



WORLD FLEX



Form 56-1 One Report **2023**



World Flex Public Company Limited

To be one of the leading manufacturers of Natural Rubber Thread in the world, with constant innovation and a professional team ready to deliver quality products and services around the world. Under the determination of Environmental Sustainability, Social and Corporate Governance is important.

Contents

4	Message from the Chairman of the Board of Directors
6	Message from the Chief Executive Officer
8	The Board of Directors
10	Financial Overview
12	Awards and Recognition
14	Section 1 Business Operations and Performance
15	1. Structure and Business Operations
56	2. Risk Management
75	3. Driving Business Towards Sustainability
97	4. Management Discussion and Analysis
104	5. General Information and Other Important Information
105	Section 2 Corporate Governance
106	6. Corporate Governance
116	7. Corporate Governance Structure
142	8. Corporate Governance Performance Report
158	9. Internal Controls and Related Transactions
163	Section 3 Financial Statements
205	Section 4 Attachment
206	Attachment 1 Information of the Board of Directors, Executives, Controlling Persons of Accounting and Financial, and Company Secretary
217	Attachment 2 Detail of Chief of the Office of The Internal Audit
218	Attachment 3 Details on Business Assets and Asset Valuation
239	Attachment 4 Corporate Governance, Code of Business Ethics Policy and Guideline
240	Attachment 5 Audit Committee's Report



Message from the Chairman of the Board of Directors



The Board of Directors of World Flex Public Company (Limited) is dedicated to conducting business sustainably, covering environmental, social, and governance (ESG) aspects under effective corporate governance. Effective risk management and prudent cost management are essential components that will enable the company to navigate through any challenges successfully.

Dear all shareholders and Stakeholders,

In the year 2023, despite the easing of the COVID-19 situation, challenges persist for both the public and private sectors, as well as the general public. We continue to confront formidable tasks, ranging from sustaining ourselves through economic hardships to fortifying resilience amidst increasing competition. As a company, we have undergone a thorough review and adjustment of our business strategies to align with these changes. Our focus lies in enhancing the quality of our product development processes, striving for the highest standards. Additionally, we are committed to maintaining a profitable operational performance consistently. These strategic adjustments aim to ensure our adaptability in the evolving landscape and to position ourselves competitively in the market.

The Board of Directors of World Flex Public Company (Limited) is dedicated to conducting business sustainably, covering environmental, social, and governance (ESG) aspects under effective corporate governance. Effective risk management and prudent cost management are essential components that will enable the company to navigate through any challenges successfully.

The company's Board of Directors emphasizes the importance of conducting operations in accordance with established criteria and laws, as well as adhering to international standards and ESG principles. We actively express opinions and provide beneficial suggestions to the management, overseeing operations to ensure the company operates in compliance with laws, transparency, and effectiveness. This oversight ensures confidence that the company operates lawfully, transparently, and efficiently, achieving sustainable and balanced returns for all stakeholders.

As representative of the company's Board of Directors, I would like to express our gratitude for the trust and confidence you have consistently placed in the company.

Sincerely yours,

Mr. Bunyong Visatemongkolchai

Chairman of the Board of Directors

World Flex Public Company Limited

Message from the Chief Executive Officer

The company would like to express sincere gratitude to our shareholders, customers, business partners, and all stakeholders for their trust and continuous support in the company's business endeavors. We extend our appreciation to the management team and all employees for their dedication and capability in fulfilling their duties to the company.



Dear all shareholders and Stakeholders,

Since the beginning of the year 2023, global economic expansion has continued to slow down consistently. This comes after the majority of central banks accelerated interest rates to combat inflation. While the opening of China's borders was initially seen as a hopeful sign that could contribute to a more robust global economic recovery post-COVID-19, the current economic recovery in China remains gradual. Despite the ongoing challenges faced by companies throughout the year, close monitoring and continuous assessment of the situation have enabled the company to adapt and operate within the changing economic environment. We have diligently adjusted our strategies to navigate the unavoidable impacts on business operations. Although various challenges persist, we remain committed to adapting and thriving in the evolving economic landscape.

In the business plan for the year 2024, the company is steadfast in its commitment to continuous market expansion. Our primary objective is to maintain our position as a leading global producer and distributor of elastic rubber threads, capable of rapidly manufacturing a wide range of products to meet various usage requirements. We leverage competitive advantages in sourcing high-quality and abundant natural rubber resources, emphasizing stringent cost management measures. Our focus remains on enhancing efficiency, developing value-added strategies to sustain a consistent cash flow, and optimizing production through the implementation of automated systems and various technologies to reduce costs and minimize dependence on manual labor in the manufacturing process. Additionally, we plan to strengthen our sales channels, expanding into different regions and increasing market share. Brand awareness will be heightened by diversifying our product offerings. These initiatives aim to reach the company's profit targets and establish a stronger presence in the market.

The company would like to express sincere gratitude to our shareholders, customers, business partners, and all stakeholders for their trust and continuous support in the company's business endeavors. We extend our appreciation to the management team and all employees for their dedication and capability in fulfilling their duties to the company. Please rest assured that the Board of Directors, management, and staff of the company are committed to carrying out their responsibilities with consciousness and accountability. It is our firm belief that through our collective efforts, the company will achieve sustained success and growth in its business operations.

Sincerely yours,

Mr. Chawalit Tiyadechachai

Chief Executive Officer

World Flex Public Company Limited

Board of Directors



Mr. Bunyong Visatemongkolchai

Chairman of the Board of Directors

Independent Director

Audit Committee



Mr. Banlue Chantadisai

Director

Independent director

Chairman of the Audit committee



Mr. Surapong Rongsirikul

Director

Independent director

Audit Committee



Mr. Chawalit Tiyadechachai

Director

Chief Executive Officer



Mr. Nat Vongsasuttikul

Director
Managing Director



Ms. Chalongkwan Wongsasuthikul

Director



Mr. Kowit Wongsasuthikul

Director



Mr. Prakrit Waraprateep

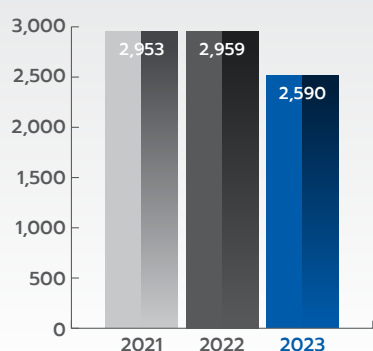
Director

Financial Overview

Unit: million baht

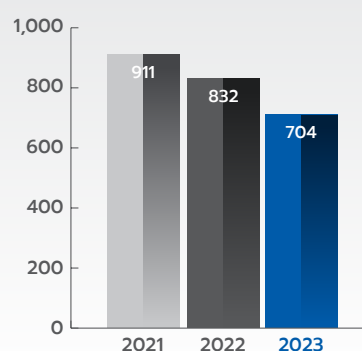
	2021	2022	2023
Total assets	2,953	2,959	2,590
Total liabilities	911	832	704
Total the equity	2,042	2,127	1,868
Total revenue	3,777	3,707	2,756
Net gain (loss)	359	198	(141)

Total assets



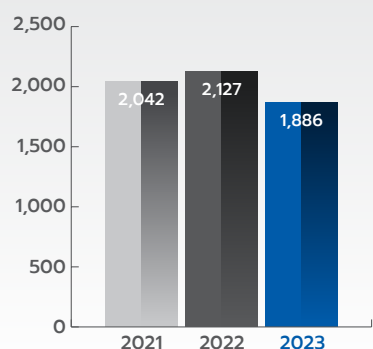
Unit: million baht

Total liabilities



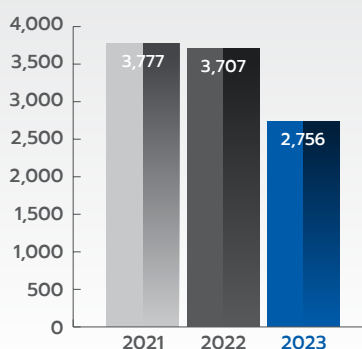
Unit: million baht

Total the equity



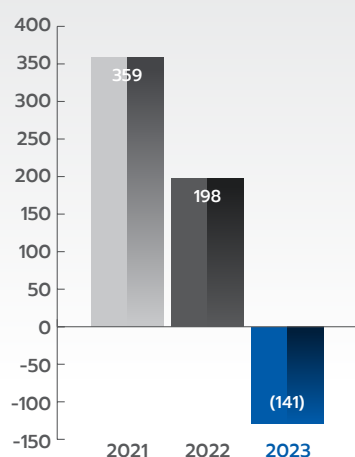
Unit: million baht

Total revenue



Unit: million baht

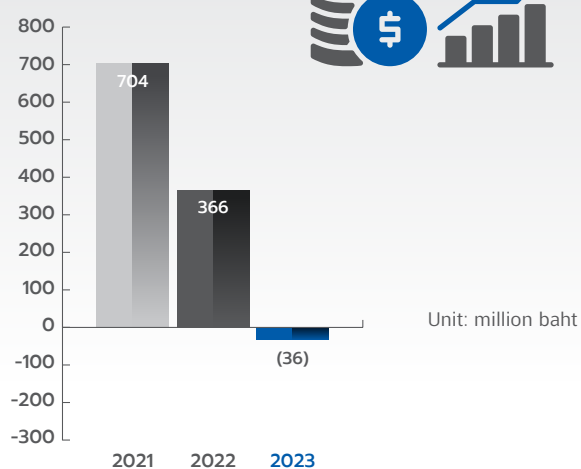
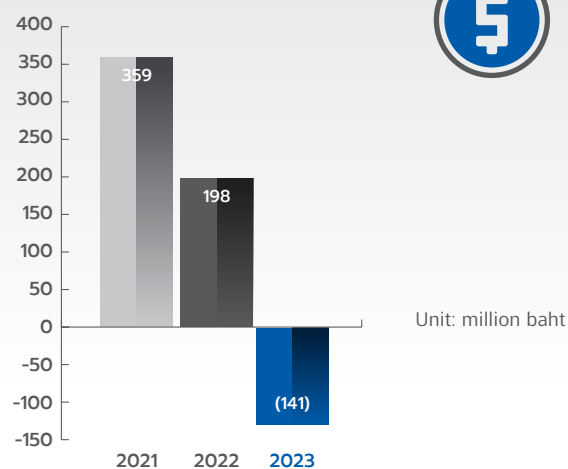
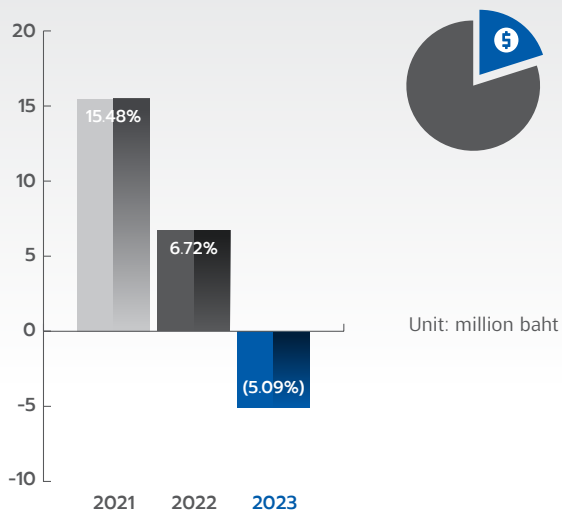
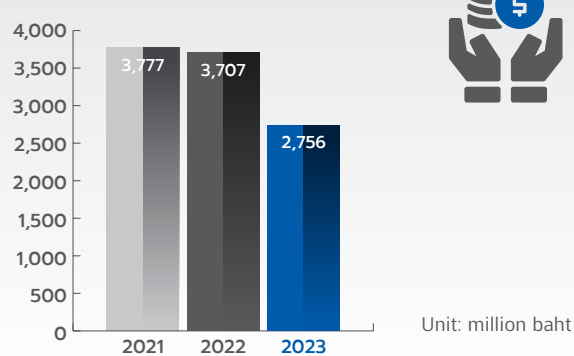
Net gain (loss)



Unit: million baht

Unit: million baht

	2021	2022	2023
Gross profit	704	366	(36)
Net profit	359	198	(141)
Return On Asset (ROA)	15.48	6.72	(5.09)
Total revenue	3,777	3,707	2,756

Gross profit**Net profit****Return On Asset (ROA)****Total revenue**

Awards and Recognition

“To be one of the leading manufacturers of Natural Rubber Thread in the world, with constant innovation and a professional team, Standardized manufacturing process, ready to deliver safety and quality products around the International. Under the determination of Environmental Sustainability, Social and Corporate Governance is important.



ISO 9001: 2015



OEKO TEX



Ministry of Industry



TGO



SDC



Ministry of Energy

Accepted in the Asian region



Awards and Recognition



In 2023, The company received assessment results from the Corporate Governance, level of **“Very Good”**

In 2023, The company received assessment results from the quality of general shareholder meeting, level of **“80-89 points (3-star)”**

In 2023, The Company was awarded the sustainability. **“Sustainability Disclosure Award”**





Section 1

Business Operations and Performance

1. Structure and Business Operations
2. Risk Management
3. Driving Business Towards Sustainability
4. Management Discussion and Analysis
5. General Information and Other Important Information



1. Operational Structure and Organization

1.1 Policies and Business Overview

World Flex Public Company Limited. (“Company” or “WFX”) is a manufacturing business and distributor of rubber thread, which is divided into two types, including talcum rubber thread and silicone rubber thread. Our products sell in both the domestic and international markets by offering a wide array of eight brands, including WORLD FLEX, THAITEX, QUALIFLEX, LT RUBBER, CHANGTHAI, PEGASUS (Blue) and PEGASUS (China).

For trademark 8 “ECOFLEX” the company has submitted to register the trademark with the department of intelligent property in Thailand in November 2023 by registering the trademark for products 23 types (rubber thread for textile). So that this trademark is being considered by the department of intelligent property. The current manufacturing location is located in Pluak Daeng District, Rayong. As of December 31st, 2023, the company has estimated the actual production capacity of elastic yarn of all sizes at totaling 35,340 tons per year. Compared to December 31st, 2022, the total capacity of elastic yarn of all sizes is estimated at 44,148 tons per year, representing an decrease of 19.95%. The production and distribution are as follows:

(1) Talcum Rubber Thread

It is made of rubber threads coated with talcum, which is a talc substance in fine talcum powder form, to prevent stickiness as well as separate each thread while in the manufacturing process. The talcum rubber thread is ideal for various types of industries, for instance, the textile industry, medical textiles, and the furniture industry, etc.

(2) Silicone Rubber Thread

It is made of rubber threads coated with silicone, which is a coating agent made by mixing liquid plastic and chemicals. This prevents the rubber threads from getting sticky and separates each thread while being used in the manufacturing process. The silicone rubber thread is ideally suited to industries with a main focus placed on the environment and reducing air pollution from coating manufacturing, such as the textile industry, medical textiles, and furniture industry, etc.

With more than 30 years of experience in the manufacturing business, at World Flex we have a deep understanding of our products along with expertise in rubber thread manufacturing. To achieve that, our company provides extremely high quality products and delivers high customer satisfaction levels. Therefore, we have been trusted and recognized by our business partnership at all points of contact, which has continued to these days.

1.1.1 VISION MISSION PURPOSE AND VALUES

OUR VISION

To be one of the leading manufacturers of Natural Rubber Thread in the world, with constant innovation and a professional team ready to deliver quality products and services around the world.

OUR MISSION

Determined to be the first Natural Rubber Thread producer. World Flex it's a world-class company that serves the needs of customers in various types of industries with an experienced professional team that is focused on delivering maximum satisfaction to the customers. Our company gives priority to our management, leading the organization to continuous growth every year and creating good returns for shareholders, employees and all stakeholders.

OUR PURPOSE

To manufacture Natural Rubber Thread from Natural Latex and to serve the needs of customers in a variety of industries/countries building good alliances with business partners.

OUR VALUES

The company has its own values that must be taken and practiced by each and every employee as follows.

- 1) Provide products of international quality.
- 2) Deliver high customer satisfaction levels.
- 3) Adhere to the principle of conducting business with honesty, integrity, transparency and accountability.
- 4) Build good relationships with customers, suppliers and business partners.
- 5) Promote innovation and adapt our technology at all times.
- 6) Trust in the value of leadership and teamwork.
- 7) Create a learning organization and focus on continuous development of human potential.
- 8) Develop the organization to grow sustainably with good governance and return profits to society.

Marketing Strategies

1) Products that cater to the diverse needs of customers across various industries.

The company emphasizes the production and distribution of diverse products to meet the varied needs of customers across different industries. While traditionally specializing in coated elastic rubber threads, the company expanded its production line to include silicone-coated elastic rubber threads in response to environmental concerns and the need to reduce dust pollution in the European market. This strategic shift enables the company to cater to the specific requirements of this customer segment; moreover, the company offers elastic rubber threads in various sizes to accommodate the diverse usage needs of customers in different industries, and provides elastic rubber threads in different colors, allowing flexibility to meet customer preferences.

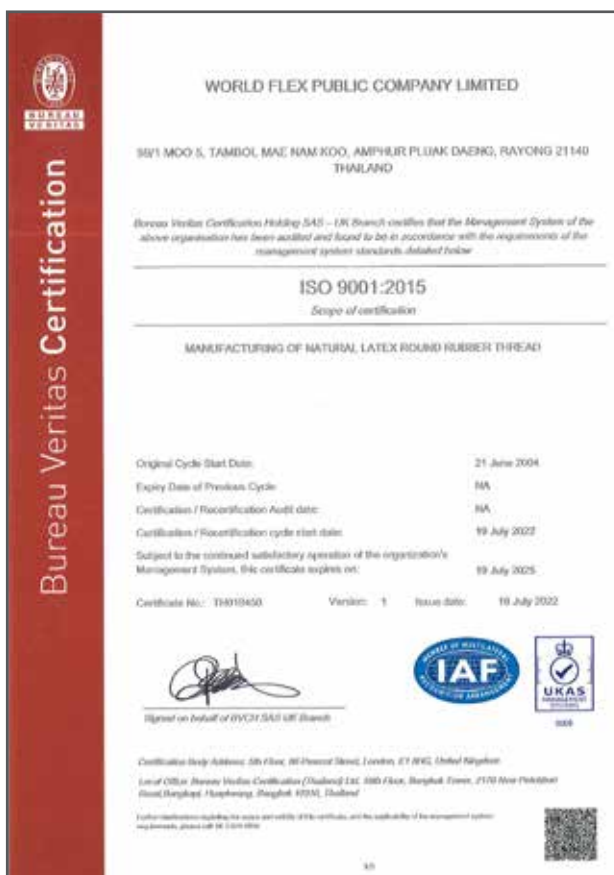
2) Marketing and distributing products of high quality that adhere to established standards.

