีงาน จะได้รับรางวัลเป็นเดือนต่อไป (กรณีมีงานหนักและพนักงานระดับ 6 ขึ้นไป)

เพราะความปลอดภัยคือหน้าที่ของทุกคน



Annual Environment and Safety day in 2023



Safety training for employees, e.g. basic fire extinguisher training and fire escape drill.





3.4 Sustainability Management in the Social Aspect

Labor Code of Conduct

The business code of conduct is based on ethics, integrity, transparency, respect for international human rights and labor principles for the welfare and freedom of workers.

1. Employment must be based on voluntary agreement of the parties and employment documents that comply with legal requirements

The Company's policies on respect for the standard rights of full-time and part-time workers as well as outsourced workers must be adapted and implemented. At the minimum, these policies must protect workers' rights contained in their contracts in accordance with local laws and regulations, national labor law, social security law, and mutually agreed rules and agreements.

- 1.1 Key elements of the employer/employee relationship, e.g. working hours, working overtime, remuneration, benefits, leave, disciplinary actions and complaints, must be (1) voluntarily agreed by the parties; (2) made in writing; and (3) signed by employers and employees.
- 1.2 Workers must clearly understand the terms and conditions of employment, which are explained verbally and, if necessary, in the language understood by the workers.
- 1.3 Changes made to the key elements of the employer/employee relationship must be made in writing by both parties.

2. Every employee is treated equally with respect and dignity

Every employee is treated equally with respect and dignity. There must be no physical, sexual, mental and verbal harassment, intimidation in any form, or cruel and inhumane treatment. There must be no discrimination in any aspect of employment, including recruitment, remuneration, career advancement, disciplinary actions, employment termination or retirement age. There must be no discrimination on the basis of social class, nationality, race, religion, age, infirmity, gender, marital status, sexual orientation, union membership, political party membership, health, disability or pregnancy. Special attention must be paid to the rights of workers with the highest risk of discrimination.

- 2.1 There is a policy prohibiting all forms of discrimination based on social class, nationality, race, religion, age, infirmity, gender, marital status, sexual orientation, union membership, political party membership, health, disability and pregnancy. Workers must be informed of their rights.
- 2.2 There must be no compulsory pregnancy testing or other forms of health screening which may result in discrimination.
- 2.3 There must be no employment termination, demotion or reduction of benefits as a result of pregnancy. Employees must be allowed to return to work after giving birth.
- 2.4 Employees must have equal opportunities to fully develop work-related knowledge, skills and abilities.

3. Work must be based on voluntary agreement and no forced labor

Forced labor is prohibited, whether it is bonded labor, debt bondage or in other forms. Mental and physical coercion, slavery and human trafficking are prohibited.

- 3.1 There are recruitment policy, operating procedures and employee training, ensuring voluntary employment, equality and freedom to resign voluntarily.
- 3.2 Employees must be free to travel and not be confined to the workplace.
- 3.3 Employees must not be forced to hand over identification documents. In cases where it is necessary to retain identification documents as required by law, an agreement must be entered into with the employees to ensure that they have access to the documents and that it must not be used as a condition to prevent employees from resigning. Identification documents must be promptly returned upon a written request or termination of employment.
- 3.4 The Company must ensure that contracts must be made in a language understood by the worker.
- 3.5 Cash advances and granting loans to workers or other actions that may result in debt bondage must be avoided or reduced.

4. Prohibition of child labor

There must be no children, under 15 years of age or below the minimum age for employment as specified in the labor laws of the country, working or being employed in a business under the supervision of the Company. The Company must ensure that no employee under 18 years of age works in hazardous areas, works more than 8 hours and works during night time (10:00 p.m. – 6:00 a.m.).

- 4.1 Employment policies must specify a clear minimum age for employment, with effective procedures for verifying the age of workers (such as government-issued ID cards or passports).
- 4.2 Minor workers must be supervised and protected in matters of health and safety in all situations. Such measures include prohibiting minor workers from performing hazardous work or working during night time, and requiring special care for minor workers.

5. Every employee must receive fair remuneration

Every employee must receive remuneration consisting of wages, overtime pay, benefits, and leaves that meet or exceed the minimum standards set by the laws of the country. Remuneration must be in accordance with the contract entered into by the parties.

- 5.1 Employees receive remuneration payment documents according to each pay cycle. The documents must clearly show the details of the remuneration, which includes the amount of wages, benefits, incentives/bonuses and various deductions, and must be made in a language understood by the employees.
- 5.2 Remuneration must be paid on time in accordance with the payment documents.
- 5.3 All work done must be paid no less than the minimum wage stipulated by law and industry standards. and consistent with the employment contract
- 5.4 The Company must adhere to and comply with the remuneration conditions established according to the negotiated agreement in accordance with the law.
- 5.5 Deductions as required by law, such as taxes or social security, must be deposited to an account specified by law or an agency as required by law. Other deductions, in addition to deductions as required by law, can only be done if it is in accordance with the law and with the worker's prior written consent.
- 5.6 Thai Union is committed to "eliminating recruitment fees" levied on foreign workers. In essence, Thai Union will be responsible for the fees of recruitment administration. We encourage Thai Union's trading partners to consider the principle of eliminating recruitment fees and apply it to their respective situations.

6. Every employee must have appropriate working hours

Employees will not be required or forced to work beyond normal working hours and working overtime beyond what is specified by the labor laws of the country in which the employee works. Working overtime must be voluntarily agreed to by the employees.

- 6.1 There is a clear policy regarding normal working hours and overtime. There is a defined procedure for deciding to work overtime and must receive prior consent from the employees.
- 6.2 Employees must have the right to rest at least 24 consecutive hours for every 7-day working period (except for certain types of work where the law allows the employer and employee to agree otherwise). If the employee is required to work on a holiday in order to ensure the continuity of production or service, he/she must promptly receive a substitute holiday equivalent to the period of work or receive compensation at the rate specified by law.
- 6.3 If the employment contract allows for overtime work which the employees have clearly agreed upon in the contract, all overtime work be voluntarily agreed to by the employees.
- 6.4 Overtime compensation must not be less than the rate specified by law.



7. Every employee must have the freedom to exercise the right to establish and/or join a trade union, and have the freedom to negotiate as stipulated by law

Employees' rights to freedom of association and collective bargaining must be respected and accepted. Employees must not be intimidated or threatened in exercising their right to join any organization.

- 7.1 Managers, supervisors and security officers must be trained to respect the right of each employee to freely join any organization.
- 7.2 The Company must inform workers about their rights so that they understand and feel confident in exercising their rights. They must not be obstructed by other employees or supervisors in exercising their rights and freedoms.
- 7.3 The right to strike must be recognized as a legitimate right of employees and their organizations. The employees must not be retaliated against for exercising such freedom.

8. Every employee must receive healthcare and be ensured safety in the workplace

The workplace must be hygienic and safe for all employees, to prevent accidents and injuries that may occur from work, occur during work or as a result of the employer's conduct.

- 8.1 The Company must identify, eliminate and control hazards that pose risks to employees or other persons in the workplace or to the environment.
- 8.2 There are clear and effective policies and procedures on occupational health and safety. They must be revised periodically as appropriate.

8.3 The policies and procedures on occupational health and safety must be communicated widely. Appropriate training must be provided to employees, including fire drills.

8.4 Employees and non-employees entering the workplace must be informed of possible dangers in the workplace. Sufficient information must be provided and personal protective equipment must be prepared to avoid or mitigate such dangers.

8.5 All personnel entering the premises or those responsible for handling goods must be informed about appropriate procedures for health and safety.

8.6 Personal protective equipment must be provided to all personnel at the employer's expense. Employees must receive the necessary training to perform their duties safely.

8.7 Working conditions, including the living conditions of employees, must be provided in a condition that is safe and has good occupational health. They must have at a minimum the following basic welfare: clean and hygienic drinking water, clean and adequate restrooms, good ventilation, fire escape routes and safety equipment as necessary, first aid equipment, hygienic eating area, and work area with proper lighting.

8.8 The Company must ensure that pregnant employees who have informed the Company about the pregnancy are not required to work in hazardous areas, perform heavy physical work or work involving biological substances, chemicals, or objects that may be harmful to the reproductive system. In addition, the Company must ensure that pregnant employees are neither required to work long hours nor night shifts. The Company must comply with national laws intended to protect the health and safety of pregnant employees.

9. Every employee must be treated fairly

Employees must be treated with transparency and fairness. There must be confidential procedures to resolve issues quickly, fairly and without bias, which may arise from working relationships.

- 9.1 There must be (1) easy-to-access and effective channels for employees to submit complaints, suggestions and petitions (2) a full investigation in order to solve problems quickly, fairly and without bias.
- 9.2 Complaint channels must be widely communicated, ensuring that employees are aware about them. The confidentiality of complainants can be maintained (if desired) and retaliation is prohibited.

10. Business operations must be sustainable and reduce environmental impact

Operations, procurement, production, distribution and services must be carried out according to the objective of environmental protection and conservation, and must comply with environmental laws and regulations.

- 10.1 Business operations must have all necessary licenses as required by law.
- 10.2 Training must be organized for all personnel to be aware of various licenses as required by law and to comply with them.
- 10.3 There is an effective environmental management plan, complying legal requirements, including the use of dangerous chemicals, waste disposal, wastewater and air pollution, water and energy consumption.

Labor relations management policy

Thai Union Feedmill Public Company Limited has a policy to promote labor relations by establishing a labor relations counselling project, to provide guidelines for employees to

participate in solving problems, acquire knowledge and understanding of the rules, and comply with Company's rules and regulations. There is genuine information exchange between employees and a labor relations counsellor, who is a representative of the Company, to foster understanding and acceptance of their duties, including listening to reasons and work together to find a solution in the appropriate direction in order to solve problems that may occur. This is achieved by working together to find the cause of the problem in order to help find options to solve the problem.

Therefore, the company has established policies for employees to adhere to as guidelines as follows:

1. The Company complies with the Labor Protection Act B.E. 2541 (1998) and the memorandum of agreement regarding employment conditions.
2. The Company will appoint a labor relations counsellor to listen to suggestions or opinions of employees, including work-related complaints or problems in order to strengthen the good labor relations process in the organization.
3. The Company promotes and encourages employees to be aware of and understand issues of labor relations.
4. The Company will foster understanding of the goals of living together between employees and the organization, solving problems as they occur, and implementing prevention measures.

"The company always recognizes that every employee, at every level, is the most valuable resource."

Human rights policy

The Company has operated its business under the framework of good governance, transparency and accountability, taking into account stakeholders, the economy, society, the environment,



the Company's reputation, shareholders and investors. Therefore, the Company's business conduct will be guided by morality and ethics, as well as having good governance as a framework for ensuring that its activities are carried out with integrity, transparency and fairness, and be aware of the negative impacts that may occur on the stakeholders, the economy, society, the environment, the Company's reputation, shareholders and investors, as well as being ready to make changes to reduce such impacts. The aim is to have a positive impact on business sustainability, along with being sincerely responsible to the stakeholders, the economy, society, the environment, shareholders and investors.

1. Respect for human rights

The Company conducts its business with respect for human rights by promoting and protecting rights and freedoms as well as treating each other equally, which is the foundation of human resource management and development. Guidelines on this as specified as follows:

- 1.1 The Company will support, respect and protect internationally recognized human rights.
- 1.2 The Company will not be involved in any action which is a violation of human rights.
- 1.3 The Company supports, respects and protects human rights by regularly monitoring and ensuring that its business is not involved in violations of human rights.
- 1.4 The Company respects the rights of employees to express their opinions. This encompasses the freedom to express opinions without interference, obtaining information or opinions through various media, including providing communication channels to listen to stakeholders' honest opinions.

2. Human rights compliant labor practices

The Company's labor practices will not be in violation of human rights principles, such as forced labor or child labor. In addition, the Model Organization in Human Rights award that the Company has received consecutively every year in 2021, 2022, and 2023 is a guarantee of compliance with and respect for human rights.



Social accountability policy

The Company's internal corporate social responsibility (CSR) policy is based on the basic principles of internationally recognized standards and has been made part of our operations. "Treat employees in accordance with the internationally recognized standards of human rights principles, laws, and code of ethics of entrepreneurs."

In 2015, the Company formulated and published its COC on labor, based on international standards.



In 2018, the Company received certification and declared that it is a manufacturer with Good Labour Practices (GLP).



The Company has worked with Issara Institute, an NGO, which is a testament of external recognition that the Company treat its workers and personnel at all levels fairly, equally and without discrimination. Moreover, the Company has found no complaints regarding human rights violations in relation to its business operations, both from internal agencies and external organizations. There are neither labor legal disputes and nor incidents of forced labor, slavery, child labor, pregnant workers, consumer rights and commercial business operations.

In addition, the Company received an award for Excellence in Labor Relations and Welfare for the year 2021, 2022 and 2023, and a CSR-DIW award for standards of corporate social responsibility for the year 2022 and 2023 consecutively.



Employment

The company has clearly defined the qualifications of employees according to the nature of their work, disregarding factors such as race, skin color, gender, religion, nationality, personal background, political affiliation, age and disability into consideration of recruitment decision. Those with appropriate qualifications will be selected according to the predetermined selection process. In 2023, Thai Union Feed Mill Public Company Limited has a total of 780 employees, with a diverse range of ages, genders, educational levels, and operational fields.

1. Percentage of employees by employment types

Daily **28.33%**
Monthly **76.79%**



2. Percentage of employees by gender

Male **69.23%**
Female **30.76%**



3. Percentage of employees by nationality

Thai **76.53%**

Non-Thai **23.46%**



4. Percentage of employees by age

18–20 years	0.00%
21–30 years	25.38%
31–40 years	35.89%
41–50 years	30.89%
over 50 years	7.82%

5. Percentage of employees by length of employment

Less than 2 years	18.71%
2–5 years	27.56%
5–10 years	21.02%
More than 10 years	32.69%

6. Types of employment

Types	Male	Female
Daily	26.28%	2.05%
Monthly	42.94%	28.71%

Turnover

The turnover rate of employees in 2023 was 16.41% down 6.15% from 2022.

Retention rate of employees following maternity leave

In 2023, 11 out of 240 female employees took maternity leave. Of those, 10 returned to work, which translates into the retention rate of employees following maternity leave of 91%.

Policy to support persons with disabilities

The Company recognizes the importance of improving the quality of life of people with disabilities in society. It supports persons with disabilities to have the opportunity to realize their potential in earning income, becoming self-reliant, lessening the burden on family and society and enabling persons with disabilities, especially those in the working age group, to be part of the economic development, both at the family and national levels. The Persons with Disabilities Empowerment Act, B.E. 2550 (2007), which has the objective of promoting and improving the quality of life of persons with disabilities, contains provisions on measures to vocational promotion and protection for persons with disabilities.

The Company complies with Section 33 of the Persons with Disabilities Empowerment Act, B.E. 2550 (2007), by recruiting persons with disabilities to work in various departments.

Number of disabilities employee

In 2021
8 persons

In 2022
8 persons

In 2023
6 persons



In 2023, the Company arranged to employ 2 persons with disabilities through sub-contract (Section 35) with the Samut Sakhon Provincial Employment Office.

Remuneration and welfare for employees

The Company has a clear policy to provide fair employment conditions for employees, and provide employees with appropriate remuneration according to their capability, position and responsibility, including offering career stability and fair career advancement opportunities. It also provides various welfare benefits for the Company's employees, as required by law, such as social security, and in addition to what is required by law, such as health and accident insurance for employees, various types of financial assistance such as financial support for the cost of the employee's deceased parents' cremation ceremony and annual health check-up.



Capacity building for employees

The company recognizes the importance of employees. It has an employee capacity building policy to hone their skills and enhance their potential, by giving employees opportunities to learn and be promoted at an appropriate opportunity. Through various tools, employees can self-learning at all times by accessing the online learning system via smart phone, computer or notebook and identify GAP learning gaps necessary for improving oneself and one's own work through the system. In addition, the Company formulates an annual capacity building training plan for all groups of employees, to ensure alignment with the competency required to be developed for the employee's line of work.

Channels to file complaints and employee complaints management process

The company provides channels for receiving complaints and suggestions. A procedure is in place to process complaints and suggestions. There are also measures to protect and maintain the confidentiality of complainants.

1. Channels to file complaints and submit petitions are:

- 1.1 Complaint/petition box - a representative from the management or a person appointed by the chairperson of the working group on managing employees' complaints and suggestions opens the complaint/petition box and determines the frequency of box-opening, currently set at once a week (every Friday).
- 1.2 In person
- 1.3 Telephone/Hotline
- 1.4 Staff of the staff of the Employee Relations and Promotion of Happy Organization Department
- 1.5 TFM Connect
- 1.6 Electronic channels such as People Connect System, Email
- 1.7 Workplace Welfare Committee
- 1.8 HRBP
- 1.9 External bodies such as NGOs, Labour Protection and Welfare Department, customers

2. Complaint/petition filing system

- 2.1 Keeping information confidential
- 2.2 Complaints and petitions are filed systematically. They can be reported and analyzed confidentially.

3. Complaint handling procedure

- The working group on managing complaints and petitions and the Employee Relations and Promotion of Happy Organization Department
- 3.1 Verify information and translate complaints/petitions when they are not in Thai.
 - 3.2 Record information on the complaint/petition management system.
 - 3.3 Analyze complaints/petitions to identify the causes, corrective/prevention measures. The causes and corrective/prevention measures may come from the results of meetings of various entities related to the specific complaints/petitions.
 - 3.4 Coordinate and inform concerned persons to take corrective action regarding the complaints/petitions within a specified

timeframe, including coordinating with external bodies such as NGOs and government agencies as appropriate and/or in accordance with labor laws, by allowing their participation in mediating disputes that may arise during the process, to ensure transparency and fairness.

- 3.5 If the complaint/petition is resolved, a report on the result of complaint/petition management must be sent to the complainant/petitioner and other relevant persons. If the matter is beneficial to the employees in general, the report is to be publicized through various channels.
- 3.6 If the complaint/petition cannot be resolved, a report must be submitted to management for further guidance or approval to end the process.
- 3.7 Record closure of the complaint/petition case into the complaint/petition management system.
- 3.8 Expand the implementation of corrective and prevention measures to other work units with the same or similar work process, ensuring the same practice and equal treatment.
- 3.9 If the complainant/petitioner does not accept the result of the complaint handling, an appeal can be filed within 7 days from the date that he/she is notified of the result of the complaint handling, specifying the reasons for the appeal, unacceptable or dissatisfied process or result, and additional evidence.
- 3.10 Management must consider the appeal and take steps to resolve or end the incident based on the appeal and notify the result of the consideration to the complainant/petitioner within 15 days.

- 3.11 Record closure of the complaint/petition case into the complaint/petition management system.
- 3.12 Expand the implementation of corrective and prevention measures to other work units with the same or similar work process, ensuring the same practice and equal treatment.

4. Specify channels for reporting the results of complaint/petition handling,

including individual notification via supervisors and local representatives, Welfare Committee, public relations board, as well as online communication channels such as email, internal communication systems (People Connect System, TU Connect).

5. Measures to protect and safeguard the confidentiality of complainants

Complainants and witnesses will receive appropriate and fair protection from the Company. The Company will keep information about the complaints and identity of the complainants and witnesses confidential, and will not disclose it to anyone, except for the purpose of investigation and/or as required by law. Those who are made aware of the complaints or related information must keep them confidential and must not disclose them to anyone, except for the purpose of investigation and/or as required by law. Any violation of deliberate disclosure of information is punishable by the Company in accordance with the Company's regulations.



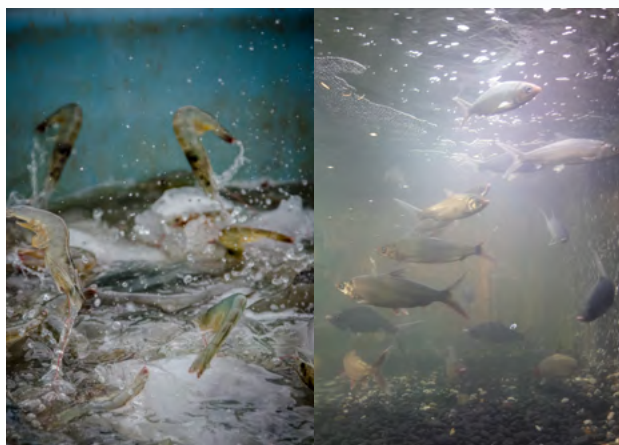
Management Discussion and Analysis

Overview

Business overview by product

• Shrimp feed

In 2023, the shrimp feed sales were THB 2,804.5 million, up 7.1% from the previous year. This is mainly due to the increase in sales of shrimp feed of PT Thaiunion Khaisma Lestari ("TUKL"), which in 2023 were at THB 276.4 million, up 187.3% from the previous year due to sales strategy and market expansion. The sales of shrimp feed in Thailand were THB 2,528.1 million, similar to the same period of the previous year (+0.2%).



• Fish feed

In 2023, the fish feed sales were THB 1,710.4 million, down 1.9% from the previous year. This was mainly due to a decrease in fish feed sales of AMG-TFM in Pakistan, which in 2023 were at THB 33.7 million, down 72.6% from the previous year due to low fish prices in Pakistan. As a result, fish farmers had reduced the use of high-cost fish feed, prompting the Company to focus on selling high quality premium products. The sales of fish feed in Thailand were THB 1,676.7 million, up 3.5% from the previous year due to 33.8% increase of sea bass sales compared to the same period of the previous year.

• Livestock feed

In 2023, the sales of livestock feed were THB 481.4 million, up 7.0% from the previous year. This is a result of AMG-TFM's increased sales of livestock feed in Pakistan, which in 2023 were THB 53.2 million, up 375.0% from the previous year, due to marketing strategy and increased sales volume to offset the reduced fish feed production capacity in Pakistan. The sales of

livestock feed in Thailand were THB 428.2 million, down slightly by 2.4% due to product sales portfolio adjustments.

Business overview by region

• Thai Union Feedmill Public Company Limited

In 2023, the total revenue of Thai Union Feedmill Public Company Limited was THB 4,717.9 million, up 1.3% from the previous year. This was mainly due to an increase in fish feed sales, which were at THB 1,676.7 million, up 3.5% from the previous year. The shrimp feed sales were similar to the previous year at THB 2,528.1 million, a slight increase of 0.2% from the previous year. The sales of livestock feed were THB 428.2 million, down 2.4% from the previous year due to the Company's product sales strategy adjustment.

• PT Thaiunion Kharisma Lestari (TUKL)

In 2023, the total revenue of PT Thaiunion Kharisma Lestari (TUKL) was 276.4 million baht, up 187.3% from the previous year. The revenue derived from the sales of shrimp feed. The increase in sales was the result of sales strategy and market expansion.

• AMG-Thaiunion Feedmill (Private) Limited (AMG-TFM)

In 2023, the total revenue of AMG Thai Union Feed Mill Co., Ltd. (AMG-TFM) was THB 87.0 million, down 35.2% from 2022, mainly due to lower fish feed sales, which were down 72.6%, caused by low fish prices in Pakistan. The sales of livestock feed increased 375.0%, from THB 11.2 million in the previous year to THB 53.2 million in 2023, as a result of marketing strategy and increased sales volume.



Unit : THB million

Financial Statement Analysis	2023	2022	2021
Sales revenue	5,081.4	4,888.3	4,773.1
Cost of sales	(4,642.1)	(4,482.0)	(4,278.2)
Gross profit	439.3	406.3	494.9
Other revenue	61.5	71.2	60.9
SG&A	(378.7)	(347.7)	(328.9)
ECL	(36.4)	(30.9)	(13.1)
Other gains/losses	(12.0)	6.7	4.9
EBIT	73.7	105.6	218.6
Financial cost	(9.9)	(26.3)	(8.8)
PBT	63.8	79.3	209.8
Income tax	2.9	9.0	(0.2)
Net profit	66.7	88.3	209.7
Attributable profit	87.4	109.5	211.5
Key financial ratios			
EPS (THB)	0.17	0.22	0.50
Gross profit margin (%)	8.6%	8.3%	10.4%
Net profit (attributed) margin (%)	1.7%	2.2%	4.4%
Liquidity ratio (x)	2.8	2.5	2.9
Debtor collection period (Day)	56	55	47
Days in inventory (Day)	41	43	43
Return on capital (ROC) (%)	2.8%	4.0%	9.9%
Return on equity (ROE) (%)	4.0%	5.0%	11.9%
Return on assets (ROA) (%)	2.3%	3.2%	7.5%
Net interest bearing debt to equity (x)	0.06	0.02	0.09
Book value per share (THB)	4.9	4.9	4.8

Shrimp feed
55.2%

Fish feed
33.6%

Livestock feed
9.5%

Other sales
1.7%

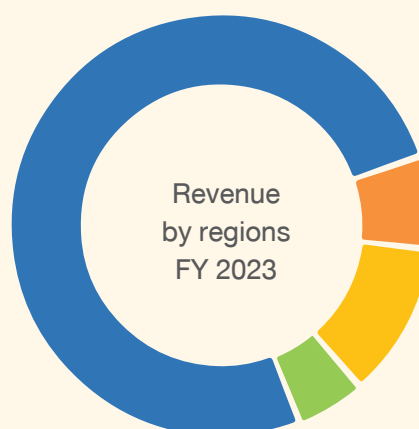
Revenue
by products
FY 2023

Domestic
88.9%

Export
3.9%

TUKL
5.5%

AMG-TFM
1.7%

Revenue
by regions
FY 2023




Financial statement analysis

Total revenue

Overall, the Company's aggregate sales in 2023 were THB 5,081.3 million, up 3.9% from the same period in the previous year. The increase was largely attributed to the shrimp feed portfolio, the sales of which increased 7.1%, driven by increased shrimp feed sales in Indonesia and 7.0% growth of livestock feed sales, driven by an increase in sales of AMG-TFM's livestock feed in Pakistan. The sales of fish feed decreased slightly by 1.9% due to a decline in fish feed sales in Pakistan. Meanwhile, the sales fish feed in Thailand went up 3.5% as a result of sales strategy adjustments and 33.8% increase of sea bass sales from the previous year.

Cost of sales and gross profit

In 2023, the Company's cost of sales was THB 4,642.1 million, up 3.6% from the previous year, which was THB 4,482.0 million, resulting from increased sales. Meanwhile, gross profit in 2023 was THB 439.3 million, up 8.1% from the same period of the previous year, resulting from internal management and better control of production costs.

Selling, general and administrative expenses

In 2023, the Company's selling, general and administrative (SG&A) expenses were THB 378.7 million, up 8.9% from the same period of the previous year. This is mainly due to an increase

in employee benefit expenses. As a result, the ratio of SG&A expenses to sales was 7.5%, up from 2022 which was 7.1%.

Net profit

In 2023, the Company's net profit was THB 87.4 million, down 20.2% from the previous year due to Q1/2023 operating loss. The Company was able to turn a strong profit in Q2-Q4, resulting in earnings per share for 2023 at THB 0.17. If an extraordinary item in Q2/2023 from writing off a farm worth THB 20.0 million were excluded, the profit for 2023 would be THB 107.4 million, down slightly by 2.0% from the previous year.

Financial position analysis

As of 31 December 2023, the Company had total assets of THB 3,320.7 million, up 3.7% from the end of 2022, which was mainly due to an increase in operating cash flow compared to the same period of the previous year.

Total liabilities increased to THB 869.0 million, up 14.7% from the end of 2022, mainly due to an increase of THB 80 million of PT Thaiunion Kharisma Lestari's long-term loan debt from financial institutions and an increase of THB 35.1 million baht of employee benefit obligation, as well as an increase of THB 12.5 million of short-term loans from financial institutions to be used as working capital.

Total shareholders' equity was THB 2,451.7 million, up 0.3% from the end of the previous year due to profitable operations in 2023.

Cash flow analysis

In 2023, the Company's net cash flow from operations, calculated by using EBITDA at THB 247.1 million, adjusted for cash items of THB 53.6 million, added by changes in operating assets and liabilities of THB 117.1 million, and deducting the income tax of THB 14.9 million. The resulting net cash flow from operations was THB 402.9 million.

Net invested capital was THB 219.4 million. THB 150.0 million was used for short-term investments and THB 74.4 million for purchasing assets for use in operations, including THB 5 million of cash received from the sales of existing assets.

Net cash from financing activities was THB 37.9 million baht, which increased because TUKL taking out a THB 80.5 million loan at a lower interest rate and THB 12.4 million net cash received from bank short-term loans. Moreover, THB 14.2 million of lease and interest debts were repaid and THB 40 million of dividends were paid to the Company's shareholders for the second half of 2022 operating results.

Key financial ratios

Liquidity ratio as of 31 December 2023 was 2.8 times, up from Q4/2022 due to an increase in cash flow from operations and short-term investing capital.



Profitability ratio of Q4/2023 was down from the previous year due to reduced net profit as mentioned above. As a result, the Company's ROCE, ROE and ROA for Q4/2023 were 2.8%, 4.0% and 2.3% respectively.





5. General Information and Other Material Facts

5.1 General Information

5.1.1 The Company

Company's Name	: Thai Union Feedmill Public Company Limited
Type of Business	: Manufacturer and distributor of animal feeds
Head Office	: No. 89/1 Moo 2, Rama II Road, Kalong Sub-district, Mueang Samut Sakhon District, Samut Sakhon Province 74000
Branches	: (1) No. 103/1 Moo 2, Pak Trae Sub-district, Ranot District, Songkhla Province (2) No. 28/1 Moo 9, Yok Krabut Sub-district, Ban Phaeo District, Samut Sakhon Province (3) No. 113 Moo 2, Kalong Sub-district, Mueang Samut Sakhon District, Samut Sakhon Province

Plant Locations

Mahachai Plant	: No. 89/1 Moo 2, Rama II Road, Kalong Sub-district, Mueang Samut Sakhon District, Samut Sakhon Province 74000
Ranot Plant	: No. 103/1 Moo 2, Songkhla-Ranot Road., Pak Trae Sub-district, Ranot District, Songkhla Province 90140
Registration Number	: 0107562000220
Tel.	: 034-417-222
Fax.	: 034-417-255
Company's Website/Homepage	: www.thaiunionfeedmill.com
Registered capital as of 31 December 2023	: THB 1,000.0 million
Paid-up capital as of 31 December 2023	: THB 1,000.0 million

5.1.2 Subsidiaries

PT Thai Union Kharisma Lestari (TUKL)

Subsidiary's Name	: PT Thai Union Kharisma Lestari
Type of Business	: Manufacturer and distributor of animal feed in Indonesia
Head Office and Plant Location	: Jl. Raya Gresik Lamongan KM. 39, RT/RW 005/001, Kelurahan Pandanpancur, Kecamatan Deket, Kabupaten Lamongan, Jawa Timur
Registration Number	: 8120116242206
Tel.	: +62 (0) 31-7491000
Registered capital as of 31 December 2023	: IDR 309,360 million (or approx. THB 738.7 million ¹)
Paid-up capital as of 31 December 2023	: IDR 309,360 million (or approx. THB 738.7 million ¹)

AMG–Thaiunion Feedmill (Private) Limited (AMG–TFM)

Subsidiary's Name	: AMG–ThaiUnion Feedmill (Private) Limited
Type of Business	: Manufacturer of animal feeds, operator of shrimp and fish breeding farms, and processor of seafood in Pakistan
Head Office and Plant Location	: 54-B, Sukh Chayn Gardens, Near Bahria Town, Lahore, Iqbal Town, Lahore, Punjab
Registration Number	: 0172082
Tel.	: +92 (0) 34-58460707
Registered capital as of 31 December 2023	: PKR 500 million (or approx. THB 95.1 million ¹)
Paid-up capital as of 31 December 2023	: PKR 500 million (or approx. THB 95.1 million ¹)

Other References**Security Registrar**

Security Registrar	: Thailand Securities Depository Company Limited
Head Office	: No. 93, Ratchadaphisek Road, Din Daeng Sub-district, Din Daeng District, Bangkok 10400
Tel.	: 02-009-9000
Fax.	: 02-009-9991

Auditor

Auditor	: PricewaterhouseCoopers ABAS Limited
Head Office	: No. 179/74-80 15 th Floor Bangkok City Tower, South Sathorn Road, Thung Maha Mek Sub-district, Sathorn District, Bangkok 10120
Tel.	: 02-844-1000
Fax.	: 02-286-0500

5.2 Legal Dispute

As of 31 December 2023, the Company did not have any court case, arbitration case, or legal proceeding of significance that was directly related to the Company and believed to have severe negative impact on the Company's assets at the value at least 5% higher than the shareholders' equity, or to have a significant effect on the Company's financial status, performance, and business operations as well as the direction of the Company in the future.

5.3 Secondary Market

none

5.4 Frequently Contacted Financial Institution

none

Remark:

¹ Calculated from the sum of registered capital and paid-up capital in Thai Baht (THB)



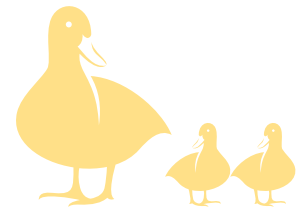
02

CORPORATE GOVERNANCE



The company recognizes the importance of corporate governance, which is fundamental to attaining a management system that is effective, transparent and accountable.

Corporate Governance Policy



6.1 Overall policy and guidelines on corporate governance

The company understands the importance of the principle of corporate governance, which has guided the company's business operations to achieving sustainable growth and acceptance. As such, the Board of Directors has adopted a corporate governance policy based on the Corporate Governance Code for Listed Companies 2017 issued by the Securities and Exchange Commission. TFM's corporate governance policy stipulates diverse qualifications of a director in terms of skills, experience, gender, specific talents that are beneficial to the company, as well as having leadership, vision, and responsibility. The management structure is designed to have a control and monitoring mechanism with checks and balances to provide clear and practical guidelines, ensuring fair, ethical and transparent administration, taking into account the rights and equality of the shareholders and stakeholders. This is to enhance business competitiveness, which would impact the confidence of shareholders, investors and all stakeholders, as well as enabling the company's business operations to be efficient, stable and creating value for the organization in a sustainable manner. Details about the company's corporate governance policy are published on the website www.thaiunionfeedmill.com under the topic "Corporate Governance", sub-topic "Corporate Governance Policy". The said policy covers 8 codes of conduct as follows:

- Code of conduct 1** roles and responsibilities of the company's Board of Directors as the corporate leadership in sustainability.
- Code of conduct 2** determines key corporate objectives and targets on sustainability.
- Code of conduct 3** strengthen the effectiveness of the company's Board of Directors
- Code of conduct 4** recruit and develop senior executives and human resource management.
- Code of conduct 5** promotes innovation and responsible business conduct.
- Code of conduct 6** appropriate risk management and internal audit
- Code of conduct 7** maintains financial credibility and information disclosure.
- Code of conduct 8** encourages participation of and communication with the shareholders.

The company's corporate governance policy is based on compliance with the law and further improved on transparency, trustworthiness and excellent business recognition for criteria,



governance and sustainable growth at the domestic and international levels. The Board of Directors issue policies ensuring that different aspects of business operations comply with the corporate governance principles. The company's policies and guidelines encompass issues concerning a nomination and remuneration committee; independence of the Board from the management; director professionalism improvement; evaluation of the performance of individual directors; policies and guidelines on shareholders and stakeholders; shareholder management; equal treatment of shareholders; promotion and exercise of shareholders' rights; prevention of use of inside information; prevention of conflict of interests; responsibility towards stakeholders; anti-corruption; and other related policies and guidelines. If the company did not have a policy or practice on certain criteria, the management would propose that the Board of Directors review them to ensure consistency and compliance.

Code of conduct 1: Roles and responsibilities of the company's Board of Directors as the corporate leadership in sustainability

The company's Board of Directors has the powers and duties to ensure that the company's objectives, regulations and decisions of the shareholders' meeting are complied with. The Board is to carry out this responsibility with honesty, integrity and in the company's best interests. In addition, it stipulates company policies and directions as well as ensuring that stipulated policies are effectively implemented by the management.

