

**T.R.V. RUBBER PRODUCTS**  
PUBLIC COMPANY LIMITED



# ANNUAL REPORT 2023



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## Part 1 Business Operations and Operating Results

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### 1. Company structure and operation

#### 1.1 Business policy and overview

T.R.V. RUBBER PRODUCTS PUBLIC COMPANY LIMITED ("The company" or "TRV") operates a business aimed to manufacturing and selling molded rubber parts in the automotive and electronics industry. The company aims to improve the quality of production and service at an internationally equivalent level through effective cost management, to build customer trust in ours. We have been certified with Quality Management System (ISO 9001) certification and IATF 16949 certification of the automotive industry. Currently, we produce and distribute products classified by industry customers as follows:

- (1) Molded rubber parts for automotive part such as rubber hoses, electrical conduits for automotive, rubber gaskets, rubber O-rings, rubber plugs, rubber seals, rubber brake pads, anti-slip rubber mat, etc.
- (2) Molded rubber parts for electrical appliances, such as rubber parts in a rice cooker, water pump, washing machine, vacuum cleaner, microwave, compressor, refrigerator, air filter, etc.
- (3) Other molded rubber parts such as rubber parts in agricultural machinery, plumbing pipes, etc.

##### 1.1.1 The company's vision, mission and operational goals

###### Vision

The company strives to produce products for automotive parts with readiness in our production machines potential and ability of our staff, as well as a consistently good relationship with customers and partners, will make us be a company that customers can trust and certainty in production competitiveness. Also, we are prompt to adapt our working schemes to try to meet the needs of customers constantly.

###### Mission

We are committed to business growth through the development of our manufacturing and management systems. Our mission is [We will be number one in customers' minds with production quality and service and we prompt to expand the business opportunity in the automotive products segment.

###### Company operational goals

The company strives to improve products quality by focusing on every process and delivering on time regularly to build trust in our company's operation scheme and we are able to increase or expand our production capacity to support our customers' business growth and expansion.



### 1.1.2 Significant changes and developments

The major changes and developments of the company are the following:

| Year | Significant developments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1996 | <ul style="list-style-type: none"> <li>To register the establishment of a limited partnership for T.R.V. Rubber Products 1996 by Mr.Theerawut Nawamongkhonchaikit with a registered capital 500,000 baht on 1 August 1996. The establishment's location is at Pracha Uthit Road. The purpose of the business is production small rubber components by the compression molding process used in electronics segment. The registration has been dissolution and liquidation in 2012.</li> </ul>                                                                                                                                                                                                                                                                                                                            |
| 2005 | <ul style="list-style-type: none"> <li>The company was registered as a "limited liability company" on 11 February 2005 with an initial registered capital of THB 2,000,000 and moved from current production base to 40, 88/8-9 Soi Eakachai 76, Junction 1-3-1, Khlong Bang Pran, Bang Bon, Bangkok .</li> <li>The company increased production capacity with compression and injection molding machines and increased production capability by using silicone materials.</li> <li>The company expands its market to products for molded rubber parts in the automotive industry.</li> </ul>                                                                                                                                                                                                                           |
| 2007 | <ul style="list-style-type: none"> <li>Expand the market share in the automotive industry by focusing on the sale of products used in the After market.</li> <li>Certified Quality Management System (ISO 9001: 2008) from United Registrar of Systems (Thailand) Ltd. as ISO system auditing company .</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| 2009 | <ul style="list-style-type: none"> <li>The Extraordinary General Meeting of Shareholders No. 1/2009 on 21th June 2009, there was a special resolution for the company to increase the registered capital from 2,000,000 baht to 4,000,000 baht by issuing 20,000 new ordinary shares with a par value of 100 baht per share. Mr.Theerawut Nawamongkhonchaikit and Mrs.Supak Nawamongkhonchaikit purchased 10,000 new ordinary shares at a par value of 100 baht per share. As a result, the shareholding ratio of Mr.Theerawut Nawamongkhonchaikit was reduced from 65.00 % to 57.50%% and the shareholding ratio of Mrs.Supak Nawamongkhonchaikit was increased from 30.00 % to 40.00 %. The aforementioned capital increase is a capital increase for existing shareholders to expand business operations.</li> </ul> |
| 2011 | <ul style="list-style-type: none"> <li>Certified quality management system in automotive industry (ISO/TS 16949: 2009) from United Registra of Systems (Thailand) Co., Ltd.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

| Year | Significant developments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2013 | <ul style="list-style-type: none"> <li>The company expanded the 1st production area from the original 1,604.00 m<sup>2</sup> to 2,673.00 m<sup>2</sup> to accommodate capacity expansion and add laboratories for monitoring and development of raw material and product properties, as well as establishing R&amp;D department to support customer needs in the case of new products.</li> <li>The company expands its customer market share in the automotive industry by an emphasis on OEM.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| 2015 | <ul style="list-style-type: none"> <li>The company started to manufacture and sell products to automotive component manufacturers as Tier 1 company, which procures or manufactures automotive components to send directly to carmakers such Honda Lock Thai Co., Ltd. and Thai Summit Plastec Co., Ltd. of Thai Summit group, TS Interseat Co., Ltd.</li> <li>The Extraordinary General Meeting of Shareholders 1/2015 on 31 December 2015, there was decided to increase the company's registered capital from 4,000,000 baht to 10,000,000 baht by issuing 60,000 new ordinary shares as a par value of 100 baht per share. The aforementioned capital increase is a capital increase for existing shareholders to expand business operations and the existing shareholder exercised their rights according to the shareholding proportion. Therefore, there was no change in the shareholding proportion.</li> </ul>                                                                                                                                       |
| 2016 | <ul style="list-style-type: none"> <li>The Extraordinary General Meeting of Shareholders No. 1/2016 on 8 March 2016, there was decided to increase the company's registered capital from 10,000,000 Baht to 20,000,000 Baht by issuing 100,000 new ordinary shares as a par value of 100 Baht per share. The aforementioned capital increase is a capital increase for existing shareholders to expand business operations and the existing shareholder exercised their rights according to the shareholding proportion. Therefore, there was no change in the shareholding proportion.</li> <li>The company expanded production area again as 2nd times from 2,673.00 square meters to 5,400.00 square meters to accommodate capacity expansion by adding extrusion machines and accessories which have an annual production capacity of approximately 8.00 million pieces/year regarding accommodate the needs of customers which required to produce continuous length of extrusion workpieces and also building up canteens for company staff .</li> </ul> |

| Year | Significant developments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2017 | <ul style="list-style-type: none"> <li>The Extraordinary General Meeting of Shareholders No. 1/2017 on 3 April 2017, there was decided to increase the company's registered capital from 20,000,000 baht to 30,000,000 baht by issuing 100,000 new ordinary shares at a par value of 100 baht per share. The aforementioned capital increase is a capital increase for existing shareholders to expand business operations and the existing shareholder exercised their rights according to the shareholding proportion. Therefore, there was no change in the shareholding proportion.</li> <li>The Extraordinary General Meeting of Shareholders No. 2/2017 on 3 May 2017, it was decided to increase the company's registered capital from 30,000,000 baht to 40,000,000 baht by issuing 1,000,000 new ordinary shares at a par value of 100 baht. The aforementioned capital increase is a capital increase for existing shareholders to expand business operations and the existing shareholder exercised their rights according to the shareholding proportion. Therefore, there was no change in the shareholding proportion.</li> </ul>            |
| 2018 | <ul style="list-style-type: none"> <li>Certified in the new quality management system standard (ISO 9001: 2015)</li> <li>Certified in the new Quality Management System for the Automotive Industry (IATF 16949: 2016)</li> <li>The company produces and sells products to Summit Laemchabang Auto Body Work Co.,Ltd. of Summit group.</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 2019 | <ul style="list-style-type: none"> <li>The Extraordinary General Meeting of Shareholders No. 2/2019 on 28 March 2019. There was a special resolution for the company to increase the registered capital from 40,000,000 baht to 65,400,000 million baht by issuing 254,000 new ordinary shares with a par value of 100 baht per share. The aforementioned capital increase is a capital increase for existing shareholders. All existing shareholders have waived their rights to increase capital and Mr.Theerawut Nawamongkhonchaikit, one of the existing shareholders, has exercised the rights to subscribe for newly-issued shares according to his rights and the excess with totally 254,000 shares at a price of 100.12 baht per share, equivalent to a value 25,432,000 baht and paying for the new share capital by land. (Details in assets used in business undertaking, item 1.2.2.4).</li> </ul> <p>Currently the land which mentioned above uses as the location of the office for business operations regards to capital increase. As a result, the shareholding of Mr.Theerawut Nawamongkhonchaikit increased from 60.00% to 75.54%.</p> |

| Year | Significant developments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      | <p>Mrs.Supak Nawamongkhonchaikit 's shares decreased from 20.00% to 12.23%.</p> <p>Mr.Naphat Nawamongkhonchaikit 's shares decreased from 10.00% to 6.12% and</p> <p>Ms.Kewalin Nawamongkhonchaikit 's shares decreased from 10.00% to 6.12%.</p> <ul style="list-style-type: none"> <li>• The Extraordinary General Meeting of Shareholders No. 3/2019 On 17 April 2019, it was decided to increase the company's registered capital from 65,400,000 baht to 77,717,500 baht by issuing 123,175 new ordinary shares with price of 568.30 baht per share and the par value 100 baht each, totally 70,000,325.50 baht. The aforementioned capital increase is an offering to the Private Equity Trust for SME Growing Together2.</li> </ul> <p>In addition, The Extraordinary Shareholders Meeting decided to appoint 1 additional member of the Board of Directors, namely, Mr.Akhapan Amattayakul, representative of the Private Equity Trust for SME Growing Together2, base on the objective for using the capital increase as mentioned above to purchase a machine and pay off debt for some financial institution.</p> <p>As a result, from the aforementioned capital increase, the Private Equity Trust for SME Growing Together2. holds 15.85% of shares in the company and the Nawamongkhonchaikit family holding shares in the company decreased from 100.00% to 84.15%.</p> <ul style="list-style-type: none"> <li>• Certified Green Industry Level 2 of Green Activity by the Ministry of Industry.</li> <li>• At the meeting of the Board of Directors No. 10/2563 on 14 November 2019, there was decided to approve transferred shares of Mr.Theerawut Nawamongkhonchaikit to Ms.Kewalin Nawamongkhonchaikit, Mr.Naphat Nawamongkhonchaikit and TRW Holding Company Limited. with 10,000 shares, 10,000 shares and 374,000 shares respectively, and transferred shares of Mrs.Supak Nawamongkhonchaikit to TRW Holding Company Limited by 30,000 shares.</li> </ul> <p>As a result of shares transferring, TRW Holding Company Limited held 51.98% of the shares in the company and the Private Equity Trust for SME Growing Together2, Mr.Theerawut Nawamongkhonchaikit, Mrs.Supak Nawamongkhonchaikit, Mr.Naphat Nawamongkhonchaikit, and Ms.Kewalin Nawamongkhonchaikit held shares in the company at 15.85%, 12.87%, 6.43%, 6.43% and 6.43%, respectively.</p> <p>Note : TRW Holding Company Limited is held by the Nawamongkhonchaikit family, including Mr.Theerawut Nawamongkhonchaikit, Mrs.Supak Nawamongkhonchaikit,</p> |

| Year | Significant developments                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      | Mr.Naphat Nawamongkhonchaikit, and Ms.Kewalin Nawamongkhonchaikit, holding 60.00 %, 20.00 %, 10.00 %,and 10.00%, respectively.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| 2021 | <ul style="list-style-type: none"> <li>As a result of The Extraordinary General Meeting of Shareholders No.1/2014, on 11 May 2021, the Meeting decided that the company shall implement as following: <ul style="list-style-type: none"> <li>The company changed to a public company and changed the name to T.R.V. Rubber Products Public Company Limited.</li> <li>Change the par value of company ordinary shares from the original par value of 100 baht to par value of 0.50 baht.</li> <li>Increased the company's registered capital from 77,717,500 baht to 105,000,000 baht by issuing 54,565,000 ordinary shares at a par value of 0.50 baht each and allocating such ordinary shares to be offered for sale to public for the first time (Initial Public Offering: IPO).</li> </ul> </li> <li>Certified Environmental Management System (ISO 14001) by United Registra of Systems (Thailand) Co., Ltd.</li> </ul> |
| 2022 | <ul style="list-style-type: none"> <li>According to the Board of Directors' Meeting No. 3/2022 held on July 4, 2022, the meeting resolved that the Company purchased ordinary shares of Top Treat Co., Ltd. and increased registered capital from 1,000,000 baht to 20,000,000 baht to create opportunities and expand the company's business base.</li> <li>The company has invested in the purchase of plastic injection molding machines. To increase product types such as plastic and thermoplastic elastomers parts. It increases marketing efficiency and create sales opportunities.</li> </ul>                                                                                                                                                                                                                                                                                                                      |
| 2023 | <ul style="list-style-type: none"> <li>According to the Annual General Meeting of Shareholders No. 1/2023 on April 28, 2023, it was approved to increase of the Company's registered capital of THB 15,000,000 from the existing registered capital of THB 105,000,000 to THB 120,000,000 by issuing 30,000,000 ordinary shares with a par value of THB 0.50 and approved the allocation of 30,000,00 newly issued ordinary shares of the Company with the par value of THB 0.50 to Private Placement which is Mr. Vorapote Amnueypol at a price of 4.00 baht per share, total value not exceeding 120,000,000 baht.</li> </ul>                                                                                                                                                                                                                                                                                              |

### 1.1.3 Use of Proceeds report

- According to the company launched an initial public offering (IPO) of 54,565,000 shares at a price of 2.30 baht per shares, and raised a total of 117.83 million baht. (after deducting IPO expenses) and the 2023 Annual General Meeting of Shareholders resolved to change in objectives of the utilization of proceeds obtained from the IPO. The details of utilization of proceeds are as follows:

(Unit: Million baht)

| Objectives                                                                                                                                                                                                                                  | Proceeds<br>Utilization Plan | Balance as of<br>June 30, 2023 | Actual<br>utilization as<br>of December<br>31, 2023 | Balance as of<br>December 31,<br>2023 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|--------------------------------|-----------------------------------------------------|---------------------------------------|
| 1. For machine investment support to related business expansion Including use as develop or expand the current business and/or any other projects related to the business of the Company and its subsidiaries that may occur in the future. | 80.00                        | 75.35                          | 50.00                                               | 25.35                                 |
| 2. For loan repayment to financial institution (repay in installments according to the terms in loan agreement (s)).                                                                                                                        | 15.00                        | 12.93                          | 4.14                                                | 8.79                                  |
| 3. For working capital.                                                                                                                                                                                                                     | 22.83                        | 12.83                          | 12.83                                               | -                                     |
| <b>Total</b>                                                                                                                                                                                                                                | <b>117.83</b>                | <b>101.11</b>                  | <b>66.97</b>                                        | <b>34.14</b>                          |

- The report on the utilization of the capital increase received from the private placement, namely Mr. Vorapote Amnueypol according to the resolution of the 2023 Annual General Meeting of Shareholders held on April 28, 2023, is 30,000,000 million shares at a price of 4.00 baht per share, a total value not exceeding 120.00 million baht. With the objective and plan to use the money to support the expansion of the bidding business of Toptreat Co., Ltd. (Subsidiary) by using working capital for auction, The details of utilization of proceeds are as follows:



(Unit: Million Baht)

| Objectives                                                                                           | Proceeds<br>Utilization Plan | Actual utilization<br>as of<br>December 31, 2023 | Balance<br>as of<br>December 31, 2023 |
|------------------------------------------------------------------------------------------------------|------------------------------|--------------------------------------------------|---------------------------------------|
| 1. Project to sell machinery for maintenance of train wheels to the State Railway of Thailand.       | 25.00                        | -                                                | 25.00                                 |
| 2. Project to sell machinery and equipment related to irrigation to the Royal Irrigation Department. | 95.00                        | 95.00                                            | -                                     |
| <b>Total</b>                                                                                         | <b>120.00</b>                | <b>95.00</b>                                     | <b>25.00</b>                          |

## 1.2 Nature of Business

T.R.V. Rubber Products Public Company Limited has the English name “T.R.V. Rubber Products Public Company Limited” (“The company” or “TRV”) operates in the production and distribution of molded rubber parts. The product classified into 3 product groups: molded rubber parts used in automotive, molded rubber parts used in electrical appliances, and other molded rubber parts. Throughout more than 20 years, the company has been committed to developing the business in terms of management, personnel development, production process, quality of goods, timely delivery, resulting in the company's trust in the production and delivery of products to customers, and has the opportunity for continuous business growth.

In addition, the company has been certified in Quality Management System or ISO 9001: 2015, which is an international standard to ensure the quality and efficiency of business operations. The company has been accredited to the Automotive Quality Management System or IATF 16949: 2016 and has been accredited to the Environmental Management System or ISO 14001: 2015, which has led to environmental improvement along with business development by focusing on pollution prevention and environmental impact to help to reduce production costs.

### 1.2.1 Revenue Structure

The company has a revenue structure classified by product group in 2021 - 2023.

The details as following:

| Revenues separate by product group   | Year 2021       |       | Year 2022       |       | Year 2023       |       |
|--------------------------------------|-----------------|-------|-----------------|-------|-----------------|-------|
|                                      | million<br>baht | %     | million<br>baht | %     | million<br>baht | %     |
| 1. Molded rubber parts in automotive | 95.08           | 53.24 | 89.42           | 40.84 | 98.14           | 58.41 |

| Revenues separate by product group                  | Year 2021       |               | Year 2022       |               | Year 2023       |               |
|-----------------------------------------------------|-----------------|---------------|-----------------|---------------|-----------------|---------------|
|                                                     | million<br>baht | %             | million<br>baht | %             | million<br>baht | %             |
| -Molded rubber parts in car                         | 82.11           | 45.98         | 75.20           | 34.34         | 81.44           | 48.47         |
| -Molded rubber parts in motorcycles                 | 12.97           | 7.26          | 14.22           | 6.50          | 16.70           | 9.94          |
| <b>2. Molded rubber parts in electric appliance</b> | <b>80.76</b>    | <b>45.23</b>  | <b>82.61</b>    | <b>37.73</b>  | <b>65.92</b>    | <b>39.23</b>  |
| <b>3. Other molded rubber parts</b>                 | <b>1.74</b>     | <b>0.97</b>   | <b>1.59</b>     | <b>0.72</b>   | <b>2.92</b>     | <b>1.74</b>   |
| <b>Total revenue from sale</b>                      | <b>177.58</b>   | <b>99.44</b>  | <b>173.62</b>   | <b>79.29</b>  | <b>166.98</b>   | <b>99.38</b>  |
| Other income                                        | 0.99            | 0.56          | 45.35           | 20.71         | 1.05            | 0.62          |
| <b>Total income</b>                                 | <b>178.57</b>   | <b>100.00</b> | <b>218.97</b>   | <b>100.00</b> | <b>168.03</b>   | <b>100.00</b> |

Note: Other income consists of interest earned, sale of rubber scrap, etc. In 2022, other incomes were added from the sale of land.

## 1.2.2 Information about products

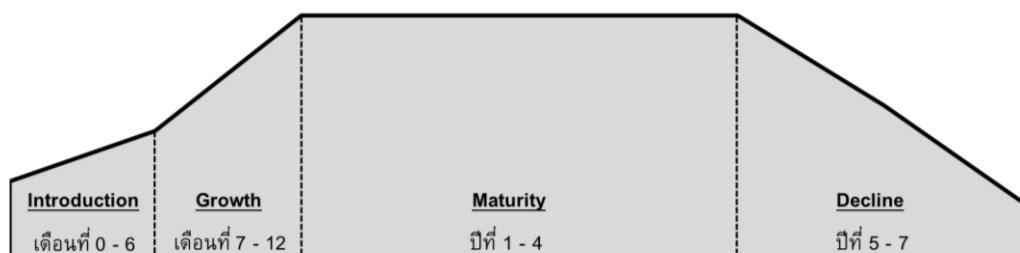
### 1.2.2.1 Product characteristic

The company operates and distributes molded rubber parts for use in various industries. The main raw material is rubber compound, which is a synthetic rubber. Because synthetic rubber is a raw material that can control the quality and quantity of production more consistently than natural rubber and can improve the production to have properties to compensate for the drawbacks of natural rubber that is not resistant to heat, sunlight, oil, and chemicals. Synthetic rubber will be mixed with chemicals to create special properties suitable for producing molded rubber parts such as rubber pipes, rubber O-rings, gaskets, rubber sheets, etc. Details are as follows.

#### (1) Molded rubber parts in automobile

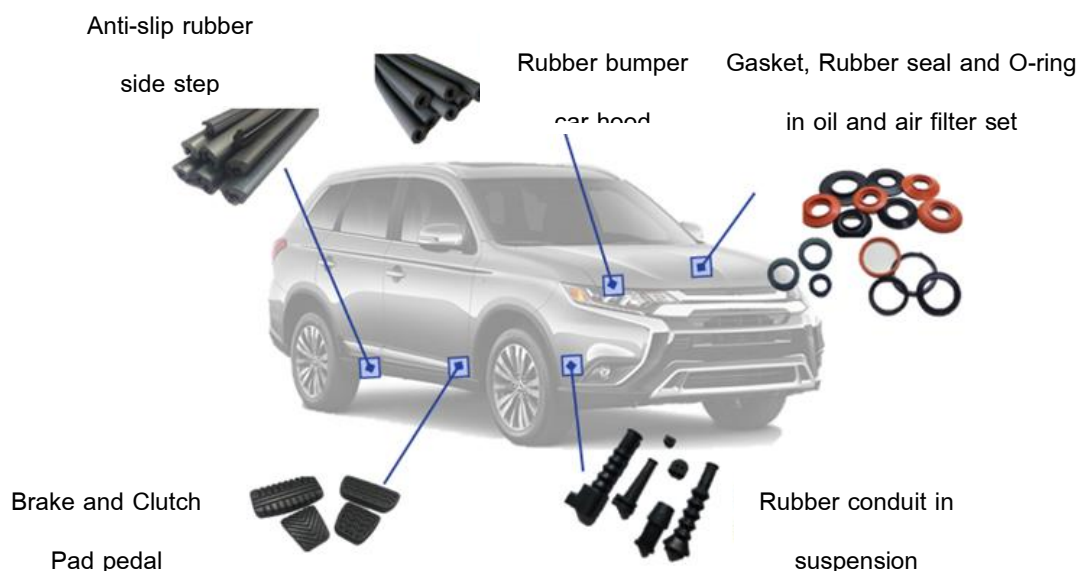
For example, electrical conduits, bumpers, leakage protectors, and rubber hoses. Each rubber part has its own characteristics that vary according to its application, such as heat resistance, impact resistance, resistance to friction or tearing, ozone (weather) resistance, fire resistance, and oil resistance.

Rubber molded parts for each model of motor vehicles has a generally product life cycle about 5 – 7 years according to the life cycle of cars and motorbike. After the car and motorbike manufacturers have launched a new model (Major Change), according to historical statistics, the company receives orders throughout the product life cycle as follows:



- |               |                                                                                                                                                                                                                                                                                                                                                              |
|---------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 0 – 6 Months  | Orders are gradually increasing.                                                                                                                                                                                                                                                                                                                             |
| 7 – 12 Months | Orders will continue to be higher.                                                                                                                                                                                                                                                                                                                           |
| 1 – 4 Year    | The order is fixed according to demand of automotive manufacturer.                                                                                                                                                                                                                                                                                           |
| 5 – 7 Year    | The order will start to decrease unless the automotive manufacturer updates the model in such a way that Minor Change might be impacted to purchase of molded rubber parts for the automotive model remaining at the same level as in Years 1 – 4 (mainly 1 – 2 years before changing with the new model, the purchase of molded rubber parts may decrease). |

- Molded rubber parts for automotive, such as rubber O-rings, gaskets, rubber seals, hoses, brake pads, electrical conduits, and anti-slip rubber, etc.

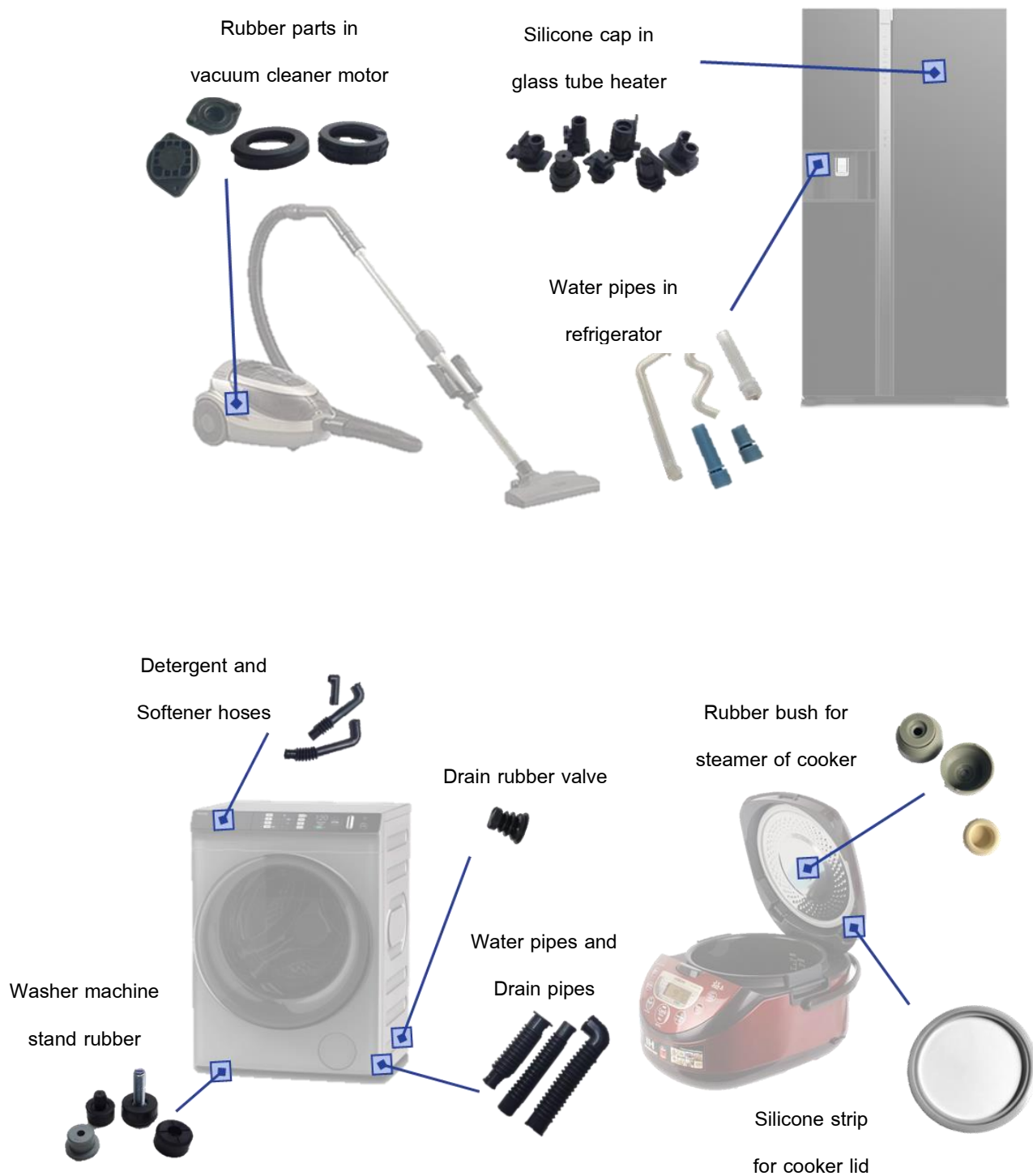


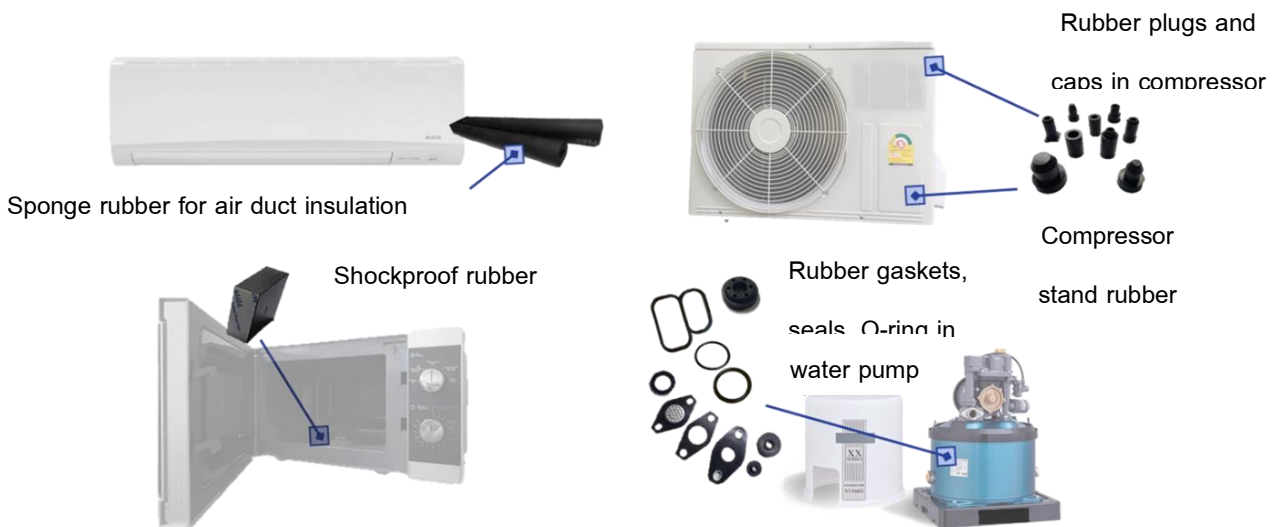
- Molded rubber parts in motorcycles include rubber covering for foot rest, rubber bumper, mirror arm covering seal, etc.



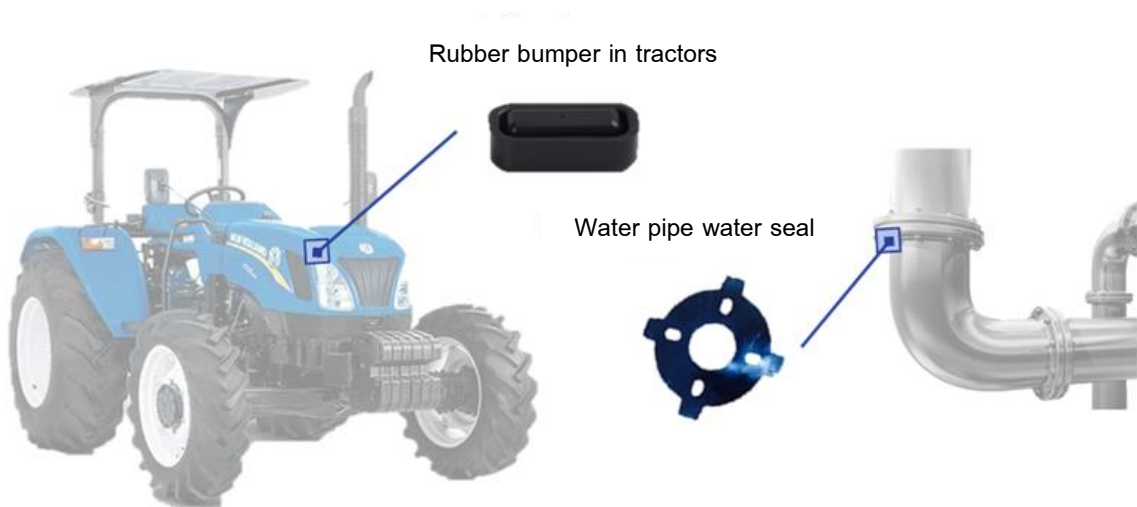
## (2) Molded rubber part in electrical appliances

The molded rubber parts in the appliance are rubber parts for preventing leakage, preventing impact, increasing flexibility, or preventing dust in the electric appliance. These are vacuum cleaners, refrigeration devices, washing machines, microwaves, water pumps, rice cookers, etc. There is a product life cycle usually around 2 years, based on period of the appliance model. Although, the changing model of the appliance will focus on appearance changes and often do not change the appearance or design of the internal components. Therefore, the molded rubber parts in the appliance are mainly internal components that can be adapted by the appliance manufacturer to the new appliance model.





(3) **Other molded rubber parts** is agricultural mechanical parts, rubber seals, water pipes, etc.



#### 1.2.2.2 Marketing & Competition

##### ● Customers

The company has main customer segments as following 1) Automotive component manufacturers, which include Tier 1 and Tier 2 suppliers, 2) appliance Manufacturers and appliance component manufacturers, and 3) Other industrial customers. The company's product characteristics are as follows:

| Customers                                                                                                           | Company's products utilization                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Automotive industry<br>- Automotive component manufacturers Tier 1<br><br>- Automotive Parts Manufacturer Tier 2 | Automotive Manufacturers as tier 1 will use the company's molded rubber parts assembly with other components and sell them directly to automotive manufacturers .<br><br>Automobile and motorcycle component manufacturers as tier 2 (Tier - 2 Supplier) bring the company's molded rubber parts assembly with sub-parts to the automotive component manufacturers as tier 1. |
| 2. Electric appliance industry<br>- Electric appliance manufacturer                                                 | The brand-owned electronics manufacturer takes the company's molded rubber parts as a part of the appliance and sells them directly to the consumer.                                                                                                                                                                                                                          |
| - Electric appliance components manufacturer                                                                        | The appliance manufacturer assembly the company's molded rubber parts with other components and sells them to the appliance manufacturer.                                                                                                                                                                                                                                     |
| 3. Other industry                                                                                                   | Manufacturers in other industries, such as agricultural machinery manufacturers and aqueduct manufacturers, etc.                                                                                                                                                                                                                                                              |

Table showing revenue structure by customer segment from 2021-2023

| Breakdown of revenues separate by customers             | 2021         |        | 2022         |        | 2023          |               |
|---------------------------------------------------------|--------------|--------|--------------|--------|---------------|---------------|
|                                                         | million baht | %      | million baht | %      | million baht  | %             |
| 1. Molded rubber parts in automotive                    | 95.08        | 53.54  | 89.42        | 51.51  | <b>98.14</b>  | <b>58.78</b>  |
| - Tier 1 :<br>Automotive Components Manufacturers Group | 87.42        | 49.22  | 82.55        | 47.55  | <b>93.79</b>  | <b>56.17</b>  |
| - Tier 2 :<br>Automotive Components Manufacturers Group | 7.66         | 4.32   | 6.87         | 3.96   | <b>4.35</b>   | <b>2.61</b>   |
| 2. Molded rubber parts in electric appliance            | 80.76        | 45.48  | 82.61        | 47.58  | <b>65.92</b>  | <b>39.47</b>  |
| - Electric appliance manufacturers group                | 39.54        | 22.27  | 44.44        | 25.60  | <b>41.41</b>  | <b>24.79</b>  |
| - Group of manufacturers of electrical components       | 41.22        | 23.21  | 38.17        | 21.98  | <b>24.51</b>  | <b>14.68</b>  |
| 3. Other molded rubber parts                            | 1.74         | 0.98   | 1.59         | 0.91   | <b>2.92</b>   | <b>1.75</b>   |
| Total revenue from sale                                 | 177.58       | 100.00 | 173.62       | 100.00 | <b>166.98</b> | <b>100.00</b> |

## - Target customers and distribution channels

### Target customer

The company's target customers are automotive component manufacturers, electric appliance manufacturers, and electric appliance component manufacturers which is required to order high-quality molded rubber components.

### Distribution channels

The company directly distributes products to customers. There are sales and marketing staff who have experience, knowledge and have a good understanding of the product as a contact and liaison with customers. In addition, sales and marketing staff regularly monitor customers demand for products. Most of the company's customers have planned product usage in advance. As a result, the company can plan the production of products that meet the needs of customers immediately. Including the company has production staff working with sales and marketing to give technical advice to customers in order to produce molded rubber parts that meet the quality and customer needs as much as possible.

## ● Competitive Strategy

### 1. Development and quality of the product

According to the company's quality policy which says that "The determination to uninterruptedly improve the quality of production and services at a cost-effective for customer satisfaction". The company has a quality control department being responsible for quality monitoring in various processes, starting from the selection of raw materials, production, inspection of finished products and the packaging, as well as delivery of products to customers, as the company has passed of the new standard ISO 9001:2015 in 2018, the ISO 9001 certification whereby being standard is a quality system used to assure quality and management of various processes. In the organization of the supplier or manufacturer or service providers. It has also been certified for ISO/TS 16949:2009 in 2011 and is certified for the new standard IATF 16949:2016 in 2018, as well as to be inspected to its environment and work process of the workplace to verify the management system together with the paperwork, the sufficiency of the machinery, measuring equipment, and the quality monitoring system of the workpiece. As a result, the company has been continuously recognized by business partners.

### 2. Maintaining good relationship with customers

The company has been in the industry for more than 20 years, and it acquires executives who have experience and competence of manufacturing and distributing rubber molding to automotive parts and electrical appliances manufacturers. The company continues striving for marketing to widen its customer base continue ally by producing quality workpieces that are generally accepted in the industry. Moreover, there are staffs who are able to provide technical assistance in order to produce rubber molding that is suitable for the use of the customers, and that the company inquire for satisfaction in products and services to customers every 6 months with regard to the quality of the work, punctuality in delivering the



product, and coordination, which could meet the needs of customers, and can also help the company to be aware of various problems in a timely manner as a result, it would be able to continue developing its service for the highest level of customer satisfaction. In addition, the company also cooperates in participating in various activities being held by customers such as attending the annual vendor meeting, customer annual audit support which allows customers to visit the production site for inspection and to build confidence for customers.

### **3. Maintaining good relationship with raw material suppliers**

Since the quality of every workpiece is the highest priority of the company, the company pays attention to the selection of raw materials to be used as they are important factors affecting the quality of the product. The company has a policy to maintain and develop good relationships with raw material suppliers in order to obtain quality raw materials that can be delivered on time, and that the company is competent in managing inventory levels, as well as the continuous production and delivering workpieces to customers.

### **4. Production process development**

The company is determined to develop and improve the management, starting from procurement, production, storage, information technology systems, distribution, and logistics, to be coordinated with a view to minimize production waste and increase the efficiency of the cost management of the company. It starts from checking the machines and molds on a regular basis to make sure that they can be used effectively, the preparation of tools to be ready to immediately solve any problem in the production process, and there is also a measure to check the quality of raw materials prior to being formed, and to inspect workpieces during forming and finishing the progress before they will be delivered, together with to make a standard practice manual in place. Furthermore, if the waste rate of the product exceeds than the stipulated rate, the relevant departments will suddenly organize a meeting to discover causes and solutions. Additionally, there is a training for employees on how to use tools and equipment correctly and safely.

### **5. Pricing Policy**

The company has a policy to determine the selling price by considering the cost of the product plus the acceptable gross profit margin (Cost-Plus Pricing). The price will be considered from the unit cost depends on the quantity of raw materials compared with the raw material price from suppliers in the supplier registration list, the cost of labor in the production process and other costs. The Cost-Plus Pricing will be considered in conjunction with the estimation of the purchase order for the parts, together with the estimation of other orders from the same customer with competitive price. Sales and marketing staffs will prepare a quotation together with calculating the unit cost (Breakdown) document and specifying the person who is responsible for the cost of a mold, then the said documents will be submitted to the authorized person for approval from the level of the assistant of sales and marketing manager, the sales and marketing manager, along with the chief executive officer, and the Board of Directors respectively to the margin of gross margin.

## 6. Punctuality in the delivery of products

The company focuses on delivering standardized products on time, which could avoid the interruption against the customer's production line. Therefore, the company have to produce products accordingly to the production control plan whereby being relied upon the estimation and purchase orders from customers, and there is also a quality control system from the acquisition of raw materials, the production process, the storage of products, and the inspection of products before being delivered. In addition, the company has systematically planned the production line to make it convenient for employees to operate, which facilitates them to deliver products accurately and swiftly.

### ● Competitive circumstance

The company has to face competition with direct competitors who are also manufacturers, both large and small, of rubber molding for the industries across the country. The big manufacturers have advantages in terms of production capacity and bargaining power with customers and suppliers. Currently, the competitive level in this industry is high. Most of the competitors are Japanese companies having been specializing in the automotive parts and electrical appliances industries for a long time with the production based in Thailand, and they also have a standard being accepted worldwide. When the company is compared to those competitors in industry, the company is a small entrepreneur whereby both of the production and distribution of rubber molding for automotive parts and electrical appliances, the bargaining power belongs to the buyer.

The company has been in the rubber molding manufacturing industry for a long time and being an expertise in producing rubber molding in respect of international quality standards that it can deliver products on time, and has a good relationship with customers that it always been trusted by customers. The company prioritizes on the development of production quality and service to meet customer satisfaction moreover, it has a systematic product inspection system. In addition, the company is able to effectively manage raw material inventory. As a result, the company has never faced any problem in relation to raw material shortage. Plus, the company has a consistent-planned production lines, manpower, and the maintenance of equipment and machinery. As a result, the company has never experienced a shortage of production capacity that negatively affects the business performance, which allows it to improve the production process. It could be seen that the waste from the production process is greatly reduced, and this suggests an advantage of the company in efficient cost management and leading the company to sustainable development.

### ● Industrial circumstance

The company operates its business whereby the main raw material is rubber compounds being derived from synthetic rubber mixed with chemicals which will be molded into rubber molding in contemplation to distribute it to customers in various industries such as the automotive parts industry, electrical appliance industry, and other industries. Thus, the company's industrial circumstance is considered from factors related to the costs of the company, and customer groups in relevant key industries of different types,

including the automotive industry, motorcycle industry, automotive parts industry, and electrical appliances industry.

## **1. Overview of economic conditions**

### **World economy**

The economies of trading partners are likely to expand by 2.8, 2.6, and 2.7 percent in 2023, 2024, and 2025, respectively, with the US economy expanded according to the momentum from private consumption. Meanwhile, the Chinese and Japanese economies are likely to expand better in 2024 from government economic stimulus measures. Overall, the world economy is in the direction of recovery and began to recovery of the service sector and the manufacturing sector adjusting to a more balanced. The manufacturing sector is likely to recover following the global electronics cycle that is expected to improve in 2024. The global economy is still at risk from the effects of tight monetary policy from major central banks and world trade that may slow down more than expected following Chinese demand including geopolitical conflicts that are still protracted.

### **Thai economy**

The Thai economy tends to continue to recover with an expansion of 2.4, 3.2, and 3.1 percent in 2023, 2024, and 2025, respectively. In 2023, the economy will recover, it received momentum from private consumption that expands following spending in the service category. Including support from improved employment and labor income. Meanwhile, the tourism sector recovered more slowly than expected due to the slow recovery of Chinese tourists. The merchandise export sector in 2023 will recover more slowly than expected. Partly from the Chinese economy and the global electronics cycle that has not yet fully recovered. In the future, the economy tends to expand more balance under the context of the tourism sector continuing to recover and the merchandise export sector returned to expand following improved foreign demand according to the expansion of the economy of trading partners and the upward cycle of electronic products. But there is a risk that we may not benefit from the global economic recovery as expected. Part of the structural problem and the reduced competitiveness of the Thai export sector. In addition, government policies that are still unclear must be followed, especially the digital wallet project. If the results of such projects are combined, it is expected that the economic growth rate in 2024 and 2025 will be 3.8 percent and 2.8 percent, respectively.

(Source: Bank of Thailand Monetary Policy Report)

## **2. Overview of the automotive and automotive parts industry**

The automobile industry in 2023 expects production volume to decrease compared to the same period last year. It is a decrease in the domestic market. This is due to the strictness of lending by financial institutions and household debt that remains high. However, the export market expanded. Due to the expansion of the economy in Thailand's important trading partners that has good growth potential.

Car production in 2023 is expected to have a production volume of 1,850,000 cars, compared to the same period last year which had a production volume of 1,883,515 cars, a decrease of 1.78 percent, divided into production of passenger cars 35 percent, 1-ton pickup trucks and derivatives 63 percent, and other commercial vehicles 2 percent.

Domestic car sales in 2023 are expected to have a domestic car sales volume of 800,000 cars, compared to the same period last year with a sales volume of 849,388 cars, a decrease of 5.81 percent, divided into 51 percent passenger car sales. 1-ton pickup trucks and derivatives 43 percent and other commercial vehicles 6 percent

Car exports in 2023 are expected to have a car export volume (CBU) of 1,050,000 cars, compared to the same period last year. which had an export volume of 1,000,256 cars, an increase of 4.97 percent.

Export value of automobile components and equipment In 2023, it is expected that the export value of automobile components and equipment will be 10 billion USD compared to the same period last year, which was worth 9,834.79 million USD increased by 1.68 percent. Important export markets for automobile components and equipment include the United States, Japan, and Malaysia.

Import value of automotive components and equipment in 2023 is expected to be 9.6 billion USD compared to the same period last year, which was worth 8,224.89 million USD increased by 16.72 percent. Important import markets for automotive components and equipment include Japan, China and the United States.

Automotive industry trends in 2024 for estimates from The Office of Industrial Economics expects that approximately 1,900,000 cars will be produced, an increase of 2.70 percent from the same period last year, divided into approximately 40-45 percent production for domestic sales and approximately 45 percent production for export 55-60 percent (Source: The Office of Industrial Economics)

### 3. Motorcycle Industry Overview

The motorcycle industry in 2023 is expected to expand production compared to the same period last year, however, the demand of the domestic market and the export market decreases from El Niño in Oceania may affect the agricultural sector and farmers' incomes, including the trend of household debt remaining high. It may affect the strictness of bank lending direction of loan interest including consumer spending.

Motorcycle production in 2023, it is expected that the production volume of motorcycles in Thailand will be 2,200,000 units, compared to the same period last year which produced 2,015,940 vehicles, an increase of 9.13 percent.

Domestic motorcycle sales in 2023 are expected to be there were 1,750,000 motorcycles in Thailand compared to the same period last year which has been sold in quantity 1,792,016 vehicles, a decrease of 2.34 percent.

Motorcycle exports (CBU&CKD) in 2023, it is expected that the volume of motorcycle exports (CBU&CKD) of Thailand will be 800,000 units (exporting 450,000 CBU units and 350,000 CKD sets) compared to the same period last year which 1,034,840 vehicles were exported (exporting 424,002 CBUs and 610,838 CKD sets), a decrease of 22.69 percent.

Export value of Motorcycle Components 2023 Export value of Motorcycle Components 790 million USD compared to the same period last year, the value was 930.14 million USD, a decrease of 15.07 percent. Important export markets include Japan, Cambodia and Brazil.

Import value of motorcycle and bicycle components and accessories in 2023 is expected to be there were 960 million USD compared to the same period last year, which was 1,146.86 million USD, a decrease of 16.29 percent. Important import markets include the United States, Japan and China.

Motorcycle industry trends in 2024, for estimates from the Office of Industrial Economics, production is expected to be stable. A production volume of approximately 2,200,000 motorcycles. From the expected production volume above, approximately 85-90 percent will be for domestic sales and production for export 10-15 percent (Source: Office of Industrial Economics)

#### 4. Overview of the electrical appliance industry

Production of electrical appliances in 2023 compared to 2022 shrank by 5.6 percent from electric motor, thermoses, compressors, microwave ovens, refrigerators, rice cookers, fans, and electrical transformers that have decreased. This is due to the continuous increase in production costs. In addition, demand in the world market has decreased and the world economy has not yet recovered. However, the export of washing machines and electric transformers increase according to the needs of the industrial production chain.

Production of electrical appliances in 2023 shrank compared to the previous year. The productivity index was at 95.6, contracting 5.6 percent (%YoY) from production costs that continued to rise. In addition, demand in the world market has decreased and the world economy has not yet recovered. Electrical appliances that decreased include electric motors, thermoses, compressors, microwave ovens, refrigerators, rice cookers, fans, and electrical transformers, which decreased by 28.0, 21.4, 19.2, 10.5, 10.0, 9.0, 6.6, and 6.0 percent respectively, according to domestic sales and orders from abroad decreased. Meanwhile, products increased, including electrical wires, washing machines, cables and air conditioners increased by 14.4, 11.7, 10.8 and 0.1 percent respectively, due to an increase in orders from abroad.

Domestic sales in 2023, products sold domestically have decreased compared to the previous year, including microwave ovens, thermoses, compressors, refrigerators, rice cookers, and washing machines, shrinking by 23.7 percent, 16.1, 14.9 percent, 9.7, 8.5 and 3.8, respectively, while air conditioners and fans increased by 8.1 and 2.8 percent, respectively.

Imports of electrical appliances in 2023 were valued at 18,826.2 million USD expanding from the previous year by 4.0 percent (%YoY) from imports of electrical transformers, air conditioners, microwave oven and refrigerator.

Exports of electrical appliances in 2023 were valued at 30,055.6 million USD expanding from the previous year by 2.2 percent (%YoY) from exports of washing machines and electrical transformers. Due to the demand of the world market, especially parts and components of washing machine from Thailand are important in the production chain in industries such as Argentina and Vietnam, allowing entrepreneurs to export more.

Electrical appliance industry trend in 2024. For the electrical appliance industry in 2024, it is expected that there will be a production contraction of approximately 1.0-3.0 percent compared to the previous year due to production costs or raw material prices that still tend to be uncertain and the global economic

situation that may slow down. Meanwhile exporting is expected to expand approximately 2.0-8.0 percent compared to the previous year due to the demand for electrical products and services. It is expected to continue growing in developing countries such as India and Vietnam due to consumers and businesses in the region. It is looking to develop the technological infrastructure in the country and more facilities for citizens or consumers (Source: Office of Industrial Economics)

From the information on the automotive industry, there is a tendency for growth to expand from the recovery of the economy and the improvement of purchasing power amidst inflation that is likely to gradually decrease. In the electrical appliance segment, production shrank. But exports are expected to expand. This is considered a good opportunity for the company to generate future revenue in the future and produce the company's rubber molding as the main internal and external component parts of automobiles and motorcycles, including electric vehicles (EV). Nowadays, the company currently focus on developing technology to produce products to be more efficient as well as to continuously respond to market demands.

### **1.2.2.3 Procurement of products and services**

#### **1. Capacity utilization rate**

At present, the company office is located at 40, 88/8-9, Soi Ekachai 76, Intersection 1-3-1, Khlong Bangphran Sub-district, Bangbon District, Bangkok, whereby being a total usable area of 5,400 square meters, with the capacity utilization rate as detailed below:

Table showing capacity utilization rates in 2021 – 2023

Unit: million pieces

| Item                                         | 2021                         |                             |                           | 2022                         |                             |                           | 2023                         |                             |                           |
|----------------------------------------------|------------------------------|-----------------------------|---------------------------|------------------------------|-----------------------------|---------------------------|------------------------------|-----------------------------|---------------------------|
|                                              | Maximum capacity utilization | Actual capacity utilization | Capacity utilization rate | Maximum capacity utilization | Actual capacity utilization | Capacity utilization rate | Maximum capacity utilization | Actual capacity utilization | Capacity utilization rate |
| <b>Compression machine</b>                   | <b>37.38</b>                 | <b>28.09</b>                | <b>75.14%</b>             | <b>36.62</b>                 | <b>26.4</b>                 | <b>72.09%</b>             | <b>32.87</b>                 | <b>21.68</b>                | <b>65.95%</b>             |
| Rubber molding parts in automobile           | 37.38                        | 17.88                       | 47.82%                    | 36.62                        | 16.91                       | 46.18%                    | 32.87                        | 12.97                       | 39.47%                    |
| Rubber molding parts in electrical appliance | 37.78                        | 9.55                        | 25.54%                    | 36.62                        | 8.72                        | 23.81%                    | 32.87                        | 8.12                        | 24.70%                    |
| Other rubber molding parts                   | 37.78                        | 0.67                        | 1.79%                     | 36.62                        | 0.77                        | 2.10%                     | 32.87                        | 0.59                        | 1.79%                     |
| <b>Injection molding machine</b>             | <b>67.96</b>                 | <b>48.08</b>                | <b>70.75%</b>             | <b>71.31</b>                 | <b>46.65</b>                | <b>65.42%</b>             | <b>52.02</b>                 | <b>36.87</b>                | <b>70.87%</b>             |
| Rubber molding parts in automobile           | 67.96                        | 23.58                       | 34.69%                    | 71.31                        | 25.25                       | 35.41%                    | 52.02                        | 20.36                       | 39.13%                    |
| Rubber molding parts in electrical appliance | 67.96                        | 24.49                       | 36.03%                    | 71.31                        | 21.4                        | 30.01%                    | 52.02                        | 16.51                       | 31.74%                    |
| Other rubber molding parts                   | 67.96                        | 0.01                        | 0.02%                     | 71.31                        | 0                           | 0.00%                     | 52.02                        | 0                           | 0.01%                     |
| <b>Extrusion machine</b>                     | <b>0.93</b>                  | <b>0.59</b>                 | <b>63.66%</b>             | <b>1.03</b>                  | <b>0.52</b>                 | <b>50.49%</b>             | <b>1.02</b>                  | <b>0.53</b>                 | <b>51.50%</b>             |
| Rubber molding parts in automobile           | 0.93                         | 0.59                        | 63.66%                    | 1.03                         | 0.52                        | 50.49%                    | 1.02                         | 0.53                        | 51.50%                    |
| <b>Total</b>                                 | <b>106.24</b>                | <b>76.76</b>                | <b>72.23%</b>             | <b>108.96</b>                | <b>73.57</b>                | <b>67.52%</b>             | <b>85.91</b>                 | <b>59.07</b>                | <b>68.76%</b>             |

Note: Maximum capacity utilization based on production data, 10.5 hours per day.

The company has 3 types of molding machines: injection molding machines, compression molding machine and extrusion molding machine. All 3 types of machines can produce rubber molding parts for automobile, electrical appliance, or other rubber molding parts, depending on the mold used in production.

On 2021-2023, the capacity utilization rate of the compression molding machine was 75.14%, 72.09% and 65.95%, respectively. The capacity utilization rate of the injection molding machine was 70.75%, 65.42% and 70.87%, respectively. The capacity utilization rate of the extrusion molding machine was 63.66%, 50.49% and 51.50%, respectively. In 2023, the total capacity utilization rate was 68.76%, a decrease of 1.24% compared to 2022. Overall, in 2023, the company had a decrease in orders. Produced the number of molded rubber parts decreased by 14 million pieces compared to 2022.

## 2. Raw material procurement

The main raw material in the company's production is compound rubber to be used in various types of molding. The company mainly procures raw materials from domestic raw material suppliers, whereby focuses on selecting raw materials with properties and qualities that are up to the standard as specified by customers. Therefore, the list of manufacturers of compound rubber and compound rubber raw materials used in the production of rubber molding parts will be specified in the approval document for such production in order to control the quality of raw materials and production.

The main raw materials in the production of the company are divided into 2 main categories as follows:

**1) Compound rubber** is a synthetic rubber mixed with various chemicals such as vulcanizer, filler, catalyst, etc. with the aim of having different properties in the production of rubber molding products. The synthetic rubbers used by the company are chloroprene rubber (CR), styrene butadiene rubber (SBR), nitrile rubber or acrylonitrile rubber- Butadiene (NR), Ethylene Propylene Diene Monomer (EPDM), Butyl Rubber (IIR), Silicone Rubber (SIR), and Acrylic Rubber. (ACM), etc.

**2) Chemicals used for rubber** are vulcanizer, catalysts, fillers to improve the properties of rubber, such as soot, etc. The chemicals must pass the standard inspection from the company in order to control the quality of raw materials as required, and chemicals used in the production process are ordered from local distributors.

The company has been purchasing raw materials from a manufacturer for 10 years, whereby in 2022 and 2023, the company purchased compound rubber from this manufacturing 62.29% and 69.17% of the total raw material purchase value.

### 1.2.2.4 Assets for Business undertaking

The company has a policy to invest, manage and support the company's business operation to strengthen stability. The company has no investment in any subsidiary or associated company. In the event that the company plans to invest in other companies in the future, the policy of investment in subsidiary and associated company with the same business objectives as the Company's core business or similar business is designated in other companies. The Company has stipulated the policy regarding the investment in subsidiaries and associated companies with the same business objectives as the company's core business, or operating similar businesses, including businesses that support the company's business, which would result to the increase of company's operating results, or profits or investment in businesses that are beneficial the company. Assets for business undertaking and its core business are investment properties, rights-of-use assets, land, buildings, machines and equipment, vehicles, intangible assets, including important contracts being material to the business operations, a casualty insurance policy used in business operations and loan agreement. Please consider additional details in Attachment 4 – Asset for business undertaking.

### 1.2.2.5 Unsubmitted works

- None-



### 1.3 Shareholding Structure

#### 1.3.1 Shareholding Structure

On 4 July 2022, the Board of Director Meeting no 3/2022 approved the purchase of ordinary shares of Top Treat Company Limited in the amount of 9,998 shares at a price of 100 bath per share, with an investment value of 999,800 bath and resolved to approve the capital increase of Top Treat Company Limited in the amount of 19,000,000 bath divided into shares. 19,000 ordinary shares, par value of 100 bath per share, total registered capital is 20,000,000 million baht, holding 99.99% as a subsidiary.