The company places utmost importance on the production process, starting from the selection of raw materials to the final stage before delivering products to customers. Specifically, in the selection of natural rubber latex, a crucial raw material in elastic rubber thread production, the

company has established appropriate quality standards. Rigorous quality checks are conducted on the latex by the company's laboratory before accepting it from suppliers and prior to entering the production process, ensuring the highest quality of elastic rubber thread production. Additionally, the company mandates quality inspections at each stage of the production process, utilizing computer systems for control and monitoring. This ensures that the quality of the elastic rubber thread is consistently maintained throughout production. Furthermore, the company enforces quality and accuracy checks on the products before delivering them to customers, ensuring that customers receive products that meet high-quality standards and specifications.



With a steadfast commitment to conducting business at globally recognized standards, the company has achieved certification for the ISO 9001:2015 management system, ensuring quality in the production process of elastic rubber threads. Moreover, the company has been granted the STANDARD 100 certification from OEKO-TEX, a certification in which customers place trust in the continuous quality and service excellence provided by the company.



3) Ensuring global customer accessibility consistently throughout all time zones

The company primarily caters customers in various foreign markets, and historically, it has focused on expanding its customer base to cover every continent globally, including Asia, South America, Europe, North America, and Africa.

Presently, the company has a marketing and sales team comprising more than 10 individuals, representing diverse nationalities capable of communicating in over 10 languages. Covering over 50 countries worldwide, the team is familiar with the languages, cultures, and perspectives of each country. They can provide services and product recommendations to customers seamlessly at all times. Furthermore, the team's expertise and understanding of the products contribute to the company's enhanced ability to reach and expand its customer base globally. This allows the company to effectively meet and supply to the diverse product needs of customers worldwide, ensuring the highest level of satisfaction in global customer service.

4) Products catering to the diverse needs of customers across various industries.

The company prioritizes the production and distribution of products that cater to the diverse needs of customers across various industrial sectors. It emphasizes manufacturing products with a wide range of types, sizes, and colors. Previously, the company primarily produced powdered latex-coated elastic threads; however, upon accessing the European market and recognizing the importance of environmental considerations and the reduction of dust pollution from powder coating, the company introduced an additional production line for silicone-coated elastic threads. This move aimed to accommodate the product preferences of environmentally-conscious customers. Furthermore, the company has the capability to manufacture elastic threads in various sizes, meeting the specific needs of different industries, as well as producing elastic threads in different colors according to customer requirements.

5) Distributing goods that are of high quality and standardized

The company attaches importance to the production process, from the selection of raw materials used in manufacturing to the final stage before delivering products to customers. This includes the meticulous selection of raw materials, such as concentrated latex solution, a critical primary ingredient in the production of elastic rubber threads. The company has set standards for the suitable properties of the latex solution and conducts stringent quality checks in its laboratory each time before accepting the raw latex solution from suppliers and prior to entering the production process. This ensures the highest quality in the production of elastic rubber threads. Moreover, the company stipulates quality checks for the rubber threads at each stage of the production process, utilizing computer systems for process control and monitoring to maintain the quality of the rubber threads to meet standards throughout. Furthermore, the company mandates quality and accuracy checks for products before each delivery to customers, ensuring confidence that customers receive products of high quality and accuracy according to their requirements.

6) Establishing good relationships with business partners

We always maintain and build great relationships with our customers, manufacturers, and distributors of raw materials. Our company has been operating for more than 30 years. Our customers are given recommendations and consultation about the products by sales and marketing executives with empathy and the fastest service throughout the selling and buying processes. This helps us gain trust from the customers. Besides, we provide great after-sales service to contribute to overall customer satisfaction. The benefits of after-sales service: we apply that feedback to improve products to meet and satisfy our customers' needs so that our products always win their hearts, and this obviously generates loyal customers toward our company. We have always built good relationships with manufacturers and distributors of raw materials and have earned their total trust whenever we engage in ordering and paying for raw materials. As a result, we have always been recognized on the basis of our conduct with the highest ethical principles by our business partners.

The company aims to establish and maintain strong business partnerships with all stakeholders, including fostering positive relationships with relevant organizations, communities, and society as a whole. This is to promote enduring and sustainable business relationships with partners.



Traits of the Rubber Thread Production

The company's rubber thread production process comprises three main steps: raw material preparation, elastic rubber thread manufacturing, and quality inspection and product packaging. Following the production of coated starch-treated elastic rubber threads and silicone-coated elastic rubber threads, the company conducts physical property checks. These include assessing the size and weight of the elastic rubber threads, as well as examining their quality. Quality checks encompass factors such as density, tensile strength, and elongation at break. These evaluations are performed by the company's laboratory.

Afterward, the company proceeds to package the elastic rubber threads that have undergone inspection in packaging bearing the company's trademark. This is done for the purpose of delivering the products to customers. Furthermore, the company conducts random product sampling to reevaluate the quality before each shipment, ensuring confidence that customers will receive high-quality products. The company manages the shipment of elastic rubber thread products, dividing the delivery into domestic shipments for local customers and international shipments to customers' specified locations abroad.

The company carefully considers and selects product transporters based on their reliability, shipping track record, and product protection guarantees. This is to instill confidence in the quality of the transportation service and the timely delivery of products to customers in line with the company's delivery procedures, both domestically and internationally. The selection of product transporters is contingent upon the terms and conditions agreed upon between the company and each respective customer.



1.1.2 Organization Development and Milestones.

World Flex Public Company Limited (“the Company” or “WFX”) (formerly known as “World Flex Company Limited”) was initially registered on May 2nd, 1991 with an initial registered capital of 1.00 million baht. The purpose of a business is to manufacture powder-coated rubber thread as well as sell our products to both domestic and international customers. Most of the customers are in a wide variety of industries in Asia. Later, the company aggressively expanded its business globally in different continents such as Europe, North America, South America, and Africa, bringing many opportunities to grow its business. Approaching and identifying customer needs requires many possible ways for each industry in various areas. With the aim of satisfying an increase in customer needs, we have, therefore, expanded our new product line in silicone rubber thread for sale.

In 1991, World Flex Company Limited was established by its investors with the purpose of operating as a manufacturer and distributor of rubber threads. We purchased the main raw materials for concentrating latex used in making threads from Thai Rubber Latex Corporation, Thailand Public Company Limited (“TRUBB”). Early on, TRUBB had a golden opportunity to grow its business by manufacturing and distributing rubber threads as their customer base was solidly in the country of origin and overseas. Furthermore, throughout the value chain of the rubber latex industry, demand has been increasing, and this has involved expanding its business operations and creating an even larger variety of products for TRUBB Group. And thus, in 1994, TRUBB decided to agree to co-operate with our company for the purpose of manufacturing and distributing rubber threads until this day. Currently, those investors are typically not shareholders as well as not involved in executive board members.

The company started out as a manufacturer and distributor of powder-coated rubber thread. We aim to sell our products and services to domestic and international customers, who are primarily based in Asia. As our core business, we aim to deliver quality products and services around the world, including Europe, North America, South America, and Africa, etc. At World Flex, we strive to fulfill our customers' needs by genuinely connecting and accurately presenting products and services that customers need, so we are able to use that information to improve and develop products and

services that deliver true satisfaction from the standpoint of each and every industry worldwide. Later, we have expanded our new product line in silicone rubber thread for sale to create new value and provide a wide range of products to fulfill customers' needs. The current manufacturing location is located in Pluak Daeng District, Rayong. As of December 31st, 2023, the company's annual production capacity of all sizes of rubber threads was 29,805 tons/year.

Our core business aims to “A Manufacturer of High Quality Natural Rubber Thread,” which is positioned by manufacturing and distributing high quality rubber threads. We take the steps toward finding high quality raw materials, implementing new technologies to improve the manufacturing process, conducting a product quality standard inspection, and delivering products in a timely and appropriate manner to enhance customer satisfaction.

Throughout the business's more than 30 years of operation, the company remains steadfast in offering globally recognized quality products and sincere services to ensure the utmost satisfaction of its customers. Additionally, the company focuses on continuous business and service improvement by adhering to the ISO 9001:2015 standards. This international standard is globally acknowledged for quality control in product manufacturing. The company has received certifications for the production of round natural rubber threads and OEKO-TEX STANDARD 100, ensuring customers that the purchased textile products are safe for health and the environment. These certifications not only instill confidence in customers but also position the company competitively by showcasing its commitment to sustainability and responsible manufacturing practices.

World Flex Public Company Limited was listed on the Stock Exchange of Thailand under the symbol “WFX” and began trading on December 23rd, 2021. We currently have a registered paid-up capital of THB 464.20 million, which consists of 464,200,000 ordinary shares at a par value of 1.00 baht per share and a paid-up capital of THB 464.20 million or a paid-up capital of 464,200,000 ordinary shares.

YEAR	ORGANIZATION DEVELOPMENT AND MILESTONES
1991	<ul style="list-style-type: none"> World Flex Public Company Limited was initially registered in 1991 with an initial registered capital of 1.00 million baht. The purpose of a business is to manufacture and distribute natural rubber threads. In December 1991, the company increased its registered capital from 1.00 million baht to 30.00 million baht to provide funding for rubber thread machinery in the manufacturing process.
1993	<ul style="list-style-type: none"> In June 1993, the company started operating the first rubber thread production line with the actual production capacity of all sizes of rubber threads was 1,440 tons/year.
1994	<ul style="list-style-type: none"> In September 1994, the company increased its registered capital from 30.00 million baht to 60.00 million baht to provide funding for rubber thread machinery in the manufacturing process. To do this, we offered 3,000,000 new ordinary shares at a par value of 10.00 baht per share to Thai Rubber Latex Corporation (Thailand) Public Company Limited (currently named Thai Rubber Latex Group Public Company Limited) (“TRUBB”). Since then, TRUBB has become a shareholder in our company until recently. Regarding, TRUBB purchased new ordinary shares as well as original shares from the existing shareholders. Thus, TRUBB owns about 80% of paid-up capital.
1996	<ul style="list-style-type: none"> In January 1996, the company increased production capacity of rubber thread, with actual production output of all sizes totaling 2,880 tons/year. In June 1996, the company increased its registered capital from 60.00 million baht to 90.00 million baht to provide funding for rubber thread machinery in the manufacturing process.

YEAR	ORGANIZATION DEVELOPMENT AND MILESTONES
1999	<ul style="list-style-type: none"> In August 1999, the company increased production capacity of rubber thread, which actual production output of all sizes totaling 4,320 tons/year.
2002	<ul style="list-style-type: none"> On December 26, 2002, the company was converted into a public limited company, under the name of World Flex Public Company Limited, along with increasing its registered capital from 90.00 million baht to 200.00 million baht to provide funding for rubber thread machinery in the manufacturing process.
2003	<ul style="list-style-type: none"> In January 2003, the company increased production capacity of rubber thread, which actual production output of all sizes totaling 10,080 tons/year.
2004	<ul style="list-style-type: none"> In June 2004, the company earned ISO 9001:2015 from Bureau Veritas Certification for manufacturing round natural rubber threads.
2005	<ul style="list-style-type: none"> In December 2005, the company decreased its registered capital from 200.00 million baht to 185.33 million baht. The registered capital of the company was increased from 185.33 million baht to 270.00 million baht to provide funding for rubber thread machinery in the manufacturing process.
2008	<ul style="list-style-type: none"> In December 2008, the company decreased its registered capital from 270.00 million baht to 108.00 million baht by reducing the par value of shares from 10.00 baht per share to 4.00 baht per share due to the offsetting of the accumulated losses. In the same month, we increased our registered capital from 108.00 million baht to 308.00 million baht to provide funding for rubber thread machinery in the manufacturing process.
2012	<ul style="list-style-type: none"> In January 2012, the company increased production capacity of rubber thread, which actual production output of all sizes totaling 17,760 tons/year
2018	<ul style="list-style-type: none"> In January 2018, the company increased production capacity of rubber thread, which actual production output of all sizes totaling 25,650 tons/year In November 2018, TRUBB purchased ordinary shares from the existing shareholders. Thus, TRUBB owns about 100% of paid-up capital.
2020	<ul style="list-style-type: none"> In November 2020, an extraordinary general meeting of shareholders no.1/2020, which was held on November 12th, 2020. Resolutions are as follows: <ol style="list-style-type: none"> Approved to change the par value of ordinary shares from 4.00 baht per share to 1.00 baht per share. Approved to increase a registered capital from 308.00 million baht to 322.20 million baht by issuing 14,200,000 new ordinary shares at a par value of 1.00 baht per share as follows: <ul style="list-style-type: none"> Allocated the newly issued ordinary shares in the amount of 13,400,000 shares, with a par value of 1.00 baht for sale to directors, executives, and employees of the company with an offering price of 1.00 baht per share. TRUBB executives offered the newly issued ordinary shares in the amount of 800,000 shares, with a par value of 1.00 baht for sale to private placement shareholders at an offering price of 1.00 baht per share.
2021	<ul style="list-style-type: none"> In January 2021, the company increased production capacity of rubber thread, with actual production output of all sizes totaling 36,000 tons/year In August 2021, the company increased its registered capital from 322.20 million baht to 464.20 million baht by issuing 142,000,000 new ordinary shares at a par value of 1.00 baht per share. The allocation of newly issued ordinary shares as follows: <ol style="list-style-type: none"> Allocated of newly issued ordinary shares of not exceeding 11,360,000 shares at a par value of 1.00 baht per share for sale to existing shareholders of Thai Rubber Latex Group Public Company Limited ("TRUBB"), of the company (TRUBB) proportionate to their respective shareholdings (Pre-emptive Right). Allocated of newly issued ordinary shares in an amount not exceeding 14,200,000 shares at a par value of 1.00 baht per share for sale to the company's directors, executives, and/or employees. Allocated the newly issued ordinary shares in the amount of 116,440,000 shares, with a par value of 1.00 baht for an initial public offering (IPO). The company will be listed on the Stock Exchange of Thailand on December 24th, 2022 in the consumer products industry for the fashion business sector.

YEAR	ORGANIZATION DEVELOPMENT AND MILESTONES
2022	<ul style="list-style-type: none"> The first year of being a listed company in the Stock Market of Thailand the proceeds from the fundraiser were taken in 2021 to expand the elastic yarn factory, repay institutional loans, and be working capital in the business. The company has estimated the actual production capacity of elastic yarn of all sizes at totaling 44,148 tons per year. A new 4-story office building has been constructed at the elastic yarn factory in Pluak Daeng District, Rayong Province.
2023	<ul style="list-style-type: none"> The company has inaugurated a new 4-story office building at the elastic rubber thread manufacturing facility in Pluak Daeng District, Rayong Province. The concept behind the construction is to create an environmentally friendly building, aiming to raise awareness among employees and stakeholders about the importance of the environment. The building is equipped with solar panels (Solla Cell) for internal energy consumption. In May 2023, the company achieved certification for reporting greenhouse gas emissions (Carbon Footprint of Organization: CFO) Types 1 and 2 from the Private Organization Management of Greenhouse Gas Organization. The objective is to establish effective management guidelines for reducing greenhouse gas emissions, enhancing the company's environmental capabilities, and ensuring global competitiveness. This initiative also prepares the company for potential mandatory Greenhouse Gas Reporting by the government and positions it for opportunities in Thailand's voluntary carbon market.

1.1.3 Registration statement for securities offering.

- None -

1.1.4 Company profile as of the date of this document

Company Name (Thai)	: บริษัท เวิลด์ฟлекс จำกัด (มหาชน) “บริษัทฯ” หรือ “WFX”
Company name (English)	: World Flex Public Company Limited
Company registration number	: 0107545000390
Business Category	: Manufacturing and Distributing Rubber Thread
Contact information Address	: 1/7 Bangna Thani Bldg 3Fl. Room 3B Soi Bangna-Trad 34, Bangna Tai, Bangna Bangkok
Manufacturing	: 59/1 and 59/4, Moo 5, Highway 3191, Maenam Khu Subdistrict, Pluak Daeng District, Rayong Province 21140
Telephone	: 02-398-7188, 02-398-7189
Fax	: 02-398-7187
Website	: www.worldflex.net
Authorized Capital	: 464,200,000 million baht (four hundred sixty-four million, two hundred thousand)
Paid-up Capital	: 464,200,000 million baht (four hundred sixty-four million, two hundred thousand)

1.2 Business Overview

1.2.1 A Revenue Srructure

The company is a manufacturing business and distributes rubber thread, which is divided into two types, including talcum rubber thread and silicone rubber thread. The current manufacturing location is located in Pluak Daeng District, Rayong. We have an annual production capacity of all sizes of rubber thread of 43,000 tons per year. At World Flex, we are a manufacturer and distributor in both the domestic and international markets. To achieve this, we consistently strive to provide high quality products that meet the requirements of international standards and deliver products in a timely manner so that we meet and exceed expectations in customer service, under which we aim to be “A Manufacturer of High-Quality Natural Rubber Thread.”

Revenue by Product Catagories During 2021 – 2023 as follows:

Revenue	Year 2021		Year 2022		Year 2023	
	Million baht	percentage	Million baht	percentage	Million baht	percentage
1. Rubber Thread						
1.1 Powder coated rubber thread	3,532.87	93.55	3,453.52	93.16	2,564.80	93.08
1.2 Silicone coated rubber thread	230.65	6.11	220.57	5.95	177.68	6.45
Total	3,763.52	99.93	3,674.09	99.11	2,742.48	99.52
1. Scrap rubber ¹	1.32	0.03	0.31	0.01	0.14	0.01
2. Chemicals ²	1.18	0.03	-	-	0.89	0.03
Sales revenue	3,766.01	100.00	3,674.40	99.12	2,743.51	99.56
Other Revenues ³	9.03	0.24	14.04	0.38	12.06	0.44
A foreign exchange gain	1.53	0.04	18.56	0.50	-	-
Total revenue	3,776.58	100.00	3,706.99	100.00	2,755.57	100.00

Noted:

- Revenue derived from scrap rubber is a distribution of scrap rubber, that is from the rubber thread manufacturing process, or the quality of rubber thread does not meet required standards. In terms of accounting, scrap rubber that is obtained from a manufacturing process that is directly related to the production of goods is recorded as the cost of goods sold as it is similar to the rubber thread manufacturing process. Therefore, revenue derived from scrap rubber is recorded as sales revenue in order to analyze gross profit gain and gain insight into a company's effectiveness.
- Revenue derived from chemicals is a distribution of chemicals used in the manufacturing process to affiliated companies. In terms of accounting, chemicals used in rubber thread manufacturing are recorded as the cost of goods sold. Thus, revenue derived from chemicals is recorded as sales revenue in order to analyze gross profit gain and gain insight into a company's effectiveness.
- Other sources of revenue include tax rebates, asset sale gains, interest income, and so on. In addition, other revenues on the financial statement for the year 2019-2020 would also include foreign exchange gains. However, other revenues, as shown above, were not included in foreign exchange gains for the benefit of comparing foreign exchange gains noticeably.