The Board of Directors is required to notify the company of a conflict of interest in relation to any contract entered into with the company or a change in TFM shareholding within an accounting year. While generally having the decision-making power for and oversight of the company, the Board of Directors is required to obtain prior approval from the shareholders' meeting on the following matters:

- (1) Matters prescribed by law as requiring approval of the shareholders' meeting;
- (2) Change the par value of stock or increase/decrease registered capital;
- (3) Increase the number of directors
- (4) Transactions in which a director has an interest or prescribed by law or the regulations of the Stock Exchange of Thailand as requiring approval of the shareholders' meeting.

The Board of Directors has a responsibility towards the shareholders in conducting the company's business operations and ensuring that the company's is managed in accordance with the goals and approaches which maximize the shareholders' interests, within an ethical framework and equally taking into account the interests of all stakeholders, pursuant to the roles and responsibilities of under the topic **"the Role of the Board of Directors"**.

Code of conduct 2: determine key corporate objectives and targets on sustainability.

The Board of Directors sets key business objectives, targets and policies for the company and its subsidiaries, taking into account situations and scenarios as well as ensuring consistency with the company's vision and mission. The organization's internal environment is analyzed to understand the competition and analysis of the organization's external environment, i.e. economic, social and environmental factors; legal issues; and market competition. This is to determine and understand external changes, which consist of both opportunities and challenges for the organization, as well as promoting the use of innovation and technology to add value to the organization, with a view to achieving sustainable growth.

Analyzing the change of these factors may impact the business and stakeholders. Therefore, the Board of Directors has worked to instill corporate governance and its implementation as an organizational value, with the cooperation of all employees in continuously improving the organization and recognizing the importance of being a sustainable organization. Besides, the Board of Directors has formulated the company's business strategies, policies, work plans and budgets. The Committee on Sustainable Development was created by the Board of Directors to ensure that the policy framework is followed. The Board of Directors assigns the task of implementation to the management and ensures that it is done so effectively.





Code of conduct 3: strengthen the effectiveness of the company's Board of Directors

The Board of Directors understands its roles and responsibilities. There is a clear division between the Board of Directors and the management. The Chairman of the Board and the Chief Executive Officer are not the same person. The Board of Directors prescribes the roles of the management and ensures that the management effectively carries out its duties in accordance with the set policy. Additionally, the Board of Directors ensures that there is no conflict of interest among the company's stakeholders through periodical disclosure of complete and accurate company information.

Code of conduct 4: recruit and develop senior executives and human resource management.

The Board of Directors recognizes the importance of recruiting the right persons for key senior executive positions, e.g. the Chief Executive Officer (CEO) and other positions equivalent to a managing director of the company and its subsidiaries. Factors taken into consideration include knowledge, expertise and experience that complement the company's strategy and objective. As such, the Board of Directors must ensure that the recruitment process for these key positions is done properly.

Code of conduct 5: promote innovation and responsible business conduct.

The Board of Directors recognizes the importance of sustainable development which will become a standard of responsibility for the economy, society and environment, in accordance with the United Nations Sustainable Development Goals. Therefore, the company's business approach is aligned with that of Thai Union Group PCL, comprising 4 main strategies as follows:

1. Worker safety and lawful labor recruitment – lawful employment where workers freely choose to work in the company's place of operations and in the supply chain, which is crucially important

2. Responsible procurement of raw materials – traceability of raw materials is crucial for improving the transparency and operations of the supply chain

3. Responsible operations – the company's operations must be environmentally responsible and demonstrate the duty of care and fair treatment towards workers

4. People and community – the company is responsible for improving the quality of life of those living and working in the areas where the company has business operations.

Code of conduct 5.1: come up with innovations that create business value, benefit stakeholders, and are socially and environmentally responsible The Board of Directors recognizes the importance of and promotes innovations that create business value and are beneficial to all concerned stakeholders as well as being socially and environmentally responsible

The Board of Directors recognizes the importance of and promotes innovations that create business value and are beneficial to all concerned stakeholders as well as being socially and environmentally responsible.



1. The Board of Directors recognizes the importance of fostering an organizational culture of innovation and ensures that the management take it into consideration in the process of strategic review, operational development planning, and post-implementation follow up.

2. The Board of Directors encourages new innovations to create business value in accordance with changing external factors, from business models to ideas and perspectives on the design and development of a product and service, to making adjustments to the manufacturing and work process, to working with trading partners in discouraging inappropriate, illegal or unethical conduct.

Code of conduct 5.2: socially and environmentally business conduct

The Board of Directors ensures that the management runs the company in accordance with corporate ethics and social and environmental responsibility, which must be reflected in the operational plan, ascertaining that every department acts in line with the main corporate objectives, targets, and strategies.

The Board of Directors will create a mechanism to ensuring that the company's business is run ethically, with social and environmental responsibility as well as respecting the rights of all stakeholders. This serves as a guideline for every department in the organization to achieve the main objectives and targets in a sustainable manner, including the following issues:

1. Responsibility towards the employees: by complying with relevant laws and standards as well as treating employees and staffs fairly and respecting their human rights, i.e. calculating compensation and other benefits based on knowledge, ability and performance; paying attention to occupational health, environment and safety; capacity training; encouraging employee participation; and allowing employees to develop new skills.

2. Responsibility towards the customers: by complying relevant laws and standards as well as paying attention to the health, safety, fairness, customer data confidentiality, product quality, product improvement based on customer satisfaction level, and responsible sales promotion conduct that does not mislead or take advantage of customers' misunderstanding.

3. Responsibility towards the trading partners: by having a fair procurement process and fair contract or agreement terms, disclosing complete information, strictly abiding by an



agreement, as well as monitoring and evaluating trading partners to sustainably enhance business complementarity.

4. Responsibility towards the community: by using business knowledge and experience to develop projects that benefit the community and society as a whole, with progress and long-term success monitoring and evaluation.

5. Responsibility towards the environment: by preventing, reducing, managing and ensuring that the company does not create negative environmental impact; promoting efficient resource utilization; and refraining from actions that cause natural resource and environmental degradation.

6. Fair competition: by operating the business transparently within the framework of fair competition rules.

7. Anti-corruption: by complying with relevant policies, laws and standards; having a policy on anti-corruption; and setting up a channel and procedure for receiving and dealing with complaints regarding violation of the law, rules, regulations and ethics, or cases of corruption (whistle blowing).

Code of conduct 6: appropriate risk management and internal audit

The company created the internal audit department as one of the company's independent units, which is currently led by Thanyathep Thiwakornsakul, Internal Audit Manager (Details about the company's internal audit can be found in attachment no. 3).

The internal audit department periodically monitors the internal control system and inspects key items, encompassing operations,

compliance control, risk manage, and reporting of irregularities, to ensuring that the company's system is effective thus lending credibility to the financial statements. This function reports directly to the Audit Committee and submits management reporting to the Chief Executive Officer. The internal audit department formulates an annual audit plan, taking into account the risks faced by the company and its subsidiaries, especially those which impact on the attainment of the company's objective and the accuracy of the financial report. The annual plan is reviewed and approved by the Audit Committee which also periodically follows up on its implementation and evaluates the performance of the audit department.

During last year's internal audit reporting period, operations were found to be in accordance with the established system, with good and effective internal control. Business risks were identified and assessed. Risk prevention and risk management measures were drawn up accordingly. Relevant laws and regulations were complied with. No significant irregularities were found.

Risk management

The Board of Directors is responsible for ensuring appropriate and effective risk management. In 2023, the Company has appointed the Risk Management Committee to oversee the development of a risk management procedure as well as

periodically submitting a report on significant risks of the company and its subsidiaries to the Board of Directors. The risk management working group, which regularly assesses internal and external risk factors, comprises the management and senior executives from the functions affected by such risks, and is scrutinized by the risk management team of Thai Union Group PCL. Analysis is undertaken to identify the cause of a specific risk, to formulating appropriate risk management measures as operational guidance to prevent such risks from arising or mitigate their impact, as well as monitoring compliance with the said measures and coordinating with the Audit Committee to submit a report to the meeting of the Board of Directors at least once every quarter. Details can be found in section 1, topic 2 "Risk Management".

Control of the use of inside information and trading of the company's stocks

- **Report on shareholding of the company's directors and executives**

To prevent the use of inside information, directors and senior executives are required to notify the company's secretary at least 1 day prior to their intended stock trades. They also have a duty to immediately report any changes of their shareholding as well as those of their spouse and minor



children to the Securities and Exchange Commission, not exceeding 3 days after the date of trading, pursuant to Section 59 of the Securities and Exchange Act, B.E. 2535 (1992). Directors and executives or the notified agency are prohibited from disclosing inside information and from trading the company's stocks during the 1-month period prior to public disclosure of the financial statements or other facts (silent period). This is to prevent the use of inside information, which has not been made public and may affect the stock price movement of a company listed with the Stock Exchange of Thailand, for personal benefit.

In addition, the company's secretary also reports the holding of the company's stocks of the directors and executives as well as any changes thereof to the Chairman of the Board of Directors and Chairman of the Audit Committee. An annual report on the holding of the company's stocks and changes thereof is submitted to the meeting of the Board of Directors for its information.

• Report on the directors' and executive's interests

The company's directors and executives are obliged to file their and related persons' interests with the company, pursuant to Section 89/14 of the Securities and Exchange Act, B.E. 2551 (2008) and Notification of the Capital Market Supervisory Board, No. Tor Jor 2/2552 Re Reporting of the Interests of Directors, Executives and Related Persons, as well as requiring the company's

secretary to submit a copy of the interests report to the Chairman of the Board of Directors and Chairman of the Audit Committee within 7 days from the date of receipt of the report. The criteria and method of reporting are set by the Board of Directors.

Records of legal violation by the company, its directors and executives

In 2023, the company recorded no violations of rules, regulations or laws under the Securities and Exchange Act and the Public Company Limited Act, B.E. 2535 (1992), as well as any other legal violations, e.g. failure to file financial statements by the due date, financial assistance to associated companies or other companies which are not the company's subsidiaries, no violations of labor law and employment law, no violations of rules, regulations or laws under the Securities and Exchange Act and the Public Company Limited Act, B.E. 2535 (1992) by the directors and executives of the company and its subsidiaries, including legal violations of civil and criminal nature, e.g. no actions causing any conflict of interest, no insider trading, and no corruption-related or ethical wrongdoings.

Code of conduct 7: Maintain financial credibility and information disclosure

The Board of Directors owes a duty to the shareholders and other stakeholders—investors, analysts, and financial institutions in maintaining financial credibility, as well as public disclosure of information. The details are as follows:



Information disclosure and transparency

The Board of Directors has adopted a policy of accurately, completely and timely disclosing the company's key financial and non-financial information. This is done through the Stock Exchange of Thailand and the investor relations website in both Thai and English, ensuring that the shareholders, investors, institutions, and individuals have equal access to trustworthy information.

The Board of Directors is responsible for the overall financial statements of the company and its subsidiaries as well as financial information used in the company's annual report. The financial statements are prepared according to certified accounting standards. A suitable accounting policy is adopted and consistently adhered to. Any discretion is carefully exercised. Key information is also sufficiently disclosed in the notes to the financial statements.

The Board of Directors produces a report on its responsibility regarding the financial statements, which is presented together with the auditor's report in the company's annual report, to show that the financial statements are accurate, verifiable, and reasonable, as well as consistently adhering to accounting standards and the accounting policy.

The Board is generally satisfied with the company's internal control system and is reasonably confident on the credibility of the company's financial statements as of 31 December 2023, which was audited in accordance with recognized accounting standards.

Public information disclosure

The Board of Directors recognizes the importance of accurate, complete, and transparent information disclosure, so that all shareholders, investors and concerned parties are equally informed. Therefore, the company disseminates information regarding its operations and financial status as required by law, in a clear and timely manner, ensuring that the target groups have the right understanding about the company. This would enable the company to gain acceptance and attract investment, as well as learning about public perception of the company, providing input for target and strategy formulation. An investor relations work unit was created with a designated executive and dedicated officers responsible for communicating with the public.

In 2023, the company periodically disclosed its operations, financial and non-financial information via various channels as follows:

1. The company's executives held meetings on the operating results with analysts, investors and shareholders:

- 4 Analyst meetings
- 4 Opportunity Day SET

In addition, the Board of Directors encourages the use of information technology to disseminate information by preparing documents for public information in Thai and English as well as making them available on the company's website at <https://www.thaiunionfeedmill.com/th/investor-relations/home>

- Quarterly MD&A document for investors and securities analysts
- Quarterly company presentation for investors and securities analysts
- Updated investor relations calendar
- Annual report for shareholders, investors, and anyone interested in the company

2. Providing information via the Stock Exchange of Thailand and the Securities and Exchange Commission, i.e. annual report, quarterly and annual financial statements, quarterly and annual financial statement analysis reports, notifications of decision of the Board of Directors, decisions of the shareholders' meeting, and reporting or notifying any changes to the company's information which should be disclosed pursuant to relevant notifications of the Securities and Exchange Commission or as required by the Stock Exchange of Thailand. Investors and analysts can directly contact investor relations officers via telephone at 0-3441-7222 ext. 229 or email ir.tfm@thaiunion.com

Code of conduct 8: encourage participation of and communication with the shareholders

The Board of Directors complies with the principle of corporate governance and has a clear business plan, taking into consideration equal treatment of the shareholders and stakeholders. This is evident from effective cooperation between the Board of Directors and the management, working with due diligence in the best interests of the company and the shareholders. They also work with transparency and accountability, with complete, accurate and timely information disclosure for all concerned parties. The company's risk control and management is adequate for business decision making. The company is committed to ethical business conduct, with a view to preventing damage to various stakeholder groups. The Board of Directors works to reassure the investors that the company has accurately, completely and timely disclosed key company information.

Moreover, the Board of Directors recognizes the importance of the right of all stakeholders to receive equally good treatment as well as their support and cooperation, which are crucial for the company's long-term stability and achieving its main objectives and goals in a sustainable manner. Therefore, the Board of Directors monitors to ensure that the management conducts itself ethically, acts responsibly towards society and the environment, adheres to the principle of equal treatment, and formulates relevant guidelines on shareholders and stakeholders, including shareholder relations, equal treatment of shareholders, encouraging the exercise of shareholders' rights, prevention of use of inside information, prevention of conflicts of interest, stakeholder responsibility, anti-corruption, and consequences in case of non-compliance with such policies and guidelines.

The company equally discloses data and information to all shareholders regardless of the size of their shareholding or whether it is a Thai or foreign individual or juristic person. In every shareholders' meeting, the company values and respects the rights of shareholders by strictly complying with relevant laws governing a public company limited, and recognizes that shareholders have the right to make an informed decision based on sufficient, accurate, complete, and timely information, as well as encouraging the exercise of shareholders rights and refraining from infringing upon their rights as follows:

Holding of shareholders' meeting

It is a requirement to hold an annual general meeting of the shareholders (AGM) by the 4th month after the end of the company's accounting year, i.e. by 30 April of each year. If it is necessary

to consider extraordinary agenda items concerning the shareholders' rights and interests, the Board of Directors will call for an extraordinary meeting of the shareholders, as necessary and appropriate. In 2023, the AGM was held on 7 April 2023, at 10.00 am, at the Meeting Room 35 floor, SM Tower, Paholyothin Road, Phayathai Sub-district, Phayathai District, Bangkok. The meeting was held electronically (E-AGM) with the following preparations made by the company:

Pre-meeting and meeting invitations

- The Board of Directors allowed the shareholders to nominate director candidates, propose the meeting agenda, and ask questions in advance. The company's secretary was tasked with disseminating the said information electronically via the Stock Exchange of Thailand and the company's website at least 90 days prior to the proposed meeting date to give the shareholders ample time. The finalized draft meeting agenda was adopted by the Board at the AGM. Regarding the shareholders' rights to nominate director candidates and to propose agenda for the AGM in advance. The previous year the Company invited the shareholders to nominate director candidates, propose the meeting agenda, and ask questions in advance for the 2023 Annual General Meeting of Shareholders through information electronically via the Stock Exchange of Thailand on 26 September 2022 which allowed the shareholders to nominate director candidates, propose the meeting agenda, and ask questions in advance during 1 October until 31 December 2022, totally 92 days and none of the shareholders nominate director candidates, propose the meeting agenda.



For the Shareholders' Meeting in 2024 the company has proceeded as abovementioned by allowing the shareholders to nominate director candidates and propose 2024 AGM agenda, with announcement made via the electronic system of the Stock Exchange of Thailand on 31 August 2023. The shareholders are required to submit their input during the 122-day period between 1 September and 31 December 2023. After the lapse of such a period, neither nomination of director candidates nor proposal of AGM agenda were made by the shareholders.

In addition, the company did not include any new agenda which had not already pre-notified at the previous AGM.

- The company sent out the 2023 AGM invitation letter in Thai and English, with information about the date, time and location together with meeting documents containing complete and sufficient details about the purpose of the meeting, to allowing the shareholders to exercise their rights, as well as comments of the Board of Directors for each agenda item. All types of proxy forms comprise Form A, Form B, and Form C, as required by the Ministry of Commerce; procedures of voting, vote counting and voting results announcement; information about independent directors who can be nominated as proxy for the shareholder; required documents to be presented at the meeting; and solicitation for advance questions. This is to facilitate all groups of shareholders and ensure that the process is least rights-restrictive and burdensome for the shareholders. The shareholders could download all the aforementioned documents from the company's website <https://www.thaiunionfeedmill.com/th/investor-relations/downloads/shareholders-meetings> since 9 March 2023, 28 days prior to the meeting date. The company was concerned about the health and safety of the shareholders and all concerned persons. Therefore, to reduce the risk of the spread of COVID-19 and to comply with COVID-19 prevention and control measures and practices, it was decided that the AGM be held electronically (E-AGM) and announced through the invitation and the Stock Exchange of Thailand channel. The shareholders were allowed to register for attending the meeting and the registration forms had been attached with the invitation.
- The company assigned Thailand Securities Depository Co., Ltd., the company's registrar, to circulate a shortened AGM invitation letter and a proxy form (Form B). The invitation letter contained a QR Code for the shareholder to access the full AGM invitation



letter, detailed meeting documents with comments of the Board of Directors for each agenda item, and proxy forms (3 types) giving the shareholder options to appoint someone or nominate one of the independent directors as proxy to attend the meeting and vote by proxy or register to attend the meeting online. The annual report was made available in a QR Code format and was sent to the shareholders on 16 March 2023, 21 days prior to the date of the AGM. The Board of Directors appointed 3 independent directors, namely Ms. Rachadaporn Rajchataewindra, Ms. Morragot Kulatumyotin, and Mr. Somchai Nguanvorakul as proxies of the shareholders unable to attend the AGM themselves.

- The company had published the AGM invitation letter in Thai edition of Krongkao newspaper for 3 days prior to the AGM date, to give advance notification to the shareholders to prepare themselves to attend the meeting on the set date and time.

Annual General Meeting of the shareholders

To facilitate equal participation by all shareholders, be they individual or institutional shareholders, dedicated officers were designated to process proxy forms and send out usernames and passwords together with the weblink to access the E-AGM. The AGM Voting system, provided by Inventech Systems Co., Ltd., an independent provider of meeting services, ensured that the E-AGM complied with online meeting standards of the Electronic Transactions Development Agency. This covers preparation of information on shareholders with voting rights; registration; attending shareholders; and in-session vote counting. Registered shareholders could test the system 60 minutes before the start of the meeting. The meeting was broadcast from the meeting room of Inventech Systems Co., Ltd. In 2023, the breakdown of the shareholders registered to attend the AGM themselves and those appointing proxies as follows:

shareholders	Number (persons)	Number (Shares)	Proportion of the issued and paid-up shares
Attend by themselves	9	86,877,211	17.37%
Proxies	58	276,991,175	55.40%
Total	67	363,868,386	72.77%

- The Chairman of the Board of Directors presided over the 2023 AGM, ensuring that the conduct of the meeting comply with relevant laws and rules as well as the company's regulations with the Chairman of the sub-committee and the Chief Financial Officer.
- Senior executives and a certified public accountant from PricewaterhouseCoopers ABAS Co., Ltd. participated in the AGM to respond to questions in each agenda item. The chairman of the meeting also allocated ample time for the shareholders and encourage them to express their views and ask questions.
- Before the start of the meeting, the chairman of the meeting asked the master of ceremony to introduce to the meeting the company's directors, management team, auditor, and independent legal advisor who served as an impartial observer. The number and percentage of the shareholders attending the meeting themselves and those appointing proxies were announced. The voting procedure and criteria in accordance with Regulation 35 of the company's regulations were clearly explained: all shareholders have equal voting rights with one vote per share; how to vote; and vote counting for each agenda item. During the meeting, all shareholders with voting rights could ask questions, express their views, and offer their suggestions. The company's Board of Directors and executives were always present to answer questions posed by the shareholders.
- The shareholders cast their votes online for every agenda item. The AGM Voting system was used to record voting results for each agenda item, allowing the shareholders to vote no or abstention. The no and abstention votes were then discounted from the total number of the meeting attendees to calculate the number of yes votes for that agenda item. Advance voting results cast in proxy forms were added to tally the final results, which were then recorded in the system for future verification. The system ensures meeting time

management and allows the shareholders to exercise their voting rights on electing individual directors. The voting results were clearly announced in the meeting room at the end of each agenda item, ensuring voting transparency. Records of the meeting in video format are made available on the company's website.

Post-AGM and meeting report

The company immediately published the decisions of 2023 AGM on every agenda item except the Q&A session on the company's website at <https://www.thaiunionfeedmill.com/th/investorrelations/downloads/shareholders-meetings?year=2023> on the same day. The full AGM report was submitted to the Stock Exchange of Thailand on 21 April 2023 and made available on the company's website on 21 April 2023 or 14 days after the AGM.

6.2 Business ethics

The company is determined to achieve successful business administration. Therefore, in addition to dedication and attention, commitment to ethics, morality, transparency and honesty will no doubt lead to a sustainable success. To ensure legal and ethical compliance of the company's administration and conduct of the Board of Directors, directors in the sub-committees, executives, and employees, the company has prepared an ethical manual to provide guidelines on ethical business conduct, including guidance for directors, sub-committee directors, executives, and employees to adhere to. Details of the company's business ethics are published on the company's website www.thaiunionfeedmill.com under the topic "Corporate Governance", sub-topic "Corporate Governance Policy".

The company communicates with and trains all its executives and employees in business ethics as well as periodically following up on their adherence. Every executive and employee are required to sign a document acknowledging and strictly adhering to the company's business ethics.



6.3 Significant change and development regarding the corporate governance policy, guideline and system in 2023

Significant change and development in 2023

The Board of Directors of Thai Union Feedmill PCL recognizes the importance of corporate governance, which contributes to business sustainability and domestic and international acceptance. As such, the Board of Directors is committed to the principle of corporate governance, the elements of which comprise having executives with leadership, vision and responsibility; having a management structure with monitoring and follow-up mechanisms as well as checks and balances, ensuring fair, ethical and transparent administration; and respecting the equal rights of shareholders and stakeholders. This is in order to enhance the company's business competitiveness and the confidence of investors and stakeholders, as well as ensuring effective business operations, stable and sustainable growth, and creating more investment value for the investors in

the long-term. In 2023, the Board of Directors approved the following significant revision made to the corporate governance policy, guideline, and system:

- Revised and approved the corporate governance policy to be in line with the principle of corporate governance for listed companies 2017 (CG Code), providing guidance for all directors, executives, and employees.
- Organized meetings with non-executive directors.
- Appointed the Risk Management Committee, comprising 2 independent directors and 2 directors.
- The disclosure of the invitation to the Annual General Meeting of shareholders for 28 days prior to the Meeting date.

In addition, in 2023, the company received a "good" corporate governance rating (CGR) from the Thai Institute of Directors and a score of 99 for the quality assessment of the holding of its AGM (AGM Checklist) from the Thai Investors Association.

Application of the principle of corporate governance for listed companies 2017 (CG Code) of the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Board of Directors acknowledges the 2017 CG Code and recognizes its leadership role in creating business value in a

sustainable manner. Evaluation on compliance with the corporate governance policy and business ethics is done at least once a year. From the evaluation, it was found the principle of corporate governance was generally complied with. However, there are a few issues of non-compliance as follows:

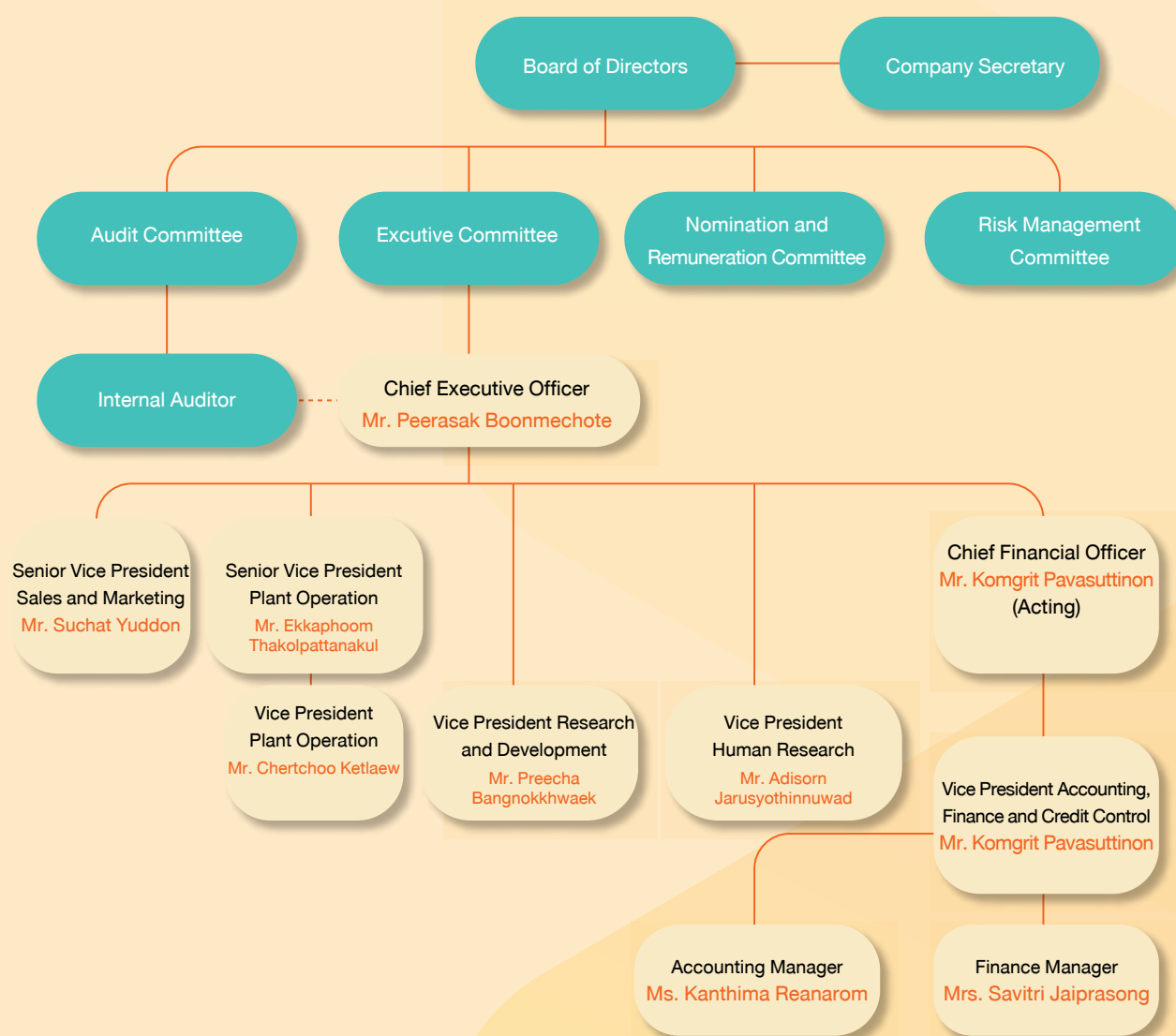
Issues of non-compliance	Reason / Explanation
An Independent director should not hold the position of the Company's director for more than 9 years.	Although the Company does not impose a 9-year term limit, the Board of Directors has considered and is of the view that existing Independent directors are qualified for the position and can offer independent and criteria-base opinions. They also bring to the table their experience, knowledge and expertise, which have contributed to the formulation of the Company's strategy and business direction.
The Board of Directors should appoint a corporate governance committee	The company is in the process of appointing such committee
Setting targets regarding the management of energy, water resource, and waste, including pollution	The company will disclose said information in this year's 56-1 one report



Corporate Governance Structure

7.1 Corporate Governance Structure


As of 31 December 2023, the Company's corporate governance structure was as follows:








The Company's management structure consists of the Board of Directors and four sub-committees, namely the Audit Committee and the Executive Committee, Nomination and Remuneration Committee, and Risk Management Committee.

Thai Union Feedmill Board Skill Matrix 2023

Finance, Accounting & Economics

 Finance, Accounting & Economic	2
 Auditing	3
 Capital Market	6

Management

 Risk & Crisis Management	6
 Legal	3
 Logistics / Supply Chain	7
 Information Technology	2
 Environment	0
 Human Resources	1
 Transformation	6
 Marketing / PR	6
 Corporate Social Responsibility Sustainable Development	0
 International	6
 Corporate Governance	7

Industry Knowledge

 Food & Staples Retailing	6
--	---

Diversity

Geographic
Resident



10

Thailand



1

Japan

Nationality



10





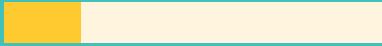
Thailand



1

Chinese

Age (Year Old)

40-49		1
50-59		3
60-69		6
70-79		0
80-89		1

Gender



9

Male



2

Female

7.2 Board of Directors

As of 31 December 2023, the Board of Directors consisted of 9 directors as follows:

	Name of director	Position(s)	Date of becoming a director	Year of tenure*
1.	Mr. Rittirong Boonmechote	Chairman Chairman of Executive Committee Member of Nomination and Remuneration Committee	29 June 2000	23 years 6 months
2.	Mr. Thiraphong Chansiri	Director Member of Executive Committee	29 June 2000	23 years 6 months
3.	Mr. Cheng Niruttinanon	Director	29 June 2000	23 years 6 months
4.	Mr. Bunluesak Sorajjakit	Director Member of Executive Committee Chief Executive Officer	29 June 2000	23 years 6 months
5.	Mr. Shue Chung Chan	Director Member of Risk Management Committee	4 October 2002	21 years 2 months
6.	Mr. Kanit Vallayapet	Director	11 February 2021	2 year 10 months
7.	Mrs. Rachadaporn Rajchataewindra	Independent Director Chairman of Audit Committee Member of Nomination and Remuneration Committee	5 September 2018	5 years 3 months
8.	Mr. Somchai Thaisanguanvorakul	Independent Director Member of Audit Committee Chairman of Nomination and Remuneration Committee Member of Risk Management Committee	5 September 2018	5 years 3 months
9.	Mrs. Morragot Kulatumyotin	Independent Director Member of Audit Committee	5 September 2018	5 years 3 months
10.	Mr. Boonyarit Kalayanamit ¹	Independent Director Member of Audit Committee Chairman of Risk Management Committee	7 April 2023	9 months
11.	Mr. Peerasak Boonmechote ¹	Director Member of Executive Committee Member of Risk Management Committee	7 April 2023	9 months
	Mr. Terapol Soonponrai	Company Secretary		

Remark: ¹ The 2023 Annual General Meeting of Shareholders held on 7 April 2023, approved the increase of the number of director and appointed Mr. Boonyarit Kalayanamit and Mr. Peerasak Boonmechote to be the independent director and director, respectively.

Authorized Directors to Sign be Binding the Company according to the Company Registration Certificate

The number and name of the directors authorized to sign be binding the Company are any two of these six directors can jointly sign be binding the Company and affix together with the Company's seal, Mr. Thiraphong Chansiri, Mr. Cheng Niruttinanon, Mr. Rittirong Boonmechote, Mr. Chan Shue Chung, Mr. Bunluesak Sorajjakit, and Mr. Peerasak Boonmechote.

Scope, Authority, Duties and Responsibilities of the Board of Directors

1) Perform duty in compliance with the law, objectives, policies, regulations, and decisions set by the shareholders' meetings with accountability and integrity. Safeguard the interests of the Company and its affiliates.

2) Consider and approve objectives, vision, mission, policy, business plans, business directions and strategies, annual budget, business expansion plans, investment plans, and financial plans of the Company and its affiliates as proposed by the Executive Committee or management. Such abovementioned documents may propose to the shareholders' meeting (if necessary).

3) Oversee the management and performance of the Executive Committee, management, employees or any persons assigned with the task to ensure compliance with the vision, mission, policies, business plans, business directions and strategies, annual budget, business expansion plans, investment plans, and financial plans that have been approved by the Board of Directors in an efficient and effective manner, aiming to create the highest economic

values for the Company and its affiliates, as well as highest wealth for shareholders, while protecting their interests.

- 4) Regularly monitor operations of the Company and its affiliates to ensure that they are in accordance with operational plans and budget of the Company.
- 5) Be aware of key risk factors. Provide suggestions and opinions on risk management approaches in a comprehensive manner, and oversee the executives to ensure systematic and effective procedures in risk management, including risks that may arise from efforts to seek business opportunities.
- 6) Consider and approve the entering into contracts or normal business transaction, support normal business transactions of the Company and its subsidiaries on arm's length basis including opening and closing of accounts, using financial services with commercial banks or financial institutions, becoming a guarantor or making transactions for normal transactions of the Company's business within the limit and budget for items that are beyond the approving authorities of the Board of Directors.
- 7) Approve investment expenditures, operations, loans or credit requests from financial institutions, as well as collateral for the purpose of normal business operations of the Company and its affiliates, in accordance with the Company's rules and regulations, as well as relevant regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand, and the Capital Market Supervisory Board.
- 8) Approval of transactions as proposed by sub-committees and/or management. Ensure that transactions of the Company and its affiliates are in line with the law on securities as well as announcements, regulations, and criteria of the Capital Market Supervisory Board, the Securities and Exchange Commission, and the Stock Exchange of Thailand. Such transactions include related party transactions and acquisition

or disposition of assets transactions that are not in breach of the law or in conflict with other laws. Oversee the Company to ensure appropriate and effective financial statement system, as well as the production of financial statements and notes to financial statements according to the legally-prescribed standards of financial statements. Financial statements are to be submitted to the Stock Exchange of Thailand and/or other authorities within the designated time.

- 9) Approve quarterly financial statements that have been reviewed by the external auditor and endorse annual financial statements that have been reviewed by the external auditor for onward submission to the annual shareholders' meeting for approval.
- 10) Endorse the selection and nomination of the external auditor and consider appropriate remunerations as proposed by the Audit Committee, for onward submission to the annual shareholders' meeting for approval.
- 11) Approve interim dividend payment and endorse the annual dividend payment for onward submission to the annual shareholders' meeting for approval.
- 12) Ensure that the Company has sufficient and effective internal control and internal audit systems, as well as ensure that the Company has procedures on regular assessment of the internal control system of the Company and its affiliates.
- 13) Approve related party transactions between the Company and its affiliates, and related person as prescribed by the Securities and Exchange Act B.E. 2535 (1992) (including amendments), as well as relevant rules and regulations of the Stock Exchange of Thailand and the Capital Market Supervisory Board. Approve in-principle trade agreements, with arm's length basis, when conduct transactions between the Company and its affiliates, and directors, executives or relevant persons to determine operational frameworks so that the Executive Committee, and the management have the power to conduct transactions under the framework and scope of the law and related criteria.
- 14) Pay close attention to and resolve issues of conflict of interests and related party transactions. Emphasis must be given to key transactions that have the potential to generate best benefits to shareholders and stakeholders.
- 15) Approve the appointment of director when it becomes vacant not by rotation, endorse the nomination of an individual to fill in a position of a director whose term has ended, and determination of directors' remunerations, for onward submission to the annual shareholders' meeting for approval.



The individual to be nominated as a director must be qualified and must not have any prohibited characters as specified in the Public Limited Companies Act B.E. 2535 (1992) (including amendments), the Securities and Exchange Act B.E. 2535 (1992) (including amendments), as well as relevant announcements, rules and regulations.