#### 1.3.2 Relationship with the business groups of major shareholders

On December 31, 2023, the major shareholders of the company are the “Nawamongkhonchaikit” family holding 31.05%, Miss Nutthanucha Leelapanyalerts holding 20.58% of the company’s shares, Mr. Vorapote Amnueypol holding 12.50% and Miss Kulanatha Saengtananiramit holding 11.69% of the company’s shares.

#### 1.3.3 Shareholders

List of Top 10 major shareholders of the company as of March 29, 2023.

| No.   | List of Major Shareholders                     | Number of Shares (Shares) | Shareholding Proportion (Percentage) |
|-------|------------------------------------------------|---------------------------|--------------------------------------|
| 1     | Group of NAWAMONGKHONCHAIKIT Family            | 74,342,850                | 35.401%                              |
|       | MR. THEERAWUT NAWAMONGKHONCHAIKIT              | 34,116,950                | 16.246%                              |
|       | MRS. SUPAK NAWAMONGKHONCHAIKIT                 | 19,620,000                | 9.343%                               |
|       | MR. NAPHAT NAWAMONGKHONCHAIKIT                 | 10,767,600                | 5.127%                               |
|       | MISS KEWALIN NAWAMONGKHONCHAIKIT               | 9,838,300                 | 4.685%                               |
| 2     | MISS NUTTHANUCHA LEELAPANYALERTS               | 49,400,000                | 23.254%                              |
| 3     | MISS KULANATHA SAENGATANANIRAMIT               | 28,063,400                | 13.364%                              |
| 4     | PRAVATE EQUITY TRUST FOR SME GROWING TOGETHER2 | 5,442,300                 | 2.592%                               |
| 5     | MR. PAVARET PREEDAVIPHAT                       | 4,288,900                 | 2.042%                               |
| 6     | MRS. JIRAWATTANA SANITPRACHAKORN               | 4,017,106                 | 1.913%                               |
| 7     | MISS SARINRAK SANGARTIT                        | 3,369,800                 | 1.605%                               |
| 8     | MR. BENJAPOL LEELANIRAMOL                      | 2,084,500                 | 0.993%                               |
| 9     | THAI NVDR COMPANY LIMITED                      | 2,067,100                 | 0.984%                               |
| 10    | MISS WICHANEE WACHIRAAMPAIPONG                 | 1,976,000                 | 0.941%                               |
| Total |                                                | 175,051,956               | 83.359%                              |

## Notes

1. Nawamongkhonchaikit Family Group shall denote 1) Mr. Theerawut Nawamongkhonchaikit 2) Mrs. Supak Nawamongkhonchaikit (wife of Mr. Theerawut Nawamongkhonchaikit) 3) Ms. Kewalin Nawamongkhonchaikit (Mr. Theerawut Nawamongkhonchaikit's daughter) 4) Mr. Naphat Nawamongkhonchaikit (Mr. Theerawut Nawamongkhonchaikit's son). However, this is not a grouping according to the definition of persons who jointly take an action (Acting in Concert) in respect of the Announcement of the Capital Market Supervisory Board No. TorJor. 7/2552 regarding the behavior being deemed as an action being done together with another person and act accordingly with Sections 246 and 247 whatsoever.

2. According to the Annual General Meeting of Shareholders No. 1/2023 on April 28, 2023, it was approved to increase of the Company's registered capital by issuing 30,000,000 ordinary shares with a par value of THB 0.50 and approved the allocation of 30,000,00 newly issued ordinary shares of the Company to Private Placement which is Mr. Vorapote Amnueypol at a price of 4.00 baht per share, total value not exceeding 120,000,000 baht.

### 1.4 Amount of registered and paid-up capital

On December 31, 2023, the company has registered capital being THB 105,000,000, and paid-up capital being THB 105,000,000, whereby being divided into 210,000,000 ordinary shares with a par value of 0.50 baht per share, which are listed securities on the Stock Exchange of Thailand.

On December 31, 2023, the company has investments in a subsidiary, Top Treat Company Limited, holding 99.99% of the shares and registered capital THB 20,000,000, and paid-up capital being THB 20,000,000, whereby being divided into 200,000 ordinary shares with a par value of 100 baht per share

### 1.5 Issuance of other securities

- None -

### 1.6 Dividend Policy

The company has a policy to pay dividends to shareholders at the rate of not-less-than 40% of the net profit according to the financial statements of the company after being deducted by taxes and reserve funds of all types as required by governing laws, as well as other reserve funds (if any), and obligations under the terms of the loan agreement. The company will consider the dividend payment by taking various factors into account with a view to provide highest benefits to the shareholders, and that the dividend payment shall be in no event negatively and materially affect the company's normal operations. However, the dividend payment rates may be different from the aforesaid rate as it shall be dependent on the investment plan, operational results, financial standing, liquidity, cash flow, the need of the capital to be used in operation, investment plans, future business expansion, market conditions, other future suitability, terms and restrictions as set out in the loan agreement, and other factors in

relation to the operation and management of the company whereby being subject to the condition stating that the company is required to have enough cash to run the business and such actions shall be of the greatest benefit to the shareholders. This is to say, an annual dividend payment is required to be approved by the Board of Directors beforehand, and it shall be then presented to the shareholders' meeting for approval, unless there to be an interim dividend payment whereby the Board of Directors are entitled to approve such dividend payment, and the shareholders shall be notified thereof in the following meeting.

## 2. Risk Management

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### 2.1 Risk Management Plan and Policy

The company pays high attention to Risk management in management system and its operation in order to build risk management culture and awareness for all employees in operating level. The risk management will help organization to achieve main objective and goals as well as to promote value added in company operations. Aiming for the highest interest throughout the company, therefore the Board of Director decided to establish Risk Management Policy and its committee to help aligning the risk management practice and guideline of each function to have same direction and understanding. The risk management committee has responsibility to control and manage the risk management plan as followings.

- 1) Consider overall company risk management policy and guideline which cover any significant risk such as financial risk, Investment risk and any risk that concerned to company reputation etc. Then present all the risks to company board of director to approve.
- 2) Define company risk management strategy and guideline that comply with Risk management policy. So that each type of risk can be assessed, followed up and monitored within acceptable level by concerned functions.
- 3) Monitor and follow up all the risk management related activities to be complied with the policy and guideline approved by board of director.
- 4) Set up criteria and maximum of risk level that can be acceptable, also set up proper countermeasure to manage risks in each situation.
- 5) Assess risks in the organization and define process of how to manage risk to be in acceptable level. As well as keep on monitoring that all the risks are managed according to defined process.
- 6) Review the adequacy of overall risk management system and its policy implementation to ensure effectiveness.
- 7) Authorize to assign and define risk management role of employees in operation level as appropriate. Also has authority to ask concerned person for clarification. The assigned person should report to risk management committee in order to achieve the objective.
- 8) Periodically report the operating result, administration, company risk status, changes and any improvement needed issues to board of director.
- 9) Set up risk management working committee as necessary.
- 10) Support the risk management working committee in term of personnel, budget, and other necessary resources that complied with their responsible area.

## 2.2 Risk Factors for Business Operations

### 2.2.1 Business risks

#### 1) Risks from severe competitive situation and industrial changes

Our rubber molding parts are mainly used in automotive and electronics industries therefore, risks from each industrial changes are analyzed per followings details.

##### Automotive Industry: Future needs of using Electric Vehicle instead of Combustion Vehicle (Engine)

Since 2017 Government has continuously pay high attention to promote the investment of Electric Vehicle manufacturing in Thailand. Automotive Industry group in The Federation of Thai Industries expects that the Electric Vehicle (EV) market will apparently growing up during 2021 - 2023

Supporting factors of EV market growth are 1) EV car price that can be reduced based on Ministry of Energy plan to promote EV car production and utilization. EV car price is expected to be same with Combustion Vehicle price in 2025 2) EV charging stations are increasing. And 3) Government is promoting the investment of EV production in order to become Low Carbon Society and World's production base of EV and automotive parts, which rubber molding parts may get impact from this change because demand of using some OEM part is decreased. However, rubber molding parts are still necessary for in EV with better efficiency, especially anti-vibration rubber parts, electric motor rubber parts, anti-leak or anti-noise rubber parts. Moreover, company mainly produce both internal and external rubber parts for car, if there is any new car model launching, the information will be sent in advance and new parts trial will be requested by customer. Therefore, company shall be able to cope with change and flexible to the situation of EV production without any impact to company revenue in the future.

##### Electrical appliances Industry: Changes in electrical appliances Industry that contained more Internet of Things: IoT technology

World class electrical appliances manufacturer is focusing in develop new products that response to customer needs by utilizing technologies such as Internet of Things: IoT to be part of our daily life. In case that company could not response to the changes of technology, it may impact to company business result in the future.

Company has long-term relationship with many customers and still receiving their orders continuously, as well as improving products quality by select good raw materials, check the qualification, develop production process and strictly follow company and customer requirement. Furthermore, company closely monitors changes in production technology to update mold design and production process together with human resources development which aim to reduce in process defect and control manufacturing cost. Company expected that these changes may not impact to company revenue.

## **2) Risks from the product selling price that can't be increased right after the manufacturing cost is getting higher**

The product selling price will be defined with customer at the beginning of New Model design step which may take around 1-2 years until customer accept our quotation. That selling price will be set for rubber molding parts so if the manufacturing cost is getting higher during model life cycle, company may not be able to increase the selling price right away which will affect to business result.

Anyway, company shall consider overall sale volume with each customer, in case that overall profit ratio with that customer is still appropriate, we may not increase the selling price to maintain other parts order from that customer. Moreover, we use “Cost Plus Pricing” methodology to define the selling price which consider from actual manufacturing cost plus profit. From this methodology we can mitigate some risks which can be proved from actual business result in 2021 – 2023 that we still got gross profit at 39.42%, 32.23% and 32.54% while having net profit at 13.60%, 29.17% and 6.45% respectively.

## **3) Risks from customer order cancellation and company is unable to claim for damages**

In normal selling process with customer, we will do based on our quotation basis and/or customer purchase order (PO). In some cases, company will issue sale contract based on customer requirement, and not all of customer are signing the sale contract and some sale contracts may not mention about customer responsibility. In case that customer cancel the order and reject to pay for any damages from our production cost that occurred already, company may need to absorb all the raw material, inventory and mold costs.

- In the case that company is responsible for the mold cost and customers do not order molded rubber parts from such molds may result in company has to bear for the mold cost. From data of 2023, found that company had no mold cost that must be response . Also, company has never experienced an incident where the customer cancels an order after the mold has been prepared.
- In the case that customer cancels the order after we received a purchase order (PO) from a customer, which may result in the company has to bear for raw materials cost, work in process cost and finished goods cost resulting from actual production according to customer orders. However, we have never experienced an incident where the customer canceled the order after received purchase order.

However, the company will identify the following conditions in the quotation starting from October 2012 that: 1) customer need to inform 3-6 months in advance to cancel the order of rubber molding parts (Discontinued Model) to ensure the most efficient production planning and warehouse management 2) customer will be responsible for any payment and damages related to purchase order(PO) cancellation. Anyway, most of our customers are Tier1 and Tier 2 in automotive industries as well as world class brand of electrical appliances group of company and have long term relationship therefore, the risk for this case is quite low.

#### **4) Risks from relying on single source raw material supplier**

Rubber compounds are main raw material that we use in the production and we have purchased from one supplier for almost 10 years. In 2022 and 2023, the company bought rubber compounds from this supplier at 62.69% and 69.17% of the total raw material purchase value respectively. In the event that this supplier is unable to deliver the raw materials in the required quantity and time, it may significantly affect the delivery of products to the customers.

However, company can purchase the raw materials from other suppliers as well as having safety stock based on our raw material management process and advance production can be done. Therefore, company is able to manage raw material usage. In the past we have never encounter any raw material shortage which affected the production and delivery.

### **2.2.2 Risks from Management**

#### **1) Risks from Management dependency**

Since the company establishment by Mr.Theerawut Nawamongkhonchaikit, who plays an important role in managing various aspects of the company with long experience, knowledge and expertise in automotive parts and electrical appliances industries for more than 20 years. During the past year most of management will depend on his decisions both in selling products and purchasing of raw materials. Therefore, the company may have a risk of relying on one management.

However, Company has an internal management system that is sufficient and efficient in accordance with the rules of the Securities and Exchange Commission announcement. There is an organizational structure which clearly define, the scope, authorization, duties and responsibilities of each party. As well as having a sourcing and selection system to fulfill the position based on their experience and suitability. Moreover, company has set up the Succession plan in order to effectively manage human resources that able to decentralize of authorization properly and minimize the risk. Most of the current executives have long working experience with the company therefore they understand nature of the organization and business which can and help promote various operations and future growth.

## 2) Risks from family members and relatives of major shareholders influencing in Management Policy

At present, the Nawamongkhonchaikit family is the major shareholder of the company, many members and close relatives of the Nawamongkhonchaikit family holding positions of Company director, Executive Director, Chief Executive Officer, Deputy Chief Executive Officer, Senior Director of Operations and Finance Manager. Therefore, companies and minority shareholders may be at risk from members and close relatives of the Nawamongkhonchaikit family influencing in Management Policy issuing and its administration. Also, they are able to control most of the resolutions in the shareholders' meeting which resulting in other shareholders may not be able to collect votes to counterbalance the authorization. In addition, there may be risks from the management of the directors and executives of the Nawamongkhonchaikit family that may result in a lack of balance from outsiders which make interests for the Nawamongkhonchaikit family rather than interests of the company.

However, Company pays high attention on good corporate governance and "Check and Balance" management concept. Therefore, company has set up management structure which consist of Board of Directors, Audit Committee, Risk Management Committee, Nomination and Remuneration Committee and the Executive Committee who are competent and have appropriate qualifications. In addition, company has clearly defined the scope of operations and delegation to each director and executive. The Board of Directors consists of 7 directors, of which 4 are independent directors to 2 persons of directors who are family members. In addition, 3 independent directors are assigned to be members of the Audit Committee to check and balance all the decisions, including considering, giving opinions or approving various items before presenting to the shareholders' meeting.

In addition, the company has a structure of the Executive Committee of 7 persons, consisting of 4 external executives per 3 family members, and the company has a total of 11 management committee, consisting of 7 external management and 4 family members to balance on decision-making and giving opinions or approving various items before presenting it to the Board of Directors. Moreover, Chief Financial Officer is a third party and is a co-signer of every check payment with the executives who are members of the Nawamongkhonchaikit family.



### 3) Risks from relying on operational staff

At the end of 2023, company has a total of 155 employees, which are 114 operational employees, representing 73.55 percent of the total number of employees. Most of them are employees in forming and trimming process. In case of employees resignation and company are unable to find a replacement of that position, it may affect the production process, and may cause the delay of delivery.

However, until present company is able to find replacement employees through recruitment agency at any time. New employees will receive training to develop skills immediately upon entering. There are clearly defined working procedures in writing with pictures in place so that new employee can easily understand the work process and learn the job quickly. Moreover, company has established Human resources management policy which systematically control the quality of the process since the employee selection. Also, company clearly defined roles and responsibilities of each employee as well as having regular skill development training and providing fair and appropriate compensation, wages, salary and welfare to employees according to laws. Until now company has never faced any employee shortage issue that affects the production.

### 4) Risks from Safety and Environmental Management

Rubber compounds are main raw material that company use in the production which contain of synthetic rubber and chemicals substances, such raw materials will be used in mixing and forming process. Therefore, company manages to have a good safety management and environmental control. In order not to cause noise, smell and air pollution to the surrounding area of the company which leads to health problems of employees and communities including long-term environmental impact. Company has set a Safety and Environmental policy for employees and strictly follow and comply with the requirements and any environmental regulations. Together with controlling raw materials and production processes to meet the standards in accordance with the Substance of (Environmental) Concern, SOC and Directive on End of Live Vehicles (ELV) on automotive waste products when the life cycle of vehicle has expired. The prohibition of use 4 heavy metals that are toxic to the environment also the prohibition of using harmful substances in electrical and electronic equipment in accordance with the RoHS standard. Including hiring a company that has been certified by the Ministry of Industry for garbage and waste disposal. Company has been certified for Quality Management System (ISO 9000:2015), Quality Management System for the Automotive Industry (IATF 16949:2016), Green Industry Level 3 and Environmental Management System Standard (ISO 14001) to ensure efficient environmental management processes. Company has been considered for registration of Carbon Footprint from the

Greenhouse Gas Management Organization (Public Organization) which will lead to guidelines for management to reduce greenhouse gas emissions in the future.

#### **5) Risk from relevant laws**

Company strictly adheres to the principles of transparency business practices under various laws and requirements of the ordinance as determined by each locality. In case of any changes from the Government or State agency on the laws, regulations, or new policies which may affect to the business. Company has been closely monitoring any changes in Government policy or other events that affect the business to ensure that the business plan and related change management plan will be reflected in a timely manner.

Company must obtain important licenses under relevant laws and regulations in order to run a business, such as a rubber trading license, business licenses that are harmful to health, etc., which various licenses must be renewed periodically. There may be amendments to the laws and/or regulations relating to such licenses that may require additional action. Company cannot assure that the renewal will be obtained or there may be a delay in renewal process, which may result in not complying with the laws and regulations that could affect to company business operation and result. However, Company will always apply for a license renewal when its due date is reaching as well as monitoring changes in relevant laws and regulations that affect the company's business including Labor protection act, foreign labor management act and various regulatory requirements and new rules in order comply with all the relevant rules and regulation and resulting in continuing company's business without any interruption.

### 3 Business sustainability development

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#### 3.1 Sustainability Policy and Management Goals

The company focuses on good corporate governance along with socially and environmentally responsible operations to achieve good returns for shareholders and sustainable economic growth by establishing sustainable management policy as well as other policies to be a practice guideline of organization for stakeholders involved in the business operations of the organization. The overall detail is summarized as follows:

- To good corporate governance, enterprise risk management, compliance with relevant requirements including business ethics. There are important items to have to strictly follow.
- Priority must be given to respecting the human rights of all by treating everyone equally without discrimination and avoiding acts that violate human rights and prioritize labor by treating all employees with equality.
- Sustainable environmental management with an emphasis on environmental stewardship in order to prevent the company's business operations make affecting to environment. Implement and control to strictly comply with laws related to environmental stewardship by realizing that conservation of resources and energy is the responsibility of the company.
- Creating social value by managing human resources efficiently and fairly, developing the necessary knowledge and skills in accordance with employee development plans, and supporting good occupational health and safety management system, supporting the company's involvement with the community and relevant stakeholders by building relationships, building understanding, and strong cooperation.

#### 3.2 Managing the impact on stakeholders in the business value chain.

The company conducts business with an emphasis on stakeholder engagement as well as sustainability management of activities throughout the business value chain to build confidence in quality products and sustainable growth together.

##### 3.2.1 Business Value Chain

- (1) Purchasing quality of every piece of component is the company's top priority, so the company cares about the selection of raw materials, as an important factor that affects the quality of our products.
  - The company has a policy of maintaining and developing good relations with suppliers of raw materials. We plan and work closely to obtain raw materials that meet the standards and are able to be delivered on time.
  - There is a standardized procurement and sourcing process conducted in a transparent and fair manner.

**(2) Production :** The company strives to develop and improve the efficient management of production in order to provide customers with a good quality product.

- Develop production processes and implement efficient technology to obtain quality products at a cost-effective and low production loss.
- Machine and mold checks are planned regularly to ensure efficient operation. The provision of tools to be ready for immediate troubleshooting in the production process.
- Quality inspection measures are in place at all stages of production, to meet the requirements and following management standards such as ISO 9000: 2015, IATF 16949: 2016, and ISO 14001: 2015.

**(3) Sales and marketing :** The company continues to strive for marketing activity to expand our customer base by producing quality products that are generally accepted in the industry.

- Strategies are planned to create continuous growth.
- Build up a good relationship with customers through activities such as attending annual supplier meetings, accommodating customers' annual evaluations, as well as welcome customers to visit production sites to verify and build customer confidence.

**(4) After-sales service :** The company strives to maintain a high level of service satisfaction in order to continuously meet the needs of customers.

- The company enquires about customer satisfaction with products and services in every 6 months.
- Coordinate with customers in the case of problems occur or quality claims with urgent response in order to solve problems in a timely, as well as collect information to be able to continue to improve quality and good service to achieve the highest customer satisfaction.

### 3.2.2 Analysis of stakeholders in the business value chain

| Stakeholders                            | Expectations of stakeholders                                                                                                                                                                                                                                                                                                                                               | Responding for expectation of stakeholders                                                                                                                                                                                                                                                    |
|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Employee                             | <ul style="list-style-type: none"> <li>- have a good and proper welfare.</li> <li>- Developing people's potential and providing opportunities in the career path.</li> <li>- Working environment is pleasant and safe.</li> </ul>                                                                                                                                          | <ul style="list-style-type: none"> <li>- Comply with policies and procedures regarding compensation or wage.</li> <li>- Environmental management base on ISO14001 standard system</li> </ul>                                                                                                  |
| 2. Shareholders                         | <ul style="list-style-type: none"> <li>- Management with good governance and transparency</li> <li>- Performance of the business continues to grow.</li> <li>- Good return on investment</li> </ul>                                                                                                                                                                        | <ul style="list-style-type: none"> <li>- Conduct business within the principles of good corporate governance.</li> <li>- Develop a business strategy plan</li> <li>- Transparent disclosure of information</li> </ul>                                                                         |
| 3. Customers                            | <ul style="list-style-type: none"> <li>- Get quality products and reasonable prices.</li> <li>- Fairly comply with the agreement.</li> <li>- Confidentiality and information are treated fairly.</li> </ul>                                                                                                                                                                | <ul style="list-style-type: none"> <li>- Quality management with ISO9001/IATF16949 standard system</li> <li>- Have an anti-fraud or anti-corruption policy.</li> <li>- Have a code of conduct for customer confidentiality in accordance with the Code of Business Conduct Policy.</li> </ul> |
| 4. Supplier and Partner                 | <ul style="list-style-type: none"> <li>- There is a fair and transparent procurement process.</li> <li>- Provide clear and consistent product information for all suppliers to quote prices correctly.</li> <li>- Comply with the terms and conditions of payment fairly.</li> </ul>                                                                                       | <ul style="list-style-type: none"> <li>- Comply with the Procurement Policy.</li> <li>- Procurement in a transparent, fair and verifiable manner.</li> </ul>                                                                                                                                  |
| 5. Accounts payable                     | <ul style="list-style-type: none"> <li>- To be able to comply with the terms and conditions of agreement.</li> </ul>                                                                                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>- Establish the terms of the contract fairly and strictly comply.</li> </ul>                                                                                                                                                                           |
| 6. Community, society and environmental | <ul style="list-style-type: none"> <li>- The company's safety and environment must not have negative impacts on the community, society and environment.</li> <li>- Support social responding activity and well-being activities in the community.</li> <li>- To be transparency of business operations and transparency providing information to the community.</li> </ul> | <ul style="list-style-type: none"> <li>- Environmental management base on ISO14001 standard system .</li> <li>- To appropriate disclosure of environmental information.</li> <li>- Conduct business with care, along with responding in environment, community and society.</li> </ul>        |
| 7. Regulator Authorities                | <ul style="list-style-type: none"> <li>- Disclosure along with specified timing.</li> <li>- To clarify information transparently and in accordance with the requirements.</li> </ul>                                                                                                                                                                                       | <ul style="list-style-type: none"> <li>- Yearly report.</li> <li>- Report information by transparently and according to the information required by law.</li> </ul>                                                                                                                           |

### 3.3 Sustainability management in the environmental segment.

#### 3.3.1 Environmental Policies and Practices guideline

The company has implemented an environmental management system according to ISO 14001 standard system and has been certified in 2021. The company has announced an environmental policy as a framework for implementing ISO 14001 system as follows:



T.R.V. RUBBER PRODUCTS PUBLIC COMPANY LIMITED is committed to conserving natural resources, reducing and preventing pollution and environmental impacts from our business operations. Therefore, the company has adopted ISO 14001: 2015 Environmental Management System as part of our business operations under following policies and guidelines.

***“ TRV join together for save environment and complies with the law***

***Minimize many impacts, continuously improve environmental. ”***

- 1) The company will carry out activities and business operations in accordance with our mission, to comply with applicable laws and regulations including strictly comply environmental agreements.
- 2) The company strives to control and prevent water, air, and waste pollution caused by the company activities, processes, products, and services to have a minimal impact on the environment and nearby communities.

- 3) The company strives to control the disposal of waste and waste generated from business operations in accordance with relevant requirements and laws as well as to effectively reduce the quantity of waste generated.
- 4) The company controls, manages, promotes and conserve energy and natural resources for maximum benefit.
- 5) The company strives to comply with the environmental management system and continuously improve.
- 6) The company conducts environmental policy reviews and monitors the environmental objectives at least once a year.
- 7) The company will communicate and disseminate the environmental policy to employee, internal and external stakeholders and general public.

### 3.3.2 Environmental Performance

The company has continued to work on environmental management, especially significant issues related to the process, such as waste and unused materials management, monitoring and controlling pollution, including water, air, etc. as below the information.

#### 1) Un-used materials management

The company has been handling un-used materials by starting from waste segregation process in-house. The waste is classified into 3 categories: general waste, recycled waste and hazardous waste. The company also communicates to employees to perform the correct sorting and disposal of waste according to the specified type. In addition, the company encourages employees to recycle waste, such as reusing plastic-wrapped rubber sheets to be used as garbage bags, reusing paper boxes in some processes, etc.



The disposal of unused materials, both hazardous and non-hazardous waste, is carried out by a disposal subcontractor authorized by the Department of Industry. The company also conducts an annual evaluation the disposal subcontractor for verifying that the disposal sub-contractor's operations and

operation site audit are appropriate according to requirements, to ensure that the process of restricting waste material removal does not affect to environment and the community.

## 2) Environmental Measurement and Surveillance

The company maintains a proper working environment and must not cause pollution that may affect others outside the organization. For example, providing environmental inspections for heat, noise, smell, dust and chemicals. The company has managed by providing annual environmental quality measurements in the operating area and around the workplace on an annual basis to monitor quality of environment.

- Results of environmental quality measurements for Year 2023

| Measurement check items     | Number of measuring points | Measurement results                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-----------------------------|----------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Lighting intensity level | 88 points                  | The results of lighting intensity measurements when comparing a various work characteristics with the standards announced by the Department of Labor Protection and Welfare about standard of light intensity Y2018 was found that the light intensity result of all points is within specified standard.                                                                                                                                     |
| 2.Noise level (Leq. 8 Hrs.) | 9 points                   | The results of the daily average noise level measurement (8 hours) compared with the standard value according to notification of the Ministry of Labor Protection and Welfare regarding Subject: Sound level standards that allow employees to receive on average throughout the working period in every day Y2018 with specified the value of noise not over 85 dB (A), the measurement result was found to be within all required standard. |



| Measurement check items                   | Number of measuring points | Measurement results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-------------------------------------------|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3. Cumulative noise level<br>(Noise dose) | 9 points                   | The measurement results of the cumulative noise level of individual, comparison to the value standard according to the Department of Labor Protection and Welfare's Notification in the noise level standard that allows employees to receive an average throughout the working period of the day Y2018, The standard stipulates the sound level during a working period as more than seven hours per day, but not exceeding eight hours, must have continuous receiving noise level not more than 85 dB (A). The company measurement result was found that the accumulated noise level was within the specified standard in every points. |
| 4. Heating level                          | 7 points                   | The results of the heat level measurement when comparing the different types of work with standard criteria according to the ministerial regulations notification standards for the administration and management of safety, occupational health and working environments related to heat, light, noise Y2016, that specified WBGT for medium work is not more than 32.0 degree celsius. The result was within the specified standard in every points.                                                                                                                                                                                     |
| 5. Dust and chemicals                     | 10 points                  | The measurements result of dust and chemical concentrations compared to the standard according to the Ministry of Labor Protection and Welfare notification on the limit of concentration of hazardous chemicals Y2017 was found,the measurement result was within the standard in every points.                                                                                                                                                                                                                                                                                                                                           |

| Measurement check items                              | Number of measuring points | Measurement results                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------------------------|----------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 6. Ambient sound                                     | 3 points                   | Noise level measurement results was found that at the side of the factory 1, the disturbance level was 5.6 dB(A), in front of the factory 2, the disturbance level was 5.2 dB(A), and next to the factory 3, the disturbance level was 4.9 dB(A) . The results of the measurements obtained were compared with the noise level standards according to the notification of the Ministry of Industry, regarding the determination of disturbance noise levels and noise from factory business operations Y2005, noise levels were determined to be not over 10 dB (A), the result was found to be within the specified standard. |
| 7. Air impurities in the air exhausted from the flue | 2 points                   | The measurement result of impurities in the air exhausted from the flue compared to the standard according to the Notification of the Ministry of Industry that determination value of impurities in the air exhausted from the factory Y2006 , found that all measurement item were within the specified standard.                                                                                                                                                                                                                                                                                                            |
| 8. Waste water quality                               | 2 points                   | The results of the waste water quality inspection at both of waste water tank compared to the Ministry of Natural Resources and Environment Notification on determining standards to control wastewater from industrial factories and industrial zones and the announcement of the Ministry of Industry ,Subject: Determination of the standard for control of sewage from the factory Y2017 , all items were found within the required standard.                                                                                                                                                                              |

### 3) Reducing greenhouse gas emissions management

- No have data in 2023 –

The company is aware of environmental management system for reduce greenhouse gas emissions . In 2023 have provide project of “ TRV together to preserve the environment ”.



And project of planting activity at Watbangnamwon school, Samut Sakorn ,so the company have give the trees and plants to school and planting together with student



However, to promote the employees to participating in environmental activities, waste management and join together to planting trees for reduce greenhouse gas emissions and to increase the green area for balance the environment system.

#### 4) Green Industry Certification Level 3

The company has been certified Green Industry Level 3 from Ministry of Industry. It's mean the company have environmental management system and follow-up of the results and reviews for improvement continuous.



### 3.4 Sustainability Management in social segment

#### 3.4.1 Social contribution policies and practices guideline

The company recognizes the importance of respecting the human rights of all by treating everyone equally without discrimination, avoid acts that violate human rights and focused in labor by treating all employees with equality, without discrimination of origin, race, gender, age, skin color, religion or any disability by ensuring fair compliance with labor laws and regulations related to labor. Therefore, a social responsibility policy has been established as a guideline for the directors and employees to follow.

### 3.4.2 Social responding activity result

#### 1) Employees and labor

The company recognizes the importance of developing human resources and treating workers by fairly as factors that will enhance value of the enterprise and to be strengthen of competitiveness and sustainable growth of the company in the future. The company has established the following policies and guidelines practices:

- (1) Respect the rights of employees based on human rights and comply with labor laws.
- (2) Providing employment process, employment conditions and promoting of employee performance under a fair work evaluation process. In addition to fair compensation by providing consideration to increase the remuneration of employees every year by considering the performance of all employees equally and fairly, including considering the year-end bonus and overtime to all employees fairly.
- (3) Promoting human development by providing in-house training and sending staff to training from external seminars/training to improve their ability of work.
- (4) Providing various benefits for employees as required by law, such as social insurance, etc.
- (5) Providing training to promote and improve knowledge and ability of employees in all levels, including training to respond to unforeseen matter such as fire, by implement fire escape drills in every year.

#### 2) Occupational safety, health and environment at workplace

The company focuses on safety at workplace and continuously improve safety activity operations. To control and reduce risk of work-related illnesses and injuries and take care of quality of life and hygiene of employees appropriately. Implemented as follows:

- Set a security policy.

The company strives to conduct business with regard to safety of employees and related parties. Including continuing to improve business to be safe. The safety motto is

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***"Working safely , attention to every step."***

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To ensure safety management is effective, the company created a safety policy as part of the business guideline. The employee has to adhere to the following principles.

- (1) The company aware that safety at workplace to be the responsibility of all employees at all levels.
  - (2) All employees have to comply strictly with the safety, occupational health and environment regulations and to cooperate in ongoing safety activities.
  - (3) The company is committed to implementing improvements in working environment and processes to prevent accidents, injuries and occupational diseases, as well as providing proper and enough tools and safety equipment.
  - (4) The company is committed to promoting and advocating safety awareness for all employees at all levels by providing training and education in various ways to ensure effective safety management.
  - (5) The company recognized that all employees to be involved in preventing accidents and improving work environment. And the company welcomes feedback from employees. It will be considerate and improve as appropriate to ensure the safety of employees as much as possible.
- Providing a security management structure in the organization as follows:
    - (1) Safety officer in Professional level                      officer 1 person
    - (2) Safety officer in Management level                      officers 8 person
    - (3) Safety officer in Supervisory level                      officers 3 person
    - (4) Committee of Occupational Safety,  
Health and Environment of the Workplace                      officers 7 person
  - Providing for the implementation of a safety system.
    - (1) Providing emergency response equipment to cover risk areas and ensure of availability.
    - (2) Daily and monthly safety inspections by professional safety officers and the Occupational Safety, Health and Environment Committee shall be conducted at company site.
    - (3) Created a fire response structure in the company.
    - (4) Providing training about the safety, occupational health and work environment of general employees, new employees and relocators so that employees are aware of the dangers and risks inherent in the work and can deal with them.
    - (5) The company conducts basic firefighting training and fire evacuation drills at least once a year. The employees from all departments join with Bang Khun Thian District Fire

Department so that employees can respond to the incident in a timely manner in order to prevent the damage or reduce impact of the fire to be a minimized.



According to the above implementation, as a result, it is clear that the company's safety operations are effective and can reduce accidents at work.

● Information on occupational accidents

| Accident           | Year 2021 | Year | Year 2023 |
|--------------------|-----------|------|-----------|
| Lost Time Accident | 0         | 0    | 0         |

- Zero Accident Campaign**

In 2023, the company attend to Zero Accident Campaign Activity by Ministry of Labour. It's activities to encourage the company to prevent accidents in workplace based on the concept that "Accidents caused by work-related can be prevented." By control accident statistics to zero, also the company have management of occupational health ,safety and workplace to continually for safety culture and good healthy.

However, the company attend to this activity, as a result the company was Zero Accident Campaign 2023 certified with Basic Level for first year from the Ministry of Labour by certificate hours of 978,258 without loss time accident.



### 3) Community and society

The Company operates our business with awareness of social responsibility and all stakeholders ,such as a develop the quality of communities, society and the environment by reducing and prevent environmental impacts and avoid any operations may affect to surrounding communities and neighboring companies.

In 2023, the company not received any complaints about social or environmental issues from community and society.



Moreover, In 2023 the company have provide activity to promote the education with social by given school supplies ,sports equipment and scholarship for student at Watbangnamwon school, Samut Sakorn.



#### 4) Customer

The company maintains the production process of the company in a manner that does not affect to the environment. On the use of substances that may be harmful to the environment when decomposing, including contaminated chemicals testing with rubber or prohibited chemicals (Substance of (Environmental) Concern, SoC) that declared to reduce the impact on the environment. Directive on End of Live Vehicles (ELV) on the carcass of automotive products when the automotive is expired and compliance with the standards (Restriction of Certain Hazardous Substances, RoHS) on the use of harmful substances in electronic appliances.

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

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### 4.1 Business overview of the previous year

In 2023, revenue from the sales of moulded rubber parts for automotive has an increased growth rate from the increase of production volume for export sales as the economy expands. However, sales of moulded rubber parts in electrical appliances has a decreased growth rate. This is because the customer reduced production due to decreased domestic sales for parts of electrical appliances such as air compressors, refrigerators, rice cookers, etc.

### 4.2 Business performance analysis

Business performance analysis of the group of companies refers to the financial statements 2021-2023 audited by PricewaterhouseCoopers ABAS Ltd. The details can be described as follows.

| Item                                    | Period ending December 31 |              |                        |              |                    |              |
|-----------------------------------------|---------------------------|--------------|------------------------|--------------|--------------------|--------------|
|                                         | Consolidated financial    |              | Consolidated financial |              | Separate financial |              |
|                                         | 2023 (Audited)            |              | 2022 (Audited)         |              | 2021 (Audited)     |              |
|                                         | Million Baht              | Percentage   | Million Baht           | Percentage   | Million Baht       | Percentage   |
| Revenue from sales                      | 166.98                    | 100.00       | 173.62                 | 100.00       | 177.58             | 100.00       |
| Cost of sales                           | (112.64)                  | 67.46        | (117.67)               | 67.77        | (107.58)           | 60.58        |
| <b>Gross profit</b>                     | <b>54.34</b>              | <b>32.54</b> | <b>55.95</b>           | <b>32.23</b> | <b>70.00</b>       | <b>39.42</b> |
| Other income                            | 1.05                      | 0.63         | 45.35                  | 26.12        | 0.99               | 0.55         |
| Selling expenses                        | (10.61)                   | 6.35         | (9.74)                 | 5.61         | (10.73)            | 6.04         |
| Administrative expenses                 | (30.00)                   | 17.97        | (26.11)                | 15.04        | (27.96)            | 15.74        |
| <b>Operating margin</b>                 | <b>14.78</b>              | <b>8.85</b>  | <b>65.45</b>           | <b>37.70</b> | <b>32.30</b>       | <b>18.19</b> |
| Financial cost                          | (1.28)                    | 0.77         | (1.47)                 | 0.84         | (1.88)             | 1.06         |
| <b>Profit Before Income Tax Expense</b> | <b>13.50</b>              | <b>8.08</b>  | <b>63.98</b>           | <b>36.85</b> | <b>30.42</b>       | <b>17.13</b> |
| Income Tax Expense                      | (2.73)                    | 1.64         | (13.33)                | 7.68         | (6.27)             | 3.53         |
| <b>Profit (loss) for the year</b>       | <b>10.77</b>              | <b>6.45</b>  | <b>50.65</b>           | <b>29.17</b> | <b>24.15</b>       | <b>13.60</b> |
| Remeasurement of post-employment        | 0.64                      | 0.38         | -                      | -            | (1.67)             | 0.94         |
| <b>Total comprehensive income</b>       | <b>11.41</b>              | <b>6.83</b>  | <b>50.65</b>           | <b>29.17</b> | <b>22.48</b>       | <b>12.66</b> |

Remark: percentage per revenue from sales.

In 2022-2023, the group of companies had revenue from sales of THB 173.62 million and THB 166.98 million respectively, accounting for a decrease in growth rate of 3.82%. Gross profit ratio in 2021-2022 and 2023 were 39.42%, 32.23% and 32.54% respectively. Statement of Comprehensive income 2021, 2022 and 2023 reported THB 22.48 million, THB 50.65 million, and THB 11.41 million respectively, accounting for 12.66%, 29.17% and 6.83% respectively.

### Revenue from sales

Revenue from sales was from the manufacturing and distribution of molded rubber parts of the company, which are sold to the domestic market. The product can be divided into 3 groups, including automotive parts, electrical appliance parts, and others, which details are as follows.

1. Automotive molded rubber parts: engine grommet, O-ring, Motorcycle footrest rubber pad, brake pedal rubber cover pad, clutch pedal rubber cover pad, rubber stopper, side ladder anti-slipper, and rubber pad for car accessory.
2. Molded rubber parts for electrical appliances: rubber parts for freezers, stopper, silicone for rice cooker rim, rubber parts for lift pump, rubber pad for refrigerator, rubber parts for washing machine, and rubber parts for the vacuum cleaner.
3. Other molded rubber parts: rubber parts for agricultural machinery, and pipe rubber seal.

Table of the company's revenue structures divided by-products in 2022-2023

| Item                             | Period ending December 31         |               |                               |               |
|----------------------------------|-----------------------------------|---------------|-------------------------------|---------------|
|                                  | Consolidated financial statements |               | Separate financial statements |               |
|                                  | 2023 (Audited)                    |               | 2022 (Audited)                |               |
|                                  | Million Baht                      | Percentage    | Million Baht                  | Percentage    |
| Automotive sector                | 98.14                             | 58.77         | 89.42                         | 51.51         |
| Growth rate (%)                  | 9.76                              |               |                               |               |
| Electrical appliance sector      | 65.92                             | 39.48         | 82.61                         | 47.58         |
| Growth rate (%)                  | (20.20)                           |               |                               |               |
| Others                           | 2.92                              | 1.75          | 1.59                          | 0.91          |
| Growth rate (%)                  | 84.06                             |               |                               |               |
| <b>Total revenues from sales</b> | <b>166.98</b>                     | <b>100.00</b> | <b>173.62</b>                 | <b>100.00</b> |
| Growth rate (%)                  | (3.82)                            |               |                               |               |

Remark: percentage per total revenue from sales.

In 2023, the group of companies had revenue from sales of THB 166.98 million, decreased by THB 6.63 million or accounting for 3.82% compared to 2022. The decrease is mainly from sales of moulded rubber parts in electrical appliances due to a relocation of one customer. However, there are new customers coming to cover. In the future, the Group is expecting more new customers. Another factor leading to a decrease is due to orders from some customers decreased due to their export/ domestic sales. In contrast, revenue from sale of moulded rubber parts for automotives increased from the new model work.

### Cost of Sales and Gross Profit

#### Cost of Sales

Cost of Sales consisted of 1) Cost of the main materials, such as rubber compounds, and chemicals 2) Cost related to labors, consisted of salary, dairy wage, benefit, and allowance 3) Cost of production consisted of electricity charge, depreciation, packaging cost, maintenance cost, and consumable.

In 2023, cost of sales was THB 112.64 million, decrease by THB 5.02 million due to a decrease in sales.

#### Gross profit and gross profit ratio

| Item                          | Period ending December 31         |                                   |
|-------------------------------|-----------------------------------|-----------------------------------|
|                               | Consolidated financial statements | Consolidated financial statements |
|                               | 2023 (Audited)                    | 2022 (Audited)                    |
| Gross Profit                  | 54.34                             | 55.95                             |
| Gross profit ratio (%)        | 32.54                             | 32.23                             |
| <b>Revenue proportion (%)</b> |                                   |                                   |
| Automotive sector             | 58.77                             | 51.51                             |
| Electric appliance sector     | 39.48                             | 47.58                             |
| Others                        | 1.75                              | 0.91                              |
| <b>Total</b>                  | <b>100.00</b>                     | <b>100.00</b>                     |

In 2022-2023, Gross profit was THB 55.95 million and THB 54.34 million, accounting for 32.23% and 32.54% respectively.

In 2023, gross profit was THB 54.34 million, decreased by THB 1.61 million, accounting for 2.88%. This was because of the decrease in sales. However, the gross profit slightly increased due to lower raw material's costs as well as lower salary and employee expenses from the Group's cost saving policies.

## Other revenue

In 2023, the Group had other income totaling THB 1.05, which significant decrease from 2022 due to the sale of investment properties in 2022.

## Selling and administrative expenses

### Selling expenses

| Selling expenses       | Period ending December 31         |            |                                   |            |                     |            |
|------------------------|-----------------------------------|------------|-----------------------------------|------------|---------------------|------------|
|                        | Consolidated financial statements |            | Consolidated financial statements |            | Increase (Decrease) |            |
|                        | 2023 (Audited)                    |            | 2022 (Audited)                    |            |                     |            |
|                        | Million Baht                      | Percentage | Million Baht                      | Percentage | Million Baht        | Percentage |
| Salary and employee    | 5.32                              | 50.08      | 5.16                              | 52.92      | 0.16                | 3.02       |
| Vehicle expenses       | 1.04                              | 9.85       | 1.22                              | 12.55      | (0.18)              | (14.56)    |
| Promotional fee        | 4.13                              | 38.96      | 3.35                              | 34.38      | 0.78                | 23.36      |
| Other expenses         | 0.12                              | 1.11       | 0.01                              | 0.15       | 0.11                | 726.73     |
| Total selling expenses | 10.61                             | 100.00     | 9.74                              | 100.00     | 0.87                | 8.87       |

In 2023, selling expenses were THB 10.61 million, an increase of THB 0.86 million or 8.87% compared to 2022.

Selling expense per revenue from sales was 6.35% in 2023, increased by 0.74% compared to 5.61% in 2022 due to sales promotion expenses.

### Administrative expenses

| Administrative expenses          | Period ending December 31         |            |                                   |            |                     |            |
|----------------------------------|-----------------------------------|------------|-----------------------------------|------------|---------------------|------------|
|                                  | Consolidated financial statements |            | Consolidated financial statements |            | Increase (Decrease) |            |
|                                  | 2023 (Audited)                    |            | 2022 (Audited)                    |            |                     |            |
|                                  | Million Baht                      | Percentage | Million Baht                      | Percentage | Million Baht        | Percentage |
| Salary and employee              | 17.27                             | 57.54      | 16.23                             | 62.15      | 1.04                | 6.39       |
| Consulting fee and audit fee     | 5.69                              | 18.96      | 2.89                              | 11.06      | 2.80                | 96.95      |
| Depreciation and Amortization    | 2.53                              | 8.45       | 2.53                              | 9.68       | 0.00                | 0.15       |
| Utility bills maintenance fee    | 1.08                              | 3.61       | 0.98                              | 3.75       | 0.10                | 10.53      |
| Advertising and Public Relations | 0.45                              | 1.51       | 0.65                              | 2.48       | (0.20)              | (29.62)    |
| Other expenses                   | 2.98                              | 9.93       | 2.84                              | 10.88      | 0.15                | 5.17       |
| Total administrative expenses    | 30.00                             | 100.00     | 26.11                             | 100.00     | 3.89                | 14.94      |

In 2023, the Group had administrative expenses totaling THB 30.01 million, an increase of THB 3.90 million or 14.94% compared to 2022. Administrative expense per revenue from sales was 17.97% in 2023, increased by 2.93% compared to 15.04% in 2022 due to consulting fees related to an increase of share capital.

#### **Earnings before interest and taxes (EBIT)**

In 2023, the group of companies had an EBIT of THB 14.78 million, decreased by THB 50.67 million, or accounting for 77.42% compared to 37.70% in 2022 and 8.85% in 2023, mainly due to an increase in profit from the sale of investment property, an increase of THB 0.86 million in selling expenses and an increase of 3.90 million in administrative expenses as of 2023.

#### **Financial cost**

The company's financial cost consisted of interest payable from financial institution borrowings, and interest payable from lease agreements.

In 2023, financial cost was THB 1.28 million, decreased by THB 0.19 million, due to the loan repayment to financial institution during the year. Interest-bearing debt as of December 31, 2022, was THB 20.08 million, and as of December 31, 2023, was THB 10.65 million.

#### **Net Profit**

In 2022-2023, net profit was THB 50.65 million and THB 10.77 million, or equivalent to 29.17% and 6.45% respectively.

In 2023, net profit was THB 10.77 million, decreased by THB 39.88 million, or equivalent to 78.74%, compared to 2022. Net profit decreased by 22.72% from 29.17% in 2022 to 6.45% in 2023 mainly due to profit from sale of investment properties in 2022.

## Financial Statements

Audited financial statements of the company ending December 31, 2021-2023 audited by PricewaterhouseCoopers ABAS Ltd. with the following details.

| Financial statement                   | As of date                        |               |                                   |               |                               |               |
|---------------------------------------|-----------------------------------|---------------|-----------------------------------|---------------|-------------------------------|---------------|
|                                       | Consolidated financial statements |               | Consolidated financial statements |               | Separate financial statements |               |
|                                       | December 31, 2023                 |               | December 31, 2022                 |               | December 31, 2021             |               |
|                                       | Million Baht                      | Percentage    | Million Baht                      | Percentage    | Million Baht                  | Percentage    |
| <b><u>Current assets</u></b>          |                                   |               |                                   |               |                               |               |
| Cash and cash equivalents             | 114.74                            | 23.57         | 182.00                            | 48.86         | 111.42                        | 30.37         |
| Deposit at bank pledged as collateral | 20.00                             | 4.11          | -                                 | -             | -                             | -             |
| Trade and other receivables           | 185.07                            | 38.02         | 28.95                             | 7.77          | 41.59                         | 11.33         |
| Inventories, net                      | 10.41                             | 2.14          | 12.75                             | 3.42          | 14.46                         | 3.94          |
| Other current assets                  | 16.91                             | 3.48          | 0.08                              | 0.02          | 0.22                          | 0.06          |
| <b>Total current assets</b>           | <b>347.13</b>                     | <b>71.32</b>  | <b>223.79</b>                     | <b>60.07</b>  | <b>167.69</b>                 | <b>45.70</b>  |
| <b><u>Non-current assets</u></b>      |                                   |               |                                   |               |                               |               |
| Investment properties                 | -                                 | -             | -                                 | -             | 49.12                         | 13.39         |
| Property, plant and equipment, net    | 130.10                            | 26.73         | 137.10                            | 36.80         | 142.44                        | 38.82         |
| Right-of-use assets, net              | 4.03                              | 0.83          | 6.70                              | 1.80          | 2.48                          | 0.68          |
| Intangible assets, net                | 2.15                              | 0.44          | 2.49                              | 0.67          | 2.64                          | 0.72          |
| Deferred tax liabilities, net         | 2.37                              | 0.49          | 1.55                              | 0.42          | 1.63                          | 0.44          |
| Other non-current assets              | 0.94                              | 0.19          | 0.89                              | 0.24          | 0.89                          | 0.24          |
| <b>Total non-current assets</b>       | <b>139.59</b>                     | <b>28.68</b>  | <b>148.73</b>                     | <b>39.93</b>  | <b>199.21</b>                 | <b>54.30</b>  |
| <b>Total assets</b>                   | <b>486.72</b>                     | <b>100.00</b> | <b>372.52</b>                     | <b>100.00</b> | <b>366.89</b>                 | <b>100.00</b> |



| Financial statement                                                  | As of date                        |             |                                   |              |                               |              |
|----------------------------------------------------------------------|-----------------------------------|-------------|-----------------------------------|--------------|-------------------------------|--------------|
|                                                                      | Consolidated financial statements |             | Consolidated financial statements |              | Separate financial statements |              |
|                                                                      | December 31, 2023                 |             | December 31, 2022                 |              | December 31, 2021             |              |
|                                                                      | Million Baht                      | Percentage  | Million Baht                      | Percentage   | Million Baht                  | Percentage   |
| <b><u>Current liabilities</u></b>                                    |                                   |             |                                   |              |                               |              |
| Trade and other payables                                             | 17.69                             | 3.63        | 18.35                             | 4.93         | 29.29                         | 7.98         |
| Current portion of long-term borrowings from a financial institution | 7.86                              | 1.61        | 7.43                              | 1.99         | 8.05                          | 2.19         |
| Current portion of lease liabilities                                 | 0.71                              | 0.15        | 1.16                              | 0.31         | 0.47                          | 0.13         |
| Income tax payable                                                   | 1.61                              | 0.33        | 8.75                              | 2.35         | 2.49                          | 0.68         |
| Other current liabilities                                            | 0.61                              | 0.13        | 0.74                              | 0.20         | 0.74                          | 0.21         |
| <b>Total current liabilities</b>                                     | <b>28.48</b>                      | <b>5.85</b> | <b>36.42</b>                      | <b>9.78</b>  | <b>41.04</b>                  | <b>11.19</b> |
| <b><u>Non-current liabilities</u></b>                                |                                   |             |                                   |              |                               |              |
| Long-term borrowings from a financial institution                    | 0.53                              | 0.11        | 8.33                              | 2.24         | 15.74                         | 4.29         |
| Lease liabilities                                                    | 1.54                              | 0.32        | 3.17                              | 0.85         | 1.41                          | 0.38         |
| Employee benefit obligations                                         | 10.07                             | 2.07        | 9.93                              | 2.66         | 9.01                          | 2.45         |
| <b>Total non-current liabilities</b>                                 | <b>12.14</b>                      | <b>2.50</b> | <b>21.42</b>                      | <b>5.75</b>  | <b>26.15</b>                  | <b>7.13</b>  |
| <b>Total liabilities</b>                                             | <b>40.62</b>                      | <b>8.35</b> | <b>57.84</b>                      | <b>15.53</b> | <b>67.19</b>                  | <b>18.31</b> |





| Financial statement                             | As of date                        |               |                                   |               |                               |               |
|-------------------------------------------------|-----------------------------------|---------------|-----------------------------------|---------------|-------------------------------|---------------|
|                                                 | Consolidated financial statements |               | Consolidated financial statements |               | Separate financial statements |               |
|                                                 | December 31, 2023                 |               | December 31, 2022                 |               | December 31, 2021             |               |
|                                                 | Million Baht                      | Percentage    | Million Baht                      | Percentage    | Million Baht                  | Percentage    |
| <b>Equity</b>                                   |                                   |               |                                   |               |                               |               |
| Authorized share capital                        | 120                               | -             | 105.00                            | -             | 105.00                        | -             |
| Paid-up share capital                           | 120                               | 24.65         | 105.00                            | 28.19         | 105.00                        | 28.62         |
| Premium on ordinary shares                      | 254.89                            | 52.37         | 149.89                            | 40.24         | 149.89                        | 40.85         |
| Retained earnings, appropriated - legal reserve | 11.15                             | 2.29          | 10.50                             | 2.82          | 8.98                          | 2.45          |
| Retained earnings, unappropriated               | 60.06                             | 12.34         | 49.30                             | 13.23         | 35.83                         | 9.77          |
| <b>Total equity</b>                             | <b>446.10</b>                     | <b>91.65</b>  | <b>314.69</b>                     | <b>84.47</b>  | <b>299.70</b>                 | <b>81.69</b>  |
| <b>Total liabilities and equity</b>             | <b>486.72</b>                     | <b>100.00</b> | <b>372.52</b>                     | <b>100.00</b> | <b>366.89</b>                 | <b>100.00</b> |

## Assets

As of December 31, 2023, the company had total assets of THB 486.72 million, an increased from December 31, 2022 by THB 114.19 million, or equivalent to 30.65%. The main reasons were as follows:

- (1) Cash and cash equivalents decreased by THB 67.26 million. In 2023, the group had cash received from issuance of ordinary shares of THB 120 million. Cash decreased from paying of advance payment for inventories to be used in the project and decreased from using savings account for bank collateral against credit facility of promissory note.
- (2) Trade and other receivables increased by THB 156.11 million due to a subsidiary made advance payment for inventories to be used in the project.
- (3) Other assets increased by THB 16.88 million, mainly due to valued added tax from advance payment for inventories.

## 4.3 Source of funds

### 4.3.1 Liabilities

As of 31 December 2023, the Group's total liabilities were THB 40.63 million, a decrease of THB 17.21 million or 29.76% compared to 31 December 2022, mainly due to the following reasons;

- (1) Borrowing from a financial institution decreased by 7.37 million due to repayment made during the year.
- (2) Income tax payable decreased by THB 7.13 million due to there was profit of sale of investment properties in 2022.

### 4.3.2 Obligations

#### Capital expenditure obligations

-None-

### 4.3.3 Security

#### Security on the lease agreement

As of December 31, 2023, the group of companies closed a security against the lease agreement. The lease agreements and vehicles guarantee obligations have ended on August 22, 2023. As a result, the guarantor obligation of Mr. Theerawut Nawamongkhonchaikit (Director) will be extinguished.

#### Security on loan agreements applied from a financial institution

As of December 31, 2023, the group of companies had a letter of guarantee as a security for the credit facility, according to the short-term and long-term loan is secured by partial property, plant, and machine.

#### Letters of bank guarantee

As of December 31, 2023, the group has letters of guarantee issued by a financial institution for the purpose of ordinary course of business amounting to THB 29.93 million.

#### Deposit at bank pledged as collateral

As of December 31, 2023, savings account at bank is used as collateral against credit facility to issue promissory note amounting to THB 20.00 million. The group has outstanding undrawn credit facilities amounting to THB 100.00 million.

#### **4.3.4 Equity**

As of December 31, 2021-2023, equity and non-controlling interests were THB 299.70 million, THB 314.69 million, and THB 446.09 million, or accounting for 81.69%, 84.47%, and 91.65% of total liabilities and equities respectively. The equity increased by THB 131.41 million compared to 31 December 2022, mainly due to an increase in share capital and net profit during the year.

### **4.4 Liquidity**

#### **Cash flow**

| Item                                                   | Period ending December 31            |                                      |                                  |
|--------------------------------------------------------|--------------------------------------|--------------------------------------|----------------------------------|
|                                                        | Consolidated<br>financial statements | Consolidated<br>financial statements | Separate financial<br>statements |
|                                                        | 2023<br>(Audited)                    | 2022<br>(Audited)                    | 2021<br>(Audited)                |
| Net cash generated from operating activities           | (155.15)                             | 29.21                                | 32.58                            |
| Net cash used in investing activities                  | (22.60)                              | 88.33                                | (2.61)                           |
| Net cash generated from (used in) financing activities | 110.49                               | (46.97)                              | 77.20                            |
| Net increase (decrease) in cash and cash equivalents   | (67.26)                              | 70.58                                | 107.18                           |
| Opening balance                                        | 182.00                               | 111.42                               | 4.25                             |
| Closing balance                                        | <b>114.74</b>                        | <b>182.00</b>                        | <b>111.42</b>                    |

As of December 31, 2023, the group of companies had cash and cash equivalents of THB 114.74 million, decreased by THB 67.26 million, compared to December 31, 2022, which was caused by:

- (1) Net cash generated used in operating activities of THB 155.15 million from paying of advance payment for inventories to be used in the project.
- (2) Net cash generated used in investing activities was THB 22.60 million, mainly due to savings account at bank is used as collateral against credit facility to issue promissory note amounting to THB 20.00 million There was a payment for tangible assets in the amount of THB 2.53 million.
- (3) Net cash generated used in financing activities was THB 110.49 million, mainly due to an increase in share, borrowings repayment to a financial institution in the amount of THB 7.44 million, and the repayment of liabilities under lease agreement in the amount of THB 2.07 million.