Sales volume by types of rubber thread for year 2021-2023 as follows:

Sales Volume	Year 2021		Year 2022		Year 2023	
	amount (tons)	percentage	amount (tons)	percentage	amount (tons)	percentage
Powder coated rubber thread	33,204	92.06	31,811	92.65	2,564.79	93.52
Silicone coated rubber thread	2,380	6.60	2,251	6.56	177.68	6.48
Scrap rubber	484	1.34	271	0.79	0.14	0.01
Total	36,068	100.00	34,333	100.00	2,742.61	100.00

Noted: Scrap rubber is from the rubber thread manufacturing process, or the quality of rubber thread does not meet required standards.

1.2.2 Product Information

1.2.2.1 Types of Products and Services and Innovation

We manufacture rubber thread by using concentrated latex as the main raw material. And we distribute our products to both domestic and international customers. Our rubber threads are typically a part of finished goods such as clothes, apparel, socks, underwear, medical equipment, furniture, etc. Our rubber thread products come in two different types, including talcum rubber thread and silicone rubber thread. The details are as follows.

(1) Talcum Rubber Thread

It is made of rubber threads coated with talcum, which is a talc substance in fine talcum powder form, to prevent stickiness as well as separate each thread while in the manufacturing process. The talcum rubber thread is ideal for various types of industries, for instance, the textile industry, medical textiles, and the furniture industry, etc.









(2) Silicone Rubber Thread

It is made of rubber threads coated with silicone, which is a coating agent made by mixing liquid plastic and chemicals. This prevents the rubber threads from getting sticky and separates each thread while being used in the manufacturing process. The silicone rubber thread is ideally suited to industries with a main focus placed on the environment and reducing air pollution from coating manufacturing, such as the textile industry, medical textiles, and furniture industry, etc.

Picture of Rubber Thread Product



Our rubber thread products and a sample of finished goods using rubber thread as a component part as follows:

Size	Samples of finished goods using rubber thread			
Rubber Thread Large (Count 20-28)				
	Furniture Cushion	Bungee jumping cables	Tie Downs & Straps	Hammocks
Rubber Thread Standard (Count 30-48)				
	Elastic waistband	Elastic Sports Bra	Mask ear straps	Elastic PPE suit

Size	Samples of finished goods using rubber thread			
Rubber Thread Medium (Count 50-65)	 Gloves	 Elastic waistband baby diapers	 Medical headgear	 Elastic underwear
Rubber Thread Small (Count 75-120)	 Socks	 Luggage tag strap	 Gauze bandage	 Elastic bandage

Noted: Count is the size of rubber thread. In addition, the count's number represents the number of rubber threads in 1 strip with a 1 inch width. For example, count 42 has 1 rubber thread strip with a 1 inch width, which means there are a total of 42 counts. In general, 1 rubber thread strip in the manufacturing process consists of 40 counts or those counts depend on the customer's preferences. So, the width of the rubber thread strip can be varied depending on the selected count of 1 rubber thread strip.

Currently, at World Flex, we manufacture talcum rubber thread and silicone rubber thread under our own brand, including eight brands, WORLD FLEX, THAITEX, QUALIFLEX, LT RUBBER, CHANGTHAI, PEGASUS (Blue), PEGASUS (China) and ECOFLEX as follows:

Company Brand Logos	
Premium	  
Standard	   
Other	

The mentioned trademark is a registered trademark in Thailand, having received registration from the Department of Intellectual Property in 2015. However, an exception was made for trademarks containing both Chinese and Roman letters with the word "THAITEX," as the Trademark Registrar issued an order stating that they cannot be registered due to similarities with already registered trademarks. The company has filed an appeal against this decision to the Trademark Committee in November 2021. The appeal is currently under consideration. Additionally, the trademark "ECOFLEX,"

with an application submitted in November 2023, is in the process of registration for goods in Class 23 (rubber threads for use in textiles) and is awaiting approval from the Department of Intellectual Property.

Subsequently, after the sales and marketing teams visited customers and submitted a request for a trial production of small-sized elastic rubber threads (size 120), delivering more than 5 tons to product distributors in China for them and end-users to test. The feedback indicated that the product performed well without issues. However, due to the limited usage of this particular size by end-users and the relatively small market demand, the company decided not to continue production. Instead, it was viewed as an opportunity to enhance the potential and focus the company's workforce on other endeavors.

In the past year, 2023, the company imported machinery for automated packaging box production, aiming to increase the volume of packaged products. The automated system can produce up to 200 boxes per hour, and it is anticipated to potentially reduce the number of manual packaging employees by approximately 10-20 people. This allows those employees to be deployed to other tasks. Moreover, the automated system aids in minimizing packaging errors and reducing accidents that may occur during manual packaging processes.

1.2.2.2 Research and development.

We constantly focus on improving product quality to be globally recognised and manufacture a wide range of products that meet and exceed customers' expectations in various industries, as well as opportunities to grow significantly in the future. We give greater attention to education, research, and development, which allows us to select raw materials and improve the manufacturing process and rubber thread products. Plus, we apply modern technology in rubber thread production to promote productivity growth. Managing cost management effectively and improving quality products helps us to become globally recognised. In regard to this, the company has invested in research and development each year, approximately 1.50-2.00 million baht per year. Learn about our research and development as follows:

(1) Machine Modernization and Manufacturing Efficiency

We are significantly implementing technology in rubber thread manufacturing to create product efficiency and monitor the most effective cost management. We have continuously conducted research and studied new technology related to rubber thread manufacturing, with the know-how philosophy by management teams and company employees who have more than 30 years of experience in this rubber thread business. The company has developed and modified machinery to improve efficiency that suits our rubber thread manufacturing for the benefits of product variety, production time, and quality rate in order to identify the customer's needs in different industries and increase the number of orders. Meanwhile, we can also reduce the cost of purchasing and importing machinery from abroad as well. Therefore, the company has a strong competitive advantage over other manufacturers and distributors of rubber thread. We can also grow our customer base, particularly in new countries, as well as expand our products internationally. Providing a range of varieties of globally recognized products has led to our business continually growing over the past period.

(2) Rubber Thread and Efficiency

At present, rubber thread is most widely used in many industries, such as the textile industry, medical textiles, and furniture industry, and is used in an astonishing range of multiple tasks. Our laboratory line has been conducting research to allow the development of rubber thread to obtain the high quality of rubber thread that satisfies industrial customers to use in the course of their production. Therefore, we have eagerly studied and conducted research on raw material procurement that is used in rubber thread manufacturing, for instance, concentrate latex and chemicals. Those materials are essentially determinants of rubber thread quality, after which the manufacturing process is completely finished. Additionally, the amount of concentrated latex and chemicals changed in proportion along with chemical changes can affect the quality of rubber thread products.

Furthermore, we have eagerly been studying to find the formula of rubber thread for the high quality products that are used in various tasks and enhance our capabilities for new potential industries. Developing and improving the quality and efficiency of rubber thread significantly reduces the defect rate (the company sets a defect rate that is less than 7.00 percent of the total production of rubber thread. Besides, some non-standard products can be sold to produce straps as a part of our sales revenue.

(3) Sustainability and Environment

It is vital for a company to manufacture products while also caring for and resolving the environment by using energy and utility sources effectively. Our environmental engineers are responsible for providing a healthy environment in manufacturing plants. To do this, we have studied and performed an experiment on the amounts of heat energy produced by the manufacturing process, to increase energy efficiency and suit the manufacturing process very well. In addition, we have installed a wet electrostatic precipitator to collect exhaust gas streams on our pollution control before they are released into the environment. Through the development of water resources, we have implemented a water supply system by using natural water sources. Through the process of improving water quality, adding liquid aluminum sulfate (alum) causes the dirt particles in the water to coagulate. Later, in filtration, water passes through a filter designed to remove flocs from the water so that it can be used in the manufacturing process and throughout the plant.

We have also installed a wastewater treatment system to improve the water effluent that can be returned to the water cycle in order to reduce our manufacturing costs. It is important that the company fully help in promoting technology related to pollution control systems in manufacturing processes. The pollution in the manufacturing process includes dust pollution and odor pollution. Regarding dust pollution, it may be caused by the power-coated thread production process. To resolve a problem, we have installed dust control equipment to collect dust from the manufacturing process to prevent it from being released into the environment. In this regard, the company has focused strictly on pollution and environmental control systems, always complying with the rules and standards of the Department of Industrial Works and the Pollution Control Department.

1.2.2.3 Marketing and Competition

1.2.2.3.1 Key Marketing and Service Strategies

1) Marketing Policies in the Year 2023

In the year 2023, the company faced several challenges in various aspects. **Firstly**, the increasing self-consumption rates in China, Bangladesh, Pakistan, India, and Malaysia led to heightened competition among numerous manufacturers. **Secondly**, the interest rates in Bangladesh and Pakistan rose, resulting in tightened bank liquidity and fluctuations in the exchange rate of the dollar. Banks faced difficulties in opening Letters of Credit (LC) and delayed delivery times. **Lastly**, the prolonged conflicts in Russia-Ukraine and other regions, along with the Israel-Palestine conflict and the Red Sea conflict in late 2023, affected shipping and product delivery for the company. Additionally, rubber prices experienced volatility due to weather conditions and the El Niño phenomenon, leading to reduced rubber production and increased energy and chemical costs. Despite these challenges, the company continues to move forward, maintaining a continuous marketing policy to adapt to changes and be prepared for any situation; the policies are as follows:

- 1.1. Expanding the market to India and Bangladesh has been more positive. Although China remains a major customer, there has been a notable increase. In 2021, the company had orders from India totaling 51.2 tons. However, after expanding into the Indian market, the company experienced a significant increase, reaching 126.70 tons in 2022, showing a growth rate of 59.59%. Regarding Bangladesh, the company had orders for 226.45 tons in 2021, which increased to 358.6 tons in 2022, reflecting a growth rate of 36.85%.
- 1.2. Proactively marketing into areas that still have market potential and continuously dominating the market, focusing on countries not significantly affected by war, such as Brazil. In 2023, there were orders for 924.01 tons, up from 525.04 tons in 2022, reflecting a growth rate of 43.18%. Additionally, in Indonesia, there were orders for 925 tons in 2023, compared to 119.78 tons in 2022, representing a growth rate of 87.05%.
- 1.3. Presenting the sale of products under the QUALIFLEX brand, the company focuses on the High-End customer base of competitors who emphasize high-quality, strong appeal, and premium pricing. This strategy aims to enhance product diversity and provide alternatives for buyers and the market.
- 1.4. Offering the sale of products under the ECOFLEX brand, the company targets the Low-End customer base of competitors who prioritize lower quality appeal and not significantly high pricing. This strategy aims to enhance product diversity and provide alternatives for buyers and the market.
- 1.5. Considering more flexible payment terms to be responsive and in line with the financial policies of each country, aiming to enhance market capabilities.

- 1.6. Importing automated packaging machinery to save labor, streamline the packing process, reduce accidents, and lower production costs. Currently, undergoing installation and testing, expected to be operational in early 2024.
- 1.7. Creating brand awareness through direct and indirect sales channels, including contacting potential customers and international visits to engage, understand, and address concerns accurately. Developing products collaboratively with customers, incorporating feedback and suggestions to maximize benefits and achieve the highest level of customer satisfaction.

2) Competitor Overview

The rubber thread industry is influenced by the global economy, trade policies, and regional demands. Globally renowned companies such as “World Flex,” “Rubber Flex,” “HV Filla,” and “NRT” are major manufacturers that provide diverse sizes and types of rubber threads, ensuring stability. Other manufacturers only operate at a regional level or export to specific international markets.

Therefore, competition in each market is presented by a group of manufacturers competing in every sector. Adherence to quality standards and regulations is crucial in the rubber thread industry. Continuous improvement and innovation in product development can give the company a competitive edge. The company must analyze the market requirements and develop products that meet market demands, enhancing its competitiveness.

The company’s image and reputation are crucial in the rubber thread industry, and the quality of rubber threads also plays a significant role in promoting the company’s enduring stability. The level of service and support, whether it be pre-sales, during sales, or post-sales, directly impacts end-user perceptions of the brand and the overall company. Each company tends to build trust in its brand and establish long-term partnerships with key customers.

3) Customer Relationships

The company’s business operations involve contacting and distributing products through two main channels, as follows:

- 3.1. Products are sold through distributors, who purchase from the company and distribute them directly to end users in their respective countries. This distribution method helps reach a larger number of retail customers in different countries.
- 3.2. Selling products directly to end-users involves providing products directly to consumers. This applies to various manufacturers such as clothing, shoe, and furniture manufacturers. In the case of elastic rubber threads, all sales to customers within the country are direct sales.

4) Target Customer Group

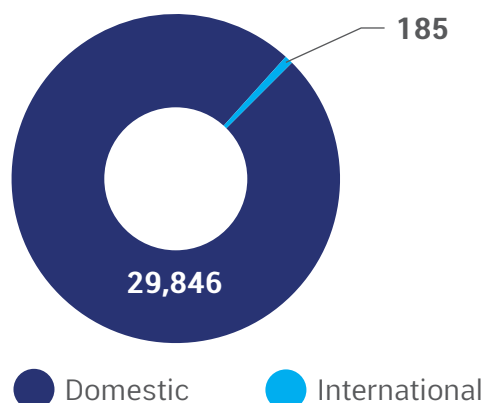
For end-user customers, the company targets businesses with high and stable consumption, particularly those with a deep understanding of the market and products. For product distributors, the main criteria emphasized by the company are reputation, knowledge, and distribution size.

5) Distribution and Sales Channels

It depends on the size of each market, structure, and specific requirements. The company creates distribution channels that maximize market share by selling products directly to end-users, selling to product distributors, or using both channels in the same market.

6) Domestic and International Distribution Ratios

Domestic / International The company has a distribution ratio of 185.4 tons in the domestic market and 29,845.60 tons in the international market, totaling 30,031 tons. This represents 0.62% and 99.38%, respectively, in terms of quantity, and the corresponding values are 19.62 million baht and 2,658.15 million baht. The total value is 2,677.78 million baht. The distribution of rubber thread products is most significant in the standard size category, followed by small, medium, and large sizes, respectively.

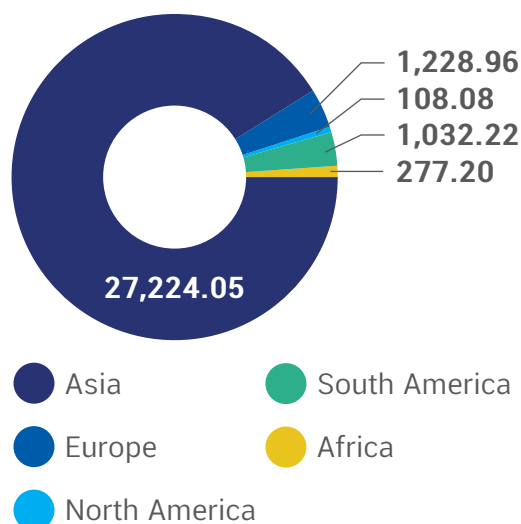


Comparison of Distribution Ratios in Domestic and International Markets (Tons) for the Year 2023:

7) Countries/Groups of Countries Where Products are Distributed.

The company distributes products to 5 continents, including Asia, Europe, South America, Africa, and North America. The distribution is measured in tons, and the distribution proportions are as follows:

Continent	Distribution breakdown (ton)	Distribution breakdown (percentage)
Asia	27,224.050	91.14
Europe	1,228.956	4.11
South America	1,032.220	3.46
Africa	277.200	0.93
North America	108.082	0.36
Total	29,870.508	100.00



The ranking of product distribution by continent (excluding Thailand) in the year 2023.

8) Reliance on One Customer or Distributor for More Than 30% of Revenue, past 3 years.

The table shows the dependence on customers or distributors as a percentage of total revenue for the years 2021-2023.

	2021 (percentage)	2022 (percentage)	2023 (percentage)
Rank 1	21.67	18.97	29.49
Rank 2	21.17	14.07	10.85
Rank 3	13.06	11.52	6.54

For the past 3 years (from 2021 to 2023), the company has relied on customers or distributors on average not exceeding 30% of total revenue. The main reliance is on the primary distributor in China, with a long-standing trade relationship of over 10 years. In 2023, the company's reliance on this distributor was close to 30%, which is a significant figure. This reliance may impact the company's revenue and operations. It is anticipated that in 2024, if the existing distributor continues to place consistent orders, indicating sustained trust in the continuous product purchases, the company will maintain confidence in retaining this customer base while simultaneously diversifying to reduce dependency and mitigate risks associated with overreliance on a single distributor.

9) Reliance On Customers or Distributors Crucial to Company Survival

Although the company may not heavily rely on customers or distributors beyond 30%, it still depends significantly on the Chinese market, a major player in the textile industry. The risk factors are not solely from dependence but also involve economic conditions in China, global economy, and ongoing conflicts in various countries. Nevertheless, the company consistently monitors the situation closely and seeks solutions to prevent issues both in the short and long term.

10) Continuous Product Development

We have continually developed our products to meet and satisfy the customer's needs, which include quality, appearance, and other characteristics of rubber thread. Studying customer behavior both domestically and internationally is important because it helps us develop our products in various ways, for instance, density, tensile strength, elongation at break, sizes etc. We have eagerly been studying to find the formula of rubber thread for the high-quality products that are used in various tasks in different industries. What's more, our engineering teams are knowledgeable and expert in the process of rubber thread manufacturing. We have gradually learned and adapted our knowledge to build our own rubber thread manufacturing machine to increase product quality and efficiency and develop the best high-quality product to meet customers' needs. The company always conducts a market demand survey and collects customer feedback on the products we provide, and uses it to improve and develop products so that they will always meet customers' needs. In 2023,

the company developed a new formula for elastic rubber threads to meet customer demands and diversify its product range. This said product is called FOOD GRADE elastic rubber threads, made from natural rubber blended with safe additives, ensuring it is environmentally friendly. It is suitable for the food industry, specifically for tying fresh meat before cooking. After use, the elastic rubber threads can easily biodegrade. Currently, customers in the European market have shown interest and acceptance of this product.