- 16) Determine and amend the names of authorized directors.
- 17) Approve the establishment of sub-committees including the Audit Committee, the Executive Committee or other committees. Determine scope, duties, and responsibilities of such sub-committees to help and support the performance of the Board of Directors, management and internal control systems. Determine remunerations for sub-committee members (not more than the total amount approved by the shareholders).
- 18) Ensure that the Company has in place Corporate Governance Policy, Code of Conduct, written policy on good corporate governance that reasonably specifies principles and good practices for directors, committee members, the executive, and employees. The aim is to instill the responsible attitude in the conduct of the work, and understanding. Once released, the Company needs to strictly follow, together with the Company's rules and regulations to ensure fairness to all stakeholders. Emphasize the conduct of business that is responsible to society, and the environment, as well as the betterment of the Thai society.
- 19) Conduct assessments on the implementation of Corporate Governance policy, the code of conduct, and policies related to corporate governance at least once a year. Supervise the Company's operations to safeguard the interests of shareholders. Disclose accurate, comprehensive, standardized and transparent information to shareholders and investors.
- 20) Provide channels to appropriately communicate with each group of shareholders and supervise the disclosure of information to ensure that it is clear, accurate, transparent, credible and of highest standard.
- 21) Hold shareholders' meeting at least once a year (the Annual General Meeting) within 4 months after the end date of the fiscal year. Ensure that the proceedings of a shareholders' meeting, both the Annual General Meeting or the Extraordinary General Meeting are smooth, transparent, and efficient. Such proceedings must facilitate shareholders to exercise their rights in the approval of items that need to be approved by the shareholders' meeting. Ensure that the decisions are disclosed and reports to the Stock Exchange of Thailand are submitted within the stipulated timeframes.

- 22) Produce the Annual Registration Statement (Form 56-1), and Annual Report (Form 56-2) and submit to the shareholders' meeting for consideration and approval according to the provisions of the law, and the announcement of the Securities and Exchange Commission and the Stock Exchange of Thailand.
- 23) Ensure compliance of the good practices of directors of a listed company, as provided by the rules and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission.
- 24) Encourage the directors and executives to attend trainings and seminars by the Thai Institute of Directors according to their respective duties and responsibilities.
- 25) The Board of Directors may grant power of attorney to and/or delegate other persons to conduct certain tasks. Such power of attorney or sub-delegation are to be within the scope of authorization specified in the power of attorney and/or in accordance with the rules, regulations or orders of the Board of Directors and/or the Company. The delegation of power, duties and responsibilities by the Board of Directors must not enable the Board of Directors or the authorized to approve transactions where they may be in conflict (as defined by the announcement of the Securities and Exchange Commission, and/or the Capital Market Supervisory Board, and/or the Stock Exchange of Thailand, and/or a relevant agency), have stake in or be beneficial in anyway or be in conflict of interest with the Company or its affiliates. Exceptions are when such transaction is in accordance with the policy and rules approved by the shareholders' meeting or the Board of Directors, and such transaction is in accordance with normal business practices and arm's length basis, in accordance with the announcement of the Securities and Exchange Commission, and/or the Capital Market Supervisory Board, and/or the Stock Exchange of Thailand, and/or a relevant agency.
- 26) Ask for professional opinion from external when necessary, for the purpose of making an appropriate decision.
- 27) Assess the performance of the Board of Directors collectively and individually to review the performance, issues, and obstacles annually. Results of the assessment will be used to further develop and improve the performance in various aspects.
- 28) Review the Charter of the Board of Directors at least once a year.
- 29) Conduct any other deed as assigned by the shareholders' meeting.
- 30) Approve the appointment of the Company Secretary to oversee various activities of the Board of Directors. Determine qualifications and experience of the Company

Secretary which are necessary and appropriate to support the work of the Board of Directors. Disclose such qualifications and experience of the Company Secretary in the Company's annual report and website.

Tenure

- 1) At every Annual General Meeting of Shareholders, one-third of the total number of directors are to retire. If the number of directors is not divisible, the number of retiring directors will need to be as close to the one-third ratio as possible. Directors who have retired by rotation may be nominated back as deemed appropriate by the Board of Directors.
- 2) A director is retired in the case of
 - 1) rotation
 - 2) resignation
 - 3) the lack of qualification or incompatibility in accordance with the law on public companies, law on securities and exchange, announcement of Capital Market Supervisory Board, regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand, and provisions of the Company's regulations.
 - 4) death
 - 5) decision of the shareholders' meeting
 - 6) court order
- 3) Should a director wish to resign before the tenure ends, the director is to tender the letter of resignation, together with the rationale for resignation to the Chairman of the Board of Directors at least 30 days in advance, except in a necessary and appropriate case.
- 4) If a director position becomes vacant due to other reasons apart from completion of tenure, the Board of Directors shall select an individual with qualifications, without incompatibilities according to the law on public companies, and the law on securities and exchange, to become a director in the following meeting of the Board of Directors, unless the remaining tenure of the director is less than 2 months. The individual selected may remain a director for the remaining tenure of that position. The decision taken by the Board of Directors must consist of at least three-fourth of the votes of the remaining directors.

Meeting

- 1) Hold at least one Board of Directors' Meeting every three months.
- 2) The Meeting schedule shall be set in advance and approve by the Board of Directors.

- 3) The Company encourages each director to attend the meeting at least 75% of total number of the meeting in each year, except in case of necessity of emergency.
- 4) The meeting quorum when casting their vote on each agenda shall consist of at least two-thirds of the director.
- 5) The Company will distribute the invitation letter and supporting documents to the directors at least seven days before the meeting date to allow the director having sufficient time for the information.

The director nomination and qualification

The Company has guidelines on the recruitment of directors and independent directors. The Board of Directors is to recruit appropriate individuals, with suitable expertise for the Company's business operations. Their profiles are considered before being nominated to the shareholders' meeting for approval. Shareholders are to receive sufficient information about the nominated individuals. The nomination and dismissal of directors must be carried out by the shareholders' meeting. Each shareholder has a right to vote in proportion to share volume owned; the principle of "one share, one vote" is applied. Each shareholder is required to cast the entire vote owned in one for one or more candidates but cannot split the vote into portions. Candidates shall be entitled to directorship based on votes received. A candidate with the highest number of votes is first entitled to directorship, followed by other candidates with less votes, respectively. If there are equal votes for individuals beyond the number of vacant positions in that election, the Chairman will make a decisive vote on the candidate to become a director. Directors and independent directors need to have the following qualifications.

1. Possess qualifications, without any incompatibilities, in accordance with the Public Limited Companies Act B.E. 2535 (1992) (including amendments) or the criteria prescribed by the Securities and Exchange Commission. Directors must not possess any traits of character that may warrant them unable to manage an enterprise where the public hold shares, as per the provisions of the Securities and Exchange Commission and other relevant criteria.
2. Adhere to integrity and ethics in the conduct of businesses. Have commitment to continue the business operations. Possess beneficial knowledge, expertise, capabilities, and experience.
3. Able to exercise discretion in an open manner, independent from the management team and other interested parties.

4. Able to devote sufficient time for the Company and take good care in items under one's own responsibilities. Prioritize the determination of the vision, mission, directions and strategies of the Company and Company's grouping. Directors are to engage fully in discussions and to explore information that is beneficial to the decisions regarding the directions of the Company and its affiliates
5. An independent director must fulfil qualifications prescribed in the announcement of the Capital Market Supervisory Board and the provisions of the Securities and Exchange Commission, and the Stock Exchange of Thailand. The scope of duties and responsibilities of independent directors are also to be in line with the announcement by the Stock Exchange of Thailand.
6. Directors may not conduct any business of the same nature and in conflict with the businesses of the Company and its affiliates or ones that the Company holds shares in. Directors must not take up position in other juristic persons that conduct business of the same nature and in conflict with the businesses of the Company and its affiliates, be it for their own benefits or others', unless such involvement is made known to the shareholders' meeting prior to the decision to approve the nomination.

Qualification of independent director

Under the Corporate Governance Policy, at least one-third of the board members and not less than three persons, must be independent directors. The term of office of independent is three year each and the qualification must meet the following criteria:

1. Not hold shares more than 1% of total voting stocks of TFM including stocks held by connected persons of independent director.
2. Not be nor have been a major shareholder.
3. Not be nor have been the board member or executive director, employee, staff, advisor who receives salary of the Company, its subsidiaries or its associate companies.
4. Not be any professional advisor.
5. Not have nor had a business relationship with whom may have conflict of interests, in the manner that may interfere with independent judgement:
 - Significant transaction with the transaction value over THB 20 million or 3 percent of NTA of the Company (whichever lower). The transaction value must be included the transaction occurred within six months before this transaction.
6. Not be appointed as a representative of the Company's or its board members, shareholder or a shareholder who is related to the Company's major shareholder.
7. Not have any characteristics which make him or her incapable of expressing independent opinions with regard to the Company's business affairs.

The aforementioned qualification of independent director is based on the Company's Corporate Governance.

Role and Responsibilities of Chairman of the Board

Chairman of the Board of Directors is Mr. Rittirong Boonmechote who has been the former Chief Executive Officer and the major shareholder in a proportion of 13.2% as of 31 December 2023. The Chairman of the Board has the duties to oversee policy advocacy and the strategic performance of the Company's management but shall not practice in the daily operations, monitors the meeting effectively according to Company policy and encourages the Board of Directors' duties, responsibilities and the principles of good corporate governance, and oversees and monitors the management of the Board of Directors and other sub-committees to achieve their specified objectives.

7.3 Sub-committees

Apart from the Board of Directors, the Company consists of four sub-committees, namely the Audit Committee and the Executive Committee, Nomination and Remuneration Committee, and Risk Management Committee, details are as follows:

7.3.1 Audit Committee

The Audit Committee was established by the approval of the Board of Directors on 19 October 2018 for the purpose of supporting and acting on behalf of the Board of Directors to review the financial information to be presented to the shareholders and other stakeholders, and to review the risk management systems, the internal control systems, internal audits and good corporate governance, and to control the anti-corruption measures as well as to review the financial reports' preparation for the Company's transparent and trustworthy operations and disclosure of information.

As of 31 December, 2023, the Audit Committee was consisted of 4 directors:

- | | |
|-------------------------------------|--|
| 1. Mrs. Rachadaporn Rajchataewindra | Independent Director and Chairman of the Audit Committee |
| 2. Dr. Somchai Thaisanguanvorakul | Independent Director and Member of the Audit Committee |
| 3. Mrs. Morragot Kulatumyotin | Independent Director and Member of the Audit Committee |
| 4. Mr. Boonyarit Kalayanamit | Independent Director and Member of the Audit Committee |
| Mr. Thanyathep Thiwakornsakul | Secretary of the Audit Committee |

Mrs. Rachadaporn Rajchataewindra is a director who is qualified to review the Company's financial statements (qualifications and experience of the four members of the Audit Committee can be found in Attachment 1)

Mr. Thanyathep Thiwakornsakul was appointed to be an Internal Audit Manager who is sufficiently qualified by his education and training background to oversee the work. Details on the profile and experience of the Head of Internal Audit can be found in Attachment 3, under the section on details relating to the Head of Internal Audit.

Scope, Authority, Duties, and Responsibilities of the Audit Committee

- 1) Review the Company's financial reporting system and disclosure of information in financial statements, in accordance with the financial reporting standards, and as required by law in a transparent, accurate, and sufficient manner.
- 2) Encourage the Company to develop the financial reporting system in line with international financial reporting standards.
- 3) Consider, select, nominate, or dismiss independent individuals to become the Company's external auditor. Propose remunerations and assess the performance of the external auditor, and submit to the Board of Directors for consideration, for onward submission to the shareholders' meeting for approval. Conduct meeting together with the external auditor without the involvement of the management team at least once a year.
- 4) Review the Company's internal control system in accordance with the Internal Control Framework: COSO 2013, and internal audit that is suitable, efficient, and effective, in accordance with the universally accepted approach and standards.
- 5) Review the accuracy, the efficacy and effectiveness of the information technology (IT) system related to internal control, financial reporting, risk management, information and network securities, and propose ways to continually update them.
- 6) Review and approve "Assessment on the Sufficiency of Internal Control System" which has been audited and assessed by the internal audit department, to ensure that the Company has sufficient internal control system.
- 7) Consider, appoint, transfer, dismiss the Head of Internal Audit. Annually assess the performance of internal audit in accordance with international standards, and provide comments on the work of internal audit department.
- 8) Consider the independence of internal audit (department), taking into account the performance and various reports, as well as the lines of command.
- 9) Consider hiring external consultants to provide advice or to conduct work relating to internal audit.
- 10) Review the Charter for internal audit at least once a year.
- 11) Approve internal audit plans, budget, and manpower of internal audit department. Consider scope of audit and audit plans of the external audit and internal audit department to ensure compatibility and reduce duplications in terms of financial audit.
- 12) Visit various units and departments in the Company and subsidiaries both in Thailand and abroad to review operational system, risk management system, internal control system, environmental management system, as well as issues related to financial statements, external and internal auditors. The visit should cover plants in order to inspect the production, inventory management, and general atmosphere.
- 13) Review the sufficiency of the governance system of the Company and subsidiaries both in Thailand and abroad.
- 14) Review compliance with the laws regarding securities and exchange, provisions of the Securities and Exchange Commission, the Stock Exchange of Thailand, other relevant laws and regulations as well as decisions of the Board of Directors.
- 15) Review the Company's preventive work which should further enhance the efficacy and effectiveness of the operations, as well as review the Company's internal processes regarding whistleblowing and complaints.
- 16) Review the Company's risk management system to ensure appropriate risk management system which is efficient and effective. The Audit Committee may mandate Chief Executive Officer (CEO) to set up a risk management team to oversee the matter as appropriate and necessary. CEO and/or the



risk management team must report risk factors, and approaches to risk management to the Audit Committee regularly at least once every quarter.

- 17) Scrutinize related party transactions or transactions that may amount to conflict of interest, as well as the acquisition and disposition of assets to be in line with the law and provisions of the Stock Exchange of Thailand. Such transactions must be reasonable and of highest benefit to the Company, and in accordance with the law on securities and exchange, provisions of the Securities and Exchange Commission, the Stock Exchange of Thailand, other relevant laws, rules and regulations, as well as decisions of the Board of Directors.
- 18) Review the Company's compliance with the laws on securities and exchange, regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand and other relevant bodies of law.
- 19) Review the Company's anti-corruption measures to be effective and in line with the approaches of various regulators. Such measures cover the risk management, the establishment of internal control system, internal audit, the review of the accuracy of reference documents, and self-assessment on anti-corruption measures, following inspection and assessment by respective departments. These are to ensure that the Company has in place various anti-corruption measures as reported in the self-assessment of the Institute of Directors.
- 20) Produce reports of the Audit Committee which are to be publicized in the Company's annual reports. Reports of the Audit Committee must be signed by the Chairman of the Audit Committee and must include at least the following information:
 - a. Opinions on the accuracy, completeness, and credibility of the Company's financial reports;
 - b. Opinions on the sufficiency of the Company's internal control system;
 - c. Opinions on the compliance with the laws on securities

- and exchange, regulations of the Stock Exchange of Thailand or other relevant bodies of law;
- d. Opinions on the suitability of the external auditor;
- e. Opinions on transactions that may be deemed to be in conflict of interests;
- f. The number of meetings of the Audit Committee and meeting attendance statistics of each member of the Audit Committee;
- g. General opinions or observations of the Audit Committee from carrying out duties as stipulated in the Charter;
- h. Other matters that ordinary shareholders and investors should be aware of, within the scope of duties and responsibilities assigned by the Board of Directors.

- 21) Mandated to review any relevant individuals under the scope of duties of the Audit Committee, and is also mandated to hire or bring in experts in specific fields to assist with the work on internal audit, risk management or any other matter under the scope of duties of the Audit Committee, while conforming to the Company's regulations.
- 22) Upon finding or having doubt about the following actions or transactions, which may significantly affect the financial status and performance of the Company, the Audit Committee is to report such events to the Board of Directors to find a remedy within a period deemed appropriate by the Audit Committee.
 - a. Transaction which may cause conflicts of interest;
 - b. Fraud or irregular events or material flaws in the internal control system;
 - c. Violations of laws pertaining to the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or laws pertaining to the Company's business.

Should the Board of Directors or the executives fail to rectify the issues within the period of time specified by the Audit Committee, any member of the Audit Committee may report the issue to the Securities and Exchange Commission or the Stock Exchange of Thailand.

- 23) Review the Charter of the Audit Committee and submit it for endorsement of the Board of Directors.
- 24) Conduct self-assessment both collectively and individually at least once a year and report the results to the Board of Directors.
- 25) Carry out any other duties assigned by the Board of Directors.
- 26) Appoint secretary of the Audit Committee to oversee various

activities of the Audit Committee. Determine qualifications and experience for the position of secretary of the Audit Committee as necessary and appropriate for the task of supporting the work of the Audit Committee.

Tenure

The Audit Committee consists of at least 3 independent directors who can exercise their own discretion freely. They must be able to read and understand the basics of financial statements. One of member must be knowledgeable in accounting or relevant financial management as specified by the Securities and Exchange Commission and the Stock Exchange of Thailand. The Audit Committee must be able to communicate directly with the external auditor, internal auditor, and the management team of the Company. The Audit Committee is to nominate one member to be the Chairman of the Audit Committee.

1. The tenure of an Audit Committee member is 3 years.
2. Audit Committee member who retires on rotation may be reappointed as deemed appropriate by the Board of Directors.
3. Member of the Audit Committee retires in the case of:
 - a. rotation
 - b. retirement from the Board of Directors
 - c. resignation
 - d. death
 - e. lack of qualification to become member of the Audit Committee according to the regulations or criteria of the Securities and Exchange Commission or the Stock Exchange of Thailand or any other relevant announcements, rules, and/or regulations.

f. Decision of the Board of Directors or the shareholders' meeting.

4. Should a director wish to retire from the Audit Committee before the tenure lapses, the director will need to tender the letter of resignation together with the reason for resignation to the Chairman of the Board of Directors at least 30 days in advance except in a necessary and appropriate case. The Company will inform the resignation to the Stock Exchange of Thailand immediately.
5. In case a position in the Audit Committee becomes vacant not by rotation, the Board of Directors may appoint a qualified individual to fill the vacant position. In case the vacant position leads to the composition of the Audit Committee not conforming to the specified criteria, the Board of Directors is to speedily appoint a qualified individual to fill the vacant position and within 3 months after the position becomes vacant. This is to ensure that the composition of the Audit Committee is according to the prescribed criteria. The appointment of a new director to become member of the Audit Committee is to be reported to the Stock Exchange of Thailand. The substitute member of the Audit Committee shall be in office only for the remaining tenure.

7.3.2 Nomination and Remuneration Committee

The Board of Directors has set up the Nomination and Remuneration Committee since 3 May 2022 for the purpose of determination of the criteria, nomination procedure, appointment the appropriate person as well as the policy for



determining the remuneration of director, sub-committee and/or Chief Executive Officer.

As of 31 December 2023, the Nomination and Remuneration Committee consists of 3 directors as following:

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| 1. Dr. Somchai Thaisanguanvorakul | Chairman of the Nomination and Remuneration Committee |
| 2. Mrs. Rachadaporn Rajchataewindra | Member of the Nomination and Remuneration Committee |
| 3. Mr. Rittirong Boonmechote | Member of the Nomination and Remuneration Committee |
| Mr. Terapol Soonponrai | Secretary of the Nomination and Remuneration Committee |

Scope, Authority, Duties and Responsibilities of the Nomination and Remuneration Committee

Nomination

- 1) Consider the Board of Directors structure including the number of directors to be appropriate with the business and the complication of the business operation as well as the consideration of the director's qualifications, skills, experiences, abilities related to the business or industry of the Company's and its subsidiaries.
- 2) Determine the nomination criteria and procedure as well as the nomination and selection and propose the appropriate person to be the directors and/or Chief Executive Officer.
- 3) Prepare the director's development plan in order to enhance the existing directors and the new directors to understand the Company and its business as well as the roles and duties of director including a significant development.
- 4) Prepare the succession plan for the Chief Executive Officer and high-level management including review the plan by evaluate the position, recruitment and development to have a successor for the executive with knowledge, ability, experience and other qualifications for the Company.
- 5) Evaluate the performance of Chief Executive Officer and present to the Board of Directors' Meeting for consideration.

Remuneration

- 6) Prepare the remuneration criteria and policy for the directors, sub-committee, and/or Chief Executive Officer and propose to the Board of Directors for approval and/or the shareholders depending on the authority.
- 7) Determine the financial and non-financial compensation

of the Board of Directors by considering the appropriate to the duties, responsibilities and performance by comparing with the similar business and benefit expected from the directors to propose to the Board of Directors for consideration and subsequent approval by the shareholders.

Other

- 8) Consider and review the Charter of Nomination and Remuneration Committee for proposing to the Board of Directors for consideration.
- 9) Evaluate the performance for both as a group and individually at least once a year and report the result to the Board of Directors.
- 10) Carry out any other task assigned by the Board of Directors.

Tenure

The Nomination and Remuneration Committee must consist of at least 3 directors and one-half must be independent director. The Chairman of Nomination and Remuneration Committee must be independent directors.

1. The tenure of a Nomination and Remuneration Committee member is 3 years.
2. Nomination and Remuneration Committee member who retires on rotation may be reappointed as deemed appropriate by the Board of Directors.
3. Member of the Nomination and Remuneration Committee retires in the case of:
 - a. rotation
 - b. retirement from the Board of Directors
 - c. resignation
 - d. death
 - e. lack of qualification to become member of the Audit Committee according to the regulations or criteria of the Securities and Exchange Commission or the Stock Exchange of Thailand or any other relevant announcements, rules, and/or regulations.
 - f. Decision of the Board of Directors or the shareholders' meeting.
4. Should a director wish to retire from the Nomination and Remuneration Committee before the tenure lapses, the director will need to tender the letter of resignation together with the reason for resignation to the Chairman of the Board of Directors at least 30 days in advance except in a necessary and appropriate case. The Company will inform the resignation to the Stock Exchange of Thailand immediately.



7.3.3 Executive Committee

As of 31 December 2023, the Executive Committee consisted of 4 members as follow:

- | | |
|------------------------------|--------------------------------------|
| 1. Mr. Rittirong Boonmechote | Chairman of the Executive Committee |
| 2. Mr. Thiraphong Chansiri | Member of the Executive Committee |
| 3. Mr. Bunluesak Sorajjakit | Member of the Executive Committee |
| 4. Mr. Peerasak Boonmechote | Member of the Executive Committee |
| Mr. Terapol Soonponrai | Secretary of the Executive Committee |

The Board of Directors' Meeting No.1/2023 on 17 February 2023, resolved and approved to appoint Mr. Peerasak Boonmechote to be the Member of Executive Committee.

Scope, Authority, Duties and Responsibilities of the Executive Committee

- 1) Oversee the management of the Company to comply with the laws, objectives, policy, and regulations of the Company, and decisions of the shareholders and decisions of the Board of Directors with responsibility, integrity, and effort to protect interests of the Company and its affiliates.
- 2) Provide opinions and endorse goals, vision, mission, policy, business plans, business directions and strategies, annual budget, business expansion plans, investment plans, and financial plans of the Company and its affiliates, as well as scrutinize proposals of the management team, and submit them to the Board of Directors for approval.
- 3) Oversee, control, and monitor business operations, performance, and financial status of the Company and the Company's grouping, to ensure that they are in accordance with policy, business strategies, plans, targets, and budget approved by the Board of Directors. Efficiently allocate, manage and evaluate the use of resources, in order to achieve key objectives and targets in a sustainable manner. These are to be regularly reported to the Board of Directors.
- 4) Analyze profits and losses of the Company and subsidiaries, and provide recommendations on dividend payments of the Company and subsidiaries, and propose to the Board of Directors for approval.
- 5) Consider and approve rules, regulations, management policy, and business operations of the Company or any other conduct that obligates the Company as mandated by the Board of Directors or as the Board of Directors had approved in principle, or as mandated in the Company's Schedule of Authority.
- 6) Approve the entering into contracts or normal business transaction, supporting business transaction of the Company and subsidiaries on arm's length basis including opening and closing of financial accounts, using financial services with commercial banks or financial institutions, becoming a guarantor or making transactions for normal transactions of the Company's business within the limit, not exceeding the budget as mandated by the Board of Directors or as the Board of Directors had approved in principle, or as mandated in the Company's Schedule of Authority.
- 7) Study the possibility to invest in new projects. Authorized to consider and approve the Company's investing or co-investing with individuals, juristic persons or any other business



organization in the way deemed appropriate by the executive committee to carry out businesses according to the Company's objectives, as well as consider and approve the payment for investment, entering into contracts, and/or any other related conduct until finished as assigned by the Board of Directors or as the Board of Directors had approved in principle, or as mandated in the Company's Schedule of Authority.

- 8) Monitor the performance and progress of each investment project and report the total performance, as well as issues and obstacles and remedies to the Board of Directors for information.
- 9) Supervise the management and determine the management structure of the Company for efficient management. Follow up on the management of the Company's grouping to safeguard interests of the Company's investment.
- 10) Appoint and determine remunerations of the Chief Executive Officer and executives as defined by the Securities and Exchange Commission and the Stock Exchange of Thailand or the Capital Market Supervisory Board. Give mandate to CEO to assign, appoint, dismiss, prescribe, promote, demote, suspend salary or wage, and transfer employees who are not deemed executives according to the above definition.
- 11) Ensure that there is an appropriate system to select personnel to be responsible for all key executive positions. The selection process must be transparent and just.
- 12) Consider and provide opinions on matters that require approval from the Board of Directors, except activities that the Board of Directors has assigned other committees to conduct or implement.
- 13) Provide for channels of communication with the Board of Directors and/or each group of shareholders in an appropriate manner. Supervise the disclosure of information to ensure that it is clear, accurate, transparent, credible and of highest standards.
- 14) Delegate any individual or many individuals to carry out tasks under the jurisdiction of the Executive Committee or delegate the individual with the power as deemed appropriate by the Executive Committee, and within the period deemed appropriate by the Executive Committee. The Committee may cancel, revoke, change, or amend the authorized person or the power of attorney as deemed appropriate.
- 15) The delegation of power done within the scope of duties must not enable the authorized to approve transactions that the individual or other individuals who may be in conflict (as defined in the announcements by the Capital Market

Advisory Board, and/or the Stock Exchange of Thailand, and/or the relevant agency) have stakes in, or be in conflict of interest with the Company or its affiliates. The Executive Committee does not have the mandate to approve undertakings related to that matter. It needs to be submitted to the Board of Directors and/or the shareholders' meeting (depending on the case) for approval, except the approval is to be given to transactions according to normal business, in accordance with provisions stipulated in the announcement of the Capital Market Advisory Board, and/or the Stock Exchange of Thailand, and/or relevant agency. The Executive Committee has the right to invite the management team or any individual related to the Company and its affiliates to provide opinions, attend meetings, or provide related information, and ask for information from various departments of the Company and its affiliates for further consideration.

- 16) May seek independent opinions from consultants from other professions when deemed necessary, payable with the Company's budget.
- 17) Review the Charter of the Executive Committee and submit to the Board of Directors for endorsement.
- 18) Conduct self-assessment on the Executive Committee both collective and individual assessments, at least once a year. Results of the assessment are to be reported to the Board of Directors.
- 19) Carry out any other duties as assigned by the Board of Directors.
- 20) Appoint secretary of the Executive Committee to oversee various activities of the Executive Committee. Determine qualifications and experience for the position of secretary of the Executive Committee as necessary and appropriate for the task of supporting the work of the Executive Committee.

Tenure

1. The tenure of an Executive Committee member is 3 years.
2. Executive Committee member who retires on rotation may be reappointed as deemed appropriate by the Board of Directors.
3. Member of the Executive Committee retires in the case of:
 - a. rotation
 - b. For any member of the Executive Committee who is also a director, when the tenure of the position of the director ends, it will be deemed the tenure of being a member of the Executive Committee also ends.
 - c. resignation
 - d. death
 - e. decision of the Board of Directors or the shareholders' meeting.

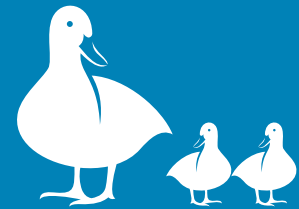
Should a director who is a member of the Executive Committee wish to resign before the tenure ends, the director is to tender the letter of resignation, together with the rationale for resignation to the Chairman of the Board of Directors at least 30 days in advance, except in a necessary and appropriate case.

7.3.4 Risk Management Committee

The Board of Directors has set up the Risk Management Committee since 2 May 2023 to oversight the risk management framework and policy.

As of 31 December 2023, the Risk Management Committee consisted of 9 members as follow:

1. Mr. Boonyarit Kalayanamit	Chairman of the Risk Management Committee
2. Mr. Somchai Thaisanguanvorakul	Member of the Risk Management Committee
3. Mr. Shue Chung Chan	Member of the Risk Management Committee
4. Mr. Peerasak Boonmechote	Member of the Risk Management Committee
5. Mr. Suchat Yuddon	Member of the Risk Management Committee
6. Mr. Komgrit Pavasuttinon	Member of the Risk Management Committee
7. Mr. Chertchoo Ketkaew	Member of the Risk Management Committee
8. Ms. Hathai Nantatong	Member of the Risk Management Committee
9. Mr. Ekkaphoom Thakolpattanakul ¹	Member of the Risk Management Committee
Mr. Wanchat Sangrueang	Secretary of the Risk Management Committee



Remark: ¹ The Board of Directors' Meeting No./2023 on 2 November 2023, appointed Mr. Ekkaphoom Thakolpattanakul to be the member of Risk Management Committee

Scope, Authority, Duties and Responsibilities of the Risk Management Committee

1. Establish the risk management policy and framework.
2. Continuously monitor and develop the risk management framework and risk management process of company and its subsidiaries, aligned with international guidelines.
3. Oversee the continuous activities of assessment, analysis and review of the Company and its subsidiaries' significant risks, under normal and crisis conditions.
4. Consider and provide comments on the Company's risk acceptable and risk assessment criteria.
5. Acknowledge and provide comments on the adequacy and appropriateness of risk assessment results and mitigations. For investment project, oversee the efficiency and effectiveness of risk management and provide reflection without any judgement on the investment decision.
6. Oversee the implementation of risk management, aligned with the risk management framework.
7. Regularly report the Company's significant risks, mitigations, and improvement to the Board of Directors.
8. Promote risk management culture and cooperation related to risk management activity in the Company and its subsidiaries.

9. Oversee and support risk management functions to be aligned with the Company's policies and objectives.
10. Communicate and share information of significant risks and mitigations with Audit Committee at least yearly.
11. Provide comments and recommendations on the use of external advisory services regarding risk management framework, scope, and implementation.
12. In case of workload over resources of Risk Management Department, provide comments and recommendations on the use of external service provider in assisting risk management function.

Tenure

1. The tenure of a Risk Management Committee member is 3 years.
2. Risk Management Committee member who retires on rotation may be reappointed as deemed appropriate by the Board of Directors.
3. Member of the Risk Management Committee retires in the case of:
 - a. rotation
 - b. resignation
 - c. death
 - d. decision of the Board of Directors or the shareholders' meeting.

Should a director who is a member of the Risk Management Committee wish to resign before the tenure ends, the director is to tender the letter of resignation, together with the rationale for resignation to the Chairman of the Board of Directors at least 30 days in advance, except in a necessary and appropriate case.

7.4 Management

As of 31 December 2023, the management team consisted of 9 executives as follows:

1. Mr. Peerasak Boonmechote ¹	Chief Executive Officer
2. Mr. Suchat Yuddon	Senior Vice President Sales and Marketing
3. Mr. Komgrit Pavasuttinon ²	Acting Chief Financial Officer
4. Mr. Ekkaphoom Thakolpattanakul ³	Senior Vice President Plant Operations
5. Mr. Chertchoo Ketkaew	Vice President Plant Operations
6. Mr. Preecha Bangnokkhaek	Vice President Research and Development
7. Mr. Adisorn Jarusyothinnuwad ⁴	Vice President Human Resource
8. Ms. Kanthima Reanarom	Accounting Manager
9. Mrs. Savitri Jaiprasong	Financial Manager

Remarks: ¹ Mr. Peerasak Boonmechote was the Chief Executive Officer since 1 January 2023

² Mr. Komgrit Pavasuttinon was the Acting Chief Financial Officer since 3 July 2023

³ Mr. Ekkaphoom Thakolpattanakul was the Senior Vice President Plant Operations since 1 August 2023

⁴ Mr. Adisorn Jarusyothinnuwad was the Vice President Human Resource since 1 October 2023

Scope, Authority, Duties and Responsibilities of the Chief Executive Officer

- Determine goals, vision, mission, policy, business plans, business directions and strategies, and annual budget, business expansion plans, investment plans, and the Company's financial plans. They are to be submitted to the Executive Committee for endorsement and onward submission to the Board of Directors for approval. Report on the progress of implementation of the abovementioned business plans to the Executive Committee and the Board of Directors.
- Oversee and manage business, and ordinary business conducts for the benefit of the Company and its affiliates, in line with the policy, business strategies, plans, and specified targets, and budget as endorsed and approved by the Board of Directors and/or the shareholders' meeting.
- Supervise the overall management of finance, marketing, human resource and other operations, in order to be in line with the objectives, policy and business plans of the Company and its affiliates, as endorsed and approved by the Board of Directors and/or the shareholders' meeting.
- Monitor, inspect, and control the performance of the Company and its affiliates to maintain good performance according to the targets. Report the work to the Executive Committee and the Board of Directors regularly. Find ways to improve and develop the performance further for sustainable growth.
- Set up systems of accurate, comprehensive, and timely financial reporting and disclosure of financial information,
- Control and supervise risk factors. Establish the Company's risk management system. CEO may appoint a risk management team to work on the risk management in a proper manner and as necessity. CEO and/or the risk management team need to report on the risk factors, approaches to manage such risks to the Audit Committee regularly, at least once every quarter.
- Approve the operations, negotiations and contracts or any ordinary transactions that support normal business operations of the Company and its affiliates, within the financial limit of not more than the budget approved by the Board of Directors.
- Ensure that the Company's transactions are in line with the law and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, including regulations on related party transactions and acquisition and disposition of assets, as well as the Company's regulations, which had been approved by the Board of Directors.
- Order, issue regulations, criteria, announcement, and internal memorandum for the operations of the Company and its affiliates to be in line with the Company's policy and interests, as well as to maintain good order within the Company. Ensure good corporate governance within the Company and compliance with the relevant laws, business ethics, and anti-corruption policy.

10. Explore opportunities to invest in new projects by conduct proper and comprehensive technical and financial studies to help with the decision-making process. Submit the results of the studies to the executive committee or the Board of Directors for approval (depending on the case), as specified in the Company's Schedule of Authority.
11. Mandated to assign, appoint, dismiss, prescribe, promote, demote, suspend salary or wage, transfer, retire employees who are not deemed executives according to the definition provided by the Securities and Exchange Commission or the Capital Market Supervisory Board. The assignment, appointment, dismissal, prescription, promotion, demotion, suspension of salary or wage, transfer and retirement of executives need to have endorsement from the Executive Committee.
12. Approve the appointment of consultants necessary for the work of the Company its affiliates.
13. Represent the Company in communicating and maintaining good relations with the public, shareholders, customers, and stakeholders.
14. Support the Board of Directors in the provision of channels to communicate with shareholders in an appropriate and regular manner. Disclosure of information is conducted with high standard and transparency.
15. Sub-delegate and/or assign individuals or groups of individuals to work on behalf of CEO within the scope of power determined in the Company's Power of Attorney

and/or rules, regulations or decisions of the Board of Directors and/or various other committees.