#### 4.5 Key financial ratio analysis

Key financial ratio analyzed from company's financial position and performance, according to the above financial information. Details are as follows:

| Item                                               | Unit   | Period ending December 31               |                                         |                                     |
|----------------------------------------------------|--------|-----------------------------------------|-----------------------------------------|-------------------------------------|
|                                                    |        | Consolidated<br>financial<br>statements | Consolidated<br>financial<br>statements | Separate<br>financial<br>statements |
|                                                    |        | 2023                                    | 2022                                    | 2021                                |
| <b><u>LIQUIDITY RATIO</u></b>                      |        |                                         |                                         |                                     |
| Current ratio                                      | (time) | 12.19                                   | 6.15                                    | 4.09                                |
| Quick ratio                                        | (time) | 5.06                                    | 5.77                                    | 3.70                                |
| Operating cash flow to average current liabilities | (time) | (4.78)                                  | 0.75                                    | 0.63                                |
| Account receivable turnover                        | (time) | 5.95                                    | 5.09                                    | 4.20                                |
| Collection period                                  | (time) | 61.37                                   | 71.76                                   | 86.89                               |
| Finished goods turnover                            | (time) | 13.52                                   | 13.50                                   | 16.48                               |
| Inventory days                                     | (day)  | 27.00                                   | 27.03                                   | 22.15                               |
| Inventory turnover                                 | (time) | 9.73                                    | 8.65                                    | 8.47                                |
| Holding period                                     | (day)  | 37.53                                   | 42.21                                   | 43.08                               |
| Account payable turnover                           | (time) | 8.01                                    | 6.71                                    | 4.54                                |
| Payment period                                     | (day)  | 45.57                                   | 54.42                                   | 80.41                               |
| Cash Cycle                                         | (day)  | 53.34                                   | 59.55                                   | 49.56                               |

| Item                                  | Unit   | Period ending December 31               |                                         |                                     |
|---------------------------------------|--------|-----------------------------------------|-----------------------------------------|-------------------------------------|
|                                       |        | Consolidated<br>financial<br>statements | Consolidated<br>financial<br>statements | Separate<br>financial<br>statements |
|                                       |        | 2023                                    | 2022                                    | 2021                                |
| <b><u>PROFITABILITY RATIO</u></b>     |        |                                         |                                         |                                     |
| Gross profit margin                   | %      | 32.54                                   | 32.23                                   | 39.42                               |
| Operating profit margin               | %      | 8.85                                    | 37.70                                   | 18.19                               |
| Cash to profit Margin                 | %      | (10.50)                                 | 44.63                                   | 100.85                              |
| Net profit margin <sup>2/</sup>       | %      | 6.45                                    | 29.17                                   | 13.60                               |
| Return on equity                      | %      | 2.83                                    | 16.49                                   | 10.21                               |
| <b><u>EFFICIENCY RATIO</u></b>        |        |                                         |                                         |                                     |
| Return on assets                      | %      | 2.51                                    | 13.70                                   | 7.61                                |
| Return on fixed assets                | %      | 17.03                                   | 44.24                                   | 25.82                               |
| Total asset turnover                  | (time) | 0.39                                    | 0.47                                    | 0.56                                |
| <b><u>FINANCIAL POLICY RATIO</u></b>  |        |                                         |                                         |                                     |
| Debt to equity                        | (time) | 0.09                                    | 0.18                                    | 0.22                                |
| Interest coverage                     | (time) | 21.24                                   | 53.02                                   | 23.12                               |
| Interest-bearing debt to EBITDA ratio | (time) | 0.39                                    | 0.26                                    | 0.59                                |
| Debt service coverage ratio           | (time) | 3.17                                    | 9.06                                    | 5.11                                |
| Dividend Payout <sup>1/</sup>         | %      | -                                       | 70.04                                   | 64.36                               |

**Remark:** 1/ Calculation by the dividend payment rate announced by the company annually. For the year 2021-2023, the company announced to pay a dividend of THB 15.54 million and THB 35.67 million, the company intends to omit dividend payments for the fiscal year 2023 due to plans to reinvest capital in subsidiary projects to reduce financial expenses.

2/ Calculation by net profit, applying total revenues.

### Liquidity Ratio

#### Liquidity Ratio

In 2023, the company had a better liquidity ratio of 6.04 times. The had cash received from issuance of ordinary shares and paying of advance payment for inventories to be used in the project.

### Cash cycle

| Item<br><br>( Unit: Day ) | Period ending December 31            |                                      |                                  |
|---------------------------|--------------------------------------|--------------------------------------|----------------------------------|
|                           | Consolidated financial<br>statements | Consolidated financial<br>statements | Separate financial<br>statements |
|                           | 2023                                 | 2022                                 | 2021                             |
|                           | (Audited)                            | (Audited)                            | (Audited)                        |
| Average collection period | 61.67                                | 71.76                                | 86.89                            |
| Average inventory period  | 37.53                                | 42.21                                | 43.08                            |
| Average payment period    | 45.57                                | 54.42                                | 80.41                            |
| <b>Cash cycle</b>         | <b>53.34</b>                         | <b>59.55</b>                         | <b>49.56</b>                     |

In 2021-2023, the company's average collection period was 86.89 days, 71.76 days, and 61.37 days respectively. Credit term for customers was determined at 30-90 days. In 2021-2023, the company's average inventory period was 43.08 days, 42.21 days, and 37.53 days respectively. In 2021-2023, the company's average payment period was 80.41 days, 54.42 days, and 45.57 days respectively. The credit term agreed with suppliers and the company was 0-90 days. In 2021-2023, cash cycle equivalent to 49.56 days, 59.55 days, and 53.34 days respectively. In 2023, cash cycle decreased by 6 days compared to 2022, which was caused by:

- (1) Average collection period decreased by 10 days, as a decrease in trade receivables of THB 10.39 million. This corresponds to the increased Account receivable turnover.
- (2) Average inventory period decreased by 5 days. This corresponds to the increased finished goods turnover.
- (3) Average payment period decreased by 9 days, mainly due to increased account payable turnover.

### Profitability Ratio

#### Gross profit ratio

In 2023, gross profit ratio increased by 0.31% compared to 2022, due to lower raw material's costs as well as lower salary and employee expenses from the Group's cost saving policies.

**Cash to profit margin**

In 2023, cash to profit margin decreased by 55.13% compared to 2022. But the main reason was higher operating profit gained from the sale of investment property.

**Net profit margin**

In 2023, net profit margin increased by 22.72% compared to 2022, mainly due to a profit from the sale of investment property.

**Financial Policy Ratio****Return on equity**

In 2023, return on equity decreased by 13.66%, due to the sale of investment property.

**Efficiency Ratio****Return on assets/fixed assets**

In 2023, return on assets/fixed assets decreased by 11.19% and 27.21% respectively, mainly due to net profit in 2023 decreased by THB 39.88 million compared to 2022. Total assets increased by THB 114.20 million compared to December 31, 2022.

**Debt to equity**

In 2023, debt to equity decreased by 0.09 times from 2022, due to a decrease in liabilities in the amount of THB 17.22 million and an increase in equity in the amount of THB 131.40 million compared to December 31, 2022.

**Interest coverage**

In 2023, interest coverage decreased by 31.78 times from 2022, mainly due to an increase in operating profit and decreased interest payable.

**Remark: Financial ratio formula**

| <u>LIQUIDITY RATIO</u>                             |                                                                                                                      |        |
|----------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|--------|
| Current ratio                                      | = Current assets / Current liabilities                                                                               | (time) |
| Quick ratio                                        | = (Cash and cash equivalents + Marketable securities + Account receivable and note receivable) / Current Liabilities | (time) |
| Operating cash flow to Average current liabilities | = (Cash generated from operations / Current Liabilities (average))                                                   | (time) |
| Account receivable turnover                        | = Net credit sales / (Average accounts receivable before allowance for doubtful account + Note receivable) (average) | (time) |
| Collection period                                  | = 365 / Account receivable turnover ratio                                                                            | (day)  |
| Finished goods turnover                            | = Cost of goods sold / Finished goods inventory (average)                                                            | (time) |
| Inventory days                                     | = 365 / Finished goods days                                                                                          | (day)  |
| Inventory turnover ratio                           | = Cost of goods sold / Average Inventory                                                                             | (time) |
| Holding period                                     | Ratio                                                                                                                | (days) |
| Account payable turnover                           | = Cost of purchasing or cost of sales / (Average Accounts Payable Payable + Note Payable                             | (time) |
| Payment period                                     | = 365 / Account Payable Turnover Ratio                                                                               | (day)  |
| Cash Cycle                                         | = Collection period + Holding period - Payment period                                                                | (day)  |

| <u>PROFITABILITY RATIO</u> |                                                            |     |
|----------------------------|------------------------------------------------------------|-----|
| Gross profit margin        | = Gross profit / Revenue from sales, net                   | (%) |
| Operating profit margin    | = Operating margin / revenue from sales, net               | (%) |
| Cash to profit Margin      | = Cash generated from operations / Operating profit margin | (%) |
| Net profit margin          | = Net profit / Total revenue                               | (%) |
| Return On Equity (ROE)     | = Net profit / equity (average)                            | (%) |
| <u>EFFICIENCY RATIO</u>    |                                                            |     |
| Return on assets (ROA)     | = Net profit / Assets (average)                            | (%) |



|                                        |                                                                                  |        |
|----------------------------------------|----------------------------------------------------------------------------------|--------|
| Return on fixed assets                 | = (Net profit + Depreciation) / Net Fixed assets (average)                       | (%)    |
| Total asset turnover                   | = Revenue / Total assets (average)                                               | (time) |
| <u>FINANCIAL POLICY RATIO</u>          |                                                                                  |        |
| Debt to equity                         | = Total liabilities / equity                                                     | (time) |
| Interest coverage                      | = EBITDA / Interests payable                                                     | (time) |
| Interest- bearing debt to EBITDA ratio | = Interest-bearing debt / EBITDA                                                 | (time) |
| Debt Service Coverage Ratio            | = EBITDA / Interest-bearing debt + Annual debt obligations short term borrowings | (time) |
| Dividend Payout                        | = Dividend / Net Profit                                                          | (%)    |

(Mr. Raj Tanta-Nanta)  
Chairman of Board of Directors  
Audit Committee

## 5. General information and other material facts

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### 5.1 General information

|                             |                                                                                                                            |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------|
| Company Name                | : T.R.V. RUBBER PRODUCTS PUBLIC COMPANY LIMITED                                                                            |
| Security Name               | : TRV                                                                                                                      |
| Industry                    | : Industrial products                                                                                                      |
| Company Registration Number | : 0107564000154                                                                                                            |
| Nature of business          | : Manufacturer and distributor of rubber products for automotive parts, electrical appliance parts, and others.            |
| Head Office                 | : 40,88/8-9 Soi Eakachai 76 Yak 1-3-1<br>Khwaeng Khlong Bang Phran Khet Bangbon Bangkok 10150.                             |
| Tel.                        | : 02-451-1562-3                                                                                                            |
| Website                     | : <a href="http://www.trvrubber.co.th">www.trvrubber.co.th</a>                                                             |
| Registered Capital          | : 105,000,000 Baht (one hundred and five million Baht)                                                                     |
| Paid-up Capital             | : 105,000,000 Baht (one hundred and five million Baht)<br>Consisted of 210,000,000 ordinary shares, par value of 0.50 Baht |
| First trading date          | : December 2, 2021                                                                                                         |

### 5.2 Subsidiary Company

|                             |                                                                                                                                                                                                                                                         |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Company Name                | : TOP TREAT COMPANY LIMITED                                                                                                                                                                                                                             |
| Company Registration Number | : 0105565104911                                                                                                                                                                                                                                         |
| Nature of business          | : seller of machines, engines, mechanical equipment, labor-saving equipment, vehicle, electricity generator, and water pump, including all kinds of goods and all type of goods related to the railway business, and a provider of maintenance service. |
| Head Office                 | : 88/8 Soi Eakachai 76 Yak 1-3-1 Khwaeng Khlong Bang Phran<br>Khet Bangbon Bangkok 10150.                                                                                                                                                               |
| Tel.                        | : 02-451-1562-3                                                                                                                                                                                                                                         |
| Registered Capital          | : 20,000,000 Baht (twenty million baht)                                                                                                                                                                                                                 |

Paid-up Capital : 20,000,000 Baht (twenty million baht)

TRV's shareholding : 99.99 %

**Other reference parties**

- 1) Registrar : Thailand Securities Depository Co., Ltd.  
  
93 Ratchadaphisek Road, Khwaeng Din Daeng,  
  
Khet Din Daeng, Bangkok 10400.  
  
Tel: 02-009-9000 Fax: 02-009-9991
- 2) Company Auditor : PricewaterhouseCoopers ABAS Co., Ltd.  
  
179/74-80 Bangkok City Tower 15th floor  
  
South Sathorn Road, Khwaeng Thung Maha Mek,  
  
Khet Sathon, Bangkok 10120.  
  
Tel: 02-844-1000 Fax: 02-286-5050

**5.3 Other important information**

-None-

**5.4 Legal dispute**

-None-

**5.5 Secondary market**

-None-

## Part 2: Corporate Governance

### 6. Corporate Governance Policy

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#### 6.1 Overall corporate governance policy and code of conducts

The board has established good corporate governance based on the Good Corporate Governance Policy based on the guidelines and practices of the Principles of Good Corporate Governance for Listed Companies 2017 prepared by the Securities and Exchange Commission Thailand in order to serve as guidelines for governing the organization and as a standard for the board, directors and all employees to comply.

#### Policy and Code of Conduct regarding the board of directors, shareholders and stakeholders

The board is committed to comply with the Principles of Good Corporate Governance for Listed Companies 2012 (CG Principles) by the Stock Exchange of Thailand and the Principles of Good Corporate Governance for Listed Companies 2017 (CG Code) by the Securities and Exchange Commission Thailand. The board of directors, the Nomination and Remuneration Committee and the Audit Committee are the responsible units for considering and presenting to the company's board for the approval of policy, including implementing the regulations. In this regard, the company's board has considered the use of CG Code that is added and revised from CG Principles to build a sustainable value for the company. The company has Corporate Governance Policy and Code of Conduct according to CG Code as follows:

#### Code of Conduct 1: Roles and Responsibilities of the Board

The board ensures that the company will achieve the Good Governance Outcome by monitoring the management team's operations in order ensure that the established policies and strategies are respected with ethical business operations which contribute to the benefits for the society, development and reduction of environmental impacts as well as the ability for the company to adapt to the changing circumstances so as to make the company remain competitive. The board is independent and performs duties by complying with responsibility, sincerity, and legality, company's objectives and regulations, the board's resolutions and the shareholders' meeting resolutions.

#### Code of Conduct 2: Determine the company's objectives for sustainability

The board will establish and ensure that the company's objectives are for sustainability and are in line with the creation of values for the company, customers, stakeholders and the society as a whole.

**Code of Conduct 3: Promotion of an effective board**

The board is responsible for establishing and reviewing the board's structure in terms of size, compositions, proportions of independent directors appropriate and necessary for achieving the set objectives. The board will also ensure the process of recruiting and selecting the company's board is transparent and clear so as to obtain the board with the qualities according to the established objectives. The board has to monitor the policy and operations of subsidiaries and other businesses in which the company has significantly invested in the level that suits each enterprise and subsidiary and the business in which the company has significantly invested to have the same understanding.

**Code of Conduct 4: Outsource and improve high-level executives and personnel management**

The board will ensure that there is an outsourcing and improvement of Chief Executive Officer and high-level executives for them to be equipped with the knowledge, skills, experiences and attributes necessary to achieve the organization's objectives. The board will establish a structure for appropriate remuneration and assessment through the suggestions of the Nomination and Remuneration Committee. The board will also establish a succession of position plans for the succession of the Chief Executive Officer and Business Executive positions.

**Code of Conduct 5: Responsible business operations**

The board will prioritize and promote the operations contributing business values and generating benefits for the consumers and related individuals while also being responsible for the society and the environment. The board will ensure that the Resources Management Department manages the resources effectively in order to sustainably achieve the objectives. The board will also ensure that the company operates business with ethics and responsibilities for the society and the environment without violating the rights of the stakeholders in order to set guidelines for all sections of the organization to sustainably achieve the company's objectives altogether. The board has established the policy on business ethics to cover the followings:

**1) Responsibilities to staff and employees**

Treatments are in accordance with the laws and related standards. The company must treat staff and employees fairly and respect the human rights, namely a fair remuneration and other benefits, a provision of welfare no less than the requirements set by the laws or more according to suitability, healthcare and health safety in workplace, capacity- building trainings, promotion for career advancements, including the opportunity for employees to develop skills in other aspects of work.

**2) Responsibilities to customers**

The company will operate according to the laws and related standards while acknowledging the health, safety, fairness, customer's information confidentiality, after-sales services throughout the products' lifespan, follow-up for satisfaction feedback for product and services improvement, including responsible advertising and sales promotion that will not contribute to misunderstandings or taking advantage of the customers' misunderstandings.

**3) Responsibilities to trading partners**

The company must have a fair procurement process and contract or agreement terms, provision of knowledge and potential development elevating the production and services ability to meet the standards, explain and ensure that the trading partners respect human rights, fairly treat their labors fairly, and are responsible for the society and the environment, including verify and assess the trading partners for sustainable business operation developments.

**(4) Responsibilities to the community**

The company must apply business knowledge and experience to practically improve projects beneficial to the community, including monitor and measure progress and long-term success.

**(5) Responsibilities to the environment**

The company has to prevent, reduce and ensure that the company will not create a negative impact on the environment. This includes the use of raw materials, energy, water, renewable resources, business waste disposal and management, emission of greenhouse gases, etc.

**(6) Fair competition**

The company must operate business with transparency with no creation of unjust competitive advantages.

**(7) Anti-corruption resistance**

The company must operate according to the laws and related standards and inform the policies against corruptions to the public by joining the network in the fight against corruptions, including supporting other business and trading partners to have and announce anti-corruption policy and to join the network.

**Code of Conduct 6: Ensure appropriate risk management and internal control system**

The board will ensure that the company has a risk management system and internal control allowing the effective achievement of the objectives. The board will also ensure that the operations are legal and in line with the related standards as follows:

- 1) The board will comprehend the company's critical risks and approve acceptable risks.
- 2) The board will consider and approve risk management policy in line with the company's objectives, strategies and acceptable risks for the operational frameworks that leads to the unity of the organization's risk management procedures. In this regard, the board will emphasize the importance of early warning signs and ensure regular risk management policies.
- 3) The board will ensure that the company identifies the risks based on both internal and external factors which may prevent the company from achieving the objectives. In this regard, the risks that the board should pay attention to may be divided into strategic risk, operational risk, financial risk and compliance risk.
- 4) The board will ensure that the company assesses the impacts and the mentioned risk possibilities in order to prioritize and arrange appropriate risk management.

The board will monitor and manage conflict of interests which might occur among the company, management team, the board of directors and the shareholders, including preventing the misuse of the company's assets, data, opportunities and transactions with the individuals related to the company.

**Code of Conduct 7: Maintenance of financial credibility and information disclosure**

The board is responsible for ensuring that the system for financial reports and disclosure of important information is accurate, sufficient, timely and in line with the rules, standards and the related code of conduct. The board needs to consider the related factors in case of financial report by considering the following factors:

- 1) The assessment of the sufficiency of the internal control system.
- 2) The comments of the auditor in the financial reports and the audit's remarks on the internal control system, including the audit's remarks on other channels (if any).
- 3) The Audit Committee's comments.
- 4) The consistency with the company's objectives, strategies and policies.

The board encourages the use of information technology in publishing the information according to the established criteria and channels of the Stock Exchange of Thailand. The board will consider disclosing the information in both Thai and English through other channels such as the company's website and will operate

consistently with updated information. In this regards, the company will disclose at least the following information on the company's website:

- 1) The company's visions and values.
- 2) The company's nature of business operation.
- 3) List of the board of directors and executives.
- 4) Financial statements and reports on the financial status and performances from the current and the previous year.
- 5) Downloadable form 56-1 and annual reports.
- 6) Information or other documents that the company presents to analysts, fund manager and the media.
- 7) Structure of direct and indirect shareholding.
- 8) Structure of group company, including subsidiaries, associates, joint ventures and Special Purpose Enterprises/Vehicles (SPEs/SPVs).
- 9) Major direct and indirect shareholders who hold shares from 5 percent of the total number of shares sold with voting rights.
- 10) Direct and indirect shareholdings of directors, major shareholders and high-level executives.
- 11) Invitation letter to the general and extraordinary general meeting of shareholders.
- 12) The company's regulations and memorandum.
- 13) The company's governing policy, anti-corruption policy, information technology security policy and risk management policy.
- 14) Charter or accountabilities, qualifications, the board of directors' office terms, including the subjects that require approval from the board, charter or accountabilities, qualifications, the office terms of the Audit Committee and Nomination and Remuneration Committee, and remuneration establishment
- 15) Business operation ethics.
- 16) Contact information of agencies, complaints or the person responsible for investor relations, the company's secretary such as the names, phone numbers and emails of the individuals able to share information.

In addition, the board will ensure the sufficiency of the cash flow and debt serviceability and arranges a mechanism able to fix financial problems in case the business encounters or has a tendency to encounter financial problems.



**Code of Conduct 8: The promotion of participation and communication with shareholders**

The board will ensure that the shareholders participate in making important decisions of the company and support the shareholder's participation such as

- 1) The establishment of criteria allowing minority shareholders to suggest meeting agenda prior to the day of the shareholders' meeting. The board will consider including the subjects proposed by the shareholders into the meeting agenda. In case the board denies the subject proposed by the shareholders, the board has to inform the reasons to shareholders' meeting.
- 2) Criteria for minority shareholders to nominate names for directorship.

In this regard, the board will ensure the disclosure of the criteria to the shareholders in advance. The board will ensure that the proceedings on the day of the shareholders' meeting are smooth, transparent, effective and convenient for the shareholders to exercise their rights. Furthermore, the board will ensure that the disclosure of the meeting's resolutions and the shareholders' meeting report are correct and complete. (Please see additional details on the full Corporate Governance Policy in Attachment 5)

**6.2 Business ethics**

the company has established the code of conduct in business operation in order that the executives and employees can comprehend and use it as guidelines in operating business and uphold as a practice in strictly carrying out their duties. The emphasis is on the good governance principles, the importance of treating the stakeholders with equality, justice and transparency, including the consideration of respecting the rights of all stakeholders which will help the company to keep operating the business with transparency in line with the laws and avoid any activities which might lead to the company's conflict of interests. Furthermore, this code of conduct encourages the promotion of confidence in the organization for investors and stakeholders so as to let them see the company's adherence to the good quality, culture, image, and standard. The board has published the code of conduct in business operation on the company's website [www.tvrubber.co.th](http://www.tvrubber.co.th) (Please see the additional details on the code of conduct in business operation in Attachment 5).

**6.3 Significance changes and developments of the Principles of Good Corporate Governance in the previous years**

The company has implemented the Principles of Good Corporate Governance for Listed Companies 2017 and the board has put in place the procedures in reviewing the Principles of Good Corporate Governance for Listed Companies 2017 to appropriately apply to the context of business at least once a year. The company's board meeting 2/2021 on 26 April 2021 has revised and approved the latest version of Good Corporate Governance Policy.

## 7. Corporate governance structure and material facts related to the board, subcommittees, executives, employees and others

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### 7.1 Organization Chart as of January 31, 2024

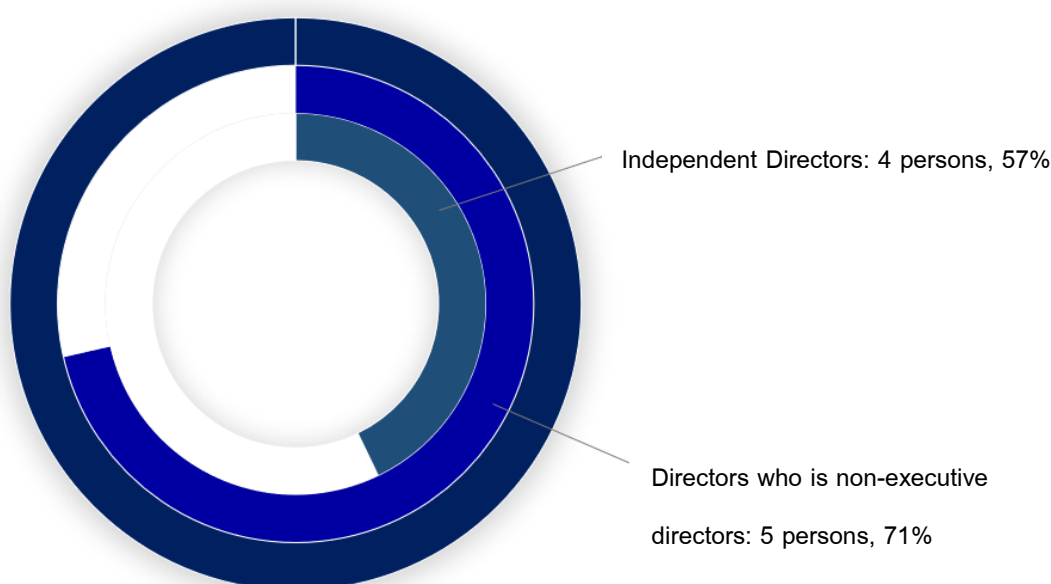


## 7.2 Information of the Board of Directors

The company Board of Directors consisted of qualified and competent person, who have an important role in corporate governance, set vision, mission, overall policy, direction, financial target, risk, operational plan, budget, as well as important strategy for the company's Business. Including, the Board of Directors is responsible for supervising and monitoring the management to ensure the policy and strategy compliance, it is determined for not less than 5 persons, according to the company's Article of Association. Directors of not less than a half of the total Directors must be Thai resident. As of December 31, 2023, there were 7 Directors of the company in accordance with the company Article of Association, 5 of them are non-executive directors (accounting for 71% of the total Board of Directors), and 2 of them are executive directors. The company consisted of 4 Independent Directors according to the criteria of the Office of the Securities and Exchange Commission. There is an Independent Directors who is Female, and 3 of them are qualified in accordance with the requirements of the Independent Directors. The company's Board of Directors has gender diversity, a variety of qualifications, knowledge, expertise and experience required for the benefits of the business, and having the counter balance mechanism within the board.

### 7.2.1 Composition of the Board of Directors

#### The Board of Directors Proportion



### 7.2.2 Information of the Board of Directors and Controlling Persons individually

The Board of Directors consisted of 7 persons as of December 31, 2023 as follows:

| Name                                 | Board of Directors                    | Audit Committee | Nomination and Remuneration Committee | Risk Management Committee | Executive Directors |
|--------------------------------------|---------------------------------------|-----------------|---------------------------------------|---------------------------|---------------------|
|                                      | 7 persons                             | 3 persons       | 3 persons                             | 3 persons                 | 2 persons           |
| 1. Mr. Raj Tanta-nanta               | Chairman/<br>Independent<br>Directors | Member          | -                                     | Chairman                  | -                   |
| 2. Mr. Krishna Boonyachai            | Independent<br>Directors              | Chairman        | Member                                | -                         | -                   |
| 3. Miss Srirat Chuchottaworn *1      | Independent<br>Directors              | Member          | Chairman                              | -                         | -                   |
| 4. Mr.Sarun Nimitrath                | Independent<br>Directors              | -               | -                                     | -                         | -                   |
| 5. Mr. Theerawut Nawamongkhonchaikit | Directors                             | -               | -                                     | Member                    | Chairman            |
| 6. Mrs.Supak Nawamongkhonchaikit*2   | Directors                             | -               | -                                     | -                         | Member              |
| 7. Mr.Prasert Ruengleardsatitkul     | Directors                             | -               | Member                                | Member                    | Member              |
| Mr. Chanaphan Piriayaphan *3         | Independent<br>Directors              | Member          | Chairman                              | -                         | -                   |
| Mr. Nopporn Witoonchart*4            | Directors                             | -               | -                                     | -                         | -                   |

**Remark :**

- The Annual General Meeting 1/2023 on April 28, 2023 had appointed Mr. Chanaphan Piriayaphan \*3 replacing retired directors Miss Srirat Chuchottaworn \*1 and Mr. Nopporn Witoonchart\*4 replacing retired directors Mrs.Supak Nawamongkhonchaikit\*2.

Mr. Prasert Ruengleardsatitkul is the Secretary of the Board of Directors.

**Authorized Directors of the company**

Mr. Theerawut Nawamongkhonchaikit, Mr. Nopporn Witoonchart, and Mr. Prasert Ruengleardsatitkul are the authorized directors of the company, two of these three directors together affixed together with the company's seal affixed. In the case of signing a request, report, form or any document to submit to government agencies including the Ministry of Labor, Ministry of Industry, Immigration Bureau, The Office of the Securities and Exchange Commission, The Stock Exchange of Thailand or Thailand Securities Depository Co., Ltd, one of the directors shall sign and affix the Company's seal.

**7.2.3 Information of Roles and Responsibilities of the Board of Directors**

The company's Board of Directors play an important role in driving the company, they have roles and responsibilities in formulating strategies and policies in the company's business operations. The Board of Directors must carefully perform their duties responsibly for the ultimate benefit of the company on the basis of social and environmental responsibility to be fair for all stakeholders under the good corporate governance. Besides, they also have role and responsibility in supervising and evaluating the performance of the management and the Directors to achieve the plan as determined. Thus, the Board of Directors resolved to formulate the charter in order to emphasize every Directors for their roles and responsibilities in order to completely perform their duty and to create sustainable value to the company, customers, stakeholders, and overall society.

- **The Scope of Authority, Duties, and Responsibility of the Board of Directors**

- 1) Carry out duties under laws, objectives, and the Company's Article of Association as well as resolutions of Directors and Shareholders meeting with honesty, prudence, and morality, take into account the interests of all Shareholders equally.
- 2) Create vision, mission, overall policies, directions, financial goals, risks, operations plan, budget as well as a key strategy for business operation with competence and prudence in order to protect the Company and Shareholders' benefit
- 3) Monitor the Company performance continually to ensure the compliance with goals, operations plan and budget set by the Company. Be able to handle obstacles and problems that may arise in a timely manner.
- 4) Control and govern the administration, the management, and the performance of the Board, Chief Executive Officer, the Management or any parties assigned to perform the duties in order to conform with the policy, operations plan, and budget set by the Board to meet efficiency and effectiveness.
- 5) Ensure that the Company and its subsidiaries establish suitable and effective accounting policy and accounting systems, prepare reliable financial reports, provide effective internal control system and

internal audit system, and control the compliance with rules, regulations and policies that may affect the Company's business performance.

- 6) Hold Annual General Meeting (AGM) within 4 months from the date of the end of the Company accounting period. Meeting invitation letters should be submitted to the Board and Shareholders together with meeting agendas and supporting documents in advance with appropriate period of time, not less than the period stipulated in the Company's regulations.
- 7) Prepare financial statements of the Company and its subsidiaries as of the date of the end of the Company accounting period to reflect the financial position and operating results truly and completely operate in the past accounting period. Financial statements must be in accordance with generally accepted accounting principles, and audited by an auditor before submitting to the Shareholders' meeting for approval.
- 8) Approve the selection and appointment of an auditor and consider appropriate compensation as proposed by the Audit Committee before proposing to the Shareholders' meeting at the AGM for approval
- 9) Consider establishing a Risk Management policy that covers the entire Company, and supervise in an orderly way, or establish a Risk Management Process with supporting measures and control methods in order to reduce impacts against the Company's business in an appropriate and effective manner.
- 10) Supervise the Risk Management and internal control measures, the Board and the Audit Committee must provide a consideration to give opinions on the sufficiency of such matters at least once a year, and shall disclose in the Annual report, including monitor the risk factors so that they do not have a negative impact on the Company's operations.
- 11) Supervise the provision of Information Technology management and measures to maintain the Information Technology system security
- 12) Establish a Corporate Governance policy according to the Good Corporate Governance Principles, provide the Handbook of Business Ethics for Directors, Executives, and employees. Implement the policy efficiently, monitor the policy compliance to ensure that the Company is responsible for all stakeholders with moral and considering the sustainable development of business.
- 13) Approve the appointment of new Directors in replace of the Directors who have completed their terms by considering an approval of qualified candidates who have no prohibited characteristics according to the Public Limited Companies Act, Securities and Exchange Act and any other relevant laws, including notifications, rules and/or regulations related to the position of Directors. Make a decision on the Directors' compensation as proposed by the Nomination and Remuneration Committee to propose to the Shareholders meeting for approval.

- 14) Appoint qualified candidates who have no prohibited characteristics according to the Public Limited Companies Act, Securities and Exchange Act and any other relevant law, including notifications, rules and/or regulations to take a position in the event that a Director's position becomes vacant for any reason other than retirement by rotation.
- 15) Appoint Sub-committees and determine the authority and duties of such Sub-committees in order to help and support the Board's operations as necessary and appropriate, as well as consider the appointed Sub-committees' compensation
- 16) Consider the determination and replacement of the name of Authorized Directors
- 17) Consider to cast a vote for significant matters, significant transactions, including acquisition or disposal of assets of the Company and its subsidiaries that have a significant impact on the Company, purchase or sale of considerable assets, investment project expansion, consider and approve entering into related party transactions according to the SET's criteria, determine level of authority. The consideration must comply with relevant notifications, rules and/or regulations of the Stock Exchange of Thailand and/or the Security and Exchange Commission.
- 18) Approve an interim dividend payout to Shareholders when it deems that the Company has reasonable profits for the dividend payout, and report the interim dividend payout to Shareholders at the next Shareholder meeting
- 19) Review and revise the scope of authority, roles and responsibilities of the Board in accordance with the situation
- 20) Review and update important policies and operations plan to conform with business conditions on a regular basis
- 21) Develop a succession plan in order to ensure a succession of the positions of the Chief Executive Officer and senior management of the Company
- 22) Appoint the Company Secretary for taking care of various activities of the Board and assist the board and the company in the compliance with the laws and regulations. The Board Secretary may or may not be a Director.
- 23) The Board may grant power of attorney to a Director, Directors, or any person to take any action on behalf of the Board under the supervision of the Board, or may grant power of attorney to have authority as the Board deems appropriate within a reasonable time. The Board may cancel, revoke, change or modify such authorization at its discretion.

This power of attorney shall not constitute an authorization to allow the authorized person to review and approve the transaction in which himself or an individual may have a conflict of interest, benefits, or any other conflict of interest. Or any conflict of interest may arise against the Company and its subsidiaries (if any) (according to the definition under the Notification of the Capital Market

Supervisory Board and/or SET and/or any notification of any relevant entities) unless the transaction is approved in accordance with the policies and rules reviewed and approved by the Board.

- 24) Supervise sub-committee operations to be in line with the scope of authority, roles and responsibilities of the Board as specified.
- 25) Establish a Corporate Governance Policy according to the Good Corporate Governance Principles, prepare Code of Business Conduct in writing, and implement the policy efficiently, as well as review and follow up the policy compliance on a regular basis to ensure that the Company is fairly responsible for all stakeholders.
- 26) Report the Board's responsibilities on financial report preparation together with the Auditor report in the Annual Report, covering important matters in accordance with Policy Statement on Code of Conduct for Directors of Listed Companies
- 27) Determine the authority and level of approval to parties or individuals as appropriate for making transactions and any operations related to the Company, and must comply with relevant laws, authorization handbook must be made with at least once a year reviewing.
- 28) Supervise and establish policies of subsidiaries or affiliates, including, the Board shall ensure that contracts are signed between shareholders (if necessary), or joint venture contracts to clarify executive power and involvement in making important decisions. Follow up the operating results in order to collect data to be used for financial statement preparation to meet the standards as scheduled.
  - 1) Perform duties under the scope of authority and responsibilities determined for Directors approved by the Company's Board meeting resolved to be Directors or Executives of subsidiaries as shareholding proportion of the Company in the subsidiaries.
  - 2) Monitor subsidiaries and affiliates' performance to comply with operations plan and budgets on a regular basis.
  - 3) Ensure the information disclosure of subsidiaries, regarding financial position, operating results, related party transactions, and the acquisition or disposal of considerable assets to be completely and accurately disclosed.
  - 4) In case subsidiaries make related party transactions, acquisition or disposal of assets, or any significant transaction, the Board especially Directors or any person approved by the Board meeting for being appointed to be a Director in a subsidiary, he/she is obligated to supervise the subsidiary to comply with regulatory mechanism regarding related party



transactions, and acquisition and disposal of assets, as well as significant transactions specified by the company.

- 29) Ensure an establishment of policies to promote training and educate persons involved in the Company's Corporate Governance system, such as Directors, Audit Committees, Executives, and the Company Secretary in order to continually improve the operations.

Documents and operations plan is systematically prepared so that the successor can continue to perform duties in the event of the replacement or appointment of Directors. The board shall disclose training and learning information in the Annual Report.

- 30) Make a decision on compensation structure. The compensation of Independent Directors is monthly remuneration and meeting allowance per time, which must be in the average criteria compared to the same industry considering the sufficiency of the duties and responsibilities that the Directors are responsible for. Directors who are Executives have no monthly remuneration and meeting allowance per time, the Executives earn monthly salary and annual bonus considering the Company's performance. The annual remuneration of Directors and Executives combined must not be abnormally high compared with the average return of listed companies. In this regard, the best interests of the shareholders will be taken into account, and the compensation of Directors must be approved by the AGM.

### 7.3 Subcommittees

The Board of Directors has appointed subcommittees, consisted of: 1) Audit Committee, 2) Risk Management Committee, 3) Nomination and Remuneration Committee, in order to perform their specific duties and to propose to the Board of Directors for consideration and acknowledgement. The charter was established for each committee in order to determine their roles and responsibilities.

#### 7.3.1 Audit Committee

Currently, the Audit Committee consisted of 3 persons of independent committees. Such committees have qualifications according to the Public Companies Act and Criteria of the Office of the Securities and Exchange Commission. Mr. Weerasil Sattayapakdeewong is the person who have sufficient knowledge and experience in performing and reviewing the reliability of the company's financial statements, including performing other duties of the Audit Committee. List of the Audit committees are as follows:

| Name                       | Position |
|----------------------------|----------|
| 1. Mr. Krishna Boonyachai  | Chairman |
| 2. Mr. Raj Tanta-nanta     | Member   |
| 3. Mr. Chanaphan Piriaphan | Member   |

● **The Scope of authority, duties, and responsibilities of the Audit Committee**

- 1) To review and ensure that the Company's financial statements are accurate and adequately disclosed
- 2) To review and ensure that the Company, including subsidiaries and affiliate companies have appropriate and efficient internal control and internal audit systems. To consider the independence of the Internal Audit Department, and to approve the appointment/ re-allocation/ termination of Head of Internal Audit or hiring an external Internal Audit or any other agencies responsible for Internal Audit matters.
- 3) To review and ensure that the Company complies with the securities and exchange law, rules and regulations issued by the Stock Exchange of Thailand, and other laws relevant to the Company's business.
- 4) To consider selecting and nominating an independent person(s) to act as an auditor(s) of the Company including the auditor's remuneration, and to attend a meeting with the auditor without the Management's presence at least once a year.
- 5) To consider related party transactions or transactions that may have conflicts of interest in accordance with laws and regulations of the Stock Exchange of Thailand to ensure that such transactions are reasonable on arm length basis and for the best interest of the Company.
- 6) To prepare a report of the Audit Committee to be disclosed in the Company's Annual Report. Such report must be signed by the Chairman of the Audit Committee and shall contain the following information:
  - 6.1 The opinion on the accuracy, completeness, and reliability of the Company's financial reports;
  - 6.2 The opinion on the sufficiency of the internal control of the Company;
  - 6.3 The opinion on compliance with the securities and exchange law, rules and regulations of the Stock Exchange of Thailand, or other laws relating to the Company's business;
  - 6.4 The opinion on the appropriateness of the auditor;
  - 6.5 The opinion on the transactions that may give rise to conflicts of interest;
  - 6.6 The amount of Audit Committee' meetings and the attendance list of each member of the Audit Committee;
  - 6.7 The overall opinions or suggestions that the Audit Committee obtained from performing their duties according to the charter; and

6.8 Other information that Shareholders and general investors should be informed under the scope of duties and responsibilities assigned by the Board of Directors.

7) To perform any other actions assigned by the Board of Directors, with the consent of the Audit Committee.

### 7.3.2 Risk Management Committee

Currently, the Risk Management Committee of the company consisted of 3 persons as follows:

| Name                                 | Position |
|--------------------------------------|----------|
| 1. Mr. Raj Tanta-nanta               | Chairman |
| 2. Mr. Theerawut Nawamongkhonchaikit | Member   |
| 3. Mr. Prasert Ruengleardsatitkul    | Member   |

#### • The Scope of Authority, Duties, and Responsibilities of the Risk Management Committee

- 1) Considers the risk management policy, risk management strategy and corporate risk management framework consistent with the main objectives and goals of the Company's business plan and the acceptable risks of the enterprise in regard to the overall risk management and covers the main risks such as business risks, market risks, liquidity risks, operational risks and risks affecting the reputation of the enterprise, etc., before presenting them to the Board of Directors for approval.
- 2) Strategize in accordance with the risk management policy. It can assess, monitor and supervise the level of risk of the organization to the appropriate level. In line with the strategy and business goals Including changing circumstances Including considering determining the level of risk acceptable (Risk Appetite) And the deviation of the level of risk acceptable (Risk Tolerance) before presenting to the Board of Directors for approval.
- 3) Identify risks based on both external and internal factors that may result in the company not being able to meet the objectives set before presenting to the Board of Directors for approval.
- 4) Assess the impact and potential opportunities of identified risks to prioritize risks and have appropriate risk management practices before presenting them to the Board of Directors for approval.
- 5) Maintain and encourage regular reviews of the Company's risk management policies and frameworks at least once a year to ensure that such risk management policies and frameworks remain consistent and appropriate to the overall business conditions and risk management activities of the Company.
- 6) Report significant risks of the company, including the status of risks, guidelines for risk management, progress and results of risk management to the Board of Directors to be informed on a regular basis. And in case of significant factors or events which may have a significant impact on the company, must report to the Board of Directors to be informed and considered as soon as possible.

- 7) Has the authority to appoint a risk management team as necessary. It supports the risk management team in terms of personnel, budget and other necessary resources in accordance with its area of responsibility.
- 8) Provide advice and support to the Board of Directors, Management and the Risk Management Team on corporate risk management matters, and promote and support the continuous improvement and development of the risk management system within the company.
- 9) Seek professional opinions from third parties to provide independent advice or advice on risk management to the Risk Management Committee and related parties, as well as hiring third parties from time to time to enable the performance of the Risk Management Working Group to achieve its duties and objectives within a specified period of time, and such hiring will be beneficial to the Company.
- 10) Communicate, exchange information and coordinate risks and internal controls with the Audit Committee at least once a year.
- 11) Consider the report of the assessment of the potential for fraud as well as the impact that covers various types of fraud, such as making false financial reports, property loss corruption, managements override of internal controls, significant changes to information in reports, acquisition or misuse of property, etc.
- 12) Perform any other duties assigned by the Board of Directors

### 7.3.3 Nomination and Remuneration Committee

Currently, the Nomination and Remuneration Committee of the company consisted of 3 persons as follows:

| Name                              | Position |
|-----------------------------------|----------|
| 1. Mr. Chanaphan Piriaphan        | Chairman |
| 2. Mr. Krishna Boonyachai         | Member   |
| 3. Mr. Prasert Ruengleardsatitkul | Member   |

### **The Scope of authority, Duties, and Responsibilities of the Nomination and Remuneration Committee**

#### **1. Recruitment and selection practices for directors and top management.**

- 1.1) Consider establishing rules and procedures for the recruitment of directors.
- 1.2) Consider the structure, size, composition and qualifications of the Board of Directors and its sub-committees to be appropriate to the company's strategy and changing circumstances.
- 1.3) Consider policies and criteria for recruiting qualified individuals to serve as directors and/or senior executives at the end of the term or vacancy. Including selecting individuals and nominating qualified individuals to present to the Board of Directors and/or Shareholders' Meeting for consideration. Appoint to the Board of Directors and/or senior executives of the Company, taking into account the diversity of knowledge, expertise, skills and experience useful to the business operations of the Company .
- 1.4) Encourage the company to allow minority shareholders to nominate people for the board of directors before the shareholders' meeting.
- 1.5) Review the policies and criteria for nomination of directors and/or high-ranking executives in order to make recommendations to the Board of Directors prior to the selection of retiring directors.
- 1.6) Consider selecting a qualified director of the Company to be a director on the Board of Directors of the Sub-Committee for appointment by the Board of Directors, as appropriate, or when there is a vacancy.
- 1.7) Review the succession plan of the Chief Executive Officer and senior management, along with the list of suitable candidates to be considered for succession on a regular basis, and propose to the Board of Directors for approval when there is a vacancy or incapacity to perform duties so that the management of the company can continue.
- 1.8) Consider establishing criteria for evaluating the work and evaluating the work of directors, sub-committees, and senior management to review the work, problems, and obstacles each year. To be able to use the evaluation results to develop and improve performance in various areas. And present to the Board of Directors for further consideration. And prepare a plan for the development of knowledge to improve the knowledge of current directors and new directors to understand the business and role of directors.
- 1.9) Seek professional opinion from outsiders or organizations to provide independent advice or guidance on recruiting to the Nominating Committee and determine the remuneration and related persons. Including the hiring of outsiders only from time to time to assist in the

performance of the Nomination and Remuneration Committee so that it can perform its duties to achieve its objectives within the specified period and such employment will be beneficial to the Company.

2. Consideration and determination of remuneration practices

2.1) Consider and comment on the structure and composition of the remuneration of the Board and its sub-committees and senior management on an annual basis in accordance with the Company's remuneration rules.

2.2) Propose appropriate compensation criteria in accordance with the company's long-term strategy and goals Results of business plan evaluation, experience, obligations, scope of roles and responsibilities of the Board of Directors sub-committees and senior management. Including expected benefits from each director which must be on average compared to companies in the same industry as the company and the overall performance of the company to be able to motivate and retain directors who are capable, qualified, and potential.

The remuneration of the Chief Executive Officer shall be presented to the Board of Directors for approval. The remuneration of the directors and their subordinate directors shall be determined by the Board of Directors for approval before presentation to the Annual General Meeting of Shareholders for approval.

However, in determining the criteria for determining remuneration, the amount and proportion of each form of remuneration must be determined appropriately. The key principles for considering each type of remuneration model are:

- a) Retainer fees, such as monthly remuneration, annual remuneration, etc., should take into account three factors: (1) the practices used by companies in the same industry (2) the company's turnover and business size and (3) the responsibilities, knowledge, abilities and experience of directors or managing directors required by the company.
- b) Incentives should be linked to the value the company generates for its shareholders, such as company profits or dividends paid to shareholders, etc. Directors and Managing Directors' remuneration should not be unduly high.
- c) In addition, directors may receive an attendance fee in addition to the fixed remuneration and remuneration based on the Company's performance. The Nomination and Remuneration Committee should consider it at an appropriate level in order to motivate the directors to perform their duties by attending meetings regularly. However, in considering the overall remuneration of directors, the Nomination and Remuneration Committee, it should be considered appropriate and sufficient to allow the directors to

limit the number of companies who will hold directorships so that the directors have enough time to attend meetings and perform their duties as directors for the company to the fullest.

2.3) Consider that the payment of remuneration is in accordance with the criteria established by official bodies or relevant recommendations.

2.4) Discloses the directors' remuneration policy and rules that reflect their obligations and responsibilities, including the form and amount of remuneration.

2.5) Consider approving and reviewing the criteria for assessing the performance of the Board of Directors, its subordinate directors and senior executives to be presented to the Board of Directors for approval.

3. Review and update the charter of the Nomination and Remuneration Committee at least once a year if there is a change and present it to the Board of Directors for approval.
4. Consider and comment on the proposal of the Chief Executive Officer to present to the Board of Directors about the HR policy with the organization's business strategy.
5. Provide an independent consultant or person to provide opinions or advice as needed.
6. Any other operations as assign by the Board of Directors.

## 7.4 Information of Executive Committee and management

### 7.4.1 Executive Committee

The Executive Committee consisted of 7 persons as follows:

| Name                                 | Position                                 |
|--------------------------------------|------------------------------------------|
| 1. Mr. Theerawut Nawamongkhonchaikit | Chief Executive Officer                  |
| 2. Mrs. Supak Nawamongkhonchaikit    | Deputy Chief Executive Officer           |
| 3. Mr. Prasert Ruengleardsatitkul    | Senior Chief Operation Officer           |
| 4. Mrs. Sudarat Sutham               | Chief Financial Officer                  |
| 5. Mr. Nuttanon Sethavoravichit      | Chief Business Development Officer       |
| 6. Mr. Makoto Futami                 | Sales and Marketing Manager              |
| 7. Miss Phromphon Pimpsen            | Assistant to Sales and Marketing Manager |

As of December 31, 2022, the company's Executive, according to the definitions in the notification of the Office of the Securities and Exchange Commission no. KorChor. 17/2551 re: Determination of definitions in notification relation to issuance and offer for sale of securities (as amended), consisted of 5 persons as follows:

| Name                                 | Position                           |
|--------------------------------------|------------------------------------|
| 1. Mr. Theerawut Nawamongkhonchaikit | Chief Executive Officer            |
| 2. Mrs. Supak Nawamongkhonchaikit    | Deputy Chief Executive Officer     |
| 3. Mr. Prasert Ruengleardsatitkul    | Senior Chief Operation Officer     |
| 4. Mrs. Sudarat Sutham               | Chief Financial Officer            |
| 5. Mr. Nuttanon Sethavoravichit      | Chief Business Development Officer |

Information and details related to the company's Executive as appear in Attachment 1 (Details related to the Directors, Executive, controlling person, the person taking the highest responsibility in finance and accounting, the person supervising accounting, and the company secretary).

#### 7.4.2 Remuneration policy of the Board of Executives Directors and Executives

The company has no policy on remuneration payment to the Board of Directors who also take a position of Executives or the company employee.

#### 7.4.3 Remuneration to Executives

1) Monetary remuneration.

In 2021-2023, the company paid remuneration to Executives in cash and other remuneration, such as Bonus, diligent, and allowance with the following details:

| Executives<br>Remuneration | 2021      |                      | 2022      |                      | 2023      |                      |
|----------------------------|-----------|----------------------|-----------|----------------------|-----------|----------------------|
|                            | Number    | Amount               | Number    | Amount               | Number    | Amount               |
|                            | (person)  | (Baht)               | (person)  | (Baht)               | (person)  | (Baht)               |
| Salary                     | 10        | 13,401,766.00        | 11        | 15,290,060.00        | 11        | 15,336,771.00        |
| Other allowance            |           | 5,346,400.45         |           | 3,478,905.84         |           | 2,920,710.77         |
| Provident fund             | -         | -                    | 10        | 572,626.00           | 8         | 576,605.00           |
| <b>Total</b>               | <b>10</b> | <b>18,748,166.45</b> | <b>10</b> | <b>19,341,591.84</b> | <b>11</b> | <b>18,834,086.77</b> |

Remark : The company pay the provident fund from January 2022 onwards.



## 7.5 Employee Information

### 7.5.1 Number of employees

As of December 31, 2021-2023, there were employees in each department (excluding Executives) of 168 person, 168 person, and 153 person respectively. The number of employees divided by department is as follows:

| Department                 | Amount (person)   |                   |                   |
|----------------------------|-------------------|-------------------|-------------------|
|                            | December 31, 2021 | December 31, 2022 | December 31, 2023 |
| <b>Full-time employee</b>  |                   |                   |                   |
| Accounting                 | 3                 | 4                 | 4                 |
| Financial                  | 1                 | 1                 | 1                 |
| Administration             | 4                 | 6                 | 6                 |
| Sales and marketing        | 11                | 13                | 11                |
| Operation                  | 8                 | 13                | 10                |
| Quality control            | 6                 | 4                 | 5                 |
| Business Development       | -                 | -                 | 1                 |
| Information and Technology | 1                 | 1                 | 1                 |
| Total Full time employee   | <b>35</b>         | <b>43</b>         | <b>39</b>         |
| <b>Temporary employee</b>  |                   |                   |                   |
| Production control         | 6                 | 6                 | 5                 |
| Production                 | 112               | 107               | 97                |
| Quality control            | 15                | 13                | 12                |
| Total Temporary employee   | 134               | 125               | 114               |
| Total employee             | <b>168</b>        | <b>168</b>        | <b>153</b>        |

### 7.5.2 The significant change on the number of employees in the past 3 years

-N/A-

### 7.5.3 Remuneration to Employee

In 2020-2022, the company paid remuneration for employee in cash (excluding executive directors) consisted of salary and other remuneration, such as bonus, and allowance with the following details:

| Remuneration       | Employee Remuneration (Baht) |                      |                      |
|--------------------|------------------------------|----------------------|----------------------|
|                    | 2021                         | 2022                 | 2023                 |
| Salary             | 27,018,140.00                | 26,959,136.00        | 25,843,196.00        |
| Other remuneration | 2,161,090.55                 | 2,162,270.24         | 2,872,701.01         |
| Provident fund     | -                            | 174,238.94           | 198,038.19           |
| <b>Total</b>       | <b>29,179,230.55</b>         | <b>29,295,645.18</b> | <b>28,913,935.20</b> |

#### Remark

- 1) Salary: salary, position allowance, and over time wage.
- 2) Other allowance: bonus, diligent, allowance, and employee benefits.
- 3) The company pay the provident fund from January 2022 onwards.

#### 7.5.4 Provident fund

The company established a provident fund and paid a contribution to employees under the management by BBL Asset Management Co., Ltd.

- Employee who is a member of provident fund can be able to select the saving deposit rate as follows:

| Saving deposit rate (percentage of salary) |
|--------------------------------------------|
| 2%                                         |
| 3%                                         |
| 5%                                         |

Saving deposit for provident fund transfer from January, 2022 onwards.

- The company pay a contribution to the provident fund, according to the working period as the following rate:

| Working period                          | Contribution rate (percentage of salary) |
|-----------------------------------------|------------------------------------------|
| Less than or equivalent to 3 years      | 2%                                       |
| More than 3 years, but not over 5 years | 3%                                       |
| More than 5 years                       | 5%                                       |

#### 7.5.5 Significant Labor Dispute

-N/A-

#### 7.5.6 Human Resource Development Policy

The company realized the important of human resource development in order to improve the capacity of work, to develop capacity and progress, as well as skills required for working continually, and in order to improve the work efficiency of the company. The company provided training to employees, which divided into 2 types as follows:

- 1) Annual training, including internal and external training. A survey for requirements of training is conducted and the data collection is made in order to contact related agencies for the preparation of lecturer to meet the purpose and contents of the training.
- 2) On the job training is training according to the work that the employee has to perform, such as new employee training, transferring to new division or new position, revising documents or working procedure, and quality control training.

After the training, the company will conduct an evaluation of the training in order to bring the result to improve the work accordingly.

### 7.6 Other important information

#### 7.6.1 The person supervising accounting

Miss Rattanaorn Kongkum is the person supervising accounting, responsible for supervising accounting transactions of the company to be effective and to comply with regulations, conditions, and criteria of the company. Information and details of the person supervising accounting appear in Attachment 1.

#### 7.6.2 Company Secretary

The Board of Directors resolved to appoint Miss Sasicha Sripetch to be the company Secretary on April 26, 2021 to be the important part in supporting the company operation, and supervising the company to be able to comply with the law, regulations, and the company Article of association and Code of conduct.

#### 7.6.3 Internal Auditor

The company's Board of Directors appointed P&L Internal Audit Co., Ltd. ("Internal Auditor"), which is an independent company (Outsource), to perform the internal audit work and assess the adequacy of the internal control, and to follow the tasks of the internal audit system continuously.

#### 7.6.4 Audit fee

- Remuneration of auditor

| Auditor                                 | Auditor (Baht)     |                    |                    |
|-----------------------------------------|--------------------|--------------------|--------------------|
|                                         | 2021 <sup>1/</sup> | 2022 <sup>2/</sup> | 2023 <sup>3/</sup> |
| 1. Pricewaterhouse Coopers<br>ABAS Ltd. | 2,200,000          | 1,600,000          | 1,700,000          |

Remark:

1/ Audit fee for the year 2021 approved by the 2021 Annual General Meeting of Shareholders, on April 1, 2021.

2/ Audit fee for the year approved by the 2022 Annual General Meeting of Shareholders, on March 22, 2022.

3/ Audit fee for the year approved by the 2023 Annual General Meeting of Shareholders, on April 28, 2023.