11) Employee Potential Development

At World Flex, it is very important for us to know our ways of working with members and employees in the organization, as they play a major role in sustaining business growth. In particular, in the rubber thread business, we work together with skilled and knowledgeable employees who have expertise in manufacturing processes. We constantly strive to develop and provide hands-on experience for our workers so they will always be ready for a change. To achieve this aim, we provide an operations manual to each department and manufacturing plant as well. This has benefits for both members and employees, who focus on policies and guidelines and carry out standard operating procedures. Aside from that, we always provide hands-on training to help them sharpen their skills and strive to support them in attending a conference or training session outside their workplace.

1.2.2.3.2 Distribution Channels and Target Customers

We manufacture and distribute power coated rubber thread and silicone coated rubber thread for both domestic and international markets. Most of our products are delivered to our international customers such as China, Bangladesh, Brazil, Indonesia, Pakistan, Cambodia, Russia, etc., covering other continents, like Asia, South America, Europe, North America, and Africa.

Our rubber thread is widely used in the manufacturing process of finished goods, for instance, apparel, socks, underwear, furniture, fishing lures, etc. We mostly sell our products to distributors so that those distributors sell them to potential industrial customers as follows:

1. Textile industry includes t-shirts, pants, socks, underwear, tights etc.
2. Medical textile industry includes cloth masks, PPE suits etc.
3. Furniture industry includes elastic strap under seat cushion and chairs etc.
4. Auto parts industry includes tie downs & straps for motorcycles.

Revenues by Continents Year 2021-2023 as follows:

Revenue	Year 2021		Year 2022		Year 2023	
	Million baht	Percentage	Million baht	Percentage	Million baht	Percentage
Domestic (Thailand)	37.34	0.99	40.01	1.09	20.58	0.75
International						
Asia ¹	3,504.50	93.12	3,459.40	94.16	2,490.89	90.83
South America	98.20	2.61	67.42	1.83	85.55	3.12
Europe	74.81	1.99	76.75	2.09	111.56	4.07
North America	28.73	0.76	8.50	0.23	9.24	0.34
Australia			0.12	0.00		
Africa	19.94	0.53	21.89	0.60	24.66	0.90
Subtotal	3,726.18	99.01	3,634.08	98.91	2,721.90	99.25
Total	3,763.52	100.00	3,674.09	100.00	2,742.48	100.00

Noted: ¹ Revenue derived from power coated rubber thread and silicone coated rubber thread are not included in domestic (Thailand) revenue.

Currently, the company's target customers are mainly in China, as that country is the production base of the world's largest clothing and textile industry. In 2021 - 2023, the company sold products to customers in China accounting for 77.00%, 76.08% and 84.10% of the revenue from the sale of elastic yarn, respectively. Distributors in China have been good trading partners for more than 10 years, and the Company has earned the trust of such customers to buy its products continuously every year. However, the company has focused on expanding the market and selling products to more countries around the world, and in 2023, the company expanded its customer base to include new markets, particularly in countries such as India, Bangladesh, Brazil, and Indonesia. This expansion has contributed to an increase in the company's profitability.

The majority of our company's products are distributed through 2 channels to both domestic and international markets as follows:

1. Distributor: Distributors purchase products from our company and sell them to direct customers in their countries. Through this channel, we have a better chance of distributing products to small customers in many countries.
2. End-user: It is sold directly to end-users, which are industrial customers who use the product in their manufacturing processes, such as garment and textile manufacturers, socks manufacturers, furniture manufacturers, and so on selling rubber thread to our domestic customers leads to our end-user.

Revenue	Year 2021		Year 2022		Year 2023	
	Million baht	Percentage	Million baht	Percentage	Million baht	Percentage
Distributor	2,579.49	68.54	2,382.37	64.84	2,132.01	77.74
End-user	1,184.03	31.46	1,291.72	35.16	610.47	22.26
Total	3,763.52	100.00	3,674.09	100.00	2,742.48	100.00

We mainly sell products to distributors. During the years 2021-2023, there were 68.54%, 64.84% and 77.74% of the total revenue derived from rubber thread per year. We have planned to expand our customer base to new countries, especially in South America and Europe. The result was that the percentage of distributors was high. By using this channel, we are able to reach more new customers as well as end-users.

Furthermore, we are expanding our new customer base, which is primarily comprised of end-users. This means our end-user revenue has gradually increased since 2021. During the years 2021-2023, 31.46%, 35.16% and 22.26% of the total revenue were derived from rubber thread per year.

1.2.2.3.3 Industry Trends and Competition

Industry Trends

The economic situation of the Thai industrial sector in 2023, considering the Manufacturing Production Index (MPI), is expected to decrease by 4.8% compared to the same period of the previous year. This decline aligns with the global economic slowdown, political uncertainties affecting supply chains broadly, and the impact of high energy prices and interest rates, leading to reduced consumption and investment. For the trend in 2024, the estimated Manufacturing Production Index (MPI) is expected to expand by 2.0-3.0%. Key industries with a slowing trend include steel, electrical appliances, and pharmaceuticals, while expanding industries include electronics, automobiles, paper and printing, textiles and garments, rubber, and food. Industries with a stable trend include motorcycles.

Source: Industrial Economic Situation Report 2023 and Trends for 2024, Industrial Information Center, The Federation of Thai Industries.

The industry trend are consistently grow and this trend certainly affect the demand of goods. As is known in China is the world's largest garment and textile manufacturer, so the percentage of sales in China has rose in the first place, of the total sales derived from rubber thread. Industry trends have had a bigger impact on our business operation. It is a key source to help us raising revenue and profit, also guide our business operation. However, the company continues to diversify its distribution share of elastic rubber thread worldwide, covering every continent, including Asia, Europe, North America, South America, and Africa.

Global Textile Industry

The textile industry faced reduced demand in 2023 due to the global economy and a slowdown in trade volume. General trends and the demand for the textile industry in 2024 and beyond will

depend on the global economic recovery and the resolution of political tensions in the short term. Additionally, many textile manufacturers are turning to alternative raw materials, yarns, and other components that offer better value in production costs, aiming to enhance competitiveness with end products. This trend is aimed at addressing these challenges.

Textile Industry in China

China's textile and apparel exports amounted to approximately 293.6 billion dollars (269.4 billion euros) in 2023, representing a decrease of 8.1% and 2.9% when adjusted for exchange rate impact. According to the China Chamber of Commerce for Import and Export of Textile and Apparel (CCPIT-Text), the challenging situation is attributed to uncertainties affecting the global textile market. However, the company remains confident that modernizing equipment and expanding market presence in product groups will help overcome these challenges.

The recent economic downturn can be traced back to the beginning of the year when Beijing lifted various restrictions associated with the stringent "Zero-Covid" policy. However, the China Chamber of Commerce for Import and Export of Textile and Apparel (CCPIT-Text) observed a positive turnaround from April 2023, indicating a growth rebound. There was a slight but significant improvement, with a 5.2% increase in textile exports and a 3.5% increase in apparel exports in December 2023 compared to December 2022.

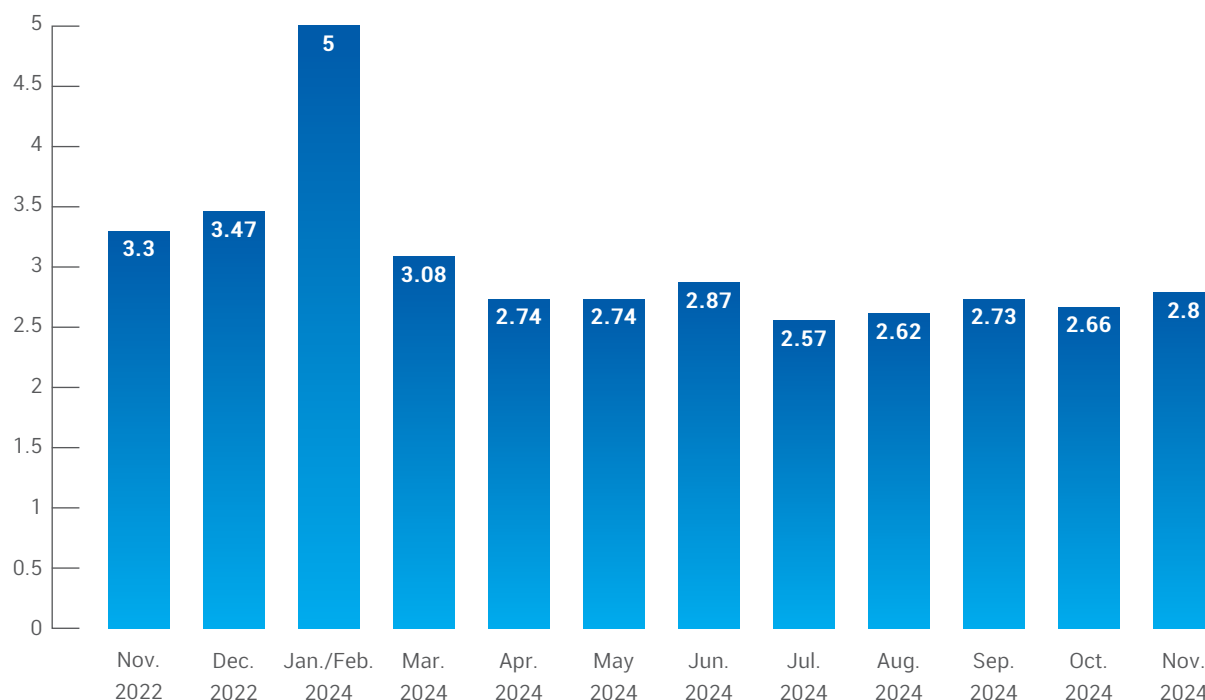
At present, China's textile industry exports to major markets such as the United States and ASEAN (Association of Southeast Asian Nations) remain stable. The textile sub-sector of China has seen a consecutive 5% monthly growth in textile exports to the United States. However, exports to ASEAN contracted by more than 10% from January to November. Additionally, it is evident that countries collaborating on the 'New Silk Road' initiative with China, including Bangladesh, Cambodia, Indonesia, Myanmar, Pakistan, the United Arab Emirates, Egypt, and Turkey, contribute significantly, making up more than 50% of China's textile and apparel exports. Notably, exports to countries such as Russia, Kazakhstan, Saudi Arabia, Singapore, Algeria, and others have performed exceptionally well.

Source: Fashion Network (China: textile and clothing exports down 8.1% in 2023), published on January 25, 2023.

China, as the world's largest producer and exporter of textile products, is directly connected to the global textile demand. In 2024, it is anticipated that the global economy will recover, and with the Chinese government's support for the textile sector, the demand for textile products is expected to gradually increase throughout the year. For long-term trends, the company observes that the rising costs of labor and production serve as incentives for Chinese companies to relocate their production bases to nearby countries with lower labor costs, such as Vietnam, the Philippines, and Indonesia. The company also continues to closely communicate with customers to keep them informed about future expansion plans and distribution channel adjustments if needed. However, we have focused on expanding the market to customers in different continents other than in China, to reduce dependence on customers in China. In 2023, we expanded our customer base to new customer groups. Especially in India and Bangladesh.

The textile production volume in China for the November 2022 – November 2023

unit: in billion meters



Source: Statista (Textile production in China from November 2022 to November 2023)

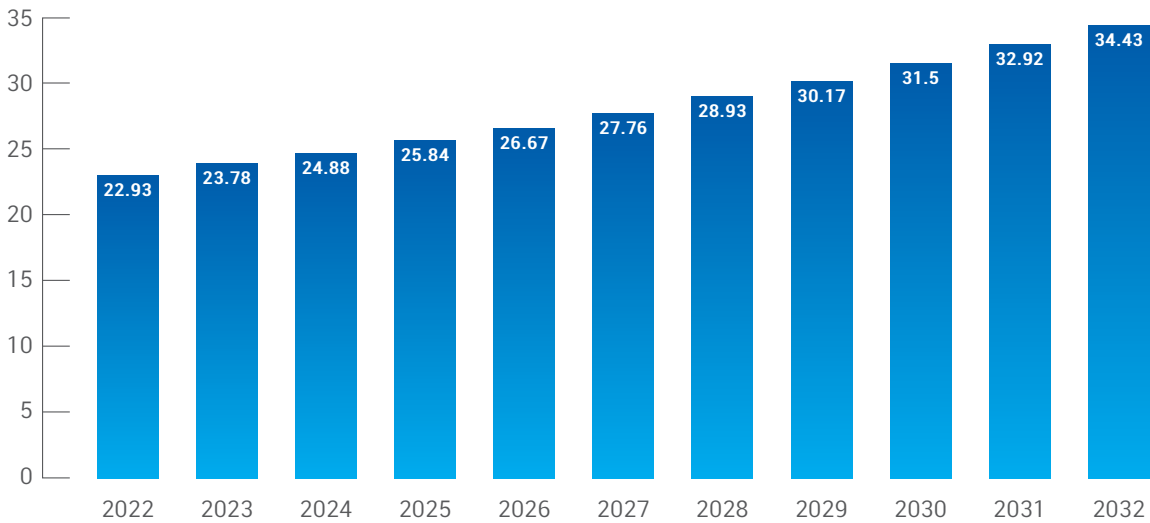
Medical Textiles and Personal Protective Equipment (PPE) Industry

The medical textile industry has experienced one of the highest growth rates, despite a decrease in demand for PPE products compared to the peak of the COVID-19 pandemic. Concerns about potential new outbreaks, new healthcare standards post-COVID-19, increased air pollution (PM 2.5), the aging global population, and a general trend towards self-care have contributed to the sustained demand for medical textile products. This includes health masks, PPE suits, elastic bandages, and many others. There is a strong trend towards sustainability, with manufacturers exploring biodegradable fibers and environmentally-friendly applications for medical textiles to reduce environmental impact. Additionally, to ensure the highest safety standards for medical products, new industry standards and regulations regarding the content and components of these products are being adopted. The company carefully observes these new industry standards to ensure that its products meet customer requirements.

The global medical textile market is estimated to be around 22.93 billion U.S. dollars in 2022 and is expected to have a value of approximately 34.43 billion U.S. dollars by 2032, with a Compound Annual Growth Rate (CAGR) of 4.2% from 2023 to 2032.

The Medical Textiles Market volume in 2021 - 2032

unit: in billion U.S. dollars



Source: Precedence Research (Medical Textiles Market Size 2023 To 2032, Printed August, 2023).

World Furniture Industry

The textile group is one of the fastest-changing groups in the industry when it comes to finished products. However, the rubber threads of Worldflex are used in the production of various types of textiles, which are components of clothing production. Due to the variety of sizes, grades, and details of the elastic rubber threads, clothing factories can easily find the type of elastic rubber thread they need. For the rapidly changing trends in the furniture industry, the specifications of elastic rubber threads for the textile sector are relatively stable. Similar to other textile industries, there is a long-term trend towards sustainability and strength, not only for the final products but also for the new regulations that lead to more sustainable manufacturing processes. The company consistently works to improve our manufacturing processes for sustainability and environmental friendliness, as well as compliance with new regulations related to our products.

Adequacy and Price of Raw materials

Concentrated Latex industry

Concentrated latex is the main raw material used in the manufacturing process of rubber thread. Concentrated latex is an intermediate rubber product that is made from field latex. By rotating the field latex at high speeds in centrifugation to separate liquid and other solutions from the rubber, until the concentrated latex contains no less than 60% of the total latex, which has characteristics suitable for raw materials in the production of latex products such as rubber gloves, condoms, rubber threads, etc.

When analyzing the data from the rubber situation in December 2023 provided by the Rubber Authority of Thailand, based on the analysis of fundamental and technical factors, it is anticipated that the amount of rainfall in December 2023 will decrease compared to the previous months due to the onset of the winter season. This decrease in rainfall is expected to lead to an increased quantity of rubber entering the market. Coupled with this, the rubber prices continue to face significant risks from the economic conditions of key trading partners, as follows:

1) The United States: The economic slowdown trend poses challenges to the possibility of interest rate hikes. In November, the Consumer Confidence Index hit a six-month low at 61.3. Additionally, the Composite PMI, encompassing both manufacturing and services, stabilized at 50.7, with the Manufacturing PMI dropping to a three-month low of 49.4, while the Services PMI increased to 50.8, reaching a four-month high. However, employment components registered a decline for the first time since June 2020. Moreover, the Leading Economic Indicators also signal risks of a downturn.

2) People's Republic of China: The Chinese economy is experiencing continuous pressure due to the ongoing contraction in the real estate sector. Despite government efforts to stimulate the economy through monetary injections, the Purchasing Managers' Index (PMI) for the manufacturing sector contracted for the second consecutive month in November 2023, dropping to 49.4 from 49.5 in October 2022. This figure is lower than analysts' expectations. A PMI below the threshold of 50 indicates a contraction in the manufacturing sector.

3) Europe: The economy in the Eurozone continues to lack driving factors for growth, while the slowdown in inflation and the European Central Bank's (ECB) reduction of interest rates within the mid of 2024. In November, the Consumer Confidence Index improved slightly to -16.9, up from -17.8 the previous month. Meanwhile, the Composite PMI for both manufacturing and services stood at 47.1, contracting for the fifth consecutive month, with the Manufacturing PMI at 43.8 and the Services PMI at 48.2. The latest warning from the European Central Bank (ECB) signals tension in the banking sector. The contracting economic figures reflect the risks of entering a more pronounced downturn in the fourth quarter, and the overall outlook remains fragile due to the continued impact of high-interest rates, which is expected to intensify in the first half of 2024.

Hence, it is expected that rubber prices in January 2024 will experience a sideways consolidation in the short term unless new lows are established. It is anticipated that there will be an accumulation of strength before the possibility of further upward movement.

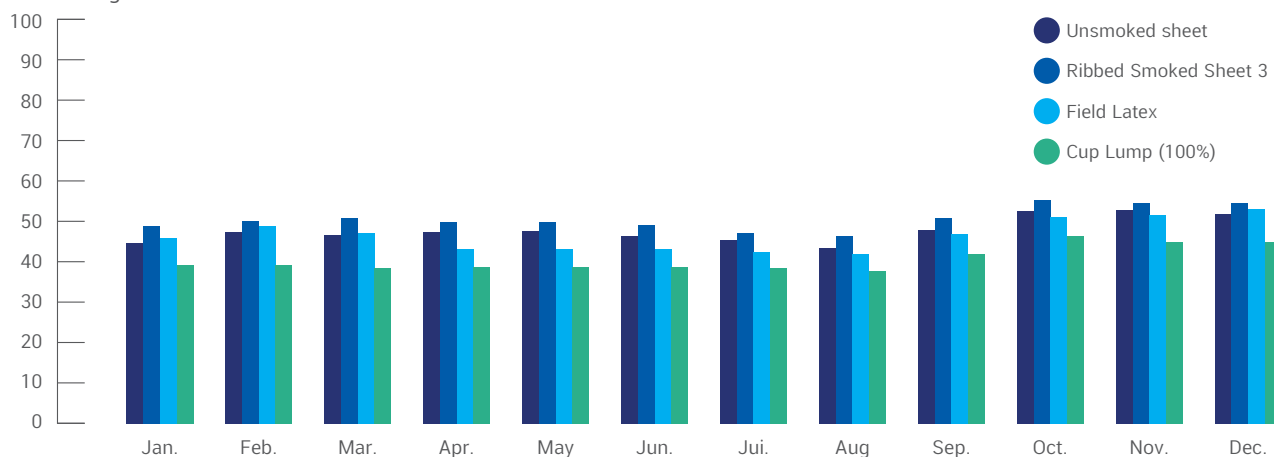
Central Rubber Market Price Sonhkhla Year 2023

baht / Kilogram.