The delegation of power, duties and responsibilities of CEO or the authorized working on behalf of CEO must not enable CEO or the authorized to approve transactions where they may be in conflict (as defined by the announcement of the Capital Market Supervisory Board, and/or the Stock Exchange of Thailand, and/or a relevant agency), have stake in or be beneficial in anyway or be in conflict of interest with the Company or subsidiaries. Exceptions are when such transaction is in accordance with the policy and rules approved by the shareholders' meeting or the Board of Directors, and such transaction is in accordance with normal business practices, in accordance with the announcement of the Securities and Exchange Commission, and/or the Capital Market Supervisory Board, and/or the Stock Exchange of Thailand, and/or a relevant agency).

16. Carry out any other duties as assigned by the Board of Directors and/or other committees.

In the selection of CEO, the Executive Committee scrutinizes individuals who are knowledgeable, capable, and qualified to become CEO. Then the Executive Committee is to submit the nomination to the Board of Directors for approval. This is in line with the mandate given by the Company.





7.5 Employees

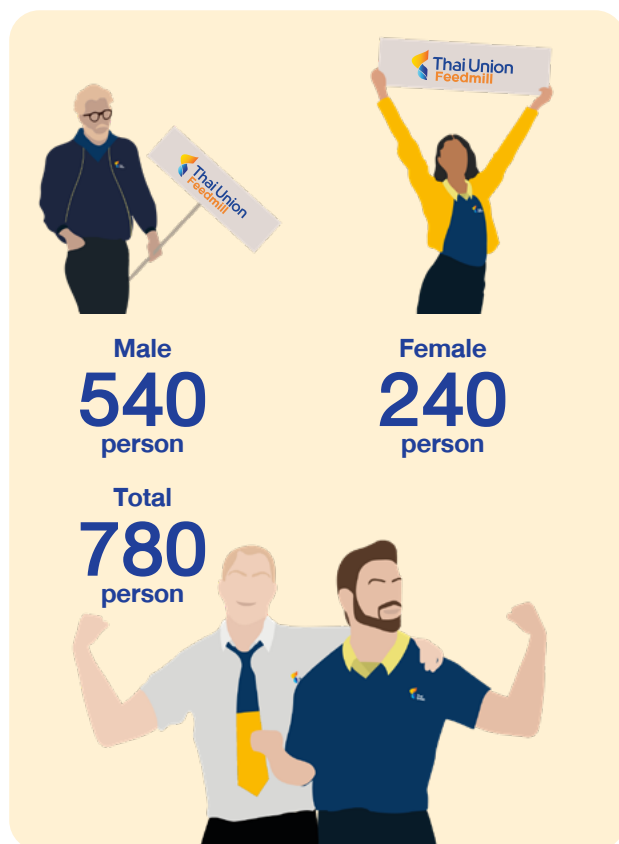
7.5.1 Total Number of Employees

The table shows the number of employees in each department (not including executives as defined by the Securities and Exchange Commission) as of 31 December 2023.

Department	Number of Employees (person)	
	As of 31 December 2023	
	Full-time	Temporary
Internal Audit	2	-
Finance	10	-
Sales and Marketing Information	2	-
Overseas Sales	1	-
Sales and Marketing	67	-
Warehouse	73	56
Quality Control	48	5
Purchasing	11	-
Human Resources	8	-
Information Technology	5	-
Administration	16	3
Sales Administration	9	-
Livestock Feed Business	7	-
Management ¹	20	-
Quality Management	9	-
Accounting	20	-
Marin Protein Production	7	8
Shrimp Feed Production	93	64
Fish Feed Production	50	42
Production Planning	6	-
Research and Development	13	25
Sales Support	11	-
Engineer	48	15
Storage	6	-
Environment Healthy and Safety	8	-
Credit Control	6	-
Laboratory	8	3
Total	559	221

Remark: ¹The executive support consists of Assistant Company Secretary and drivers.

This can be separated by gender as follow:



7.5.2 Key Changes to the Number of Employees in the last 3 years

As of 31 December 2021, 2022, and 2023, the Company had 802, 820, and 780 employees respectively. The Company has seen no significant changes in the number of employees in the last three years. There has been slight increase of the number of employees over time, which reflects the expanding business.

7.5.3 Key Labor Dispute in the last 3 years

The Company has not had key labor dispute in the last 3 years.

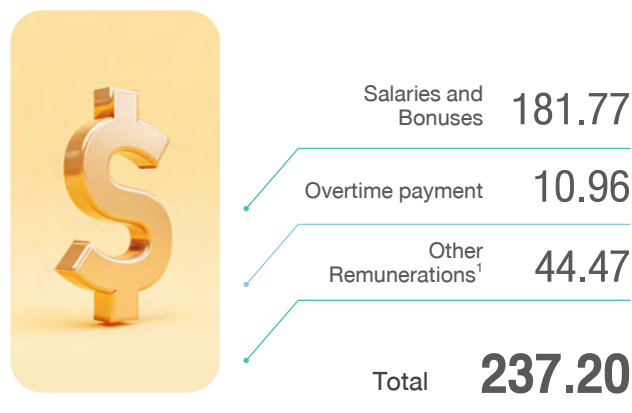
7.5.4 Employees' Remunerations

In 2023, the Company and its subsidiaries paid the following remunerations to employees.



Remuneration (Million Baht)

2023



Remark: ¹ Other remuneration may include provident funds, social security payments, and other welfare remunerations such as grants, diligence allowance, and profession allowance.

7.5.5 Provident Funds

The Company and its subsidiaries have assigned TISCO Asset Management Company Limited to manage the Company's and subsidiaries' provident funds under the name TISCO Master Pooled Fund 2. The fund was registered on 1 March 2008. There are 487 employees out of 561 employees joining provident fund, representing 86.81%.

7.6 Other Important Information

7.6.1 Names of the assigned Supervisor for Accounting, the Company Secretary, Head of Internal Audit, and Head of Compliance

Assigned Supervisor for Accounting	: Ms. Kanthima Reanarom
Company Secretary	: Mr. Terapol Soonponrai
Head of Internal Audit	: Mr. Thanyatthep Thiwakornsakul
Head of Compliance	: Mr. Terapol Soonponrai

7.6.2 Name of the Head of Investor Relations and Contact Details

Head of Investor Relations and Contact Details	: Mr. Terapol Soonponrai
	No. 89/1 Moo 2 Rama 2 Road, Kalong Sub-district, Mueang Samut Sakhon District, Samut Sakhon Province 74000
	Tel.: 0-3441-72222
	Fax.: 0-3441-7255

7.6.3 Remunerations for the External Auditor

(1) Audit Fee

For the accounting year ending 31 December 2023, the Company paid remunerations as an audit fee to Pricewaterhouse Coopers ABAS Limited ("PwC") totaling THB 2,754,100.00 consisting of the fee for quarterly reviewing of financial statements and annual auditing fee totaling THB 2,572,500.00 Baht. Moreover, there were Out of Pocket Expenses of THB 181,600.00 Baht.

(2) Non-Audit Fee

For the accounting year ending 31 December 2023, the Company paid Non-Audit Fee to PwC consisting of [audit fee for projects receiving BOI's investment promotion certificates totaling THB 300,000.- and Out of Pocket Expenses of THB 8,860.00

In 2023, subsidiaries paid the following remunerations for the auditor:

Subsidiary	Audit Fee		Non-Audit Fee	
	Amount	Detail	Amount	Detail
TUKL	IDR 41.07 million (excluding other expenses)	Audit fee paid to PKF Paul Hadiwinata, Hidajat, Arsono, Retno, Palilingan dan Rekan ("PKF")	IDR 49.5 million	Service fee on tax consulting paid to ARIEF & HANDRIONO ("Tax unit of PKF")
AMG-TFM	PKR 0.8 million (excluding other expenses)	Audit fee paid to BDO Ebrahim & Co.	- none -	- none -



Report on Key Operation Results on Corporate Governance

8.1 Summary of Duty Performance of the Board of Directors in 2023

8.1.1 Selection, Development and Evaluation of Duty Performance of the Board of Directors.

Nomination and Appointment of Directors

The Company selects and nominates individuals who are qualified in terms of experience, knowledge, and ability that are beneficial to the Company. They are to be nominated as directors, independent directors or members of the Audit Committee. The list of individuals will then be submitted to the Board of Directors and/or the shareholders' meeting (if any) for nomination according to the Company's Articles of Association, law or relevant regulation.

To recruit a new director, the Company takes into consideration the composition of the Board of Directors needs to be diverse in terms of skills, experience, gender, and specific capabilities that are beneficial to the Company and in line with the Company's business strategies.

Self-assessment of the Board of Directors and Sub-committees

In order to improve the efficiency of operations, the Company has established the assessment procedure for the Board of Directors, and sub-committees. The assessment is divided into two parts, collective and individual assessments which are done at least once a year. The assessment of performance for the Audit Committee and the Executive Committee is in line with the assessment arrangements for the Board of Directors. The criteria of assessment for the Board of Directors and all sub-committees are in conformity. They are also in line with the sample assessment of the Board of the Stock Exchange of Thailand. Such assessments are subject to review to ensure that they are appropriate with the nature and structure of the Company's Board of Directors.

With regard to the procedure of assessment, the Company Secretary and secretaries of the sub-committees send assessment forms to members of the Board and Committees and sub-committees. Once filled, the forms will be returned to the Company and will remain anonymous. The results of the assessment will then be presented to meeting of the Board of Directors and sub-committees



to collectively consider the results and discuss ways to improve the work.

A self-assessment form for collective assessment of the Board of Directors is divided into four sections namely; (1) structure and qualifications of the Board of Directors; (2) meetings of the Board of Directors/Sub-committee; (3) roles, duties and responsibilities

of the Board of Directors/Sub-committee; (4) others. As for the individual assessment, the criteria are divided into 3 sections namely; (1) structure and qualifications of the Board of Directors/Sub-committees; (2) the meetings ; and (3) roles, duties, and responsibilities of the Board of Directors/Sub-committee. The scores are on the scale of 0-4 from strongly disagree to strongly agree.

Results of the self-assessment of the Board of Directors and all other committees in 2023 had the average scores as follows:

	Collective Assessment	Individual Assessment
Board of Directors	4.00	3.92
Audit Committee	4.00	4.00
Executive Committee	3.83	3.90
Nomination and Remuneration Committee	3.85	3.97
Risk management Committee	3.84	3.77

Meeting of Non-Executive Directors

The Company set up the non-executive directors meeting at least once a year for non-executive directors to discuss matters about the executive performance which shall be concluded all the matters and feedbacked to the Chief Executive Officer to improve their performance. In 2023, the meeting of non-executive directors was held on 1 December 2023.

Nurturing Directors and the Executives

Knowledge and Understanding of Being Director

The Company prescribes an orientation for every new director. Relevant documents and information including those on the nature of business and the Company's business approach are provided. The Company Secretary is designated as the person who guides a new director to be aware of his/her duties and responsibilities. The management will provide advice on the nature of business and the Company's business approach. All current directors have been through orientation and training related to the work of the directors.

Director	Training in 2023
Mr. Peerasak Boonmechote	Agriculture and Cooperatives Executive Program (ACE) Class 3/2023 by Ministry of Agriculture and Cooperatives
Mr. Boonyarit Kalayanamit	Director Accreditation Program (DAP) Class 205/2023, by Institution of Director

Succession and the Development of the Executives

- 1) The Board of Directors prescribes that the executives are responsible for the planning of development and succession to prepare for business continuity should high-ranking executives become incapacitated.
- 2) The human resource strategy division is to coordinate the succession plan by holding meetings between executives of the key departments in the organization and the highest executives of the human resource department to enhance business potentials and reduce risks to business continuity.
- 3) The Board of Directors supports annual projects to develop executives by providing support and facilitate trainings to directors, members of the audit committee, the executives, the Company Secretary as well as other high-ranking executives on the principles of good governance, the conduct of duty, and other improvements to continuously improve work efficiency.



8.1.2 Meeting Attendance and Remunerations for Individual Directors

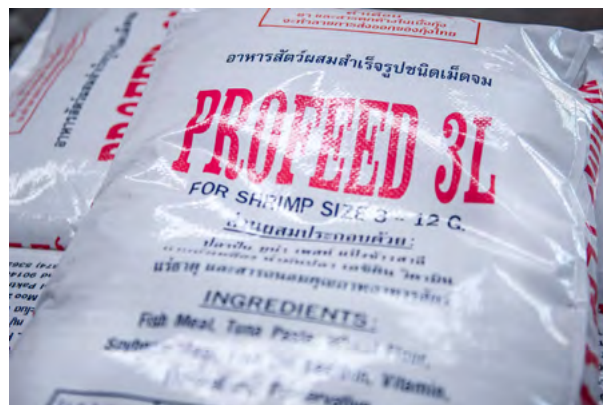
Meeting Attendance

Details on the meeting attendance of each director in 2023 are shown in the following table:

Full Name	Position	Meeting				
		Board of Directors	Audit Committee	Executive Committee	Nomination and Remuneration Committee	Risk Management Committee
1. Mr. Rittirong Boonmechote	Chairman of the Board	5/5	-	3/3	1/1	-
2. Mr. Thiraphong Chansiri	Director	4/5	-	2/3	-	-
3. Mr. Cheng Niruttinanon	Director	5/5	-	-	-	-
4. Mr. Bunluesak Sorajjakit	Director	5/5	-	3/3	-	-
5. Mr. Shue Chung Chan	Director	5/5	-	-	-	2/2
6. Mr. Kanit Vallayapet	Director	4/5	-	-	-	-
7. Mrs. Rachadaporn Rajchataewindra	Independent Director and Chairman of the Audit Committee	5/5	5/5	-	1/1	-
8. Dr. Somchai Thaisanguanvorakul	Independent Director and Member of the Audit Committee	5/5	5/5	-	1/1	2/2
9. Mrs. Morragot Kulatumyotin	Independent Director and Member of the Audit Committee	5/5	5/5	-	-	-
10. Mr. Boonyarit Kalayanamit ¹	Independent Director and Member of Audit Committee	4/4	4/4	-	-	2/2
11. Mr. Peerasak Boonmechote ¹	Director	4/4	-	2/2	-	2/2

Remark: ¹ 2023 Annual General Meeting of Shareholders held on 7 April 2023, resolved, and approved the increase of the number of directors and appointment of Mr. Boonyarit Kalayanamit and Mr. Peerasak Boonmechote to be an independent director and director, respectively. Those directors attended the meeting since 2 May 2023 after getting an appointment.





Remuneration of Directors and the Executives

The Company determines remunerations for directors in a clear and transparent manner, in line with their roles, duties and responsibilities. Such remunerations have been considered carefully based on the highest utility to the Company. Details are as follows:

1. Monetary Remunerations

1.1 Remunerations for Directors

Every year, the Company determines remunerations for directors. Following that, the proposals are approved by a shareholders' meeting. At the 2023 Annual General Meeting of Shareholders on 7 April 2023, the remunerations for directors for the year 2023 which included monthly retainers and meeting allowances were approved with details as follows:

Director	Monthly Retainer (THB/Person)	Meeting Allowance (THB/Meeting/Person) (Only for Directors who Attended the Meeting)
1. Board of Directors		
- Chairman	25,000	15,000
- Director	20,000	10,000
2. Audit Committee		
- Chairman	20,000	- none -
- Member	15,000	- none -
3. Executive Committee		
- Chairman	- none -	- none -
- Member	- none -	- none -
4. Nomination and Remuneration Committee		
- Chairman	- none -	10,000
- Member	- none -	10,000
5. Risk Management Committee		
- Chairman	- none -	- none -
- Member	- none -	- none -

Remark: No other benefits given to the directors and committee members apart from monthly retainers and meeting allowances.

Annual Bonuses : The Company does not prescribe remunerations in the form of bonuses for directors. However, for directors who are executives, they will receive bonuses for their positions as executives of the Company in line with the latter's annual performance.

Table detailing annual remunerations of the Directors for the year ending on 31 December 2023

Full Name	Position	From 1 January – 31 December 2023 (THB) ²			
		Director	Audit Committee Member	Nomination and Remuneration Committee	Total Amount
1. Mr. Rittirong Boonmechote	Chairman of the Board of Directors	375,000	-	10,000	385,000
2. Mr. Thiraphong Chansiri	Director	280,000	-	-	280,000
3. Mr. Cheng Niruttinanon	Director	290,000	-	-	290,000
4. Mr. Bunluesak Sorajjakit	Director	290,000	-	-	290,000
5. Mr. Shue Chung Chan	Director	290,000	-	-	290,000
6. Mr. Kanit Vallayapet	Director	280,000	-	-	280,000
7. Mrs. Rachadaporn Rajchataewindra	Independent Director / Chairman of the Audit Committee	290,000	240,000	10,000	540,000
8. Dr. Somchai Thaisanguanvorakul	Independent Director / Member of the Audit Committee	290,000	180,000	10,000	480,000
9. Mrs. Morragot Kulatumyotin	Independent Director / Member of the Audit Committee	290,000	180,000	-	470,000
10. Mr. Boonyarit Kalayanamit	Independent Director / Member of the Audit Committee	226,000 ¹	132,000 ¹	-	358,000
11. Mr. Peerasak Boonmechote	Director	226,000 ¹	-	-	226,000
Total		3,127,000	732,000	30,000	3,889,000

Remarks: ¹ 2023 Annual General Meeting of Shareholders held on 7 April 2023, resolved, and approved the increase of the number of directors and appointment of Mr. Boonyarit Kalayanamit and Mr. Peerasak Boonmechote to be the director, hence they got the monthly remuneration and meeting allowance from the meeting held after 8 April 2023 onward.

² The Company does not provide remuneration for members of the Executive Committee.

1.2 Remunerations for the Executives

In 2023, the Company paid remunerations for 6 executives based on their executive position (not including remunerations that the executives receive from being directors). The remunerations include salaries and bonuses totaling THB 18.62 million.

2. Other Remunerations

For the accounting year that ended on 31 December 2023, the Company paid other remunerations for executives consisting of payment of provident fund and payment for social security fund totaling THB 1,298,762. Moreover, the Company provides other non-monetary remunerations for executives such as company cars, fleet cards (fuel), and mobile phone payments.

Policy and Procedures on the Determination of Remunerations and Remuneration Structure of Directors and Executives

The Board of Directors determines structure and remuneration rates in accordance with the responsibilities of directors. They provide incentives for the directors to lead the Company to achieve targets in both short and long terms. Remunerations of directors are comparable to the levels paid in other companies of the same industry. Other factors that are considered include scope of work, roles, responsibilities, experience, accountability and responsibility as well as benefits to the Company from each director. Directors with added duties and responsibilities (such as members of various committees) are given additional remunerations as appropriate. The structure and remunerations are approved by shareholders both in terms of monetary and non-monetary remunerations. The Board of Directors has a duty to determine appropriate remunerations which include the fixed remunerations (regular remunerations, meeting allowances) and performance-based remunerations (such as bonuses, and rewards). Such determination must be linked to the value the

Company has created for shareholders and in line with the practice of other companies in the same industry. The remunerations must not be too high which will make the Company too focused on short-term performance. The Company discloses the policy and criteria for the determination of remuneration of directors, both in terms of the format and the amount of remunerations in accordance with the relevant law and announcements.

8.1.3 Corporate Governance for Subsidiaries and Associates

The Company has a policy on corporate governance for subsidiaries, joint ventures, and associates with the objective of specifying measures and mechanisms to manage and monitor their operations and compliance with the Company's policy, as if they are part and parcel of the Company. They are to conform to the civil and commercial code, bodies of law related to public companies, securities, and relevant laws, announcements, rules, and regulations of the Thai Capital Market Supervisory Board, Securities and Exchange Commission, and the Stock Exchange of Thailand. This is to ensure the interests of the Company as it invests in subsidiaries, joint ventures and associates.

The Company came up with the policy on nomination and the right to vote must be approved by the Board of Directors. The person who is appointed as a director in a subsidiary or an associate has a duty to work for the best interest of such subsidiary or an associate (not the Company). The appointment of a director must be approved by the Board of Directors before voting in any matter of the same level of importance as the one that needs approval from the Board of Directors should it fall within the Company's jurisdiction. The number of directors representing the Company in a subsidiary or an associate is in line with the proportion of shares held by the Company.

The Company sent 4 executives to be directors in AMG-TFM which is a subsidiary of the Company in Pakistan. Those executives were approved by the Board of Directors. Once the aforementioned executives are no longer directors in AMG-TFM, the Board of Directors will consider sending personnel to look after the Company's interests on a case-by-case basis.

The Company sent the directors and executive totally 4 members to be the Board of Commissioners and one executive to be the Board of Directors of TUKL which is a subsidiary in Indonesia. Those executive and directors were approved by the Board of Directors. In this year, there was an executive who was no

longer the Company employee. The Company appointed the qualified person to replace who resigned. The executive and the directors have assigned TUKL team to report their transactions and any updates every two weeks and/or ask for approval in any case in accordance with the Company policies.

8.1.4 Monitoring to Ensure Compliance to the Policy and Guidelines on Corporate Governance

The Company is aware of the importance of good governance and is confident that good governance, together with visionary and responsible Board of Directors and executives, mechanism to control and balance powers to ensure transparent and accountable management of the operations, respect for shareholders' equality, and responsibility to stakeholders are important factors to add values and highest returns to the Company's shareholders in the long term. In 2021, the Company fully complied with the good governance principles in preparation for the listing in the Stock Exchange of Thailand. The Company could prepare financial statements both quarterly and annually within the timeframes stipulated in Section 56 of the Securities and Exchange Act even though the Company had not been under the jurisdiction of such law before. After the listing in the Stock Exchange of Thailand, the Company could still keep the record and has had no history of late submission of financial statements.

The Company has not conducted any offense or any breach of the law, the Public Limited Companies Act, and relevant rules and regulations of the regulators such as the Securities and Exchange Commission and the Stock Exchange of Thailand. Directors, executives and relevant personnel have not been involved in the conduct of breaches of the criteria for inter-company transactions.

8.1.4.1 Prevention of Conflict of Interests

The policy on the prevention of conflict of interests determines that directors, executives, and employees are not to pursue personal interests that conflict with the Company's interests. Business operations must be for the highest interests of the Company. Should there be any conflict, any person involved or with stakes in the transactions in question must inform the Company of the relationship or their stakes in such transactions. The person must not be involved in the consideration and not given the authority to approve such transactions.

In 2021, there was no incident that any director, executive or employee was in breach of that policy.

8.1.4.2 Use of Inside Information to Seek Benefits

The Company supervises the use of internal information in compliance with the law and the principles of good governance. This has been stipulated in writing in the Company's Code of Conduct and the Policy on the Use of Internal Information. Key points are as follows:

1. Directors, members of the executive committee, executives, and executive personnel in the fields of accounting or finance who are at the level of manager and above, as well as their spouses or those who cohabit, and underage children, as well as the juristic persons that the directors, members of the executive committee, and executives, spouses or those who cohabit, and underage children of the said directors and executives hold total shares of more than 30 percent of all voting rights of those juristic persons, produce and disclose their holdings of securities or stocks, changes of holdings, and the receipt or sales of securities or stocks of the Company to the Securities and Exchange Commission in accordance with the prescriptions in the Securities and Exchange Act immediately within 3 days from the date of transactions, transfer or receipt of transfer of the Company's securities. A copy of this report must be submitted to the Company on the same day that the report is submitted to the Securities and Exchange Commission.
2. Directors, members of the Executive Committee, and executives as well as those in the executive positions in the field of accounting or finance at the level of department manager and above, and related employees which include those who are suspected of knowing internal information regarding financial statements, financial status, or the Company's performance as well as other substantive internal information that may influence stock prices must suspend from transactions and are forbidden to persuade others to buy or sell the Company's securities directly and indirectly in the period before the publicization of financial statements or information related to financial status or the status of the Company and/or other substantive internal information at least 1 month before the publicization.

In 2023, directors and executives were not found to conduct securities/stock transactions using the abovementioned internal information.

8.1.4.3 Anti-corruption Action

The Company does not accept or support corruption in all forms

and cases. It strictly complies with anti-corruption measures and sets up the structure of responsible personnel as well as the risk management system, internal control and internal audit to prevent and suppress corruption within the organization in a strict manner to prevent and/or deal with corruption in all forms. To ensure compliance, the Company conducts reviews of practices and practical procedures regularly. This is also to ensure that the Company's practices are in line with changes to the law, and business, and to maintain the conduct of business that is based on righteousness and fairness. Directors, executives, and all employees must comply with this policy and communicate this policy to external stakeholders to prevent risks of corruption.

The Company has conducted the following in compliance with the anti-corruption policy:

1. The Company has communicated to directors, executives and employees to ensure that all undertakings are within the boundaries of the law. Should there be any mistake in the operation arising from negligence and ignorance, the person shall receive punishment. Any attempt of lobbying is not allowed.
2. The Company has provided channels of reporting should there is any breach of policy or an act of corruption, with protective measures for whistleblowers in place.

The Company reveals its anti-corruption policy on the Company's website at www.thaiunionfeedmill.com under the section "Corporate Governance".

8.1.4.4 Whistleblowing

The Company has provided easy-to-access channels for whistleblowing and complaints through email, website, and telephone. In the past year, there was no whistleblowing or complaint related to corruption.



8.2 Report on the Results of Duty Performance of the Audit Committee in the Past Year

Members of the Audit Committee and their Meeting Attendance in 2023

Full Name	Position	Status	Meeting Attendance
1. Mrs. Rachadaporn Rajchataewindra	Chairman	Independent Director	4/4 (100%)
2. Dr. Somchai Thaisanguanvorakul	Member	Independent Director	4/4 (100%)
3. Mrs. Morragot Kulatumyotin	Member	Independent Director	4/4 (100%)
4. Mr. Boonyarit Kalayanamit	Member	Independent Director	3/3 (100%)

Performance of the Audit Committee

Key activities undertaken by the audit committee in 2032 under the scope of duties and responsibilities tasked by the Board of Directors can be summarized as follows:

- The Committee reviewed the 2032 quarterly and annual financial statements of Thai Union Feedmill Public Company Limited as well as the consolidated financial statements of Thai Union Feedmill Public Company Limited and its subsidiaries. The statements were prepared according to the Thai Financial Reporting Standards (TFRS) which is in line with the International Financial Reporting Standards (IFRS) and the disclosure of information in the notes to financial statements.
- The Committee reviewed the Company's policy and practices on good corporate governance including the compliance with the Code of Conduct and the application of anti-corruption policy in business operations as appropriate. This was to ensure compliance with the principles of good corporate governance prescribed by the Stock Exchange of Thailand. The Committee also reviewed the compliance with the bodies of law related to securities and the Stock Exchange of Thailand, and those related to the Company's business.
- The Committee reviewed inter-company transactions and transactions that may amount to conflict of interests, reports of related committees, and disclosed information to the Stock Exchange of Thailand in an accurate and timely manner.
- The Committee reviewed the independence and performance of the audit and opinions of the external auditor, and nominated the Company's auditor as well as the audit fee to the Board of Directors for further submission to the shareholders' meeting.
- The Committee met with the external auditor without the presence of the management to discuss about the audit plans, freedom of execution, sufficiency of the internal audit system, risk management, and cooperation from supervisors and employees in each department being audited.
- The Committee reviewed the independence of the internal audit and its performance as well as the sufficiency and appropriateness of the internal control system where the internal audit had already finished during the year according to the audit plan approved by the Audit Committee.
- The Committee reviewed and discussed the result of the assessment on sufficiency of the internal control system based on the evaluation form on the sufficiency of internal control system provided by the Securities and Exchange Commission (SEC). The Committee also scrutinized the reports from internal audit and IT audit, as well as observations about the internal control system of the external auditor.
- The Committee reviewed risks, warning signals (Key Risk Indicator) according to the established principles and risk monitoring on a quarterly basis, taking into consideration internal and external risk factors that could impact the Company and managing them to an acceptable level. Including meeting and discussion with the Risk Management Committee as specified in the Risk Management Committee Charter.
- The Committee conducted annual reviews of the Audit Committee Charter and the Internal Audit Charter to be in line with the current situations and relevant laws, as well as the self-assessment of the Audit Committee both collective and individual assessments.

From the reviews, the Audit Committee was of the view that the Company and its subsidiaries have established and maintained the internal control system that was appropriate and effective. The financial statements of the Company were reliable and key issues were accurate. Transactions that may amount to conflicts of interest were reasonable. The Committee did not find any breach or non-compliance with the laws in key issues. In terms of execution of the assigned tasks, the Audit Committee could work independently and freely.

Details of the undertakings of the Audit Committee are in the Report of the Audit Committee on page 221

8.3 Report on the Results of Duty Performance of the other Sub-Committees

8.3.1 Report on the Results of Duty Performance of the Executive Committee

Full Name	Position	Status	Meeting Attendance
1. Mr. Rittirong Boonmechote	Chairman	Director	3/3 (100%)
2. Mr. Thiraphong Chansiri	Member	Director	2/3 (80%)
3. Mr. Bunluesak Sorajjakit	Member	Director	3/3 (100%)
4. Mr. Peerasak Boonmechote	Member	Director	2/2 (100%)

Dear Shareholders,

In 2018, the Board of Directors has approved the setting up of the Executive Committee for greater fluidity and act on behalf the Board of Directors. The Executive Committee member comprises of three executive directors and one executive, totaling four members. During 2023, the Company appointed Mr. Peerasak Boonmechote to be the member of Executive Committee since 8 April 2023.

In 2023, The Executive Committee held a total three (3) meeting and performed its duties in accordance with the authorities and responsibilities in its Charter with the summary as follows:

1. Review and approve the entering into the Credit Facility with the financial institution of PT Thai Union Kharisma Lestari
2. Review and the Executive Committee Charter
3. Review and acknowledge the progress of the Research and Development project.
4. Review and acknowledge the overseas subsidiaries business plan both PT Thai Union Kharisma Lestari and AMG-Thaiunion Feedmill Private Limited
5. Review and approve the getting mortgage of the receivable.



Mr. Rittirong Boonmechote
Chairman of the Executive Committee

8.3.2 Report on the Results of Duty Performance of the Nomination and Remuneration Committee

Members of the Nomination and Remuneration Committee and their Meeting Attendance in 2023

Full Name	Position	Status	Meeting Attendance
1. Dr. Somchai Thaisanguanvorakul	Chairman	Independent Director	1/1 (100%)
2. Mrs. Rachadapron Rajchataewindra	Member	Independent Director	1/1 (100%)
3. Mr. Rittirong Boonmechote	Member	Director	1/1 (100%)

Dear Shareholders,

In 2022, the Board of Directors approved the setting up of the Nomination and Remuneration Committee and assigned to act on behalf of the Board of Directors as defined in the Nomination and Remuneration Committee's charter and policy relating to the recruitment, selection and presentation of individual directors to the Board. The recruitment is mainly focus on the knowledges, abilities, experiences and the great working experience, vision, ethics and time commitment to benefit the company's operation, as well as to offer a compensation plan for the Board and Committees, including the recruitment and selection of the executive.

In 2023, the Nomination and Remuneration Committee held one (1) meeting to consider and review the qualification of the nominated persons to be the director and independent director, namely Mr. Peerasak Boonmechote and Mr. Boonyarit Kalayanamit.

Moreover, the Nomination and Remuneration Committee has considered and reviewed the qualifications of the directors who retired by rotation to be re-elected and considered the remuneration of the directors and sub-committees.

The Nomination and Remuneration Committee has fully executed its duties as assigned by the Board of Directors with due diligence and transparency for highest benefit of the company and every shareholder.



Mr. Somchai Thaisanguanvorakul
Chairman of the Nomination and Remuneration Committee



8.3.3 Report on the result of duty performance of the Risk Management Committee and their meeting attendance in 2023

Membership and meeting attendance 2023

Name and surname	Position	Status	Attendance
1. Mr. Boonyarit Kalayanamit	Chairman of Risk Management Committee	Independent director	2/2 (100%)
2. Dr. Somchai Thaisa-nguanvorakul	Member of Risk Management Committee	Independent director	2/2 (100%)
3. Mr. Shue Chung Chan	Member of Risk Management Committee	Director	2/2 (100%)
4. Mr. Peerasak Boonmechote	Member of Risk Management Committee	Executive	2/2 (100%)
5. Mr. Suchat Yuddon	Member of Risk Management Committee	Executive	2/2 (100%)
6. Mr. Ekkaphoom Thakolpattanakul	Member of Risk Management Committee	Executive	1/2 (50%)*
7. Mr. Komgrit Pavasuttinon	Member of Risk Management Committee	Executive	2/2 (100%)
8. Mr. Chertchoo Ketkaew	Member of Risk Management Committee	Executive	2/2 (100%)
9. Ms. Hathai Nantatong	Member of Risk Management Committee	Executive	2/2 (100%)

Note: * Mr. Ekkaphoom Thakolpattanakul was appointed by the Board of Director to be the RMC member on Board of Director meeting on 2 November 2023, thus Mr. Ekkaphoom Thakolpattanakul attended the RMC meeting once and performed his role and responsibility as the RMC of the Company since then.



Dear Board of Directors and Shareholders,

The Risk Management Committee, hereafter called as the Committee, was appointed by the Board of Directors to oversee the effectiveness and efficiency of the Company's Group-wide risk management, as well as investment risk management process with the objective to increase positive outcomes and opportunities, reduce performance variabilities and risks, enhance enterprise resilience as well as improve resource deployment.

In 2023, the Committee performed duties in compliance with the Risk Management Committee Charter and align with good corporate governance principles. The Committee has overseen risk management implementation, Group-wide and investment risks, and ensured and provided suggestions on the adequacy and appropriateness of risk response.

The Committee concluded that the Company's risk management framework and processes were adequate and effective, with full support from management personnel. The processes were able to identify significant risks with appropriate responses to facilitate the achievement of the Company's corporate goal.

The Committee held two meetings and keys tasks performed are highlighted below:

Reviewed Risk Profile and Mitigation

Thai Union Feedmill Public Company Limited or the Company, as a well-known producers and distributors of aquaculture feeds, has continuously managed risks toward strategy and performance. In 2023, the Company business front faced global challenges headwinds from climate change (El Nino, La Nina), significant drop of aquaculture price, tightening monetary policy leading to economic downturn and financial volatility, as well as unfolding geopolitical tensions between Russia-Ukraine, Israel-Gaza relations, and the US-China trade. These factors had direct and indirect impact to the Company in, higher cost of fund, higher cost of raw material, and lower sales volume and lower profitability.

The Committee has taken significant consideration of those risks, the responses, and provided recommendations to executives to ensure the implementation of comprehensive measures in place and support business continuity.

In addition, the Committee also considered other corporate risks below to ensure the effectiveness of Group-wide risk management in diverse aspects. Risks that were considered included:

1. Reviewed corporate risks profile and mitigation strategies in response to the dynamically changing external and internal environments, including:
 - 1.1 Strategic risk – macroeconomic and supply challenges, climate change, market;
 - 1.2 Operational risk – raw material volatility and supply availability, conversion cost, major damage at production plant, health and safety, fraud & corruption, and cybersecurity;
 - 1.3 Legal & Compliance risk – PDPA Act readiness; and
 - 1.4 Financial risk – customer creditability
2. Reviewed risk appetite, risk assessment criteria, group-wide risk management framework and manual, risk management policy, and risk management committee charter.

The Committee has communicated and provided recommendations on risk management to the Audit Committee and the Board of Directors for consideration quarterly.

Embedded Risk Management Culture

The Committee has promoted its risk management policy throughout the businesses and the management communicated this to employees for acknowledgement and compliance. The deployment of the risk management program covered the Company's subsidiaries. The Committee promoted a risk management culture in various activities in 2023 as outlined below.

1. Promoted risk awareness and provided suggestions in quarterly Risk Management Committee meetings and the Risk Management Office to keep pace with assessing Group-wide, and emerging risks.
2. Oversaw Group-wide and entity-level risk management processes, provided regular training programs for management.
3. Conducted joint meeting among Risk Management Committee and Audit Committee to exchange information on risk, work plan and area of improvement.

4. Suggested management to evaluate the risk management effectiveness by reviewing risks, opportunities, uncertainties, and performances for continuous enhancement in group-wide risk management.