**8. Report on key operating results related to corporate governance**

Top

**8.1 Report on the performance of duties of the Board in the past year.****8.1.1 Recruitment, Development, and assessment on performance of duties of the Board.**

In the appointment of members, The Nomination and Remuneration Committee consists of 2 independent directors. From the 3 Nomination and Remuneration Committee Responsible for the consideration, selection and screening of qualified persons according to the company's regulations and for the nomination of qualified persons to obtain professional and versatile directors, taking into account a diversity of knowledge. Expertise Skills And experience useful to the company's business operations and to submit opinions to the Board of Directors for the approval of the Board of Directors. The President of the Stock Exchange of Directors shall then propose the list of such directors to the shareholders who are the shareholders to elect their directors in accordance with the rules and conditions prescribed by the Board.

Selection of Board of Directors

- 1) Appointment of directors in accordance with the law Regulations of the company and related regulations must be conducted in a clear and transparent manner.
- 2) One shareholder has the same votes as one share. To one voice.
- 3) In the election, members may use the voting procedure to vote on individual members one at a time or several at a time. The shareholders' meeting may decide, but in each vote the shareholders shall vote with the total votes. Therefore, the shareholders cannot vote their votes in the election of directors for a minimum of persons under section 70 paragraph one of the public company laws. (Non-CUMULATIVE only).
- 4) Persons who receive the highest votes in the order shall be elected as members of the number of Directors to be eligible for or shall be elected at that time. In the case where a person who has been elected in the next election has an equal number of votes, more than the number of members to be allowed or shall be elected at that time, the President of the meeting shall have the casting the vote.
- 5) The Board of Directors responsible for the management of the company's business operations shall hold office in accordance with the company's regulations. In every annual ordinary General Meeting of Shareholders, the directors shall be out of office for one-3 of the number of directors at that time. If the number of directors cannot be divided into three sections, the number closest to section 3 shall be removed. Members who vacate office may be re-elected.

- 6) In the case where the Director vacates office upon the expiration of term, the Meeting of Shareholders shall consider and appoint the Director with the resolution of the appointment of the directors, the majority of shareholders attending the meeting and casting votes. If there is an equal number of votes, the person presiding over the meeting shall have an additional vote as casting vote.
- 7) In case of a vacancy due to other reasons than the expiration of the term of office of a member, The Board shall appoint a person who has qualifications and is not prohibited by law to be a director at the next Board meeting. The replacement members may be in office only for the remainder of the term of the replacement committee, unless the term of the directors is less than two months. The resolution of the appointment of the person as the replacement committee must be passed by votes of not less than 3 out of four of the remaining members.

In addition, the Board of Directors shall consist of at least one-third three of the Board of Directors of the company, but not less than 3 directors.

#### Independent Director

- 1) Holding not more than 1 percent of the total number of shares having the right to issue the company's shares Major company Sub Account Co- Company Major Shareholders Or the controlling authority of the company The holding of shares of the relevant members of the Independent Directors shall be counted with.
- 2) Was not or was previously a member of management. Paid consultants Or the controlling authority of the company Major Company Sub Account Co-Company Same sub-company Major Shareholders Or of the controlling authority of the company Unless it has been later than 2 years ago, The Securities and Exchange Commission ( " Office of the Securities and Exchange Commission) The prohibition does not include the case where an independent director was a public official, Or the advisor of a government agency which is a major shareholder or a controlling authority of the company.
- 3) Not a person having blood relations or by legal registration as a father Mother Spouse Sibling And children. Including spouse of children of other directors. Executive Major Shareholders Regulatory Authority Or persons being proposed to be directors, Executive Or the controlling authority of the Company or its subsidiaries.
- 4) No or have had business relationships with the company. Sub Account Co-Company Major Shareholders Or of a company's controlling authority in a way that may interfere with his or her independent use of judgment. Neither is nor has it ever been a significant shareholder or controlling holder of a business relationship with the company. Major Shareholders Or of the

controlling authority of the company, unless it has been later than 2 years past its nature. Before Request Date per Office A. Oct.

- 5) Is not or has been a company auditor Sub Account Co-company Major Shareholders Or of the controlling authority of the company And are not a significant shareholder. Regulatory authority or a partner of the Audit Office with its auditors. Major Shareholders Or of the controlling authority of its respective companies. Unless it has been later than 2 years ago.
- 6) Is not or has been a professional provider This includes supplying services as legal advisors or financial advisors who receive a fee of more than Baht 2 million per year from the company. Sub Account Co-company Major Shareholders Or of the controlling authority of the company And are not a significant shareholder. The competent authority or the partner of the professional service provider, unless the nature has not been less than two years past. Before Request Date per Office A. Oct.
- 7) Not being an appointed director to represent the directors of the company. Sub Account Co-Company Major Shareholders Or shareholders who engage in major shareholders.
- 8) Does not operate a business in a similar condition and is a competition that implies the company's business or is not a partnership or being a member of the Executive Committee. Employee Salaried Consultant Worker Or holding more than 1 percent of the total number of shares having the right to issue the issue of other companies that operate in the same condition, and which are a significant competitive position in the company's business. There is no other characteristic that makes it impossible to provide independent feedback on the performance of the company or its subsidiaries.
- 9) There is no other characteristic that would prevent any independent opinion of the operation of the company.

#### Selection of Audit Committee

The Audit Committee must be an independent director and appointed by the Board of Directors. Or at a meeting of shareholders of the company. Of at least three people Contains Chairman of Audit Committee 1 person And at least 2 Audit Committee members. And has the qualifications and duties under the Public Company Limited Act. Rules of the Securities and Exchange Commission Be capable of performing tasks and expressing opinions. Or report the performance of the delegated function independently without the control of the company's major executives or shareholders. Including those concerned or close relatives of such persons The Audit Committee must have sufficient knowledge and experience to function as an audit committee. At least one member of the Audit Committee shall be

present. Having enough knowledge and experience to be able to conduct credit review of financial statements.

#### Selection of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee shall be directors of the company. Appointed by the Board of Directors It has qualifications and is not prohibited under the law on public companies. And other applicable laws. To oversee the selection and selection of qualified persons in the office of directors and chief executive officers, and determine remuneration. Consider compensation criteria and clearly and transparency. To present to the Board of Directors, the company shall consider and present at the next Annual General Meeting of Shareholders.

#### Selection of Risk Management Committee

The Risk Management Committee is appointed by the Board of Directors. Consists of at least three directors. And at least one independent director. It has qualifications and is not prohibited under the law on public companies. And other applicable laws. Up To establish risk management policies The Risk Management Framework and the governance of risk management throughout the organization to manage risk factors Both externally and internally to the appropriate business practices of the company.

#### Selection of the Executive Board

The Executive Committee consists of at least three members. It consists of a number of directors and may include the company's executives. And/or A number of others qualified outside which is offered by the Nomination and Remuneration Committee. The Board of Directors shall consider and appoint one Director. It shall be a suitable member of the Board to serve as the Chairman of the Board of Directors. And the Chief Executive Officer has been appointed as Executive Directors by the position of Recruitment of chief executive officer.

The Nomination and Remuneration Committee reviews the succession plan of the Chief Executive Officer. Along with a list of the right people to be considered for succession. The Board of Directors shall consider and approve the appointment when the position becomes vacant, or it cannot perform its duties. To ensure continued management of the company.



### 8.1.2 Attendance & individual Board Compensation

#### Attendance at Board of Directors Meeting In 2023

| Name -                               | Position                          | Number of times /<br>Total number of meetings |                                                 |                                                        |
|--------------------------------------|-----------------------------------|-----------------------------------------------|-------------------------------------------------|--------------------------------------------------------|
|                                      |                                   | Board of<br>Directors                         | Annual<br>General<br>Meeting of<br>Shareholders | Extraordinary<br>General<br>Meeting of<br>Shareholders |
| 1. Mr. Raj Tanta-nanta               | Chairman/<br>Independent Director | 5/5                                           | 1/1                                             | -                                                      |
| 2. Mr. Krishna Boonyachai            | Independent Director              | 5/5                                           | 1/1                                             | -                                                      |
| 3.1 Miss Srirat Chuchottaworn*       | Independent Director              | 1/5                                           | 1/1                                             | -                                                      |
| 3.2 Mr. Chanaphan Piriayaphan*       | Independent Director              | 4/5                                           |                                                 |                                                        |
| 4. Mr. Sarun Nimitrath               | Independent Director              | 5/5                                           | 0/1                                             | -                                                      |
| 5. Mr. Theerawut Nawamongkhonchaikit | Directors                         | 5/5                                           | 1/1                                             | -                                                      |
| 6. Miss Supak Nawamongkhonchaikit**  | Directors                         | 1/5                                           | 1/1                                             | -                                                      |
| 6.1 Mr. Nopporn Witoonchart**        | Directors                         | 2/5                                           | 0/1                                             | -                                                      |
| 7. Mr. Prasert Ruengleardsatitkul    | Directors                         | 5/5                                           | 1/1                                             | -                                                      |

#### Note:

\* The Annual General Meeting 1/2023 on April 28, 2023 had appointed Mr. Chanaphan Piriayaphan \* replacing retired directors Miss Srirat Chuchottaworn.

\*\* The Annual General Meeting 1/2023 on April 28, 2023 had appointed Mr. Nopporn Witoonchart \* replacing retired directors Miss Supak Nawamongkhonchaikit.

Board meeting allowance for Board of Directors Meeting Subcommittee Including: Audit Committee Selection and Remuneration Committee Risk Management Committee and the Shareholders Meeting (AGM, EGM) as follows:

- 1) Chairman 20,000 Baht/person/time
- 2) Director 15,000 Baht/person/time

Company's directors' remuneration, In 2023

| Board of Directors                      | Position                                                                                        | Director Remuneration <sup>1/</sup> (Baht) |                  |                                       |                            |
|-----------------------------------------|-------------------------------------------------------------------------------------------------|--------------------------------------------|------------------|---------------------------------------|----------------------------|
|                                         |                                                                                                 | Board of Directors <sup>2/</sup>           | Audit Committees | Nomination and Remuneration Committee | Risk Management Committees |
| 1. Mr. Raj Tanta-nanta                  | Chairman of Board /<br>Audit Committee /<br>Chairman of<br>Risk Management<br>committee         | 120,000                                    | 60,000           | -                                     | 40,000                     |
| 2. Mr. Krishna Boonyachai               | Director/<br>Chairman of Audit<br>Committee/<br>Recruitment and<br>Remuneration<br>Committee    | 90,000                                     | 80,000           | 45,000                                | -                          |
| 3.1 Miss Srirat Chuchottaworn*          | Director/<br>Audit Committee/<br>Chairman of the<br>Nomination and<br>Remuneration<br>Committee | 30,000                                     | 15,000           | 20,000                                | -                          |
| 3.2 Mr. Chanaphan Piriyaphan*           | Director/<br>Audit Committee/<br>Chairman of the<br>Nomination and<br>Remuneration<br>Committee | 60,000                                     | 30,000           | 40,000                                | -                          |
| 4. Mr. Theerawut<br>Nawamongkhonchaikit | Director/<br>Risk Management<br>Committee                                                       | -                                          | -                | -                                     | -                          |
| 5. Miss Supak<br>Nawamongkhonchaikit**  | Director                                                                                        | -                                          | -                | -                                     | -                          |
| 5.1 Mr. Nopporn Witoonchart**           | Director                                                                                        | 30,000                                     | -                | -                                     | -                          |
| 6. Mr. Sarun Nimitrath                  | Director                                                                                        | 90,000                                     | -                | -                                     | -                          |
| 7. Mr. Prasert Ruengleardsatitkul       | Director/<br>Nomination and                                                                     | -                                          | -                | -                                     | -                          |

| Board of Directors  | Position                                             | Director Remuneration <sup>1/</sup> (Baht) |                  |                                       |                            |
|---------------------|------------------------------------------------------|--------------------------------------------|------------------|---------------------------------------|----------------------------|
|                     |                                                      | Board of Directors <sup>2/</sup>           | Audit Committees | Nomination and Remuneration Committee | Risk Management Committees |
|                     | Remuneration Committee/<br>Risk Management Committee |                                            |                  |                                       |                            |
| Total amount (Baht) |                                                      | 420,000                                    | 185,000          | 105,000                               | 40,000                     |

Note:

- 1/ Directors holding other paid positions as executives, shall not be eligible to receive remuneration.
- 2/ Company's directors' remuneration, Including joining the Shareholders' Meeting (AGM, EGM).

### 8.1.3 Ensuring compliance with corporate governance policies and practices

The company recognizes the importance of conducting business ethically. Has responsibility for all shareholders and stakeholders to create value for the company and can compete in the industry with long-term impact in mind. And promote performance and sustainable growth. Therefore, Company It has established good corporate governance policies and the Code of Business Principles. As a guideline for the administration of the organization and as a norm to the Board, Executive, and all employees to ensure that any performance Company's fair and consider the best interests of all shareholders and stakeholders. In the last year's operations, the company has followed up to ensure compliance with good corporate governance policies and the Code of Business Conduct, and have a review. Update Amend the Corporate Governance Policy and corporate governance practices. In addition, the company has been following up to four other good corporate issues. As follows:

(1) Preventing conflicts of interest

The company has been following up for its directors. Executive And employees act with integrity. Transparent Not for personal gain or who is involved Also, avoid potential conflicts of interest in accordance with these guidelines:

1. Company personnel must make decisions about the company's business operations for the best interests of the company.
2. Actions and decisions of people at the company must be free from the influence of personal needs. Or of the person associated with that person. Whether by blood or by someone who

knows it personally, And fair prices. Appropriate Virtual Transaction with External person  
When deciding or approving a potential conflict of interest Report the supervisor for approval  
and withdraw from participation in the item.

3. Avoid transactions linked to oneself that could create a conflict of interest with the company.  
If it is necessary for the company's benefit. Actions and decisions of people at the company  
must be free from the influence of personal needs. Or of the person associated with that  
person, whether by blood or by someone else who knows it personally and uses fair prices.  
Appropriate Virtual Transaction with external person This is the case of deciding or  
approving a potential conflict of interest Report the supervisor for approval and withdraw  
from participation in the item.
4. Perform full-time, full capacity on tasks and refrain from engaging in any personal business  
that affects the company's operations and working hour.
5. Do not engage in business or participate in any business that competes with the company  
or become a partner. Or a shareholder who has the power to decide. Or executive? Or  
directors in a competitive business Or in the same manner as the company. Whether the  
company's personnel This will benefit directly. Or indirectly.
6. Avoid financial and/or third-party relationships. This can result in loss of interest to the  
company or a conflict of interest or an effective performance deterrent.
7. Do not provide or use Company inside information for their own and others' benefit. Whether  
it is for the company Damaged or not. It must also comply with the company's internal use  
policy. Strictly.
8. Do nothing That is the nature of management or management that undermines the interests  
of the company or contributes to the benefit of any person or entity, whether it is for self or  
others' benefit.
9. Abstain Or not attend an agenda that considers a conflict of interest.
10. The company's employees must always create a conflict-of-Interest Disclosure Report when  
they suspect it is possible. Or conflict of interest. Occurs during the year. The employee's  
report should be presented to the supervisor in the hierarchy. And the reporting is kept  
confidential by the HR manager.

(2) Use of inside information for profit

The company recognizes the importance of information management within the organization.  
Reporting of information must comply with all required and legally required criteria. Both company-wide  
and business- relevant information. And company personnel must keep their inside information

confidential. Do not use inside information for profit or benefit. The Committee shall have the following Executive And employees Do the following:

1. Company personnel must retain inside information and documents that cannot be disclosed to third parties. This leads to the pursuit of benefits. For oneself or for family, or for dissociate, E.g., Information affecting stock prices Trade secrets Formula Inventions This is the right of the company, except for disclosure as required by law.
2. Confidential information is not used by Company personnel for personal or third parties.
3. Ensure that sensitive company information is not disclosed externally before it is officially released. It shall also be an important measure to control the company's risks.
4. The Board of Directors and executives shall report the change in the holding of securities to the Board of Directors. A. the Securities and Exchange Commission under section 59 of the Securities and Exchange Commission 1992 within 3 days of the change in securities holdings. The company Secretary shall also notify the company Secretary in order to keep a record of the changes and a summary of the Board's securities and the Board of Directors' equity.
5. Do info statement financial statements or other information affecting the price of securities of Known companies are disclosed to third parties or to others who are not involved. And trading in securities for a period of one month. Before financial statements or other information affecting the price of a company's securities are made public, and the company's securities must not be traded until the end of the 24-hour period after all such information has been publicly disclosed.

(3) Anti-corruption

The company tracks the compliance with its members' anti-corruption or anti-corruption policies. Executive And employees at all levels to be honest. And do not commit or accept any form of corruption or corruption under any circumstances. By doing the following:

1. Corruption or corruption risk management is in place. With risk assessment Prioritize and determine appropriate measures and track the progress of the measures that have already been taken.
2. There is a people management process that reflects commitment to the Anti-Corruption or Corruption Policy. Since Selection Training Performance Evaluation Rewards Promotion, the organization is also structured to appropriately divide the work duties. To enable monitoring of the balance There is also a process in place to ensure that the company Adequate and appropriate resources and personnel are in place to implement this policy.

3. Have clear authority over business items Strong Efficient Transparent And can be monitored.
4. It has an internal control system that covers financial aspects. Accounting Record keeping and other processes within the company. That relates to anti-corruption or anti-corruption measures. Internal control results are communicated to responsible personnel.
5. Internal monitoring of the work system Covers key account activities for example, Commercial Operations Procurement For example, this ensures that the internal control system achieves its intended goals. Also, verify that operations are conducted in accordance with the operating procedure. Requirements Company regulations or not It also provides recommendations to improve operational systems.
6. The following shall be made to the Director. Executive And employees Follow anti-corruption or anti-corruption policies and procedures Good Corporate Governance, and Code of Conduct It must not involve corruption or corruption. Directly or indirectly.
7. Provide policy to employees not to ignore or ignore When a suspected fraud or corruption is found or suspected It must be communicated to the supervisor or the person responsible. Or through the channels of a notice of misconduct as determined by the company.

(4) Notice of Misconduct clues

The company has established a policy of informing evidence of wrongdoing in order to enable the processing of the complaint. Fraud whistleblowing Misconduct And conduct that is in violation of company regulations. Has the right pattern Efficient This includes informing the complainant or whistleblowing, and who cooperating with the company. The evidence of wrongdoing can be reported with confidence, protected, and protected from being bullied due to appropriate and fair complaints. By people in my company Including members of the Committee, Employees or any other person. Acting on behalf of the company may have complained in accordance with this Policy. If there is a violation or non-compliance with the law. Or company regulations. And good corporate governance policy. Including abusive behavior in various forms and events.

(4.1) Procedure for raising a complaint or whistleblowing

A person has acknowledged a complaint or a curiosity in good faith, whether or not he is damaged, that people in the company commit any misbehavior is able to raise a complaint or evidence by company. Encourage the complainant or whistleblower to express me. And/or provide enough clear evidence of the complainant's misconduct. Contact information should be provided as a channel to communicate with the company. It is about complaints. Or any abnormality. Will be kept confidential. And the company will do everything possible to ensure that information is kept

confidential throughout the process. This is the case. Whistleblowing Should be in writing Provide details of the event. Background Specify a name Date Where the event occurred, and the reasons Why are as clear as possible. The whistleblower can tell the complaining agent. In the following ways:

1) Mailing

Contact: Chairman of Audit Committee

Address: T.R.V. Rubber Product Public Company Limited 40, 88/8-9 Soi Ekachai 76  
Yak 1-3-1 Khlong Bang Phran Khet Bang Bon Bangkok 10150, Thailand

2) E-mail (E-mail)

Contact: Chairman of Audit Committee

Email: [ac@trvrubber.co.th](mailto:ac@trvrubber.co.th)

3) Through the company website page

[https://trvrubber.co.th/trv/th/complaint\\_channel.html](https://trvrubber.co.th/trv/th/complaint_channel.html)

(4.2) Responding to complaints or whistleblower notifications

Complaints will be sent directly to the complaint handling operator. It is the responsibility of maintaining a centralized record of all complaints. This is the case to ensure that complaints are properly corrected. The company will conduct audits and reviews on complaints within a reasonable period. The company manages a working group to consider complaints, members include the Audit and Risk Management Committee and Internal Audit Committee to be a supervisor in handling such complaints.

(4.3) Measures to protect the complainant or whistleblowing of a complaint.

The company will provide fairness and protection for any employees who report fraud or corruption matters related to the Company's activities. It does not demote to punish or negatively. And the company will provide a measure to protect the complainant, or a co-operative in strictly communicating corruption or corruption information. In accordance with the channels set out in the Policy,

The Chairman of the Audit Committee, who receives the complaint or evidence of the offense, informed the Board of Directors every quarter of the receipt of such notification. No complaints or evidence of wrongdoing have been reported in 2023.

## 8.2 Report on the performance of duties of the Audit Committee in the past year.

### 8.2.1 Number of meetings and attendance of individual Audit Committee

Attendance at the Audit Committee meeting in 2023

| Name                            | Position | Number of times /<br>Total number of meetings |
|---------------------------------|----------|-----------------------------------------------|
| 1.Mr. Krishna Boonyachai        | Chairman | 4/4                                           |
| 2.1 Miss Srirat Chuchottaworn*  | Member   | 1/4                                           |
| 2.2 Mr. Chanaphan Piriyaaphanl* | Member   | 2/4                                           |
| 3. Mr. Raj Tanta-nanta*         | Member   | 4/4                                           |

#### Note

\* The Board of directors Meeting 2/2023 on May 12, 2023 had appointed Mr. Chanaphan Piriyaaphanl replacing retired directors Miss Srirat Chuchottaworn.

### 8.2.2 Performance of duties of the Audit Committee

The Audit Committee has complied with the scope of duties. Function And responsibilities assigned by Board of Directors This is in line with the regulations of the Stock Exchange of Thailand. During the fiscal year 2023, the Audit Committee meeting held 4 times. It is a meeting with the executive. Auditor and Internal Audit As appropriate. This can be found in the Audit Committee report in Attachment 6.



### 8.3 Report on the performance of duties of the Nomination and Remuneration Committee in the past year.

#### 8.3.1 Number of meetings and attendance at each member of the Nomination and Remuneration Committee

##### Attendance at the Nomination and Remuneration Committee Meeting In 2022

| Name                              | Position | Number of times /<br>Total number of meetings |
|-----------------------------------|----------|-----------------------------------------------|
| 1.1 Miss Srirat Chuchottaworn*    | Chairman | 1/3                                           |
| 1.2 Mr. Chanaphan Piriyaaphanl    | Chairman | 2/3                                           |
| 2. Mr. Krishna Boonyachai         | Member   | 3/3                                           |
| 3. Mr. Prasert Ruengleardsatitkul | Member   | 3/3                                           |

\* The Board of Directors' Meeting 2/2023 on May 12, 2023 had appointed Mr. Chanaphan Piriyaaphanl replacing resigned directors Miss Srirat Chuchottaworn.

#### 8.3.2 The performance of duties of the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee Has performed duties according to the scope of duties. Function And responsibilities. Delegated from Board of Directors This is in line with the regulations of the Stock Exchange of Thailand. During the fiscal year 2023, the Nomination and Remuneration Committee meeting was held three times. The summary is as follows:

##### The order of the directors due to retire by rotation shall be in accordance with the following matters:

The Nomination and Remuneration Committee has the duty to terminate the directors due to the appointment of the directors. Recruit and select persons to be nominated as directors in lieu of position on the agenda. In 2024, there was a committee issued under the agenda for three persons as follows;

- 1) Mr. Krishna Boonyachai
- 2) Mr. Prasert Ruengleardsatitkul
- 3) Mr. Sarun Nimitrath

The Nomination and Remuneration Committee has determined that for all 3 Board members who leave their position on an agenda item, it is appropriate to be selected to be a director for another term. All three people are according to Thai PCL. Co., Ltd. 1992 and according to company attributes and when it comes to knowledge, capabilities experience and multiple expertise This includes past performance and is most useful for the company's career. The Board of Directors approved the appointment of the three persons for another

term on the Board of Directors. And offer to obtain shareholders' approval at the next Annual General Meeting of shareholders.

Consideration of the remuneration of the Board of Directors And the remuneration of the sub-committees,

In 2023, there was a meeting to consider the remuneration for the Board of Directors and the subcommittees, as appropriate. Compared to other listed companies in the same industry. And the results of the company career. And offer to the Board of Directors. To obtain shareholders' approval at the next Annual General Meeting of Shareholders.

Salary Adjustment and Bonus Review for Chief Executive Officer

Selection and Remuneration Committee Chairman Performance Reviews According to the Stock Exchange of Thailand, the assessment is divided into two sections. Including:

Part 1: Performance measures According to the Stock Exchange of Thailand.

Section 2: Progress of the plan based on the performance indicators 1) Profit to be in line with approved budget 2) Company performance 3) Revenue is in line with defined revenue projections 4) Business plan performance achieved target 5) Audit control Monitor management performance and 6) offering solutions to challenges, obstacles, this is the case. The summary of the performance reviews of the Nomination and Remuneration Committee and propose to Borad of committee for approval.

C-Level Executive Salary and Bonus Review

Today, the group is the major shareholder of the company. The members and relatives of the family, Executive position C-Level, Chief Executive Officer Executive Vice-president Operations Senior Director Company Focus on good corporate governance and management with Check & Balance checked and agreed upon by the Board of Directors. The Nomination and Remuneration Committee is required to consider the salary adjustment and bonus of the C-Level Executive, which has been approved and proposed by the Board of Directors.

## 8.4 Report on the performance of the Risk Management Committee in the past year

### 8.4.1 Number of times the Meeting and attendance of the Risk Management Committee

Attendance at the Board of Directors Meeting of Risk Management In 2023

| Name                                    | Position | Number of times /<br>Total number of meetings |
|-----------------------------------------|----------|-----------------------------------------------|
| 1. Mr. Raj Tanta-nanta*                 | Chairman | 2/2                                           |
| 2. Mr. Theerawut<br>Nawamongkhonchaikit | Member   | 2/2                                           |
| 3. Mr. Prasert Ruengleardsatitkul       | Member   | 2/2                                           |

### 8.4.2 The performance of duties of the Risk Management Committee.

In 2023, the Risk Management Committee duty and review the Corporate Risk Management Framework Policy. Keep the company risk identified consider both external and internal factors that could result in the Company not achieving the stated objectives. This is the case. The main risks that the committee will focus on are divided into Strategic Risk Operational Risk Financial Risk and Compliance Risk with and supporting the Risk Management Committee in line with the strategy. Business goals and compliance with anti-corruption measures. Also, have a roadmap to mitigate the impact of uncertainty in the business environment in a changing situation. E.g., and evaluates risk management against the Risk Management Committee. And debrief. Risk Management to the Board of Directors Also report instances of high-risk events that would negatively impact the Company to the Board of Directors.

**9 Internal control and related party transactions**

Top

**9.1 Internal Control****9.1.1 The suitability of the company's internal control system**

According to the Board of Directors meeting No. 1/2024 on February 23, 2024, the Audit Committee as the independent directors of the company, a total of 4 persons attended the meeting. The Board of Directors has assessed the company's internal control system in accordance with the assessment of the adequacy of the internal control system of the Securities and Exchange Commission according to the Committee of Sponsors of organizations of the Treadway Commission ("COSO").

**1) Organizational Control (Control environment)**

The company demonstrates a commitment to the value of integrity and ethics by establishing a code of conduct good corporate governance policy anti-corruption policy. This includes the company's work regulations and penalties for violations in writing and communicating regularly to internal and external stakeholders. There is a committee independent of management and is in charge of supervision and developing internal control actions by management to provide a reporting line structure. The determination of the appropriate authority and responsibility to ensure that the organization achieves its objectives under the supervision of the Board.

**2) Risk Assessment (Risk assessment)**

The company has appointed a Risk Management Committee the Risk management policy is clearly in writing and approved by the Board of Directors. Each line manager will supervise and follow up with direct reports and notify the supervisor of the line if any actions are not in compliance with company guidelines. And change is evaluated from external factors. This may affect the company's business operations through the Board of Directors meeting. The Risk Management Committee has been assigned to review the potential risks and take appropriate action on them.

**3) Control Operations (Control Activations)**

Management has established management and governance guidelines based on organizational risk. To reduce the potential impact of this by a joint meeting between management and each supervisor. To assess and identify risks. Take measures to manage risks and determine who is responsible. There is also an inter-item policy and the policy on preventing conflicts of interest approved by the Board of Directors is guidelines for operations.

**4) Information & Communication Systems**

The company consider implementing an ERP system (SAP B1) for all operations and providing appropriate data communication processes. E.g., the Share Drive system. In 2022, the company has implemented the Barcode system to manage the production line to help control the amount of inventory in production. This makes it improves raw material yields, reduces wastage, increases efficiency in production line management, and provides a conference to support internal controls. Individuals with responsibility are assigned to each function. Knowledgeable in their area of expertise is responsible for communicating and providing information to third parties. A Website is created that contains important content. E.g., company information Investor Information, corporate governance, code of conduct, whistleblowing, and receiving complaints for example.

**5) Monitoring systems**

The company procedures are in place to track employee conduct that is not in line with business ethics and company restrictions. Defined by the supervisor as line worker monitoring and internal auditors from external organizations that audit internal control systems and procedures regularly to ensure that internal control systems are effective. The internal auditor will report to the management and the Audit Committee. The responsibility of coordinating the improvement of the received internal control system is adequate based on feedback/suggestions and a mentor from an internal auditor to improve the efficiency and effectiveness of the control process.

In conclusion, based on an assessment of the company's internal control system, all 5 of these. The Board of Directors viewed the company's internal control system is adequate and appropriate. By Company Has provided sufficient personnel to execute the system effectively. Be capable of protecting company assets from the Board of Directors or Management being misused or without authority. This includes making transactions with individuals who may have sufficient conflicts and connected parties. For Internal controls on other topics, the Board of Directors deemed that the company has adequate internal controls as well.

**9.1.2 Internal Control System Monitoring**

The meeting of the Audit Committee, No. 5/2020 on November 11, 2020, considered the company's qualifications. P&L Internal audit Co., Ltd.(outsource) and Miss Monpat Poomrattanacharin saw that, is appropriate enough to perform the task, because Independence and experience in performing internal audit tasks in Industry business have been similar to the company for the past 15 years. Attend the internal audit operations-related module including the Internal Auditing Certificate Program (IACP) Federation of Accounting Profession SME Group (CAC SME Independent Auditor Certification) and has approved the appointment of P&L Internal audit Co., Ltd. restricted to act as the internal auditor of the

company in 2023, where the company P&L Internal audit Co., Ltd. (outsourced) has been appointed to serve the company's internal auditors since Q3 of the Year 2019. P&L Internal audit Co., Ltd. (outsourced) assigned Miss Monpat Poomrattanacharin as the position of president is the head of the internal audit and is the main responsibility of the company's internal auditors. They have a scope of work from reviewing, following and assessing the company's performance in accordance with the company's internal control plans and policies to meet the COSO criteria as mentioned above. It details the heads of the Internal Audit as shown in Attachment 3. In addition, the appointment, withdrawal and moves of the person in the position as the Head of the internal audit of the company must be approved or agreed upon with the Audit Committee.

In addition, The Audit Committee has no different opinion from the opinion of the Board of Directors. At the Board of Directors Meeting Session 1/2024, on February 23, 2024, where the Board of Directors assessed adequate internal control systems that the company's internal control system is adequate and appropriate consistent with business categories and other environmental factors relevant, with no issues or observations regarding internal controls that could significantly affect performance including the company. Including PricewaterhouseCoopers ABAS Co., Ltd.; the company's auditor has reviewed and evaluated the company's accounting controls no deficiencies or observations were found that could significantly impact the auditor's opinion on the financial statements for the year-end period as of December 31, 2023.

## 9.2 Items between each other

In the year 2023, the company There is a potential conflict between the individuals and the company. The Audit Committee has reviewed the transaction between the members of the Audit Committee and the Audit Committee. Reasonable In these details.

| Name                                           | Characteristics and Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Item-to-Transaction Value<br>(Baht million) |              |              | Necessity and justification<br>Of items                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|--------------|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | Year<br>2021                                | Year<br>2022 | Year<br>2023 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>1. Mr.Theerawut<br/>Nawamongkhonchaikit</b> | <p>The company has a credit line with 1 financial institution in order to run the business. Mr.Theerawut Nawamongkhonchaikit has the full-amount guaranteed which is in accordance with the conditions prescribed by the financial Institution. In detail as follows:</p> <p><u>As of December 31, 2021</u></p> <p>Overdraft facility    15.00 million baht.</p> <p>Payment Limit        10.00 million baht.</p> <p>Loan Limit             34.00 million baht.</p> <p>In this regard, the guarantee obligations by director have been released from the financial Institutions on November 22, 2021.</p> | -                                           | -            | -            | <p>This is a guarantee of the credit limit for use in the company's business operations. This is in accordance with the terms of the financial institution. The guaranteed obligation by the directors has been released with the financial institutions when the company offer shares to the public.</p> <p><u>Audit Committee' Opinion</u></p> <p>The Audit Committee considered and had an opinion that transaction is reasonable and beneficial for the company's business operations to increase liquidity in the business. In this regard, this transaction is necessary to comply with the terms of the credit facilities</p> |

| Name | Characteristics and Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | Item-to-Transaction Value<br>(Baht million) |              |              | Necessity and justification<br>Of items                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|--------------|--------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Year<br>2021                                | Year<br>2022 | Year<br>2023 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                                             |              |              | requested by the financial institutions. The guarantee obligations has now been released.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|      | <p>The company has a contract to rent machinery and vehicles with leasing creditors which has Mr.Theerawut Nawamongkhonchaikit guarantee. The full-amount guaranteed is in accordance with the conditions prescribed by the creditor and there is no compensation.</p> <p><u>As of December 31, 2021</u></p> <p>In this regard, the lease agreements and machine guarantee obligations have ended on August 27, 2021.</p> <p>Vehicle lease agreement Baht 1.88 million baht.</p> <p><u>As of December 31, 2022</u></p> <p>Vehicle lease agreement Baht 1.41 million baht.</p> | -<br>1.88                                   | -<br>1.41    | -<br>-       | <p>This is a guarantee of the credit limit for use in the company's business operations. This is subject to the terms of the leasing creditor. The lease agreements and machine guarantee obligations have ended on August 27, 2021.</p> <p>The lease agreements and vehicles guarantee obligations have ended on August 22, 2023.</p> <p><u>Audit Committee' Opinion</u></p> <p>The Audit Committee considered and has an opinion that the transaction is reasonable and beneficial to the Company's business operations. Such transactions are necessary to comply with the terms of the leasing creditor.</p> |



| Name                                   | Characteristics and Details                                                                                                                                                                                                                                                                                                                                                                                            | Item-to-Transaction Value<br>(Baht million) |              |              | Necessity and justification<br>Of items                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|--------------|--------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                        |                                                                                                                                                                                                                                                                                                                                                                                                                        | Year<br>2021                                | Year<br>2022 | Year<br>2023 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|                                        | <p><u>As of December 31, 2023</u></p> <p>In this regard, the lease agreements and vehicles guarantee obligations have ended on August 22, 2023.</p>                                                                                                                                                                                                                                                                    |                                             |              |              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>2.Mrs.Supak Nawamongkhonchaikit</b> | <p>The company has a credit line with 1 financial institution in order to run the business. Mrs. Supak Nawamongkhonchaikit has the full- amount guaranteed which is in accordance with the conditions prescribed by the financial Institution. In detail as follows:</p> <p><u>As of December 31, 2021</u></p> <p>Overdraft facility      15.00 million baht.</p> <p>Loan Limit                34.00 million baht.</p> | -                                           | -            | -            | <p>This is a guarantee of the credit limit for use in the company's business operations. This is in accordance with the terms of the financial institution. The guaranteed obligation by the directors has been released with the financial institutions when the company offer shares to the public.</p> <p><u>Audit Committee' Opinion</u></p> <p>The Audit Committee considered and had an opinion that transaction is reasonable and beneficial for the company's business operations to increase liquidity in the business. However, this transaction is necessary to comply with the terms of the credit facilities</p> |

| Name                                   | Characteristics and Details                                                                                                                                                                                                                                                                                                                                         | Item-to-Transaction Value<br>(Baht million) |              |              | Necessity and justification<br>Of items                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|--------------|--------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                        |                                                                                                                                                                                                                                                                                                                                                                     | Year<br>2021                                | Year<br>2022 | Year<br>2023 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|                                        | In this regard, the guarantee obligations by director have been released from the financial Institutions on November 22, 2021.                                                                                                                                                                                                                                      |                                             |              |              | requested by the financial institutions. The guarantee obligations has now been released.                                                                                                                                                                                                                                                                                                                                                                                                                       |
|                                        | <p>The company has a contract to rent machinery with leasing creditors which has Mrs.Supak Nawamongkhonchaikit guarantee. The full-Amount guaranteed is in accordance with the conditions prescribed by the creditor and there is no compensation.</p> <p>In this regard, the lease agreements and machine guarantee obligations have ended on August 27, 2021.</p> | -                                           | -            | -            | <p>This is a guarantee of the credit limit for use in the company's business operations. This is subject to the terms of the leasing creditor. The lease agreements and machine guarantee obligations have ended on August 27, 2021.</p> <p><u>Audit Committee' Opinion</u></p> <p>The Audit Committee and the opinion that the transaction is reasonable and beneficial to the Company's business operations. This is the case. Such items are necessary to comply with the terms of the leasing creditor.</p> |
| <b>3.Mr.Prasert Ruengleardsatitkul</b> | The company has a credit line with 1 financial institution in order to run the business. Mr.                                                                                                                                                                                                                                                                        | -                                           | -            | -            | This is a guarantee of the credit limit for use in the company's business operations. This is                                                                                                                                                                                                                                                                                                                                                                                                                   |

| Name | Characteristics and Details                                                                                                                                                                                                                                                                                                                                                                  | Item-to-Transaction Value<br>(Baht million) |      |      | Necessity and justification<br>Of items                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------|------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|      |                                                                                                                                                                                                                                                                                                                                                                                              | Year                                        | Year | Year |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|      |                                                                                                                                                                                                                                                                                                                                                                                              | 2021                                        | 2022 | 2023 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|      | <p>Prasert Ruengleardsatitkul has the full-Amount guaranteed which is in accordance with the conditions prescribed by the financial Institution. In detail as follows:</p> <p><u>As of December 31, 2021</u></p> <p>Loan Limit 30.00 million baht.</p> <p>In this regard, the guarantee obligations by director have been released from the financial Institutions on November 22, 2021.</p> |                                             |      |      | <p>in accordance with the terms of the financial institution. The guaranteed obligation by the directors has been released with the financial institutions when the company offer shares to the public.</p> <p><u>Audit Committee' Opinion</u></p> <p>The Audit Committee considered and had an opinion that transaction is reasonable and beneficial for the company's business operations to increase liquidity in the business. However, this transaction is necessary to comply with the terms of the credit facilities requested by the financial institutions. The guarantee obligations has now been released.</p> |

**9.3 The need and validity of items between them.**

The company has a list of potential conflicts with individuals or entities. It is important that there is a guarantee by the Audit Committee of the company. All items have been considered and resolved to approve that the above items are reasonable in terms of the transaction as determined by the parties and for the purpose for which they are most beneficial to the company.

**9.4 The related party transactions approval procedures.**

At the meeting of the Audit Committee and the Board of Directors, they perform a detailed check of the item of need reasonable compare all list prices and conditions that are consistent with normal business conditions or with transactions with third parties to ensure fair access to the transaction. In addition, the members of the Board of Directors who have an interest in the transaction are required to enter into the transaction. There is no right to vote when a resolution approves. This includes in the case where the Audit Committee or the Board of Directors do not have adequate expertise or experience in considering any items between them. The company designates an independent expert to be appointed, an independent appraiser or seek feedback from the company's auditors to report the information to the Audit Committee meeting or Board of Directors as appropriate. In addition, the company will comply with office requirements of the Stock Exchange of Thailand (SET) including the criteria relating to the disclosure of related transactions of the company. Including the disclosure of items between each other in the audited financial statements from the company's auditors, Account standards.

**9.5 Policies and trends in the future of the related party transactions.**

The company follows the company's list-to-program policy framework. The Audit Committee and the Board of Directors shall consider the need, reasonably compare all list prices and conditions and consider the appointment of independent experts, independent appraisers or seek feedback from the company's auditors to report the information to the Audit Committee meeting. The Board of Directors As appropriate to ensure fair access to the company and its shareholders. In addition, for any potential cross-over items that may occur in the future, the Committee shall also comply with the rules prescribed by the office of The Stock Exchange of Thailand and the Securities and Exchange of the Committee shall not approve any items that may have a conflict of interest in any other way with the company and such items must also be disclosed to the Board of Directors for consideration by the Board of Directors.

## Part 3: Financial Statements

### 10. Financial statements for the year ended as of December 31, 2023 and Certified Public Accountant Report

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#### Independent Auditor's Report

To the shareholders of T.R.V. Rubber Products 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 T.R.V. Rubber Products 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 statement of changes in equity for the year then ended;
- the consolidated and separate statement 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 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: Recognition of revenue from sales. 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.

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | How my audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Recognition of revenue from sales</b></p> <p>Refer to Note 4.17 to the financial statements 'Revenue recognition'.</p> <p>As at 31 December 2023, the Company had revenue from sales in an amount of Baht 166.98 million.</p> <p>The Company's revenue is recognised in several contract types and different contract conditions made with each customer.</p> <p>I focused on this area as revenue recognition involves management's judgement over the performance obligation in contracts. This includes:</p> <ul style="list-style-type: none"> <li>the performance obligations satisfied over time and revenue was recognised over time or</li> <li>the performance obligations satisfied at a point in time and revenue was recognised when the Company transferred the control of goods to customers at a point in time.</li> </ul> <p>I identified revenue recognition from sales as a key audit matter because the revenue amount is material to the financial statements. Also, the recognition depends on the conditions stipulated in each contract. I focused on an accuracy and occurrence of transactions in the period</p> | <p>My key audit procedures in relation to revenue recognition included:</p> <ul style="list-style-type: none"> <li>Reading the contracts to assess whether the appropriateness of performance obligations identified, and the revenue recognition method was relevant and consistent with TFRS.</li> <li>Understanding the process and accounting method as well as internal controls relating to revenue recognition. In addition, I tested key internal controls over revenue and receivables cycle.</li> <li>Sampling test the revenue recognition to assess that the Company recorded revenue transactions at the appropriate recognition point according to the contract conditions. I also examined invoices and delivery notes to determine whether the transactions were accurate and occurred in the appropriate period. For revenue transactions that had been collected, the cash receipts from customers were traced to invoices and transactions in the bank statements.</li> <li>Sampling test cut-off sales by examining invoices and delivery notes to assess that the Company recorded revenue transactions at the appropriate recognition point according to the contract conditions and in the appropriate period.</li> </ul> <p>Based on these procedures, I found that the basis and method of the revenue recognition of each selected contract was recorded reasonably and consistently with supporting documents.</p> |



**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 intends 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 judgment and maintain professional scepticism throughout the audit. I also:

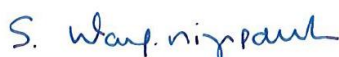
- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. 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.



**Sukhumaporn Wong-ariyaporn**  
Certified Public Accountant (Thailand) No. 4843  
Bangkok  
23 February 2024



## T.R.V. Rubber Products Public Company Limited

## Statement of Financial Position

As at 31 December 2023

|                                       | Notes | Consolidated<br>financial statements |                    | Separate<br>financial statements |                    |
|---------------------------------------|-------|--------------------------------------|--------------------|----------------------------------|--------------------|
|                                       |       | 2023                                 | 2022               | 2023                             | 2022               |
|                                       |       | Baht                                 | Baht               | Baht                             | Baht               |
| <b>Assets</b>                         |       |                                      |                    |                                  |                    |
| <b>Current assets</b>                 |       |                                      |                    |                                  |                    |
| Cash and cash equivalents             | 9     | 114,737,832                          | 181,998,848        | 97,710,822                       | 162,138,950        |
| Deposit at bank pledged as collateral | 10    | 20,000,000                           | -                  | 20,000,000                       | -                  |
| Trade and other receivables           | 11    | 185,067,867                          | 28,953,963         | 31,617,173                       | 28,953,099         |
| Short-term loan to a subsidiary       | 31.3  | -                                    | -                  | 170,000,000                      | -                  |
| Inventories, net                      | 13    | 10,409,466                           | 12,754,707         | 10,409,466                       | 12,754,707         |
| Other current assets                  | 14    | 16,916,187                           | 83,047             | 105,772                          | 79,257             |
| <b>Total current assets</b>           |       | <b>347,131,352</b>                   | <b>223,790,565</b> | <b>329,843,233</b>               | <b>203,926,013</b> |
| <b>Non-current assets</b>             |       |                                      |                    |                                  |                    |
| Investment in a subsidiary            | 15    | -                                    | -                  | 19,999,800                       | 19,999,800         |
| Property, plant and equipment, net    | 16    | 130,095,376                          | 137,104,647        | 130,085,760                      | 137,089,398        |
| Right-of-use assets, net              | 17    | 4,030,483                            | 6,697,181          | 4,030,483                        | 6,697,181          |
| Intangible assets, net                | 18    | 2,145,011                            | 2,487,037          | 2,118,172                        | 2,457,099          |
| Deferred tax assets, net              | 19    | 2,374,248                            | 1,552,159          | 1,776,497                        | 1,552,159          |
| Other non-current assets              |       | 942,600                              | 892,600            | 942,600                          | 892,600            |
| <b>Total non-current assets</b>       |       | <b>139,587,718</b>                   | <b>148,733,624</b> | <b>158,953,312</b>               | <b>168,688,237</b> |
| <b>Total assets</b>                   |       | <b>486,719,070</b>                   | <b>372,524,189</b> | <b>488,796,545</b>               | <b>372,614,250</b> |

Director

Director

The accompanying condensed notes form an integral part of this interim financial information.

**T.R.V. Rubber Products Public Company Limited**
**Statement of Financial Position (continued)**
**As at 31 December 2023**

|                                                                        | Notes | Consolidated<br>financial statements |                    | Separate<br>financial statements |                    |
|------------------------------------------------------------------------|-------|--------------------------------------|--------------------|----------------------------------|--------------------|
|                                                                        |       | 2023                                 | 2022               | 2023                             | 2022               |
|                                                                        |       | Baht                                 | Baht               | Baht                             | Baht               |
| <b>Liabilities and equity</b>                                          |       |                                      |                    |                                  |                    |
| <b>Current liabilities</b>                                             |       |                                      |                    |                                  |                    |
| Trade and other payables                                               | 20    | 17,691,283                           | 18,346,909         | 17,377,045                       | 18,166,909         |
| Current portion of long-term borrowing<br>from a financial institution | 21.1  | 7,859,153                            | 7,425,509          | 7,859,153                        | 7,425,509          |
| Current portion of lease liabilities                                   | 21.2  | 711,573                              | 1,155,667          | 711,573                          | 1,155,667          |
| Income tax payable                                                     |       | 1,611,703                            | 8,745,761          | 1,611,703                        | 8,745,761          |
| Other current liabilities                                              |       | 609,353                              | 742,333            | 609,353                          | 742,333            |
| <b>Total current liabilities</b>                                       |       | <b>28,483,065</b>                    | <b>36,416,179</b>  | <b>28,168,827</b>                | <b>36,236,179</b>  |
| <b>Non-current liabilities</b>                                         |       |                                      |                    |                                  |                    |
| Long-term borrowing from<br>a financial institution                    | 21.1  | 526,577                              | 8,327,847          | 526,577                          | 8,327,847          |
| Lease liabilities                                                      | 21.2  | 1,544,947                            | 3,166,316          | 1,544,947                        | 3,166,316          |
| Employee benefit obligations                                           | 23    | 10,071,825                           | 9,927,170          | 10,071,825                       | 9,927,170          |
| <b>Total non-current liabilities</b>                                   |       | <b>12,143,349</b>                    | <b>21,421,333</b>  | <b>12,143,349</b>                | <b>21,421,333</b>  |
| <b>Total liabilities</b>                                               |       | <b>40,626,414</b>                    | <b>57,837,512</b>  | <b>40,312,176</b>                | <b>57,657,512</b>  |
| <b>Equity</b>                                                          |       |                                      |                    |                                  |                    |
| Share capital                                                          |       |                                      |                    |                                  |                    |
| Authorised share capital                                               |       |                                      |                    |                                  |                    |
| 240,000,000 ordinary shares<br>of par Baht 0.5 each                    | 24    | 120,000,000                          | -                  | 120,000,000                      | -                  |
| 210,000,000 ordinary shares<br>of par Baht 0.5 each                    | 24    | -                                    | 105,000,000        | -                                | 105,000,000        |
| Issued and paid-up share capital                                       |       |                                      |                    |                                  |                    |
| 240,000,000 ordinary shares<br>of par Baht 0.5 each                    |       | 120,000,000                          | -                  | 120,000,000                      | -                  |
| 210,000,000 ordinary shares<br>of par Baht 0.5 each                    |       | -                                    | 105,000,000        | -                                | 105,000,000        |
| Premium on ordinary shares                                             | 24    | 254,885,643                          | 149,885,643        | 254,885,643                      | 149,885,643        |
| Retained earnings                                                      |       |                                      |                    |                                  |                    |
| Appropriated - legal reserve                                           | 25    | 11,150,000                           | 10,500,000         | 11,150,000                       | 10,500,000         |
| Unappropriated                                                         |       | 60,056,813                           | 49,300,834         | 62,448,726                       | 49,571,095         |
| Equity attributable to the parent                                      |       | 446,092,456                          | 314,686,477        | 448,484,369                      | 314,956,738        |
| Non-controlling interests                                              |       | 200                                  | 200                | -                                | -                  |
| <b>Total equity</b>                                                    |       | <b>446,092,656</b>                   | <b>314,686,677</b> | <b>448,484,369</b>               | <b>314,956,738</b> |
| <b>Total liabilities and equity</b>                                    |       | <b>486,719,070</b>                   | <b>372,524,189</b> | <b>488,796,545</b>               | <b>372,614,250</b> |

Director

Director

The accompanying condensed notes form an integral part of this interim financial information.

## T.R.V. Rubber Products Public Company Limited

## Statement of Comprehensive Income

For the year ended 31 December 2023

|                                                                  | Notes | Consolidated<br>financial statements |               | Separate<br>financial statements |               |
|------------------------------------------------------------------|-------|--------------------------------------|---------------|----------------------------------|---------------|
|                                                                  |       | 2023                                 | 2022          | 2023                             | 2022          |
|                                                                  |       | Baht                                 | Baht          | Baht                             | Baht          |
| Revenue from sales                                               |       | 166,983,190                          | 173,616,530   | 166,983,190                      | 173,616,530   |
| Cost of sales                                                    |       | (112,642,507)                        | (117,666,539) | (112,642,507)                    | (117,666,539) |
| <b>Gross profit</b>                                              |       | 54,340,683                           | 55,949,991    | 54,340,683                       | 55,949,991    |
| Other income                                                     | 26    | 1,051,323                            | 45,352,301    | 2,689,042                        | 45,331,639    |
| Selling expenses                                                 |       | (10,608,338)                         | (9,744,356)   | (10,608,338)                     | (9,744,356)   |
| Administrative expenses                                          |       | (30,008,219)                         | (26,108,043)  | (28,926,535)                     | (25,817,120)  |
| Finance costs                                                    | 28    | (1,278,130)                          | (1,466,929)   | (1,278,130)                      | (1,466,929)   |
| <b>Profit before income tax expense</b>                          |       | 13,497,319                           | 63,982,964    | 16,216,722                       | 64,253,225    |
| Income tax expense                                               | 29    | (2,731,050)                          | (13,332,333)  | (3,328,801)                      | (13,332,333)  |
| <b>Profit for the year</b>                                       |       | 10,766,269                           | 50,650,631    | 12,887,921                       | 50,920,892    |
| <b>Other comprehensive income (expense)</b>                      |       |                                      |               |                                  |               |
| Remeasurement of post-employment benefit obligations, net of tax |       | 639,710                              | -             | 639,710                          | -             |
| <b>Other comprehensive income for the year, net of tax</b>       |       | 639,710                              | -             | 639,710                          | -             |
| <b>Total comprehensive income for the year</b>                   |       | 11,405,979                           | 50,650,631    | 13,527,631                       | 50,920,892    |
| <b>Earnings per share</b>                                        |       |                                      |               |                                  |               |
| Basic earnings per share                                         | 30    | 0.0502                               | 0.2412        | 0.0596                           | 0.2425        |

The accompanying condensed notes form an integral part of this interim financial information.



## T.R.V. Rubber Products Public Company Limited

## Statement of Changes in Equity

For the year ended 31 December 2023

| Consolidated financial statements             |                                                |                                       |                                         |                        |                                       |                                      |                         |
|-----------------------------------------------|------------------------------------------------|---------------------------------------|-----------------------------------------|------------------------|---------------------------------------|--------------------------------------|-------------------------|
| Attributable to owners of the Company         |                                                |                                       |                                         |                        |                                       |                                      |                         |
| Notes                                         | Issued and<br>paid-up<br>share capital<br>Baht | Premium on<br>ordinary shares<br>Baht | Retained earnings                       |                        | Total owners<br>of the parent<br>Baht | Non-controlling<br>interests<br>Baht | Total<br>equity<br>Baht |
|                                               |                                                |                                       | Appropriated<br>- legal reserve<br>Baht | Unappropriated<br>Baht |                                       |                                      |                         |
| <b>Opening balance as at 1 January 2022</b>   | 105,000,000                                    | 149,885,643                           | 8,981,750                               | 35,833,484             | 299,700,877                           | -                                    | 299,700,877             |
| <b>Changes in equity for the year</b>         |                                                |                                       |                                         |                        |                                       |                                      |                         |
| Legal reserve                                 | 25                                             | -                                     | -                                       | 1,518,250              | (1,518,250)                           | -                                    | -                       |
| Dividend paid                                 |                                                | -                                     | -                                       | -                      | (35,665,031)                          | -                                    | (35,665,031)            |
| Total comprehensive income for the year       |                                                | -                                     | -                                       | -                      | 50,650,631                            | 200                                  | 50,650,831              |
| <b>Closing balance as at 31 December 2022</b> | <u>105,000,000</u>                             | <u>149,885,643</u>                    | <u>10,500,000</u>                       | <u>49,300,834</u>      | <u>314,686,477</u>                    | <u>200</u>                           | <u>314,686,677</u>      |
| <b>Opening balance as at 1 January 2023</b>   | 105,000,000                                    | 149,885,643                           | 10,500,000                              | 49,300,834             | 314,686,477                           | 200                                  | 314,686,677             |
| <b>Changes in equity for the year</b>         |                                                |                                       |                                         |                        |                                       |                                      |                         |
| Ordinary shares issued                        | 24                                             | 15,000,000                            | 105,000,000                             | -                      | -                                     | 120,000,000                          | -                       |
| Legal reserve                                 | 25                                             | -                                     | -                                       | 650,000                | (650,000)                             | -                                    | -                       |
| Total comprehensive income for the year       |                                                | -                                     | -                                       | -                      | 11,405,979                            | 11,405,979                           | -                       |
| <b>Closing balance as at 31 December 2023</b> | <u>120,000,000</u>                             | <u>254,885,643</u>                    | <u>11,150,000</u>                       | <u>60,056,813</u>      | <u>446,092,456</u>                    | <u>200</u>                           | <u>446,092,656</u>      |

The accompanying condensed notes form an integral part of this interim financial information.



**T.R.V. Rubber Products Public Company Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2023**

| Separate financial statements           |       |                                                |                                       |                                         |                         |              |
|-----------------------------------------|-------|------------------------------------------------|---------------------------------------|-----------------------------------------|-------------------------|--------------|
|                                         |       | Issued and<br>paid-up<br>share capital<br>Baht | Premium on<br>ordinary shares<br>Baht | Retained earnings                       | Total<br>equity<br>Baht |              |
|                                         | Notes |                                                |                                       | Appropriated<br>- legal reserve<br>Baht | Unappropriated<br>Baht  |              |
| Opening balance as at 1 January 2022    |       | 105,000,000                                    | 149,885,643                           | 8,981,750                               | 35,833,484              | 299,700,877  |
| Changes in equity for the year          |       |                                                |                                       |                                         |                         |              |
| Legal reserve                           | 25    | -                                              | -                                     | 1,518,250                               | (1,518,250)             | -            |
| Dividend paid                           |       | -                                              | -                                     | -                                       | (35,665,031)            | (35,665,031) |
| Total comprehensive income for the year |       | -                                              | -                                     | -                                       | 50,920,892              | 50,920,892   |
| Closing balance as at 31 December 2022  |       | 105,000,000                                    | 149,885,643                           | 10,500,000                              | 49,571,095              | 314,956,738  |
| Opening balance as at 1 January 2023    |       | 105,000,000                                    | 149,885,643                           | 10,500,000                              | 49,571,095              | 314,956,738  |
| Changes in equity for the year          |       |                                                |                                       |                                         |                         |              |
| Ordinary shares issued                  | 24    | 15,000,000                                     | 105,000,000                           | -                                       | -                       | 120,000,000  |
| Legal reserve                           | 25    | -                                              | -                                     | 650,000                                 | (650,000)               | -            |
| Total comprehensive income for the year |       | -                                              | -                                     | -                                       | 13,527,631              | 13,527,631   |
| Closing balance as at 31 December 2023  |       | 120,000,000                                    | 254,885,643                           | 11,150,000                              | 62,448,726              | 448,484,369  |

The accompanying condensed notes form an integral part of this interim financial information.