Month / Year	Unsmoked sheet	Ribbed Smoked Sheet 3	Field Latex	Cup Lump (100%)
January 2023	45.20	49.17	46.32	39.50
February 2023	47.38	50.14	49.69	39.62
March 2023	46.96	50.32	47.68	39.06
April 2023	47.29	50.07	43.52	39.29
May 2023	47.87	50.18	43.21	39.82
June 2023	46.83	49.39	43.66	39.59
July 2023	45.50	46.95	42.68	39.19
August 2023	43.73	46.35	42.41	38.36
September 2023	48.43	51.02	47.23	42.65
October 2023	52.97	55.44	51.59	46.77
November 2023	52.84	54.94	52.15	45.70
December 2023	52.63	55.15	53.30	44.83
Average	48.14	50.76	46.95	41.2

Graphs show the Central Rubber Market Price Sonhkhla Year 2023

baht / Kilogram.



Source: The Thai Rubber Association (Central Rubber Market Price Year 2023)

Following the widespread impact of the COVID-19 pandemic, when there was a significant demand for personal protective equipment, particularly thick rubber gloves, in 2023, the demand and prices for rubber stabilized and returned to pre-COVID levels in 2024. The main factors influencing rubber prices in 2024 are expected to be the global economic recovery rate and the rubber cultivation conditions, which are crucial determinants of rubber quantity.

Moreover, the main drawback of concentrated latex is the presence of protein in the fluid, which may lead to allergic reactions in some individuals worldwide who are health-conscious. The global spread of latex allergies has prompted heightened awareness and the development of latex-free alternatives. Certain industries are exploring hypoallergenic materials or latex-free options to cope with this threat. Manufacturers of concentrated latex are actively working to reduce or eliminate the aforementioned proteins, continuously refining formulations. For the company's products, concentrated latex remains a crucial raw material for production. We closely observe and monitor all trends that may impact latex prices in the future and make purchasing decisions accordingly.

Government Policies

Businesses related to natural rubber and Thailand's exports have been continuously supported by both domestic and international governments. In Thailand, the Thai government has set policies to regularly promote and support natural rubber because Thailand can produce a lot of rubber latex. The government focuses on policies that promote and encourage the use of para rubber in the country to maintain stability in rubber prices in the country as well as income stability for rubber farmers. The aforementioned government's policy example is considered to support the downstream rubber products industry, such as the rubber thread industry, rubber gloves industry, tire industry, etc. In 2021, the Rubber Authority of Thailand (RAOT) has started financing for rubber product entrepreneurs, with a total amount of 25,000 million baht to support downstream rubber processing entrepreneurs in expanding production capacity and modifying manufacturing machinery. The government will compensate the entrepreneurs as it actually paid. But no more than 3.00 % per year throughout the 10-year project period (from 2016-2026); accordingly, interest compensation has important criteria and conditions as follows:

1. Entrepreneurs who receive financing to modify their manufacturing machinery every 1.00 million baht must increase domestic rubber consumption by at least 4 tons per year. Except for the first 2 years, for every 1.00 million baht, they must increase domestic rubber consumption by at least 2 tons per year from the date of notification of commencement. If the entrepreneurs don't meet these rules, the government won't pay the interest for that year.

2. Entrepreneurs must have a monthly rubber consumption of no less than 333 kilograms per month per loan amount of 1.00 million baht. If the entrepreneurs don't meet the above requirements, the government won't pay them for that month's interest.

However, we are confident that we will be able to fully comply with the criteria and conditions of the rubber product manufacturer's financing program because our production capacity has been expanded to be able to meet customer demand for our company's products. So we are following the rules and conditions of the program when we eat a lot of concentrated latex.

Furthermore, the company is eligible to participate in business credit support programs according to various policies announced by government agencies, as outlined in the 13th National Economic and Social Development Plan (2023-2027). This plan is designed to transform the country's economy, create value, and advance society sustainably. The focus is on developing four dimensions, including the first dimension of a high-value, environmentally friendly economy, the second dimension of an opportunity-rich and equitable society, the third dimension of sustainable lifestyles, and the fourth dimension of factors supporting the transformation of the country.

A Competitive Situation of Rubber Thread Industry

The business of manufacturing and distributing rubber thread has a large number of manufacturers in the market and is also increasing along with the growth of related industries. However, the process of manufacturing rubber thread requires skills, knowledge, and expertise in the manufacturing process, raw material procurement, and the ability to penetrate target customer groups. Therefore, new manufacturers who enter this business may have such restrictions.

WorldFlex Public Company (Limited) is one of the three largest producers of elastic rubber threads globally, both in terms of production capacity and worldwide sales volume. It is also a market leader in the industry. The company offers a full range of elastic rubber thread products in various sizes (count) and types of coatings, including both powder and silicone coatings available in the market.

List of the world's leading manufacturers of rubber thread

Companies ¹	Countries
1. China Hainan Rubber Industry Group Company Limited	China
2. ELPA Elastiki Iplikler San. Ve Ihr.A.S.	Turkiye
3. Rubberflex SHN. BHD.	Malaysia
4. RUBFILA International Limited	India
5. ZheJiang XinHua Rubber Products Company Limited	China
6. Natural Rubber Thread Company Limited	Thailand
7. World Flex Public Company Limited	Thailand
8. HV Fila Company Limited	Thailand
9. Thai Filatex Public Company Limited	Thailand
10. Long Tex Company Limited	Thailand

Notes: ¹ The list of companies is arranged in alphabetical order.

Source: Company

List of the Company's Major Competitors

Major Competitors	
Companies	Countries
1. Natural Rubber Thread Company Limited	Thailand
2. Rubberflex SHN. BHD.	Malaysia
3. HV Fila Company Limited	Thailand
Other Competitors	
Companies	Countries
1. Long Tex Company Limited	Thailand
2. Thai Filatex Public Company Limited	Thailand
3. Bakee (Fujian) Industry Co., Ltd	China
4. RUBFILA International Limited	India
5. ELPA Elastiki Iplikler San. Ve Ihr.A.S.	Turkiye

Notes: The list of companies is arranged in market share.

Source: Information of insider from Marketing & Sales of the Company

1.2.2.4 Product Procurement and Services

We have rubber thread manufacturing, which is located on Highway No. 3191, Mae Nam Khu subdistrict, Plum Daeng district, Rayong. As of December 31st, 2023., we have estimated the actual production capacity of all sizes of rubber thread to total 31,584 tons per year. In 2021-2023, we had a capacity utilization rate of 98.10%, 76.57% and 89.37% respectively.

The table below show the production volume of rubber thread and the capacity utilization rate of the in 2021 - 2023 as follows:

Production of Rubber Thread	Year 2021	Year 2022	Year 2023
Installed Capability ¹ (tons per year)	45,720	63,000	63,000
Estimated production capacity ² (tons)	35,622	44,148	35,340
Actual production volume (tons)	34,945	33,806	31,584
Powder coated rubber thread (tons)	32,677	31,614	29,421
Silicone coated rubber thread (tons)	2,269	2,192	2,163
Capacity utilization rate ³ (percentages)	98.10	76.57	89.37

Notes:

1. Installed capacity is the maximum capacity that a machine can produce for a single maximum weight of rubber thread. The installed capacity, shown in the table, is the maximum weight of rubber thread that the machine can produce.
2. Estimated production capacity can be calculated from the total average production capacity of all sizes of rubber thread per year. Each size of rubber thread has a different weight. The larger rubber thread is heavier than the smaller ones, which the company says is based on the highest order volume that the company can make in a year, as well as the number of working days and the amount of time the machinery is shut down during that time.
3. The capacity utilization rate is calculated by taking the total amount of rubber thread that can be made and dividing it by the amount of rubber thread that can be made during the time period.

Source: Company

We will focus on expanding the company's production capacity. To support the growth of demand for various products from both existing and new customers, we plan to expand the installed capacity from 54,800 tons per year as of December 31st, 2022 and as of December 31st, 2023-2024 to 63,000 tons per year, respectively. However, we will keep increasing our installed production capacity each year to keep up with the demand for the company's goods, so we will keep increasing our capacity.

Raw Material Procurement

The company pays attention to the selection of quality raw materials according to the specified standards and reasonable prices. In the past, we have continuously built good relationships with distributors, complied with trade agreements and have a good payment history. This is to build our business credibility with business partners over the past 30 years of operation. We have an average credit term of 30-90 days. Providing products and services for the manufacture of rubber thread. The details are as follows:

1. Concentrated Latex

Concentrated latex is the main raw material used in the rubber thread manufacturing process. The company has determined the selection and procurement of concentrated latex from the suppliers. Each time we make a purchase of latex, we will definitely contact at least three concentrated latex suppliers to inquire about the volume of concentrated latex that can be sold to our company, as well as the selling price of concentrated latex. In this regard, we will compare the required quantity of concentrated latex and the appropriate price when selecting the latex supplier in order to be beneficial to our company. However, each time we buy concentrated latex, we are more likely to buy it from one or more suppliers, depending on how much concentrated latex we need and how much it costs to buy it.

In this regard, each time we order concentrated latex, we will refer to the trading price at the market price on the order date. This is the price that each supplier sells the concentrated latex to our company. We will consider comparing the appropriateness of the price with the quantity that suppliers can provide before placing an order every time.

In addition, we have specified the properties of the concentrated latex as a standard in the manufacturing product, which has been notified to the latex suppliers prior to purchasing the concentrated latex. We have a two-step quality control process in place for the high quality concentrated latex from our suppliers. i.e., the first inspection is to check the quality of the concentrated latex samples that the suppliers send to our company for a week before the concentrated latex is delivered. The second inspection is to inspect the concentrated latex before delivering it to the rubber thread manufacturing facility in Rayong. To ensure that we obtained the high quality of concentrated latex with the specified properties.

The Concentrated Latex Consumption in 2021-2023 as follows:

unit: tons	Year 2021	Year 2022	Year 2023
Concentrated Latex Consumption	47,044	44,005	41,840

2. Chemicals

The company purchases chemicals used in rubber thread manufacturing that have the properties determined by the company at competitive prices from many domestic and international suppliers. Every time, we will not only conduct a chemical inspection of the suppliers before delivering but also before using them in the manufacturing process.

3. Packaging

The company produces rubber thread under eight brands, namely: WORLD FLEX, THAITEK, QUALIFLEX, LT RUBBER, CHANGTHAI, PEGASUS (Blue), PEGASUS (China) and ECOFLEX. With packaging, each brand uses corrugated boxes for the outside of the package and plastic packaging for the inside to keep the product safe while it's being moved.

4. Fuels and Energy

The main energy source that the company uses in the production of rubber thread is thermal energy. Currently, we use fuels to provide heat energy in the rubber thread manufacturing process, such as coal, chopped wood, oil palm shells, etc. We purchase such fuels from domestic suppliers and import distributors to get high quality fuels at low costs.

5. Utilities

The main utilities used in the company's business are electricity and water. In addition, electricity is used for the operation of machinery used in the rubber thread manufacturing process and in the offices. At World Flex, we procure electricity from the Provincial Electricity Authority in Rayong. Also included is the water used in each step of the rubber thread manufacturing process, as well as for consumption in the manufacturing plant. We procure water from natural water sources near the site of the manufacturing. And bring it through the process of improving water quality by adding alum to allow contaminated flocs in the water to precipitate. After that, those contaminated flocs will be filtered out, resulting in clean water. For use in the rubber thread manufacturing process and for consumption in the manufacturing plant.

1.2.2.5 Operating Assets

The main assets used in the company's business are property, buildings, machinery, tools, equipment, vehicles, wastewater treatment systems, assets under construction, licensed assets, and intangible assets as follows:

List of assets	Net book value on 31 st December 2023 (Million baht)	Type of ownership	Contingency
1. Land	250.89	Company is owner	mortgage loan as collateral from 2 financial institutions.
2. Building and under construction part	591.40	Company is owner	mortgage loan as collateral from 2 financial institutions.



List of assets	Net book value on 31 st December 2023 (Million baht)	Type of ownership	Contingency
3. Machine	420.96	Company is owner	mortgage loan as collateral from a financial institution
4. Equipment and supplies	278.95	Company is owner	none
5. Vehicle	12.02	Company is owner	none
6. Wastewater treatment system	12.68	Company is owner	none
7. Asset under construction	8.91	Company is owner	none
8. A right-of-use asset**	5.80	Company is tenant	none
9. Intangible asset	0.49	Company is owner	none
Total	1,582.10	Company is owner	none







Notes: **

1. The right-to-use assets in the list of office buildings are the value of the lease agreement for office building space and parking space. It is located at the Bangnathani Building. Soi Bangna-Trad 34, BangnaTai, Bangna, Bangkok 10260.
2. The right assets in the list of instruments and equipment is the value of the copier lease.
3. The right asset in the vehicle list is the value of the vehicle lease for management.

1.2.2.5.1 Trademarks

As of December 31st, 2023, the company has eight company trademarks as follows:

Trademark	Ownership holder	Status
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in February 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>The trademark was registered with the Department of Intellectual Property on April 19, 2022, and will expire on February 1, 2031.</p>
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in February 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>However, the said trademark has been ordered by the Trademark Registrar to be unable to register. Because it is similar to another person's trademark that has already been registered. The Company filed an appeal against the registration refusal order with the Trademark Board in November 2021. The appeal is currently being considered.</p>

Trademark	Ownership holder	Status
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in February 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>The trademark was registered with the Department of Intellectual Property on April 19, 2022, and will expire on February 1, 2031.</p>
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in February 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>The trademark was registered with the Department of Intellectual Property on June 8, 2022, and will expire on April 29, 2031.</p>
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in February 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>The trademark was registered with the Department of Intellectual Property on April 19, 2022, and will expire on February 1, 2031.</p>
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in February 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>The trademark was registered with the Department of Intellectual Property on April 19, 2022, and will expire on February 1, 2031.</p>
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in April 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>The trademark was registered with the Department of Intellectual Property on June 13, 2022, and will expire on April 29, 2031.</p>
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in November 2023 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>So that this trademark is being considered by the department of intelligent property. It may be authorized in 2024.</p>

1.2.2.5.2 Licenses and Certificates

As of December 31st, 2023, the company has licenses and certificates that have been checked by different agencies.

Licenses and Certificates	Description	Issued date	Expiration date	Issued by
Rubber dealing license according to the Rubber Control Act B.E. 2542 (1999)	<ul style="list-style-type: none"> • Buying and selling rubber in the country. • To establish a rubber manufacturing plant. • for the export and import of rubber. • Selling rubber for the production of rubber. 	3 August 2022	19 September 2023	The Department of Agriculture by the Ministry of Agriculture and Cooperatives
Import license	Imported 6,000,000 kgs. of high ammonia natural rubber latex HA 60% DRC from Vietnam.	25 April 2023	24 April 2024	The Department of Agriculture by the Ministry of Agriculture and Cooperatives
Import license	Imported 6,000,000 kgs. of high ammonia natural rubber latex HA 60% DRC from Vietnam.	25 April 2023	24 April 2024	The Department of Agriculture by the Ministry of Agriculture and Cooperatives
STANDARD 100 Product Class 1	International standard certification ensures that products are safe for product users.	31 March 2023	31 March 2024	OEKO-TEX
License for Business Dritimental to health (Form Apr Phor. 2)	Production of rubber thread from natural latex	8 February 2023	31 January 2024	River Khu Subdistrict Administrative Organization
Promotion card number 1316(2)/2556	To encourage investment in the rubber products industry	5 March 2013	15 January 2027	Investment board
ISO 9001:2015	The organization's quality management system standard.	21 June 2004	19 July 2025	Bureau Veritas
Factory license	Manufacture rubber thread from natural rubber latex	25 April 1994	29 May 2024	Ministry of Industry
TGO Guidance of the Carbon Footprint of the Organization	Certificate of Carbon Footprint for Organization	31 May 2023	29 May 2024	Management organization greenhouse gases (Public Organization)

1.2.2.5.3 Rights and Benefits for Investment Promotion - Update

As of December 31st, 2023, the Board of Investment had given the company investment promotion under the Investment Promotion Act B.E. 2520 (1977), which accounted to one item as follows:

Promotion certificate no.	1316(2)/2556
Authorized certificate date	7 th January 2013
Opening promotion date	12 th January 2019
Type of promotion certificate	Type 1.16 Business producing the product from natural latex
Right and benefit	<ul style="list-style-type: none"> • authorized for bringing skilled craftsman or specialist foreigner, conjoint, and person in patronization for two kinds into Thai kingdom in number and period as the committee view as proper. • for the skilled craftsman or specialist foreigner authorized to stay in the kingdom to work in the duty that the committee view as proper through the period that was authorized. • except for the import duty for the machine that the committee consider authorized. • except for the corporation tax for net profit which received from running the total promoting business no more than 100 percent of investment budget excluding the land value and circulating fund, period for 8 years from the day having income from the business. • In the case of running the business during the excepting corporate tax time, a promoted person will be authorized to bring the losses from the last year deducting from the net profit after the period that except the corporate tax, which is not more than 5 years, from the expired date. There will be deducted from the net profit of a year or years. • exempt for bringing the dividend from the business, which is promoted and excepting the corporate tax, to calculate for pay the tax through the period that a promoted person receives the exempt from corporate tax. • exempt for import duty for the product that a promoted person enters for return in a period 1 year from the first date of importation.
Condition for individual project	<ul style="list-style-type: none"> • must be activated within 36 months, from the date of promoting certificate issue. • must have registered and paid-up capital not less than 308.00 million baht. • a person who has Thai nationality must hold all the share not less than 51 percent of registered capital. • must do by the essential of the project which is promoted in the type of product and size of business. • must have an investment size not less than 1.00 million baht. • must apply using the right and benefit of exemption for the corporate tax and report within 120 days. • corporate tax which is exempted the value not more than 90.00 million baht, so that it would be adjusted by the investment budget by excluding the true land's price and circulating fund in the operating day. • must receive the certificate of International Organization for standardization or ISO 9000 or ISO 14000 or international standardization where is equivalent within 2 years from the operating day. • must install the factory in Rayong province, so that, within 15 years from the operating day, the relocation will not be done.