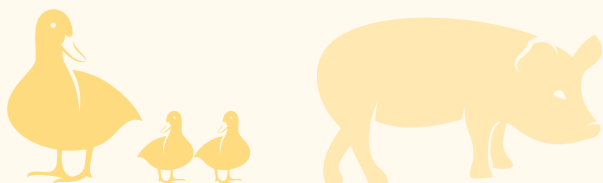
Forward Looking

The Company fully aware of the stabilizing of unfavourable low price of aquaculture product, the stance of monetary policy, climate change, unfolding geopolitical tensions, and supply chain disruption that would present challenges, opportunities, and emerging risk. Despite the lingering impact of global challenges, the Company is also formulating a new strategy for 2030 objectives that aims to provide renewed direction to capture the full potential of business, stay ahead of the curve and pay the way to secure the Company's future. Thus, the Committee has fully aware of the importance of risk management and continued to strive the challenges.

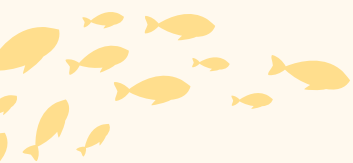
The key additional areas that the Company will move forward to enhance risk management by:

1. Continuously enhancing risk management to support company goals in by considering implications from the chosen strategies, the possibilities of strategies not being aligned and any risks impacting strategies and performance;
2. Encouraging management to further analyse and assess additional emerging risks:
 - 2.1 Employment Crisis i.e., mismatches between labour supply and demand, attract/retain employee, succession challenges, and new competency/skill for future work; and
 - 2.2 Biodiversity and species loss crisis that the planet has been facing which could impact to the ocean, corps where the Company rely on in the long term.

The Committee reviewed the risks and encouraged management to further analyse and assess these emerging risks in 2024.



Mr. Boonyarit Kalayanamit
Chairman of the Risk management Committee



Internal Control and Inter-company Transactions

9.1 Internal Control

9.1.1 Sufficiency and Appropriateness of the Company's Internal Control System

The Board of Directors is fully aware that having a good internal control system is important. The Board thus deems it important to ensure that the Company has in place sufficient and appropriate internal control system which allows it to operate in accordance with its goals, objectives, relevant laws and regulations in an efficient manner. The system should be able to protect assets from corruption, damage and facilitate accurate and credible accounting and financial reporting. Information needs to be disclosed in a complete, sufficient and timely manner.

The 3/2021 Meeting of the Board of Directors on 25 May 2021, with the presence of the Audit Committee, considered and evaluated the sufficiency of the Company's internal control system using the evaluation form on the sufficiency of internal control system provided by the Securities and Exchange Commission (SEC) and information gathered from the Company's management by the Company's Audit Committee, and taking reference from the Company's overall internal audit report prepared by the internal audit unit of the Thai Union Group Public Company Limited. The Board considered five aspects of the Company's internal control system in line with the Committee of Sponsoring Organizations of Treadway Commission ("COSO") namely (1) Control Environment (2) Risk Assessment (3) Control Activities (4) Information and Communication and (5) Monitoring Activities.

The Board was of the view that the Company possessed all five aspects of the internal control system in accordance with COSO principles. Overall, the five aspects are complete and considered to be good, sufficient and appropriate for the Company's size and current circumstances. With regards to the management's operation control, the Company's policies, measures and procedures of operations cover the control of transactions with major shareholders, directors, executives or those related to the mentioned personnel to prevent any conflict of interest and to safeguard the Company's core interests. The Board also approved the evaluation form on the sufficiency of the Company's internal control system.

The Company's Internal Audit unit conducted the evaluation on the sufficiency of the Company's internal control system as usual in December 2023. Overall, the Company's internal control system was good, sufficient and appropriate. This will be presented to the Audit Committee and the Company's Board of Directors by the first quarter of 2024.





9.1.2 Opinion of the Audit Committee that was Different from the Opinion of the Board of Directors

The Audit Committee jointly considered the evaluation form on the sufficiency of the Company's internal control system with the Board of Directors and *had no opinion that was different from the opinion of the Board of Directors.*

9.1.3 Opinion of the Audit Committee on the Personnel Responsible for Internal Audit

The Audit Committee considered the qualifications of the Manager for Internal Audit including his educational background,

work experience and previous performance in the Company from 16 February 2022 to end of 2023 as Head of Internal Audit. The Audit Committee found that Manager of Internal Audit has appropriate educational background, proper qualifications and adequate training experience and sufficient to be a person supervising the internal audit work.

9.1.4 Approval of the Guidelines on Appointment, Dismissal and Transfer of Head of Internal Audit

The Guidelines on Appointment, Dismissal and Transfer of Head of Internal Audit needs to be approved by the Chief Executive Officer with decision taken based on the assessment and opinions of the Audit Committee.

9.2 The Company's Internal Audit

The Company's internal audit plan for 2023 was approved by the Audit Committee. This was to ensure that the Company had in place sufficient and effective risk management and internal control systems as well as compliance with relevant laws, rules and regulations in a complete and accurate manner in line with the TU Group. The Company assigned IATU to assess the Company's internal control system and work with the Company's internal audit (IATFM) with Mr. Thanyathep Thiwakornsakul as Manager of Internal Audit. The assessment plan covered work systems that the Company regarded as important. The plan considered risk assessment of work systems (risk-based approach). Work systems that were considered high risk and important to the Company's operations were to be audited first. The outcome of internal audit in 2023 can be summarized as follows:

No.	Audit Session	Area of Audit	Auditor
1.	1 st Quarter of 2023	System of Sales and Payment Collection	IATU & IATFM
2.		System of Procurement and Payment (Raw Material, General and Project Work)	IATU
3.		System of Preparation and Improvement of Production Formulas	IATU
4.	2 nd – 3 rd Quarter of 2023	System of Repair and Maintenance of Machinery	IATFM
5.	3 rd Quarter of 2023	Information Technology General Control System (ITGC) Cyber Security Protection (Cybersecurity) Management of Access Rights on the SAP – P2P (Procure to Pay)	IATU
6.		Control of SCADA Work System	
7.	4 th Quarter of 2023	System of Payment Collection and Debt Collection	IATU
		Review of the Sufficiency of Internal Control System in accordance with the Evaluation Form provided by the Securities and Exchange Commission (SEC)	IATFM



IATU and IATFM issue the audit reports on the assessment and hold meetings with the management and the audited parties as well as report to the Audit Committee meetings regularly. The Company has been made aware of the issues and it has been working to resolve continuously. Regular monitoring of IATU and IATFM found that the Company had resolved all issues and reported to the Audit Committee meeting. In this regard, The Company's internal audit will plan for next rounds of annual audit in the month of December.

9.3 Head of the Internal Audit

The Company has determined the internal audit to be directly under the Audit Committee to supervise the work on internal audit in an independent, efficient and effective manner. The 1/2022 Meeting of the Audit Committee on 16 February 2022 approved the appointment of Mr. Thanyatsep Thiwakornsakul, Manager of Internal Audit as the Head of Internal Audit of the Company, given his appropriate qualifications in terms of education and training experience. The Company also appointed IATU to audit and assess the internal control systems of the Company together with the Company's internal audit unit and report directly to the Audit Committee. Details of the background and experience of the Head of Internal Audit can be found in Annex 3.

The Audit Committee is responsible for the selection of Head of Internal Audit, taking into consideration the qualifications, performance and experience. The Head of Internal Audit is

subject to annual performance assessment. The transfer and dismissal of a Head of Internal Audit needs to be approved by the Chief Executive Officer with decision taken based on the assessment and opinions of the Audit Committee.

9.4 Observations of the Auditor

PricewaterhouseCoopers ABAS Limited, the Company's auditor, has audited the financial statements for the accounting year ending on 31 December 2023. The auditor assessed the risks of material misstatement, whether due to fraud or error. During such risk assessment, the auditor studied and assessed the effectiveness of the Company's internal control system related to the preparation and presentation of financial statements to design audit method that was appropriate to the circumstance, as well as tested the control measures to obtain audit evidence related to the effectiveness of the implementation of control measures. The chosen audit procedure depended on the discretion of the auditor. The abovementioned assessment and test were in line with the auditing standards. The objective was to allow the auditor to provide opinions on the financial statements. It was not for the auditor to provide comments on the effectiveness of the Company's internal control.

The auditor did not find any substantive deficiencies from the assessment and test of internal control related to the auditing of financial statements and the auditor did not issue any observation on internal control system for 2023. The auditor reported the outcome to an Audit Committee meeting in the first quarter of 2024.

9.2 Related Transaction

Summary of related transactions

Entity that may be in Conflict of Interest	Relations	Price policy	Related transactions	For the year ended 31 Dec	
				2022 (Million Baht)	2023 (Million Baht)
1. Thai Union Group Public Company Limited (TU) - manufacturer and exporter of frozen and canned food	<ul style="list-style-type: none"> TU is a Company's shareholder, with direct shareholding of 51.0 percent of the Company's registered and paid-up capital. Common shareholders are Mr. Rittirong Boonmechote, a director with direct shareholding of 12.058 percent in the Company, and with direct shareholding of 1.3 percent of the registered and paid-up capital of TU. Common directors are: <ul style="list-style-type: none"> (1) Mr. Thiraphong Chansiri ("Mr. Thiraphong") (2) Mr. Rittirong Boonmechote ("Mr. Rittirong") (3) Mr. Cheng Niruttinanon ("Mr. Cheng") and (4) Mr. Shue Chung Chan 	market price equivalent to ordinary customers	<p>Normal business transactions consist of :</p> <ul style="list-style-type: none"> Purchase white shrimp from TFM Purchase diesel fuel from TFM Sell raw materials (shrimp shell + liquid Fish Condensate) to TFM Purchase frozen sea bass from TFM Gift basket fee + neck strap + phone fee + PURC service fee Cost of O365 License Training fees are charged to TFM Management fees Service charge HRM Rental fee TU farm SAP (August - December) WAN OPT. SERVICE AP Automation Facility Cost (Water, Electricity etc.) Project Purc Service 	8.24 0.39 17.47 - 0.11 - 0.46 0.51 18.94 0.22 0.50 4.88 0.37 - - 0.03	2.10 0.32 0.66 0.02 0.56 - 0.47 - 19.96 0.11 0.50 11.32 0.89 0.13 0.01 0.02
2. Okeanos Food Co., Ltd. (OKF) - manufacturer and exporter of frozen and canned food	<ul style="list-style-type: none"> TU is the common shareholder, with direct shareholding of 51.0 percent of the Company's registered and paid-up capital. TU is an indirect shareholder of OKF in the proportion of 99.7 percent of OKF's registered and paid-up capital (through Pakfood Plc. (PPC) which is a subsidiary that TU holds share in the proportion of 99.7 percent of the registered and paid-up capital. PPC holds 100 percent share of OKF's registered and paid-up capital.) Common directors are: <ul style="list-style-type: none"> (1) Mr. Thiraphong and (2) Mr. Rittirong 	market price equivalent to ordinary customers	<p>Normal business transactions consist of</p> <ul style="list-style-type: none"> Sell shrimp shell to TFM Sell Webcam camera to TFM Sell staff uniforms to TFM 	20.56 - -	14.97 - 0.06

Entity that may be in Conflict of Interest	Relations	Price policy	Related transactions	For the year ended 31 Dec	
				2022 (Million Baht)	2023 (Million Baht)
3. Thai Union Seafood Co., Ltd. (TUS) – Manufacturer and exporter of frozen and canned food.	<ul style="list-style-type: none"> Common Shareholders are: <ol style="list-style-type: none"> TU, with direct shareholding of 51.0 percent of the Company's registered and paid-up capital. TU also has direct shareholding of 51.0 percent of TUS's registered and paid-up capital; and Mr. Rittirong, who is a director and a direct shareholder of the Company, has direct shareholding in TUS in the proportion of 22.6 percent of the registered and paid-up capital. Common directors are: <ol style="list-style-type: none"> Mr. Thiraphong Mr. Rittirong and Mr. Shue Chung Chan 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Sell raw material (shrimp shell) to TFM 	11.34	9.73
4. Avanti Feeds Limited (AVANTI) – Manufacturer and distributor of aquaculture feeds in India	<ul style="list-style-type: none"> TU is the common shareholder. TU has direct shareholding of 51.0 percent of the Company's registered and paid-up capital. TU holds both direct and indirect shareholding in AVANTI in the proportion of 24.2 percent of the registered and paid-up capital. The common director is Mr. Bunluesak 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Pay royalty fee to TFM 	44.24	39.05
5. TMAC Co., Ltd. (TMAC) – Investment in breeding farms and shrimp breeding	<ul style="list-style-type: none"> TU is the common shareholder. TU has direct shareholding of 51.0 percent of the Company's registered and paid-up capital. TU holds direct shareholding in TMAC in the proportion of 100.0 percent of the registered and paid-up capital. Common directors are: <ol style="list-style-type: none"> Mr. Rittirong and Mr. Bunluesak 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Purchase shrimp feed from TFM Purchase Tuna paste+input product from TFM Pay office rent and filing room rent Electricity fee+telephone fee Pay shrimp feed transportation from TFM to TMAC farm Sales and return of TFM shrimp feed additive Sales shrimp shade ruler to TFM 	5.38 0.05 0.36 0.01 0.08 -0.01 -	- - 0.24 0.01 - - -

Entity that may be in Conflict of Interest	Relations	Price policy	Related transactions	For the year ended 31 Dec	
				2022 (Million Baht)	2023 (Million Baht)
6. TMK Farm Co., Ltd. (TMK) – Breeding farm and shrimp breeding	<ul style="list-style-type: none"> TU is the common shareholder. TU has direct shareholding of 51.0 percent of the Company's registered and paid-up capital. TU holds indirect shareholding in TMK in the proportion of 94.4 of the registered and paid-up capital (through TMAC which is a subsidiary that TU holds share in the proportion of 100.0 percent of the registered and paid-up capital. TMAC holds 94.4 percent share of TMK's registered and paid-up capital). Common directors are: <ol style="list-style-type: none"> Mr. Rittirong and Mr. Bunluesak 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Purchase shrimp feed from TFM Purchase Tuna paste+input product and microorganism Purchase assets from TFM Sakes Smoothlock to TFM 	15.10 0.13 – –	16.63 0.14 2.60 –
7. TCM Fishery Co., Ltd. (TCM) – Breeding farm and shrimp breeding	<ul style="list-style-type: none"> "TU is the common shareholder. TU has direct shareholding of 51.0 percent of the Company's registered and paid-up capital. TU holds indirect shareholding in TCM in the proportion of 75.0 percent of the registered and paid-up capital (through TMAC which is a subsidiary that TU holds shares in the proportion of 100.0 percent of the registered and paid-up capital. TMAC holds 75.0 percent share of TCM's registered and paid-up capital). Mr. Bunluesak, who a director and an executive of the Company, also holds shares in TCM in the proportion of 5.0 percent of the registered and paid-up capital". Common directors are: <ol style="list-style-type: none"> Mr. Rittirong and Mr. Bunluesak 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Purchase shrimp feed from TFM Purchase Tuna paste+input product and microorganism 	6.03 0.06	17.11 0.24
8. T.C. Union Agrotech Co., Ltd. (TC Union) – Manufacturer of fish meal which is used as animal feed	<ul style="list-style-type: none"> Mr. Cheng, who is a director of the Company, holds shares in TC Union in the proportion of 34.8 percent of the registered and paid-up capital. The common director is Mr. Cheng. 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Sell fishmeal to TFM Sell Fish soluble extract to TFM Sell fresh fish fillings to TFM Pay for material analysis 	176.98 14.25 11.51 –	274.62 16.63 10.92 –

Entity that may be in Conflict of Interest	Relations	Price policy	Related transactions	For the year ended 31 Dec	
				2022 (Million Baht)	2023 (Million Baht)
9. Asia-Pacific Risk Consultants (Thailand) Co., Ltd. ("APRC") – broker of non-life insurance	<ul style="list-style-type: none"> Mr. Chuan Tangchansiri, a director of TU which has direct shareholding in the Company in the proportion of 51.0 percent of registered and paid-up capital, is a director of APRC and holds shares in APRC in the proportion of 9.0 percent of the registered and paid-up capital. 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Insurance premium charge Employee group insurance premiums (Year 2021 is APRI) 	6.28 1.36	6.52 1.38
10. Thai Union Hi-tech Pearl Cultivation Co., Ltd. ("THPC") – pearl culture	<ul style="list-style-type: none"> Mr. Thiraphong, a director of the Company and a major shareholder of TU, holds shares in TU in the proportion of 10.7 percent of the registered and paid-up capital. TU has indirect shareholding in THPC totaling 15.6 percent of the registered and paid-up capital (through Chansiri Real Estate, a company where Mr. Thiraphong holds shares in the proportion of 32.8 percent of the registered and paid-up capital. Chansiri Real Estate has direct shareholding in THPC in the proportion of 47.3 percent of registered and paid-up capital). The common director is Mr. Thiraphong 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Purchase shrimp feed from TFM 	35.71	5.32
11. "Thai Union Manufacturing Co.,Ltd. ("TUM") Manufacturer and exporter of canned tuna and pet food "	<ul style="list-style-type: none"> TU is the common shareholder. TU has direct shareholding of 51.0 percent of the Company's registered and paid-up capital. TU holds direct shareholding in TUM in the proportion of 99.7 percent of the registered and paid-up capital. Common directors are: (1) Mr. Thiraphong and (2) Mr. Cheng 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Purchase pet food from TFM Management fees EDI SIAM 	– 1.08 –	– 1.39 –
12. EHS Training and Services Co.,Ltd ("EHS") – Consultant on environment, health and safety	<ul style="list-style-type: none"> TU is the common shareholder. TU has direct shareholding of 51.0 percent of the Company's registered and paid-up capital. TU holds direct shareholding in EHS in the proportion of 100.0 percent of the registered and paid-up capital. The common director is Mr. Shue Chung Chan 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Training fees 	0.01	–

Entity that may be in Conflict of Interest	Relations	Price policy	Related transactions	For the year ended 31 Dec	
				2022 (Million Baht)	2023 (Million Baht)
13. I-Tail Corporation Public Company Limited ("ITC")	<ul style="list-style-type: none"> TU is the common shareholder. TU has direct shareholding of 51.0 percent of the Company's registered and paid-up capital. TU holds direct shareholding in ITC in the proportion of 99.55 percent of the registered and paid-up capital. (Songkla Canning PCL changed its name to Songkla Canning PCL on 15 August 2021) The common director is Mr. Shue Chung Chan 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Purchase shrimp feed from TFM Purchase Poultry Meal from TFM Purchase feed packaging from TFM 	2.80 - -	- - 2.03
14. PT Thai Union Kharisma Lestari ("TUKL")	<ul style="list-style-type: none"> A subsidiary of the Company. The Company has direct shareholding in TUKL in the proportion of 65.0 percent of registered and paid-up capital. 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Pay loan guarantee fee 	0.36	0.13
15. AMG-Thaiunion Feedmill Private Limited ("AMG-TFM")	<ul style="list-style-type: none"> A subsidiary of the Company. The Company has direct shareholding in AMG-TFM in the proportion of 51.0 percent of registered and paid-up capital. 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Purchase asset from TFM 	-	3.06
16. Thai Union Online Shop Company Limited (TUO)	<ul style="list-style-type: none"> TU is the common shareholder. TU has direct shareholding of 51.0 percent of the Company's registered and paid-up capital. TU holds both direct and direct shareholding in TUO in the proportion of 100 percent of the registered and paid-up capital. 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Sales their products to TFM 	-	0.06
17. Thai Union Lifescience Company Limited (TUL)	<ul style="list-style-type: none"> TU is the common shareholder. TU has direct shareholding of 51.0 percent of the Company's registered and paid-up capital. TU holds both direct and direct shareholding in TUL in the proportion of 95.2 percent of the registered and paid-up capital. 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Purchase the supplement from TUL 	-	0.06
18. WAITHAI Company Limited (WAITHAI)	<ul style="list-style-type: none"> Mr. Cheng and Mr. Thiraphong, who are the directors of the Company have direct shareholding of 36.3 and 6.3 percent of registered and paid-up capital, respectively. Common directors are: <ol style="list-style-type: none"> Mr. Cheng and Mr. Thiraphong 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> Paid for trackter and pier fee 	-	0.65

Entity that may be in Conflict of Interest	Relations	Price policy	Related transactions	For the year ended 31 Dec	
				2022 (Million Baht)	2023 (Million Baht)
19. Thanmachart Seafood Retail Company Limited (TSR)	<ul style="list-style-type: none"> • TU is the common shareholder. TU has direct shareholding of 51.0 percent of the Company's registered and paid-up capital. TU holds both direct and indirect shareholding in TSR in the proportion of 65.0 percent of the registered and paid-up capital. • Common directors are: (1) Mr. Rittirong and (2) Mr. Peerasak 	market price equivalent to ordinary customers	Normal business transactions consist of <ul style="list-style-type: none"> • Paid for Products 	-	0.01
20. "Boonpetch Kasetpan ("Boonpetch Kasetpan") - Distributor/retailer of animal feeds"	<ul style="list-style-type: none"> • Mr. Prayot Sorajjakit ("Mr. Prayot") who is a younger brother of Mr. Banluesak and/or Mrs. Sunanta ("Sunanta") who is a spouse of Mr. Prayot, the owner and operator of the businesses. 	market price equivalent to ordinary	Normal business transactions consist of <ul style="list-style-type: none"> • Purchase fish feed from TFM 	8.24	20.47
21. Arnon Farm ("Arnon Farm") - aquaculture		customers	Normal business transactions consist of <ul style="list-style-type: none"> • Purchase fish feed from TFM 	13.07	23.54
22. Wanchai Farm ("Wanchai Farm") - aquaculture			Normal business transactions consist of <ul style="list-style-type: none"> • Purchase fish feed from TFM 	14.24	21.28
23. Nong Pla Tapien Farm ("Nong Pla Tapien Farm") - aquaculture			Normal business transactions consist of <ul style="list-style-type: none"> • Purchase fish feed from TFM 	8.06	3.95
24. Chainarong Farm ("Chainarong Farm") - aquaculture			Normal business transactions consist of <ul style="list-style-type: none"> • Purchase fish feed from TFM 	11.02	23.15
25. Penroong Farm ("Penroong Farm") - aquaculture			Normal business transactions consist of <ul style="list-style-type: none"> • Purchase fish feed from TFM 	10.34	16.28
26. Mongkon Farm ("Mongkon Farm") - aquaculture			Normal business transactions consist of: <ul style="list-style-type: none"> • Purchase fish feed from TFM 	10.09	19.13
27. "Prayot Kan Kaset Co., Ltd. ("Prayot Kan Kaset Co., Ltd.") - aquaculture (Together with other companies of Mr. Prayot and Mrs. Sunanta, they are collectively called "Mr. Prayot's group") "			Normal business transactions consist of: <ul style="list-style-type: none"> • Purchase fish feed from TFM 	61.13	58.84



The Board of Directors concluded that the Company's consolidated financial statements were credible, in compliance with certified accounting standards and relevant laws and regulations.



Board of Directors' Responsibility for Financial Reporting

The Board of Directors is responsible for Thai Union Feedmill Public Company Limited's financial statements and Thai Union Feedmill Public Company Limited and its subsidiaries consolidated financial statements, including the financial information presented in this form 56-1 One Report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles, using careful judgment and the best estimation. Important information is adequately and transparency disclosed in the notes to financial statements for the Company shareholders and investors.

The Board of Directors provides and maintains risk management system and appropriate and efficient internal controls to ensure that accounting records are accurate, reliable and adequate to retain its assets as well as to prevent fraud or materially irregular operations. In this regard, the Board of Directors has appointed an

Audit Committee comprising independent directors to be responsible for reviewing quality of the financial reports, internal controls, internal audit and risk management system.

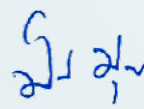
The Audit Committee also reviews a disclosure of related party transactions. All their comments on these issues are presented in the Audit and Risk Committee Report included in this form 56-1 One Report.

The separate financial statements and the consolidated financial statements of the Company have been examined by an external auditor, PricewaterhouseCoopers ABAS Limited. To conduct the audits and express an opinion in accordance with generally accepted auditing standards, all records and related data, as requested, are provided to the auditor. The auditor's opinion is presented in the auditor's report as a part of this form 56-1 One Report. The Board of Directors considers the Company's overall internal control system satisfactory and provides credibility and reliability to Thai Union Feedmill Public Company Limited's financial statements and Thai Union Feedmill Public Company Limited and its subsidiaries consolidated financial statements for the year ended 31 December 2023. The Board of Directors also believes that all these financial statements have been prepared in accordance with generally accepted accounting principles and related regulations.



(Mr. Rittirong Boonmechote)

Chairman of the Board of Directors



(Mr. Peerasak Boonmechote)

Chief Executive Officer

Independent Auditor's Report

To the shareholders and the Board of Directors of Thai Union Feedmill Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Thai Union Feedmill Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

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

Key audit matter

Allowance for expected credit loss for trade receivables

Refer to Note 4.4 'Accounting policies - Trade receivables', Note 5.1.2 b) 'Impairment of financial assets' and Note 11 'Trade receivables, net' to the consolidated and separate financial statements.

As of 31 December 2023, the Group has net trade receivables in the consolidated and separate financial statements in the amount of Baht 726 million and Baht 610 million, respectively, representing 22% and 20% of total assets. The loss allowance for trade receivables included in the consolidated and separate financial statements totalled Baht 144 million and Baht 116 million, respectively. The Group management has the policy to assess the collectability of outstanding trade receivables and the appropriate loss allowance for trade receivables based on overdue balance, historical collectability and collaterals and forward-looking factors that may affect the collectability.

The loss allowance was assessed based on the probability-weighted present value of estimated uncollectible amounts. In addition, the Group management considered the expected credit loss based on historical collectability, the possibility of recoverable amount, forward-looking information, regularly assessing customers' credit risk characteristics and other adjustments of the loss allowance.

I focused on this area because the amount of loss allowance is material and related to the Group management's judgement regarding the reasonableness of assumptions used in the collectability assessment.

How my audit addressed the key audit matter

I evaluated the appropriateness of the loss allowance on trade receivables by:

- Understanding the process relating to the allowance of credit losses of trade receivables
- Inquiring the Group management the appropriateness of identification and judgement of loss allowance required and assessing whether the method selected was appropriate and following Thai Financial Reporting Standards (TFRS)
- Evaluating the completeness, accuracy and relevance of data used in the expected credit loss consideration and checking the mathematical accuracy of the calculations
- Considering the reasonableness of the Group management's assessment of the adequacy of the loss allowance on overdue individual accounts receivable by retrospectively calculating the average of the past five years of loss rates for each group of trade receivable, as loss rates were significant assumptions used to calculate loss allowance at the reporting date. I also assessed the possibility of recoverable amount and collectability after the reporting date
- Testing the reliability of the trade receivables aging report used in initially assessing the loss allowance. I sampling tested the accuracy of the trade receivables aging classification of representative invoices. I tested the accuracy by recalculating the number of overdue days
- Evaluating the adequacy of disclosures regarding the expected credit loss for trade receivables included in the consolidated and separate financial statements.

Based on my procedures above, I found that the loss allowance for trade receivables was reasonable, consistent with historical data and aligned with the available evidence.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determine one key audit matter: Allowance for expected credit loss for trade receivables. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on the matter.

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

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

In preparing the consolidated and separate financial statements, the directors are 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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the

going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

PricewaterhouseCoopers ABAS Ltd.



Pongthavee Ratanakoses
Certified Public Accountant
(Thailand) No. 7795
Bangkok
16 February 2024

Thai Union Feedmill Public Company Limited

Statement of Financial Position

As at 31 December 2023

	Notes	Consolidated financial statement		Separate financial statement	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Assets					
Current assets					
Cash and cash equivalents	10	387,281	165,385	379,851	162,190
Short-term investment	5, 10	200,000	50,000	200,000	50,000
Trade and other receivables, net	11, 31.2	750,677	795,189	628,828	669,777
Inventories, net	12	454,249	564,410	407,478	515,222
Other current assets		1,820	439	244	439
Total current assets		1,794,027	1,575,423	1,616,401	1,397,628
Non-current assets					
Investment in a subsidiaries using cost method	13	-	-	528,681	528,681
Property, plant and equipment, net	14	1,425,997	1,556,606	836,137	952,139
Right-of-use assets, net	15	5,980	9,197	3,904	5,307
Intangible assets, net	16	554	1,359	443	1,239
Deferred tax assets, net	17	44,694	33,919	7,152	12,375
Other non-current assets	18	49,447	25,414	45,234	22,219
Total non-current assets		1,526,672	1,626,495	1,421,551	1,521,960
Total assets		3,320,699	3,201,918	3,037,952	2,919,588

Director _____

Director _____

The accompanying notes are integral part of these financial statements.

Thai Union Feedmill Public Company Limited

Statement of Financial Position

As at 31 December 2023

	Notes	Consolidated financial statement		Separate financial statement	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Liabilities and equity					
Current liabilities					
Short-term loans from financial institution	19	61,133	48,620	-	-
Trade and other payables	20, 31.2	542,327	546,613	492,558	472,385
Current portion of lease liabilities, net	15	2,857	4,611	1,602	2,898
Current portion of long-term loans from financial institution, net	21	14,397	-	-	-
Income tax payable		6,898	12,128	6,898	12,827
Other current liabilities		6,690	8,114	3,939	7,167
Total current liabilities		634,302	620,086	504,997	495,277
Non-current liabilities					
Lease liabilities, net	15	2,451	3,731	1,952	1,719
Long-term loans from a financial institution, net	21	63,052	-	-	-
Employee benefit obligations	22	168,108	133,050	167,648	132,650
Other non-current liabilities	31.2	1,043	1,043	1,043	1,043
Total non-current liabilities		234,654	137,824	170,643	135,412
Total liabilities		868,956	757,910	675,640	630,689
Equity					
Share capital					
Authorised share capital					
500,000,000 ordinary shares					
at a par value of Baht 2 each	23	1,000,000	1,000,000	1,000,000	1,000,000
Issued and fully paid-up share capital					
500,000,000 ordinary shares					
paid-up of Baht 2 each	23	1,000,000	1,000,000	1,000,000	1,000,000
Premium on share capital	23	1,006,859	1,006,859	1,006,859	1,006,859
Retained earnings					
Appropriated - legal reserve	25	100,000	100,000	100,000	100,000
Unappropriated		164,718	125,589	255,453	182,040
Other components of equity		(43,668)	(39,093)	-	-
Equity attributable to owners of the Company		2,227,909	2,193,355	2,362,312	2,288,899
Non-controlling interests		223,834	250,653	-	-
Total equity		2,451,743	2,444,008	2,362,312	2,288,899
Total liabilities and equity		3,320,699	3,201,918	3,037,952	2,919,588

The accompanying notes are integral part of these financial statements.

Thai Union Feedmill Public Company Limited

Statement of comprehensive income

For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Sales	8	5,081,317	4,888,301	4,717,945	4,657,896
Cost of sales		(4,642,060)	(4,481,965)	(4,291,658)	(4,231,381)
Gross profit		439,257	406,336	426,287	426,515
Other income	26	61,451	71,153	61,804	71,402
Profit before expenses		500,708	477,489	488,091	497,917
Selling expenses		(192,812)	(177,447)	(166,616)	(165,867)
Administrative expenses		(185,881)	(170,222)	(161,231)	(146,682)
Impairment losses on trade and other receivables	5.1	(36,368)	(30,949)	(12,945)	(24,538)
Other gains (losses), net		(11,989)	6,704	(12,067)	4,257
Finance costs		(9,862)	(26,272)	(217)	(293)
Profit before income tax		63,796	79,303	135,015	164,794
Income tax	28	2,885	8,972	(13,363)	(15,084)
Profit for the year		66,681	88,275	121,652	149,710
Other comprehensive income (expenses):					
Items that will not be reclassified subsequently to profit or loss					
- Remeasurement gain (loss) of employment benefit obligations, net of income tax	28	(8,239)	9,715	(8,239)	9,715
Total items that will not be reclassified subsequently to profit or loss		(8,239)	9,715	(8,239)	9,715
Items that will be reclassified subsequently to profit or loss					
- Exchange differences on translation		(10,707)	(69,412)	-	-
Total items that will be reclassified subsequently to profit or loss		(10,707)	(69,412)	-	-
Other comprehensive income (expenses) for the year, net of income tax		(18,946)	(59,697)	(8,239)	9,715
Total comprehensive income for the year		47,735	28,578	113,413	159,425
Profit (Loss) attributable to:					
Owners of the parent		87,368	109,535	121,652	149,710
Non-controlling interests		(20,687)	(21,260)	-	-
Profit for the year		66,681	88,275	121,652	149,710
Total comprehensive income (expenses) attributable to:					
Owners of the parent		74,554	76,193	113,413	159,425
Non-controlling interests		(26,819)	(47,615)	-	-
Total comprehensive income for the year		47,735	28,578	113,413	159,425
Earnings per share for profit attributable to the owners of the parent (Baht)					
Basic earnings per share	29	0.17	0.22	0.24	0.30

The accompanying notes are integral part of these financial statements.

Thai Union Feedmill Public Company Limited

Statement of Changes in Equity

For the year ended 31 December 2023

Consolidated financial statement										
Notes	Attributable to owners of the Company									
	Retained earnings					Other components of equity				
	Issued and paid-up share capital Thousand Baht	Premium on share capital Thousand Baht	Appropriated - legal reserve Thousand Baht	Unappropriated Thousand Baht	Exchange differences on translation Thousand Baht	Total other components of equity Thousand Baht	Total equity attributable to owners of the parent Thousand Baht	Non-controlling interests Thousand Baht	Total equity Thousand Baht	
Opening balance as at 1 January 2023	1,000,000	1,006,859	100,000	106,339	3,964	3,964	2,217,162	186,276	2,403,438	
Increase in non-controlling interests from change in investment in subsidiaries	-	-	-	-	-	-	-	111,992	111,992	
Dividend payment	-	-	-	(100,000)	-	-	(100,000)	-	(100,000)	
Profit (Loss) for the year	-	-	-	109,535	-	-	109,535	(21,260)	88,275	
Other comprehensive income (expenses) for the year	-	-	-	9,715	(43,057)	(43,057)	(33,342)	(26,355)	(59,697)	
Closing balance as at 31 December 2022	1,000,000	1,006,859	100,000	125,589	(39,093)	(39,093)	2,193,355	250,653	2,444,008	
Opening balance as at 1 January 2023	1,000,000	1,006,859	100,000	125,589	(39,093)	(39,093)	2,193,355	250,653	2,444,008	
Dividend payment	-	-	-	(40,000)	-	-	(40,000)	-	(40,000)	
Profit (Loss) for the year	-	-	-	87,368	-	-	87,368	(20,687)	66,681	
Other comprehensive income (expenses) for the year	-	-	-	(8,239)	(4,575)	(4,575)	(12,814)	(6,132)	(18,946)	
Closing balance as at 31 December 2023	1,000,000	1,006,859	100,000	164,718	(43,668)	(43,668)	2,227,909	223,834	2,451,743	

The accompanying notes are integral part of these financial statements.

Thai Union Feedmill Public Company Limited

Statement of Changes in Equity

For the year ended 31 December 2023

Separate financial statement					
Note	Issued and paid-up share capital Thousand Baht	Premium on share capital Thousand Baht	Retained earnings		Total equity Thousand Baht
			Appropriated - legal reserve Thousand Baht	Unappropriated Thousand Baht	
Opening balance as at 1 January 2022	1,000,000	1,006,859	100,000	122,615	2,229,474
Dividend payment 24	-	-	-	(100,000)	(100,000)
Profit for the year	-	-	-	149,710	149,710
Other comprehensive income (expenses) for the year	-	-	-	9,715	9,715
Closing balance as at 31 December 2022	1,000,000	1,006,859	100,000	182,040	2,288,899
Opening balance as at 1 January 2023	1,000,000	1,006,859	100,000	182,040	2,288,899
Dividend payment 24	-	-	-	(40,000)	(40,000)
Profit for the year	-	-	-	121,652	121,652
Other comprehensive income (expenses) for the year	-	-	-	(8,239)	(8,239)
Closing balance as at 31 December 2023	1,000,000	1,006,859	100,000	255,453	2,362,312

The accompanying notes are integral part of these financial statements.