**T.R.V. Rubber Products Public Company Limited**
**Statement of Cash Flows**
**For the year ended 31 December 2023**

|                                                                                                       | Notes  | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|-------------------------------------------------------------------------------------------------------|--------|--------------------------------------|--------------|----------------------------------|--------------|
|                                                                                                       |        | 2023                                 | 2022         | 2023                             | 2022         |
|                                                                                                       |        | Baht                                 | Baht         | Baht                             | Baht         |
| <b>Cash flows from operating activities</b>                                                           |        |                                      |              |                                  |              |
| Profit before income tax                                                                              |        | 13,497,319                           | 63,982,964   | 16,216,722                       | 64,253,225   |
| Adjustments to reconcile profit before income tax<br>to net cash generated from operating activities: |        |                                      |              |                                  |              |
| - Depreciation                                                                                        | 16, 17 | 11,964,866                           | 11,928,711   | 11,959,233                       | 11,927,060   |
| - Amortisation                                                                                        | 18     | 410,926                              | 394,288      | 407,827                          | 393,226      |
| - Loss on write-off of fixed assets                                                                   |        | 387,256                              | 2            | 387,256                          | 2            |
| - Gain on disposal of fixed assets                                                                    |        | -                                    | (865,589)    | -                                | (865,589)    |
| - Gain on disposal of investment properties                                                           | 26     | -                                    | (44,015,079) | -                                | (44,015,079) |
| - Loss (gain) on allowance for net realisable value<br>of inventories                                 | 13     | 302,215                              | (10,328)     | 302,215                          | (10,328)     |
| - Employee benefit obligations                                                                        | 23     | 944,293                              | 920,857      | 944,293                          | 920,857      |
| - Interest income                                                                                     |        | (879,028)                            | (213,381)    | (2,082,746)                      | (192,719)    |
| - Finance costs                                                                                       | 28     | 1,278,130                            | 1,466,929    | 1,278,130                        | 1,466,929    |
| Cash flows before changes in working capital                                                          |        | 27,905,977                           | 33,589,374   | 29,412,930                       | 33,877,584   |
| Changes in working capital                                                                            |        |                                      |              |                                  |              |
| - Trade and other receivables                                                                         |        | (156,108,116)                        | 12,652,848   | (1,664,937)                      | 12,652,848   |
| - Inventories                                                                                         |        | 2,043,026                            | 1,716,002    | 2,043,026                        | 1,716,002    |
| - Other current assets                                                                                |        | (16,833,140)                         | 133,370      | (26,515)                         | 137,160      |
| - Other non-current assets                                                                            |        | (50,000)                             | -            | (50,000)                         | -            |
| - Trade and other payables                                                                            |        | (796,459)                            | (10,668,030) | (930,696)                        | (10,848,030) |
| - Other current liabilities                                                                           |        | (132,980)                            | 6,804        | (132,980)                        | 6,804        |
| Cash generated from (used in) operations                                                              |        | (143,971,692)                        | 37,430,368   | 28,650,828                       | 37,542,368   |
| - Interest received                                                                                   |        | 873,241                              | 192,855      | 1,083,609                        | 173,057      |
| - Interest paid                                                                                       |        | (1,207,248)                          | (1,412,498)  | (1,207,248)                      | (1,412,498)  |
| - Income tax paid                                                                                     |        | (10,847,125)                         | (6,999,796)  | (10,847,125)                     | (6,999,796)  |
| Net cash generated from (used in) operating activities                                                |        | (155,152,824)                        | 29,210,929   | 17,680,064                       | 29,303,131   |

The accompanying condensed notes form an integral part of this interim financial information.

**T.R.V. Rubber Products Public Company Limited**
**Statement of Cash Flows**
**For the year ended 31 December 2023**

|                                                                        | Notes | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|------------------------------------------------------------------------|-------|--------------------------------------|--------------|----------------------------------|--------------|
|                                                                        |       | 2023                                 | 2022         | 2023                             | 2022         |
|                                                                        |       | Baht                                 | Baht         | Baht                             | Baht         |
| <b>Cash flows from investing activities</b>                            |       |                                      |              |                                  |              |
| Deposit at bank pledged as collateral                                  | 10    | (20,000,000)                         | -            | (20,000,000)                     | -            |
| Payment for investment in a subsidiary                                 |       | -                                    | -            | -                                | (19,999,800) |
| Proceeds from disposal of fixed assets                                 |       | -                                    | 865,598      | -                                | 865,598      |
| Proceeds from disposal of investment properties                        |       | -                                    | 93,131,579   | -                                | 93,131,579   |
| Payment for purchase of fixed assets                                   |       | (2,532,614)                          | (5,426,957)  | (2,532,614)                      | (5,410,057)  |
| Payment for purchase of intangible assets                              |       | (68,900)                             | (238,880)    | (68,900)                         | (207,880)    |
| Payment for short-term loan to a subsidiary                            | 31.3  | -                                    | -            | (180,000,000)                    | -            |
| Proceeds from short-term loan to a subsidiary                          | 31.3  | -                                    | -            | 10,000,000                       | -            |
| Net cash generated from (used in) investing activities                 |       | (22,601,514)                         | 88,331,340   | (192,601,514)                    | 68,379,440   |
| <b>Cash flows from financing activities</b>                            |       |                                      |              |                                  |              |
| Proceeds from non-controlling interest from investment in a subsidiary |       | -                                    | 200          | -                                | -            |
| Repayment for long-term borrowings from a financial institution        | 21.1  | (7,441,215)                          | (8,109,212)  | (7,441,215)                      | (8,109,212)  |
| Payment for lease liabilities                                          | 21.2  | (2,065,463)                          | (3,192,050)  | (2,065,463)                      | (3,192,050)  |
| Proceeds from issue of ordinary shares                                 | 24    | 120,000,000                          | -            | 120,000,000                      | -            |
| Dividend paid                                                          |       | -                                    | (35,665,031) | -                                | (35,665,031) |
| Net cash generated from (used in) financing activities                 |       | 110,493,322                          | (46,966,093) | 110,493,322                      | (46,966,293) |
| <b>Net increase (decrease) in cash and cash equivalents</b>            |       | (67,261,016)                         | 70,576,176   | (64,428,128)                     | 50,716,278   |
| Cash and cash equivalents at the beginning of the year                 |       | 181,998,848                          | 111,422,672  | 162,138,950                      | 111,422,672  |
| <b>Cash and cash equivalents at the end of the year</b>                | 9     | 114,737,832                          | 181,998,848  | 97,710,822                       | 162,138,950  |
| <b>Supplementary information:</b>                                      |       |                                      |              |                                  |              |
| Non-cash transaction                                                   |       |                                      |              |                                  |              |
| - Purchase of fixed assets on payable                                  | 20    | 143,540                              | -            | 143,540                          | -            |
| - Recognise right-of-use assets from lease agreements                  | 17    | -                                    | 5,639,000    | -                                | 5,639,000    |

The accompanying condensed notes form an integral part of this interim financial information.

**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

## 1 General information

T.R.V. Rubber Products Public Company Limited (the Company) was incorporated in Thailand on 11 February 2005.

The Company is listed in the Stock Exchange of Thailand on 1 November 2021. The address of the Company's registered office is 40, 88/8 - 9, Soi Ekachai 76, 1-3-1 intersection, Khlong Bang Phran, Bang Bon, Bangkok.

The principal business operations of the Company are manufacturing and rendering manufacturing services of compression and injection of o-rings rubber and rubber parts. The principal business operations of the subsidiary are supplying and distributing of machinery and parts, and providing related maintenance services.

The Company and its subsidiary together are called as "the Group".

These financial statements were authorised for issue by the Board of Directors on 23 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.

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 New and amended financial reporting standards that are effective for accounting periods beginning on or after 1 January 2023 have insignificant impact to the Group.**

**3.2 Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2024 and relevant to the Group. The Group has not early adopted these standards.**

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**

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.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The Group's management has evaluated and concluded that there is insignificant impact on the financial statements.



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**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

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- 3.3 Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2025 have insignificant impact to the Group. The Group have not early adopted these standards.**

#### **4 Accounting policies**

The principal accounting policies applied in the preparation of financial statements are set out below:

##### **4.1 Principles of consolidation**

###### **a) 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.

###### **b) Intercompany transactions on consolidation**

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group are eliminated. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

##### **4.2 Foreign currency translation**

###### **a) Functional and presentation currency**

The financial statements are presented in Thai Baht which is the Company's functional and presentation currency.

###### **b) 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.

##### **4.3 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks and other short-term highly liquid investments with maturities of three months or less from the date of acquisition.

##### **4.4 Trade receivables**

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business. They are generally due for settlement within 30 - 90 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables is disclosed in Note 4.6 f).

##### **4.5 Inventories**

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the first-in, first-out method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs, overhead costs and directly attributable costs in bringing the inventories to their present location and condition. The Group recorded allowance, where necessary, for obsolete, slow-moving and defective inventories.

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**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

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#### **4.6 Financial asset**

##### **a) Classification**

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- 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.

The Group reclassifies debt investments 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.

##### **b) Recognition and derecognition**

Regular way purchases, acquires 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.

##### **c) Measurement**

At initial recognition, the Group measures a financial asset at its fair value plus, 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 the cash flows are solely payment of principal and interest (SPPI).

##### **d) 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:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other 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 as a separate line item in the statement of comprehensive income.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial 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.



**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

**e) 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 as other income when the 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 comprehensive income.

Impairment losses and reversal of impairment losses on equity investments are reported together with changes in fair value.

**f) Impairment**

The Group applies simplified approach in measuring the impairment of trade receivables, which requires expected lifetime losses to be recognised from initial recognition of the 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.

The Group write-off trade receivables and contract assets when there is no reasonable expectation of recovery.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

For other financial assets carried at amortised cost, 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 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.

Impairment and reversal of impairment losses are recognised in profit or loss as administrative expenses.

**4.7 Property, plant and equipment**

All other property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment loss.

Initial cost includes 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. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate cost over the estimated useful lives, as follows:

|                                          |              |
|------------------------------------------|--------------|
| Building and building improvement        | 5 - 20 years |
| Molds                                    | 5 years      |
| Machinery                                | 3 - 20 years |
| Tools and equipment                      | 5 - 10 years |
| Furniture, fixtures and office equipment | 3 - 10 years |
| Vehicles                                 | 5 - 7 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 other gains or losses.

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**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

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#### **4.8 Intangible assets**

Expenditure on acquired computer software is capitalized as intangible asset on the basis of the costs incurred to acquire the computer software. These costs are amortised using the straight-line method over its estimated useful lives of 10 years.

Cost associated with maintaining computer software 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 loss on the assets concerned other than goodwill is reversed.

#### **4.10 Leases - where the Group is the lessee**

Lease are recognised as a right-of-use assets and a corresponding liability at the date at which the leased asset is available for use by the Group.

Asset and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that is based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- the estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or the cost of the right-of-use asset reflecting that the lessee will use the purchase right. The lessee has to depreciate the right-of-use assets from the effective date of the lease until the end of underlying asset's useful life.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases, leases with a lease term of 12 months or less, and low-value assets comprise of IT equipment and small items of office equipment.



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#### **4.11 Financial liabilities**

##### **a) Classification**

Financial instruments issued by the Group are classified as either financial liabilities or equity instrument 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 as 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 instrument.
- 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 as 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.

##### **b) Measurement**

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

##### **c) Derecognition and modification**

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/modified, 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.

#### **4.12 Borrowing costs**

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying 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 asset 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 tax**

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 is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. 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.

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#### *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, 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, associates and joint arrangements 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**

##### **4.14.1 Short-term employee benefits**

Liabilities for short-term employee benefits such as wages, salaries, and medical expenses of current employee 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.

##### **4.14.2 Defined contribution plan**

A defined contribution plan is a retirement plan under which the Group pays fixed contributions into a separate fund. The fund is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. 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.

##### **4.14.3 Retirement benefits**

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 by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximate to the terms of the related retirement liability.

Remeasurement gains and losses are recognised directly 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.

#### **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 are classified as equity.

Incremental costs directly attributable to the issue of new shares net of tax are shown as a deduction in equity.



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#### **4.17 Revenue recognition**

Revenue is recognised when the Group satisfies a performance obligation by transferring goods and services to customers. The goods and services are transferred when the customers obtain control of that goods and services. The control in goods and services is transferred to customers. Trade receivables are recognised when goods and services are delivered as satisfies a performance obligation at a point in time.

Multiple element arrangements involving delivery of multiple products or services are separated into individual distinct performance obligations. Discounts or rebates from total transaction price of the bundled contract are allocated to each performance obligation.

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services net of rebates and discounts from ordinary business activities of the Group.

Interest income is recognised using the effective interest method.

Other income is recognised on an accrual basis.

##### *Contract assets and contract liabilities*

A contract asset is recognised where the Group recorded revenue for fulfillment of a contractual performance obligation before the customer paid consideration or before the requirements for billing.

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

For each customer contract, contract liabilities are set off against contract assets.

##### *Payments to customers*

Payments to customers or on behalf of customers to other parties, including credited or subsequent discounts, are recognised as a reduction in revenue unless the payment constitutes consideration of a distinct goods or service from the customer.

##### *Incremental costs of obtaining a contract*

The Group capitalises incremental costs of obtaining a contract (mainly consulting fee to third party) and amortised to selling expenses in the same pattern of related revenue recognition.

#### **4.18 Dividend distribution**

Dividend distributed to the Group's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

### **5 Financial risk management**

#### **5.1 Financial risk**

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price 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.

##### **5.1.1 Market risk**

###### **a) Foreign exchange risk**

The Group is not exposed to foreign exchange risk because the Group has not operated internationally from trading transactions, purchase of goods, services and machineries and borrowings that are denominated in foreign currencies.

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**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 related to its deposits at financial institutions, borrowings with both floating and fixed interest rates. However, the Group does not use interest rate swaps to hedge certain exposures because the management considers that the fluctuation of interest rate will not have material impact to the Group.

**c) Price risk**

To determine selling prices before producing goods for customer orders, the Group investigates the quantity and costs of the raw materials in its warehouse. If there is not enough raw material for production, the Group issues purchase orders and agrees on a price with suppliers so that the Group is aware of any changes in raw material costs. Management believes market price changes in raw materials had no material effect on the Group's profits.

**5.1.2 Credit risk**

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at amortised cost, as well as credit exposures to customers, including outstanding receivables.

**a) Risk management**

The Group manages credit risk by a group of risks. For cash at banks and financial institutions, the Group makes transactions with financial institutions that have high credit rating.

The Group 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 the assessments in accordance with limits set by the Board of directors. The compliance with credit limits by customers is regularly monitored by line management.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors or regions.

The Group's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

**b) Security**

The Group does not get any security for its trade receivables because they mostly are major customers. But for some customers, the Group sets credit limits for them.

**c) Impairment of financial assets**

The Group has financial assets that are subject to the expected credit loss model as follows:

- Cash and cash equivalents
- Trade and other receivables
- Short-term loan to a subsidiary

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, however the identified impairment loss is immaterial.

The expected loss rates on trade and other receivables are based on the payment profiles of sales and the corresponding historical credit losses experienced over that period. The Group write-off trade receivables and contract assets when there is no reasonable expectation of recovery.

Short-term loans to a subsidiary are considered to have low credit risk as they have a low risk of default and the borrower has a capacity to meet its contractual cash flow obligations in the near term. Accordingly, the Group has no loss allowances for short-term loan to a subsidiary for the year ended 31 December 2023.



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### 5.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities); and ii) cash and cash equivalents. In addition, the Group considers the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans. The outstanding credit facilities and contractual maturities of long-term borrowings from financial institutions are disclosed in Note 21.

#### Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

| Consolidated financial statements                 |                          |                     |               |                    |
|---------------------------------------------------|--------------------------|---------------------|---------------|--------------------|
|                                                   | Within<br>1 year<br>Baht | 1 - 5 years<br>Baht | Total<br>Baht | Book value<br>Baht |
| <b>Maturity of financial liabilities</b>          |                          |                     |               |                    |
| <b>As at 31 December 2023</b>                     |                          |                     |               |                    |
| Trade and other payables                          | 17,691,283               | -                   | 17,691,283    | 17,691,283         |
| Long-term borrowings from a financial institution | 8,280,000                | 535,432             | 8,815,432     | 8,385,730          |
| Lease liabilities                                 | 885,684                  | 1,705,488           | 2,591,172     | 2,256,520          |
| Separate financial statements                     |                          |                     |               |                    |
|                                                   | Within<br>1 year<br>Baht | 1 - 5 years<br>Baht | Total<br>Baht | Book value<br>Baht |
| <b>Maturity of financial liabilities</b>          |                          |                     |               |                    |
| <b>As at 31 December 2023</b>                     |                          |                     |               |                    |
| Trade and other payables                          | 17,377,045               | -                   | 17,377,045    | 17,377,045         |
| Long-term borrowings from a financial institution | 8,280,000                | 535,432             | 8,815,432     | 8,385,730          |
| Lease liabilities                                 | 885,684                  | 1,705,488           | 2,591,172     | 2,256,520          |
| Consolidated financial statements                 |                          |                     |               |                    |
|                                                   | Within<br>1 year<br>Baht | 1 - 5 years<br>Baht | Total<br>Baht | Book value<br>Baht |
| <b>Maturity of financial liabilities</b>          |                          |                     |               |                    |
| <b>As at 31 December 2022</b>                     |                          |                     |               |                    |
| Trade and other payables                          | 18,346,909               | -                   | 18,346,909    | 18,346,909         |
| Long-term borrowings from a financial institution | 8,280,000                | 8,709,728           | 16,989,728    | 15,753,356         |
| Lease liabilities                                 | 1,464,372                | 3,555,652           | 5,020,024     | 4,321,983          |
| Separate financial statements                     |                          |                     |               |                    |
|                                                   | Within<br>1 year<br>Baht | 1 - 5 years<br>Baht | Total<br>Baht | Book value<br>Baht |
| <b>Maturity of financial liabilities</b>          |                          |                     |               |                    |
| <b>As at 31 December 2022</b>                     |                          |                     |               |                    |
| Trade and other payables                          | 18,166,909               | -                   | 18,166,909    | 18,166,909         |
| Long-term borrowings from a financial institution | 8,280,000                | 8,709,728           | 16,989,728    | 15,753,356         |
| Lease liabilities                                 | 1,464,372                | 3,555,652           | 5,020,024     | 4,321,983          |

### 5.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that they can continue 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 amounts of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

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## 6 Fair value

Fair value is categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of the asset or liability is based on the quoted prices in active markets for identical assets or liabilities.
- Level 2: The fair value of the asset or liability is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of the asset or liability is not based on observable market data.

The fair value of the Group's financial assets and liabilities are approximately to the carrying values due to most of them are short-term financial instruments, except long-term borrowing from a financial institution which is disclosed in Note 21.1.

## 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.

### 1) 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 23.

### 2) 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.

## 8 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as executive committee.

The Group operation comprises only one business which is manufacturing and selling of o-ring rubber and rubber parts in Thailand. Therefore, chief operating decision-maker has identified a reportable segment which is manufacturing and selling of o-ring rubber and rubber parts. Therefore, revenue from sales, cost of sales, gross profit, net profit for the period and total assets of operating segment have been presented in the format as same as the financial statements.

The subsidiary was established for distribution of machinery and parts. In the third quarter, the subsidiary entered into a contract to sell water pump. For the year ended 31 December 2023, the subsidiary has no revenue generated and has related expenses incurred for the period of Baht 2.84 million.

Revenue is recognised when the Group satisfies a performance obligation by transferring goods and services to customers as this is the point in time.

The Group has revenue from 2 customers which contributed over 10% of the Company's total revenue which are totalling Baht 47.07 million (2022 : sales to these 2 customers are totalling Baht 45.75 million).

Total revenue of the Group are domestic sales.

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## 9 Cash and cash equivalents

|                                                       | Consolidated<br>financial statements |                    | Separate<br>financial statements |                    |
|-------------------------------------------------------|--------------------------------------|--------------------|----------------------------------|--------------------|
|                                                       | 2023<br>Baht                         | 2022<br>Baht       | 2023<br>Baht                     | 2022<br>Baht       |
| Cash on hand                                          | 17,401                               | 50,000             | 7,401                            | 30,000             |
| Deposits at financial institutions - current accounts | 851,859                              | 75,087             | 613,513                          | 50,118             |
| - savings accounts                                    | 113,868,572                          | 181,873,761        | 97,089,908                       | 162,058,832        |
| <b>Total cash and cash equivalents</b>                | <b>114,737,832</b>                   | <b>181,998,848</b> | <b>97,710,822</b>                | <b>162,138,950</b> |

As at 31 December 2023, deposits at financial institutions in savings accounts are in Thai Baht with interest at the rate at 0.5% - 0.6% per annum (2022: 0.25% - 0.35% per annum).

## 10 Deposit at bank pledged as collateral

As at 31 December 2023, savings account at bank is used as collateral against credit facility to issue promissory note amounting to Baht 20.00 million (2022: Nil).

## 11 Trade and other receivables

|                                          | Consolidated<br>financial statements |                   | Separate<br>financial statements |                   |
|------------------------------------------|--------------------------------------|-------------------|----------------------------------|-------------------|
|                                          | 2023<br>Baht                         | 2022<br>Baht      | 2023<br>Baht                     | 2022<br>Baht      |
| Trade receivables                        |                                      |                   |                                  |                   |
| Trade receivables                        | 27,990,070                           | 27,624,323        | 27,990,070                       | 27,624,323        |
| Advance-dated cheque                     | 157,085                              | 384,987           | 157,085                          | 384,987           |
| <b>Total trade receivables</b>           | <b>28,147,155</b>                    | <b>28,009,310</b> | <b>28,147,155</b>                | <b>28,009,310</b> |
| Other receivables - third parties        | 128,660                              | 115,291           | 127,173                          | 114,427           |
| - related parties                        | -                                    | -                 | 1,362,053                        | -                 |
| Other receivables - mold                 | 1,282,644                            | 403,795           | 1,282,644                        | 403,795           |
| Prepaid expenses                         | 1,159,408                            | 425,567           | 698,148                          | 425,567           |
| Advance payment for inventories          | 154,350,000                          | -                 | -                                | -                 |
| <b>Total trade and other receivables</b> | <b>185,067,867</b>                   | <b>28,953,963</b> | <b>31,617,173</b>                | <b>28,953,099</b> |

Aging of trade receivables can be analysed as follows:

|                                | Consolidated<br>financial statements |                   | Separate<br>financial statements |                   |
|--------------------------------|--------------------------------------|-------------------|----------------------------------|-------------------|
|                                | 2023<br>Baht                         | 2022<br>Baht      | 2023<br>Baht                     | 2022<br>Baht      |
| Current                        | 17,615,133                           | 20,501,716        | 17,615,133                       | 20,501,716        |
| Overdue less than 3 months     | 10,243,832                           | 7,507,594         | 10,243,832                       | 7,507,594         |
| Overdue more than 3 months     | 288,190                              | -                 | 288,190                          | -                 |
| <b>Total trade receivables</b> | <b>28,147,155</b>                    | <b>28,009,310</b> | <b>28,147,155</b>                | <b>28,009,310</b> |



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## 12 Financial assets and financial liabilities

As at 31 December 2023 and 2022, the Group's financial assets and financial liabilities which are measured at amortised cost are as follows:

|                                                  | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|--------------------------------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                                                  | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| <b>Financial assets</b>                          |                                      |              |                                  |              |
| Cash and cash equivalents                        | 114,737,832                          | 181,998,848  | 97,710,822                       | 162,138,950  |
| Trade and other receivables                      | 29,558,459                           | 28,528,396   | 30,919,025                       | 28,527,532   |
| Short-term loan to a subsidiary                  | -                                    | -            | 170,000,000                      | -            |
| <b>Financial liabilities</b>                     |                                      |              |                                  |              |
| Trade and other payables                         | 17,691,283                           | 18,346,909   | 17,377,045                       | 18,166,909   |
| Long-term borrowing from a financial institution | 8,385,730                            | 15,753,356   | 8,385,730                        | 15,753,356   |
| Lease liabilities                                | 2,256,520                            | 4,321,983    | 2,256,520                        | 4,321,983    |

## 13 Inventories, net

|                                                | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|------------------------------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                                                | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| Raw material                                   | 2,465,657                            | 2,621,553    | 2,465,657                        | 2,621,553    |
| Work in progress                               | 97,184                               | 2,338,123    | 97,184                           | 2,338,123    |
| Finished goods                                 | 8,510,485                            | 8,156,676    | 8,510,485                        | 8,156,676    |
| Total                                          | 11,073,326                           | 13,116,352   | 11,073,326                       | 13,116,352   |
| <u>Less</u> Allowance for net realisable value | (663,860)                            | (361,645)    | (663,860)                        | (361,645)    |
| Total inventories                              | 10,409,466                           | 12,754,707   | 10,409,466                       | 12,754,707   |

During the years 2023 and 2022, amounts recognised as cost of sales in profit or loss are as follows:

|                                                                 | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|-----------------------------------------------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                                                                 | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| Inventories recognised as an expense                            | 81,016,478                           | 85,078,762   | 81,016,478                       | 85,078,762   |
| (Reversal of) write-down of inventories to net realisable value | 302,215                              | (10,328)     | 302,215                          | (10,328)     |

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#### 14 Other current assets

|                                           | Consolidated<br>financial statements |               | Separate<br>financial statements |               |
|-------------------------------------------|--------------------------------------|---------------|----------------------------------|---------------|
|                                           | 2023<br>Baht                         | 2022<br>Baht  | 2023<br>Baht                     | 2022<br>Baht  |
| Incremental costs of obtaining a contract | 5,580,000                            | -             | -                                | -             |
| Refundable valued added tax               | 11,229,232                           | 3,790         | -                                | -             |
| Other current assets                      | 106,955                              | 79,257        | 105,772                          | 79,257        |
| <b>Total other current assets</b>         | <b>16,916,187</b>                    | <b>83,047</b> | <b>105,772</b>                   | <b>79,257</b> |

#### 15 Investments in a subsidiary

The subsidiary included in consolidated financial statements is listed below.

| Entity name                  | Country of<br>incorporation | Nature of<br>business                     | % of ownership interest |             | Separate financial statements<br>Investment at cost method |              |
|------------------------------|-----------------------------|-------------------------------------------|-------------------------|-------------|------------------------------------------------------------|--------------|
|                              |                             |                                           | 2023<br>(%)             | 2022<br>(%) | 2023<br>Baht                                               | 2022<br>Baht |
| Top Treat Company<br>Limited | Thailand                    | Distribution of<br>machinery and<br>parts | 99.99                   | 99.99       | 19,999,800                                                 | 19,999,800   |
|                              |                             |                                           |                         |             | 19,999,800                                                 | 19,999,800   |



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**16 Property, plant and equipment, net**

|                                                     | Consolidated financial statements |                                     |                   |              |                                |                                              |                  |                  |               |
|-----------------------------------------------------|-----------------------------------|-------------------------------------|-------------------|--------------|--------------------------------|----------------------------------------------|------------------|------------------|---------------|
|                                                     | Land<br>Baht                      | Building and<br>improvement<br>Baht | Machinery<br>Baht | Mold<br>Baht | Tools and<br>equipment<br>Baht | Furniture<br>and office<br>equipment<br>Baht | Computer<br>Baht | Vehicles<br>Baht | Total<br>Baht |
| <b>As at 1 January 2023</b>                         |                                   |                                     |                   |              |                                |                                              |                  |                  |               |
| Cost                                                | 40,432,000                        | 43,914,108                          | 117,520,032       | 2,577,100    | 1,398,145                      | 3,077,604                                    | 2,028,892        | 6,392,356        | 217,340,237   |
| <u>Less</u> Accumulated depreciation                | -                                 | (18,486,069)                        | (49,081,359)      | (1,480,817)  | (878,133)                      | (2,572,883)                                  | (1,484,607)      | (6,251,722)      | (80,235,590)  |
| Net book amount                                     | 40,432,000                        | 25,428,039                          | 68,438,673        | 1,096,283    | 520,012                        | 504,721                                      | 544,285          | 140,634          | 137,104,647   |
| <b>For the year ended 31 December 2023</b>          |                                   |                                     |                   |              |                                |                                              |                  |                  |               |
| Opening net book amount                             | 40,432,000                        | 25,428,039                          | 68,438,673        | 1,096,283    | 520,012                        | 504,721                                      | 544,285          | 140,634          | 137,104,647   |
| Addition                                            | -                                 | -                                   | 1,540,000         | 379,000      | 164,815                        | 47,149                                       | 545,190          | -                | 2,676,154     |
| Write-off, net                                      | -                                 | -                                   | (383,406)         | -            | (1)                            | (6)                                          | (3,843)          | -                | (387,256)     |
| Transfer from right-of-use assets, net<br>(Note 17) | -                                 | -                                   | -                 | -            | -                              | -                                            | -                | 1,354,682        | 1,354,682     |
| Depreciation charged                                | -                                 | (2,268,615)                         | (6,796,253)       | (438,243)    | (198,708)                      | (150,643)                                    | (410,516)        | (389,873)        | (10,652,851)  |
| Closing net book amount                             | 40,432,000                        | 23,159,424                          | 62,799,014        | 1,037,040    | 486,118                        | 401,221                                      | 675,116          | 1,105,443        | 130,095,376   |
| <b>As at 31 December 2023</b>                       |                                   |                                     |                   |              |                                |                                              |                  |                  |               |
| Cost                                                | 40,432,000                        | 43,914,108                          | 117,760,032       | 2,956,100    | 1,554,260                      | 3,072,411                                    | 2,548,474        | 9,842,356        | 222,079,741   |
| <u>Less</u> Accumulated depreciation                | -                                 | (20,754,684)                        | (54,961,018)      | (1,919,060)  | (1,068,142)                    | (2,671,190)                                  | (1,873,358)      | (8,736,913)      | (91,984,365)  |
| Net book amount                                     | 40,432,000                        | 23,159,424                          | 62,799,014        | 1,037,040    | 486,118                        | 401,221                                      | 675,116          | 1,105,443        | 130,095,376   |



**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

|                                                       | Consolidated financial statements |                                     |                   |              |                                |                                              |                  |                  |                                     |               |
|-------------------------------------------------------|-----------------------------------|-------------------------------------|-------------------|--------------|--------------------------------|----------------------------------------------|------------------|------------------|-------------------------------------|---------------|
|                                                       | Land<br>Baht                      | Building and<br>improvement<br>Baht | Machinery<br>Baht | Mold<br>Baht | Tools and<br>equipment<br>Baht | Furniture<br>and office<br>equipment<br>Baht | Computer<br>Baht | Vehicles<br>Baht | Construction<br>in progress<br>Baht | Total<br>Baht |
| <b>As at 1 January 2022</b>                           |                                   |                                     |                   |              |                                |                                              |                  |                  |                                     |               |
| Cost                                                  | 40,432,000                        | 43,914,108                          | 112,876,832       | 2,577,100    | 1,364,542                      | 2,823,397                                    | 1,912,252        | 8,422,005        | 50,000                              | 214,372,236   |
| <u>Less</u> Accumulated depreciation                  | -                                 | (16,217,455)                        | (42,523,742)      | (1,038,136)  | (684,232)                      | (2,412,704)                                  | (1,303,134)      | (7,752,224)      | -                                   | (71,931,627)  |
| Net book amount                                       | 40,432,000                        | 27,696,653                          | 70,353,090        | 1,538,964    | 680,310                        | 410,693                                      | 609,118          | 669,781          | 50,000                              | 142,440,609   |
| <b>For the year ended 31 December 2022</b>            |                                   |                                     |                   |              |                                |                                              |                  |                  |                                     |               |
| Opening net book amount                               | 40,432,000                        | 27,696,653                          | 70,353,090        | 1,538,964    | 680,310                        | 410,693                                      | 609,118          | 669,781          | 50,000                              | 142,440,609   |
| Addition                                              | -                                 | -                                   | 4,643,200         | -            | 46,500                         | 256,862                                      | 219,850          | -                | -                                   | 5,166,412     |
| Disposal, net                                         | -                                 | -                                   | -                 | -            | -                              | -                                            | (7)              | (2)              | -                                   | (9)           |
| Write-off, net                                        | -                                 | -                                   | -                 | -            | (1)                            | (1)                                          | -                | -                | -                                   | (2)           |
| Transfer out to right-of-use assets, net<br>(Note 17) | -                                 | -                                   | -                 | -            | -                              | -                                            | -                | -                | (50,000)                            | (50,000)      |
| Depreciation charged                                  | -                                 | (2,268,614)                         | (6,557,617)       | (442,681)    | (206,797)                      | (162,833)                                    | (284,676)        | (529,145)        | -                                   | (10,452,363)  |
| Closing net book amount                               | 40,432,000                        | 25,428,039                          | 68,438,673        | 1,096,283    | 520,012                        | 504,721                                      | 544,285          | 140,634          | -                                   | 137,104,647   |
| <b>As at 31 December 2022</b>                         |                                   |                                     |                   |              |                                |                                              |                  |                  |                                     |               |
| Cost                                                  | 40,432,000                        | 43,914,108                          | 117,520,032       | 2,577,100    | 1,398,145                      | 3,077,604                                    | 2,028,892        | 6,392,356        | -                                   | 217,340,237   |
| <u>Less</u> Accumulated depreciation                  | -                                 | (18,486,069)                        | (49,081,359)      | (1,480,817)  | (878,133)                      | (2,572,883)                                  | (1,484,607)      | (6,251,722)      | -                                   | (80,235,590)  |
| Net book amount                                       | 40,432,000                        | 25,428,039                          | 68,438,673        | 1,096,283    | 520,012                        | 504,721                                      | 544,285          | 140,634          | -                                   | 137,104,647   |



**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

|                                                     | Separate financial statements |                                     |                   |              |                                |                                              |                  |                  |               |
|-----------------------------------------------------|-------------------------------|-------------------------------------|-------------------|--------------|--------------------------------|----------------------------------------------|------------------|------------------|---------------|
|                                                     | Land<br>Baht                  | Building and<br>improvement<br>Baht | Machinery<br>Baht | Mold<br>Baht | Tools and<br>equipment<br>Baht | Furniture<br>and office<br>equipment<br>Baht | Computer<br>Baht | Vehicles<br>Baht | Total<br>Baht |
| <b>As at 1 January 2023</b>                         |                               |                                     |                   |              |                                |                                              |                  |                  |               |
| Cost                                                | 40,432,000                    | 43,914,108                          | 117,520,032       | 2,577,100    | 1,398,145                      | 3,077,604                                    | 2,011,992        | 6,392,356        | 217,323,337   |
| <u>Less</u> Accumulated depreciation                | -                             | (18,486,069)                        | (49,081,359)      | (1,480,817)  | (878,133)                      | (2,572,883)                                  | (1,482,956)      | (6,251,722)      | (80,233,939)  |
| Net book amount                                     | 40,432,000                    | 25,428,039                          | 68,438,673        | 1,096,283    | 520,012                        | 504,721                                      | 529,036          | 140,634          | 137,089,398   |
| <b>For the year ended 31 December 2023</b>          |                               |                                     |                   |              |                                |                                              |                  |                  |               |
| Opening net book amount                             | 40,432,000                    | 25,428,039                          | 68,438,673        | 1,096,283    | 520,012                        | 504,721                                      | 529,036          | 140,634          | 137,089,398   |
| Addition                                            | -                             | -                                   | 1,540,000         | 379,000      | 164,815                        | 47,149                                       | 545,190          | -                | 2,676,154     |
| Write-off, net                                      | -                             | -                                   | (383,406)         | -            | (1)                            | (6)                                          | (3,843)          | -                | (387,256)     |
| Transfer from right-of-use assets, net<br>(Note 17) | -                             | -                                   | -                 | -            | -                              | -                                            | -                | 1,354,682        | 1,354,682     |
| Depreciation charged                                | -                             | (2,268,615)                         | (6,796,253)       | (438,243)    | (198,708)                      | (150,643)                                    | (404,883)        | (389,873)        | (10,647,218)  |
| Closing net book amount                             | 40,432,000                    | 23,159,424                          | 62,799,014        | 1,037,040    | 486,118                        | 401,221                                      | 665,500          | 1,105,443        | 130,085,760   |
| <b>As at 31 December 2023</b>                       |                               |                                     |                   |              |                                |                                              |                  |                  |               |
| Cost                                                | 40,432,000                    | 43,914,108                          | 117,760,032       | 2,956,100    | 1,554,260                      | 3,072,411                                    | 2,531,574        | 9,842,356        | 222,062,841   |
| <u>Less</u> Accumulated depreciation                | -                             | (20,754,684)                        | (54,961,018)      | (1,919,060)  | (1,068,142)                    | (2,671,190)                                  | (1,866,074)      | (8,736,913)      | (91,977,081)  |
| Net book amount                                     | 40,432,000                    | 23,159,424                          | 62,799,014        | 1,037,040    | 486,118                        | 401,221                                      | 665,500          | 1,105,443        | 130,085,760   |

As at 31 December 2023 and 2022, the Company has pledged partial land, buildings and machines as security for credit facilities and long-term borrowings from a financial institution (Note 21.1).



**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

|                                                       | Separate financial statements |                                                 |                   |              |                                |                                              |                  |                  |                                     | Total<br>Baht |
|-------------------------------------------------------|-------------------------------|-------------------------------------------------|-------------------|--------------|--------------------------------|----------------------------------------------|------------------|------------------|-------------------------------------|---------------|
|                                                       | Land<br>Baht                  | Building and<br>building<br>improvement<br>Baht | Machinery<br>Baht | Mold<br>Baht | Tools and<br>equipment<br>Baht | Furniture<br>and office<br>equipment<br>Baht | Computer<br>Baht | Vehicles<br>Baht | Construction<br>in progress<br>Baht |               |
| <b>As at 1 January 2022</b>                           |                               |                                                 |                   |              |                                |                                              |                  |                  |                                     |               |
| Cost                                                  | 40,432,000                    | 43,914,108                                      | 112,876,832       | 2,577,100    | 1,364,542                      | 2,823,397                                    | 1,912,252        | 8,422,005        | 50,000                              | 214,372,236   |
| Less Accumulated depreciation                         | -                             | (16,217,455)                                    | (42,523,742)      | (1,038,136)  | (684,232)                      | (2,412,704)                                  | (1,303,134)      | (7,752,224)      | -                                   | (71,931,627)  |
| Net book amount                                       | 40,432,000                    | 27,696,653                                      | 70,353,090        | 1,538,964    | 680,310                        | 410,693                                      | 609,118          | 669,781          | 50,000                              | 142,440,609   |
| <b>For the year ended 31 December 2022</b>            |                               |                                                 |                   |              |                                |                                              |                  |                  |                                     |               |
| Opening net book amount                               | 40,432,000                    | 27,696,653                                      | 70,353,090        | 1,538,964    | 680,310                        | 410,693                                      | 609,118          | 669,781          | 50,000                              | 142,440,609   |
| Addition                                              | -                             | -                                               | 4,643,200         | -            | 46,500                         | 256,862                                      | 202,950          | -                | -                                   | 5,149,512     |
| Disposal, net                                         | -                             | -                                               | -                 | -            | -                              | -                                            | (7)              | (2)              | -                                   | (9)           |
| Write-off, net                                        | -                             | -                                               | -                 | -            | (1)                            | (1)                                          | -                | -                | -                                   | (2)           |
| Transfer out to right-of-use assets, net<br>(Note 17) | -                             | -                                               | -                 | -            | -                              | -                                            | -                | -                | (50,000)                            | (50,000)      |
| Depreciation charged                                  | -                             | (2,268,614)                                     | (6,557,617)       | (442,681)    | (206,797)                      | (162,833)                                    | (283,025)        | (529,145)        | -                                   | (10,450,712)  |
| Closing net book amount                               | 40,432,000                    | 25,428,039                                      | 68,438,673        | 1,096,283    | 520,012                        | 504,721                                      | 529,036          | 140,634          | -                                   | 137,089,398   |
| <b>As at 31 December 2022</b>                         |                               |                                                 |                   |              |                                |                                              |                  |                  |                                     |               |
| Cost                                                  | 40,432,000                    | 43,914,108                                      | 117,520,032       | 2,577,100    | 1,398,145                      | 3,077,604                                    | 2,011,992        | 6,392,356        | -                                   | 217,323,337   |
| Less Accumulated depreciation                         | -                             | (18,486,069)                                    | (49,081,359)      | (1,480,817)  | (878,133)                      | (2,572,883)                                  | (1,482,956)      | (6,251,722)      | -                                   | (80,233,939)  |
| Net book amount                                       | 40,432,000                    | 25,428,039                                      | 68,438,673        | 1,096,283    | 520,012                        | 504,721                                      | 529,036          | 140,634          | -                                   | 137,089,398   |

**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2022**

**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

**17 Right-of-use assets, net**

As at 31 December, right-of-use assets consist of:

|          | <b>Consolidated<br/>financial statements</b> |                      | <b>Separate<br/>financial statements</b> |                      |
|----------|----------------------------------------------|----------------------|------------------------------------------|----------------------|
|          | <b>2023<br/>Baht</b>                         | <b>2022<br/>Baht</b> | <b>2023<br/>Baht</b>                     | <b>2022<br/>Baht</b> |
| Vehicles | 4,030,483                                    | 6,697,181            | 4,030,483                                | 6,697,181            |
| Total    | 4,030,483                                    | 6,697,181            | 4,030,483                                | 6,697,181            |

The movement of right-of-use assets, net for the year ended 31 December is as follows:

|                                                                     | <b>Consolidated<br/>financial statements</b> |                      | <b>Separate<br/>financial statements</b> |                      |
|---------------------------------------------------------------------|----------------------------------------------|----------------------|------------------------------------------|----------------------|
|                                                                     | <b>2023<br/>Baht</b>                         | <b>2022<br/>Baht</b> | <b>2023<br/>Baht</b>                     | <b>2022<br/>Baht</b> |
| Opening net book amount                                             | 6,697,181                                    | 2,484,529            | 6,697,181                                | 2,484,529            |
| Addition                                                            | -                                            | 5,639,000            | -                                        | 5,639,000            |
| Transfer from (transfer to) property, plant and equipment (Note 16) | (1,354,683)                                  | 50,000               | (1,354,683)                              | 50,000               |
| Depreciation charged                                                | (1,312,015)                                  | (1,476,348)          | (1,312,015)                              | (1,476,348)          |
| Closing net book amount                                             | 4,030,483                                    | 6,697,181            | 4,030,483                                | 6,697,181            |

For the year ended 31 December, amounts charged to profit or loss and cash flows relating to leases are as follows:

|                                                | <b>Consolidated<br/>financial statements</b> |                      | <b>Separate<br/>financial statements</b> |                      |
|------------------------------------------------|----------------------------------------------|----------------------|------------------------------------------|----------------------|
|                                                | <b>2023<br/>Baht</b>                         | <b>2022<br/>Baht</b> | <b>2023<br/>Baht</b>                     | <b>2022<br/>Baht</b> |
| Depreciation charged of right-of-use assets:   |                                              |                      |                                          |                      |
| Vehicles                                       | 1,312,015                                    | 1,476,348            | 1,312,015                                | 1,476,348            |
|                                                | 1,312,015                                    | 1,476,348            | 1,312,015                                | 1,476,348            |
| Interest expense relating to lease liabilities | 363,390                                      | 321,931              | 363,390                                  | 321,931              |
| Expense relating to leases of low-value assets | 16,800                                       | 16,800               | 16,800                                   | 16,800               |
| Total cash outflows for leases                 | 2,437,066                                    | 3,580,781            | 2,437,066                                | 3,580,781            |

**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

**18 Intangible assets, net**

| <b>Consolidated financial statements</b>   |                                   |                                                              |                       |
|--------------------------------------------|-----------------------------------|--------------------------------------------------------------|-----------------------|
|                                            | <b>Computer software<br/>Baht</b> | <b>Computer software<br/>under<br/>installation<br/>Baht</b> | <b>Total<br/>Baht</b> |
| <b>As at 1 January 2023</b>                |                                   |                                                              |                       |
| Cost                                       | 4,099,275                         | -                                                            | 4,099,275             |
| <u>Less</u> Accumulated amortisation       | (1,612,238)                       | -                                                            | (1,612,238)           |
| Net book amount                            | 2,487,037                         | -                                                            | 2,487,037             |
| <b>For the year ended 31 December 2023</b> |                                   |                                                              |                       |
| Opening net book amount                    | 2,487,037                         | -                                                            | 2,487,037             |
| Addition                                   | 14,900                            | 54,000                                                       | 68,900                |
| Amortisation charged                       | (410,926)                         | -                                                            | (410,926)             |
| Closing net book amount                    | 2,091,011                         | 54,000                                                       | 2,145,011             |
| <b>As at 31 December 2023</b>              |                                   |                                                              |                       |
| Cost                                       | 4,114,175                         | 54,000                                                       | 4,168,175             |
| <u>Less</u> Accumulated amortisation       | (2,023,164)                       | -                                                            | (2,023,164)           |
| Net book amount                            | 2,091,011                         | 54,000                                                       | 2,145,011             |
| <b>Consolidated financial statements</b>   |                                   |                                                              |                       |
|                                            | <b>Computer software<br/>Baht</b> | <b>Computer software<br/>under<br/>installation<br/>Baht</b> | <b>Total<br/>Baht</b> |
| <b>As at 1 January 2022</b>                |                                   |                                                              |                       |
| Cost                                       | 3,569,895                         | 290,500                                                      | 3,860,395             |
| <u>Less</u> Accumulated amortisation       | (1,217,950)                       | -                                                            | (1,217,950)           |
| Net book amount                            | 2,351,945                         | 290,500                                                      | 2,642,445             |
| <b>For the year ended 31 December 2022</b> |                                   |                                                              |                       |
| Opening net book amount                    | 2,351,945                         | 290,500                                                      | 2,642,445             |
| Addition                                   | 238,880                           | -                                                            | 238,880               |
| Transfer in (out)                          | 290,500                           | (290,500)                                                    | -                     |
| Amortisation charged                       | (394,288)                         | -                                                            | (394,288)             |
| Closing net book amount                    | 2,487,037                         | -                                                            | 2,487,037             |
| <b>As at 31 December 2022</b>              |                                   |                                                              |                       |
| Cost                                       | 4,099,275                         | -                                                            | 4,099,275             |
| <u>Less</u> Accumulated amortisation       | (1,612,238)                       | -                                                            | (1,612,238)           |
| Net book amount                            | 2,487,037                         | -                                                            | 2,487,037             |

**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

|                                            | <b>Separate financial statements</b> |                                                  |                   |
|--------------------------------------------|--------------------------------------|--------------------------------------------------|-------------------|
|                                            | <b>Computer software Baht</b>        | <b>Computer software under installation Baht</b> | <b>Total Baht</b> |
| <b>As at 1 January 2023</b>                |                                      |                                                  |                   |
| Cost                                       | 4,068,275                            | -                                                | 4,068,275         |
| <u>Less</u> Accumulated amortisation       | (1,611,176)                          | -                                                | (1,611,176)       |
| Net book amount                            | 2,457,099                            | -                                                | 2,457,099         |
| <b>For the year ended 31 December 2023</b> |                                      |                                                  |                   |
| Opening net book amount                    | 2,457,099                            | -                                                | 2,457,099         |
| Addition                                   | 14,900                               | 54,000                                           | 68,900            |
| Amortisation charged                       | (407,827)                            | -                                                | (407,827)         |
| Closing net book amount                    | 2,064,172                            | 54,000                                           | 2,118,172         |
| <b>As at 31 December 2023</b>              |                                      |                                                  |                   |
| Cost                                       | 4,083,175                            | 54,000                                           | 4,137,175         |
| <u>Less</u> Accumulated amortisation       | (2,019,003)                          | -                                                | (2,019,003)       |
| Net book amount                            | 2,064,172                            | 54,000                                           | 2,118,172         |
|                                            | <b>Separate financial statements</b> |                                                  |                   |
|                                            | <b>Computer software Baht</b>        | <b>Computer software under installation Baht</b> | <b>Total Baht</b> |
| <b>As at 1 January 2022</b>                |                                      |                                                  |                   |
| Cost                                       | 3,569,895                            | 290,500                                          | 3,860,395         |
| <u>Less</u> Accumulated amortisation       | (1,217,950)                          | -                                                | (1,217,950)       |
| Net book amount                            | 2,351,945                            | 290,500                                          | 2,642,445         |
| <b>For the year ended 31 December 2022</b> |                                      |                                                  |                   |
| Opening net book amount                    | 2,351,945                            | 290,500                                          | 2,642,445         |
| Addition                                   | 207,880                              | -                                                | 207,880           |
| Transfer in (out)                          | 290,500                              | (290,500)                                        | -                 |
| Amortisation charged                       | (393,226)                            | -                                                | (393,226)         |
| Closing net book amount                    | 2,457,099                            | -                                                | 2,457,099         |
| <b>As at 31 December 2022</b>              |                                      |                                                  |                   |
| Cost                                       | 4,068,275                            | -                                                | 4,068,275         |
| <u>Less</u> Accumulated amortisation       | (1,611,176)                          | -                                                | (1,611,176)       |
| Net book amount                            | 2,457,099                            | -                                                | 2,457,099         |

Amortisation recognised in profit and loss related to intangible asset is as follows:

|                        | <b>Consolidated financial statements</b> |                  | <b>Separate financial statements</b> |                  |
|------------------------|------------------------------------------|------------------|--------------------------------------|------------------|
|                        | <b>2023 Baht</b>                         | <b>2022 Baht</b> | <b>2023 Baht</b>                     | <b>2022 Baht</b> |
| Administrative expense | 410,926                                  | 394,288          | 407,827                              | 393,226          |



**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

**19 Deferred income taxes**

The analysis of deferred tax assets and deferred tax liabilities is as follows:

|                                 | <b>Consolidated<br/>financial statements</b> |                      | <b>Separate<br/>financial statements</b> |                      |
|---------------------------------|----------------------------------------------|----------------------|------------------------------------------|----------------------|
|                                 | <b>2023<br/>Baht</b>                         | <b>2022<br/>Baht</b> | <b>2023<br/>Baht</b>                     | <b>2022<br/>Baht</b> |
| Deferred tax assets             | 3,196,191                                    | 2,922,160            | 2,598,440                                | 2,922,160            |
| Deferred tax liabilities        | (821,943)                                    | (1,370,001)          | (821,943)                                | (1,370,001)          |
| <b>Deferred income tax, net</b> | <b>2,374,248</b>                             | <b>1,552,159</b>     | <b>1,776,497</b>                         | <b>1,552,159</b>     |

The movement in deferred tax assets and deferred tax liabilities is as follows:

|                                                   | <b>Consolidated financial statements</b>             |                                                                |                                       |                                |                       |
|---------------------------------------------------|------------------------------------------------------|----------------------------------------------------------------|---------------------------------------|--------------------------------|-----------------------|
|                                                   | <b>Employee<br/>benefit<br/>obligations<br/>Baht</b> | <b>Allowance<br/>for net<br/>realisable<br/>value<br/>Baht</b> | <b>Lease<br/>liabilities<br/>Baht</b> | <b>Tax<br/>losses<br/>Baht</b> | <b>Total<br/>Baht</b> |
| <b>Deferred tax assets</b>                        |                                                      |                                                                |                                       |                                |                       |
| As at 1 January 2023                              | 1,985,434                                            | 72,329                                                         | 864,396                               | -                              | 2,922,159             |
| Credited to other<br>comprehensive income         | (159,928)                                            | -                                                              | -                                     | -                              | (159,928)             |
| Charged (credited) to profit<br>or loss (Note 29) | 188,859                                              | 60,443                                                         | (413,093)                             | 597,751                        | 433,960               |
| As at 31 December 2023                            | 2,014,365                                            | 132,772                                                        | 451,303                               | 597,751                        | 3,196,191             |
| As at 1 January 2022                              | 1,801,263                                            | 74,395                                                         | 281,729                               | -                              | 2,157,387             |
| Charged (credited) to profit<br>or loss (Note 29) | 184,171                                              | (2,066)                                                        | 582,667                               | -                              | 764,772               |
| As at 31 December 2022                            | 1,985,434                                            | 72,329                                                         | 864,396                               | -                              | 2,922,159             |

|                                                | <b>Separate financial statements</b>                 |                                                                |                                       |                       |
|------------------------------------------------|------------------------------------------------------|----------------------------------------------------------------|---------------------------------------|-----------------------|
|                                                | <b>Employee<br/>benefit<br/>obligations<br/>Baht</b> | <b>Allowance<br/>for net<br/>realisable<br/>value<br/>Baht</b> | <b>Lease<br/>liabilities<br/>Baht</b> | <b>Total<br/>Baht</b> |
| <b>Deferred tax assets</b>                     |                                                      |                                                                |                                       |                       |
| As at 1 January 2023                           | 1,985,434                                            | 72,329                                                         | 864,396                               | 2,922,159             |
| Credited to other comprehensive income         | (159,928)                                            | -                                                              | -                                     | (159,928)             |
| Charged (credited) to profit or loss (Note 29) | 188,859                                              | 60,443                                                         | (413,093)                             | (163,791)             |
| As at 31 December 2023                         | 2,014,365                                            | 132,772                                                        | 451,303                               | 2,598,440             |
| As at 1 January 2022                           | 1,801,263                                            | 74,395                                                         | 281,729                               | 2,157,387             |
| Charged (credited) to profit or loss (Note 29) | 184,171                                              | (2,066)                                                        | 582,667                               | 764,772               |
| As at 31 December 2022                         | 1,985,434                                            | 72,329                                                         | 864,396                               | 2,922,159             |

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|                                      | <b>Consolidated and separate financial statements</b> |                                                                       |                       |
|--------------------------------------|-------------------------------------------------------|-----------------------------------------------------------------------|-----------------------|
|                                      | <b>Right of<br/>use assets<br/>Baht</b>               | <b>Deferred<br/>transaction<br/>cost from<br/>borrowings<br/>Baht</b> | <b>Total<br/>Baht</b> |
| <b>Deferred tax liabilities</b>      |                                                       |                                                                       |                       |
| As at 1 January 2023                 | (1,339,436)                                           | (30,564)                                                              | (1,370,000)           |
| Charged to profit or loss (Note 29)  | 533,340                                               | 14,717                                                                | 548,057               |
| As at 31 December 2023               | (806,096)                                             | (15,847)                                                              | (821,943)             |
| As at 1 January 2022                 | (496,906)                                             | (30,564)                                                              | (527,470)             |
| Credited to profit or loss (Note 29) | (842,530)                                             | -                                                                     | (842,530)             |
| As at 31 December 2022               | (1,339,436)                                           | (30,564)                                                              | (1,370,000)           |

## 20 Trade and other payables

|                                 | <b>Consolidated<br/>financial statements</b> |                      | <b>Separate<br/>financial statements</b> |                      |
|---------------------------------|----------------------------------------------|----------------------|------------------------------------------|----------------------|
|                                 | <b>2023<br/>Baht</b>                         | <b>2022<br/>Baht</b> | <b>2023<br/>Baht</b>                     | <b>2022<br/>Baht</b> |
| Trade payables                  | 13,771,151                                   | 15,017,619           | 13,771,151                               | 15,017,619           |
| Post-dated cheques              | -                                            | 4,199                | -                                        | 4,199                |
| Total trade payables            | 13,771,151                                   | 15,021,818           | 13,771,151                               | 15,021,818           |
| Other payables                  | 1,575,172                                    | 1,547,706            | 1,575,172                                | 1,547,706            |
| Accrued expenses                | 2,196,480                                    | 1,769,737            | 1,882,242                                | 1,589,737            |
| Account payables - fixed assets | 143,540                                      | -                    | 143,540                                  | -                    |
| Accrued interest expenses       | 4,940                                        | 7,648                | 4,940                                    | 7,648                |
| Total trade and other payables  | 17,691,283                                   | 18,346,909           | 17,377,045                               | 18,166,909           |

## 21 Borrowings

### 21.1 Long-term borrowings from a financial institution

Long-term borrowings from a financial institution are as follows:

|                                                            | <b>Consolidated<br/>financial statements</b> |                      | <b>Separate<br/>financial statements</b> |                      |
|------------------------------------------------------------|----------------------------------------------|----------------------|------------------------------------------|----------------------|
|                                                            | <b>2023<br/>Baht</b>                         | <b>2022<br/>Baht</b> | <b>2023<br/>Baht</b>                     | <b>2022<br/>Baht</b> |
| Within 1 year                                              | 7,932,741                                    | 7,499,098            | 7,932,741                                | 7,499,098            |
| Later than 1 year but not over 5 years                     | 532,223                                      | 8,407,081            | 532,223                                  | 8,407,081            |
|                                                            | 8,464,964                                    | 15,906,179           | 8,464,964                                | 15,906,179           |
| <b>Less</b> Deferred transaction costs                     | (79,234)                                     | (152,823)            | (79,234)                                 | (152,823)            |
| Total long-term borrowings from<br>a financial institution | 8,385,730                                    | 15,753,356           | 8,385,730                                | 15,753,356           |
| Fair value                                                 | 8,464,964                                    | 15,906,179           | 8,464,964                                | 15,906,179           |



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|                                                                                  | Consolidated financial statements |             | Separate financial statements |             |
|----------------------------------------------------------------------------------|-----------------------------------|-------------|-------------------------------|-------------|
|                                                                                  | 2023 Baht                         | 2022 Baht   | 2023 Baht                     | 2022 Baht   |
| Total long-term borrowings from a financial institution                          | 8,385,730                         | 15,753,356  | 8,385,730                     | 15,753,356  |
| <u>Less</u> Current portion of long-term borrowings from a financial institution | (7,859,153)                       | (7,425,509) | (7,859,153)                   | (7,425,509) |
| Long-term borrowings from a financial institution                                | 526,577                           | 8,327,847   | 526,577                       | 8,327,847   |

The movement of long-term borrowings from a financial institution is as follows:

|                                   | Consolidated financial statements |             | Separate financial statements |             |
|-----------------------------------|-----------------------------------|-------------|-------------------------------|-------------|
|                                   | 2023 Baht                         | 2022 Baht   | 2023 Baht                     | 2022 Baht   |
| Carrying amount as at 1 January   | 15,753,356                        | 23,788,979  | 15,753,356                    | 23,788,979  |
| Repayment during the period       | (7,441,215)                       | (8,109,212) | (7,441,215)                   | (8,109,212) |
| Deferred transaction costs        | 73,589                            | 73,589      | 73,589                        | 73,589      |
| Carrying amount as at 31 December | 8,385,730                         | 15,753,356  | 8,385,730                     | 15,753,356  |

Effective interest rate of long-term borrowings from a financial institution is 5.67% (2022: 5.53%).