Promotion card number	64-1383-1-00-1-0
Issued date	14 December 2021
Commencement date	Not yet open
Promotion category	Category 1.14.2 Manufacture of natural rubber products
Promoted product	Rubber Thread
Rights and Benefits	<ul style="list-style-type: none"> • Under Section 25, permission to allow the alien skilled craftsman, the alien expert and family to stay in the Kingdom into the Kingdom in accordance with the amount and the length of stay in the Kingdom as determined by the board considers appropriate. • Under Section 26, an alien who is a craftsman or a specialist who is permitted to stay in the Kingdom under Section 25 may work only in a position and do work that has been approved by the Board for the time period specified. Allowed to stay in the kingdom. • Exemption from import duty on machinery approved by the Board under Section 28. • Exemption from corporate income tax under Section 31, paragraph one, for net profits derived from promoted businesses in the aggregate of not more than 100 percent of investment, excluding cost of land and working capital, for a period of eight years beginning on the date of the start of earning from that business. Paragraph three, the income that must be used to calculate the net profit derived from the business under the first paragraph shall include income from the sale of by-products such as scrap or waste from the production process. Paragraph four, in the case of a loss in business during the period of corporate income tax exemption under paragraph one, the promoted person is allowed to deduct the annual loss incurred during that time from the net profit incurred after the corporate income tax exemption period for a period not exceeding 5 years from the date of its expiration. The deduction can be chosen from the net profit of any year or several years. • Under Section 34, exemption from the need to include dividends from the promoted business that are exempt from corporate income tax under Section 31 to include in the calculation of income tax throughout the period that the promoted person is exempt from corporate income tax. • Under Section 36 (1), exemption from import duty on raw and essential materials imported from abroad for use in production for export for a period of 1 year from the date of first import. (Chemicals only) • Section 36 (2) provides for an exemption from import duty on goods imported by promoted person for re-exportation for a period of one year from the date of first importation. (Chemicals only) Since August 24, 2021, which is the date that the board approved the promotion.

Project Specific Conditions

1. The equipment used in the promoted business must be brand new.
 - 1.1 Machines that are exempted or have their import duties reduced It must be brought in by June 14, 2024.
 - 1.2 Must apply for approval of the list of machinery before exercising rights and benefits, such as exemption or reduction of import duty on machinery, in the form and manner specified by the office.
2. Must be completed and ready to operate within a period of not more than 36 months from the date of the issuance of the promotion certificate, which must tell the office that they want to open the operation in the way that the office wants.
3. Must have at least 308,000,000 baht in paid-up registered capital.
4. Must function in accordance with the essence of the promoted project the following:
 - 4.1 Product category: rubber thread.
 - 4.2 Business Size the production capacity of rubber thread is approximately 12,440 tons per year (working time of 24 hours per day, 360 days/year).
By-products are scraps or waste from the manufacturing process.
5. Must have an investment size (excluding the cost of land and working capital) of not less than 1,000,000 baht.
6. Must submit a request for corporate income tax exemption rights and benefits and reports on operating results that have been audited by a certified public accountant to the office for approval within 120 days from the end of the accounting period for claiming the rights and benefits of the corporate income tax exemption for that accounting period.
7. Section 31 paragraphs one and three provide for corporate income tax exemption. The value is not more than 500,000,000 baht, which will be changed based on how much money is invested, excluding the cost of land and working capital at the start of the project.
8. Must obtain a quality system certificate in accordance with ISO 9000 or ISO 14000 or other equivalent standards within 2 years from the date of operation. If you are unable to do so within the specified time, For 1 year, the rights and benefits of the corporate income tax exemption will be revoked.
9. Must set up a factory in Rayong. According to the provincial city planning announcement, the establishment of the manufacturing plant must not be in a restricted area. and must obtain permission from the Ministry of Industry or related government agencies within 15 years from the date of operation. They will not be able to move their plant to set up in another locality unless authorized by the board.

The promoted person must comply with the conditions in the promotion certificate or in the license. If such conditions are violated or not met, all or part of the rights and benefits will be revoked and will be considered part of the promotion certificate.

1.2.2.5.4 Policy for Investment in Subsidiary and Associated Company

World Flex Public Company Limited (“the Company”) has a policy of investing in subsidiaries and associated companies that operate businesses in accordance with the goals, vision, and strategy for the company’s growth. to strengthen or promote the company’s ginger business. However, the company may consider investing in other businesses if it is a business with potential for growth or they may expand the business. Or, beneficial to the business of the group, it may consider investing in other businesses if it is a business with potential for growth or can expand the business of the company. However, the company may consider investing in other businesses if it is a business with potential for growth. It can either expand the business, be beneficial to the business of the group, or generate a good return on investment. The company will analyze and consider the possibility of an investment, expected return on investment, proportional risks include the company’s financial position. Prior to making a decision to invest in any project, the approval of a significant investment must be considered at the board of directors’ meeting. and/or the shareholders’ meeting according to the specified approval authority and in accordance with the rules and regulations related to the capital market supervisory board, Securities and Exchange Commission, and the Stock Exchange of Thailand. This includes rules regarding the acquisition or disposal of assets and the disclosure of information.

In supervising the operations of subsidiaries and associated companies, the company will send representatives who are qualified and have knowledge and competence suitable for the business in which the company invests to be directors, executives, or persons with authority to control the company. And such associates to reflect the company’s stake in that subsidiary or associated company. To act as a supervisor over subsidiaries and/or associates in order to ensure that their operations are in accordance with the law, policy and business plan as well as to supervise any person who has a stake in any matter or has a conflict of interest with subsidiaries and associates, whether directly or indirectly participating in the approval of that matter. Consideration and selection of persons to be directors or executives in each company is at the discretion of the Board of Directors meeting or the authority to approve and operate (Delegation Authority) that has been approved by the Board of Directors’ meeting.

In this regard, entering into any transaction or any action by a subsidiary that has a significant effect or affects the financial position and performance of the company is considered the acquisition or disposition of assets according to the announcement of the acquisition or disposition of assets, or connected transactions according to the announcement of related transactions. This will result in the company’s having a duty to seek approval from the Board of Directors’ meeting. And/or seeking approval from relevant legal authorities before entering in a transaction. Subsidiaries can enter into such transactions with the approval of the Board of Directors’ meeting. And/or the shareholders’ meeting of the company and/or related agencies (depending on the case) already

In addition, the company will determine the measures and necessary steps. To ensure that the subsidiary has disclosed information about the operating results and financial position accurately and completely, the company will take the necessary actions to monitor the disclosure of such information completely and accurately.

Operations Supervision Investment Policy and this management in the subsidiary and associated company will take effect on January 4, 2021.

1.2.2.5.5 Work that has not yet been delivered

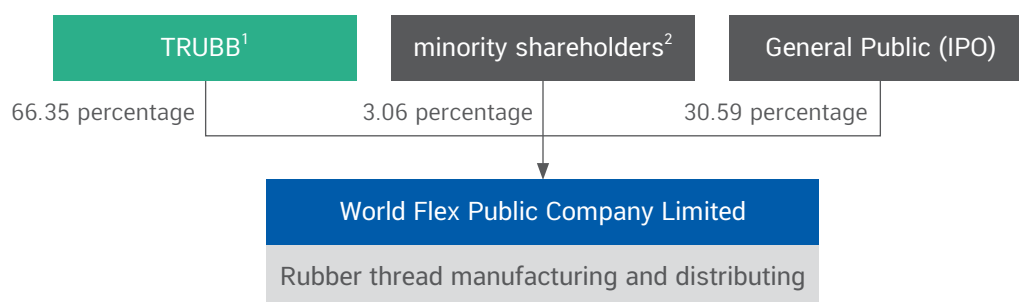
- None -

1.3 Shareholder Structure of the Company

1.3.1 Shareholder Structure

We do not have any investments in any subsidiaries or associated companies. In December 2021, for the first time, the company sold its shares to the public. It did this by issuing the company's newly issued ordinary shares in the amount of not more than 142,000,000 shares, each worth 1.00 baht. This was 30.59 percent of the ordinary shares that had been sold and paid for after the initial public offering (Initial Public Offering).

Currently, in 2023, the shareholding structure, after the initial public offering of ordinary shares. The details are as follows:



Notes:

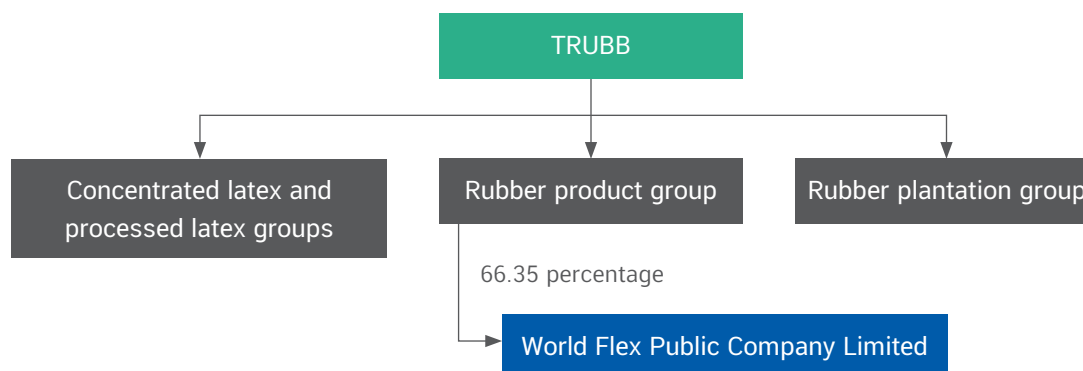
¹ TRUBB is Thai Rubber Latex Group Public Company Limited is a listed company on the Stock Exchange of Thailand.

² Minor shareholders are general investors, directors, executives, and employees of the company.

For Directors The company's executives and employees received a total of 14,200,000 employee stock option program (ESOP) shares. To increase the company's registered capital of 142,000,000 baht with a par value of 1.00 baht, ordinary shares can be sold in the amount of 100% of the number of ordinary shares received from December 24, 2022 onwards, in accordance with the conditions of allocation of shares (not to sell ordinary shares received from the date the company's shares are traded on the Stock Exchange of Thailand on the first day until the maturity date of 1 year).

1.3.2 Relationship with A major Shareholder

After the initial public offering (IPO), TRUBB is a listed company on the Stock Exchange of Thailand until December 31, 2023, holding shares in the company of 66.35% of the issued and paid-up capital. After the IPO, the relationship between the company and the TRUBB group of companies can be shown as follows:



TRUBB as a major shareholder of our company, has no benefit that may conflict with the best interests of the company, whereby the company and TRUBB and TRUBB's subsidiaries have a clearly separated scope of business, with the company being the flagship company of the TRUBB Group. In the business of manufacturing and distributing rubber thread, while TRUBB and its subsidiaries will be in the business of manufacturing and distributing latex and processed latex. And other rubber products such as rubber blocks, mattresses, latex pillows, etc. including the rubber plantation business. On January 1st, 2021, TRUBB signed an action agreement with the company, which has determined that TRUBB will not engage in any business, whether directly or indirectly, that is considered competitive and/or may cause conflicts of interest with the company's business operations. Whether they are running a business on their own or in collaboration with other partners, including being a shareholder, director, or managing partner's employee, employee, consultant, or representative.

At present, we procure concentrated latex, which is the main raw material for the production of rubber thread, from TRUBB. Therefore, we have a related transaction with TRUBB, which is a normal business transaction for our company. Such transactions occurred from the past to the present, and such transactions are expected to occur continuously in the future. Although we have a good relationship with TRUBB and our latex procurement from TRUBB is higher than other latex suppliers both domestically and internationally. Manufacturers in Thailand make more than 80 types of concentrated latex that make more than 3.01 million tons of latex a year. This is considered a large quantity to be used in our rubber thread manufacturing process, even in the event that TRUBB is unable to supply us with concentrated latex. According to the quality and quantity required by the company, However, in 2023, we entered into a concentrated latex sales and purchase agreement with TRUBB for a period of one year from January 1st, 2023, to December 31st, 2023, requiring TRUBB to supply concentrated latex to our company at a minimum quantity of 18,000 tons per year at the market price on the date of ordering the concentrated latex. It is critical that we have confidence in the availability of concentrated latex each year. However, the selling price of concentrated latex from TRUBB is comparable to the price of latex from other concentrated latex suppliers. It is fair and in the best interests of the company. We have established policies and guidelines for the procurement of concentrated latex. At least three latex suppliers' quality, quantity, price, and trade terms will be compared before making a purchase decision every time.

1.3.3 Shareholder

As of November 20th, 2023, the company had a total of 5,654 shareholders. The company's shareholder structure as of November 20th, 2022 can be summarized as follows:

List of shareholders	As of November 20, 2023	
	number of shares	percentage
1. Thai Rubber Latex Group Public Company Limited	307,999,100	66.35
2. Mr. Chawalit Tiyadechachai	9,022,310	1.94
3. Mr. Pichai Purimaporn	3,930,000	0.85
4. Mr. Bodin Janjai	3,300,000	0.71
5. Mr. Chairit Satayaprasert	3,264,700	0.70

List of shareholders	As of November 20, 2023	
	number of shares	percentage
6. Mr. Nat Vongsasuthikul	2,330,040	0.50
7. Mr. Vorathep Wongsasuthikul	1,983,378	0.43
8. Mrs. Tippawan Suthathipkul	1,623,958	0.35
9. Mr. Songkiat Srisuwan	1,539,000	0.33
10. Mr. Pornchai Techateerakul	1,455,800	0.31
Other Minority Shareholders	127,751,714	27.52
Total	464,200,000	100.00

Note: The first 10 shareholders are sorted by the (TSD) - Thailand Securities Depository Co., Ltd.

1.4 Authorized Capital and Paid-up Capital

As of December 31st, 2023, the company has a registered capital of 464.20 million baht and a paid-up capital of 464.20 million baht, divided into 464,200,000 ordinary shares with a par value of 1.00 baht per share.

1.5 1.5 Other Securities Issuance

- None -.

1.6 Dividend Policy

We have a policy of paying dividends to shareholders at a rate of not less than one-third of the net profit from the separate financial statements after corporate income tax and reserve allocation. All types as stipulated in the laws and regulations of the company. The dividend payment may be less than the above rates. Taking into account various factors such as economic conditions, operating results and financial position of the company, cash flows, working capital investment and business expansion plans, loan agreement liabilities, conditions, and restrictions, and other suitability. The board of directors will consider it carefully. However, the annual dividend payment must be approved by the shareholders' meeting. Except for the payment of interim dividends, which the board of directors may from time to time decide to do. When the company has reasonable profits to do so. The company will report the said dividend payment to the shareholders' meeting at the next meeting. It must not be against or in conflict with the law, as the board of directors and/or the shareholders decide.

Details of the company's past dividend payment

Year	2021	2022	2023
Earnings Per Share	1.100	0.43	(0.30)
Dividend per share	0.465	0.21	N/A
Dividend payout ratio net profit (%) (percentage)	60.00	49.00	N/A

2. Risk Management

2.1 Risk Management Policy and Procedures

The company believes that conducting business with effective risk management and operating systematically on the basis of accepted international practices will assist it in responding to strategies and dark environments. As of today, the business is changing. In order to reduce the impact, the company has followed the guidelines for directing, evaluating, monitoring, and monitoring the changing circumstances from both internal and external environmental factors. This includes its impact on stakeholders, including communities, society, the environment, and shareholders. risk management instruments in seeking opportunities under the risk management framework adopted by the company is in accordance with the principles of the Committee of Sponsoring Organizations of the Treadway Commission (COSO ERM 2017) as a risk management guideline, which has the following risk management elements:

1. Objective Setting
2. Risk Identification
3. Risk Assessment
4. Risk Response
5. Control Activities
6. Monitoring & Evaluation

From the elements of the risk management process according to the guidelines of COSO above, there are 6 steps that all departments have to perform continuously, known as the "risk management process". In addition, the other two items are the internal environment of the organization and information and communication. It is a part of the 6-step risk management process that makes it more efficient and increases the chances that risk management will meet its goals.

Internal Environment

We will provide a favorable environment and atmosphere, which is the basis for other steps. If there is an unpleasant internal environment in the organization, it will affect the strategy and goals of the company. Determination of risk identification, assessment, and management activities. The elements that are important to the environment include:

- 1) Philosophy, belief, and culture of risk management to create long-term value for the company.
- 2) The role of the Audit Committee is an important factor in overseeing risk management.
- 3) Choose personnel with knowledge and abilities that can be developed to meet the job responsibilities.
- 4) Establish a suitable organizational structure.
- 5) Determination of appropriate authority to allow employees to perform their duties to achieve the company's objectives.

Information & Communication

1) There must be clear communication from the board of directors and senior management about risk management policies. This will allow all employees to understand their roles and responsibilities in risk management and change their behavior and/or activities because they expect the risk to be at a level that is safe.

2) In order for executives and employees to stay up-to-date, perform their jobs and communicate effectively, the source of information must be identified, gathered, stored, and communicated in a specific way and at a specific time.

It receives concrete support and pushes from executives and personnel at all levels. To ensure blackening, policy and operational aspects of risk management in various dimensions are required. The business under the company's strategic plan will be efficient and operated effectively by the company. Maximum benefit to all stakeholders Under the risk management guidelines, the company has been provided with the ability to ensure that the company is committed to the risk management of the company. Structure and policy of administration Risk is clear, systematic, and up-to-date. The company's risk management structure in 2023 is divided into two levels, as follows:

- **Enterprise Risk Management:** Through the Board of Directors the Risk Management Committee (RMC) is appointed by the Board of Directors to determine the policy and management framework. Risk the organization and supervise and advise on risk management practices in accordance with changing management circumstances.
- **Managed Risk Management:** Through the Board of Directors Risk Management and Internal Control Committee (RMCC), which is responsible for driving blackouts. In accordance with the policy, assessment, monitoring and management of risks in various dimensions are required, which include: Respond to emerging risks in a timely manner.

The company also attaches importance to ensuring the adequacy of the risk management system implemented by the audit committee. The Audit Committee (AC) and the Board of Directors conduct an annual review of the effectiveness of risk management performance to ensure that the company has implemented risk management tools that are used to support business efficiency in a concrete way.