Thai Union Feedmill Public Company Limited

Statement of Cash Flows

For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from operating activities					
Profit before income tax		63,796	79,303	135,015	164,794
Adjustment items:					
Depreciation expenses	14, 15	172,385	184,172	146,278	143,710
Amortisation expenses	16	1,041	2,555	943	2,490
(Reversal of) Allowance for doubtful accounts	5.1.2	36,343	30,949	12,945	24,538
(Reversal of) Allowance for diminution in value of inventories	27	(14,244)	7,786	(14,242)	7,999
Fair value adjustments to financial instruments, net		(1,983)	3,567	(1,983)	3,567
(Gain) Loss on disposals and write-offs of property, plant and equipment, right-of-use assets, and intangible assets, net		19,509	(168)	18,513	(168)
Reversal of allowance for impairment of property, plant and equipment		(301)	(7,670)	(301)	(7,670)
Employee benefit obligations	22	15,606	16,288	15,494	15,944
Loss on exchange rates, net		672	84	666	84
Finance costs		9,862	26,272	217	293
Interest income		(1,962)	(1,121)	(1,469)	(1,081)
		300,724	342,017	312,076	354,500
Changes in operating assets and liabilities:					
(Increase) Decrease in trade and other receivables		(9,679)	(188,385)	27,957	(106,538)
(Increase) Decrease in inventories		123,715	(90,227)	121,771	(53,624)
(Increase) Decrease in other current assets		395	(279)	395	(279)
(Increase) Decrease in other non-current assets		(1,169)	8,908	(157)	(8)
Increase (Decrease) in trade and other payables		12,800	(21,338)	29,636	(55,663)
Increase (Decrease) in other current liabilities		837	4,058	(1,245)	2,617
Cash paid for employee benefit obligations	22	(11,794)	(16,579)	(11,794)	(16,579)
Cash flows receipts from operations		415,829	38,175	478,639	124,426
Interest received		1,962	1,121	1,469	1,081
Income tax paid		(14,902)	(6,283)	(14,068)	(5,761)
Net cash receipts from operating activities		402,889	33,013	466,040	119,746

The accompanying notes are integral part of these financial statements.

Thai Union Feedmill Public Company Limited

Statement of Cash Flows (continued)

For the year ended 31 December 2023

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		31 December	31 December	31 December	31 December
		2023	2022	2023	2022
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash flows from investing activities					
Cash receipt for short term investments		150,000	150,000	150,000	150,000
Cash payment for short term investments		(300,000)	-	(300,000)	-
Cash payment for purchases of property, plant and equipment		(74,213)	(179,256)	(60,832)	(149,495)
Cash payment for purchase of intangible assets	16	(237)	(493)	(147)	(412)
Proceeds from disposals of property, plant and equipment, right-of-use assets, and intangible assets		5,043	9,302	5,032	9,302
Cash payments for investment in subsidiaries	13	-	-	-	(195,561)
Net cash payment for investing activities		(219,407)	(20,447)	(205,947)	(186,166)
Cash flows from financing activities					
Net cash receipts from short-term loans from financial institutions	30	12,353	51,999	-	-
Cash receipts from long-term loan from a financial institutions	21	80,500	34,500	-	-
Cash payments for long-term loan from a financial institution	21	-	(220,000)	-	-
Financing fees paid for long-term loans from financial institutions	21	(805)	-	-	-
Interest paid	30	(9,701)	(27,562)	-	-
Cash payments for lease liabilities	15, 30	(4,476)	(5,986)	(2,431)	(3,747)
Receipts from non-controlling interests for additional share capital in a subsidiaries		-	111,992	-	-
Dividends paid to the owners of the Company	24	(40,000)	(100,000)	(40,000)	(100,000)
Net cash receipts from (payments for) financing activities		37,871	(155,057)	(42,431)	(103,747)
Net increase (decrease) in cash and cash equivalents		221,353	(142,491)	217,662	(170,167)
Cash and cash equivalents - opening balance	10	165,385	346,378	162,190	332,334
Exchange difference on cash and cash equivalents		543	(38,502)	(1)	23
Cash and cash equivalents - closing balance	10	387,281	165,385	379,851	162,190
Non-cash items					
Payable balances from purchase of property, plant and equipment	20	6,276	20,758	732	10,813
Acquisitions of right-of-use assets under lease contracts	15	3,841	2,794	3,256	2,384

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Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

1 General information

Thai Union Feedmill Public Company Limited (“the Company”) is a public limited company, which is listed on the Stock Exchange of Thailand, and is incorporated and domiciled in Thailand. The current address of the Company’s registered office is at 89/1 Moo 2 Kalong, Mueang Samutsakhon, Samutsakhon. The Company has 3 branches in Samutsakhon and Songkhla.

For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The Company is controlled by Thai Union Group Public Company Limited (“the Parent Company”), which owns, which owns 51% of the Company’s shares. The Parent Company is incorporated in Thailand and listed on the Stock Exchange of Thailand.

The principal business operations of the Group and the Company are manufacturer and distributor of animal feeds.

These Group consolidated and separate financial statements were authorised for issue by the Company’s authorised directors on 16 February 2024.

2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except derivatives as explained in relevant accounting policies.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

3 New and amended financial reporting standards**3.1 Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2023**

- a) **Amendment to TAS 16 - Property, plant and equipment** clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) **Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- c) **Amendment to TAS 41 - Agriculture** clarified about removal of the requirement for entities to exclude cash flows for taxation when measuring fair value of biological asset.

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

- d) **Amendment to TFRS 3 - Business combinations** clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.
- e) **Amendment to TFRS 9 - Financial Instruments** clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

The Group's management assessed and considered that the above new and amended standards do not have a significant impact on the Group.

3.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2024

The following amended TFRSs were not mandatory for the current reporting period and the Group has not early adopted them.

- a) **Amendment to TAS 1 - Presentation of financial statements** revised the disclosure from 'significant accounting policies' to 'material accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- b) **Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors** revised to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.
- c) **Amendments to TAS 12 - Income taxes**
- c1) Companies must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.
- c2) Companies must apply all income taxes arising from the tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD), an international organisation.

In December 2021, the OECD released the Pillar Two model rules to apply the Global Anti-Base Erosion Proposal (GloBE) to reform international corporate taxation. Large multinational enterprises within the rules' scope must calculate the GloBE effective tax rates for each territory in which they operate and pay a top-up tax for the differences between these and the 15% minimum rate.

In December 2023, the amendments to TAS 12 provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments also require affected companies to disclose:

- the fact that they have applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes
- their current tax expense (if any) related to the Pillar Two income taxes, and
- during the period between the legislation being enacted or substantially enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

4 Accounting policies**4.1 Principles of consolidation and equity accounting****4.1.1 Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group 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. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

A list of the Group's subsidiaries has been disclosed in Note 13.

4.1.2 Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognised in profit or loss.

When the Group loses control any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

4.1.3 Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

4.2 Foreign currency translation**4.2.1 Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Thai Baht, which is the Group's functional and presentation currency.

4.2.2 Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

4.2.3 Group companies

The operational results and financial position of the Group's entities (none of which has the currency of a hyper-inflationary economy) that have a different functional currency from the Group's presentation currency are translated into the presentation currency as follows.

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for each statement of income and statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

4.3 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, short-term highly liquid investments with maturities of three months or less from acquisition date and bank overdrafts.

In the statement of financial position, bank overdrafts are shown in current liabilities.

4.4 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 0 - 90 days and therefore are all classified as current.

The Group applies the TFRS 9 simplified approach to measuring expected credit losses which uses a simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables. To measure the expected credit losses, trade receivables have been grouped based on the days past due. The expected loss rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on factors affecting the ability of the customers to settle the receivables. The impairment losses are recognised in profit or loss within administrative expenses.

The impairment of trade receivables is disclosed in Note 4.6.

4.5 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, rebates and other similar items. The cost of finished goods and work in progress comprises raw materials, direct labour costs, other direct costs and related production overheads based on normal operating capacity. It excludes borrowing costs. Net realisable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for slow-moving, obsolete and defective inventories.

4.6 Financial assets**Classification**

The classification of financial assets depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

The Group classifies its debt instruments in the following categories:

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

Recognition and derecognition

The Group shall recognise a financial asset or a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership of the financial assets.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus or minus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest (SPPI).

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** A financial asset will be measured at amortised cost when the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows. In addition, 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. Interest income from these financial assets is included in financial income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented in profit or loss.
- **FVOCI:** A financial assets will be measured at FVOCI when it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets. In addition, 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. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment gains or losses, interest income and related foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss and recognised on other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the statement of comprehensive income.
- **FVPL:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the statement of income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables, which applies lifetime expected credit loss, from initial recognition for all trade receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets. The expected credit loss rates are based on payment profiles, historical credit losses as well as forward-looking information and factors that may affect the ability of the customers to settle the outstanding balances.

For other financial assets carried at amortised cost and FVOCI, The Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk and recognise impairment loss since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to The Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, The Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment losses are presented as net impairment losses in the statement of income. Subsequent recoveries of amounts previously written off are credited against the same line item.

4.7 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical costs include expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Land improvements	3 - 20 years
Buildings and building improvements	20 - 25 years
Machinery and factory equipment	5 - 15 years
Furniture, fixtures and office equipment	3 - 5 years
Vehicles	5 - 10 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in net other gains or losses in the statement of income.

4.8 Intangible assets*Trademarks*

Acquired trademarks with a finite useful life are carried at cost less accumulated amortisation and allowance for impairment. The trademarks are amortised using the straight-line method to allocate the cost of licences over their estimated useful lives of 10 years.

Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line basis over their estimated useful lives 3 - 10 years. Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Expenditure to enhance or extend the performance of computer software programmes beyond their original specifications is recognised as a capital improvement and added to the original cost of the software. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

4.9 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

4.10 Leases**Leases - where the Group is the lessee**

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

The Group recognises a right-of-use (ROU) asset and a lease liability at the lease commencement date. The ROU asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, initial direct costs and estimated costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any incentive received.

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group uses the Group's incremental borrowing rate.

Lease payments can include fixed payments; variable payments that depend on an index or rate known at the commencement date; and extension option payments or purchase options which the Group is reasonably certain to exercise.

To apply a cost model, the Group measures the ROU asset at cost, less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liability. The ROU asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the ROU asset or the end of the lease term. However, if the lease transfers ownership of the underlying asset to the Group by the end of the lease term or if the cost of the ROU asset reflects that the Group will exercise a purchase option, the Group depreciates the ROU asset from the commencement date to the end of the useful life of the underlying asset. The useful life of the ROU asset is determined on the same basis as those of property, plant and equipment.

The lease liability is measured in subsequent periods using the effective interest rate method and remeasured (with a corresponding adjustment to the related ROU asset) when there is a change in future lease payments in case of negotiation, changes of an index or rate or in case of reassessment of options.

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognises the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the remeasurement in profit or loss.

The Group has elected not to recognise ROU assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leases - where the Group is the lessor

The Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfer substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Assets leased out under operating leases are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

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For the year ended 31 December 2023

4.11 Financial liabilities**Classification**

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Measurement

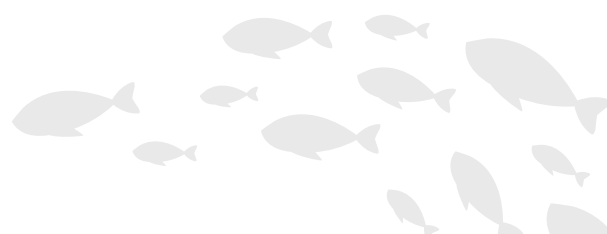
Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

Recognition, Derecognition and modification

The Group shall recognise a financial liability in its statement of financial position when, and only when, the Group becomes party to the contractual provisions of the instrument. Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modification, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.



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For the year ended 31 December 2023

4.12 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying assets for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

4.13 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, the deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4.14 Employee benefits**Short-term employee benefits**

Liabilities for short-term employee benefits such as wages, salaries and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

Defined contribution plan

A defined contribution plan or provident fund is a post-retirement plan under which the Group pays fixed contributions into a separate entity. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

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Notes to the Financial Statements

For the year ended 31 December 2023

Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated every two to three years by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounted the estimated future cash outflows using the market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are charged or credited to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

Termination benefits

The Group recognises termination benefits at the earlier of (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

4.15 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

4.16 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares (net of tax) are shown as a deduction in equity.

4.17 Revenue recognition

The Group recognises revenue in the period when control of goods or services transferred to customers in an amount that reflect the net consideration the Group expects to receive. Depending on the terms of the underlying contract, the Group recognises revenue from sales when it either ships or delivers finished goods and control of the goods transfers to the customer. At contract inception, the Group assesses the goods promised in the contract to identify the performance obligations. Each performance obligation is a promise to transfer to the customer a good or service that is distinct. The transaction price will need to be allocated to the distinct performance obligations based on the relative standalone selling price of the goods and other performance obligations to ensure that revenue is recognised at the appropriate time and for the correct amount.

The Group recognises revenue when it satisfies a performance obligation by transferring the promised goods or services to the customer, which is when the customer gains control of those goods, or services. The amount of revenue recognised is the amount allocated to the satisfied performance obligation. A performance obligation may be satisfied at a point in time, typically for promises to transfer goods to a customer, or over time, typically for promises to transfer services to a customer.

Interest income is recognised on an accrual basis, using the effective interest method.

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For the year ended 31 December 2023

Revenue arising from royalties, which is based on sales, is recognised when the subsequent relevant sale occurs.

Dividend income is recognised when the right to receive payment is established.

4.18 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when the annual dividends are approved by the shareholders, and when interim dividends are approved by the Board of Directors.

4.19 Derivatives that do not qualify for hedge accounting

Derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in net other gains or losses in the statement of income.

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

4.20 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under TFRS 9; and
- the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of TFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between a) the contractual payments required under the debt instrument; and b) the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

5 Financial risk management**5.1 Financial risk factor**

The Group exposes to a variety of financial risk: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Group's Treasury Function. The Group's policy includes areas such as foreign exchange risk, interest rate risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and used as the key communication and control tools for Treasury team.

5.1.1 Market risk**a) Foreign exchange risk**

The Group seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate and consistent with the risk from business operations resulting from foreign currencies. The Group uses forward contracts, transacted with the financial institutions, to hedge their exposure to foreign currency risk in connection with measurement currency under the group's policy, the critical terms of the forwards and options must align with the hedged items.

Thai Union Feedmill Public Company Limited

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For the year ended 31 December 2023

Exposure

The Group's and the Company's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

As at 31 December Foreign currency	Consolidated financial statements			
	Financial assets		Financial liabilities	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
USD	11,366	8,898	30,938	57,219
Rupiah	119	-	72	-
Euro	-	-	-	1,613

As at 31 December Foreign currency	Separate financial statements			
	Financial assets		Financial liabilities	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
USD	11,366	8,898	30,938	43,660
Rupiah	119	-	72	-
Euro	-	-	-	1,613

As shown in the table above, the Group is primarily exposed to changes between Baht and US Dollar exchange rates. But this is not a material risk given the amount of financial assets and liabilities denominated in that currency.

The Group and the Company had outstanding forward contracts as summarised below.

Foreign currency	Bought amount (million)	Sold amount (million)	Contractual exchange rate		Contractual maturity date
			Bought amount	Sold amount	
As at 31 December 2023					
USD	1.96	-	34.77 - 35.43 against USD	-	June 2024
As at 31 December 2022					
USD	3.03	0.15	34.14 - 37.02 Baht against USD	34.12 Baht against USD	May 2023

(b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions and short-term borrowings from financial institutions. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date or the repricing date if this occurs before the maturity date.

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For the year ended 31 December 2023

Consolidated financial statements									
Fixed interest rates			Floating interest rates			Non-	Total	Interest rate	
Within 1 year	1-5 years	Over 5 years	Within 1 year	1-5 years	Over 5 years	interest bearing			
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	(% p.a.)	
As at 31 December 2023									
Financial assets									
Cash and cash equivalents	-	-	287,905	-	-	99,376	387,281	0.05 - 0.60	
Short-term investment	200,000	-	-	-	-	-	200,000	1.90 - 2.20	
	200,000	-	287,905	-	-	99,376	587,281		
Financial liabilities									
Short-term loans from financial institution	61,133	-	-	-	-	-	61,133	7.25	
Long-term loans from financial institution	14,397	63,052	-	-	-	-	77,449	7.25	
Lease liabilities	2,857	2,451	-	-	-	-	5,308	1.99 - 4.50	
	78,387	65,503	-	-	-	-	143,890		
As at 31 December 2022									
Financial assets									
Cash and cash equivalents	-	-	159,832	-	-	5,553	165,385	0.05 - 0.33	
Short-term investments	50,000	-	-	-	-	-	50,000	0.75	
	50,000	-	159,832	-	-	5,553	215,385		
Financial liabilities									
Short-term loans from financial institution	48,620	-	-	-	-	-	48,620	10.18	
Lease liabilities	4,611	3,731	-	-	-	-	8,342	1.99 - 4.50	
	53,231	3,731	-	-	-	-	56,962		
Separate financial statements									
Fixed interest rates			Floating interest rates			Non-	Total	Interest rate	
Within 1 year	1-5 years	Over 5 years	Within 1 year	1-5 years	Over 5 years	interest bearing			
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	(% p.a.)	
As at 31 December 2023									
Financial assets									
Cash and cash equivalents	-	-	281,849	-	-	98,002	379,851	0.05 - 0.60	
Short-term investment	200,000	-	-	-	-	-	200,000	1.90 - 2.20	
	200,000	-	281,849	-	-	98,002	579,851		
Financial liabilities									
Lease liabilities	1,602	1,952	-	-	-	-	3,554	1.99 - 4.50	
	1,602	1,952	-	-	-	-	3,554		
As at 31 December 2022									
Financial assets									
Cash and cash equivalents	-	-	159,832	-	-	2,358	162,190	0.05 - 0.33	
Short-term investments	50,000	-	-	-	-	-	50,000	0.75	
	50,000	-	159,832	-	-	2,358	212,190		
Financial liabilities									
Lease liabilities	2,898	1,719	-	-	-	-	4,617	1.99 - 4.50	
	2,898	1,719	-	-	-	-	4,617		

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Notes to the Financial Statements

For the year ended 31 December 2023

5.1.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost as well as credit exposures to customers, including outstanding receivables.

(a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management. There are no significant concentrations of credit risk.

The Group's investments in debt instruments are considered to be low risk investments. The Group regularly monitors the credit ratings of the investments for credit deterioration.

(b) Impairment of financial assets

The Group and the Company has financial assets that are subject to the expected credit loss model.

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

The expected loss rates are based on the payment profiles of sales over a period of the last 5 years and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information factors affecting the ability of the customers to settle the receivables

The loss allowance for trade receivables to were determined as follows:

Consolidated financial statements						
	Not yet due Thousand Baht	Less than 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	More than 12 months Thousand Baht	Total (Note 11) Thousand Baht
As at 31 December 2023						
Gross carrying amount	422,087	185,599	74,508	71,972	115,143	869,309
Loss allowance	(1,732)	(4,893)	(9,110)	(32,161)	(95,704)	(143,600)
As at 31 December 2022						
Gross carrying amount	395,900	252,977	86,928	43,698	111,457	890,960
Loss allowance	(1,685)	(7,403)	(9,248)	(17,774)	(83,815)	(119,925)
Separate financial statements						
	Not yet due Thousand Baht	Less than 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	More than 12 months Thousand Baht	Total (Note 11) Thousand Baht
As at 31 December 2023						
Gross carrying amount	356,768	166,216	58,810	51,703	92,394	725,891
Loss allowance	(1,732)	(4,445)	(6,207)	(23,121)	(80,345)	(115,850)
As at 31 December 2022						
Gross carrying amount	344,264	212,378	69,969	40,038	95,402	762,051
Loss allowance	(1,684)	(6,783)	(8,472)	(16,804)	(79,964)	(113,707)

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For the year ended 31 December 2023

The allowance for impairment loss of trade receivables can be reconciled as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
As at 1 January	(119,925)	(115,564)	(113,707)	(114,125)
Loss allowance recognised				
in profit or loss	(36,343)	(30,949)	(12,945)	(24,538)
Receivables written off as uncollectible	10,802	25,848	10,802	24,956
Exchange differences on translation	1,866	740	-	-
As at 31 December	(143,600)	(119,925)	(115,850)	(113,707)

5.1.3 Liquidity risk

The Group's financial liabilities are due within 5 years after the reporting date.

Prudent liquidity risk management implies maintaining sufficient cash and funding availability through an adequate amount of committed credit facilities. Unused borrowing facilities have been disclosed in Note 20. Due to the nature of the underlying business, the Group Treasury aims at maintaining funding flexibility by keeping committed credit lines available.

The analysis of the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities is presented in Note 5.1.1 (b). All derivatives of the Group as at 31 December 2023 will be matured within one year.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Maturity of non- derivatives financial liabilities	Consolidated financial statements				Carrying amount liabilities Thousand Baht
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
As at 31 December 2023					
Short-term loans from financial institution	61,133	-	-	61,133	61,133
Trade and other payables	536,362	-	-	536,362	536,362
Long-term loans from financial institution	14,397	63,052	-	77,449	77,449
Lease liabilities	3,013	2,557	-	5,570	5,308
Other non-current liabilities	-	-	1,043	1,043	1,043
Total non-derivatives financial liabilities	614,905	65,609	1,043	681,557	681,295
As at 31 December 2022					
Short-term loans from financial institution	48,620	-	-	48,620	48,620
Trade and other payables	539,967	-	-	539,967	539,967
Lease liabilities	4,817	3,854	-	8,671	8,342
Other non-current liabilities	-	-	1,043	1,043	1,043
Total non-derivatives financial liabilities	593,404	3,854	1,043	598,301	597,972

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Maturity of non-derivatives financial liabilities	Separate financial statements				Carrying amount liabilities Thousand Baht
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	
As at 31 December 2023					
Trade and other payables	486,677	-	-	486,677	486,677
Lease liabilities	1,718	2,040	-	3,758	3,554
Other non-current liabilities	-	-	1,043	1,043	1,043
Total non-derivatives financial liabilities	488,395	2,040	1,043	491,478	491,274
As at 31 December 2022					
Trade and other payables	465,739	-	-	465,739	465,739
Lease liabilities	2,999	1,781	-	4,780	4,617
Other non-current liabilities	-	-	1,043	1,043	1,043
Total non-derivatives financial liabilities	468,738	1,781	1,043	471,562	471,399

5.2 Capital risk management

The Group's objectives of capital management are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

6 Fair value

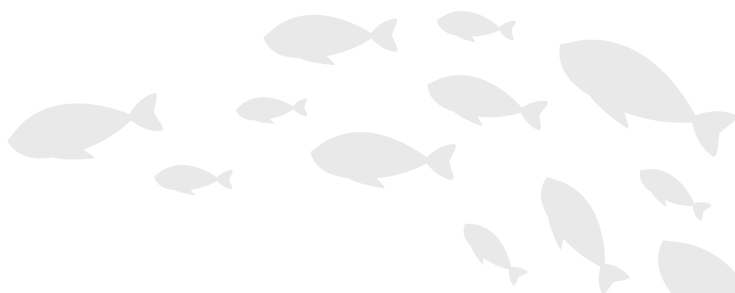
As at 31 December 2023, The Group has no financial asset that were measured at fair value and there are financial liabilities measured at fair value as foreign currency forward contracts shown as part of other current liabilities in the amount of million 1.12 Baht (2022: million 3.10 Baht).

Fair value of financial derivatives is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available by considering the fair value of financial derivatives by reference to market foreign exchange rate as of date of statement of financial position and discounted to present value to be fair value. The fair values are within level 2 of the fair value hierarchy.

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1 The fair value of financial instruments is based on the price at the financial statements date by reference to market with liquidity.
- Level 2 The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3 The fair value of financial instruments is not based on observable market data.

There was no transfer between such levels during the year.



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Financial assets and financial liabilities are approximately to the carrying amounts or the impact of discounting is not significant as follows:

- Cash and cash equivalents and short-term investments
- Trade and other receivables
- Other non-current assets
- Short-term loans from financial institution
- Trade and other payables
- Other current and non-current liabilities

7 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions, as well as forward-looking estimates at the end of each reporting period.

Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 22.

8 Segment information

The Group's Management Team is the Group's chief of operating decision maker. Management has determined the operating segments based on the information reviewed by the Group's Management Team for the purpose of allocating resources and assessing performance.

For management purposes, the Group is organised into business units based on its products and services and have four reportable segments as follows:

- Shrimp feed products
- Fish feed products
- Livestock feed products
- Others

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. The Group measures segment performance based on gross profit on a consistent basis with that uses to measure gross profit in the financial statements.



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The following tables present revenue and gross profit information regarding the Group's operating segments.

	Consolidated financial statement				
	Shrimp feed products Thousand Baht	Fish feed products Thousand Baht	Livestock feed products Thousand Baht	Others Thousand Baht	Total Thousand Baht
For the year ended 31 December 2023					
Sales	2,804,511	1,707,015	484,860	84,931	5,081,317
Results					
Segment gross profit (loss)	289,183	116,817	36,978	(3,721)	439,257
Selling and administrative expenses (including impairment losses on trade and other receivables)					(415,061)
Other income (expenses), net					49,462
Operating profit					73,658
Finance costs					(9,862)
Profit before income tax					63,796
Income tax					2,885
Profit for the period					66,681
Timing of revenue recognition					
At a point in time	2,804,511	1,707,015	484,860	84,931	5,081,317
For the year ended 31 December 2022					
Sales	2,618,421	1,742,712	449,899	77,269	4,888,301
Results					
Segment gross profit (loss)	301,115	101,229	30,523	(26,531)	406,336
Selling and administrative expenses (including impairment losses on trade and other receivables)					(378,618)
Other income (expenses), net					77,857
Operating profit					105,575
Finance costs					(26,272)
Profit before income tax					79,303
Income tax					8,972
Profit for the period					88,275
Timing of revenue recognition					
At a point in time	2,618,421	1,742,712	449,899	77,269	4,888,301

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

Timing of revenue recognition of separate financial statement are as follows:

	Separate financial statement				
	Shrimp feed products	Shrimp feed products	Shrimp feed products	Shrimp feed products	Shrimp feed products
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
For the year ended 31 December 2023					
Timing of revenue recognition					
At a point in time	2,528,125	1,676,731	428,158	84,931	4,717,945
For the year ended 31 December 2022					
Timing of revenue recognition					
At a point in time	2,522,231	1,619,845	438,551	77,269	4,657,896

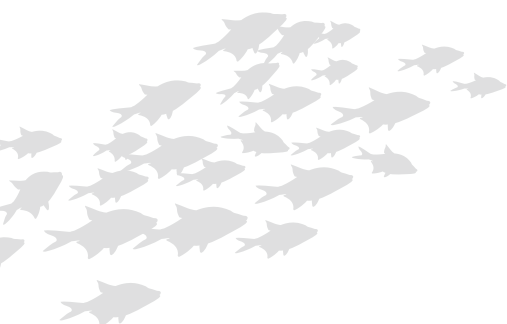
Geographic information

The Group classifies based on the location of customers, which is consistent with nature of revenue, as follows:

For the years ended 31 December	Consolidated financial statements	
	2023	2022
	Thousand Baht	Thousand Baht
Thailand	4,518,800	4,442,908
Sri Lankan	177,267	214,988
Pakistan	86,986	134,215
Indonesia	276,387	96,190
Others	21,877	-
	5,081,317	4,888,301

Major customer

During the year ended 31 December 2023 and 2022, the Group had no customer with revenues of 10 percent or more of the Group's revenue.



Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

9 Financial assets and financial liabilities

The Group's management has assessed which business models applied to the financial assets and liabilities held by the Group and has classified the financial assets and liabilities as below.

As at 31 December 2023

Financial assets

	Consolidated financial statements		Separate financial statements	
	FVPL Thousand Baht	Amortised cost Thousand Baht	FVPL Thousand Baht	Amortised cost Thousand Baht
Cash and cash equivalents	-	387,281	-	379,851
Short-term investment	-	200,000	-	200,000
Trade and other receivables, net	-	733,347	-	616,803
Other non-current assets	-	4,629	-	416
	-	1,325,257	-	1,197,070

Financial liabilities

Short-term loans from financial institution	-	61,133	-	-
Trade and other payables	-	536,362	-	486,677
Long-term loans from financial institution	-	77,449	-	-
Other current liabilities -				
Foreign currency forward contracts	1,121	-	1,121	-
Other non-current liabilities	-	1,043	-	1,043
	1,121	675,987	1,121	487,720

As at 31 December 2022

Financial assets

	Consolidated financial statements		Separate financial statements	
	FVPL Thousand Baht	Amortised cost Thousand Baht	FVPL Thousand Baht	Amortised cost Thousand Baht
Cash and cash equivalents	-	165,385	-	162,190
Short-term investment	-	50,000	-	50,000
Trade and other receivables, net	-	780,271	-	656,912
Other non-current assets	-	3,454	-	259
	-	999,110	-	869,361

Financial liabilities

Short-term loans from financial institution	-	48,620	-	-
Trade and other payables	-	539,967	-	465,739
Other current liabilities -				
Foreign currency forward contracts	3,104	-	3,104	-
Other non-current liabilities	-	1,043	-	1,043
	3,104	589,630	3,104	466,782

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

10 Cash and cash equivalents and short-term investment

As at 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Cash on hand	445	565	417	421
Current and savings accounts	386,836	164,820	379,434	161,769
Total cash and cash equivalents	387,281	165,385	379,851	162,190

As at 31 December 2023, the Group had fixed deposits of Baht 200 million (2022: Baht 50 million) bearing interest at 1.90% and 2.20% per annum (2022: 0.75% per annum), it will be due to March and April 2024 (2022: February 2023). The Group classified these fixed deposits as short-term investments in the statement of financial position.

11 Trade and other receivables, net

As at 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Trade receivables - third parties	828,331	827,113	698,280	736,677
Trade receivables - related parties (Note 31.2)	40,978	63,847	27,611	25,374
	869,309	890,960	725,891	762,051
Loss allowance for trade receivables - third parties	(142,860)	(118,650)	(115,724)	(113,470)
Loss allowance for trade receivables - related parties (Note 31.2)	(740)	(1,275)	(126)	(237)
Loss allowance for trade receivables (Note 5.1.2 b)	(143,600)	(119,925)	(115,850)	(113,707)
Trade receivables, net	725,709	771,035	610,041	648,344
Other receivables - third parties	912	670	36	2
Accrued income - a related party (Note 31.2)	6,726	8,566	6,726	8,566
Prepaid expenses - third parties	4,306	5,572	4,203	5,353
Prepaid expenses - a related party (Note 31.2)	3,798	4,394	3,798	4,394
Tax coupons	1,370	347	1,370	347
Advance payments	7,856	4,605	2,654	2,771
Total trade and other receivables, net	750,677	795,189	628,828	669,777

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

12 Inventories, net

As at 31 December	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Finished goods	146,602	165,448	134,299	160,045
Raw materials	247,832	344,701	219,421	306,983
Ingredients and packaging	16,906	18,439	14,023	16,054
Goods in transits	24,248	21,351	24,248	21,351
Spare parts and supplies	42,715	52,769	39,534	49,078
	478,303	602,708	431,525	553,511
<u>Less</u> Allowance for net realisable value	(24,054)	(38,298)	(24,047)	(38,289)
Total inventories, net	454,249	564,410	407,478	515,222

13 Investment in subsidiaries using cost method

Details of the investment in subsidiaries are as follows:

Company's name	Nature of business	Country of incorporation	Separate financial statements					
			Paid-up capital		Shareholding percentage		Cost method	
			31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
					%	%	Thousand Baht	Thousand Baht
PT Thai Union Kharisma Lestari (TUKL)	Manufacture and distribution of animal feeds	Indonesia	309,360 million Rupiah	309,360 million Rupiah	65	65	480,161	480,161
AMG-Thai Union Feedmill (Private) Limited (AMG-TFM)	Manufacture and distribution of animal feeds	Pakistan	500 million Pakistan Rupee	500 million Pakistan Rupee	51	51	48,520	48,520
							528,681	528,681

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

14 Property, plant and equipment, net

	Consolidated financial statement						
	Land and land improvement Thousand Baht	Buildings and building improvements Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Vehicles Thousand Baht	Assets under construction Thousand Baht	Total Thousand Baht
As at 1 January 2022							
Cost	365,440	648,841	1,513,509	51,955	20,969	451,458	3,052,172
Less Accumulated depreciation	(33,960)	(362,883)	(985,816)	(39,669)	(18,200)	-	(1,440,528)
Allowance for impairment	-	-	(24,168)	-	-	-	(24,168)
Net book amount	331,480	285,958	503,525	12,286	2,769	451,458	1,587,476
For the year ended 31 December 2022							
Opening net book amount	331,480	285,958	503,525	12,286	2,769	451,458	1,587,476
Additions	85	162	18,192	2,324	499	167,448	188,710
Disposals, net	-	-	(1,518)	(22)	(132)	-	(1,672)
Transfer in (out)	33,016	250,916	174,887	1,020	-	(459,839)	-
Depreciation charge	(7,825)	(41,091)	(122,342)	(5,459)	(1,056)	-	(177,773)
Reclassification	-	-	312	-	-	667	979
Exchange differences on translation	(13,745)	(8,860)	(9,833)	(156)	(39)	(8,481)	(41,114)
Closing net book amount	343,011	487,085	563,223	9,993	2,041	151,253	1,556,606
As at 31 December 2022							
Cost	384,797	890,276	1,628,570	52,546	17,441	151,253	3,124,883
Less Accumulated depreciation	(41,786)	(403,191)	(1,048,849)	(42,553)	(15,400)	-	(1,551,779)
Allowance for impairment	-	-	(16,498)	-	-	-	(16,498)
Net book amount	343,011	487,085	563,223	9,993	2,041	151,253	1,556,606

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

		Consolidated financial statement													
		Land and land improvement		Buildings and building improvements		Machinery and equipment		Furniture, fixtures and office equipment		Vehicles		Assets under construction		Total	
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January 2023															
Cost		384,797	890,276	1,628,570	52,546	17,441	151,253	3,124,883							
Less Accumulated depreciation		(41,786)	(403,191)	(1,048,849)	(42,553)	(15,400)	-	(1,551,779)							
Allowance for impairment		-	-	(16,498)	-	-	-	(16,498)							
Net book amount		343,011	487,085	563,223	9,993	2,041	151,253	1,556,606							
For the year ended 31 December 2023															
Opening net book amount		343,011	487,085	563,223	9,993	2,041	151,253	1,556,606							
Additions		-	1,882	4,382	2,179	1,657	49,631	59,731							
Disposals and write-off, net book value		(19,310)	-	(5,086)	(115)	(41)	-	(24,552)							
Transfer in (out)		2,191	2,081	153,080	3,726	-	(161,078)	-							
Depreciation charge		(4,259)	(36,699)	(120,044)	(5,780)	(1,056)	-	(167,838)							
Impairment loss		-	-	301	-	-	-	301							
Reclassification		-	-	136	-	-	79	215							
Exchange differences on translation		1,994	2,177	(2,414)	(19)	(198)	(6)	1,534							
Closing net book amount		323,627	456,526	593,578	9,984	2,403	39,879	1,425,997							
As at 31 December 2023															
Cost		359,482	896,320	1,753,392	56,446	17,689	39,879	3,123,209							
Less Accumulated depreciation		(35,855)	(439,794)	(1,143,617)	(46,462)	(15,286)	-	(1,681,015)							
Allowance for impairment		-	-	(16,197)	-	-	-	(16,197)							
Net book amount		323,627	456,526	593,578	9,984	2,403	39,879	1,425,997							

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements
For the year ended 31 December 2023

		Separate financial statement						
		Land and land improvement Thousand Baht	Buildings and building improvements Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Vehicles Thousand Baht	Assets under construction Thousand Baht	Total Thousand Baht
As at 1 January 2022								
Cost		141,227	648,841	1,481,346	49,546	20,930	64,431	2,406,321
Less	Accumulated depreciation	(33,960)	(362,883)	(984,211)	(39,428)	(18,195)	-	(1,438,677)
	Allowance for impairment	-	-	(24,168)	-	-	-	(24,168)
Net book amount		107,267	285,958	472,967	10,118	2,735	64,431	943,476
For the year ended 31 December 2022								
Opening net book amount		107,267	285,958	472,967	10,118	2,735	64,431	943,476
Additions		85	-	6,418	1,503	-	140,998	149,004
Disposals, net		-	-	(1,518)	(22)	(132)	-	(1,672)
Transfer in (out)		23,103	5,123	25,590	1,020	-	(54,845)	-
Depreciation charge		(7,825)	(27,478)	(98,614)	(4,698)	(1,033)	-	(139,648)
Reclassification		-	-	312	-	-	667	979
Closing net book amount		122,630	263,612	405,155	7,921	1,570	151,251	952,139
As at 31 December 2022								
Cost		164,416	653,972	1,447,082	49,543	16,943	151,251	2,483,207
Less	Accumulated depreciation	(41,786)	(390,360)	(1,025,429)	(41,622)	(15,373)	-	(1,514,570)
	Allowance for impairment	-	-	(16,498)	-	-	-	(16,498)
Net book amount		122,630	263,612	405,155	7,921	1,570	151,251	952,139

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

	Separate financial statement							
	Land and land improvement Thousand Baht	Buildings and building improvements Thousand Baht	Machinery and equipment Thousand Baht	Furniture, fixtures and office equipment Thousand Baht	Vehicles Thousand Baht	Assets under construction Thousand Baht	Total Thousand Baht	
As at 1 January 2023								
Cost	164,416	653,972	1,447,082	49,543	16,943	151,251	2,483,207	
Less Accumulated depreciation	(41,786)	(390,360)	(1,025,429)	(41,622)	(15,373)	-	(1,514,570)	
Allowance for impairment	-	-	(16,498)	-	-	-	(16,498)	
Net book amount	122,630	263,612	405,155	7,921	1,570	151,251	952,139	
For the year ended 31 December 2023								
Opening net book amount	122,630	263,612	405,155	7,921	1,570	151,251	952,139	
Additions	-	-	4,986	1,689	-	44,076	50,751	
Disposals and write-off, net book value	(19,310)	-	(4,091)	(115)	(29)	-	(23,545)	
Transfer in (out)	2,191	2,081	153,080	3,726	-	(161,078)	-	
Depreciation charge	(4,259)	(26,993)	(106,709)	(4,974)	(789)	-	(143,724)	
Impairment loss	-	-	301	-	-	-	301	
Reclassification	-	-	136	-	-	79	215	
Closing net book amount	101,252	238,700	452,858	8,247	752	34,328	836,137	
As at 31 December 2023								
Cost	137,107	656,053	1,576,683	53,002	15,756	34,328	2,472,929	
Less Accumulated depreciation	(35,855)	(417,353)	(1,107,628)	(44,755)	(15,004)	-	(1,620,595)	
Allowance for impairment	-	-	(16,197)	-	-	-	(16,197)	
Net book amount	101,252	238,700	452,858	8,247	752	34,328	836,137	

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

Depreciation recognised in profit and loss are as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Cost of sales	156,424	168,811	133,348	131,420
Selling expenses	1,568	681	1,304	665
Administrative expenses	9,846	8,281	9,072	7,563
Total depreciation expenses	167,838	177,773	143,724	139,648

As at 31 December 2023, the Group pledged land, machine and equipment of an overseas subsidiary with net book value amounting to Rupiah 196,610 million, equivalent to Baht 438 million, as collateral for credit facilities with a financial institution (2022: nil) (Note 19 and 21).