Fair value of long-term borrowings from a financial institution is calculated from discounted future cash flows, discount rate is at 7.10% (2022: 5.85%) and is in the 2 level of the fair value hierarchy.

Long-term borrowings from a financial institution are in Thai Baht as follows:

| Consolidated and separate financial statements |                                  |                                                   |                                          |                             |                                       |                  |                     |                 |
|------------------------------------------------|----------------------------------|---------------------------------------------------|------------------------------------------|-----------------------------|---------------------------------------|------------------|---------------------|-----------------|
| No.                                            | Credit facilities (million Baht) | Outstanding balance as at 31 December 2023 (Baht) | undrawn credit facilities (million Baht) | Interest rate per annum (%) | Principle and interest repayment term | Repayment period | Monthly installment | Maturity date   |
| 1                                              | 30                               | 8,464,964                                         | -                                        | MLR                         | Monthly                               | 49               | 690,000             | 28 January 2025 |
| Total                                          |                                  | 8,464,964                                         |                                          |                             |                                       |                  |                     |                 |

| Consolidated and separate financial statements |                                  |                                                   |                                          |                             |                                       |                  |                     |                 |
|------------------------------------------------|----------------------------------|---------------------------------------------------|------------------------------------------|-----------------------------|---------------------------------------|------------------|---------------------|-----------------|
| No.                                            | Credit facilities (million Baht) | Outstanding balance as at 31 December 2022 (Baht) | undrawn credit facilities (million Baht) | Interest rate per annum (%) | Principle and interest repayment term | Repayment period | Monthly installment | Maturity date   |
| 1                                              | 30                               | 15,906,179                                        | -                                        | MLR                         | Monthly                               | 49               | 690,000             | 28 January 2025 |
| Total                                          |                                  | 15,906,179                                        |                                          |                             |                                       |                  |                     |                 |

The Group has outstanding undrawn credit facilities amounting to Baht 100.00 million (2022: Nil).

The company's long-term borrowing is secured by partial property, plant, and equipment (Notes 16).

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### Interest rate risk related to long-term borrowings from a financial institution

Interest rate risk related to long-term borrowings from a financial institution is as follows:

|                                                                             | Consolidated financial statements |              | Separate financial statements |              |
|-----------------------------------------------------------------------------|-----------------------------------|--------------|-------------------------------|--------------|
|                                                                             | 2023<br>Baht                      | 2022<br>Baht | 2023<br>Baht                  | 2022<br>Baht |
| Long-term borrowings from a financial institution - floating interest rates | 8,464,964                         | 15,906,179   | 8,464,964                     | 15,906,179   |
| Total long-term borrowings from a financial institution                     | 8,464,964                         | 15,906,179   | 8,464,964                     | 15,906,179   |

### 21.2 Lease liabilities, net

Minimum payments of lease liabilities payments are as follows:

|                                              | Consolidated financial statements |              | Separate financial statements |              |
|----------------------------------------------|-----------------------------------|--------------|-------------------------------|--------------|
|                                              | 2023<br>Baht                      | 2022<br>Baht | 2023<br>Baht                  | 2022<br>Baht |
| Not later than one year                      | 885,684                           | 1,464,372    | 885,684                       | 1,464,372    |
| Later than 1 year but not later than 5 years | 1,705,488                         | 3,555,652    | 1,705,488                     | 3,555,652    |
|                                              | 2,591,172                         | 5,020,024    | 2,591,172                     | 5,020,024    |
| <u>Less</u> Future finance charges on leases | (334,652)                         | (698,041)    | (334,652)                     | (698,041)    |
| Net present value of lease liabilities       | 2,256,520                         | 4,321,983    | 2,256,520                     | 4,321,983    |

Lease liabilities excluded future finance charge are as follows:

|                                                  | Consolidated financial statements |              | Separate financial statements |              |
|--------------------------------------------------|-----------------------------------|--------------|-------------------------------|--------------|
|                                                  | 2023<br>Baht                      | 2022<br>Baht | 2023<br>Baht                  | 2022<br>Baht |
| Lease liabilities                                | 2,256,520                         | 4,321,983    | 2,256,520                     | 4,321,983    |
| <u>Less</u> Current portion of lease liabilities | (711,573)                         | (1,155,667)  | (711,573)                     | (1,155,667)  |
| Lease liabilities, net                           | 1,544,947                         | 3,166,316    | 1,544,947                     | 3,166,316    |

## 22 Reconciliation of liabilities arising from financing activities

|                                                   | Consolidated and separate financial statements |                                               |                                               |                             |
|---------------------------------------------------|------------------------------------------------|-----------------------------------------------|-----------------------------------------------|-----------------------------|
|                                                   | 1 January<br>2023<br>Baht                      | Cash flows<br>received<br>(paid), net<br>Baht | Change in<br>non-cash<br>transactions<br>Baht | 31 December<br>2023<br>Baht |
| Long-term borrowings from a financial institution | 15,753,356                                     | (7,441,215)                                   | 73,589                                        | 8,385,730                   |
| Lease liabilities                                 | 4,321,983                                      | (2,065,463)                                   | -                                             | 2,256,520                   |
|                                                   | Consolidated and separate financial statements |                                               |                                               |                             |
|                                                   | 1 January<br>2022<br>Baht                      | Cash flows<br>received<br>(paid), net<br>Baht | Change in<br>non-cash<br>transactions<br>Baht | 31 December<br>2022<br>Baht |
| Long-term borrowings from a financial institution | 23,788,979                                     | (8,109,212)                                   | 73,589                                        | 15,753,356                  |
| Lease liabilities                                 | 1,875,033                                      | (3,192,050)                                   | 5,639,000                                     | 4,321,983                   |

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### 23 Employee benefit obligations

|                                                                    | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|--------------------------------------------------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                                                                    | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| <b>Statement of financial position:</b>                            |                                      |              |                                  |              |
| Retirement benefits                                                | 10,071,825                           | 9,927,170    | 10,071,825                       | 9,927,170    |
| Liability in the statement of financial position                   | 10,071,825                           | 9,927,170    | 10,071,825                       | 9,927,170    |
| <b>Profit or loss charge included<br/>in operating profit for:</b> |                                      |              |                                  |              |
| Retirement benefits                                                | 944,293                              | 920,857      | 944,293                          | 920,857      |
| <b>Statement of comprehensive income:</b>                          |                                      |              |                                  |              |
| Remeasurement for:                                                 |                                      |              |                                  |              |
| Retirement benefits                                                | (799,638)                            | -            | (799,638)                        | -            |

The movement in the defined benefit obligation for the years is as follows:

|                                                    | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|----------------------------------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                                                    | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| <b>As at 1 January</b>                             | 9,927,170                            | 9,006,313    | 9,927,170                        | 9,006,313    |
| Current service cost                               | 829,932                              | 818,879      | 829,932                          | 818,879      |
| Interest expense                                   | 114,361                              | 101,978      | 114,361                          | 101,978      |
|                                                    | 944,293                              | 920,857      | 944,293                          | 920,857      |
| Remeasurements:                                    |                                      |              |                                  |              |
| (Gain)/loss from change in financial assumptions   | (504,514)                            | -            | (504,514)                        | -            |
| (Gain)/loss from change in demographic assumptions | (300,395)                            | -            | (300,395)                        | -            |
| Experience (gain)/loss                             | 5,271                                | -            | 5,271                            | -            |
|                                                    | (799,638)                            | -            | (799,638)                        | -            |
| <b>As at 31 December</b>                           | 10,071,825                           | 9,927,170    | 10,071,825                       | 9,927,170    |

The significant actuarial assumptions used were as follows:

|                        | Consolidated<br>financial statements |                | Separate<br>financial statements |                |
|------------------------|--------------------------------------|----------------|----------------------------------|----------------|
|                        | 2023<br>Baht                         | 2022<br>Baht   | 2023<br>Baht                     | 2022<br>Baht   |
| Discount rate          | 2.43%                                | 1.15%          | 2.43%                            | 1.15%          |
| Salary growth rate     | 2.50% - 6.00%                        | 2.50% - 6.00%  | 2.50% - 6.00%                    | 2.50% - 6.00%  |
| Employee turnover rate | 0.00% - 41.00%                       | 0.00% - 36.00% | 0.00% - 41.00%                   | 0.00% - 36.00% |



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Sensitivity analysis for each significant assumption used is as follows:

|                        | Change in assumption |      | Impact on defined benefit obligation |                  |                        |                  |
|------------------------|----------------------|------|--------------------------------------|------------------|------------------------|------------------|
|                        |                      |      | Increase in assumption               |                  | Decrease in assumption |                  |
|                        | 2023                 | 2022 | 2023 Baht                            | 2022 Baht        | 2023 Baht              | 2022 Baht        |
| Discount rate          | 0.5%                 | 0.5% | Decrease 169,102                     | Decrease 216,917 | Increase 174,944       | Increase 225,102 |
| Salary growth rate     | 0.5%                 | 0.5% | Increase 131,923                     | Increase 225,917 | Decrease 128,621       | Decrease 219,627 |
| Employee turnover rate | 10%                  | 10%  | Decrease 90,581                      | Decrease 142,668 | Increase 106,094       | Increase 161,762 |

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, the same method has been applied as when calculating the retirement benefits recognised within the statement of financial position by using Projected Unit Credit method.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compare to the prior year.

The weighted average duration of the defined benefit obligation is 5.12 years (2022: 6.96 years).

## 24 Share capital and premium on share capital

|                          | Number of shares<br>Shares | Ordinary shares<br>Baht | Premium on ordinary shares<br>Baht | Total<br>Baht |
|--------------------------|----------------------------|-------------------------|------------------------------------|---------------|
| As at 1 January 2022     | 210,000,000                | 105,000,000             | 149,885,643                        | 254,885,643   |
| Issue of ordinary shares | -                          | -                       | -                                  | -             |
| As at 31 December 2022   | 210,000,000                | 105,000,000             | 149,885,643                        | 254,885,643   |
| Issue of ordinary shares | 30,000,000                 | 15,000,000              | 105,000,000                        | 120,000,000   |
| As at 31 December 2023   | 240,000,000                | 120,000,000             | 254,885,643                        | 374,885,643   |

For the year 2023, the total number of authorised ordinary shares is 240 million shares (2022: 210 million shares) with a par value of Baht 0.50 per share (2022: Baht 0.50 per share). All issued shares are fully paid.

On 28 April 2023, the Annual General Meeting has resolved to increase share capital for Baht 15 million from Baht 105 million to Baht 120 million by issuing ordinary shares 30 million shares at par value of Baht 0.50 each, offering the price of Baht 4.00 per share, totaling Baht 120 million to an investor who was not related with the Company. The Company registered the increase of share capital and registered the increased shares capital payment with the Ministry of Commerce on 1 June 2023 and 14 June 2023, respectively.

## 25 Legal reserve

|                               | Consolidated financial statements |            | Separate financial statements |            |
|-------------------------------|-----------------------------------|------------|-------------------------------|------------|
|                               | 2023 Baht                         | 2022 Baht  | 2023 Baht                     | 2022 Baht  |
| As at 1 January               | 10,500,000                        | 8,981,750  | 10,500,000                    | 8,981,750  |
| Appropriation during the year | 650,000                           | 1,518,250  | 650,000                       | 1,518,250  |
| As at 31 December             | 11,150,000                        | 10,500,000 | 11,150,000                    | 10,500,000 |

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

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## 26 Other income

On 12 July 2022, the Group has disposed all investment properties in an amount of Baht 93,131,579 net with selling expenses. The investment properties are 2 vacant lands in an amount of Baht 49,116,500. The fair value in the valuation report prepared is Baht 94,720,000. Gain on disposal of investment properties in an amount of Baht 44,015,079 is recognised in other income in profit or loss.

## 27 Expense by nature

|                                                             | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|-------------------------------------------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                                                             | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| Change in inventories of finished goods and work in process | 3,270,508                            | 2,964,019    | 3,270,508                        | 2,964,019    |
| Raw materials and consumables used                          | 61,490,066                           | 65,603,033   | 61,490,066                       | 65,603,033   |
| Employee benefit expenses                                   | 46,661,633                           | 47,610,833   | 46,661,633                       | 47,610,833   |
| Utility expenses                                            | 9,813,073                            | 9,374,646    | 9,813,073                        | 9,374,646    |
| Depreciation and amortisation                               | 12,375,792                           | 12,322,999   | 12,367,060                       | 12,320,286   |
| Other expenses                                              | 19,647,992                           | 15,643,408   | 18,575,040                       | 15,355,198   |

## 28 Finance costs

|                                           | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|-------------------------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                                           | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| Interest expenses                         |                                      |              |                                  |              |
| - Borrowings from a financial institution | 914,740                              | 1,144,998    | 914,740                          | 1,144,998    |
| - Leases                                  | 363,390                              | 321,931      | 363,390                          | 321,931      |
| Total                                     | 1,278,130                            | 1,466,929    | 1,278,130                        | 1,466,929    |

## 29 Income tax expense

|                                     | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|-------------------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                                     | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| Current tax on profits for the year | 3,713,067                            | 13,254,575   | 3,713,067                        | 13,254,575   |
| Deferred income tax (Note 19)       | (982,017)                            | 77,758       | (384,266)                        | 77,758       |
| Income tax expense                  | 2,731,050                            | 13,332,333   | 3,328,801                        | 13,332,333   |

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The tax on the Company's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

|                                                            | Consolidated financial statements |              | Separate financial statements |              |
|------------------------------------------------------------|-----------------------------------|--------------|-------------------------------|--------------|
|                                                            | 2023<br>Baht                      | 2022<br>Baht | 2023<br>Baht                  | 2022<br>Baht |
| Profit before income tax                                   | 13,497,319                        | 63,982,964   | 16,216,722                    | 64,253,225   |
| Tax calculated at a tax rate of (%)                        | 20                                | 20           | 20                            | 20           |
| Multiply amount by profit and tax rate                     | 2,699,464                         | 12,796,593   | 3,243,344                     | 12,850,645   |
| Tax effect of:                                             |                                   |              |                               |              |
| Expenses not deductible for tax purpose                    | 99,929                            | 486,801      | 99,929                        | 486,801      |
| Double expenses deductible for tax purpose                 | (14,472)                          | (5,113)      | (14,472)                      | (5,113)      |
| Tax losses for which no deferred income tax was recognised | -                                 | 54,052       | -                             | -            |
| Recognition of previously unrecognized deferred taxes      | (53,871)                          | -            | -                             | -            |
|                                                            | 2,731,050                         | 13,332,333   | 3,328,801                     | 13,332,333   |

The weighted average effective tax rate for the consolidated financial statements is 20.23% (2022: 20.84%) and the estimated tax rate for the separated financial statements is 20.53% (2022: 20.75%).

The tax (charge)/credit relating to component of other comprehensive income is as follows:

|                                                 | Consolidated financial statements / Separate financial statements |                                   |                   |                    |                                   |                   |
|-------------------------------------------------|-------------------------------------------------------------------|-----------------------------------|-------------------|--------------------|-----------------------------------|-------------------|
|                                                 | 2023                                                              |                                   |                   | 2022               |                                   |                   |
|                                                 | Before tax<br>Baht                                                | Tax<br>(charge)<br>credit<br>Baht | After tax<br>Baht | Before tax<br>Baht | Tax<br>(charge)<br>credit<br>Baht | After tax<br>Baht |
| Remeasurement on retirement benefit obligations | 799,638                                                           | (159,928)                         | 639,710           | -                  | -                                 | -                 |
| Other comprehensive income                      | 799,638                                                           | (159,928)                         | 639,710           | -                  | -                                 | -                 |

### 30 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the period.

|                                                                                       | Consolidated financial statements |              | Separate financial statements |              |
|---------------------------------------------------------------------------------------|-----------------------------------|--------------|-------------------------------|--------------|
|                                                                                       | 2023<br>Baht                      | 2022<br>Baht | 2023<br>Baht                  | 2022<br>Baht |
| Net profit attributable to ordinary shareholders equity holders of the Company (Baht) | 11,405,979                        | 50,650,631   | 13,527,631                    | 50,920,892   |
| Weighted average number of ordinary shares (shares)                                   | 227,013,699                       | 210,000,000  | 227,013,699                   | 210,000,000  |
| Basic earnings per share (Baht per shares)                                            | 0.0502                            | 0.2412       | 0.0596                        | 0.2425       |



**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

### 31 Related party transactions

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

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

The major shareholders of the Company are the "Nawamongkhonchaikit" family holding 31.15% (2022: 35.46%) of the Company's shares, Miss.Nutthanucha Leelapanyalerts holding 20.58% (2022: 23.52%) of the Company's shares and Mister.Vorapote Amnueypol holding 12.50% (2022: No shareholding) of the Company's shares.

#### Transaction with a related party

| Name                      | Type                                | Nature of relationship                   |
|---------------------------|-------------------------------------|------------------------------------------|
| Top Treat Company Limited | Distribution of machinery and parts | Subsidiary company and board of director |

#### 31.1 Transactions with related parties

Transactions with related parties are as follows:

|                                    | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|------------------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                                    | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| <b>Sales of goods and services</b> |                                      |              |                                  |              |
| Interest income - subsidiary       | -                                    | -            | 1,322,658                        | -            |
| Services - subsidiary              | -                                    | -            | 434,000                          | -            |
| <b>Total</b>                       | -                                    | -            | 1,756,658                        | -            |

#### 31.2 Outstanding balances at the year end

The outstanding balances at the end of the period ended in relation to transactions with related parties are as follows:

|                                | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|--------------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                                | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| <b>Receivables</b>             |                                      |              |                                  |              |
| Other receivables - subsidiary | -                                    | -            | 1,362,053                        | -            |
| <b>Total</b>                   | -                                    | -            | 1,362,053                        | -            |

#### 31.3 Short-term loan to a subsidiary

|              | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|--------------|--------------------------------------|--------------|----------------------------------|--------------|
|              | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| Subsidiary   | -                                    | -            | 170,000,000                      | -            |
| <b>Total</b> | -                                    | -            | 170,000,000                      | -            |



**T.R.V. Rubber Products Public Company Limited**  
**Notes to consolidated and separate financial statements**  
**For the year ended 31 December 2023**

The movements of short-term loan to a subsidiary is as follows:

|                            | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|----------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                            | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| <b>Subsidiary</b>          |                                      |              |                                  |              |
| At 1 January               | -                                    | -            | -                                | -            |
| Addition during the period | -                                    | -            | 180,000,000                      | -            |
| Loans repayment received   | -                                    | -            | (10,000,000)                     | -            |
| At 31 December             | -                                    | -            | 170,000,000                      | -            |

The loans to Subsidiary were made on commercial terms and conditions. The loans are due at call and interest at 2% per annum. No allowance has been required in 2023 for the loans made to Subsidiary.

#### 31.4 Key management compensation

Key management included director and top management. Key management compensation or accrued expense are as follows:

|                                                 | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|-------------------------------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                                                 | 2023<br>Baht                         | 2022<br>Baht | 2023<br>Baht                     | 2022<br>Baht |
| Salaries and other short-term employee benefits | 18,034,680                           | 18,038,968   | 18,034,680                       | 18,038,968   |
| Post-employment benefits                        | 799,407                              | 1,302,624    | 799,407                          | 1,302,624    |
| Total                                           | 18,834,087                           | 19,341,592   | 18,834,087                       | 19,341,592   |

### 32 Commitments and contingent liabilities

#### 32.1 Letters of bank guarantee

As of 31 December 2023, the Group has letters of guarantee issued by a financial institution for the purpose of ordinary course of business amounting to Baht 29.93 million (31 December 2022: Baht 10.18 million).

#### 32.2 Guarantee

As of 31 December 2023, the Company has provided guarantee to Top Treat Company Limited (subsidiary) for auction of project about supplying of machinery and parts amounting to Baht 18.99 million (31 December 2022: Baht 9.12 million).

## Part 4: Certification of Information

### 11. Certification of Information

[Top](#)

The company has deliberately reviewed the information in this year's annual report. The company hereby certifies that the information is correct, complete, does not mislead others not lack of any essential information. In addition, the company certifies that

- (1) Financial statement and financial information summarized in the annual report display accurate and complete information regarding the importance of financial status, performance and the company's and subsidiary cash flow.
- (2) The company has established an effective system for the disclosure of information to ensure that the company completely and accurately discloses the company's and subsidiary essential information, including monitoring the system implementation.
- (3) The company has arranged a good internal control system and monitors the system implementation. The company has reported the most recent internal control system assessment to the company's auditor and the Audit Committee which covers the defects and critical changes in the internal control system as well as any misconduct that may affect the company's and subsidiary financial report.

In this regard, to prove that all documents are the documents approved by the company, the company has assigned Mr. Prasert Ruengleardsatitkul to sign this document on every page. If any documents lack Mr. Prasert's signature, the company will consider it as information that is not approved by the company.

| First name-Surname                   | Position                                    | Signature                                                                             |
|--------------------------------------|---------------------------------------------|---------------------------------------------------------------------------------------|
| 1. Mr. Theerawut Nawamongkhonchaikit | Director and Chief Executive Officer        |  |
| 2. Mr. Prasert Ruengleardsatitkul    | Director and Senior Chief Operation Officer |  |

|          | First name-Surname                | Position                                    | Signature                                                                             |
|----------|-----------------------------------|---------------------------------------------|---------------------------------------------------------------------------------------|
| Assignee | 1. Mr. Prasert Ruengleardsatitkul | Director and Senior Chief Operation Officer |  |

# Attachment

Details of directors, executives, controlling persons, the person assigned to take the highest responsibility in accounting and finance, the person assigned to take direct responsibility for accounting supervision and the company's secretary as December 31' 2023

- Details of directors

| Name-<br>Surname/Position                                                                                                                                                                         | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                                                                                                    | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |                                       |                                                  |                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|---------------------------------------|--------------------------------------------------|-----------------------------------------------------------|
|                                                                                                                                                                                                   |                |                                                                                                                                                                                                                                                                       |                                             |                                                         | Period                          | Position                              | Company/Department                               | Business Type                                             |
| 1. Mr. Raj Tanta-<br>nanta<br><br>Chairman of Board/<br>Independent<br>directors/<br>Audit Committee/<br>Chairman of Risk<br>Management<br>Committee<br><br>Date of Appointment<br>April 22, 2022 | 54             | <u>Education:</u><br>-MBA in Finance from<br>The American<br>University, Washington<br>D.C. –Kogod Business<br>School Dec. '93<br>-B.S.B.A. in Finance and<br>International<br>Management from<br>BostonUniversity,<br>Boston, M.A. – School<br>of Management May '92 | None                                        | None                                                    | 2022-Present                    | Chairman/<br>Independent<br>Directors | T.R.V. Rubber Products Public<br>Company Limited | Manufacture and<br>distribution of molded<br>rubber parts |
|                                                                                                                                                                                                   |                |                                                                                                                                                                                                                                                                       |                                             |                                                         | 2022-Present                    | Directors                             | SOR Wellness Co., Ltd.                           | Real estate buying and<br>selling                         |
|                                                                                                                                                                                                   |                |                                                                                                                                                                                                                                                                       |                                             |                                                         | 2021-Present                    | Directors                             | RAS Advisory Co., Ltd.                           | Accounting and Tax<br>Consultant                          |
|                                                                                                                                                                                                   |                |                                                                                                                                                                                                                                                                       |                                             |                                                         | 2019-Present                    | Directors                             | SKY ICT Public Co., Ltd.                         | Information technology<br>service business                |
|                                                                                                                                                                                                   |                |                                                                                                                                                                                                                                                                       |                                             |                                                         | 2018-Present                    | Directors                             | Valor Hospitality Partners<br>Asia Co., Ltd.     | Administration and Other<br>Consultant                    |

| Name-<br>Surname/Position    | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                                                                                                                                                                | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |           |                                                  |                                                           |
|------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|-----------|--------------------------------------------------|-----------------------------------------------------------|
|                              |                |                                                                                                                                                                                                                                                                                                                                   |                                             |                                                         | Period                          | Position  | Company/Department                               | Business Type                                             |
|                              |                | -High School Diploma<br>from The Mercersburg<br>Academy,Mercersburg,<br>P.A. May '88<br><br><u>Training History:</u><br>-Advanced Master of<br>Management Program<br>Class 1, NIDA<br>-Capital Market<br>Academy (CMA) Class<br>20<br>-Directors Certification<br>Program (DCP) Class<br>71, Thai Institute of<br>Directors (IOD) |                                             |                                                         |                                 |           |                                                  |                                                           |
| 2. Mr. Krishna<br>Boonyachai | 59             | <u>Education :</u><br>-Bachelor of Economics<br>Kasetsart University                                                                                                                                                                                                                                                              | None                                        | None                                                    | 2022-Present                    | Directors | T.R.V. Rubber Products Public<br>Company Limited | Manufacture and<br>distribution of molded<br>rubber parts |

| Name-<br>Surname/Position                                                                                                                                   | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                         | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |           |                                    |                                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|-----------|------------------------------------|----------------------------------------|
|                                                                                                                                                             |                |                                                                                                                                                                                            |                                             |                                                         | Period                          | Position  | Company/Department                 | Business Type                          |
| Independent<br>directors/<br>Chairman of Audit<br>Committee/<br>Nomination and<br>Remuneration<br>Committee<br><br>Date of Appointment<br>December 14, 2022 |                | - Bachelor of Business<br>Administration<br>Muban Chombueng<br>Rajabhat University                                                                                                         |                                             |                                                         | 2021-Present                    | Directors | Euroasia Total Logistics Co., Ltd. | Transportation and<br>storage business |
|                                                                                                                                                             |                | <u>Training History:</u><br>-Role Of Chairman<br>Program (Class<br>46/2020)                                                                                                                |                                             |                                                         | 2020-Present                    | Directors | PTT Public Company Limited         | Natural gas and<br>petroleum business  |
|                                                                                                                                                             |                | Thai Institute of<br>Directors (IOD)<br>-Directors Certification<br>Program (DCP<br>288/2020)<br>Thai Institute of<br>Directors (IOD)<br>-Capital Market<br>Academy Programs<br>(Class 24) |                                             |                                                         | 2019- Present                   | Directors | TQR Public Company Limited         | Reinsurance Broker<br>Business         |



| Name-<br>Surname/Position                                                                                                                                | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                                                                                                                                         | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |                            |                                                  |                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|----------------------------|--------------------------------------------------|-----------------------------------------------------------|
|                                                                                                                                                          |                |                                                                                                                                                                                                                                                                                                            |                                             |                                                         | Period                          | Position                   | Company/Department                               | Business Type                                             |
|                                                                                                                                                          |                | -Top Executive Program<br>in Commerce and Trade<br>(Class 11)                                                                                                                                                                                                                                              |                                             |                                                         |                                 |                            |                                                  |                                                           |
| 3. Mr.Chanaphan<br>Piriaphan                                                                                                                             | 54             | <u>Education:</u><br>-Master of<br>Communication Arts<br>New York Institute of<br>Technology USA<br>(Distinction)<br>-The Department of<br>Government, Faculty of<br>Political Science,<br>Chulalongkorn<br>University<br><u>Training History:</u><br>-Director Certification<br>Program (DCP<br>289/2020) | None                                        | None                                                    | 2015-Present                    | Chief Executive<br>Officer | TQR Public Company Limited                       | Reinsurance Broker<br>Business                            |
| Independent<br>directors/<br>Audit Committee/<br>Chairman of<br>Nomination and<br>Remuneration<br>Committee<br><br>Date of Appointment<br>April 28, 2023 |                |                                                                                                                                                                                                                                                                                                            |                                             |                                                         | 2023-Present                    | Directors                  | T.R.V. Rubber Products Public<br>Company Limited | Manufacture and<br>distribution of molded<br>rubber parts |

| Name-<br>Surname/Position | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                                                                                                                                                                 | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |          |                    |               |
|---------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|----------|--------------------|---------------|
|                           |                |                                                                                                                                                                                                                                                                                                                                    |                                             |                                                         | Period                          | Position | Company/Department | Business Type |
|                           |                | Thai Institute of<br>Directors<br>-Capital Market<br>Academy Programs<br>(Class 24)<br>-Top Executive Program<br>in Commerce and Trade<br>(Class 12)<br>-Academic of Business<br>Creativity (ABC) (Class<br>4) Agriculture and<br>Cooperatives Executive<br>Program (Class 1)<br>Ministry of Agriculture<br>and Cooperatives, 2022 |                                             |                                                         |                                 |          |                    |               |

| Name-<br>Surname/Position | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                                                                                                                                                                            | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |          |                    |               |
|---------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|----------|--------------------|---------------|
|                           |                |                                                                                                                                                                                                                                                                                                                                               |                                             |                                                         | Period                          | Position | Company/Department | Business Type |
|                           |                | -Thailand Insurance<br>Leadership Program<br>(Super) (Class 1)<br>Office of Insurance<br>Commission (OIC), 2020<br>-Thailand Insurance<br>Leadership Program<br>(Class 5)<br>Office of Insurance<br>Commission (OIC), 2015<br>-Certificated of “<br>Marketing Management<br>‘Executive Program”<br>Marketing Association of<br>Thailand, 2011 |                                             |                                                         |                                 |          |                    |               |

| Name-<br>Surname/Position | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                                                                                                                                                                                       | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |          |                    |               |
|---------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|----------|--------------------|---------------|
|                           |                |                                                                                                                                                                                                                                                                                                                                                          |                                             |                                                         | Period                          | Position | Company/Department | Business Type |
|                           |                | -Senior Associated<br>(ANZIIF) - Australian<br>and New Zealand<br>Institute of Insurance<br>and Finance, 2005<br>-Management Trainee -<br>American Internation<br>Group, New York,1996<br>-Certificated of "Direct<br>Marketing" - New York<br>University, 1996<br>-Certificate of "Surveyor<br>and Loss Prevention"<br>Chulalongkorn<br>Unversity, 1994 |                                             |                                                         |                                 |          |                    |               |

| Name-<br>Surname/Position                                                                                                                                                | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                                                          | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |           |                    |                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|-----------|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                          |                |                                                                                                                                                                                                                             |                                             |                                                         | Period                          | Position  | Company/Department | Business Type                                                                                                                                                                                                                                                                       |
|                                                                                                                                                                          |                | -Certificated of “Property<br>and Casualty<br>Insurance” Assumption<br>University, 1993                                                                                                                                     |                                             |                                                         |                                 |           |                    |                                                                                                                                                                                                                                                                                     |
| 4 . Mr. Theerawut<br>Nawamongkhonchai<br>kit<br><br>Directors/<br>Risk Management<br>Committee/<br>Chairman of<br>Executive<br>Committee/<br>Chief Executive<br>Officer: | 53             | <u>Education :</u><br>Middle School Year 3<br><br><u>Training History :</u><br>Directors Accreditation<br>Program (DAP) of the<br>Institute Promotion<br>Association, Board of<br>directors of Thai<br>Company No. 167/2019 | 14.215                                      | -Husband of<br>Mrs. Supak<br>Nawamongkh<br>onchaikit    | 2022- Present                   | Directors | Toptreat Co., Ltd  | seller of machines,<br>engines, mechanical<br>equipment, labor-saving<br>equipment, vehicle,<br>electricity generator, and<br>water pump, including all<br>kinds of goods and all<br>type of goods related to<br>the railway business, and<br>a provider of<br>maintenance service. |

| Name-<br>Surname/Position                | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                     | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |                             |                                                  |                                                           |
|------------------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|-----------------------------|--------------------------------------------------|-----------------------------------------------------------|
|                                          |                |                                                                                                                                        |                                             |                                                         | Period                          | Position                    | Company/Department                               | Business Type                                             |
| Date of Appointment<br>February 11, 2005 |                |                                                                                                                                        |                                             |                                                         | 2019-Present                    | Chief Executive<br>Officer: | T.R.V. Rubber Products Public<br>Company Limited | Manufacture and<br>distribution of molded<br>rubber parts |
|                                          |                |                                                                                                                                        |                                             |                                                         | 2005-2019                       | Managing<br>Directors       | T.R.V. Rubber Products Company<br>Limited        | Shareholdings in other<br>companies                       |
|                                          |                |                                                                                                                                        |                                             |                                                         | 2018-2022                       | Directors                   | TRW Holding Co.,Ltd                              |                                                           |
| 5. Mr. Nopporn<br>Witoonchart            | 59             | <u>Education:</u><br>- Bachelor of<br>Engineering (Computer<br>Engineering)<br>King Mongkut's Institute<br>of Technology<br>Ladkrabang | None                                        | None                                                    | 2023-Present                    | Directors                   | T.R.V. Rubber Products Public<br>Company Limited | Manufacture and<br>distribution of molded<br>rubber parts |
| Directors                                |                |                                                                                                                                        |                                             |                                                         | 1990-Present                    | Directors                   | Vitoon Holding Co.,Ltd.                          | Real estate rental<br>business                            |
| Date of Appointment<br>April 28, 2023    |                | <u>Training History:</u><br>-Directors Accreditation<br>Program (DCP 43/2005)<br>Thai Institute of<br>Directors (IOD)                  |                                             |                                                         | 1990-Present                    | Directors                   | Vi Toon Chart Co.,Ltd.                           | Real estate rental<br>business                            |
|                                          |                |                                                                                                                                        |                                             |                                                         | 1990-Present                    | Directors                   | Withoonsahakit Co.,Ltd.                          | Real estate rental<br>business                            |
|                                          |                |                                                                                                                                        |                                             |                                                         | 1994-Present                    | Chairman of<br>Executive    | Future Development Public Company<br>Limited     | Real estate rental<br>business                            |
|                                          |                |                                                                                                                                        |                                             |                                                         | 1994-Present                    | Directors                   | Sieng Somboon Co.,Ltd.                           | Real estate rental<br>business                            |

| Name-<br>Surname/Position                                                                                 | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                           | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |                                                              |                                                  |                                                           |
|-----------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|--------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------|
|                                                                                                           |                |                                                                                                                                                              |                                             |                                                         | Period                          | Position                                                     | Company/Department                               | Business Type                                             |
|                                                                                                           |                | -Directors Certification<br>Program (DCP 70/2006)<br><br>Thai Institute of<br>Directors (IOD)                                                                |                                             |                                                         | 2006-Present                    | Directors                                                    | Siam Splendid Silver Co.,Ltd.                    | Real estate rental<br>business                            |
|                                                                                                           |                |                                                                                                                                                              |                                             |                                                         | 2022-Present                    | Directors                                                    | J Lifestyle Co.,Ltd.                             | Real estate rental<br>business                            |
|                                                                                                           |                |                                                                                                                                                              |                                             |                                                         | 2023-Present                    | Directors                                                    | J Lifestyle Center Co.,Ltd                       | Real estate rental<br>business                            |
|                                                                                                           |                |                                                                                                                                                              |                                             |                                                         | 2008-2564                       | Directors                                                    | SF Development Co.,Ltd                           | Real estate rental<br>business                            |
| 6. Mr. Sarun<br>Nimitrath<br><br>Independent<br>Directors<br><br>Date of Appointment<br>December 14, 2022 | 37             | <u>Education:</u><br>- Master of Arts<br>(Business Economics)<br>Chulalongkorn<br>University<br>- Bachelor of<br>Engineering Program in<br>Civil Engineering | 0.0002                                      | None                                                    | 2022-Present                    | Independent<br>Directors                                     | T.R.V. Rubber Products Public<br>Company Limited | Manufacture and<br>distribution of molded<br>rubber parts |
|                                                                                                           |                |                                                                                                                                                              |                                             |                                                         | 2018-Present                    | Directors of<br>Business<br>Development /<br>Sales directors | Siamsintorn Co., Ltd                             | Real estate business                                      |



| Name-<br>Surname/Position                                                                                                                                         | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                       | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |           |                    |                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|-----------|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                                   |                |                                                                                                                          |                                             |                                                         | Period                          | Position  | Company/Department | Business Type                                                                                                                                                                                                                                                                       |
|                                                                                                                                                                   |                | <u>Training History:</u><br>Directors Accreditation<br>Program (DAP<br>200/2023)<br>Thai Institute of<br>Directors (IOD) |                                             |                                                         |                                 |           |                    |                                                                                                                                                                                                                                                                                     |
| 7. Mr.Prasert<br>Ruengleardsatitkul<br><br>Directors/<br>Nomination and<br>Remuneration<br>Committee /<br>Risk Management<br>Committee<br>Executive<br>Committee/ | 50             | <u>Education:</u><br>Bachelor's degree<br>Department of<br>Engineering,<br>Thammasat University                          | 0.0005                                      | Brother of<br>Mrs. Supak<br>Nawamongkh<br>onchaikit     | 2022-Present                    | Directors | Toptreat Co., Ltd  | seller of machines,<br>engines, mechanical<br>equipment, labor-saving<br>equipment, vehicle,<br>electricity generator, and<br>water pump, including all<br>kinds of goods and all<br>type of goods related to<br>the railway business, and<br>a provider of<br>maintenance service. |

| Name-<br>Surname/Position                                                         | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                 | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |                                                                |                                                  |                                                           |
|-----------------------------------------------------------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|----------------------------------------------------------------|--------------------------------------------------|-----------------------------------------------------------|
|                                                                                   |                |                                                                                                                                                                                    |                                             |                                                         | Period                          | Position                                                       | Company/Department                               | Business Type                                             |
| Senior Chief<br>Operation Officer<br><br>Date of Appointment<br>November 12, 2019 |                | <u>Training History:</u><br>Courses/ Diplomas<br>Directors Accreditation<br>Program (DAP) of the<br>Institute Promotion<br>Association, Board of<br>Directors: IOD No.<br>167/2562 |                                             |                                                         | 2021-Present<br><br>2014-2021   | Senior Chief<br>Operation<br>Officer<br><br>General<br>Manager | T.R.V. Rubber Products Public<br>Company Limited | Manufacture and<br>distribution of molded<br>rubber parts |

- Details of management and controlling authorized person

| Name-<br>Surname/Position                                                                                                                                                 | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                                                                                 | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |                                      |                                                  |                                                           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|--------------------------------------|--------------------------------------------------|-----------------------------------------------------------|
|                                                                                                                                                                           |                |                                                                                                                                                                                                                                                    |                                             |                                                         | Period                          | Position                             | Company/Department                               | Business Type                                             |
| 1. Mrs. Supak<br>Nawamongkhonchai<br>kit<br><br>Directors<br>Executive<br>Committee/<br>Deputy Chief<br>Executive Officer<br><br>Date of Appointment<br>February 11, 2005 | 51             | <u>Education:</u><br>Vocational education<br>Bangkok College of<br>Accounting<br><br><u>Training History:</u><br>Directors Accreditation<br>Program (DAP) of the<br>Institute Promotion<br>Association, Board of<br>Directors: IOD No.<br>167/2562 | 8.175                                       | Wife of Mr.<br>Theerawut<br>Nawamongkh<br>onchaikit     | 2019-Present                    | Deputy Chief<br>Executive<br>Officer | T.R.V. Rubber Products Public<br>Company Limited | Manufacture and<br>distribution of molded<br>rubber parts |
|                                                                                                                                                                           |                |                                                                                                                                                                                                                                                    |                                             |                                                         | 2005-2019                       | Deputy of<br>Managing<br>Directors   |                                                  |                                                           |
|                                                                                                                                                                           |                |                                                                                                                                                                                                                                                    |                                             |                                                         | 2018-2022                       | Directors                            | TRW Holding Co., Ltd                             | Shareholdings in other<br>companies                       |
| 2. Mrs. Sudarat<br>Sutham<br><br>Executive<br>Committee/                                                                                                                  | 46             | <u>Education:</u><br>Bachelor's Degree in<br>Accounting,<br>Srinakharinwirot<br>University (Prasarnmit)                                                                                                                                            | None                                        | None                                                    | 2019-Present                    | Chief Financial<br>Officer           | T.R.V. Rubber Products Public<br>Company Limited | Manufacture and<br>distribution of molded<br>rubber parts |
|                                                                                                                                                                           |                |                                                                                                                                                                                                                                                    |                                             |                                                         | 2017-2018                       | Accounting<br>Manager                |                                                  |                                                           |

| Name-<br>Surname/Position                                                                                                                                 | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                                         | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |                                      |                                                                         |                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|--------------------------------------|-------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                                                           |                |                                                                                                                                                                                                            |                                             |                                                         | Period                          | Position                             | Company/Department                                                      | Business Type                                                                                                                                                                                                                                               |
| Chief Financial<br>Officer<br><br>Date of Appointment<br>January 1, 2019                                                                                  |                | <u>Training History:</u><br>Courses/ Diplomas<br>CFO Orientation Course<br>for new IPOs 4th<br>Generation<br>Course Update Tax Law<br>2020 and tax benefits<br>that the auditor needs to<br>know           |                                             |                                                         | 2015-2017<br><br>2012-2014      | Accountant<br><br>Account<br>Costing | Information Highway Co., Ltd.<br><br>ALT Telecom Public Company Limited | Transport infrastructure<br>rental (Joint Venture)<br><br>Sale of fiber optic cables,<br>radio frequency cables,<br>equipment and software                                                                                                                  |
| 3. Mr.Nuttanon<br>Sethavoravichit<br><br>Executive<br>Committee/<br>Chief Business<br>Development Officer<br><br>Date of Appointment<br>November 12, 2019 | 36             | <u>Education:</u><br>-Master of Science in<br>Global Finance, HKUST<br>– NYU Stern School of<br>Business<br>- Bachelor's Degree in<br>Faculty of industrial<br>engineering,<br>Chulalongkorn<br>University | 0.0005                                      | Brother of<br>Mrs. Supak<br>Nawamongkh<br>onchaikit     | 2022-Present                    | Directors                            | Toptreat Co., Ltd                                                       | seller of machines,<br>engines, mechanical<br>equipment, labor-saving<br>equipment, vehicle,<br>electricity generator, and<br>water pump, including all<br>kinds of goods and all<br>type of goods related to<br>the railway business, and<br>a provider of |

| Name-<br>Surname/Position | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                                                                                                    | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years                                   |                                                                |                                                  |                                                                                                                           |
|---------------------------|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|-------------------------------------------------------------------|----------------------------------------------------------------|--------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
|                           |                |                                                                                                                                                                                                                                                                       |                                             |                                                         | Period                                                            | Position                                                       | Company/Department                               | Business Type                                                                                                             |
|                           |                | <u>Training History:</u><br>-ABC Program class 8,<br>SPU Sripatum University<br>- ABC Talent Program<br>class 2, SPU Sripatum<br>University<br>-The Story Program<br>class 4, SPU Sripatum<br>University<br>-JUMC WOW Program<br>class 2, Chulalongkorn<br>University |                                             |                                                         | 2021-Present<br><br><br><br><br><br><br><br><br><br><br>2014-2021 | Senior Chief<br>Operation<br>Officer<br><br>General<br>Manager | T.R.V. Rubber Products Public<br>Company Limited | maintenance service.<br><br><br><br><br><br><br><br><br><br><br>Manufacture and<br>distribution of molded<br>rubber parts |

- Details of Company Secretary

| Name-<br>Surname/Position                                                                                    | Age<br>[years] | Educational<br>qualifications / Training<br>record                                                                                                                                                                                                                                        | Sharehol<br>ding ratio<br>in the<br>company | Relations with<br>other directors<br>and<br>managements | Work experience in past 5 years |                                      |                                                  |                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------|---------------------------------|--------------------------------------|--------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                              |                |                                                                                                                                                                                                                                                                                           |                                             |                                                         | Period                          | Position                             | Company/Department                               | Business Type                                                                                                                                                                                                                                                                       |
| 1. Mr.Prasert<br>Ruengleardsatitkul<br><br>Company Secretary<br><br>Date of Appointment<br>November 14, 2023 | 50             | <u>Education:</u><br>Bachelor's degree<br>Department of<br>Engineering,<br>Thammasat University<br><br><u>Training History:</u><br>Courses/ Diplomas<br>Directors Accreditation<br>Program (DAP) of the<br>Institute Promotion<br>Association, Board of<br>Directors: IOD No.<br>167/2019 | 0.0005                                      | Brother of<br>Mrs. Supak<br>Nawamongkh<br>onchaikit     | 2022-Present                    | Directors                            | Toptreat Co., Ltd                                | seller of machines,<br>engines, mechanical<br>equipment, labor-saving<br>equipment, vehicle,<br>electricity generator, and<br>water pump, including all<br>kinds of goods and all<br>type of goods related to<br>the railway business, and<br>a provider of<br>maintenance service. |
|                                                                                                              |                |                                                                                                                                                                                                                                                                                           |                                             |                                                         | 2021-Present                    | Senior Chief<br>Operation<br>Officer | T.R.V. Rubber Products Public<br>Company Limited | Manufacture and<br>distribution of molded<br>rubber parts                                                                                                                                                                                                                           |
|                                                                                                              |                |                                                                                                                                                                                                                                                                                           |                                             |                                                         | 2014-2021                       | General<br>Manager                   |                                                  |                                                                                                                                                                                                                                                                                     |

### Details of the directors of subsidiaries

| Toptreat Company Limited          |          |
|-----------------------------------|----------|
| Name                              | Position |
| Mr. Theerawut Nawamongkhonchaikit | Director |
| Mr. Prasert Ruengleardsatitkul    | Director |
| Mr. Nuttanon Sethavoravichit      | Director |



### Details of the Heads of the Internal Audit

| Topics                   | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Internal Audit           | P&L CORPORATION COMPANY LIMITED                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Head of Internal Audit   | Miss Monpat Poomrattanacharin<br>as Vice President                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Age                      | 48 years old                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Certificates             | <ul style="list-style-type: none"> <li>- Certified Professional Internal Audit of Thailand (CPIAT)</li> <li>- Internal Auditing Certificate Program (IACP) from the Federation of Accounting Professions</li> <li>- CAC SME Independent Auditor Certification</li> <li>- ICDL Data Protection Certification from the Digital Skills Development and Testing Institute (DDTI)</li> </ul>                                                                                                                                              |
| Education                | <ul style="list-style-type: none"> <li>- Master's Degree in Master of Accounting Program, Management Accounting, the Faculty of Commerce and Accountancy from Chulalongkorn University</li> <li>- Bachelor of Accounting Program in Accounting, the Faculty of Accountancy from Dhurakij Pundit University</li> </ul>                                                                                                                                                                                                                |
| Professional experiences | <p>2008 - Present: Vice President at P&amp;L Internal Audit Company Limited</p> <p>2005 - 2006: Marketing Officer at Zmico Securities Company</p> <p>2003 - 2004: Assistant Teacher at the Faculty of Accountancy, Dhurakij Pundit University</p> <p>1998 - 2003: Accountant Staff of Sustainable Energy with Appropriate Technology</p> <p><u>Types of business audited.</u></p> <ul style="list-style-type: none"> <li>- Transportation</li> <li>- Buy and Sell</li> <li>- Rental management</li> <li>- Debt collection</li> </ul> |

| Topics            | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                   | <ul style="list-style-type: none"> <li>- Fashion</li> <li>- Food and Non-Food Production</li> <li>- Hospital</li> <li>- Educational institution</li> <li>- Restaurant</li> <li>- Amusement park</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Related trainings | <ul style="list-style-type: none"> <li>- Personal Data Protection Laws (PDPA) for Internal Audit 6th generation by Political Science Association, Kasetsart University (PSAKU)</li> <li>- Ethical Audit by Institute of Internal Auditors of Thailand (IIAT)</li> <li>- Development Techniques for Risk Universe and Audit Universe in Business Procedures for Manufacturing Enterprises by IIAT</li> <li>- IA's New Value Proposal During and After the Crisis by IIAT</li> <li>- Audits and Audit Consideration when Entities use Computers to Process Information Generation 2/2018, Federation of Accounting Professions under the Royal Patronage of His Majesty the King (TFAC)</li> <li>- Tax Accountant (Full course), TFAC</li> <li>- 108 Issues of VAT and Gift Tax and Update New Tax Law 2014-2015, The Revenue Department</li> <li>- Training program for Internal Audit Certificate 17th Generation, TFAC</li> <li>- Develop Accounting Firm's Potential to Quality Standards, Department of Business Development under the Ministry of Commerce</li> <li>- Business Management for Internal Audit during Digital 4.0 Era 6th Generation, TFAC</li> <li>- "Working Paper for Better Corruption Prevention", Thai Institute of Directors (IOD)</li> <li>- Financial Statements Review for Internal Auditors Generation 1/2017 , TFAC</li> <li>- Accountant's Legal Conduct 1/2017, The Revenue Department)</li> <li>- IPO Focus "Effective Internal Control for Success IPO", IOD</li> <li>- Thai Financial Reporting Standard for Non-Publicly Accountable Entities with different issues from International Financial Report Standard for SME, TFAC</li> <li>- Integrated Audit 1/256, TFAC</li> </ul> |

| Topics           | Details                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                  | <ul style="list-style-type: none"> <li>- Internal Audit Training Program for Preparation of Certified International Internal Audit 18th and 27th Generation (Pre-CIA), Chulalongkorn University</li> <li>- Training Analysis Fundamental Information in Financial market and stock market, Thailand Securities Institute (TSI)</li> <li>- How to become an Effective Internal Auditor Class 2/2022</li> <li>- Internal control of legal compliance important to the sustainability of the business and accounting for derivatives and hedging. By Chulalongkorn University.</li> <li>- Political Science Association of Kasetsart University</li> <li>- PDPA for Internal Audit Program Class 6</li> </ul> |
| Responsibilities | <ul style="list-style-type: none"> <li>- Conduct an annual audit plan to present for the Audit's Committee's approval.</li> <li>- Review the Audit Program of each item audited in the annual audit plan</li> <li>- Plan and organize an inspection team</li> <li>- Assess the sufficiency, credibility and punctuality of the company's internal control system according to COSO</li> <li>- Review the audit results and monitor the operation performance according to the suggestions.</li> <li>- Approve the audit report and report to the management department and the Audit</li> </ul>                                                                                                            |

## Assets for business undertaking

### 1. Assets for business undertaking

#### 1.1 Land

As of December 31, 2023, the company had total land equivalent to THB 40.43 million. Details are as follows:

| Title deed no.                                                                                                               | Net asset value<br>(million baht) | Purpose of acquiring                                                              | Nature of property right | Obligations                                                                  |
|------------------------------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------------------------------------------|--------------------------|------------------------------------------------------------------------------|
| 88152, 91207, and 101781 located at Khlong Bang Phran, Khet Bang Bon, Bangkok<br>Total area of 3 rai, 2 ngan, and 26 sq. wah | 40.43                             | For business operations, production and storage, and used as Head Office location | Ownership of the company | Pledged with a financial institution for a credit line of 55.00 million baht |
| <b>Total</b>                                                                                                                 | <b>40.43</b>                      |                                                                                   |                          |                                                                              |

#### 1.2 Property, plant, and equipment

As of December 31, 2023, the company had property, plant, and equipment equivalent to 88.56 million baht. Details are as follows:

| Item                                      | Net asset value<br>(million Baht) | Nature of property right | Obligations                                                                                    |
|-------------------------------------------|-----------------------------------|--------------------------|------------------------------------------------------------------------------------------------|
| Building and building improvement         | 23.16                             | Ownership of the company | Pledged with a financial institution for a credit line of 55.00 million baht.                  |
| Machinery                                 | 62.80                             | Ownership of the company | Pledged with a financial institution for a credit line of 30.00 million baht (total:13 units). |
| Molds                                     | 1.04                              | Ownership of the company | None                                                                                           |
| Tools and equipment                       | 0.49                              | Ownership of the company | None                                                                                           |
| Furniture, fixtures, and office equipment | 0.40                              | Ownership of the company | None                                                                                           |
| Computer equipment                        | 0.67                              | Ownership of the company | None                                                                                           |
| <b>Total</b>                              | <b>88.56</b>                      |                          |                                                                                                |

### 1.3 Vehicle

As of December 31, 2023, the company had 8 units of the vehicle, the total value of 1.11 million baht.

### 2. Right-of-use assets

As of December 31, 2023, the company reported right-of-use assets had 2 units of the vehicle, the total value of 4.03 million baht.

### 3. Intangible assets

As of December 31, 2023, the company reported intangible assets of 2.15 million baht.

### 4. Important contracts related to business operation

As of December 31, 2023, the company had an asset lease agreement used for business operation for 2 item as follow:

| Vehicle lease agreement |  |
|-------------------------|--|
|-------------------------|--|

|                              |                                              |
|------------------------------|----------------------------------------------|
| Type of contract             | : Vehicle lease agreement                    |
| Contract number              | : F22011719600235-000                        |
| Hire purchaser               | : T.R.V. Rubber Products Public Co., Ltd.    |
| Seller                       | : Mercedes-Benz Leasing (Thailand) Co., Ltd. |
| Hire purchase assets         | : Vehicle, Benz brand                        |
| Contract signing date        | : January 13, 2022                           |
| Last installment date        | : December 13, 2026                          |
| Contract period              | : 5 years                                    |
| Outstanding contract balance | : 1.62 million Baht.                         |

| Vehicle lease agreement |  |
|-------------------------|--|
|-------------------------|--|

|                              |                                           |
|------------------------------|-------------------------------------------|
| Type of contract             | : Vehicle lease agreement                 |
| Contract number              | : 11-1205070                              |
| Hire purchaser               | : T.R.V. Rubber Products Public Co., Ltd. |
| Seller                       | : Bank of Ayudhya Public Company Limited  |
| Hire purchase assets         | : Vehicle, Honda brand                    |
| Contract signing date        | : August 31, 2022                         |
| Last installment date        | : September 5, 2026                       |
| Contract period              | : 4 years                                 |
| Outstanding contract balance | : 0.63 million Baht.                      |

## 5. Insurance policies used in business operations

| Insurance policies of building, machinery, and inventory |                                                                                                                                                                                                                                                  |
|----------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Insured                                                  | : T.R.V. Rubber Products Public Co., Ltd.                                                                                                                                                                                                        |
| Insurer                                                  | : Bangkok Insurance Public Co. , Ltd. /Percentage of Participation of 50                                                                                                                                                                         |
|                                                          | : The New India Assurance Co. , Ltd. ( Thailand)/ Percentage of Participation of 25                                                                                                                                                              |
|                                                          | : Indara Insurance Public Co., Ltd. /Percentage of Participation of 25                                                                                                                                                                           |
| Beneficiary                                              | : T.R.V. Rubber Products Public Co., Ltd.                                                                                                                                                                                                        |
|                                                          | : Bangkok Bank Public Co., Ltd. (according to obligations)                                                                                                                                                                                       |
| Policy no.                                               | : 523-01551-1943                                                                                                                                                                                                                                 |
| Period of insurance                                      | : 366 days (October 3, 2023 – October 3, 2024)                                                                                                                                                                                                   |
| Amount of insurance                                      | : 203.00 million Baht.                                                                                                                                                                                                                           |
| Type of insurance                                        | : asset protection insurance                                                                                                                                                                                                                     |
| Insured assets                                           | : 1. All buildings ( excluding foundation) including additional improvements, public utility system, fence, wall, doors, fire extinguisher equipment and system, furniture, installed decorations, electrical appliances, and office stationery. |
|                                                          | 2. Machinery and equipment, component parts, and spare parts.                                                                                                                                                                                    |
|                                                          | 3. Inventory, raw materials, goods in process, finished goods, packaging materials, including goods under the responsibility of the insured as the treasurer.                                                                                    |
| Asset location                                           | : Title deed no. 91207, 88152, and 101781                                                                                                                                                                                                        |
|                                                          | Khlong Bang Phran, Khet Bang Bon, Bangkok.                                                                                                                                                                                                       |

## 6. Loan agreements

As of December 31, 2023, the company had a loan agreement equivalent to a total credit facility of THB 55.00 million applied from a financial institution. The loan outstanding balance was THB 8.39 million. Details are as follows:

### Overdrafts

|               |   |                                                                                         |
|---------------|---|-----------------------------------------------------------------------------------------|
| Contract date | : | September 25, 2012, and September 25, 2016 (supplementary issue)                        |
| Credit amount | : | 15.00 million Baht.                                                                     |
| Interest rate | : | MRR                                                                                     |
| Borrower      | : | T.R.V. Rubber Products Public Co., Ltd.                                                 |
| Security      | : | Title deed no. 88152, and 101781 including buildings, the ownership was of the company. |

### Credit facility for purchasing of goods and services

|               |   |                                                                             |
|---------------|---|-----------------------------------------------------------------------------|
| Contract date | : | October 29, 2018                                                            |
| Credit amount | : | 10.00 million Baht.                                                         |
| Interest rate | : | MLR                                                                         |
| Borrower      | : | T.R.V. Rubber Products Public Co., Ltd.                                     |
| Security      | : | Title deed no. 88152 including buildings, the ownership was of the Company. |

### Long- Long-term loan

|               |   |                                                                                                                     |
|---------------|---|---------------------------------------------------------------------------------------------------------------------|
| Contract date | : | December 28, 2020                                                                                                   |
| Credit amount | : | 30.00 million Baht.                                                                                                 |
| Interest rate | : | MLR                                                                                                                 |
| Borrower      | : | T.R.V. Rubber Products Public Co., Ltd.                                                                             |
| Security      | : | Title deed no. 88152, 91207, and 101781 including buildings, and 13 units of machine, ownership was of the company. |



## **7. Policy on investment in subsidiaries and jointly controlled entities**

As of December 31, 2023, the Company has investments in subsidiaries amount to 20 million baht. If there is any investment plan in the future, the company determined its policy to invest in subsidiaries and jointly controlled entities that have the business purpose as same as the Company or business related to the company, including business that supports the company's business, resulting in, the gain of business turnover or profit. Or the investment in the business that beneficial to the company ( Synergy) , which can support the company's core business operations to be more comprehensive in order to increase the company's competitiveness. However, the Board of Directors may consider for the investment in other business other than the core business or other business of the company, if the Board of Directors consider that such business is a potential business and such investment is beneficial to the company and shareholders in general. The investment must comply with business conditions, policy, target, business trend, and strategic plan of the company. The company must consider the investment proportion, expected profits, risks that may occur, and the company's financial position. The appropriate analysis procedures must be done before the investment in any project. The decision on investment must be considered and approved by the Board of Directors meeting or shareholders meeting (depending on cases), as well as the investment, must be complied with the relative notifications of the Capital Market Supervisory Board and relative notifications of the SEC.