Risk Management Culture

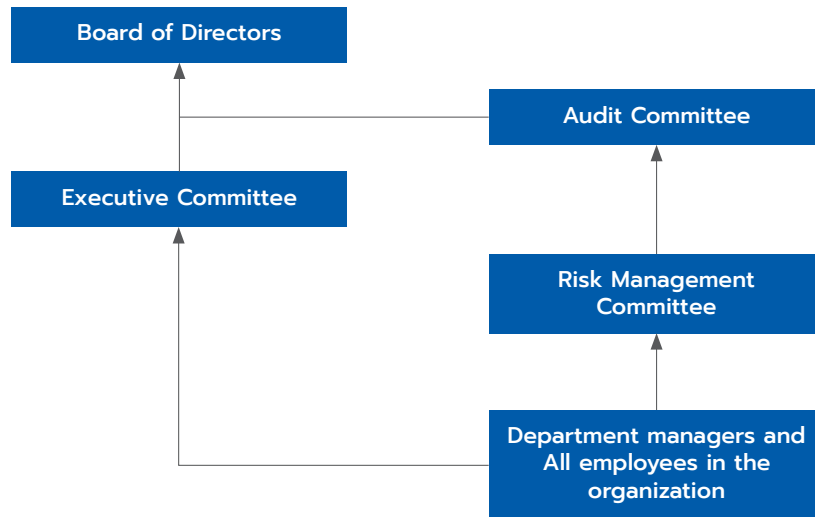
The company believes that with its business philosophy aimed at creating shared value for all stakeholders and good management, problems and obstacles under various changes can be managed and mitigated to the extent that they can be controlled. The company provides the company with the to promote a culture of good risk management throughout the organization systematically, both in the short and long term, through various approaches such as risk management policy formulation and risk levels at the company, acceptable as a framework for operations, including the roles and responsibilities of employees at all levels. Defining and implementing guidelines to monitor and supervise risk management across the organization and workshops, including designating risk management as one of the black scorecards. Senior management's efforts to create incentives to drive overall risk management in order to maximize company efficiency, etc.

2.1.1 Risk Management Structure

The risk management structure consists of the risk management committee and the risk management working group at all levels.

At the corporate level, including the risk management committee under the policy and supervision of the executive committee, there is a chief executive officer as the chairman. They are in accordance with the company's guidelines on accountability measures and responsibilities.

Department level: department manager and all employees within the organization (called the working team) under the supervision of the risk management committee.



2.1.2 Risk Management Process

The Company's risk management process according to COSO's guidelines consists of 6 steps as follows:



Step 1 Objective Setting

To know the scope of operations at each level and analyze the expected risks in their entirety, and to achieve the overall objectives, to achieve the following goals:

1. It must be clear, measurable, practicable, reasonable, and have a time frame for completion. which is in accordance with the principle of “**SMART**”, which stands for

- **Specific** : specific / unambiguous
- **Measurable** : It is measurable
- **Achievable** : Achievable / Practical
- **Reasonable** : Be true and reasonable
- **Time constrained** : There is a time limit / time frame

2. It must be connected to the goals and be in accordance with the objectives of the company. A person's “Risk Appetite” and his or her “Risk Tolerance” are two indicators that show how much risk he or she can take.

Risk Appetite means the type of risk factor and the level of risk that the company is willing to accept to help the company. Achieve the vision and mission of the company.

Risk Toerance means to the degree of deviation from the type of risk factor and the level of acceptable risk.

Step 2 Risk Identification

Risk identification is to find out what risks are likely to occur and thus the unit. Risk identification tasks and organizations fail to achieve the objectives for which risk identification involves the following steps:

1. Considering activities, projects, and related work processes, According to the company's plans, such as annual action plans, annual business plans, and so on, they stop them from meeting their goals and objectives.

2. Identify risks or search for risks and causes by considering the sources of risks, both internal and external factors that affect the performance of each activity, project, work process, failure to achieve objectives and goals.

Here's how to identify key risks:

- 1) Analyze the passage of work and documents (or process analysis.
- 2) Brainstorming
- 3) Plan a workshop.
- 4) Data collection of the history of damage incidents.

Sources of internal risk factors. It may come from the following factors:

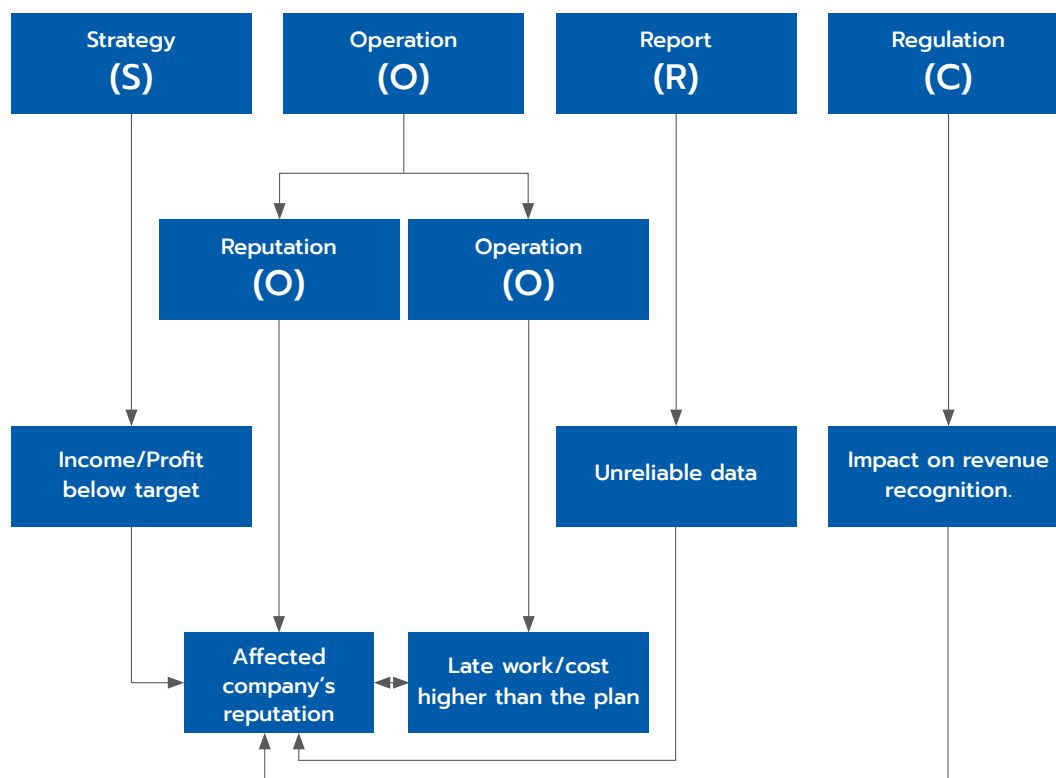
- 1) Objectives of the Company.
- 2) Policy and Strategy.
- 3) Operation and Workflow.
- 4) Structure of the organization and management system.
- 5) Finance

Sources of external risk factors. It may come from the following factors:

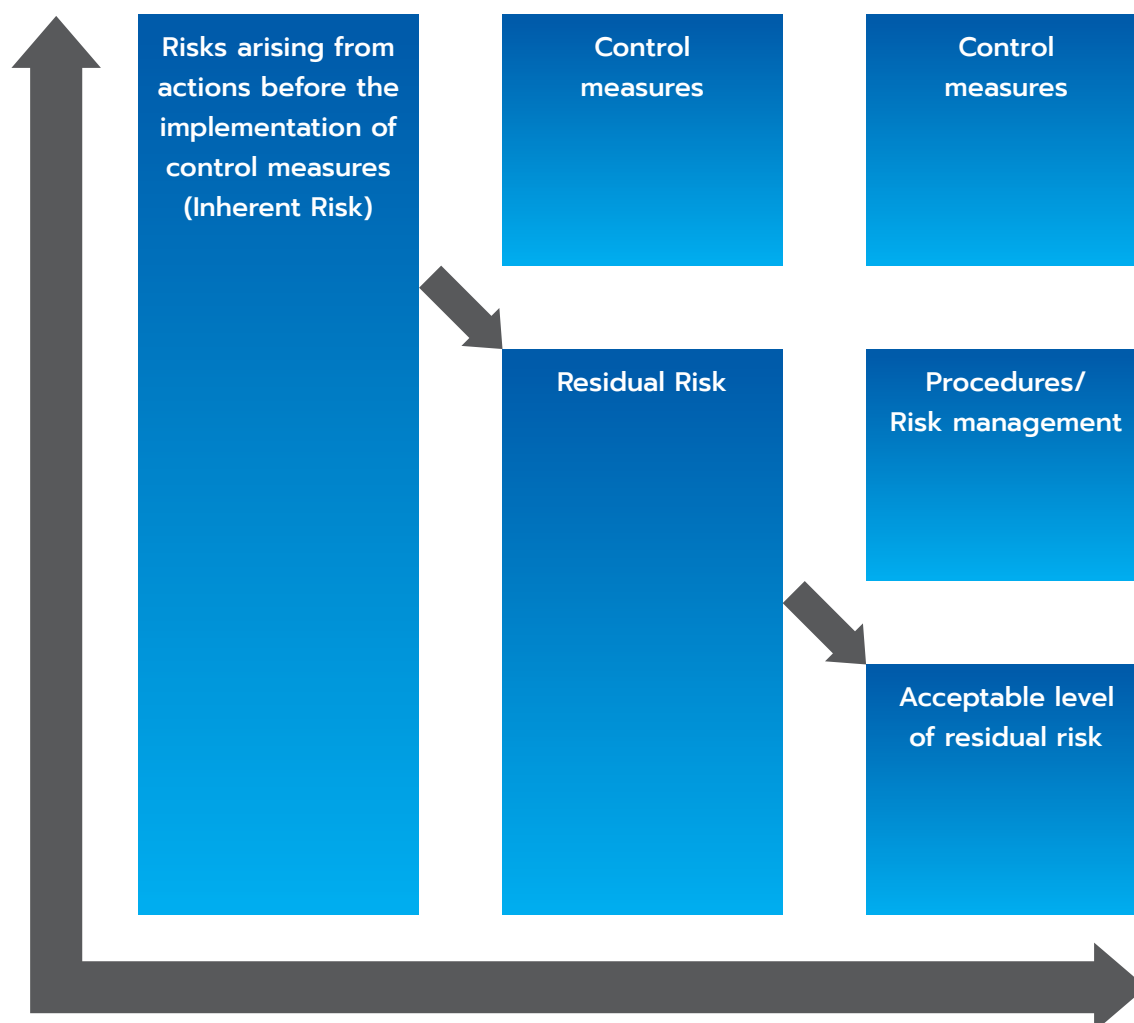
- 1) Government Policies
- 2) Economic conditions
- 3) Competition (Business Rivals)
- 4) Rules
- 5) A natural event
- 6) Miscellaneous

3. Risk classification can be divided into 4 types as follows:

- 3.1 Strategic Risk: (S) refers to the risks arising from improper formulation of strategic plans and implementation of strategic plans, including inconsistencies between policies, goals, strategies, and organizational structures. Competitive situation.
- 3.2 Operational Risk: (O) refers to the risk arising from every step of the operation, covering factors related to the process. Technology equipment and personnel are in use.
- 3.3 Report Risk: (R) refers to the risk associated with reporting various pieces of information that need to be accurate and clear to build credibility. For instance, risks, reporting on the company's performance, etc.
- 3.4 Compliance Risk: (C) refers to the risk arising from the inability to comply with applicable legal regulations or improperly existing legal regulations or a stumbling block in performance.



Step 3 Risk Assessment



Risk assessment is a measure of the severity of a risk by taking the risks identified in Step 2 (Risk Identification) and assessing them. With the following steps:

1. Consider the risks arising from the action before taking the risk control measures derived from the identified risks in Step 2, taking into account the severity of the risks. And the likelihood that it will occur prior to the implementation of control measures (Inherent Risk).

2. Determine the existing control measures (controls) in place to control or reduce the risks associated with each risk cause.

3. Assess the remaining risks after the control measures (residual risk) by analyzing the likelihood and severity of the impact (impact) according to the criteria for determining the level of risk likelihood (likelihood) and the severity of the impact (impact), which can be considered both qualitatively and quantitatively by the company. There are five levels of evaluation criteria.

“risk level” is equal to the product of the likelihood and the severity of the impact.

4. Bring the “risk level” that has been assessed in accordance with item 3 to be prioritized by the importance of the risk, for a total of 4 levels as follows:

- **Level 1. E:** Extremely Risk must be managed immediately. The management must closely monitor (score level 16-25 points).
- **Level 2. H:** High Risk, which requires management's careful attention (score level of 10-15 points).
- **Level 3. M:** Moderate Risk, which must define the responsibility for risk management (4-9 points).
- **Level 4. L:** Low Risk, which manages the risks with the usual method (score level 1-3 points).

Risk assessment must be carried out both before the preparation of the risk management or management plan and after the implementation of the risk management or management plan. This will determine how efficient and effective the risk management or management plan is and whether the risk management or management plan should be reviewed or improved.

The Risk Matrix and Acceptable Risk Levels

The “Risk Management Committee” set an acceptable risk level of not more than 5.

Risk Level and Impact

Level		Insignificant	Minor	Moderate	Major	Catastrophic
Probability		Insignificant	Minor	Moderate	Major	Castastrophic
		1	2	3	4	5
Often	5					
Frequently	4					
Sometimes	3					
Seldom	2					
Rarely	1					

Step 4 Risk Response

The preparation of a risk management plan means determining the operational guidelines to reduce the likelihood of loss by taking the results of the risk assessment from step 3 and preparing a risk management plan accordingly. The importance of risk to the risk-owner organization who understands the risks that are most relevant to their own departments and develops a risk management/management plan by analyzing how to manage the anticipated risks? One or a combination of methods to reduce the likelihood of this happening. And/or reduce the severity of the impact to an acceptable level and prepare a risk management/management plan for its unit.

Methods for risk management

1. Assess and manage the anticipated risks. There are four methods of risk management (4T) as follows:

- 1.1 Treat is to control risks or find ways to manage risks, such as using technical engineering techniques, preparing an emergency plan, improvements in operating processes, etc.
- 1.2 Transfer is to make insurance or hiring a third party to act on your behalf, for example.
- 1.3 Terminate is to eliminate risks or avoid accepting them at all, such as changing objectives or stopping activities, etc.
- 1.4 Take is because the organization may have effective control systems or sufficient funds to cover potential impacts, or the level of risk may remain within acceptable limits. Or acceptance of risk due to risk management expenses. The control system may be worth more than the results obtained. But there should be a measure of monitoring and supervision.

However, in choosing a risk management method, consideration must be given to comparing the cost of management or management of risks with damages incurred.

2. Create additional risk management/management plans by following the steps below:
 - 2.1 Select methods and alternative measures from risk management methods (4T) to reduce residual risks to an acceptable level and in accordance with the stated objectives.
 - 2.2 A comparative study of the feasibility and cost of each alternative under (1) taking into account the worthiness of the investment, both monetary and non-monetary, provided that the operating cost must not be high; than expected damage.
 - 2.3 Choose the best method by defining the responsible person/period/budget and setting an action plan

Step 5 Control Activities

Control activities are policies and operational guidelines for control established by management to ensure that an effective risk management/management plan is clearly defined for those responsible and the timing of implementation. And that control activity is one of the methods of risk management/management. For example, Control activities.

1. Maintain control by establishing policies and procedures.
2. Examination and operational supervision.
3. Computer system and computer management.
4. Physical controls.
5. Index of Performance Indicators.
6. Separation of duties and responsibilities.

The most beneficial control activities should be included in the process to be able to prevent and reduce the risks to an acceptable level. The operating costs must not be higher than the expected damage.

The control activities will enable the intended additional risk management plan to achieve its objectives by providing additional policies and procedures. It clearly defines the responsible person and the time for completion. In some cases, additional internal control processes may be established, clearly stipulating the responsible people and the timing for completion. In other cases, more internal control processes may be set up, such as review, supervision, more separation of duties, and so on.

Control activities are one component of the internal control system in the form of suggestive control in order to improve and develop the operating system and internal control system to suit the situation that the unit has to establish to reduce risks. This is a good thing because it saves money and gives the management more confidence in the effectiveness of the internal control system they already have.

Step 6 Monitoring & Evaluation

Monitoring and evaluation means the process of quality control, performance, and evaluation. Additional risk management/management plans or control activities that are implemented on an ongoing and consistent basis through performance monitoring and periodic assessments to ensure efficient and effective risk management/management. Therefore, the progress, problems, and obstacles in risk management/management must be reported to serve as a guideline for further review or improvement of the management/risk management plan.

2.2 The Operational Risk Factors for a Company

2.2.1 Operational Risk factors

2.2.1.1 The risk of procurement of concentrated latex, which is the main raw material used in the production process.

Concentrated latex is the main raw material for the production of rubber thread. In the past, the amount of concentrated latex used in the production of rubber thread in 2021-2023 amounted to 47,044 tons, 44,005 tons, and 41,840 tons respectively, in which the company was able to supply sufficient latex to equal the amount of concentrated latex used in the company's production process as always. From 2021-2023, the company purchased a volume of concentrated latex from both domestic and international latex suppliers amounting to 47,055 tons, 43,871 tons and 42,940.40 tons per year, respectively. We also purchased the concentrated latex from Thai Rubber Latex Group Public Company Limited ("TRUBB") in 2021-2023 which accounted for 66.98%, 60.75% and 49.01% of the total purchase value of latex per year, respectively.

In the past, we relied on purchasing concentrated latex from TRUBB in a higher proportion than when purchasing latex from other suppliers. This is because TRUBB's concentrated latex is of the quality specified by our company. In addition, TRUBB has a total of five concentrated latex manufacturing plants located in three regions where there are rubber tree plantations, with a total production capacity of approximately 240,000 tons per year. This enables TRUBB to continuously supply concentrated latex to the company with the quantity and quality that we need throughout the year.

In addition, we have good trade relations with other latex suppliers. In the past, during 2020-2023, we purchased concentrated latex from more than 10 distributors other than TRUBB, whose total concentrated latex production capacity is sufficient to meet our company's consumption of concentrated latex. In addition, we also import latex from abroad in order to create trade alliances with overseas latex distributors. Therefore, we are able to supply the amount of sufficient latex used in the company's manufacturing process. Even though TRUBB is unable to sell concentrated latex to the company according to the quantity required by the company.



In the past, the company never experienced a shortage of concentrated latex, which is the main raw material used in the rubber thread manufacturing process. However, if there is a shortage of concentrated latex both in the domestic and international markets, we are unable to continuously procure latex from other sources of good quality. This directly affects our business operations, finances, and business chances.