15 Right-of-use assets, net and Lease liabilities, net

The statement of financial position included following transactions relating to leases.

As at 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Right-of-use assets - carrying amount				
Land and land improvements	748	2,962	748	2,962
Buildings and building improvements	2,217	2,606	1,250	-
Furniture, fixtures and office equipment	742	651	742	651
Vehicles	2,273	2,978	1,164	1,694
Total right-of-use assets	5,980	9,197	3,904	5,307
Lease liabilities				
Current	2,857	4,611	1,602	2,898
Non-current	2,451	3,731	1,952	1,719
Total lease liabilities	5,308	8,342	3,554	4,617

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

Transactions recognised in the financial statements relating to leases are as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Depreciation charge of right-of-use assets				
Land and land improvements	900	2,602	900	2,602
Buildings and building improvements	2,571	2,807	769	668
Furniture, fixtures and office equipment	355	337	355	337
Vehicles	721	653	530	455
Total depreciation charge of right-of-use assets	4,547	6,399	2,554	4,062
Additions to the right-of-use assets during the year	3,841	2,794	3,256	2,384
Total cash outflows for leases	4,476	5,986	2,431	3,747
Finance cost relating to right-of-use assets	309	577	217	293
Expenses relating to short-term leases (included in cost of sales and administrative expenses)	134	142	102	102
Expenses relating to leases of low-value assets that are not shown above as short-term leases (included in cost of sales and administrative expenses)	66	82	66	82
(Gain) loss arising from termination of lease agreement	218	(210)	218	(210)



Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

16 Intangible assets, net

	Consolidated financial statements		
	Trademarks Thousand Baht	Computer software Thousand Baht	Total Thousand Baht
As at 1 January 2022			
Cost	20,000	17,004	37,004
<u>Less</u> Accumulated amortisation	(20,000)	(13,569)	(33,569)
Net book amount	-	3,435	3,435
For the year ended 31 December 2022			
Opening net book amount	-	3,435	3,435
Additions	-	493	493
Disposals, net	-	(2)	(2)
Amortisation charge	-	(2,555)	(2,555)
Exchange differences on translation	-	(12)	(12)
Closing net book amount	-	1,359	1,359
As at 31 December 2022			
Cost	20,000	17,435	37,435
<u>Less</u> Accumulated amortisation	(20,000)	(16,076)	(36,076)
Net book amount	-	1,359	1,359
For the year ended 31 December 2023			
Opening net book amount	-	1,359	1,359
Additions	-	237	237
Amortisation charge	-	(1,041)	(1,041)
Exchange differences on translation	-	(1)	(1)
Closing net book amount	-	554	554
As at 31 December 2023			
Cost	20,000	17,442	37,442
<u>Less</u> Accumulated amortisation	(20,000)	(16,888)	(36,888)
Net book amount	-	554	554

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

	Separate financial statements		
	Trademarks Thousand Baht	Computer software Thousand Baht	Total Thousand Baht
As at 1 January 2022			
Cost	20,000	16,875	36,875
<u>Less</u> Accumulated amortisation	(20,000)	(13,556)	(33,556)
Net book amount	-	3,319	3,319
For the year ended 31 December 2022			
Opening net book amount	-	3,319	3,319
Additions	-	412	412
Disposals, net	-	(2)	(2)
Amortisation charge	-	(2,490)	(2,490)
Closing net book amount	-	1,239	1,239
As at 31 December 2022			
Cost	20,000	17,243	37,243
<u>Less</u> Accumulated amortisation	(20,000)	(16,004)	(36,004)
Net book amount	-	1,239	1,239
For the year ended 31 December 2023			
Opening net book amount	-	1,239	1,239
Additions	-	147	147
Amortisation charge	-	(943)	(943)
Closing net book amount	-	443	443
As at 31 December 2023			
Cost	20,000	17,167	37,167
<u>Less</u> Accumulated amortisation	(20,000)	(16,724)	(36,724)
Net book amount	-	443	443

Amortisation recognised in profit and loss that are related to intangible assets are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
For the years ended 31 December				
Cost of goods sold	280	122	280	122
Selling expenses	14	7	14	7
Administrative expenses	747	2,426	649	2,361
Total amortisation expenses	1,041	2,555	943	2,490

As at 31 December 2023 and 2022, the Group had no intangible assets pledged for credit facilities.

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

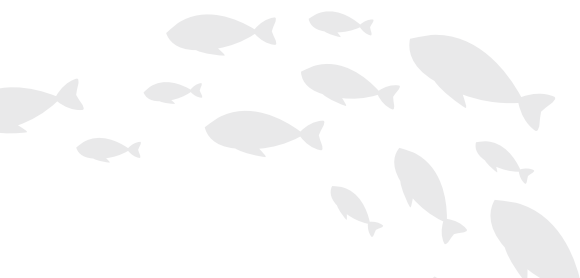
17 Deferred income taxes

Deferred tax assets and liabilities are detailed as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 31 December				
Deferred tax assets	52,004	42,872	10,143	18,437
Deferred tax liabilities	(7,310)	(8,953)	(2,991)	(6,062)
Deferred tax assets, net	44,694	33,919	7,152	12,375

The gross movement of deferred income taxes is as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January	33,919	10,902	12,375	12,140
Credited/(Charged) to profit or loss	10,824	27,218	(5,424)	2,663
Credited/(Charged) to other comprehensive income	201	(2,428)	201	(2,428)
Exchange differences on translation	(250)	(1,773)	-	-
As at 31 December	44,694	33,919	7,152	12,375



Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

	Separate financial statements					
	Credited/(charged) to			Credited/(charged) to		
	As at	comprehensive		As at	comprehensive	
	1 January 2022 Thousand Baht	Profit and loss Thousand Baht	Other income Thousand Baht	31 December 2022 Thousand Baht	Profit and loss Thousand Baht	Other income Thousand Baht
Deferred tax assets						
Loss allowance for trade receivables	10,452	3,648	-	14,100	(9,160)	-
Allowance for net realisable value of inventories	638	2,034	-	2,672	(2,181)	-
Allowance for impairment of machinery and equipment	622	(575)	-	47	(41)	-
Lease liabilities	1,275	(351)	-	924	(213)	-
Employee benefit obligations	3,855	(733)	(2,428)	694	3,100	201
Total	16,842	4,023	(2,428)	18,437	(8,495)	201
Deferred tax liabilities						
Depreciation of property, plant and equipment	(3,209)	(1,792)	-	(5,001)	2,790	-
Right-of-use assets	(1,493)	432	-	(1,061)	281	-
Total	(4,702)	(1,360)	-	(6,062)	3,071	-
Deferred tax assets (liabilities), net	12,140	2,663	(2,428)	12,375	(5,424)	201
						7,152

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

18 Other non-current assets

As at 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Income tax refundable	21,541	21,541	21,541	21,541
Employee benefit obligations transfer staff (Note 31.2)	23,277	419	23,277	419
Deposits and retention	4,629	3454	416	259
Total other non-current assets	49,447	25,414	45,234	22,219

19 Short-term loans from a financial institution

As at 31 December 2023, Short-term loans from financial institution owner belong to subsidiary in Indonesia, amounting to Rupiah 27,414 million, equivalent to Baht 61.13 million which has an interest rate of 7.25% per annum (2022: Rupiah 22,000 million, equivalent to Baht 48.62 million which has an interest rate of 10.18% per annum) and maturity by one year. The loans are for capital expenditures in equipment and working capital. The Loan are issued on behalf of the Company to pledge and mortgage.

20 Trade and other payables

As at 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Trade payable - third parties	360,835	386,856	320,742	331,239
Trade payable - related parties (Note 31.2)	56,948	37,514	57,017	37,514
Other payable - related parties (Note 31.2)	-	105	-	95
Accrued expenses - third parties	112,303	94,734	108,186	86,078
Deposits and unearned revenue	5,965	6,646	5,881	6,646
Construction and equipment purchase payables	6,276	20,758	732	10,813
Total trade and other payables	542,327	546,613	492,558	472,385

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

21 Long-term loans from a financial institution, net

	Consolidated financial information		Separate financial information	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Current portion of long-term loans from a financial institution, net	14,397	-	-	-
Non-current portion of long-term loans from a financial institution, net	63,052	-	-	-
Total long-term loans from a financial institution, net	77,449	-	-	-

The movements of long-term loan from a financial institution during the year are:

	Consolidated Financial statement Thousand Baht
For the year ended 31 December 2023	
Opening balance	-
Addition	80,500
Deferred financial cost	(805)
Amortisation of financial fees	185
Exchange differences on translation	(2,431)
Closing balance	77,449

In March 2023, a subsidiary has entered into a long-term loan agreement with a financial institution in Indonesia in the amount of Rupiah 35,000 million, equivalent to Baht 80 million, with a fixed interest rate of 7.25% per annum in the first year. The interest rate will be adjusted to a floating rate until the loan maturity date in March 2028. The purpose of this loan is to invest in property, plant and equipment. The long-term loan is secured by property, plant and equipment of a subsidiary in Indonesia and a letter of guarantee issued by a bank on behalf of the Company. The Group are subject to certain financial covenants, including limitation on indebtedness.

Borrowing facilities

The Group had the following unused overdraft lines from financial institutions and other unsecured credit facilities from financial institutions:

As at 31 December	Consolidated financial statements	
	2023	2022
Baht	1,630 million	1,600 million
USD	1 million	2 million
Rupiah	42,586 million	12,500 million

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

22 Employee benefit obligations

As at 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Liability in the statement of financial position				
- Employee benefit obligations	168,108	133,050	167,648	132,650
Profit or loss charge included in the statement of comprehensive income				
- Employee benefit obligations	15,606	16,288	15,494	15,944
Remeasurement for employee benefit obligations	8,440	(12,143)	8,440	(12,143)

Retirement benefits

The plans are final salary retirement plans, which provide benefits to members. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The movement in the defined benefit obligations during the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
As at 1 January	133,050	146,549	132,650	146,440
Current service cost	12,223	14,238	12,111	13,894
Interest expense	3,383	2,050	3,383	2,050
	15,606	16,288	15,494	15,944
Remeasurements:				
Gain from change in financial assumptions	3,587	(15,733)	3,587	(15,733)
Experience Loss	4,853	3,590	4,853	3,590
	8,440	(12,143)	8,440	(12,143)
Transfer staff from related parties	22,858	(1,012)	22,858	(1,012)
Exchange differences on translation	(52)	(53)	-	-
Benefit payments	(11,794)	(16,579)	(11,794)	(16,579)
As at 31 December	168,108	133,050	167,648	132,650

The Group and the Company expect to pay Baht 21.51 million of employee benefit during the next year (2022: Baht 22.81 million).

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

As at 31 December 2023, the weighted average durations of the liabilities for retirement benefits for the Group and the Company are 11.7 years (2022: 11.8 years).

The principal actuarial assumptions used are as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Discount rate (%)	2.05 - 4.45	1.10 - 5.91	2.05 - 4.45	1.10 - 5.91
Salary growth rate (%)	2.00 - 5.00	2.00 - 5.00	2.00 - 5.00	2.00 - 5.00
Turnover rate (%)	2.00 - 30.00	2.00 - 30.00	2.00 - 30.00	2.00 - 30.00

Consolidated financial statements				
Impact on defined benefit obligation				
	Increase		Decrease	
	2023	2022	2023	2022
	Thousand	Thousand	Thousand	Thousand
% Change	Baht	Baht	Baht	Baht
Discount rate	1	(12,345)	(10,646)	14,090
Salary growth rate	1	13,638	11,854	(12,209)
Turnover rate	20	(9,984)	(8,714)	11,132
				9,743

Separate financial statements					
Impact on defined benefit obligation					
		Increase		Decrease	
		2023	2022	2023	2022
% Change		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Discount rate	1	(12,345)	(10,646)	14,090	12,203
Salary growth rate	1	13,638	11,854	(12,209)	(10,560)
Turnover rate	20	(9,984)	(8,714)	11,132	9,743

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, at the end of the year, the same method has been applied as when calculating the employee benefit obligation recognised within the statement of financial position.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous year.



Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

23 Share capital

	Consolidated and Separate financial statements				
	Authorised Share capital		Issued and paid-up Share capital		Share premium
	Number of shares	Ordinary shares	Number of shares	Ordinary shares	Amount
	Thousand Shares	Thousand Baht	Thousand Shares	Thousand Baht	Thousand Baht
As at 1 January 2022	500,000	1,000,000	500,000	1,000,000	1,006,859
Proceeds from shares issued	-	-	-	-	-
As at 31 December 2022	500,000	1,000,000	500,000	1,000,000	1,006,859
Proceeds from shares issued	-	-	-	-	-
As at 31 December 2023	500,000	1,000,000	500,000	1,000,000	1,006,859

The Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the issued shares' par value to a share premium. The share premium is not available for dividend distribution.

24 Dividends

On 1 April 2022, the Annual General Meeting of the Company approved the resolution to pay a dividend of Baht 485 million from its net profit from operations for the year 2021. However, by the resolution of the Company's Board of Directors, the Company paid out the interim dividend totaling Baht 410 million to the Company's shareholders on 3 September 2021. The remaining dividend of Baht 0.15 per share totaling Baht 75 million. The Company has already paid during April 2022.

On 2 August 2022, the Board of Directors passed a resolution to approve an interim dividend payment of Baht 0.05 per share or totaling Baht 25 million to the Company's shareholders. The Company has already paid during August 2022.

On 7 April 2023, the Annual General Meeting of the Company approved the resolution to pay a dividend of Baht 65 million from its net profit from operations for the year 2022. However, by the resolution of the Company's Board of Directors, the Company paid out the interim dividend totaling Baht 25 million to the Company's shareholders on 31 August 2022. The remaining dividend of Baht 0.08 per share totaling Baht 40 million. The Company has already paid on 20 April 2023.

25 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
As at 1 January	100,000	100,000	100,000	100,000
Appropriation during the year	-	-	-	-
As at 31 December	100,000	100,000	100,000	100,000

Under the Public Companies Act, B.E. 2535, the Company is required to set aside as statutory reserve at least 5 percent of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. This reserve is not available for dividend distribution.

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

26 Other income

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Royalty fees	39,747	44,243	39,747	44,243
Other income	21,704	26,910	22,057	27,159
Total other income	61,451	71,153	61,804	71,402

27 Expense by nature

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Changes in finished goods and work in process	18,846	(13,904)	25,746	(8,620)
Raw materials and consumables used and purchase of finished goods	3,412,629	3,628,161	3,106,133	3,458,220
Allowance for diminution in value of inventories	(14,244)	7,786	(14,242)	7,999
Employee expenses	385,200	451,647	350,266	425,207
Depreciation on property, plant and equipment (Note 14)	167,838	177,773	143,724	139,648
Depreciation on right-of-use assets (Note 15)	4,547	6,399	2,554	4,062
Amortisation on intangible assets (Note 16)	1,041	2,555	943	2,490
Research and development expenses	16,389	11,734	16,389	11,734

28 Income tax expense

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Current tax:				
Current tax on profit for the year	12,197	19,087	12,197	18,588
Adjustments in respect of prior year	(4,258)	(841)	(4,258)	(841)
Total current tax	7,939	18,246	7,939	17,747
Deferred income tax:				
Increase (Decrease) in deferred tax assets (Note 17)	(9,788)	(28,084)	8,495	(4,023)
Increase (Decrease) in deferred tax liabilities (Note 17)	(1,036)	866	(3,071)	1,360
Total deferred income tax	(10,824)	(27,218)	5,424	(2,663)
Total income tax expenses	(2,885)	(8,972)	13,363	15,084

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

The taxes on the Group's and the Company's profits before tax differ from the theoretical amounts that would arise using the basic tax rates of the Group and the Company as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Profit before tax	63,796	79,303	135,015	164,794
Tax calculated at tax rates of 20% - 29% (2022: 20% - 29%)	10,304	13,718	27,003	32,959
Tax effect of:				
Profit not subject to tax	(16,978)	(15,219)	(16,978)	(15,219)
Expenses not deductible for tax purpose	15,384	1,775	13,586	849
Additional expenses deductible for tax purpose	(7,337)	(4,169)	(5,990)	(2,664)
Difference in overseas tax rate	-	400	-	-
Recognition of deferred tax assets from previously unrecognised tax losses and temporary differences	-	(4,636)	-	-
Adjustments in respect of prior year	(4,258)	(841)	(4,258)	(841)
Tax charge	(2,885)	(8,972)	13,363	15,084
Average effective tax rate (%)	(4.52)	(11.31)	9.90	9.15

The Group's effective tax rate was -4.52% (2022: -11.31%). The changes in the Group's effective tax rate were a result of the Group's recognition of deferred tax assets that were not recognised in prior years. This was a result of the recognition of deferred tax assets related to net operations losses of subsidiaries in Indonesia in 2022 and an increase in deferred tax assets related to the recognition of loss allowance for trade receivables of subsidiaries. In addition, the Company is the reversal of accrued income tax 2022 which the changes in allocation of activities promoted BOI and Non-BOI of the Company.

The tax charge relating to components of other comprehensive income is as follows:

For the years ended	Consolidated and Separate financial statements					
	31 December 2023			31 December 2022		
	Before tax Thousand Baht	Tax charge Thousand Baht	After tax Thousand Baht	Before tax Thousand Baht	Tax charge Thousand Baht	After tax Thousand Baht
Gain (loss) on remeasurements of post-employment benefit obligations	(8,440)	201	(8,239)	12,143	(2,428)	9,715
Other comprehensive income (expenses)	(8,440)	201	(8,239)	12,143	(2,428)	9,715

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

29 Earnings per share

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Net profit attributable to the owners of the parent (Thousand Baht)	87,368	109,535	121,652	149,710
Weighted average number of ordinary shares outstanding (Thousand shares)	500,000	500,000	500,000	500,000
Basic earnings per share (Baht per share)	0.17	0.22	0.24	0.30

There are no dilutive potential ordinary shares in issue during the year presented, so no diluted earnings per share is presented.

30 Change in liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities are as follow:

	Consolidated financial statements			Separate financial statements	
	Short-term loan from financial institutions Thousand Baht	Accrued interest Thousand Baht	Lease liabilities Thousand Baht	Long-term loan from financial institutions Thousand Baht	Lease liabilities Thousand Baht
As at 1 January 2022	-	2,313	13,581	199,750	6,378
Cashflows	51,999	(27,562)	(5,986)	(185,500)	(3,747)
Non-cash changes:					
Finance cost	-	25,695	577	-	293
Additions	-	-	2,794	-	2,384
Termination of lease agreement	-	-	(1,381)	-	(691)
Exchange differences on translation	(3,379)	-	(1,243)	(14,250)	-
As at 31 December 2022	48,620	446	8,342	-	4,617
Cashflows	12,353	(9,701)	(4,476)	79,695	(2,431)
Non-cash changes:					
Finance cost	-	9,368	309	-	217
Additions	-	-	3,841	-	3,256
Termination of lease agreement	-	-	(2,105)	-	(2,105)
Amortisation of financial fees	-	-	-	185	-
Exchange differences on translation	160	-	(603)	(2,431)	-
As at 31 December 2023	61,133	113	5,308	77,449	3,554

Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

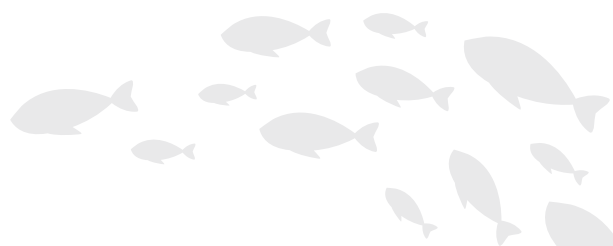
31 Related party transactions

The Company's parent company is Thai Union Group Public Company Limited, which is located in Thailand. The parent company holds 51% of total registered shares of the Company. The remaining 49% of the shares are widely held. The ultimate parent company of the Group is Thai Union Group Public Company Limited.

The following significant transactions and balances were carried out with related parties:

31.1 Transactions with related parties

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Revenue from sales				
Parent company	2,096	8,235	2,096	8,235
Companies under common control	41,487	50,087	41,487	50,087
Director's related persons and companies	207,233	170,215	186,632	136,173
	250,816	228,537	230,215	194,495
Other income				
Parent company	315	391	315	391
Subsidiaries	-	-	1,214	364
Companies under common control	39,300	44,923	39,300	44,923
	39,615	45,314	40,829	45,678
Gain on disposal of assets				
Subsidiary	-	-	996	-
Purchases of goods and services				
Parent company	45,946	43,433	45,946	43,433
Companies under common control	337,236	272,098	337,236	272,098
	383,182	315,531	383,182	315,531



Thai Union Feedmill Public Company Limited

Notes to the Financial Statements

For the year ended 31 December 2023

31.2) Outstanding balances arising from sales and purchases of goods, fixed assets and services

As at 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Trade receivables				
Parent company	18	29	18	29
Subsidiary	-	-	3,179	38
Companies under common control	2,169	2,948	2,169	2,948
Director's related persons and companies	38,051	59,595	22,119	22,122
	40,238	62,572	27,485	25,137
Accrued income				
Companies under common control	6,726	8,566	6,726	8,566
Prepaid expenses				
Companies under common control	3,798	4,394	3,798	4,394
Other non-current assets - Employee benefit obligations transfer staff				
Parent company	20,874	419	20,874	419
Companies under common control	2,403	-	2,403	-
	23,277	419	23,277	419
Trade payables				
Parent company	19,165	4,629	19,165	4,629
Subsidiary	-	-	69	-
Companies under common control	37,783	32,885	37,783	32,885
	56,948	37,514	57,017	37,514
Other payables				
Parent company	-	12	-	2
Companies under common control	-	93	-	93
	-	105	-	105
Other non current liabilities - Employee benefit obligations transfer staff				
Parent company	529	529	529	529
Companies under common control	514	514	514	514
	1,043	1,043	1,043	1,043

31.3) Outstanding balances arising from lease liabilities

As at 31 December	Consolidated financial statements		Separate financial statements	
	2023 Thousand Baht	2022 Thousand Baht	2023 Thousand Baht	2022 Thousand Baht
Lease liabilities - related parties				
Parent company	698	958	698	958
Companies under common control	-	1,489	-	1,489
	698	2,447	698	2,447

31.4) Directors and key management remuneration

The compensation paid or payable to directors and key management is shown below:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Short-term employee benefits	31,270	24,241	31,270	24,241
Post-employment benefits	1,409	1,801	1,409	1,801
	32,679	26,042	32,679	26,042

32 Commitments**32.1 Capital expenditure commitments**

The Group and the Company had capital commitments which were not recognised in the financial statements as follows:

As at 31 December	Consolidated financial information		Separate financial information	
	2023	2022	2023	2022
Land, Building and machine purchase agreements	Baht 3.08 million Rupiah 169.03 million	Baht 10.59 million -	Baht 3.08 million -	Baht 10.59 million -

32.2 Guarantees

- As at 31 December 2023, there were outstanding bank guarantees of Baht 12.68 million (2022: Baht 11.89 million) issued on behalf of the Company in the normal course of business.
- As at 31 December 2023, there was a corporate guarantee of Rupiah 90,750 million (2022: US Dollar 7.7 million) issued on behalf of the Company to secure credit facilities of its subsidiary.

33 Promotional privileges

The Company received promotional privileges from the Office of the Board of Investment ("BOI") for the production of processed and semi-processed food in seal containers, ready-to-eat frozen meals, frozen aquatic animals and pet food in seal containers. Under these privileges, the Company has received exemption from certain taxes and duties as detailed in the certificate including exemption from corporate income tax for a period of 5 and 8 years from the date of commencement of earning promoted revenue. As a promoted industry, the Company is required to comply with the terms and conditions as specified in the promotional certificates.

For the years ended 31 December	Separate financial statements					
	BOI promoted activities		Non-BOI promoted activities		Total	
	2023	2022	2023	2022	2023	2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Domestic sales	4,190,316	3,295,683	328,485	1,147,225	4,518,801	4,442,908
Export sales	167,605	102,145	31,539	112,843	199,144	214,988
Total sales	4,357,921	3,397,828	360,024	1,260,068	4,717,945	4,657,896

34 Events after the reporting period

On 16 February 2024, the Board of Directors' meeting of the Company passed the resolution to propose to the Annual General Meeting of the Company that will be held in April 2024, to pay a dividend from its net operating profit for the year 2023, dividend of Baht 0.13 per share or totalling Baht 65 million will be paid on 23 April 2024.

Attachment 1

Summary of Profile of the Directors, Managements Team, Controlling Person, Person Taking the Highest Responsibility in Finance and Accounting (CFO), Person Supervising Accounting and Company Secretary

Mr. Rittirong Boonmechote (Age 61 years)

Chairman of the Board of Directors / Chairman of the Executive Committee / Member of the Nomination and Remuneration Committee (Authorized director)

Appointment date:

- 29 June 2000

Education

- Bachelor Degree of Business Administration Management, Bangkok University

Training

- Related Training Program held by IOD
 - Director Certification Program (DCP) Class 138/2010
 - TLCA Executive Development Program Class 2/2009
 - Capital Market Academy Class 25/2017
 - Advanced Master of Management Program Class 1/2018
 - Thailand Energy Academy (TEA)'s Executive Program in Energy Literacy Class 14/2019
 - Executive Program in Judicial Administration Class 25
 - Constitution Court Academy Class 11/2023

Shareholding Ratio* (%)

Himself 12.30% and spouse 0.90%

Relationship between directors and management

-

Working Experience

- **2000 - Present**
Chairman of the Board of Directors / Chairman of the Executive Committee / Member of the Nomination and Remuneration Committee
 - Thai Union Feedmill Public Company Limited / Manufacturer and distributor of aquatic and economic animal feeds

Other Listed Companies

- **2021 - Present**
Director
 - R&B Food supply Public Company Limited / Manufacturer of the completed bakery flour
- **2012 - Present**
Chairman of the Executive Committee
 - Pakfood Public Company Limited / Manufacturer & distributor of frozen foods & aquatic animals
- **1998 - Present**
Director / President, Global Frozen and Related Unit
 - Thai Union Group Public Company Limited / Process frozen seafood and canned food for domestic and international

Other Non-Listed Companies

- **2018 - Present**
Chairman of the Board of Commissioners PT Thai Union Kharisma Lestari / Manufacturer and distributor of and aquatic feed in Indonesia
Director
 - Thammachart Seafood Retail Company Limited / Importer of seafood and seafood restaurant outlets
- **2017 - Present**
Director
 - RBC Assets Company Limited / Property trading
- **2016 - Present**
Director
 - Thai Union Online Shop Company Limited / E-Commerce
 - Red Lobster Master Holdings LP. (USA) / Holding
 - Tri-Union Frozen Products, Inc. (Canada) / Lobster Processing Business
- **2012 - Present**
Chairman of the Executive Committee
 - Okeanos Food Company Limited / Manufacturer & distributor of frozen foods & aquatic animal
 - TMAC Company Limited / Investment in breeding farms, improvement of shrimp breeding and shrimp farming
 - Thai Union Hatchery Company Limited / White shrimp breeding developmentChairman of the Board of Directors
 - TCM Fishery Company Limited / Operating shrimp farming
 - TMK Farm Company Limited / Operating shrimp farming
- **1997 - Present**
Director
 - Tri-Union Frozen Products, Inc. (USA) / Importer and distributor of frozen seafood
- **1996 - Present**
Chairman of the Executive Committee
 - Thai Union Seafood Company Limited / Manufacturer & exporter of frozen shrimp

Mr. Thiraphong Chansiri (Age 58 years)

Director / Member of the Executive Committee (Authorized director)

Appointment date:

- 29 June 2000

Education

- Bachelor Degree of Business Administration, Assumption University, Thailand
- Master Degree of Business Administration (Management), University of San Francisco, USA

Training

- Related Training Program held by IOD
 - Director Certification Program (DCP) Class 10/2001
 - The National Defense Course of the National Defense College, Class 62, National Defence Studies Institute Journal

Shareholding Ratio* (%)

Himself 0.65%

Relationship between directors and management

-

Working Experience

- **2000 - Present**
Director / Member of the Executive Committee
 - Thai Union Feedmill Public Company Limited / Manufacturer and distributor of aquatic and economic animal feed

Other Listed Companies

- **2021 - Present**
Director / Corporate Governance Committee
 - SCG Packaging Public Company Limited / Holding Company
- **2013 - Present**
Director / Nomination and Remuneration Committee
 - Minor International Public Company Limited / Investment, food and hotel
- **2012 - Present**
Director
 - Pakfood Public Company Limited (Including 3 companies in this group) / Manufacturer and distributor of food and frozen seafood

• 1999 - Present

Deputy Chairman of the Board of Directors
- I-tail Corporation Public Company Limited / Manufacturer and distributor of canned food

• 1990 - Present

Deputy Chairman of the Board of Directors / Executive Committee / Chairman of the Sustainable Development Committee / Risk Management Committee / Chief Executive Officer
- Thai Union Group Public Company Limited / Process frozen seafood and canned food for domestic and international

Other Non-Listed Companies

• 2021 - Present

Director
- Beam Data Company Limited / Hardware consulting
- Interpharma-ZEAvita Company Limited / Manufacturing and distribution of supplement products
- Thai Union Lifescience Company Limited / Manufacturing and distribution of supplement products

• 2020 - Present

Director
- Food and Beverage United Company Limited / Manufacturer & distributor of food and beverage

• 2019 - Present

Director
- Thai Union Eaglewood Development Company Limited / Planting
- Thai Union Ingredients Company Limited / Distributor of ingredients product

• 2017 - Present

Director
- Thoon Thanasiri Company Limited (Including 7 companies in this group) / Credit granting
- Thai Union Asia Investment Holding Limited / Holding
- Thai Union Property Development Company Limited / Real Estate

• 2016 - Present

Director
- Red Lobster Master Holdings LP. (USA) / Holding

● **2016 – Present**

Chairman

- Tai Wan Sheng Aquatic Trading (China) Company Limited / Marketing and Sales of seafood products

Director

- Thai Union Investment North America Company Limited (USA) / Holding

● **2016 – Present**

Honorary Director

- Pracharath Rak Samakkee Samut Sakhon (Social Enterprise) Company Limited / Management consulting services

● **2014 – Present**

Director

- Thai Union High-Tech Pearl Cultivation Company Limited / Aquaculture, import and export of aquatic animals

● **2012 – Present**

Director

- Okeanos Food Company Limited / Manufacturer & distributor of frozen foods & aquatic animal

● **2010 – Present**

Chairman of the Executive Committee

- Thai Union Europe (France) / Manufacturer and distributor of canned seafood

● **2010 – Present**

Director

- Tri-Union Frozen Products, Inc. (USA) / Importer and distributor of frozen seafood

● **2009 – Present**

Director

- TN Fine Chemicals Company Limited / Manufacturer & exporter of byproducts from seafood

● **2000 – Present**

Director

- Biz Dimension Company Limited / E-Commerce under website

● **1997 – Present**

Director

- Tri-Union Seafoods, LLC / Sale of canned seafood

● **1996 – Present**

Chairman of the Executive Committee

- Thai Union Seafood Company Limited / Manufacturer & exporter of frozen shrimp

● **1996 – Present**

Director

- Thai Union North America, Inc. / Holding

● **1995 – Present**

Chairman of the Board of Directors

- Thai Union Graphic Company Limited / Printing manufacturer

● **1993 – Present**

Director

- Lucky Union Foods Company Limited / Manufacturer & exporter of crab sticks
- Waithai Company Limited / Domestic transportation
- Asian-Pacific Can Company Limited / Manufacturer & distributor of packaging for food products

● **1989 – Present**

Director / Member of the Executive Committee

- Thai Union Manufacturing Company Limited / Manufacturer & exporter of canned tuna and pet food

● **1988 – Present**

Director

- Chansiri Real Estate Company Limited / Real Estate

● **1984 – Present**

Director

- Penven (Thailand) Company Limited / Real Estate

Mr. Bunluesak Sorajjakit (Age 62 years)

Director / Member of the Executive Committee
(Authorized director)

Appointment date:

- 1 August 2000

Education

- Bachelor Degree of Science, Production Technology,
King Mongkut's Institute of Technology Ladkrabang

Training

- Related Training Program held by IOD
– Director Accreditation Program (DAP)
Class 151/2018

Shareholding Ratio* (%)