**Policy and guidelines on corporate governance, Code of business conduct, Board of Directors charter, Audit committee charter, Nomination and Remuneration committee charter, Risk management committee charter**

## 1. Policy and guidelines on corporate governance

The board of directors recognize the importance of good corporate governance which will enhance the efficiency and growth of the company's operation. Hence, the board has agreed to develop the Good Corporate Governance Policy based on the guidelines and practices of the Principles of Good Corporate Governance for Listed Companies 2017 prepared by the Securities and Exchange Commission Thailand in order to serve as the guidelines for governing the organization so as to ensure that the company's operation is transparent and takes into account the best interests of the shareholders and all the stakeholders. The Principles of Corporate Governance cover 8 Code of Conduct as follows:

|                          |                                                                      |
|--------------------------|----------------------------------------------------------------------|
| <b>Code of Conduct 1</b> | Roles and responsibilities of the board                              |
| <b>Code of Conduct 2</b> | Company's objective                                                  |
| <b>Code of Conduct 3</b> | Promotion of an effective board                                      |
| <b>Code of Conduct 4</b> | Outsource and improve high level executives and personnel management |
| <b>Code of Conduct 5</b> | Promote innovation and responsible business operations               |
| <b>Code of Conduct 6</b> | Ensure appropriate risk management and internal control system       |
| <b>Code of Conduct 7</b> | Maintenance of financial credibility and information disclosure      |
| <b>Code of Conduct 8</b> | Promote participation and communication with shareholders            |

### Code of Conduct 1: Roles and responsibilities of the board

1.1 The board will understand the roles and recognize the responsibilities as leaders who ensure the good governance of the company which includes:

1.1.1 Setting objectives and goals

1.1.2 Identifying strategies, operating policies and the allocation of important resources in order to achieve the set objectives and goals

1.1.3 Monitoring, assessment and performance report

1.2 The board will supervise the company leading to good governance outcome as follows:

1.2.1 The ability to compete and to have good outcome while keeping in mind the long-term impact

1.2.2 Ethical business operation, respect of rights, accountability to shareholders and stakeholders

1.2.3 Beneficial to the public and improve or minimize environmental impact

1.2.4 The ability to adapt under dynamic circumstances

In this regard, the board will adhere to the following Code of Conducts in supervising the company leading to good governing outcome.

(A) The board will primarily take into account the ethics and the impacts on the society as well as the environment apart from business profits.

(B) The board will act as an example as leaders in supervising the business to drive the company's integrity which is the commitment to ethics.

(C) The board will establish written policies for the board, executives and employees which demonstrate principles and guidelines of business operations such as Code of Conducts

(D) The board will ensure communications and understanding among the board, executives and employees as well as an adequate system which facilitates the implementation, performance follow-up, and regular policy review and implementation.

1.3 The board will ensure that all members and executives act according to the duty of care, the duty of loyalty, including the legality, regulations and the shareholders' consensus of the operations as well as the established policies and guidelines. Also, having approval processes in place for significant operations such as investment and transactions affecting the company, including related party transactions, acquisitions and disposal of property, and dividend payment.

1.4 The board will understand its roles and responsibilities and clearly set the boundaries for the Chief Executive and the management team on giving assignments. The board will also make sure that the Chief Executive and the management team complete their appointed tasks.

1.4.1 The board will establish boundaries, authorities, duties and responsibilities of the board which indicate the board's responsibilities for the reference of the members' duties. Moreover, there will be a

regular review of the boundaries, authorities, duties and responsibilities at least once a year, including the review of the allocation of tasks of the board, executives and the management team so as to ensure the alignment with the organization's direction.

1.4.2 The board will understand its duties and assign the company's management authority to the management department through written documents. However, the assignment shall not be a removal of the board's responsibilities. The board has to ensure that the managing department follows its assigned tasks. The responsibilities of the board, executives and the managing department could be divided as follows:

1.4.2.1 Matters to be operated

The subjects of which the board is the main responsible person to ensure the appropriate operation. However, the board may allow the management team to propose the following matters for consideration.

1. Setting objectives and main goals in business.
2. Creating an ethical corporate culture and role-model behavior.
3. Supervising the structure and the conduct of the board to effectively achieve the objectives and main goals in business.
4. Outsource, develop and determine the remuneration and assessment of the Chief Executive Officer's performance.
5. Establish a remuneration structure deemed motivational for the personnel to operate in accordance with the organization's objectives and main goals.

1.4.2.2 Matters to be cooperated with the management team

The subjects which the board, Chief Executive Officer and the managing department consider collectively. The management team presents for the board's approval and the board will ensure that the overall policies are aligned with the objectives and main goals of business. The board will also assign the management team to operate while monitoring and having the management team report periodically as appropriate. The topics of reports are as follows:

- Determination and review of strategies, objects and annual work plans.
- Adequate risk management and internal control system.
- Determining the authority to appropriately operate in accordance with the responsibilities of the management team.

- Determination of the resource's allocation framework, development and budgeting such as policies and personnel management plans, and information technology policy.

Monitoring and operational assessment.

Credibility maintenance of financial and non-financial disclosures.

#### 1.4.2.3 Matters not to be operated by the board

The subjects which the board supervises on the policy level and assigns Chief Executive Officers and the management team as the main responsible people. The matters are as follows:

- Execution following the strategies, policies and work plans approved by the board. Nonetheless, the board should let the managing department be responsible for the operational decisions, procurement, etc. following the established policy framework without intervention with the exception of certain necessities.
- Matters prohibited by the regulations such as the approval of transactions beneficial to the board.

### **Code of Conduct 2 : Determining the company's objectives for sustainability**

2.1 The board will determine or ensure that the company objectives are for sustainability which is the goal in coherence with the creation of value propositions for the company, customers, stakeholders and the society as a whole.

2.1.1 The board is responsible for ensuring that the company has clear and appropriate objectives which can be used as a business model and communicated to everyone in the organization in order to operate accordingly through the company's Visions and Values or Principles and Purposes, including other related approaches.

2.1.2 In achieving the objectives, the board will establish a business model which can create the value proposition for the company, stakeholders and the society altogether by considering.

The change of circumstances and other factors, including the appropriate use of technology.

The need of customers and stakeholders.

Company's readiness, expertise and ability to compete.

Objectives in founding a company.

Company's main target group.

The ability to generate profits or compete by creating value propositions for the company and customers.

The company's ability to last in the long term under opportunities and risks affecting the company and stakeholders.

2.1.3 The board will promote the good governance corporate values such as accountability, integrity, transparency, consideration of social and environmental responsibility.

2.1.4 The board will promote communications and strengthen the organization's objectives reflected in the decisions and operations of the personnel of all levels until they become the corporate values.

2.2 The board will ensure that the objectives, periodic and annual strategies are in coherence with the approaches to achieve the company's objectives by involving the use of appropriate and safe technology.

2.2.1 The board will plan strategies and annual work plans in accordance with the company's objectives with regards to the company's circumstances at the given time, including opportunities and acceptable risks. The board will also promote the reviews of objectives, strategies for 3-5 years in order to ensure that the annual strategies and work plans take into account the impacts in longer terms and allow room for possible predictions.

2.2.2 In determining annual strategies and work plans, the board will supervise the analysis of the surrounding environment, factors and risk which may affect the related stakeholders throughout the value chain, including any factors influencing the company's objectives achievement by having a mechanism that truly understands the needs of the stakeholders.

Clearly identify the methods, processes, participating channels of communication channels among the stakeholders in order for the company to access the information or the needs of each group of stakeholders as precisely as possible.

Identify the both internal and external stakeholders related to the company, including those who are individuals, interest groups, organizations such as employees, investors, customers, partners, communities, governmental and regulating bodies, etc.

Identify issues and expectations of the stakeholders in order to analyze and prioritize those issues according to their significance and the amount of impact on the company and the stakeholders so as to choose a critical subject to operate which will create value propositions with the stakeholders.

2.2.3 The board will set objectives suitable with the business environment and the company's potential. The board will consider setting both monetary and non-monetary goals. Nonetheless, the board will recognize the risks of setting objectives which might lead to unethical conduct.

2.2.4 The board will supervise the transfer of objectives throughout the organization through the use of strategies and work plans.

2.2.5 The board will supervise the allocation of resources and appropriate operations, including monitoring of annual strategies and work plans by appointing the officials responsible for the operational monitoring.

### **Code of Conduct 3: Promotion of an effective board**

3.1 The board is responsible for establishing and reviewing the board's structure in terms of size, compositions, proportions of independent directors appropriate and necessary for achieving the set objectives.

3.1.1 The board will consider the appropriate number of the directors who can effectively carry out their duties consisting of directors of no less than 5 and no more than 12.

3.1.2 The board will set proportions of directors who are and are not executives showing an appropriate balance of power. The independent directors' number and qualifications according to the Securities and Exchange Commission Thailand's criteria. The board will also ensure the compatibility and open opinion sharing among all the directors.

3.1.3 The board will publish policies in determining the compositions of the board with diversity and the directors' information such as age, education, experience, shareholding, the years of the holding of the board position and the board position in other licensed companies on the annual reports and the company's website.

3.2 The board will select the most suitable individual as the board's chairperson and make sure that the compositions and the operations of the board favor the discretion of independent decision making.

3.2.1 The board's chairperson is an independent director.

3.2.2 The board's chairperson and the Chief Executive Officer have different responsibilities. The board will clearly assign authorities of the board's chairperson and the Chief Executive Officer. In order to avoid unlimited power of either party, the company will separate the person holding the position of the board's chairperson from the person holding the position of Chief Executive Officer.

3.2.3 The board's chairperson will take the role of the board's leader. The responsibilities of the board's person will cover the following subjects:

- Supervise, monitor and ensure that the board carries out its duties effectively and achieves the organization's objectives.



- Make sure that all directors participate in the promotion of ethical corporate values and good governance.
- Determine the board meeting's agenda by discussing with the Chief Executive Officer and have the measures in place for important subjects to be included in the meeting agenda.
- Sufficient time allocation for the management team to present and for the board to deliberately discuss critical issues as well as the promotion of the board's attentive discretion and independent opinions.
- The promotion of good relationships between executive and non-executive directors, including the board and management team.

3.2.4 The board will establish policies allowing independent directors to hold positions continuously no longer than 9 years from the day of the first appointment. In case of appointing the same independent director, the board will reasonably consider the necessity.

3.2.5 In order for critical matters to be considered deliberately, the board will appoint a sub-committee to consider specific issues involving the filter of information and present the consideration guidelines before proposing for the board's approval.

3.2.6 The board will require the Audit Committee to perform its duties according to Code of Conduct 3.3 and 3.4. The board will disclose the board and the sub-committee's roles and responsibilities as well as the number of conferences and the attendance of each director in the previous year and report the performance of all sub-committees.

### 3.3 Code of Conduct

3.3.1 The Audit Committee will hold meetings to consider the criteria and methods of recruitment in order to obtain directors with qualifications leading to the board equipped with appropriate knowledge and expertise, including the consideration of the director's biography and propose to the board before presenting before the shareholders who are the appointers. Moreover, the company will inform the shareholders the information of the nominated director for the consideration.

3.3.2 The Audit Committee will review criteria and methods of recruitment in order to suggest to the board before recruiting the director who completed the term. In case of nominating the same director, the Audit Committee will consider the repeatedly nominated director's performance.

3.3.3 In case the board appoints an officer as the Audit Committee's consultant for the process of recruitment and remuneration calculation, publish the consultant's information in the annual report, including the independence or the absence of conflict of interests.

3.4 In proposing the board's compensation for the shareholders to approve, the board suggested by the Audit Committee will consider the structure and remuneration rates appropriate to the responsibilities which are motivational to the board in driving the organization to achieve short-term and long-term goals.

3.4.1 The board's remuneration has to correlate with the company's long-term objectives, experiences, accountabilities and responsibilities, including the expected benefits from each director. In this regard, the expected benefits are comparable to the level of practice in the industry.

3.4.2 The shareholders must approve the board's structure and remuneration in both monetary and non-monetary models. The board suggested by the Audit Committee will consider appropriate remuneration forms, including fixed rate compensation such as fixed remuneration and meeting allowance as well as the company's performance compensation such as bonus and pension by connecting the values which the company has created for the shareholders, but not in the level that is too high leading to short-term performance.

3.4.3 The board will publish policies and criteria for calculating remuneration reflecting the accountabilities and responsibilities of each director, including the form and the amount of the compensation. The disclosed compensation amount also includes the compensation that each director receives from holding the board position of a subsidiary.

3.5 The board is responsible for supervising all directors to be accountable for their duties and sufficiently allocate the time.

3.5.1 The board will ensure the existence of mechanisms supporting the board's understanding of their accountabilities.

3.5.2 The board will determine the criteria for the director's holding of the position in other companies by considering the performance of the directors holding positions in multiple companies. In order to ensure that the board is able to adequately dedicate the time to carry out its duties, the board will determine the number of the licensed companies where each director will hold their positions appropriate to the companies' nature or the business conditions.

3.5.3 The board will reinforce reports for the directors' holding of other positions and publish the information to the public.

3.5.4 In case the active director or executive has direct and indirect interests in other conflicting businesses or is able to use the company's data to their own ends, the company will put in place preventive measures and inform the shareholders as appropriate.

3.5.5 Each director has to attend no less than half of the company's total meetings in the given year with the exception of necessity.

3.6 The board is responsible for the supervision of frameworks and mechanisms in monitoring policies, the subsidiaries' operations and other businesses in which the company has considerably invested in the levels that are appropriate to each business. Other subsidiaries and businesses the company has invested in have to share the same understandings altogether.

3.6.1 The board will consider the policies governing subsidiaries which include:

- (1) The company will send a representative to each subsidiary and other businesses the company has invested in according to the shareholdings in each company in order to supervise subsidiaries and other businesses in which the company has invested in to operate according to good corporate governance policies and along with other company's policies. Nonetheless, the sending of a representative as a director in the subsidiaries and other businesses the company has invested in must be considered and approved by the company's board meeting with regards to the suitability of each company.
- (2) If the transaction or any operations of the subsidiary considered an acquisition or a disposal of assets according to the announcement of asset acquisition or disposal or a list related to the announcement affecting the company, the subsidiary must seek for the approval from the company's board and/or the shareholders meeting or a legally related department before conducting a transaction. The subsidiary can conduct a transaction or operation after receiving the approval from the company's board and/or the shareholders meeting or a legally related department (depending on the case). Moreover, if the transaction or the occurrence of certain events of the subsidiary leading the company to disclose information to the Stock Exchange of Thailand according to the rules determining related announcement of the Stock Exchange of Thailand, the representative director of the subsidiary must immediately inform the company's managing department after knowing that the subsidiary plans to conduct transaction or the aforementioned event.
- (3) The board and the executives of the subsidiary and other businesses in which the company has invested hold important accountabilities and responsibilities according to the related laws such as disclosing of information on the financial status and performance to the company by implementing the announcement related to the Capital Market Supervisory Board and the announcement of the Securities and Exchange Committee Thailand, including disclosing and submitting the information on the interests of oneself and the individuals connected to the board regarding the relationships and transactions with companies, subsidiaries and other businesses in which the company has invested in

the manner that may create the conflict of interests and avoid conducting transactions which may result in the conflict of interests.

- (4) The company will determine the necessary work plans and operations in order to ensure that the subsidiaries and other businesses in which the company has invested disclose the information on the performance and financial status and the company will carry out necessary operations and make sure that the subsidiaries and other businesses in which the company has invested have a system for disclosing the information and sufficient and appropriate internal control system for business operations. Furthermore, the company will closely monitor the performance and the operations of the subsidiaries and other businesses in which the company has invested and present an analysis as well as comments and suggests to the board and board of subsidiaries and other businesses in which the company has invested in order to use them for the consideration of policies and the promotion of continuous development and growth of the businesses of the subsidiaries and other businesses in which the company has invested.

- 3.6.2 If it is a significant investment in other businesses such as possessing a shareholding proportion with voting rights from 20 percent, but not over 50% and the amount of the investment or possible additional investment is significant to the company, in necessary cases, the board will draft the shareholders' agreement or other agreements for the clarity of the executive authority and participation in making decisions on important matters along with the monitoring of performance for standardized and punctual data preparation of the company's financial statement.

3.7 The board will hold the board's performance review, including each director's performance assessment in order to review performance, problems and obstacles in each year so as to apply the assessment to develop the operations in other aspects.

3.8 The board will ensure the board and each director's understanding of their roles, nature of businesses, and laws related to business operations. The board will also promote all directors to regularly receive workshops and knowledge for the board's performance.

- 3.8.1 The board will make sure that the person appointed as a new director will receive suggestions and useful information for carrying out the duties, including the understanding of objectives, visions and corporate values, the nature of business and business operation guidelines.

- 3.8.2 The board will ensure that the directors continuously receive training and improve their knowledge.

3.8.3 The board will comprehend the laws, criteria, standards, risks and the circumstances related to business operations while also acknowledging updated information.

3.8.4 The board will publish the information regarding training and knowledge improvement of the board in the annual report.

3.9 The board will make sure that the board's operations are in order with access to necessary information and the company's secretary who has the knowledge and experiences essential and appropriate for the support of the board's operations.

3.9.1 The board will arrange meeting agenda and the board's meeting agenda in advance in order that the directors can manage the time and attend the meeting.

3.9.2 The amount of the board's meetings will be appropriate to the accountabilities and responsibilities of the board and the company's nature of business, but no less than 4 times a year.

3.9.3 The board will have a mechanism for each director and the managing team to have the freedom to add on the matters beneficial to the company into the meeting agenda.

3.9.4 Meeting documents will be delivered to the directors at least seven 7 days prior to the meeting, except in case of urgency in order to protect the rights and benefits of the company to inform of a meeting through other methods and set an earlier meeting date.

3.9.5 The board will encourage the Chief Executive Officer to invite high-level executives to attend the board's meeting in order to provide more detailed information due to the executives' direct ties with the issues and to offer an opportunity to get to know high-level executives for the consideration of succession planning.

3.9.6 The board will access additional necessary information through Chief Executive Officer, the company's secretary and other executives appointed within the established policy frameworks. In necessary cases, the board may allow independent comment from the consultant or an external practitioner which will be considered as the company's expense.

3.9.7 The board may consider setting a policy for non-executive directors to have an opportunity to hold meetings among themselves according to necessity in order to discuss issues related to the focused management without the management team by also informing the Chief Executive Officer the meeting's resolutions.

3.9.8 The board will determine the qualifications and experiences of the company's secretary appropriate to carry out the duty in providing suggestions regarding laws and other criteria which the board should know, taking care of the board's meeting documents as well as other important documents and the board's activities, including coordinating to ensure the implementations

following the board's resolutions. Moreover, the board will publish the qualifications and experiences of the company's secretary in annual reports and on the company's website.

- 3.9.9 The company's secretary will continuously train and develop knowledge necessary to the duties. In case there is a certified program, the company's secretary will also attend the training.

#### **Code of Conduct 4: Outsource and improve high-level executives and personnel management**

4.1 The board will ensure that there is an outsourcing and improvement of Chief Executive Officer and high-level executives for them to be equipped with the knowledge, skills, experiences and attributes necessary to achieve the organization's objectives.

- 4.1.1 The board will consider or assign the Audit Committee to consider the criteria and the methods in recruiting the qualified persons appropriate for the position of Chief Executive Official.
- 4.1.2 The board will ensure the appropriate high-level executives by at least having the board or the Audit Committee work together with the Chief Executive Officer in order to consider the criteria and the methods in recruiting and appointing personnel nominated by the Chief Executive Officer for the position of high-level executives.
- 4.1.3 In order for the continuation of business operations, the board will establish a succession plan for the position of Chief Executive Officer and high-level executives.
- 4.1.4 The board will support and promote the Chief Executive Officer and high-level executives to receive training in enhancing the knowledge and experiences beneficial for the operations.

4.2 The board of directors with the suggestions of the Audit Committee will supervise the establishment of appropriate remuneration structure and assessment.

- 4.2.1 The board with the suggestions of the Audit Committee will determine a remuneration structure that is deemed motivating to the executives and employees of all levels in operating in line with the organization's objectives and the company's long-term interests.
- 4.2.2 The board will approve the criteria and factors of assessment, including the remuneration structure for high-level executives and monitor that the Chief Executive Officer assess the high-level executives according to the assessment principles.

4.3 The board will comprehend the structure and relationships of the shareholders which may affect the company's management and operations.

- 4.3.1 The board will comprehend the structure and relationships of the shareholders which may be in the form of an agreement within a family business whether it is in writing or not as well as the shareholders' agreement or the parent group's policies affecting the authority in supervising the company's management.

4.3.2 The board will ensure that the agreement according to section 4.3.1 does not pose any obstacles to the board's duties such as appointing an appropriate person for the succession of the position.

4.3.3 The board will supervise the publication of agreement's information affecting the company's control.

4.4 The board will monitor the management and personnel development to ensure that the personnel are equipped with appropriate knowledge, skills, experiences and motivations.

4.4.1 The board will ensure to have the human resource management according to the organization's directions and strategies. Personnel of all levels will have the appropriate knowledge, abilities, motivations and receive fair treatment in order to safeguard the company's effective personnel.

4.4.2 The board will take care of the establishment of a provident fund or other mechanisms to ensure that the employees have enough savings for the retirement, including encouraging the employees to have knowledge and understanding of financial management, and selecting the investment policy appropriate for the age range and risk.

#### **Code of Conduct 5: Responsible business operations**

5.1 The board will prioritize and promote the operations contributing business values and generating benefits for the consumers and related individuals while also being responsible for the society and the environment.

5.1.1 The board will prioritize the creation of corporate cultures for the management team to include in the strategy review of the plan for operation improvements and assessment.

5.1.2 The board will promote the operation for adding values for the company according to the constantly changing circumstances which may include the establishment of a business model, methods of creating perceptions in designing and services development, research and improvement of production and operation process, including cooperating with trading partners. Nonetheless, the aforementioned operations should be in the manner that generates mutual interests among the customer business, trading partners, the society and environment with no support for inappropriate, illegal and unethical behaviors.

5.2 The board will supervise the management team to operate business responsibly to the society and environment reflected in the operational plan to make sure that all organization's departments operate in line with the company's objectives and strategies.

5.2.1 The board will supervise the mechanism ensuring ethical and responsible business operations for the society and the environment by not violating the rights of the stakeholders in order to set guidelines for all organization's sections to achieve the sustainable objectives by establishing policies on business ethics that cover subjects as follows:



- Responsibilities to staff and employees

Treatments are in accordance with the laws and related standards. The company must treat staff and employees fairly and respect the human rights, namely a fair remuneration and other benefits, a provision of welfare no less than the requirements set by the laws or more according to suitability, healthcare and health safety in workplace, capacity-building trainings, promotion for career advancements, including the opportunity for employees to develop skills in other aspects of work.

- Responsibilities to customers the company will operate according to the laws and related standards while acknowledging the health, safety, fairness, customer's information confidentiality, after-sales services throughout the products' lifespan, follow-up for satisfaction feedback for product and services improvement, including responsible advertising and sales promotion that will not contribute to misunderstandings or taking advantage of the customers' misunderstandings.

- Responsibilities to trading partners

The company must have a fair procurement process and contract or agreement terms, provision of knowledge and potential development elevating the production and services ability to meet the standards, explain and ensure that the trading partners respect human rights, fairly treat their labors fairly, and are responsible for the society and the environment, including verify and assess the trading partners for sustainable business operation developments.

- Responsibilities to the community

The company must apply business knowledge and experience to practically improve projects beneficial to the community, including monitor and measure progress and long-term success.

- Responsibilities to the environment

The company has to prevent, reduce and ensure that the company will not create a negative impact on the environment. This includes the use of raw materials, energy, water, renewable resources, business waste disposal and management, emission of greenhouse gases, etc.

- Fair competition

The company must operate business with transparency with no creation of unjust competitive advantages.

- Anti-corruption resistance

The company must operate according to the laws and related standards and inform the policies against corruptions to the public by joining the network in the fight against corruptions, including supporting other business and trading partners to have and announce anti-corruption policy and to join the network.

5.3 The board will ensure the management team to allocate and manage resources in an effective manner in order to sustainably achieve the objectives.

5.3.1 The board will acknowledge the necessity of the required resources and realize that the use of each type of resources will have impacts on the others.

5.3.2 The board will acknowledge that different business models will lead to distinguishing effects on the resources. Therefore, business model decisions need to take into account the impacts and the cost-effectiveness that will take place based on ethics, responsibilities and the company's sustainable values. In this regard, the company must consider at least these four resources, namely financial capital, human capital, social and relationship capital and natural capital.

5.4 The board will ensure the arrangement of regulatory framework and organizational information technology management in accordance with the company's needs. The board will also ensure the use of information technology to increase business opportunities, operation developments and risk management in order for the company to achieve its objectives.

5.4.1 The board will ensure the establishment of policy on the allocation and information technology resources management which covers the sufficient allocation of resources for business operations and establish guidelines in case of not being able to sufficiently allocate the resources as mentioned.

5.4.2 The board will ensure that the organization's risk management also covers the risk management of information technology.

5.4.3 The board will ensure the establishment of policy and security measures of the information system. In this regard, the frameworks for managing the organizational information technology are as follows:

- The company complies with the laws, regulations, and other measures related to the use of information technology.
- The company has a security system for confidentiality, integrity maintenance and information availability. The company also has to prevent the misuse or changes of the information without permission.

- The company has considered the risks regarding information technology and has a measure in managing such risks in different aspects such as business continuity management, incident management and asset management.
- The company has considered the allocation and management of information technology resources and has established criteria and factors in prioritizing work plans regarding information technology such as the suitability and consistency with the strategies, impacts on business operations, urgency of use, budget, human resources in information technology, and the consistency with the business model.

#### **Code of Conduct 6: Ensure appropriate risk management and internal control system**

6.1 The board will ensure that the company has a risk management system and internal control allowing the effective achievement of the objectives. The board will also ensure that the operations are legal and in line with the related standards.

The board will comprehend the company's critical risks and approve acceptable risks.

The board will consider and approve risk management policy in line with the company's objectives, strategies and acceptable risks for the operational frameworks that leads to the unity of the organization's risk management procedures. In this regard, the board will emphasize the importance of early warning signs and ensure regular risk management policies.

The board will ensure that the company identifies the risks based on both internal and external factors which may prevent the company from achieving the objectives. In this regard, the risks that the board should pay attention to may be divided into strategic risk, operational risk, financial risk and compliance risk.

The board will ensure that the company assesses the impacts and the mentioned risk possibilities in order to prioritize and arrange appropriate risk management.

The board may assign the Audit Committee to revise section 6.1.1 – 6.1.4 before presenting to the board's consideration.

The board will regularly monitor and assess the effectiveness of the risk management.

The board is in charge of the company's compliance with the laws and related standards in both domestic and international level.

In case the company, subsidiary or other businesses in which the company has significantly invested (For example, the shareholding proportion with voting rights from 20 percent but not over 50 percent), the board will consider the internal system and risk management assessment according to section 6.1.1 – 6.1.7.

6.2 The board will establish an Audit Committee which can effectively and independently carry out the responsibilities.

6.2.1 The board will establish an Audit Committee consisting of at least 3 independent directors with qualifications and responsibilities according to the Securities and Exchange Commission Thailand and the Stock Exchange of Thailand.

6.2.2 The board will determine the responsibilities for the Audit Committee in writing by at least assigning the duties mentioned in Audit Committee accountabilities and responsibilities.

6.2.3 The board will ensure that the company has a mechanism or tools allowing the Audit Committee the access to information necessary to carrying out the assigned duties such as facilitating the Audit Committee to invite the related officers to inform and discuss with the auditor or seeking independent comments from professional consultants to discuss with the Audit Committee.

6.2.4 The board will appoint personnel or an internal audit unit with independence in carrying out the duties to be responsible for the development and the review of the risk management and internal control system's effectiveness, including reporting to the Audit Committee and publishing the reviewing reports in the annual reports.

6.2.5 The Audit Committee must provide comments regarding the sufficiency of the risk management and internal control system and publish the comments in the annual reports.

6.3 The board will monitor and manage conflict of interests which might occur among the company, management team, the board of directors and the shareholders, including preventing the misuse of the company's assets, data, opportunities and transactions with the individuals related to the company.

6.3.1 The board will ensure data security which includes determining policies and code of conducts on confidentiality, integrity maintenance, information availability, including the management of market sensitive information. Moreover, the board will ensure that the directors, high-level executives, employees and other related external bodies such as legal and financial consultants operate according to the data security system.

6.3.2 The board will ensure the management and monitoring of items which may contain conflict of interests, including ensuring to have the guidelines and code of conducts in place in order that the aforementioned transactions are in line with the operational procedures and disclose the information stated by the laws for the benefits of the company and the overall shareholders. The stakeholders shall not partake in this decision.

6.3.3 The board will establish requirements for the directors' report the conflict of interests at least before the consideration of the board's agenda meeting and record it in the board's meeting report. The board will ensure that the directors with the significant conflict of interests in the

manner that those directors cannot provide independent opinions refrain from participating in the conference.

6.4 The board will ensure the establishment of clear anti-corruptions policies and code of conducts and communicate them with all the levels in the organization and external individuals for the implementation, including promoting activities supporting the employees' compliance with the laws and related regulations.

6.5 The board will ensure that the company has a mechanism to receive complaints and take actions in case there are reported clues.

6.5.1 The board will ensure that there are mechanisms and management procedures for the stakeholders' complaints and ensure that there is more than one convenient channel for receiving complaints, including announcing complaints channels on the website or in the annual reports.

6.5.2 The board will ensure that there are clear policies and guidelines in case there are reported clues by establishing complaints channels through the company's email, independent directors or the company's Audit Committee, including having verification and operation process and report to the board.

6.5.3 The board will ensure that there are protective measures appropriate for the whistleblowers who provide clues with sincere intentions.

#### **Code of Conduct 7: Maintenance of financial credibility and information disclosure**

7.1 The board is responsible for ensuring that the system for financial reports and disclosure of important information is accurate, sufficient, timely and in line with the rules, standards and the related code of conduct.

7.1.1 The company will ensure that the personnel related to the creation and disclosure of information are equipped with knowledge, skills and experiences appropriate to the responsibilities and that there are sufficient numbers of the personnel. The mentioned personnel include the Chief Executive Officer in accounting and finance, accountants, internal audit, the company's secretary and investor relations.

7.1.2 In the approval of disclosing information, the board needs to consider the related factors. In case of financial reports, the board needs to consider the following factors.

- The assessment of the sufficiency of the internal control system.
- The comments of the auditor in the financial reports and the audit's remarks on the internal control system, including the audit's remarks on other channels (if any).
- The Audit Committee's comments.
- The consistency with the company's objectives, strategies and policies.

- 7.1.3 The board will ensure the disclosure of information which includes financial budget in the annual report and form 56- 1 reflecting the financial status and sufficient performance, including supporting the company to establish Management Discussion and Analysis or MD&A to accompany all quarterly financial statements in order to inform the investors and help them better understand the changes occurred, financial situations and the company's performance in each quarter in addition to the numerical information in the financial statements alone.
- 7.1.4 In case the disclosure of any information related to a specific director, the director will ensure the accuracy of the disclosure on their part such as the shareholder information of their group and the disclosure related to the shareholders' agreement of their group.
- 7.2 The board will monitor the sufficiency of financial liquidity and debt serviceability.
- 7.2.1 The board will ensure that the management team follow and assess the company's financial status and report to the board constantly by having the board and the management team work together to seek solutions if there are any signs indicating the issues in financial liquidity and debt serviceability.
- 7.2.2 In the approval of any transactions or suggestions for the approval of the shareholders' meeting, the board will ensure that such transactions will not affect the continuity of business operation, financial liquidity and debt serviceability.
- 7.3 In the condition that the company encounters financial problems or tends to encounter such problems, the board will ensure that the company has resolution plans or other mechanisms that can resolve financial problems with regards to the stakeholders' rights.
- 7.3.1 In case the company is likely to not be able to pay debt or encounter financial problems, the board will closely monitor and ensure that the company operates business deliberately and complies with the requirements on information disclosure.
- 7.3.2 The board will ensure that the company establishes financial solution plans with regards to the fairness for the stakeholders, including the creditors, including monitoring the solutions by having the management team regularly report the status.
- 7.3.3 The board will ensure that any decisions concerning the company's financial problems must be reasonable.
- 7.4 The board will consider conducting reports on sustainability as appropriate.
- 7.4.1 The board will consider the suitability in disclosing operational information according to the laws, ethical code of conducts, anti-corruptions policies and treatments towards the employees and stakeholders which include fair treatments and respects of human rights, including the responsibilities to the society and the environment with regards to the report frameworks that are

domestically and internationally accepted. In this regard, the mentioned information may be published in the annual reports.

7.4.2 The board will ensure that the disclosed information is critical and reflects the operations leading to the company's sustainable values.

7.5 The board will ensure that the management team has the assigned unit or person responsible for investor relations who communicate with the shareholders and other stakeholders such as investors and analysts in an appropriate, equal and timely manner.

7.5.1 The board will set up a communication policy and disclosure policy to ensure that the communication and the information disclosure to external individuals are appropriate, equal and timely through appropriate channels that can protect confidential information and information influential to the stock price, including coherent communication across the organization in complying with the policy.

7.5.2 The board will ensure that there is a responsible person for informing external individuals. The responsible person has to be appropriate for the duties and understands the company's businesses, objectives, values and has to be able to communicate with the capital market well.

7.5.3 The board will make sure that the management team establishes the directions and supports operations related to investor relations such as establishing code of conducts in giving information, internal usage of information policy, including the clear identification of roles and responsibilities of the investor relations in order to have an effective communication and information disclosure.

7.6 The board will promote the use of information technology in publishing the information.

7.6.1 In addition to publishing information according to the established criteria and channels of the Stock Exchange of Thailand, the board will consider disclosing the information in both Thai and English through other channels such as the company's website and will operate consistently with updated information. In this regard, the company will disclose at least the following information on the company's website:

- The company's visions and values.
- The company's nature of business operation.
- List of the board of directors and executives.
- Financial statements and reports on the financial status and performances from the current and the previous year.
- Downloadable form 56-1 and annual reports.



- Information or other documents that the company presents to analysts, fund manager and the media.
- Structure of direct and indirect shareholding.
- Structure of group company, including subsidiaries, associates, joint ventures and Special Purpose Enterprises/Vehicles (SPEs/SPVs).
- Major direct and indirect shareholders who hold shares from 5 percent of the total number of shares sold with voting rights.
- Direct and indirect shareholdings of directors, major shareholders and high-level executives.
- Invitation letter to the general and extraordinary general meeting of shareholders.
- The company's regulations and memorandum.
- The company's governing policy, anti-corruption policy, information technology security policy and risk management policy.
- Charter or accountabilities, qualifications, the board of directors' office terms, including the subjects that require approval from the board, charter or accountabilities, qualifications, the office terms of the Audit Committee and Nomination Committee, and remuneration establishment.
- Business operation ethics.
- Contact information of agencies, complaints or the person responsible for investor relations, the company's secretary such as the names, phone numbers and emails of the individuals able to share information.

#### **Code of Conduct 8: The promotion of participation and communication with shareholders**

8.1 The board will ensure that the shareholders participate in making important decisions of the company.

8.1.1 The board will supervise important matters which include the subjects issued in the laws and the subjects which may affect the company's operational directions that are considered and/or approved by the shareholders. The important matters will be included in the shareholders' meeting agenda.

8.1.2 The board will encourage the shareholder's participation such as

- The establishment of criteria allowing minority shareholders to suggest meeting agenda prior to the day of the shareholders' meeting. The board will consider including the subjects proposed by the shareholders into the meeting agenda. In case the board denies the subject proposed by the shareholders, the board has to inform the reasons to shareholders' meeting.

- Criteria for minority shareholders to nominate names for directorship.

In this regard, the board will ensure the disclosure of the criteria to the shareholders in advance.

8.1.3 The board will ensure that the notice of the shareholders' meeting is accurate, complete and sufficient for the shareholders' rights.

8.1.4 The board will ensure that the delivery of the shareholders' meeting notice along with the related documents published on the company's website complies with the time frame issued by the laws.

8.1.5 The board will provide the opportunity for shareholders to submit questions prior to the day of the meeting by establishing criteria for the questions in advance and publishing the criteria on the company's website.

8.1.6 The shareholders' meeting notice and the related documents will be translated into English and published altogether with the Thai version. In this regards, the shareholders' meeting notice will include the information as follows:

- Date, time and the location of the shareholders' meeting.
- Meeting agenda by identifying whether it is an agenda for acknowledgement or for approval, including clearly separating the subjects such as the agenda related to the directors, the director's election and the approval of the directors' remuneration into different agendas.
- Objectives, reasons and the board's comment on each proposed meeting agenda, including:
  - Agenda for approving dividend payment – Dividend payment policy, dividend payment rate proposed with attached reasons and information.
  - Agenda for appointment of directors – Identify names, ages, educational and professional backgrounds, the number of licensed and general companies which the directorship is held, criteria and the recruiting methods, and categories of proposed directors. In case it is the nomination of the same directors for the position, identify the information on the attendance of the previous year's meeting as well as the date of appointment.
  - Agenda for approving the directors' remuneration – policy and criteria in determining the remuneration of the directors in each position and the directors' remuneration of every form, including money and other benefits.
  - Agenda for appointing auditors – the auditor's name, affiliated company, professional experiences, independence, audit fees and other services fees.
- Proxy form as issued by the Ministry of Commerce.
- Other meeting information such as the voting procedure, votes counting and notifications, the rights of each type of shares in voting, the information of the independent directors whom the

company proposes to be a proxy from the shareholders, the documents that the shareholders shall present before attending the meeting, supporting documents for proxy and the map of the meeting's location, etc.

8.2 The board will ensure that the proceedings on the day of the shareholders' meeting are smooth, transparent, effective and convenient for the shareholders to exercise their rights.

8.2.1 The board will determine the date, time and location of the meeting with regards to the shareholders' convenience in attending the meeting such as appropriate time of meeting that is sufficient for the discussions and the meeting location easy for commute, etc.

8.2.2 The board will ensure that there will be no limits of opportunity in attending the meeting or excessive burdens. For example, shareholders' proxies are not required to show more documents or prove than those specified in the related guidelines of the regulatory department.

8.2.3 The board will promote the use of technology during the shareholders' meeting, including the registration procedures and votes counting and notifications in order that the meeting procedures are fast and accurate.

8.2.4 The board's chairperson who is the chairperson of the shareholders' meeting must ensure that the meeting is in line with the laws, related criteria and the company's regulations. The chairperson will also appropriately allocate time for each agenda written in the meeting notice and allow the shareholders to comment and question the meeting on the matters related to the company.

8.2.5 In order for the shareholders to partake in important decision makings, the board, as an attendee and shareholders, does not support adding a meeting agenda that is not informed in advance without necessity, especially an important agenda that requires time to study for information before making a decision.

8.2.6 Encourage all directors and executives to attend the meeting in order for the shareholders to ask questions on the related subjects.

8.2.7 Before starting the meeting, the company has to inform the shareholders the number and proportion of the shareholders attending the meeting in person and by appointing proxies, including the methods of the meeting as well as the voting and votes counting.

8.2.8 In case there are many agendas, the chairperson will arrange separate voting for each agenda. For example, the shareholders exercise their rights to appoint individual directors during the agenda for appointing directors.

8.2.9 The board will encourage the use of ballots during important agendas and encourage independent personnel to count or verify the votes during the meeting and disclose the voting

results of agreeing, disapproving and abstaining votes during each agenda for the meeting's acknowledgement and include them into the meeting report.

8.3 The board will ensure that the disclosure of the meeting's resolutions and the shareholders' meeting report are correct and complete.

8.3.1 The board will ensure that the company discloses the shareholders' meeting resolutions, including the votes, within the next working day through the news system of the Stock Exchange of Thailand and on the company's website.

8.3.2 The board will ensure the delivery of the shareholders' meeting report copies to the Stock Exchange to Thailand within 14 days from the date of the meeting.

8.3.3 The board will make sure that the shareholders' meeting report will include the information as follows:

- List of the attending directors and executives as well as the proportion of attending and non-attending directors.
- The methods of voting, votes counting, meeting's resolution and voting results (approval, disapproval, abstinence) of each agenda.
- Questions and answers during the meeting, including the names and last names of those who raise and answer the questions.

## 2. Code of business conduct

T.R.V Rubber Products Public Company (Limited) conducted the code of conduct in business operation in order that the executives and employees can comprehend and use it as guidelines in operating business and uphold as a practice in strictly carrying out their duties. The emphasis is on the good governance principles, the importance of treating the stakeholders with equality, justice and transparency, including the consideration of respecting the rights of all stakeholders which will help the company to keep operating the business with transparency in line with the laws and avoid any activities which might lead to the company's conflict of interests. Furthermore, this code of conduct encourages the promotion of confidence in organization for investors and stakeholders so as to let them see the company's adherence to the good quality, culture, image, and standard which will consequently contribute to the excellence of the organization. The duty-bearers, namely the directors, executives, employees, including the individuals acting on behalf or assigned to act on behalf of the company or individuals acting on behalf of the aforementioned personnel, must comply with the code of conduct in business operation with fundamental principles as follows:

- The need to understand the principles according to this policy and to strictly comply with the principles.

- Seeking advice from supervisors when unsure whether the deed is in line with the company's code of conduct in business operations.
- Communications with colleagues or related personnel to ensure the understanding of the company's code of conduct in business operations.
- Report when noticing an action that is against the company's code of conduct in business operation.

#### **1. Treatments towards the shareholders**

The company encourages the shareholders to exercise their fundamental rights and the company is also determined to contribute to the highest satisfaction for the shareholders while considering sustainable growth, the creation of added values and appropriate rewards, including the business operation according to the good corporate governance principles.

#### **2. Treatments towards customers**

The company is committed to yielding the highest satisfaction and confidence for the customers by delivering products with the qualities that meet the customers' need and responding to the customers' demands with speed and punctuality for the customers' highest satisfaction. The company also safeguards the consumers' information and does not use or disclose the customers' information for the benefits of the company and other wrongfully involved individuals, except the use or disclosure of information according to the rules.

#### **3. Treatments towards the trading competitors**

The company has a policy to treat trading competitors with competitive good governance according to the laws, trade customs and code of conduct guidelines in line with international principles under legal frameworks on principles of trade competition and adherence to the rules of good competition. The company shall not seek confidential information of the trading competitors through dishonest and inappropriate approaches. The company also shall not damage the trading competitors' reputations by using negative false claims.

#### **4. Treatments towards the creditors**

The company has a policy on just treatments and responsibilities for creditors which adhere to the strict performance of contract terms, agreements and other conditions promised to the creditors. In the event that the company cannot comply with the aforementioned conditions, the company must notify the creditors in advance to seek solutions together and avoid any damages.

#### **5. Treatments towards the regulatory agencies**

The company has a policy that strictly reinforces the implementations in line with the laws and the regulations prescribed by the regulatory agencies. The policy also promotes cooperation with the regulatory agencies, including reporting of factual information to the regulatory agencies.

#### **6. Treatments towards the employees**

Employees are the main key players and valuable resources in business operations. Hence, the company has to pay a great deal of attention to the employees by treating all levels of employees in a non-discriminatory manner, respecting the employees' rights according to fundamental international principles, laws and other related regulations, providing fair compensations and giving importance to the health, safety of life and property and the employees' working conditions. The company also shall create good working culture and environment as well as team works and the employee's skills development. The company shall equally listen to the comments and suggestions from the employees of all levels. The company shall not reinforce or promote any forms of force.

#### **7. Treatments towards the community, society and environment.**

The company focuses on sustainable business growth together with the development of society, community and environment by recognizing the good quality of life of the nearby communities. The company will conduct business in the manner that does not affect the environment by implementing appropriate production process and waste management. Moreover, the company emphasizes the importance of environmental management, occupational safety management, including code of conduct guidelines for sustainable development.

#### **8. Respects for universal human rights**

The company recognizes the importance of respects for universal human rights by treating everyone equally without discrimination, avoiding actions that violate human rights, giving importance to labors by treating all company's employees with equality without discrimination of origin, race, gender, age, skin color, religion or disability. The company shall operate in accordance with the labor laws and the regulations related to fair labor.

- 1) The company will strictly comply with universal human rights principle in both domestic and international level, including the limitations of labor laws in the countries where the company operates by arranging hygienic, safe and drug-free working environments according to international standards. The company shall treat all employees with equality without discrimination on the grounds of similarity or difference of origin, gender, age, skin color, race, nationality religion, belief, political ideas, disability, family status or other statuses irrelevant

to business operations, including respect of personal freedom and the protection of personal information.

- 2) The company will supervise to prevent the business operation from being involved in human rights violations, including ensuring the participation and acceptance of practices beneficial to the society such as the United Nations' Human Rights Principles.
- 3) The company will provide knowledge and understanding of universal human rights principles to the company's staff in order to implement as a part of the operations. The company shall not support any activities that violate universal human rights principles.

#### **9. Respect and compliance with the rules, rules, related regulations and respect of different cultures**

The company is committed to operate businesses according to the laws, rules, and other related regulations. The company also respects local traditions and cultures by establishing code of conduct for directors, executives, and employees on the grounds of 5 main principles as follows:

- (1) Responsible for the decisions and behaviors.
- (2) Transparency.
- (3) Equal treatments for all.
- (4) Determined to create long-term corporate values for the stakeholders.
- (5) Promotion of the best practices.

In this regard, the company has established the code of conduct as follows:

- The company respects each country's traditions and cultures while always being aware that the traditions of each country may have different conditions, procedures and ways of practicing.
- The company's personnel will not support any actions that violate the laws, regulations, operational procedures and other criteria related to the business operation.
- If the directors, executives and employees notice any violations or disobedience of the laws, regulations and criteria, report to the commanders of the related departments or complaints channel according to "Misconduct report policy" and in the event that such action might significantly affect the company, report to the supervisors immediately.

#### **10. The acceptance of gifts, properties or benefits**

The receiving or giving of benefits which include properties, services, facilitations or receptions of individuals related to business can be done in an appropriate manner such as appropriate price and



shall not motivate unrighteous decisions. There shall not be any requests or receiving contrary to the customs. To clarify, the company has established the code of conduct as follows:

- (1) The company's staff and/or family shall not request for gifts or properties from the contractors, traders, sellers, joint ventures or individuals related to the company's business in any cases.
- (2) In case the commander considers it is inappropriate to receive gifts, properties or benefits, the rewards must be returned to the giver immediately. If the return is impossible, deliver to the commander to deliver to the human resources department to consider using the rewards for the benefits of the company as a whole.
- (3) The gifts granted to the company and are valuable to commemorate the company's important events such as the signing of joint ventures contracts or souvenirs from participating in a humanitarian activity. In such similar cases, the company may allow the company's employees to receive the gifts on behalf of the company.
- (4) The company's staff shall not give presents to the commanders and the commanders shall not allow or connive to have a family member or relative receive the gifts from the company's inferior employees, except for regular traditions for giving presents such as new year.
- (5) In case the accepting of properties and other benefits from within the countries or foreign countries, whether it is identified as a personal property, necessary to the maintenance of friendships and relationships, the receiver must report to the commander immediately.
- (6) The company's staff shall not receive or promise to receive any benefits or valuable products to motivate or refrain from carrying out a duty, including any similar actions. The company's staff shall not bribe or compensate with any benefits in the similar manner to other staff or external individuals, especially government officials. The giving of gifts, properties or benefits to external individuals, government officials, both within and outside the country, there needs to be an assurance that the action does not go against the local laws and traditions.
- (7) If any employees or commanders intend to neglect or not comply with this code of conduct, consider that person as behaving contradicting to the established company's regulations and may be investigated and punished according to the company's policies and regulations on the personnel's methods of operations.

#### **11. The use of internal information and safeguarding confidential information**

The company recognizes the importance of managing the information within the organization. The information records and reports must be in line with the company's established criteria and the laws. The company shall safeguard the information in a safe and appropriate location, including the company's internal information and the information of the individuals related to business. The company's employees

must safeguard confidentiality and not use the internal information to seek profits or interests. Moreover, the internal information must be referable and useful. After the end of the period required by the laws to safeguard information, the related staff must destroy the information appropriate to the information and each type of documents. In this regard, the collection, use, disclosure and the destruction of information must be in line with the related laws (if any). To clarify, the company has established the code of conduct as follows:

- (1) The company's staff must safeguard the internal information and the documents that cannot be disclosed to external individuals leading to the seek the exploitation of gains for oneself or one's family and friends such as the information affecting the stock price, trading confidentiality, any invention within the company's rights, except the disclosure prescribed by the laws.
- (2) The company's employee will not use the confidential information for personal or others' gains.
- (3) The company's staff who receive or are responsible for personal information must safeguard or use the information carefully according to the laws.
- (4) The company prescribed that the information regarding contract partners and agreements with parties are confidential which cannot be disclosed, except allowed by the company and contract partner or the laws.
- (5) The company should have measures and strict internal information control system within each department in order to prevent the leak of essential internal information before an official publication. Consider the measures and this control system as a part of the company's risk control management measures.
- (6) The company assigns responsibilities to commanders to ensure that there is no leak of the company's important internal information and news by the staff under the commanders' authority before the company's formal publication.
- (7) The common use of internal information among the staff must rest in the frameworks of accountabilities assigned.
- (8) The company's staff shall not disclose the company's confidential information even after the staff no longer works for the company.

## **12. Code of conduct on intellectual property and the use of information technology**

The company encourages staff to use internet for work benefits. The staff shall not behave in a manner that disturbs the computer and internet system of others in the company and use computer and information technology in accordance with the Computer Crimes Act and other related laws and avoid

using the company's computer system to publish unethical and inappropriate information to the traditions and laws. The staff shall not conduct any actions contributing to the damage of the country's security, including the actions violating intellectual property whether it is a copyright, patent or trademark. The company has established the code of conduct as follows:

- (1) The company's staff must operate by using computer programs with legal copyright. If operating on the external computer, always verify the copyright and shall not install or use unlicensed computer programs under the company's properties.
- (2) The company's staff must keep their passwords confidential in order to prevent others from accessing their passwords. The company's staff also shall not access unfamiliar internet websites which might harm the company's computer system.
- (3) The company's staff shall not use computers to violate or disturb others' works. In this regard, the company has established security protection of information technology in accordance with international standards in which the company's staff are responsible for the security protection of the system.
- (4) The company's staff shall not use computers in spying, modifying or looking at others' folders or create false evidence which may lead to information theft.
- (5) The company's staff shall use information technology and communication tools for personal activities as appropriate, but not for personal business matters. The activities must not affect the company's business operations nor disturb others' working effectiveness or create nuisance.
- (6) The company's staff shall carefully use e-mail and internet provided by the company for the company's business and not contribute to the company's reputation damage and shall not use the company's name or logo in public electronic media.
- (7) The company's staff shall not copy other people's copyrighted programs.
- (8) The company's staff are responsible for ensuring the access to folders and programs of external individuals necessary to the works and strictly comply with the laws concerning information technology and communication.
- (9) If the company notices the violations committed by the staff approved by the investigation, there will be consideration for disciplinary and/or legal punishment as appropriate for each case.

### **13. Rights and political neutrality**

The company is politically neutral with no actions in favor of financial or other forms of support for political parties, political coalitions, powerful political people or election candidates both directly and

indirectly whether it is in the local, regional or national level. The company will encourage the staff to exercise their rights as a good citizen according to constitutional laws and the related laws, including promoting the staff to exercise their rights in constitutional elections. The code of conduct is as follows:

- (1) The company attaches great importance to political neutrality without support or participation in favor of any particular political party or powerful political person.
- (2) The company has no policy on using the company's fund or resources on political aids or support for any political party and politician both directly and indirectly for the benefits of that politician or political party.
- (3) The company is not involved in political campaigns for any political party or politician within the company's area or by using the company's resources and properties.
- (4) The company is committed to democracy and encourages the company's employees to vote.
- (5) The company's staff may exercise political rights through the actions under the name of the staff, not the positions or the company's name or logo to persuade people to fund or support politicians or political parties. In this regards, the company's staff shall be careful of any actions which might lead to a misunderstanding that the company sports a political party or a politician. The use of political rights shall not disturb the company's operation nor contribute to the conflict of interests with the company.

#### **14. Conflict of interests**

The company has established a policy preventing the conflict of interests by not allowing the company's staff to take advantage of being the company's employee to seek personal and partisan's gains whether it concerns finance or any aspects. The staff shall avoid being involved in the activities which may lead to the conflict of interests, including in the form of becoming partners, holding positions related to finance or having personal affairs with external individuals. The company has established the code of conduct as follows:

- (1) The company's staff shall make decisions regarding the company's business operation for the highest benefits of the company.
- (2) Avoid conducting transactions related to the employees which may create a conflict of interest with the company. If necessary to do it for the company's benefits, the actions and decisions of the staff must be free of influence of the staff and the individuals related to the staff through blood or personal encounters. When deciding or approving transactions which may lead to conflict of interests, inform the commander of the approval and withdraw from the transaction.

- (3) The company's staff must comply with the company's policies and regulations by performing duties full-time without doing any personal affairs.
- (4) The employees shall not operate business or partake in any businesses that are the company's competitors nor become partners, shareholders with decision power, executives or directors in the businesses in the competitive manner or are similar to the company's business whether the staff receives direct or indirect benefits.
- (5) The company's staff shall avoid being involved in finance and/or with other external individuals which will cause the company the loss of benefits or the creation of conflict of interest or obstruct effective operations.
- (6) The use of the company's internal information is not allowed for personal and others' gains whether there is a damage for the company or not. The staff must also strictly comply with the company's policy on the use of internal information.
- (7) Refrain from any actions in the manner of management which undermines the company's interests or favors the benefits to any person or juristic person for benefits of the staff or of others.
- (8) All levels of the employees must conduct an annual Conflict of Interest Disclosure Report and/or every time a doubt of conflict of interests occurs by presenting the report to hierarchical commanders and the human resources manager will keep the report confidential.
- (9) Abstain from voting or not attending the meeting during the agenda considering the staff's conflict of interests.

#### **15. Connected transactions**

The company upholds operational guidelines related to connected transaction according to the Securities and Exchange Law and Regulations, announcement, orders or requirements of Stock Exchange of Thailand and other related regulations. In this regard, if the company's staff needs to conduct connected transactions, primarily consider the company's benefits and conduct the transaction in the same manner with transaction with external individuals. The code of conduct is as follows:

- (1) The board shall operate in accordance with the Securities and Exchange Law, regulations, announcement, orders or demands of the Stock Exchange of Thailand, including complying to the requirements on the disclosure of connected transaction information and the acquisition and disposition of the company's essential property according to the accounting standards prescribed by the Federation of Accounting Professions.