Himself 3.10%

Relationship between directors and management

-

Working Experience

- **2000 – Present**
Director / Member of the Executive Committee
– Thai Union Feedmill Public Company Limited / Manufacturer
and distributor of aquatic and economic animal feed

Other Listed Companies

-

Other Non-Listed Companies

- **2022 – 2023**
Director
– BPN Energy company limited / Trade of electric generator
- **2016 – Present**
Director
– Avanti Frozen Foods Private Limited / Manufacturer &
exporter of shrimp products
- **2012 – Present**
Director
– TMAC Company Limited / Investment in breeding farms,
improvement of shrimp breeding and shrimp farming
– Thai Union Hatchery Company Limited / White shrimp
breeding development
– TCM Fishery Company Limited / Operating shrimp
farming
– TMK Farm Company Limited / Operating shrimp farming
- **2010 – Present**
Director
– Avanti Feeds Limited / Manufacturer & exporter of
animal feeds and shrimp products

Mr. Cheng Niruttinanon (Age 81 years)

Director
(Authorized director)

Appointment date:

- 29 June 2000

Education

- The second Middle School of Shantou, People's Republic
of China

Training

- Related Training Program held by IOD
– Director Accreditation Program (DAP)
Class 187/2021

Shareholding Ratio* (%)

Himself 0.05%

Relationship between directors and management

-

Working Experience

- **2000 – Present**
Director
– Thai Union Feedmill Public Company Limited / Manufacturer
and distributor of aquatic and economic animal feeds

Other Listed Companies

- **2021 – Present**
Chairman of the Executive Committee
– i-Tail Public Company Limited / Manufacturer and
distributor of pet food
- **2000 – Present**
Director / Chairman of the Executive Committee
– Thai Union Group Public Company Limited /
Process frozen seafood and canned food for domestic
and international

Other Non-Listed Companies

- **2019 – Present**
Director
– Thai Union Ingredients Company Limited / Distributor
of ingredients product
- **2013 – Present**
Member of the Executive Committee
– Phil-Union Frozen Foods, Inc. (Philippines) / supplier
and manufacturer of canned frozen products

● **2011 – Present**

Director

- Thai Glycerine Company Limited / Glycerine trading

● **2010 – Present**

Director

- Thai Union Europe (France) / Manufactures canned seafood products
- Tri-Union Frozen Products, Inc. (USA) / Importer and distributor of frozen seafood
- Oriental Unique Company Limited / Import and export

● **2008 – Present**

Director

- Thaipatana Stainless Steel Company Limited / Stainless Steel Work

● **2001 – Present**

Partner

- Hunhong Kanchang Registered Ordinary Partnership / Steel production

● **1997 – Present**

Director

- New Century Printing & Packaging Company Limited / Printing
- Tri-Union Seafoods, LLC / Manufacturer & distributor of canned tuna and seafood

● **1996 – Present**

Member of the Executive Committee

- Thai Union North America, Inc. / Holding

● **1993 – Present**

Director

- Waithai Company Limited / Domestic transportation

● **1992 – Present**

Chairman of the Board of Directors

- Jana Fish Industries Company Limited / Manufacture of fishmeal for animal feed

● **1990 – Present**

Chairman of the Board of Directors

- Lucky Union Foods Company Limited / Manufacturer & exporter of crab sticks

● **1987 – Present**

Chairman of the Board of Directors

- Asian-Pacific Can Company Limited / Manufacturer & distributor of packaging for food products

● **1987 – Present**

Chairman of the Board of Directors

- T.C. Union Agrotech Company Limited / Manufacturer of animal feeds

● **1973 – Present**

Director / Member of the Executive Committee / Managing Director

- Thai Union Manufacturing Company Limited / Manufacturer & exporter of canned tuna and pet food

Mr. Shue Chung Chan (Age 48 years)

Director / Member of Risk Management Committee (Authorized director)

Appointment date:

- 4 October 2002

Education

- Bachelor Degree of construction engineering management, Oregon State University, USA
- Master Degree of Business Administration, Bangkok University

Training

- Related Training Program held by IOD
 - Director Accreditation Program (DAP) Class 16/2002
 - TLCA Executive Development Program Class 1/2009
 - Ethical Leadership Program (ELP) Class 6/2016
 - Agriculture and Cooperatives Executive Program (ACE) Class 2/2022

Shareholding Ratio* (%)

Himself 0.05%

Relationship between directors and management

-

Working Experience

- **2000 - Present**
Director / Member of Risk Management Committee
 - Thai Union Feedmill Public Company Limited / Manufacturer and distributor of aquatic and economic animal feeds

Other Listed Companies

- **2010 - Present**
Director / Member of Risk Management Committee / Member of Sustainability Development Committee
 - Thai Union Group Public Company Limited / Process frozen seafood and canned food for domestic and international
- **2021 - Present**
Director
 - i-Tail Public Company Limited/ Manufacturer & exporter of pet food

Other Non-Listed Companies

- **2022 - Present**
Director
 - Thai Union Europe SAS (TUE) / Headquarters activity
 - Star Union Packaging Company Limited / Manufacturer of printing paper box and flexible packaging
- **2021 - Present**
Director
 - Thai Union Manufacturing Company Limited / Manufacturer & exporter of canned tuna and pet food
 - Thai Union Lifescience Company Limited / Manufacturing and distribution of supplement products
- **2020 - Present**
Director
 - Thai Union South East Asia Pte. Ltd. (Singapore) / Consulting for business strategy and investment
- **2018 - Present**
Director
 - Thoon Thanasiri (Songkhla) Company Limited / Credit granting
 - EHS Training and Services Company Limited / Providing training and management services
 - Biz Dimension Company Limited / E-Commerce under website
- **2017 - Present**
Director
 - Thoon Thanasiri Company Limited / Credit granting
- **2015 - Present**
Director
 - Thai Union Seafood Company Limited / Manufacturer & exporter of frozen shrimp
- **2014 - Present**
Director
 - Thai Union Graphic Company Limited / Printing manufacturer

Mr. Kanit Vallayapet (Age 68 years)

Director

Appointment date:

- 11 February 2021

Education

- Bachelor Degree of Laws, Ramkhamhaeng University
- Barrister-at-Law, Institute of Legal Education Thai Bar Association
- Master's Degree, Business Administration, Pathumthani University

Training

- Related Training Program held by IOD
 - Director Certification Program (DCP) Class 273/2019
 - Executive Program, Capital Market Academy (Course: CMA) Class 25/2017

Shareholding Ratio* (%)

-

Relationship between directors and management

-

Working Experience

- **2021 - Present**
Director
 - Thai Union Feedmill Public Company Limited / Manufacturer and distributor of aquatic and economic animal feeds

Other Listed Companies

- **2022 - Present**
Independent Director and Risk Management
 - Thaicom Public Company Limited / Satellite telecommunications activities
 Independent Director
 - Ubon Boi Ethanol Public Company Limited / Manufacturer and distributor of the processed product from cassava
- **2021 - 2022**
Independent Director and Member of the Audit Committee
 - Intouch Holdings Public Company Limited / Holding

Other Non-Listed Companies

- **2023 - Present**
Vice Chairman
 - TTK Corporation Company Limited / Sell products in the automatic production control system
 Qualified Director and Chairman of Audit committee
 - Creative Economy Agency / Encourage and develop potentiality of creative economy
- **2022 - Present**
Independent Director
 - Rachakarn Asset Management Company Limited / Manage impaired assets NPL
- **2021 - Present**
Independent Director
 - Thai Roong Ruang Industry Company Limited / Manufacturer and distributor of sugar
- **2009 - Present**
Director
 - Family Dream Weaver Company Limited / Supply and rental
- **2008 - Present**
Director
 - Mitr Trang Company Limited / Supply and rental
- **1991 - 2021**
Principal Partner and Director
 - Baker & McKenzie Limited / Legal firm

Mrs. Rachadaporn Rajchataewindra (Age 65 years)

Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee /
Independent Director

Appointment date:

- 5 September 2018

Education

- Bachelor Degree of Accountancy, Chiang Mai University
- Bachelor Degree of Laws, Sukhothai Thammathirat Open University
- Master Degree of International Business, The University of the Thai Chamber Commerce

Training

- Related Training Program held by IOD
 - Director Certification Program (DCP) Class 204/2015
 - Director Accreditation Program (DAP) Class 111/2014
 - Successful Formulation & Execution of Strategy (SFE) Class 21/2014
 - Corporate Governance for Executives (CGE) Class 1/2014
 - Advance Audit Committee Program (AACP) Class 32/2019
 - Risk Management Program for Corporate Leader (RCL) Class 28/2022

Shareholding Ratio* (%)

-

Relationship between directors and management

-

Working Experience

- **2018 - Present**
Chairman of the Audit Committee / Member of the Nomination and Remuneration Committee / Independent Director
 - Thai Union Feedmill Public Company Limited / Manufacturer and distributor of aquatic and economic animal feeds

Other Listed Companies

- **2022 - 2023**
Director
 - Dhipaya Group Holding Public Company Limited / Holding company

• **2019 - Present**

Chairman of the Audit Committee / Independent Director
- TRC Construction Public Company Limited / Construction services

• **2019 - 2020**

Member of the Audit Committee
- MCOT Public Company Limited / Communication business

Other Non-Listed Companies

• **2022 - 2023**

Director
- Government Saving Bank / Banking

• **2021 - 2022**

Director
- Thailand Privilege Card Company Limited / operator of the Thailand Elite membership card project

• **2020 - 2022**

Chairman of the Audit Committee
- The Zoological Park Organization of Thailand / Wildlife gathering, education, conservation and propagation, research

• **2019 - 2022**

Chairman of the Audit Committee
- Fish Marketing Organization / operate in the fish bridge, aquatic products market and Fishing Industry

• **2019 - Present**

Director
- VRTwins Company Limited / Other retail sale in non-specialized stores

Dr. Somchai Thaisanguanvorakul (Age 66 years)

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

Appointment date:

- 5 September 2018

Education

- Bachelor Degree of Political Science, Ramkhamhaeng University
- Master Degree of Public and Private Management (Class#3), National Institute of Development Administration (NIDA)
- Doctor's Degree, Public Administration, Ubon Ratchathani University
- Honorary Doctorate degree in Institute of field robotics, King Mongkut's University of Technology Thonburi
- Honorary Doctorate degree in Mechatronics Engineering, Suranaree University of Technology
- Honorary Doctorate of Engineering degree in Mechatronics Engineering, Rajamangala University of Technology Thanyaburi
- Honorary Bachelor of Technology in Production Technology, Institute of Vocational Education: Northeastern Region 3
- Honorary Doctorate degree in Business Administration in Finance, Rajamangala University of Technology Isan

Training

- Related Training Program held by IOD
 - Director Certification Program (DCP) Class 55/2005
 - Director Accreditation Program (DAP) Class 31/2005
 - Advanced Audit Committee Program (AACP) Class 25/2017
 - Director Certification Program Update (DCPU) Class 2/2014
 - The Role of Chairman (RCM)
 - Finance for Non-Finance Director (FN)

Shareholding Ratio* (%)

-

Relationship between directors and management

-

Working Experience

- **2018 - Present**
Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee / Independent Director / Member of Risk Management Committee
 - Thai Union Feedmill Public Company Limited / Manufacturer and distributor of aquatic and economic animal feeds

Other Listed Companies

• 1994 - Present

- Chairman of the Executive Committee
- SNC Former Public Company Limited / Manufacture in parts of electric appliances and automobile

Other Non-Listed Companies

• 2015 - Present

- Director
- Hercules Oil Company Limited / Retail sale of automotive fuel in specialized stores

• Present

- Director
- Zeus Energy Company Limited / Real estate
- Pracharath Rak Samakkee Samut Prakan (Social Enterprise) Company Limited / Management consulting services
- Paradise Plastic Company Limited / Manufacture of automotive electrical parts
- Yala Fah Saard Company Limited / Electric power generation
- Siam Eastern Industrial Park Company Limited / Real Estate
- Infinite Part Company Limited / Manufacture of industrial refrigerating or freezing equipment
- Immortal Parts Company Limited / Manufacture of industrial refrigerating or freezing equipment
- ECOT Enterprise Company Limited / Organization of conventions
- SNC Creativity Anthology Company Limited / Manufacture of industrial refrigerating or freezing equipment
- SNC Cooling Supply Company Limited / Manufacture of other parts and accessories for motor vehicles
- SNC Serenity Company Limited / Manufacture of industrial refrigerating or freezing equipment
- SNC Atlantic Water Heater Asia Company Limited / Manufacture of domestic electro thermic appliances
- SNC Atlantic Heat Pump Company Limited / Manufacture of domestic electro thermic appliances
- SNC Holding Company Limited / Holding
- Odin Power Limited / Refrigeration parts
- Siam Environmental Technologies Limited / Provide waste water treatment services
- Hygea & Laso Corporation Company Limited / Trading machinery and labor-saving machinery

Mrs. Morragot Kulatumyotin (Age 57 years)

Member of the Audit Committee / Independent Director

Appointment date:

- 5 September 2018

Education

- Bachelor Degree of Mathematics, Prince of Songkla University
- Master Degree of Business Administration, Thammasat University
- Master Degree of Computer Science, University of Missouri Columbia, U.S.A.

Training

- Related Training Program held by IOD
 - Director Certification Program (DCP) Class 221/2016
 - Director Accreditation Program (DAP) Class 24/2004
 - Board Nomination and Compensation Program (BNCP) Class 3/2018
 - Company Secretary Program (CSP) Class 3/2003
 - Effective Minutes Taking (EMT) Class 1/2006
 - Advanced Audit Committee Program (AACP) Class 42/2021

Shareholding Ratio* (%)

-

Relationship between directors and management

-

Working Experience

- **2018 - Present**
Member of the Audit Committee / Independent Director
 - Thai Union Feedmill Public Company Limited / Manufacturer and distributor of aquatic and economic animal feeds

Other Listed Companies

- **2003 - Present**
Director / Managing Director
 - Internet Thailand Public Company Limited / Internet access activities over wired networks
- **Present**
Director
 - Openlandscape Public Company Limited / Providing cloud computing services

Other Non-Listed Companies

- **2021 - Present**
Chairman of the Board of Directors
 - Manage AI Solution Company Limited / Manufacturer of the medical equipment

- **2020 - Present**

- Director
 - INET REIT Management Company Limited / Real Estate

- **2019 - Present**

- Director
 - Blishtech Company Limited / Advertising media sales representatives

- **2018 - Present**

- Chairman of the Board of Directors
 - Transform you Company Limited / Wired and Wireless Internet Service Business
 - Onespace Corporation Company Limited / Computer programming activities
 - One Electronic Billing Company Limited / Computer programming activities

- **2017 - Present**

- Chairman of the Board of Directors,
 - Digital Healthcare Solutions Company Limited / Dental practice activities
 - IRecruit Company Limited / Apply job system
- Director
 - Nexpie Company Limited / Software and computer

- **2016 - Present**

- Chairman of the Board of Directors,
 - INET Managed Services Company Limited / Other information technology and computer service activities

- **2008 - Present**

- Chairman of the Board of Directors
 - Mandala Communications Company Limited / Telecommunication

- **Present**

- Director
 - D Solution Dot Com Company Limited / Internet access activities over wired networks
 - Thai Dot Com Payment Company Limited / Payment Gateway
 - Talk To Me Company Limited / Call center

- **Present**

- Chairman of the Board of Directors
 - Local Life Platform Company Limited / Computer Communication Consulting Services Presentation of information, software, information systems for management
 - Excellent Health Platform company limited / Develop and implement a system of consultation, training, and provide computer knowledge.

Mr. Peerasak Boonmechote (Age 53 years)
Director / Chief Executive Officer / Member of Risk Management Committee (Authorized director)

Appointment date:

- 7 April 2023

Education

- Master Degree Business Administration, National University, USA

Training

- Agriculture and Cooperatives Executive Program (ACE) 2023 / class 3, Ministry of Agriculture and Cooperatives

Shareholding Ratio* (%)

Himself 0.25%

Relationship between directors and management

-

Working Experience

- **2023 – Present**
Director / Chief Executive Officer / Member of Risk Management Committee
- Thai Union Feedmill Public Company Limited / Manufacturer and distributor of aquatic and economic animal feeds

Other Listed Companies

- **2016 – 2022**
Managing Director of Frozen Products and Related Businesses
- Thai Union Group Public Company Limited / Process frozen seafood and canned food for domestic and international

Other Non-Listed Companies

-

Mr. Boonyarit Kalayanamit (Age 62 years)
Member of the Audit Committee / Independent Director / Chairman of the Risk management committee

Appointment date:

- 7 April 2023

Education

- Bachelor of Science, Business Administration, Kasetsart University
- Master degree, Economic, Western Michigan University, USA

Training

- Related Training Program held by IOD
- Director Accreditation Program (DAP) class 205/2023

Shareholding Ratio* (%)

-

Relationship between directors and management

-

Working Experience

- **2023 – Present**
Member of the Audit Committee / Independent Director / Chairman of the Risk management committee
- Thai Union Feedmill Public Company Limited / Manufacturer and distributor of aquatic and economic animal feeds

Other Listed Companies

- **2023 – Present**
Independent Director
- POSCO-Thainox Public Company Limited / Steel manufacturer industry
- Primo Service Solutions Public Company Limited / Real estate services
- Intermedical Care and Lab Hospital Public Company Limited (IMH) / Medical services

Other Non-Listed Companies

- **2022 – Present**
Independent Director
- Berli Jucker Logistics Company Limited / Transportation
- **2018 – 2022**
Permanent Secretary
- Office of Permanent Secretary Ministry of Commerce, Ministry of Commerce / government sector

Detail of Top Executives in addition to Executive Directors

Name – Surname	Position	Age (Year)	% Share-holding	Education	Work Experience Before Current Position
1. Mr. Suchat Yuddon	Senior Vice President / Vice President (Acting) Sales & Marketing	54	-	Bachelor Degree of Animal Science, Kasetsart University	2017 – 2018: Deputy Managing Director / CP Pakistan PVT, LTD. / Animal feed
2. Mr. Komgrit Pavasuttinon	Acting Chief Financial Officer	56	-	Master Degree of Development Economics (Finance), National Institute of Development Administration	2020 – 2020: General Manger / Thai Union Seafood Company Limited
3. Mr. Ekkaphoom Thakolpattanakul	Senior Vice President Plan Operation	47	-	Master Degree of Mechanical Engineering, King Mongkut's Institute of Technology Ladkrabang.	2021 – 2022: Operation Engineer and Project Manager / Pioneer Food Cannery, Ghana
4. Mr. Chertchoo Ketkaew	Vice President Plants Operations	57	-	Bachelor Degree of Science in Industrial Production Technology, Phetchaburi Rajabhat University	2018 – 2022: Senior Production Manager / Krunghthai Food Public Company Limited
5. Mr. Preecha Bangnokkhwaek	Vice President Research & Development	53	-	Master Degree of Science, Animal Science, Kasetsart University.	2007 – 2020: Assistant Vice President Research & Development / Thai Union Feedmill Public Company Limited
6. Mr. Adisorn Jarusyothinnuwad	Vice President Human Resource	44	-	Master Degree of Industrial Psychology, Kasetsart University	2021 – 2023: Head of Human Resource / T.K.S. Technology Public Company Limited 2019 – 2021: Group Organization Development Manager / Thai Wah Public Company Limited
7. Ms. Kanthima Reanarom	Accounting Manager	47	-	Bachelor Degree of Accounting, Siam University	2020 – 2022: Deputy Accounting Manager 2011 – 2019: Accounting Division Supervisor / Thai Union Feedmill Public Company Limited
8. Mrs. Savitri Jaiprasong	Finance Manager	53	-	Bachelor Degree of Accounting, Dhonburi Rajabhat University	2003 – 2019: Deputy Financial Manager, Thai Union Feedmill Public Company Limited

Role and responsibilities of Company Secretary

The Board of Directors' meeting No. 5/2022 on 1 November 2022 has a resolution to appoint Mr. Terapol Soonponrai to be a company secretary effective 16 November 2022 in accordance with the regulation of Securities and Exchange Act BE 2535 (including its amendment) which specified role and responsibilities of company secretary as follow:

1. Provide information and advice to directors and management on compliance with laws relating to business, rule and regulation, article of association of the Company, monitor on compliance including report on change of signification regulation to directors and management.
2. Organize training and orientation as well as provide useful information to perform of duties to existing directors and newly appointed directors.
3. Take care and coordinate the Company to operate business in line with article of association, regulation and the meeting resolution of the Board of Directors and shareholders as well as good corporate governance policy.
4. Monitor to ensure that the Company has disclosed information relating to rule, regulation and notification of SET, SEC, CMBS.
5. Prepare and keep important company documents as follow:
 - A. Register of directors
 - B. Shareholders register book
 - C. Notice and minutes of the Board of Directors' meeting including preparing supporting document for such meeting
 - D. Notice and minutes of the Shareholders' meeting including preparing supporting document for such meeting
 - E. Annual Registration form (Form 56-1) and annual report (Form 56-2)
 - F. Report on conflict of interest of directors and management according to Section 89/14 of the Securities and Exchange Act B.E. 2535 (and its amendment) ("report on conflict of interest")
6. Submit a copy of report on conflict of interest to the Chairman of the Board of Directors and the Chairman of the Audit Committee within 7 days from the date on which the Company receives such report.
7. Proceed the meeting of the Board of Directors and shareholders in accordance with laws, articles of association of the Company, regulation including following up to ensure compliance with the resolution of the shareholders and the Board of Directors' meeting.
8. Oversee the activities of the Board of Directors and take any actions to be in accordance with the laws or related regulations and/or as specified by the CMSB and/or as assigned by the Board of Directors.

During 2023, the Company had announced the resignation of the Chief Financial Officer and appointed Mr. Komgrit Pavasuttinon to be the Acting Chief Financial Officer to be a person supervising finance and accounting as described in TorJor 39/2559

Ms. Kanthima Reanarom has been appointed to be a person supervising accounting as described in TorJor 39/2559 and has a qualification as such regulation as follow:

1. Ms. Kanthima Reanarom has graduated bachelor's degree in accounting from Siam University.
2. She is an accountant under Thai accounting laws.
3. She has a working experience on accosting more than 3 years in past 5 years prior to the submission of filing to the Securities and Exchange Commission.
4. She has fully attended continuing professional development for accountant in 2022.

Information on directorship position in subsidiaries and associated companies of directors, management and controlling persons

[illegible]

[illegible]

[illegible]

Director, management and controlling persons													
	Mr. Rittirong Boonmechote	Mr. Thiraphong Chansiri	Mr. Cheng Nutthanon	Mr. Bunlueak Sorajakit	Mr. Chan Shue Chung	Mr. Kanit Vallayapet	Mrs. Ruchanaraj Rajadawindra	Dr. Sanchai Thongkhamvorakul	Mrs. Morngot Kulatumyotin	Mr. Boonyarit Kalayanmit	Mr. Peerasak Boonmechote	Mr. Suchat Yuddon	Mr. Ekkaphoom Thakolpatthanakul
	Mr. Kongrit Pavasutthion	Mr. Adisom Jansuyothiruwad	Mr. Chertchoo Ketkaew	Mr. Praecha Bangroekthwaek	Ms. Kanthima Pannaron	Mrs. Savitri Jalprasong							
Hercules Oil Company Limited								/					
Siam Environmental Technologies Company Limited								/					
Hygea & Lazo Cooperation Company Limited								/					
INET REIT Management Company Limited									/				
Blistech Company Limited									/				
Manage AI Solution Company Limited									/				
Digital Healthcare Solutions Company Limited									X				
D Solution Dot Com Company Limited									/				
Thai Dot Com Payment Company Limited									/				
Talk To Me Company Limited									/				
Nexple Company Limited									/				
Mandala Communications Company Limited									X				
Onespace Corporation Company Limited									/				
One Electronic Billing Company Limited									/				
Internet Thailand Public Company Limited									/, CEO				
Atelera Corporation Company Limited									/				
INEXT Broadband Company Limited									/				
INET Managed Services Company Limited									/				
Thai Dot Com Company Limited									/				
INET Managed Services Company Limited									/				
Manage AI Solution Public Company Limited									/, //				
POSCO-Thainox Public Company Limited										///			
Primo Service Solutions Public Company Limited										///			
Berli Jucker Logistics and warehouse Company Limited										///			
Intermedical Care and Lab Hospital Public Company Limited										///			
PLEO Development Company Limited												/	

Remark:
X – Chairman of the Board of Directors, O – Vice Chairman of the Board of Directors, / – Director, CEO – Chief Executive Officer, // – Management, /// – Independent Director, IV – Chairman of the Audit Committee, V – Member of the Audit Committee, EC – Member of the Executive Committee

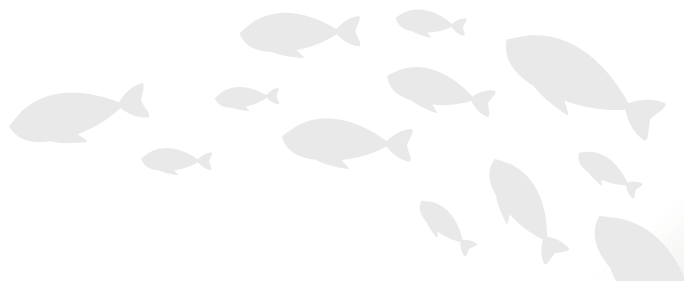
Attachment 2

The Details of Subsidiaries Directors

Directors	Subsidiaries	
	1. PT Thai Union Kharisma Lestari	2. AMG–Thaiunion Feedmill (Private) Limited
1. Mr. Rittirong Boonmechote	x	
2. Mr. Bunluesak Sorajjakit	/	x
3. Mr. Peerasak Boonmechote	/	
4. Mr. Suchat Yuddon		/
5. Mr. Komgrit Pavasuttinon	/	/
6. Mr. Preecha Bangnokkhaek		/
7. Mr. Indra Winoto	/	
8. Mr. Nefo Ng	/	
9. Mr. Indra Kumar Alluri	/	
10. Mr. Nabeel Akhtar Chaudhry		/
11. Mr. Hafiz Ibad Hussain		/
12. Mr. Jahanzeb Khawaja		/

Remark:

X-Chairman, /-Director, EC-Executive Director



Attachment 3

The Details of Head of Internal Audit and Risk Management

Mr. Thanyathep Thiwakornsakul (Age 49 years)
(has been appointed to be head of internal audit since)

Appointed:

- 16 February 2022

Education

- Bachelor Degree of Accounting-Major Auditing,
The University of The Thai Chamber of Commerce

Certificate

- Certified Professional Internal Audit of Thailand (CPIAT)
No. 1439

Training

- Certificate of Internal Auditor of Thailand
(CPIAT Class of 70) 2022
- Mini MBA: Digital Business Management /
June-August 2020
- Transforming the Audit with Data Analytics /
November 2019
- COSO 2013 Framework on Internal Control /
November 2019
- Managerial Skills Development / June 2013
- Fraud Audit / June 2013
- Project Management for Professionals / June 2013
- Risk Management / June 2011

Work Experience

- **2021-Present**
Internal Audit Manager
Thai Union Feedmill Public Company Limited
- **2021**
Internal Control Consultant
D Farm Food Retail Company Limited
- **2015-2020**
Senior Internal Audit Manager
The Mall Group Company Limited
- **2015**
Internal Audit Manager
Minor Global Solutions Company Limited (Minor Group)
- **2011-2014**
Internal Audit Manager
Siam Winery Trading Plus Company Limited
- **2007-2010**
Internal Auditor & Controller
Surint Omya Chemicals (Thailand) Company Limited
- **2005-2007**
Senior Internal Auditor
Minor Holding (Thai) Company Limited (Minor Group)
- **1997-2005**
Senior Internal Auditor
Charoen Pokphand Group Company Limited (CP Group)

Mr. Wanchat Sangrueang (33 years old)

Risk Management Committee's secretary Department Manager - Group Risk Management and Internal Control

Appointed:

- 02 May 2023

Education:

- Master of Management in Corporate Finance, International Program, College of Management Mahidol University
- Bachelor of Engineering, Chulalongkorn University

Related training:

- ESG Risk Management Workshop, Deloitte & SET Sustainability, 2023
- COSO ERM 2017, Siripattana Training Center, NIDA, 2022

Other related training:

- Cyber Defense Initiative Conference (CDIC) - Powering Techno-Drive in Digi-Hype Behavior towards Digital Trust, 2023
- ASEAN Innovation Business Platform (AIBP), 2023
- Information Security Risk Management according to ISO/IEC 27005, IIA of Thailand, 2023
- Certificate in ESG Management (C - ESG), SET ESG Academy, 2022
- ESG Regulatory Risks: Pathway to Practice, S&P Global, 2022
- Business Human Right Academy#1, Global Compact Network Thailand, 2021
- Energy Transition Towards Net-Zero, KPMG, 2021
- Taking the Risk and Moving Forward, Development Dimensions International, 2020

Work experience:

- **2023 - Present: Department Manager**
Group Risk Management and Internal Control,
Thai Union Group Public Company Limited
- **2020 - 2023:**
Section Manager - Enterprise Risk Management,
Banpu Public Company Limited
- **2018 - 2019:**
Senior Analyst - Procurement and Supply Chain,
Thai Bridgestone Co., Ltd
- **2013 - 2018:**
Engineer, TTCL Public Company Limited

Number of shares held:

None

Relationship with management:

None

Attachment 4

Corporate Governance Policy and Code of Conduct



CORPORATE
GOVERNANCE POLICY



CODE OF CONDUCT

Attachment 5

Audit Committee Report

Audit Committee Report

Dear Board of Directors and Shareholders

The Audit Committee of Thai Union Feedmill Public Company Limited consists of 4 independent directors who are experts in accounting and finance, organizational management, law, information technology systems, internal control and risk management. All audit committees meet the requirements of the Securities and Exchange Commission of Thailand and are not an executive, employee or consultant of the company.

In 2023, the Audit Committee held a total of 4 meetings as follows:

- | | |
|--|---|
| 1. Mrs. Rachadaporn Rajchataewindra | Independent Director and Chairman, attended the meeting 4 times |
| 2. Dr. Somchai Thaisanguanvorakul | Independent Director and Member, attended the meeting 4 times |
| 3. Mrs. Morragot Kulatumyotin | Independent Director and Member, attended the meeting 4 times |
| 4. Mr. Boonyarit Kalayanamit* | Independent Director and Member, attended the meeting 3 times |

** Was nominated and approved for appointment by the Board of Directors' Meeting No. 1/2023 on February 17, 2023 and the 2023 Annual General Meeting of Shareholders on April 7, 2023, respectively.*

The Audit Committee has performed its duties independently within the scope assigned by the Board of Directors to supervise according to the Audit Committee Charter which are reviewed in accordance with the current situation and approved by the Board of Directors. The annual performance of duties in the year 2023 are as follows:

Financial Statements Review

The Audit Committee reviewed the key informations of the quarterly and annual financial statements for the year 2023 of Thai Union Feedmill Public Company Limited and the consolidated financial statements of Thai Union Feedmill Public Company Limited and its subsidiaries which has been prepared in accordance with Thai Financial Reporting Standards and in line with International Financial Reporting Standards. The Audit Committee reviewed the significant issues, special transactions and received clarifications from the auditor, management, internal audit department both internal auditing and information technology auditing until satisfied that the preparation of the financial statements including the disclosure of the notes to the financial statements comply with legal requirements and financial reporting standards. The Audit Committee has considered and therefore approved the financial statements which the auditor has reviewed and audited as an unqualified opinion report. In addition, the Audit Committee attended 4 specific meetings with the auditor without the management attending to discuss an audit plan, independence in the performance of duties. It was confirmed that there were no operational problems, be independent and received good cooperation from management and responsible persons.

Good Corporate Governance Review

The Audit Committee reviewed the compliance with Code of Conduct. It was found that the company's directors and employees strictly followed the established principles. The company has implemented an anti-corruption policy to comply with business suitability as well as corporate governance with concrete consideration to society and the environment. Strictly the regulations of the stock exchange and laws related to business operations especially connected transactions and transactions that may have conflicts of interest. The Audit Committee has assessed the performance of duties and self-assessment about the readiness of the directors, financial reports, meeting with auditor, review of connected transactions, disclosures in reports, risk management, internal control, information technology system management, board meeting, performance of duties of the Internal Audit Department and the Secretary of the Audit Committee and the results were satisfactory.

Risk Management Assessment System Review

The Company has requested approval of the Risk Management Committee Charter and resolved to appoint a Risk Management Committee from the Board of Directors' meeting No. 2/2023 on May 2, 2023, with members consisting of 2 independent directors, 1 company director and 5 top executives in related fields, totaling 8 people, responsible for setting policy, risk management framework and risk management plan. Also supervise the implementation of risk management throughout the organization to reduce the impact of various internal and external risk factors on the company's business operations appropriately. Including reviewing

risks, warning signals (Key Risk Indicator) according to the established principles and monitor risk management quarterly. Consideration of both internal and external risk factors, the possibility of impacts and risk management to keep them at an acceptable level. In addition, the company has organized a joint meeting between the Risk Management Committee and the Audit Committee as specified in the Risk Management Committee Charter to consider and discuss together the company's overall risk map and mitigation plan, as well as risk supervision, risk management process and suggestions regarding the company's operating results.

Review of Internal Control System, Internal Audit and Information Technology Audit

The Audit Committee reviewed the evaluation of the internal control system by regular considering the audit plans and audit reports both internal audit and information technology audit which no significant issues were found. Internal Audit Department reported in summary that the company's internal control system was sufficient efficiency including the auditor reported that the internal control system in accounting and finance were sufficient and appropriate. The Audit Committee has reviewed the Audit Committee Charter and the Internal Audit Charter annually. For the development of audit work, Internal Audit Department has given importance to the development of personnel and audit tools in accordance with the principles of professional practice standards of internal auditing.

Review of Connected Transactions, Rent/Lease Real Estate and Transactions that may have Conflicts of Interest

In 2023, the Audit Committee reviewed connected transactions and transactions that may have conflicts of interest, Report of the relevant directors and disclose to the Stock Exchange of Thailand accurately and at the specified time.

Visiting the Company and its Subsidiaries

The Audit Committee held meetings with executives via electronic media (MS Teams) including visiting the company to review the operating system, production process efficiency, internal control system, risk management system, environmental management system, problems regarding preparing financial statements and problems relevant to auditor and internal auditor.

The Audit Committee can perform duties according to the Charter without being limited in scope and can request unlimited information

The Audit Committee has self-assessed its performance and the evaluation results are at an excellent level. Also, the Audit Committee is the person who gives approval in considering the goodness, proposal to appoint, remove and transfer the Head of the Internal Audit Department of the company.

Consideration to propose the appointment of auditors for the year 2024

Due to the current auditor has audited Thai Union Group of Companies for 8 years (since 2016 – 2023), the Securities and Exchange Commission of Thailand ("SEC") requires that the auditors who sign are rotated to comply with international standards by specified that the registered company must change auditor every 7 years and the same auditor must not be reappointed for 5 years in order to strengthen independence and support good governance. The new auditor has been considered by Thai Union Group Audit Committee. The Company's Audit Committee has scrutinized the portfolio of the auditors and reviewed the qualifications including considering the independence of the auditor that it is in accordance with the regulations of the SEC. The Audit Committee therefore proposed the Board of Directors to consider and propose to the shareholders' meeting which is organized in April 2024 to appoint Miss Chaowanee Chaisanga, Certified Public Accountant No. 12663 and/or Miss Sujitra Masena, Certified Public Accountant No. 8645 and/or Miss Sawitree Ongksirimemongkol Certified Public Accountant No. 10449 and/or Miss Sirinuch Surapaitoonkorn Certified Public Accountant No. 8413 from KPMG Phoomchai Audit Co., Ltd. ("KPMG") as the company's auditor for the year 2024 by having one person audit and express an opinion to the company's financial statements and in the event that the aforementioned certified auditors are unable to perform their duties, KPMG shall provide another certified public accountant to be replaced.

Rachadapom R.

Mrs. Rachadaporn Rajchataewindra
Chairman of the Audit Committee



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