- (2) In conducting connected transactions under the announcement of the Stock Exchange Thailand, the procedures must be strictly in line with the criteria, methods and ways of disclosing the related information.
- (3) In case the company's staff need to conduct transactions related to the staff, primarily consider the company's benefits and conduct the transaction in the same manner with transaction with external individuals. The company's staff related to the transactions shall not partake in approval consideration.

### 3. Board of Directors charter

#### (1) Objective

The Board of Directors represents Shareholders, thus they play a key role in Corporate Governance. The Board dictate directions of policy and strategy for business operation in order to create return on investment and the utmost benefits to the Company and Shareholders. The key responsibilities of the board are supervising and following the operation of the Management to ensure the compliance of policy and strategy. The Board shall perform their duties with responsibility, diligence, and morality in compliance with laws, objectives, the Company's Articles of Association, and the Board of Directors and the Shareholder resolutions.

#### (2) Composition

- 2.1 The Board is composed of any number of Directors as they deemed necessary and appropriate to the business environment at that situation, but must not be less than 5 persons, at least one-half of the Board must be resident in Thailand. Each Director must be qualified by the laws and the Company's Director may or may not be a Shareholder of the Company.
- 2.2 The Board is composed of Executive Director, Non-Executive Director, and Independent Director at least one-third of whom are Independent Directors and must not less than 3 persons. At least 1 Non-Executive Director is experienced in business or industry related to the Company's main business. The qualification of Independent Director shall be complied with the relevant notifications of the Security and Exchange Commission ("SEC").
- 2.3 The Board elects a Non-Executive Director to be a Chairman of the Board and may elect a Vice Chairman or any other position as appropriate.

- 2.4 The Chairman of the Board must be an Independent Director and must not be the Chairman of the Executive Committee and Chief Executive Officer in order to have a clear separation of roles and checks and balances in the operation.
- 2.5 The Chief Executive Officer is appointed as a member of the Board by position. The Chief Executive Officer must be elected by the Board in order to get the most suitable person.

### (3) Qualification

#### 3.1 Director

- 1) Qualifications required by laws, and do not have any prohibited characteristics according to the Public Limited Companies Act, Securities and Exchange Act and any other applicable laws.
- 2) Being an expert with knowledge, capability and expertise, various skills, and experiences that are beneficial to the Company's operation, and be able to fully devote their time. This will be considered regardless of gender, race, religion, age and other special abilities. Being independent in auditing the operations of the Company, suitable for protecting Shareholders' interests, etc. In addition, covering the qualifications determined by the Stock Exchange of Thailand ("SET") and SEC.
- 3) Being a leader and able to control the Executive performance to meet efficiency and effectiveness.
- 4) Hold Director position of listed companies in Thailand not over 5 companies (including holding Director position of the Company)

#### 3.2 Independent Director In addition to the qualifications stated in clause 3.1 above, the independent director shall meet the SEC's qualifications as follows:

- 1) Hold no more than 1% of all the voting shares of the Company and its parent company, subsidiaries, affiliates, major shareholders or controlling persons. An Independent Director's shares must include those held by related person to that Independent Director
- 2) An Independent Director must not be nor ever have been a director who is involved with management, an employee, a salaried adviser, or a controlling individual of the Company, its parent company or any of its subsidiaries, affiliates, peer companies under the same parent company, major Shareholders or controlling individuals/entities. An exception is made in the case of a candidate who used to hold one of the positions mentioned above but left it at least two years prior to the date of submission of the application to the SEC. An individual who was a civil servant or an adviser to a government agency that was the



Company major Shareholder or controlling entity is not forbidden from being a the Company' Independent Director.

- 3) Independent Directors must not have familial (blood ties or legal) relations to individuals such as a parent, spouse, sibling, child, spouse of the child of another Director, an Executive, a major Shareholder, a controlling individual, or an individual who is about to be nominated as a Director, an Executive or a controlling individual of the Company or any of its subsidiaries.
- 4) Independent Directors must not have nor ever had a business relationship with the Company, its parent company or any of its subsidiaries, affiliates, major Shareholders or controlling individuals/entities in a manner that might obstruct their independent use of discretion. In addition, they must not be nor have ever been a significant Shareholder or a controlling individual of an entity having a business relationship with the Company, its parent company or any of its subsidiaries, affiliates, major Shareholders or the Company's controlling individuals/entities. An exception is made in the case of a candidate who used to have such a relationship or hold one of the positions mentioned above but ended it or left it at least two years prior to the date of submission of the application to the SEC.

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

- 5) An Independent Director must not be nor ever have been an auditor of the Company, its parent company or any of its subsidiaries, affiliates, major Shareholders or controlling individuals/entities. In addition, he/she must not be a significant Shareholder, a controlling individual or a partner of the audit firm where the auditors of the Company, its parent

company, or any of its subsidiaries, affiliates, major Shareholders or controlling individuals/entities work. An exception is made in the case of a candidate who used to hold any of the positions mentioned above but left it at least two years prior.

- 6) An Independent Director must not be nor ever have been a provider of any professional service (including services as a legal or financial adviser) who receives compensation to the amount of over two million baht per year from the Company or any of its subsidiaries, affiliates, major Shareholders or controlling individuals/entities. In addition, he/she must not be a significant Shareholder, a controlling individual or a partner of a provider of such professional services. An exception is made in the case of a candidate who used to hold any of the positions mentioned above but left it at least two years prior to the date of submission of the application to the SEC.
- 7) An Independent Director must not be appointed as an agent of another the Company's Director, a major Shareholder or a Shareholder connected with a major the Company's Shareholder.
- 8) Independent Directors must not own businesses that are in the same industry and significant competition to the business of the Company or any of its subsidiaries. They must not be significant partners in a limited partnership or directors who are involved in management, employees, and salaried advisers or own more than one percent of all voting shares of another firm that runs a business that is in the same industry as and is in significant competition with the business of the Company or any of its subsidiaries
- 9) An Independent Director must not have any other characteristics that might hinder the free expression of their opinions about the Company's operations.

An Independent Director might be tasked by the Board of Directors with making decisions in regard to the operations of the Company, its parent company or any of its subsidiaries, affiliates, peer companies under the same parent company, major Shareholders or controlling individuals/entities. They must be able to make collective decisions.

#### **(4) Appointment, Term of Performance and Retire**

##### **4.1 Appointment**

- 1) The appointment of Directors must be in accordance with the law, the Company Articles of Association, and relevant regulations, and must proceed with transparency and clarity.
- 2) When Directors completed their terms, the Shareholder meeting should consider the appointment of directors. The resolution of appointment of Directors must be majority votes of

Shareholders attending the meeting. If votes are equal, the Chairman's vote then becomes the decisive vote.

- 3) If a vacant position on the Board occurs for any reason other than the completion of terms, the Board must appoint a qualified director who has no prohibited characteristics according to the laws in its place at the next Director meeting. This replacement shall remain in office for the remaining term of the replaced member. Unless the remaining term is less than 2 months. The resolution of the Board must be passed by three-fourth votes of the remaining directors.

#### 4.2 Terms of office

- 1) In every Annual General Meeting (AGM), one-third of the Directors must retire; moreover, if this number is not a multiple of three, then the number nearest to one-third. The Directors who have completed their terms may be re-appointed.
- 2) There should be drawing lots for Directors retiring in the first and second years after registration as a listed company. For years afterwards, Directors who take the longest terms in the position must be resigned. The Directors who have completed their terms may be re-appointed.
- 3) Independent directors do not hold their positions for more than three consecutive terms.

#### 4.3 Completion of terms

- 1) Directors must complete their terms when:
  - 1.1) Complete the terms of Director position
  - 1.2) Death
  - 1.3) Resignation
  - 1.4) Lack of qualifications according to the Public Company Limited Act and Securities and Exchange Act
  - 1.5) Decision of the shareholders' meeting to resign before the terms of office
  - 1.6) Court order
- 2) Directors who wish to resign must submit the letter of resignation. The resignation is effective from the date the Company receives the letter of resignation. The resigning director may also notify the Registrar of his/her resignation.
- 3) In the event that all of the Directors vacate their positions, the vacant Directors must act for the position to continue the business of the company as necessary until the new Board will take place. Unless the court orders otherwise in the case where the Board vacates office by court order. The vacant Directors must hold a Shareholders meeting for the election of a new Board within 1 month after the completion of terms. Meeting notices must be submitted and advertised as required by the Public Company Act.

**(5) Scope of authority, roles and responsibilities of the Board of Directors**

- 5.1 Carry out duties under laws, objectives, and the Company's Article of Association as well as resolutions of Directors and Shareholders meeting with honesty, prudence, and morality, take into account the interests of all Shareholders equally.
- 5.2 Create vision, mission, overall policies, directions, financial goals, risks, operations plan, budget as well as a key strategy for business operation with competence and prudence in order to protect the Company and Shareholders' benefit
- 5.3 Monitor the Company performance continually to ensure the compliance with goals, operations plan and budget set by the Company. Be able to handle obstacles and problems that may arise in a timely manner.
- 5.4 Control and govern the administration, the management, and the performance of the Board, Chief Executive Officer, the Management or any parties assigned to perform the duties in order to conform with the policy, operations plan, and budget set by the Board to meet efficiency and effectiveness.
- 5.5 Ensure that the Company and its subsidiaries establish suitable and effective accounting policy and accounting systems, prepare reliable financial reports, provide effective internal control system and internal audit system, and control the compliance with rules, regulations and policies that may affect the Company's business performance.
- 5.6 Hold Annual General Meeting (AGM) within 4 months from the date of the end of the Company accounting period. Meeting invitation letters should be submitted to the Board and Shareholders together with meeting agendas and supporting documents in advance with appropriate period of time, not less than the period stipulated in the Company's regulations.
- 5.7 Prepare financial statements of the Company and its subsidiaries as of the date of the end of the Company accounting period to reflect the financial position and operating results truly and completely operate in the past accounting period. Financial statements must be in accordance with generally accepted accounting principles, and audited by an auditor before submitting to the Shareholders' meeting for approval.
- 5.8 Approve the selection and appointment of an auditor and consider appropriate compensation as proposed by the Audit Committee before proposing to the Shareholders' meeting at the AGM for approval
- 5.9 Consider establishing a Risk Management policy that covers the entire Company, and supervise in an orderly way, or establish a Risk Management Process with supporting measures and control methods in order to reduce impacts against the Company's business in an appropriate and effective manner.

- 5.10 Supervise the Risk Management and internal control measures, the Board and the Audit Committee must provide a consideration to give opinions on the sufficiency of such matters at least once a year, and shall disclose in the Annual report, including monitor the risk factors so that they do not have a negative impact on the Company's operations.
- 5.11 Supervise the provision of Information Technology management and measures to maintain the Information Technology system security
- 5.12 Establish a Corporate Governance policy according to the Good Corporate Governance Principles, provide the Handbook of Business Ethics for Directors, Executives, and employees. Implement the policy efficiently, monitor the policy compliance to ensure that the Company is responsible for all stakeholders with moral and considering the sustainable development of business.
- 5.13 Approve the appointment of new Directors in replace of the Directors who have completed their terms by considering an approval of qualified candidates who have no prohibited characteristics according to the Public Limited Companies Act, Securities and Exchange Act and any other relevant laws, including notifications, rules and/or regulations related to the position of Directors. Make a decision on the Directors' compensation as proposed by the Nomination and Remuneration Committee to propose to the Shareholders meeting for approval.
- 5.14 Appoint qualified candidates who have no prohibited characteristics according to the Public Limited Companies Act, Securities and Exchange Act and any other relevant law, including notifications, rules and/or regulations to take a position in the event that a Director's position becomes vacant for any reason other than retirement by rotation.
- 5.15 Appoint Sub-committees and determine the authority and duties of such Sub-committees in order to help and support the Board's operations as necessary and appropriate, as well as consider the appointed Sub-committees' compensation
- 5.16 Consider the determination and replacement of the name of Authorized Directors
- 5.17 Consider to cast a vote for significant matters, significant transactions, including acquisition or disposal of assets of the Company and its subsidiaries that have a significant impact on the Company, purchase or sale of considerable assets, investment project expansion, consider and approve entering into related party transactions according to the SET's criteria, determine level of authority. The consideration must comply with relevant notifications, rules and/or regulations of the Stock Exchange of Thailand and/or the Security and Exchange Commission.
- 5.18 Approve an interim dividend payout to Shareholders when it deems that the Company has reasonable profits for the dividend payout, and report the interim dividend payout to Shareholders at the next Shareholder meeting

- 5.19 Review and revise the scope of authority, roles and responsibilities of the Board in accordance with the situation
- 5.20 Review and update important policies and operations plan to conform with business conditions on a regular basis
- 5.21 Develop a succession plan in order to ensure a succession of the positions of the Chief Executive Officer and senior management of the Company
- 5.22 Appoint the Company Secretary for taking care of various activities of the Board and assist the board and the company in the compliance with the laws and regulations. The Board Secretary may or may not be a Director.
- 5.23 The Board may grant power of attorney to a Director, Directors, or any person to take any action on behalf of the Board under the supervision of the Board, or may grant power of attorney to have authority as the Board deems appropriate within a reasonable time. The Board may cancel, revoke, change or modify such authorization at its discretion.
- This power of attorney shall not constitute an authorization to allow the authorized person to review and approve the transaction in which himself or an individual may have a conflict of interest, benefits, or any other conflict of interest. Or any conflict of interest may arise against the Company and its subsidiaries (if any) (according to the definition under the Notification of the Capital Market Supervisory Board and/or SET and/or any notification of any relevant entities) unless the transaction is approved in accordance with the policies and rules reviewed and approved by the Board.
- 5.24 Supervise sub-committee operations to be in line with the scope of authority, roles and responsibilities of the Board as specified.
- 5.25 Establish a Corporate Governance Policy according to the Good Corporate Governance Principles, prepare Code of Business Conduct in writing, and implement the policy efficiently, as well as review and follow up the policy compliance on a regular basis to ensure that the Company is fairly responsible for all stakeholders.
- 5.26 Report the Board's responsibilities on financial report preparation together with the Auditor report in the Annual Report, covering important matters in accordance with Policy Statement on Code of Conduct for Directors of Listed Companies
- 5.27 Determine the authority and level of approval to parties or individuals as appropriate for making transactions and any operations related to the Company, and must comply with relevant laws, authorization handbook must be made with at least once a year reviewing.
- 5.28 Supervise and establish policies of subsidiaries or affiliates, including, the Board shall ensure that contracts are signed between shareholders (if necessary), or joint venture contracts to

clarify executive power and involvement in making important decisions. Follow up the operating results in order to collect data to be used for financial statement preparation to meet the standards as scheduled.

- 1) Perform duties under the scope of authority and responsibilities determined for Directors approved by the Company's Board meeting resolved to be Directors or Executives of subsidiaries as shareholding proportion of the Company in the subsidiaries
- 2) Monitor subsidiaries and affiliates' performance to comply with operations plan and budgets on a regular basis
- 3) Ensure the information disclosure of subsidiaries, regarding financial position, operating results, related party transactions, and the acquisition or disposal of considerable assets to be completely and accurately disclosed.
- 4) In case subsidiaries make related party transactions, acquisition or disposal of assets, or any significant transaction, the Board especially Directors or any person approved by the Board meeting for being appointed to be a Director in a subsidiary, he/she is obligated to supervise the subsidiary to comply with regulatory mechanism regarding related party transactions, and acquisition and disposal of assets, as well as significant transactions specified by the company.

- 5.29 Ensure an establishment of policies to promote training and educate persons involved in the Company's Corporate Governance system, such as Directors, Audit Committees, Executives, and the Company Secretary in order to continually improve the operations.

Documents and operations plan is systematically prepared so that the successor can continue to perform duties in the event of the replacement or appointment of Directors. The board shall disclose training and learning information in the Annual Report.

- 5.30 Make a decision on compensation structure. The compensation of Independent Directors is monthly remuneration and meeting allowance per time, which must be in the average criteria compared to the same industry considering the sufficiency of the duties and responsibilities that the Directors are responsible for. Directors who are Executives have no monthly remuneration and meeting allowance per time, the Executives earn monthly salary and annual bonus considering the Company's performance. The annual remuneration of Directors and Executives combined must not be abnormally high compared with the average return of listed companies. In this regard, the best interests of the shareholders will be taken into account, and the compensation of Directors must be approved by the AGM.



**(6) Scope of authority, roles and responsibilities of Chairman of the Board**

- 6.1 On behalf of the leader of the Board, be responsible for supervising, giving advice, monitoring, and assisting in the operations of the management and Sub-committees to achieve objectives to ensure the efficiency of the Board's Operation and reach the Company's main objectives and goals
- 6.2 Convene and chair the Board meeting. Two directors may request from the Chairman to host the meeting, where, on such circumstance, the chairman should set the meeting date within 14 days from the date of receiving the request.
- 6.3 Consider creating meeting agendas together with the Chief Executive Officer, and take measures to ensure that important matters are included in the agendas. Ensure that the Board receives correct, complete, and clear information on time prior to the meeting commence so that the Board can make appropriate decisions.
- 6.4 Chair the Board meeting and AGM
- 6.5 Convene the Board meeting in accordance with agendas, the Company's regulations, and laws. Allocate sufficient time, and encourage all directors to discuss issues, share their opinion freely, and exercise careful discretion, taking into account all stakeholders fairly.
- 6.6 Convene the AGM in accordance with agendas, the Company's regulations, and laws. Allocate appropriate time, provide an opportunity for the shareholders to equally and freely express their views. Ensure that shareholder inquiries are answered appropriately and transparently.
- 6.7 Promote sound relations between Executive Directors and Non-executive Directors, and between Directors and the Management
- 6.8 Cast the decisive vote, if votes are equal, the Chairman's vote then becomes the decisive vote.
- 6.9 Communicate important information to the Board
- 6.10 Ensure the Board's duties performed under the scope of authority and responsibilities of the Board, abide by laws and regulations or notifications of relevant entities, comply with Corporate Governance Principles taking into account the interest of shareholders and stakeholders fairly. Encourage all directors to participate in promoting an ethical corporate culture.

**(7) Meetings and quorum**

- 7.1 The meeting of the Board shall be hosted at least once every three months, each meeting shall clearly stipulate agendas in advance and may convene extraordinary meetings to consider important or urgent matters. The Board Chairman and the President shall together consider setting the meeting agenda and the matters to be included in the meeting agenda. In the month when there is no meeting of the Board, the Management must prepare an operation report and

submit to all Directors so that the Board can supervise and control the operations of the Management continually and timely.

- 7.2 In calling a meeting of the Board, the Chairman of the Board or the Company Secretary by the order of the Chairman assigned to inform Directors by sending meeting invitation letters at least 3 days prior to the meeting date, unless in case of urgent necessity, the meeting may be called by other methods or an earlier meeting date may be set.
- 7.3 In the Board meetings, at least one-half of total Directors must be present. In case the Chairman is not present at the meeting or is unable to perform his duties, the Directors present at the meeting shall elect one Director to preside over the meeting.
- 7.4 In the Board meetings, Directors with significant interests in the matter under consideration must leave the meeting room during the consideration of that matter.
- 7.5 In the Board meetings, Directors express their opinion, freely exercise their discretion. Directors should attend every meeting unless there is a force majeure event, which has to inform the Board Secretary in advance. The number of Directors attending the meeting must be reported in the Annual Report.
- 7.6 Decisions of the meeting must be majority votes. A Director has one vote, except Directors with vested interests in a given matter are ineligible to vote on that matter. If votes are equal, the Chairman's vote then becomes the decisive vote. However, the opinions of other directors without voting shall be stated in the minutes of the meeting.
- 7.7 The Company secretary, acts as the secretary of the meeting, takes note and prepares minutes of meeting with complete details within 14 days from the date of the meeting. The minutes of the meeting shall be proposed to the Chairman for approval. There must be a storage system for keeping minutes of meeting and meeting documents for ease of search and confidentiality. Including monitoring the Board to abide by laws, regulations, and Shareholders meeting resolutions, as well as coordinating with related parties.

#### **(8) Assessments**

The Board of Directors, Sub-committees, and Executive Directors must be evaluated by individual evaluation and group evaluation for their performance at least once a year in order to collect the assessment results of the Company's Directors, Sub-committee. The results will be summarized to be the annual performance of the Board in order to report to the Board to consider the performance and problems for the improvement. Criteria will be developed for the comparison of performance, and the assessment process and results shall be disclosed in the Annual Report.

#### (9) Review of scope of authority, roles and responsibilities of the Board

Ensure the review of scope of authority, roles and responsibilities of the Board annually to be appropriate and consistent with the situation

#### 4. Audit Committee charter

The Board of Directors of T.R.V. Rubber Products (Public) Co., Ltd. (**"The Company"**) aware of the importance of Shareholders, business partners, and the most important person are customers, who trust on and confide in the Company. In order to achieve the Company's intention in terms of Good Corporate Governance, the Company aims to create standards on systematic operations with Good Corporate Governance.

One of the guidelines on Good Corporate Governance is an establishment of the Audit Committee to assist the Board in supervising, monitoring, and reviewing the Company to operate with correct and clear standards as well as reliable financial reporting systems for the utmost benefits of investors and all related parties. In order to comply with the SET's policy, the Board resolved to establish this scope of authority, roles and responsibilities of the Audit Committee as a guide for further operation with the following details.

##### 1. Definition

|                          |                                                                                                                                                                                                                                                                                                                           |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| "The Company"            | means T.R.V. Rubber Products (Public) Co., Ltd.                                                                                                                                                                                                                                                                           |
| "The Board of Directors" | means the Board of Directors of T.R.V. Rubber Products (Public) Co., Ltd.                                                                                                                                                                                                                                                 |
| "Independent Director"   | means an Independent Director(s) of T.R.V. Rubber Products (Public) Co., Ltd.                                                                                                                                                                                                                                             |
| "Stock Exchange"         | means the Stock Exchange of Thailand (SET)                                                                                                                                                                                                                                                                                |
| "Independence"           | means opinion given by the Audit Committee, freely expressed under the scope of the mission assigned by the Board without any person or group that has influence over the performance of that mission or any situation forced the Audit Committee to perform their mission in opinion expression or report as it could be |

|                 |                                                                                                                                                                                                                                                                                                                                                                                         |
|-----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Executive”     | means an Executive Director(s), a manager(s), an employee(s) above manager level or person holding an equivalent position named otherwise authorized to the management of the Company and its subsidiaries. Including, any person that the Company or subsidiaries made a contract with for the authorization in whole or in part for the management of the Company or its subsidiaries |
| “Related party” | means an individual or a partnership according to the article 258 (1) to (7) of the Securities and Exchange Act B.E. 2535                                                                                                                                                                                                                                                               |
| “Relation”      | means an individual(s) who is familial through marriage and by law registration such as father, mother, spouse, child, sibling, uncle, aunt, including spouses of such persons                                                                                                                                                                                                          |

## 2. Composition and qualification of the Audit Committee

- 2.1 The Audit Committee must be at least 3 Independent Directors assigned by the Board of Directors or the Shareholders meeting, composed of 1 Chairman of the Audit Committee and at least 2 Audit Committees. The Audit Committee must comply with qualifications under the Public Company Limited Act and the Security and Exchange Commission's regulations.
- 2.2 The Audit Committee is the person who is able to freely perform their duties and express their views or report operation results according to the assignments independently without being under the control of Executives or major Shareholders of the Company including related persons or relations of such persons.
- 2.3 Be able to dedicate adequate time for performing the Audit Committee's duties
- 2.4 Not being a director assigned by the Board of Directors to decide on the operations of the Company, its parent company, subsidiaries, affiliates, major shareholders or controlling persons
- 2.5 Not being a director of subsidiaries or affiliates (only listed companies)
- 2.6 The Audit Committee must have sufficient knowledge and experience to perform duties on behalf of the Audit Committee. At least 1 member of the Audit Committee who is knowledgeable sufficient to perform duties in auditing the reliability of the Company's financial statements.
- 2.7 The Audit Committee must qualify other qualifications determined by the Security and Exchange Commission (SEC).

### 3. Appointment, terms of office, and retirement

- 3.1 The Board appoints the Audit Committee, composed of at least 3 Independent Directors.
- 3.2 Directors or the Audit Committee shall appoint one of their members to be the Chairman of the Audit Committee.
- 3.3 The Audit Committee shall appoint the Chief Audit Executive or Internal Audit Manager to be the Audit Committee Secretary to prepare and hold the meeting of the Audit Committee, as well as to be a coordinator reporting to the Board of Directors, Investors, Shareholders, and the Stock Exchange of Thailand. The Audit Committee Secretary is responsible for attending the meeting but is ineligible for any voting.
- 3.4 The Audit Committee has their terms of office the same as the Director terms of office. Members who have completed their terms of being the Company Directors may be re-appointed.
- 3.5 Except the terms of office stipulated above, a member completes his or her term when he or she
  - 3.5.1 Dies
  - 3.5.2 Resigns
  - 3.5.3 Is dismissed by the Board.
  - 3.5.4 Lacks qualifications under this article or prohibited by Public Company Act and must not have any characteristics that indicate a lack of suitability to be entrusted with managing a public company as required by SEC.
- 3.6 Any member of the Audit Committee may resign before the end of his term, but the resignation of a given member must be submitted to the Chairman of the Board at least 30 days ahead of the effective date with the reason of resignation and must be approved by the Board. The Company will disclose via SET channel for acknowledgment. The Board then appoints a qualified person in place of the resigned member within 3 months from the resignation date and informs SET for acknowledgment. This replacement shall remain in office for the remaining term of the replaced member.
- 3.7 In the event that all of the Audit Committee vacates their positions, the vacant Audit Committee must act in the position to continue the business of the Company as necessary until the new Board will take place.

#### 4. Scope, roles and responsibilities

- 4.1 To review and ensure that the Company's financial statements are accurate and adequately disclosed
- 4.2 To review and ensure that the Company, including subsidiaries and affiliate companies have appropriate and efficient internal control and internal audit systems. To consider the independence of the Internal Audit Department, and to approve the appointment/ re-allocation/ termination of Head of Internal Audit or hiring an external Internal Audit or any other agencies responsible for Internal Audit matters.
- 4.3 To review and ensure that the Company complies with the securities and exchange law, rules and regulations issued by the Stock Exchange of Thailand, and other laws relevant to the Company's business.
- 4.4 To consider selecting and nominating an independent person(s) to act as an auditor(s) of the Company including the auditor's remuneration, and to attend a meeting with the auditor without the Management's presence at least once a year.
- 4.5 To consider related party transactions or transactions that may have conflicts of interest in accordance with laws and regulations of the Stock Exchange of Thailand to ensure that such transactions are reasonable on arm length basis and for the best interest of the Company.
- 4.6 To prepare a report of the Audit Committee to be disclosed in the Company's Annual Report. Such report must be signed by the Chairman of the Audit Committee and shall contain the following information:
  - 4.6.1 the opinion on the accuracy, completeness, and reliability of the Company's financial reports;
  - 4.6.2 the opinion on the sufficiency of the internal control of the Company;
  - 4.6.3 the opinion on compliance with the securities and exchange law, rules and regulations of the Stock Exchange of Thailand, or other laws relating to the Company's business;
  - 4.6.4 the opinion on the appropriateness of the auditor;
  - 4.6.5 the opinion on the transactions that may give rise to conflicts of interest;
  - 4.6.6 the amount of Audit Committee' meetings and the attendance list of each member of the Audit Committee;
  - 4.6.7 the overall opinions or suggestions that the Audit Committee obtained from performing their duties according to the charter; and
  - 4.6.8 other information that Shareholders and general investors should be informed under the scope of duties and responsibilities assigned by the Board of Directors.

- 4.7 To perform any other actions assigned by the Board of Directors, with the consent of the Audit Committee.

## 5. Meetings of the Audit Committee

- 5.1 The meetings of the Audit Committee shall be held at least once per quarter.
- 5.2 The Chairman of the Audit Committee may call for an extraordinary meeting when there is a call from the Audit Committee, Internal Auditor, Auditor, or the President.
- 5.3 In calling a meeting of the Audit Committee, the Chairman of the Audit Committee or the Secretary of the Audit Committee is assigned to inform the Directors by sending meeting notices at least 7 days prior to the meeting date, unless in case of urgent necessity, the meeting may be called by other methods or an earlier meeting date may be set.
- 5.4 At the Audit Committee's meeting, at least one-half of the total members of the Audit Committee must be present to constitute a quorum.
- 5.5 The Chairman of the Audit Committee acts as the chairman of the meeting. In case the Chairman of the Audit Committee is absent or unable to perform his/her duty, the members of the Audit Committee attending the meeting shall appoint a member of the Audit Committee to be the chairman of the meeting.
- 5.6 An Audit Committee has one vote, except a member with vested interests in a given matter is ineligible to vote on that matter.
- 5.7 Decisions of the meeting must be majority votes. If votes are equal, the Chairman's vote then becomes the decisive vote. However, the opinions of other directors without voting shall be presented as an objection against the Audit Committee.
- 5.8 The secretary of the Audit Committee or the assigned person shall record the minutes of the meeting.

## 6. Reporting

- 6.1 The Audit Committee shall report the meeting outcomes or any report as seen the Audit Committee should know on a regular basis.
- 6.2 In performing the Audit Committee's duties, if it is found or suspected that the following transactions or actions may cause materially effect to the Company's financial status and performance, the Audit Committee shall report to the Board of Directors in order to remedy such affect within a period that the Audit Committee deems appropriate:
- 6.2.1 a transaction having a conflict of interest;
- 6.2.2 a fraud or irregularity or major defect on the internal control system;



6.2.3 violation of the securities and exchange law, rules and regulations of the Stock Exchange of Thailand, or other laws relating to the Company's business.

If the Board of Directors or the executives do not remedy such matter within the period of time set out above, any member of the Audit Committee may report such matter to the Office of Securities Exchange Commission or the Stock Exchange of Thailand.

- 6.3 The Audit Committee must report the results of the primary audit to the SEC, SET, and auditor within 30 days from the date of notification from the auditor. In case receiving notification from the auditor regarding the detection of suspected activity that the Directors, Manager or the person responsible for the operation of the legal entity prohibits the law.

## 7. Information submission to SET

### 7.1 Appointment of the Audit Committee

7.1.1 Report resolutions of the Board meeting regarding the appointment of the Audit Committee and submit a form of name lists notification and scope of the Audit Committee according to SET regulations.

7.1.2 Submit a certificate and Audit Committee background together with the Board resolution on the appointment of the Audit Committee within 3 days from the date of appointment.

### 7.2 Change of members of the Audit Committee

7.2.1 Report the Board resolution on the change of members of the Audit Committee to the SET

7.2.2 Submit a certificate and Audit Committee background for the newly appointed Audit Committee with the Board resolution on the appointment of the Audit Committee within 3 days from the date of appointment.

- 7.3 Report resolutions of the Board on the replacement of the roles and scope of operation of the Audit Committee to SET according to SET's regulations within 3 days from the date of the resolution to replace the committee.

## 8. Remuneration

- 8.1 Remuneration of the Audit Committee if there should be in addition to the remuneration of directors must be considered by the Annual General Meeting. The Company must disclose remuneration information in the Company's Annual Report.

## 9. Miscellaneous

- 9.1 Terms or compliance or non-compliance procedures determined in the scope of authority, roles and responsibilities of the Audit Committee are subject to the Company's regulations and other relevant laws.

- 9.2 An amendment to the scope of authority, roles and responsibilities of the Audit Committee can be made by the Board of Directors meeting.

## 5. Nomination and Remuneration Committee charter

### (1) Objective

The Board of Directors has appointed a Nomination and Remuneration Committee to oversee the recruitment and selection of suitably qualified persons to serve as directors and senior executives. The remuneration and remuneration criteria are clearly defined and transparent to be presented to the Board of Directors for further consideration at the Shareholders' Meeting.

### (2) Composition

- 2.1 The Nomination and Remuneration Committee consists of not less than 3 members of the Board of Directors appointed by the Chairman of the Nomination and Remuneration Committee, and most of its members should be independent directors to be able to act independently and express their opinions. In the event that such director does not hold a position as an independent director Such directors should be non-executive directors in order to have time to perform their duties, however, if necessary, the appointment of an executive director is included in the Nomination and Remuneration Committee. It should be a small part of the total number of directors. However, such executive directors should not be involved in considering the remuneration of the top executives.
- 2.2 The chairman of the Nomination and Remuneration Committee should be an independent director for transparency and independence in the performance of his duties.
- 2.3 The Nomination and Remuneration Committee should not be the chairman of the Board of Directors, so that the functions of the Nomination and Remuneration Committee are truly audited, balanced and independent.
- 2.4 The Board of Directors shall appoint one Nomination and Remuneration Committee member to be the Chairman of the Nomination and Remuneration Committee and the Chairman of the Nomination and Remuneration Committee member to appoint the Secretary of the Nomination and Remuneration Committee member to assist in the operation of the Nomination and Remuneration Committee, in connection with meeting appointments, preparing the agenda, delivering the meeting materials and recording the minutes.

### (3) Qualification

- 3.1 Having qualifications and not having any prohibited characteristics under the law governing public limited companies Securities and Exchange Act and other relevant laws

- 3.2 The independent directors must be independent in accordance with the principles of good corporate governance of the Company and adhere to the principles of good corporate governance of the Company.
- 3.3 Shall be a person with knowledge, competence and experience that is useful for performing his/her duties as a Nomination and Remuneration Committee member.
- 3.4 Shall be able to devote sufficient time to perform as a Nomination and Remuneration Committee member to achieve objectives.
- 3.5 Shall be impartial in recruiting and selecting the people who deserve to be nominated for the position. Including presenting the remuneration of the directors and sub-directors. To achieve the expected results appropriately. And to reward the people who helped to make the company's work successful.

#### **(4) Appointment, Term of Performance and Retire**

##### **4.1 Appointment**

- 4.1.1 The Nomination and Remuneration Committee must be appointed by the Board of Directors.
- 4.1.2 The Chairman of the Nomination and Remuneration Committee may be appointed by the Board of Directors or by the Nomination and Remuneration Committee select one member to be the Chairman of the Nomination and Remuneration Committee.
- 4.1.3 The Nomination and Remuneration Committee is responsible for appointing the secretary of the Nomination and Remuneration Committee.

##### **4.2 Performance**

- 4.2.1 The Nominating and Remuneration Committee has a term of office of up to 3 years at a time. The term of the Board of Directors and the Nominating and Remuneration Committee can be reappointed if approved by the Board of Directors.
- 4.2.2 In the event that the position of the Nomination and Remuneration Committee is vacant for reasons except retirement by completed the term, the Board of Directors shall consider and appoint the Company's directors who are fully qualified as the Nomination and Remuneration Committee so that the Nomination and Remuneration Committee meets the amount specified by the Board of Directors in the scope of powers, duties and responsibilities of the Nomination Committee and set this Remuneration.

##### **4.3 Retirement**

- 4.3.1 The Nomination and Remuneration Committee determines when a position is vacated.
- 1) Completing the directorship term.
  - 2) Disqualification from being a director of the Company.

- 3) Death
- 4) Resignation
- 5) Ineligibility or prohibited by public limited company law.
- 6) The Board of Directors voted to retire.

4.3.2 Any Nomination and Remuneration Committee member who resigns from office shall submit his resignation to the Chairman of the Board of Directors. The resignation shall take effect from the date of the resignation to the Company.

## **(5) Scope of authority and responsibilities**

### **5.1 Recruitment and selection practices for directors and top management.**

- 5.1.1) Consider establishing rules and procedures for the recruitment of directors.
- 5.1.2) Consider the structure, size, composition and qualifications of the Board of Directors and its sub-committees to be appropriate to the company's strategy and changing circumstances.
- 5.1.3) Consider policies and criteria for recruiting qualified individuals to serve as directors and/or senior executives at the end of the term or vacancy. Including selecting individuals and nominating qualified individuals to present to the Board of Directors and/or Shareholders' Meeting for consideration. Appoint to the Board of Directors and/or senior executives of the Company, taking into account the diversity of knowledge, expertise, skills and experience useful to the business operations of the Company .
- 5.1.4) Encourage the company to allow minority shareholders to nominate people for the board of directors before the shareholders' meeting.
- 5.1.5) Review the policies and criteria for nomination of directors and/or high-ranking executives in order to make recommendations to the Board of Directors prior to the selection of retiring directors.
- 5.1.6) Consider selecting a qualified director of the Company to be a director on the Board of Directors of the Sub-Committee for appointment by the Board of Directors, as appropriate, or when there is a vacancy.
- 5.1.7) Review the succession plan of the Chief Executive Officer and senior management, along with the list of suitable candidates to be considered for succession on a regular basis, and propose to the Board of Directors for approval when there is a vacancy or incapacity to perform duties so that the management of the company can continue.

- 5.1.8) Consider establishing criteria for evaluating the work and evaluating the work of directors, sub-committees, and senior management to review the work, problems, and obstacles each year. To be able to use the evaluation results to develop and improve performance in various areas. And present to the Board of Directors for further consideration. And prepare a plan for the development of knowledge to improve the knowledge of current directors and new directors to understand the business and role of directors.
- 5.1.9) Seek professional opinion from outsiders or organizations to provide independent advice or guidance on recruiting to the Nominating Committee and determine the remuneration and related persons. Including the hiring of outsiders only from time to time to assist in the performance of the Nomination and Remuneration Committee so that it can perform its duties to achieve its objectives within the specified period and such employment will be beneficial to the Company.

## 5.2 Consideration and determination of remuneration practices

- 5.2.1 Consider and comment on the structure and composition of the remuneration of the Board and its sub-committees and senior management on an annual basis in accordance with the Company's remuneration rules.
- 5.2.2 Propose appropriate compensation criteria in accordance with the company's long-term strategy and goals Results of business plan evaluation, experience, obligations, scope of roles and responsibilities of the Board of Directors sub-committees and senior management. Including expected benefits from each director which must be on average compared to companies in the same industry as the company and the overall performance of the company to be able to motivate and retain directors who are capable, qualified, and potential.

The remuneration of the Chief Executive Officer shall be presented to the Board of Directors for approval. The remuneration of the directors and their subordinate directors shall be determined by the Board of Directors for approval before presentation to the Annual General Meeting of Shareholders for approval.

However, in determining the criteria for determining remuneration, the amount and proportion of each form of remuneration must be determined appropriately. The key principles for considering each type of remuneration model are:

- a) Retainer fees, such as monthly remuneration, annual remuneration, etc., should take into account three factors: (1) the practices used by companies in

the same industry

(2) the company's turnover and business size and (3) the responsibilities, knowledge, abilities and experience of directors or managing directors required by the company.

- b) Incentives should be linked to the value the company generates for its shareholders, such as company profits or dividends paid to shareholders, etc. Directors and Managing Directors' remuneration should not be unduly high.
- c) In addition, directors may receive an attendance fee in addition to the fixed remuneration and remuneration based on the Company's performance. The Nomination and Remuneration Committee should consider it at an appropriate level in order to motivate the directors to perform their duties by attending meetings regularly. However, in considering the overall remuneration of directors, the Nomination and Remuneration Committee, it should be considered appropriate and sufficient to allow the directors to limit the number of companies who will hold directorships so that the directors have enough time to attend meetings and perform their duties as directors for the company to the fullest.

5.2.3 Consider that the payment of remuneration is in accordance with the criteria established by official bodies or relevant recommendations.

5.2.4 Discloses the directors' remuneration policy and rules that reflect their obligations and responsibilities, including the form and amount of remuneration.

5.2.5 Consider approving and reviewing the criteria for assessing the performance of the Board of Directors, its subordinate directors and senior executives to be presented to the Board of Directors for approval.

5.3 Review and update the charter of the Nomination and Remuneration Committee at least once a year if there is a change and present it to the Board of Directors for approval.

5.4 Consider and comment on the proposal of the Chief Executive Officer to present to the Board of Directors about the HR policy with the organization's business strategy.

5.5 Provide an independent consultant or person to provide opinions or advice as needed.

5.6 Any other operations as assign by the Board of Directors.

## **(6) Meetings**

6.1 The Nomination and Remuneration Committee shall meet at least once a year with the Chairman of the Nomination and Remuneration Committee proposing the agenda.

- 6.2 The Chairman of the Nomination and Remuneration Committee may call a special meeting upon the request of the Nomination and Remuneration Committee or the Chairman of the Board of Directors when there is a necessary agenda to discuss together.
- 6.3 The Nomination and Remuneration Committee meeting shall be attended by not less than half of the total number of Nomination and Remuneration Committee members.
- 6.4 The Chairman of the Nomination and Remuneration Committee acted as the chairman of the meeting. If at any meeting the Chairman of the Nomination and Remuneration Committee is absent or unable to perform his duties. The Nomination and Remuneration Committee members present at the meeting elect one member of the Nomination and Remuneration Committee to preside over the meeting.
- 6.5 In today's time of technological advancement, directors equipped with telecommuting missions can participate in remote recruitment and remuneration committee meetings via video/teleconference or any other similar tool such meetings must comply with the guidelines set by the relevant laws.
- 6.6 The decision of the Nomination and Remuneration Committee meeting shall be taken by a majority of votes cast by the Nomination and Remuneration Committee, one vote for each vote, and, if the votes are equal, by the chairman of the meeting, one more vote for each vote cast.
- 6.7 The Nomination and Remuneration Committee has the power to invite the Management or persons associated with the Company to give their opinion, participate in meetings or provide information for consideration, or invite third parties with expertise to be consultants and participate in meetings at the expense of the Company.
- 6.8 The Nominating and Remuneration Committee with a stake in the matters on which a vote is taken shall have no voting rights and shall be removed from the meeting upon consideration of the agenda in which it is involved.
- 6.9 The secretary of the Nomination and Remuneration Committee must deliver the meeting invitation letter and agenda documents to the Nomination and Remuneration Committee at least 7 days in advance of the meeting, except in case of urgent need to maintain the company's benefits, the meeting may be called by other methods and an earlier meeting date may be set.

#### **(7) Reporting.**

- 7.1 The Nomination and Remuneration Committee reports directly to the Board of Directors. The Board of Directors is responsible for reporting to the Board of Directors on the performance or what needs to be significantly improved to the meeting of the Board of Directors at least once a



year to make the Board of Directors aware and aware of the significant risks of the company. Including factors that may affect the operation of the organization in the future. In the event that the Nomination and Remuneration Committee considers that there is an urgent need, it may report to the Board of Directors before the next meeting of the Board of Directors.

7.2 The Nomination and Remuneration Committee should report on the performance of its duties in accordance with the scope of powers and responsibilities of the Nomination and Remuneration Committee in the past year to the shareholders, such as in the annual report of the Company to the shareholders' meeting, etc.

#### **(8) Performance appraisal**

The Nomination and Remuneration Committee should evaluate its own performance and the Board of Directors should assess the performance of the Nomination and Remuneration Committee on an annual basis and report any problems or obstacles that cause it to fail to achieve its objectives (if any) to the Board of Directors.

### **6. Risk Management Committee charter**

#### **1) Objective**

The Board of Directors has appointed the Risk Management Committee to formulate risk management policies. Risk management framework and supervise the implementation of risk management throughout the organization in order to properly manage various external and internal risk factors for the Company's business operations. The Board of Directors has defined the composition, scope of powers, duties and responsibilities of the Risk Management Committee to be able to perform duties effectively as assigned by the Board of Directors.

#### **2) Composition**

The number of risk management committees, as the Board of Directors deems appropriate, may consist of a number of company directors and may consist of a number of company executives.

#### **3) Qualification**

3.1 Shall be qualifications and does not have any prohibited characteristics under the law governing public limited companies. and other relevant laws.

3.2 The risk management committee must be knowledgeable in the business of the company or have specialized expertise that is important for the business of the company to achieve the objectives to establish a risk management policy to cover the entire organization . Including

supervising to have a risk management system or process to reduce the impact on the company's business appropriately.

3.3 Have knowledge, expertise and understanding of the enterprise risks.

3.4 The Risk Management Committee can devote sufficient time to perform its tasks as a Risk Management Committee in order to achieve its objectives.

#### **4) Appointment, Term of Performance and Retire**

##### **4.1 Appointment**

4.1.1 The Risk Management Committee must be appointed by the Board of Directors.

4.1.2 The Chairman of the Risk Management Committee must be appointed by the Board of Directors or the Risk Management Committee. The Chairman of the Risk Management Committee can be selected as the Chairman of the Risk Management Committee.

4.1.3 The Risk Management Committee can appoint a Risk Management Committee Secretary [or designate a person as the Director of Risk Management to act as the Secretary of the Risk Management Committee by the position] to support the operation of the Risk Management Committee in relation to the establishment of the risk management committee's operational plan, schedule meetings, prepare the agenda as directed by the Chairman of the Risk Management Committee, submit the documents for the meeting and record the minutes.

##### **4.2 Performance**

4.2.1 The Risk Management Committee, who is the Company's director, has a term of office of 3 years each, with the term of office being completed according to the term of the Company's director. And the risk management committee who vacate office upon the expiration of the term can be re-appointed If approved by the Board of Directors.

4.2.2 In the case that the Risk Management Committee is an executive of the Company, the term of office is as long as the Company's executive, except the Board of Directors resolves with otherwise.

4.2.3 In the event that the position of the Risk Management Committee is vacated for any other reason than the issuance of a term, the Board of Directors shall appoint a fully qualified person as the Risk Management Committee to provide the Risk Management Committee with the number of members as determined by the Board of Directors within the scope of its duties and responsibilities.

#### 4.3 Retirement

The Risk Management Committee is dismissed at the end of the term.

- 4.3.1 Completion of the term of office of the Board of Directors/ Completion of the term of the Company's management (in case by case).
- 4.3.2 Retired from the company's board of directors/out of the company's management (in case by case).
- 4.3.3 Death
- 4.3.4 Resignation
- 4.3.5 Ineligibility or prohibited by public limited company law.
- 4.3.6 The Board of Directors voted to retire.
- 4.3.7 Any risk management director who resigns from office shall submit his resignation to the Chairman of the Board of Directors. The resignation shall take effect from the date of the resignation to the Company.

#### 5) Scope of authority and responsibilities

- 13) Considers the risk management policy, risk management strategy and corporate risk management framework consistent with the main objectives and goals of the Company's business plan and the acceptable risks of the enterprise in regard to the overall risk management and covers the main risks such as business risks, market risks, liquidity risks, operational risks and risks affecting the reputation of the enterprise, etc., before presenting them to the Board of Directors for approval.
- 14) Strategize in accordance with the risk management policy. It can assess, monitor and supervise the level of risk of the organization to the appropriate level. In line with the strategy and business goals Including changing circumstances Including considering determining the level of risk acceptable (Risk Appetite) And the deviation of the level of risk acceptable (Risk Tolerance) before presenting to the Board of Directors for approval.
- 15) Identify risks based on both external and internal factors that may result in the company not being able to meet the objectives set before presenting to the Board of Directors for approval.
- 16) Assess the impact and potential opportunities of identified risks to prioritize risks and have appropriate risk management practices before presenting them to the Board of Directors for approval.
- 17) Maintain and encourage regular reviews of the Company's risk management policies and frameworks at least once a year to ensure that such risk management policies and

frameworks remain consistent and appropriate to the overall business conditions and risk management activities of the Company.

- 18) Report significant risks of the company, including the status of risks, guidelines for risk management, progress and results of risk management to the Board of Directors to be informed on a regular basis. And in case of significant factors or events which may have a significant impact on the company, must report to the Board of Directors to be informed and considered as soon as possible.
- 19) Has the authority to appoint a risk management team as necessary. It supports the risk management team in terms of personnel, budget and other necessary resources in accordance with its area of responsibility.
- 20) Provide advice and support to the Board of Directors, Management and the Risk Management Team on corporate risk management matters, and promote and support the continuous improvement and development of the risk management system within the company.
- 21) Seek professional opinions from third parties to provide independent advice or advice on risk management to the Risk Management Committee and related parties, as well as hiring third parties from time to time to enable the performance of the Risk Management Working Group to achieve its duties and objectives within a specified period of time, and such hiring will be beneficial to the Company.
- 22) Communicate, exchange information and coordinate risks and internal controls with the Audit Committee at least once a year.
- 23) Consider the report of the assessment of the potential for fraud as well as the impact that covers various types of fraud, such as making false financial reports, property loss corruption, managements override of internal controls, significant changes to information in reports, acquisition or misuse of property, etc.
- 24) Perform any other duties assigned by the Board of Directors.

## 6) Meetings

- 6.1 The Risk Management Committee must meet at least 2 times a year.
- 6.2 The Chairman of the Risk Management Committee may call additional meetings as he sees fit, or upon request from the Chairman of the Risk Management Committee or the Chairman of the Board of Directors, to consider issues that need to be discussed together. At the meeting of the Risk Management Committee, the Chairman of the Risk Management Committee shall meet in person.

- 6.3 The meeting of the Risk Management Committee must be convened by at least half of the total number of Risk Management Directors in order to complete the meeting.
- 6.4 The Chairman of the Risk Committee acts as Chairman of the Meeting. If at any time the Chairman of the Risk Committee is absent or unable to act, the Chairman of the Risk Committee shall be elected by the Chairman of the Meeting.
- 6.5 The decision of the meeting of the Risk Management Committee shall be taken by a majority of votes cast by one Risk Management Committee member with one vote in favour and, if the votes are equal, by the chairman of the meeting with one more vote.
- 6.6 The Risk Management Committee has the power to invite the management department or persons associated with the company to give their opinion to participate in the meeting or provide information for consideration.
- 6.7 The Risk Committee members who have a stake in the matters on which the vote is taken ,have no voting rights and must leave the meeting when the agenda they are involved in is considered.
- 6.8 The secretary of the Risk Management Committee must deliver the notice of the meeting and the agenda documents to the Risk Management Committee at least 7 days in advance of the meeting, unless it is urgent to preserve the interests of the company. The meeting can be scheduled by other means and the date of the meeting can be set earlier.

#### **7) Reporting**

The Risk Management Committee, which reports directly to the Board of Directors, is responsible for regularly reporting to the Board of Directors the results of risk management or any significant improvements required to the Board of Directors' meetings. In order for the Board of Directors to be aware and aware of the important risks of the Company. Including factors that may affect the operations of the organization in the future. In the event that the Risk Management Committee deems it urgently necessary, it may report to the Board of Directors before the next Board of Directors' meeting and report the performance of the previous year in the Company's annual report or at the shareholders' meeting.

#### **8) Performance appraisal**

The Risk Management Committee shall evaluate its own performance and the Board of Directors shall annually assess the performance of the duties of the Risk Management Committee and report any problems or obstacles that cause it to fail to achieve its objectives (if any) to the Board of Directors.

**9) Other guidelines**

Any other cases that are not specified in the scope of powers, duties and responsibilities of this Risk Management Committee, the Risk Management Committee shall use its discretion in applying the guidelines set forth in accordance with the standards and general risk management guidelines as appropriate in each case.

### Report of the Audit Committee on the Year 2023

The Audit Committee of T.R.V. Rubber Products Public Company Limited consists of 3 independent directors who are qualified under the requirement mandated by The Securities and Exchange Commission, as follows:

| Name                           | Position                    |
|--------------------------------|-----------------------------|
| 1. Mr. Krishna Boonyachai      | Chairman of Audit Committee |
| 2.1 Ms. Srirat Chuchotthaworn* | Audit Committee             |
| 2.2 Mr. Chanaphan Piriyaaphan* | Audit Committee             |
| 3. Mr. Raj Tanta-Nanta         | Audit Committee             |

\* The Board of Directors' meeting no.2/2023 on May 12,2023 reappointed Mr.Chanaphan Piriyaaphan to hold the position instead Ms.Srirat Chuchotthaworn.\*

The Audit Committee has independently performed within the scope of duties assigned by the Board of Directors, in accordance with the Audit Committee's Charter, which is in line with good practices of the Audit Committee, as set out by the Stock Exchange of Thailand. Advising reviews and encourage the Company to comply with applicable laws, regulations, and other related rules through providing of good corporate governance, adequate internal risk and control management systems, effective and efficient internal audit systems, accurate, complete and timely financial reporting. In 2023, Audit Committee held a total of 4 meetings, inviting the management team members, concerned parties and auditors to attend discussion of issues that may affect the company's business operation, and have hereby attached attendance checklist of the Audit Committee meeting in all occasions as follows;

| Name                          | Position | Number of Attendance /<br>Total number of meetings |
|-------------------------------|----------|----------------------------------------------------|
| 1. Mr. Krishna Boonyachai     | Chairman | 4/4                                                |
| 2.1 Ms. Srirat Chuchotthaworn | Member   | 1/4                                                |
| 2.2 Mr. Chanaphan Piriyaaphan | Member   | 2/4                                                |
| 3. Mr. Raj Tanta-Nanta        | Member   | 4/4                                                |

The Audit Committee has continuously reported its performance of duties to the Board of Directors. The summary for its process completed in 2023 is as follows:

**(1) Review of Financial Statements**

The Audit Committee reviewed financial statements and consolidated financial statements of the Company and its subsidiaries on a quarterly and yearly basis for the year 2023, to ensure they were prepared following Thailand's financial reporting standard (TFRS). Committee reviewed key issues and received explanations from the auditor and management until satisfied that the financial statements, as well as the accompanying financial notes, comply with legal requirements and financial reporting standards. Consequently, the Audit Committee has provided an unqualified opinion on the aforementioned financial statements, which have been reviewed and audited by the auditor.

**(2) Review of Connected transactions, Transactions of Potential Conflicts of Interest**

The Audit Committee has examined interrelated transactions or transactions that may involve conflicts of interest among the company, subsidiaries, affiliated companies, and related parties before presenting them to the Board of Directors for consideration. The review was conducted in accordance with the announcement of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand, as well as other relevant legal requirements. Transactions were assessed based on general trading conditions, deemed normal business transactions, reasonable, not resulting in undue benefits transfer, and included accurate and adequate disclosure of information in line with the principles of good corporate governance. This ensures transparency and reasonableness in transactions, with the company disclosing such information in the notes to the financial statements.

**(3) Review of the Internal Control System**

The Audit Committee conducted a thorough review of the internal control system evaluation reports provided by the internal auditors of T.R.V. Rubber Products Public Company Limited on a quarterly basis. This evaluation encompassed an assessment based on the Securities and Exchange Commission's (SEC) criteria for internal control system adequacy, which was found to be both comprehensive and appropriate for the company's operational needs. Additionally, the auditor's opinion confirmed the absence of any significant deficiencies that could impact the integrity of the company's financial statements.



**(4) Review of Risk Management**

The Audit Committee has examined the efficiency and effectiveness of the risk management process. A Risk Management Committee is tasked with deliberating on and establishing policies, frameworks, and plans for risk management, as well as overseeing risk management practices across the organization. This ensures that the company adheres to risk management guidelines in alignment with its business operations and sufficiently reinforces compliance with these principles.

**(5) Compliance with Securities and Exchange Laws, and Other Relevant Laws**

The Audit Committee has examined compliance with securities laws, regulations of the Stock Exchange of Thailand, and laws pertinent to the company's business operations. The Audit Committee concludes that the company has adhered to various relevant laws without detecting any violations or non-compliance with related laws and regulations.

**(6) Suitability of the auditors, consideration, selection and appointment of auditors**

The Audit Committee has considered and resolved to approve the selection and appointment of PricewaterhouseCoopers ABAS Limited as the company and its subsidiaries' auditors for the fiscal year 2024. This decision was made based on the auditors' independence, knowledge, capabilities, and team experience. The recommendation was subsequently proposed to the Board of Directors for consideration and approval at the Annual Shareholders' Meeting, where it was deemed appropriate to appoint: 1) Miss Sukhumaporn Wongariyaporn, Certified Public Accountant (License No. 4843), 2) Mr. Vichien Kingmontri, Certified Public Accountant (License No. 3977), and 3) Miss Varaporn Vorathitikul, Certified Public Accountant (License No. 4474), as the company's auditors for the fiscal year 2024. The audit fees were set at a maximum of 1,700,000 Baht per year for the company and not less than 250,000 Baht per year for its subsidiaries (these figures are calculated based on the current project value; should there be additional projects or significant data updates in the future, the auditors may request adjustments to the audit fees in consultation with the management). Travel expenses are excluded. The appointed auditors listed above have no relationships or financial interests with the company, its management, major shareholders, or related parties.

The Audit Committee has carried out its duties as assigned and outlined in the Audit Committee charter. It operates independently, exercises due diligence, provides opinions and recommendations, and is confident that the financial reports present reliable and significant information. Sufficient disclosure

is made in compliance with financial reporting standards and relevant regulations, as audited by a licensed accountant. Disclosure of related-party transactions or potential conflicts of interest adheres to the Securities and Exchange Act and other pertinent laws, ensuring adequate compliance. There is ongoing development of risk management processes and oversight of good corporate governance practices. Internal control and internal audit systems are implemented appropriately under the guidance of the company's business ethics guidelines.

(Mr.Krishna Boonyachai)

Chairman of Audit Committee