However, since we have been in the business of manufacturing and distributing rubber thread for more than 30 years, we have gained experience and expertise in business operations. As a result, we have been very careful to keep an eye on the latex market and to plan ahead for the purchase of concentrated latex in order to have enough latex for the rubber thread-manufacturing process at the best prices for the company. In addition, we are always prepared to find new distributors of concentrated latex both domestically and internationally as an alternative to the company. In the event that our existing distributors of concentrated latex cannot continuously sell sufficient quantities of concentrated latex to the company.

2.2.1.2 Volatility and Market Risk of Rubber Price

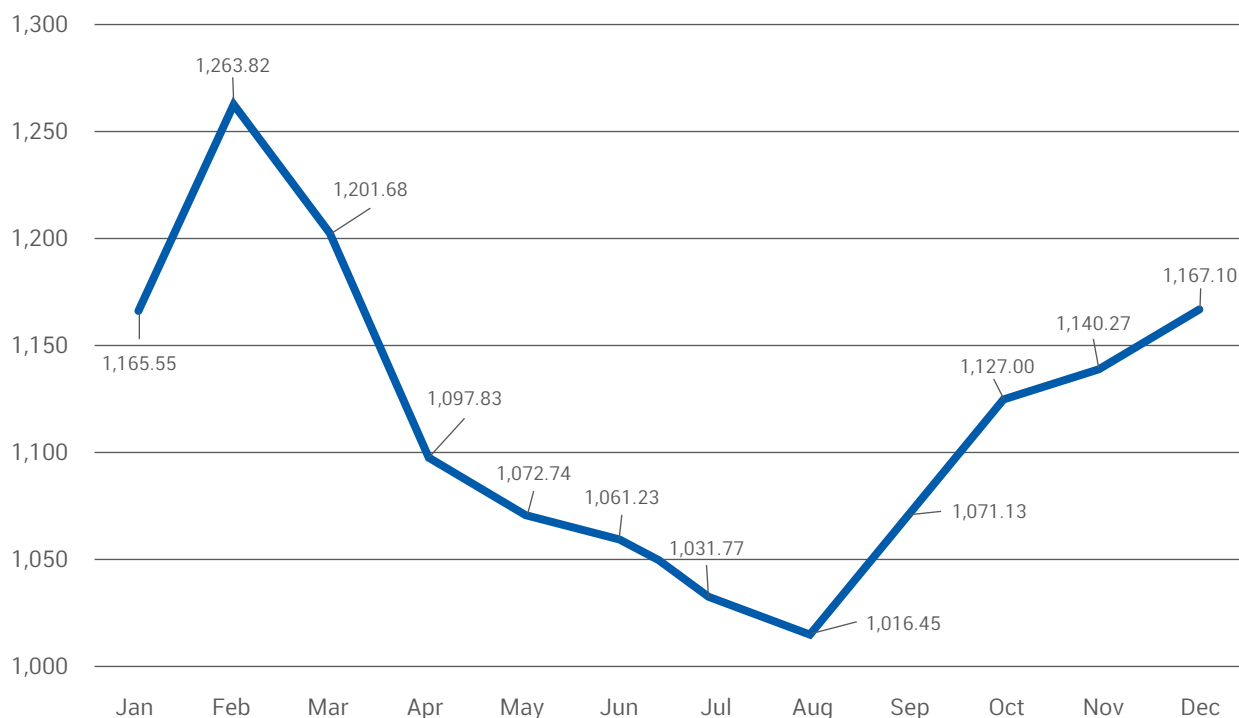
The cost of concentrated latex is the main cost of the company. This is because concentrated latex is the main raw material for the production of rubber thread. In 2023, the cost of raw materials of concentrated latex accounted for 52% of the total cost of sales of rubber thread. Therefore, the change in the price of concentrated latex may affect the production cost of the company's rubber thread. Concentrated latex is a midstream product produced from natural rubber latex. Therefore, the price of concentrated latex varies with the price of natural rubber latex. Because natural rubber latex is a commodity, its price changes depending on how much natural rubber there is in the market and how much there is available. This changes because of many different things such as economic conditions, the climate, and the price of product substitution, government regulation, etc.

Some of these risks include:

- (1) The price volatility of natural rubber, derived from rubber trees, is influenced by various agricultural factors such as weather conditions, seasons, and diseases affecting the rubber trees. These factors, combined with global rubber demand, contribute to the price fluctuations.
- (2) Risks along the supply chain, seasonal variations, and events such as natural disasters and economic crises may impact the overall availability of rubber for manufacturers. While fluctuations in demand from other industries, such as the medical or automotive sectors, can also affect supply and natural rubber prices in the market, potentially leading to shortages or excess supply.

Natural rubber latex and concentrated latex prices in Thailand for 2023.

unit: THB/Kg



Source: Rubber Authority of Thailand and Thai Latex Association <http://www.tla-latex.org/>

There may also be changes in the price of concentrated latex, which is the main raw material for manufacturing rubber thread. This may lead to higher costs for rubber thread sales, which could hurt the company's profits.

However, we closely monitor the situation of concentrated latex and natural rubber prices in both domestic and international markets by always asking and comparing prices of the quantity and the concentrated latex from each latex supplier. The purchase of concentrated latex is planned to be consistent with the rubber thread production plan. The Company will purchase concentrated latex in advance in quantities consistent with the rubber thread production plan. Therefore the company can reduce the risk from fluctuations in the price of concentrated latex in the market and manage the production costs of rubber thread very well. The company has a policy to set product prices by considering a flexible price policy (Flexible Price Policy). In addition, we have the advantage of having a good relationship with both domestic and international latex distributors, including having a major shareholder in the business of manufacturing and distributing latex and latex by-products. This causes our company to receive information about social movements and trends in the latex market that is beneficial to the company's business strategy planning effectively.

2.2.1.3 Competition from manufacturers and distributors of the same product, as well as manufacturers and distributors of substitute products, poses a risk.

Currently, both domestic and international producers and distributors of elastic rubber threads are numerous and continually increasing, in line with the growth of industries related to elastic rubber threads. Although the company is among the top manufacturers and distributors of elastic rubber threads in Thailand and globally, we must compete with other manufacturers and distributors both domestically and internationally. This includes competition with producers and distributors from China, Turkey, Malaysia, and India. Therefore, the company must compete in terms of product quality, product pricing, and market share. Due to the presence of large global manufacturers and small businesses operating in their local or regional markets, industry-specific information creates numerous challenges for new entrants to compete. One crucial factor for elastic rubber thread manufacturers is proximity to sources of natural rubber latex (the main raw material for elastic rubber threads). Companies located in Southeast Asia have a strategic advantage in sourcing stable and cost-effective raw materials. This advantage significantly favors the company and poses a substantial obstacle for new entrants from other regions of the world.

To compete effectively, new entrepreneurs entering the elastic rubber thread industry must make substantial initial investments in machinery, technology, and infrastructure. Established companies in the elastic rubber thread industry benefit from economies of scale, leading to average production cost savings. New entrants may need to find ways to achieve similar cost efficiency, especially if they cannot produce on a large scale. The expenses associated with setting up a manufacturing facility and acquiring the necessary technological expertise for such a facility can be significant hurdles for new entrepreneurs, particularly if they are unable to achieve large-scale production.

Newly established companies often face significant challenges in establishing a strong brand and building loyal customer bases. Existing companies may have well-established brands and longstanding relationships with key industry suppliers and customers. Market penetration and persuading customers to switch from established brands they have used before can be a crucial obstacle for new entrepreneurs.

Furthermore, the products of the company consist of elastic rubber threads made from natural rubber latex, which can be substituted with synthetic elastic threads produced from synthetic rubber (Spandex), also known as Lycra, or Elastane. Synthetic rubber is a derivative obtained through crude oil distillation and natural gas separation processes, resulting in characteristics and properties similar to natural rubber. However, the price of synthetic rubber is higher than that of natural rubber, making the cost of synthetic elastic rubber threads higher than those made from natural rubber. This is contrary to the global environmental sustainability trend.

However, we focus on the development of our products continually in terms of quality, characteristics, and features to be versatile and suitable for use across a wide range of industries. This includes the development of the company's rubber thread manufacturing process to be more efficient to improve the cost and quality competitiveness of rubber thread. In this regard, with the ability to expand the customer base of the company to cover all regions around the world, the sales volume of the rubber thread and the profitability of the company increase. Moreover, we have also been building and maintaining good relationships with customers both domestically and internationally. And by doing business for more than 30 years, we have earned the trust and acceptance of customers continuously.

2.2.1.4 Process interruption

The company's business operations are dependent on the continuous operation of the rubber yarn manufacturing plant. We are exposed to the risk of the rubber yarn manufacturing plant being interrupted for various reasons, such as machine breakdowns, deterioration of equipment, or natural disasters. This may affect the company's rubber thread production as well as operations and business opportunities.

However, we have inspected and cleaned the machines and every production line. This includes changing spare parts regularly according to the life time of those parts every week. In addition, we have prepared a preventive maintenance plan once a year in order for the machine to have good performance in continuous production. Our company has a maintenance department that has skilled and knowledgeable personnel and expertise in looking after and maintaining various machines and other production lines in the rubber thread manufacturing plant, including sufficient storage of important spare parts, enabling us to maintain various machines and other production lines in the event of a breakdown promptly.



In this regard, if an unforeseen event that cannot be prevented occurs, an emergency situation, or a crisis situation affecting the production process of the elastic rubber thread manufacturing plant leads to a halt, in order to mitigate the risks arising from the interruption of the production process and to ensure the continuity of the company's business operations under such emergency situations, the company has developed a Business Continuity Plan (BCP) specifically for critical production processes. This plan includes:

- 1) The electrical system
- 2) The compound process and cooling system
- 3) Maintenance system



Under the Business Continuity Plan, there is testing and evaluation of the contingency plan for continuous business operations. This involves assessing the risks and impacts that may occur, and establishing step-by-step plans for addressing issues when the production process experiences interruptions. Regular drills of the plan are conducted in simulated scenarios on an annual basis, encompassing preventive measures and guidelines for swiftly restoring operations to normalcy. Therefore, in the year 2023, the company did not encounter any issues stemming from production process interruptions of elastic rubber thread.

2.2.1.5 High Customer Concentration Risk

At World Flex, our rubber thread products are a component used in the production of various finished goods such as clothes, apparel, furniture, etc. by the demand for the company's rubber thread. Most of them are in the garment and apparel industries, which causes our company to sell a high proportion of rubber thread to China. Because China is the world's largest importer and exporter of manufactured goods, In 2023, our company's sales of rubber thread to China accounted which accounted of 84.10% of the revenue from the sale of rubber thread, respectively. Products are sold to customers in China through the distribution channel. (distributor) which accounted of 75.57% who buys products from the company and sells them. And End-User which accounted of 8.53%.

In 2023, we sold products to three of the Chinese distributors in proportions of 29.49%, 10.85%, and 6.54% of our rubber thread sales revenue, respectively. That revenue could lead to the company's demise if we lost that distributor or their product volume decreased. It would affect the revenue and operating results of the company.

However, we have been good trade partners with that distributor for more than 10 years. In addition, we have been trusted to sell products continuously every year. That distributor is trustworthy and has a good payment history consistently. Therefore, we are confident in maintaining such a customer base.

Additionally, we have good trade partners with other customers as well. At present, our products are sold to more than 200 other customers, and we also focus on expanding the market to new customers in order to grow the customer base to cover all continents around the world. With the good reputation of World Flex and more than 30 years of business operation, we have been able to maintain our customer base well. The key strengths that distinguish us are our ability to consistently improve performance and run a business in a sustainable manner.

2.2.1.6 Seasonal Hazards Risk

The company's rubber thread is a product that is used in the production of various finished goods. The company's rubber thread may rise or fall in each period, especially in the clothing and apparel industries where it is a seasonal product. This means the company's rubber thread income may rise or fall with each period. From 2021 to 2023, the sales revenue of rubber thread during the fourth quarter of each year was higher than in other quarters because it was the changing season of products in the clothing and apparel industry. This makes rubber threads in demand for use in the production of new garments and apparel collections. Spending on consumer goods has gone up because of seasonal changes in demand. Besides, the fourth quarter of the year was a period of high latex production, which caused the company's latex costs to be lower than in previous quarters. The company has a policy of setting the selling price based on the cost. As a result, the selling price of the rubber thread in the fourth quarter was lower than the selling price in the other quarters. Because of this, the company's customers were able to stock up on products for the future because they had more money to buy them.

In 2021-2023, the company's income from the sale of rubber thread in each quarter as follows:

	Year 2021		Year 2022		Year 2023	
	million baht	percentage	million baht	percentage	million baht	percentage
Quarter 1	717.17	19.06	1,134.69	30.88	659.88	24.06
Quarter 2	899.22	23.89	1,003.55	27.31	612.39	22.33
Quarter 3	964.73	25.63	681.40	18.55	700.80	25.55
Quarter 4	1,182.40	31.42	854.62	23.26	769.41	28.06
Total	3,763.52	100.00	3,674.40	100.00	2,742.48	100.00

Therefore, the company has used business strategies such as credit terms, discounts, and other benefits to customers to promote the company's sales and has been able to maintain the level of income from the sale of rubber thread in each quarter as well.

2.2.1.7 Changes and Cancellation in Government Policies – Rated to Para rubber latex.

World Flex is a business that is related to natural rubber. The company has been helped by the government's policy to promote and support natural rubber. This policy encourages the use of para rubber in the country, which helps keep the price of rubber in the country and the income of rubber farmers stable with the Rubber Authority of Thailand. In the year 2021, the company joined the project to support rubber product manufacturers with a credit limit of 25,000 million baht for the expansion of the company's production capacity. The government will compensate the downstream rubber product processing operators as they actually pay. But not more than 3.00 percent per year for the 10-year project (2016–2026). In this regard, interest compensation has important criteria and conditions as follows:

(1) Entrepreneurs who receive credit to improve machinery in factories must increase the use of domestic rubber by at least 4 tons per year, except for the first two years, and every 1.00 million baht must increase the amount of domestic rubber by at least 4 tons per year. The use of domestic rubber is not less than 2 tons per year from the date of notification of commencement of operations. If the entrepreneurs are unable to comply with such conditions, the government will not compensate the interest that year.

(2) The entrepreneur must consume at least 333 kilograms of rubber per month in order to qualify for a loan of 1.00 million baht. If the entrepreneur cannot comply with the aforementioned conditions, the government will not compensate the interest that month.

However, we are confident that our company will be able to fully comply with the criteria and conditions of the rubber product manufacturer's financing support program. In addition, our production capacity has been increased so that we can meet more orders for the company's products. This means that the amount of concentrated latex we use is in line with the criteria and conditions of the program.

However, the changes and cancellations in the government's promotion and support policies are beyond the company's control, such as seeking other projects in the government sector. Support business loans related to rubber thread products. For the company able to successfully carry out the planned plan and prevent loss of business opportunities for the company.

2.2.1.8 Foreign Exchange Rate Risk

The company's main income from the sale of rubber thread comes from selling products to international customers in 2021–2023, accounting for 99.01%, 98.91% and 99.25% of the sales revenue of rubber thread per year, respectively. When selling the company's products in foreign countries, most bids and payments are made in US dollars and CNY (RMB). So the company's rubber thread income is also in foreign currency. While the cost of sales and the main expenses in business operations, such as the cost of raw materials and concentrated latex other raw material costs, transportation costs, and staff costs, for example, are mostly in Thai baht. Therefore, the company is exposed to risks from fluctuations in foreign exchange rates. This may affect the profitability and operating results of the company as well as its ability to compete on price with other international competitors. A decrease in the value of the Thai baht against the U.S. dollar and CNY (RMB) would hurt the company's finances and operations; the sales revenue of rubber thread will decrease. This affects the financial statements and operating results of the company.

However, we managed the risks from exchange rate fluctuations by using financial instruments. To accomplish this, we signed up to forward contracts or options, whereby our company has an insurance policy whose minimum risk is not less than 40.0%. And if the exchange rate fluctuates a lot, we will insure a higher proportion of the risk. The decision will be made by the sales department,

the finance department, and the company's executives, supervised by the assistant managing director of accounting and finance (CFO) and the executive committee, in order to obtain the expected profit margin from normal business operations.

2.2.1.9 Risk of war situation between Russia and Ukraine, Israel-Palestinians and Red Sea

In the year 2023, heightened political tension and conflicts had substantial repercussions on the global economy, particularly impacting the rubber industry. The primary consequences were felt differently depending on the regions where conflicts occurred. Distributors and end-users faced significant challenges in normal business operations, grappling with issues related to supply chains, banking transactions, and an overall sense of uncertainty about the future. These conflicts disrupted global supply chains, leading to escalated oil prices, impacting the transportation of goods, and increasing insurance costs. Consequently, the company closely monitored fluctuations in exchange rates, recognizing their considerable impact on various economic aspects. To address these challenges, the company has remained vigilant and explored strategic measures, including potential relocation of production bases away from volatile regions or redirecting product demand towards companies or markets less affected by the conflicts.

After the commencement of the Russia-Ukraine war in 2022, customers of the company were significantly affected in both markets, particularly in Ukraine. Several companies had to either shut down or relocate their production from the eastern region of Ukraine, which was a major battleground, and the main port in Odessa remained closed. As a result, the company had to transport goods from ports in Romania or Poland. Although tensions and uncertainties diminished significantly after the start of the war, the company has adapted to these changes, developing a resilient supply chain to deliver elastic rubber threads to its customers in Ukraine. Despite the challenges, the company remains a leader in the market.

While the customer group in the Russian region has not been directly impacted by the actions of the war, they are nevertheless cognizant of significant repercussions arising from the sanctions and various restrictions. This awareness has prompted the company to proactively adapt and reconfigure its supply chain processes. Despite the western ports of Russia still operating under the approval of a limited number of shipping companies, a substantial redirection of container routes to the eastern ports has ensued, consequently amplifying both time and transportation costs. Simultaneously, the banking sector grapples with the aftermath of sanctions, witnessing major banks encountering limitations on SWIFT transactions and transactions in US dollars. In response to these challenges, the company strategically redirects its supply chain to Russia under the new conditions, opting for a shift in payment currency to Chinese Yuan (CNY). Notably, a majority of goods are now dispatched to the eastern ports of Russia to circumvent any uncertainties. Throughout this transition, the company remains in close communication with customers, diligently monitoring the situation, and stands prepared to take immediate action when necessary.

In the midst of tensions and conflicts between Israel and Palestine in the Red Sea, the repercussions significantly impact shipping costs and transit times. Even though the company does not have a substantial customer base in these countries, the heightened tension in the region poses risks to the operations of customers residing there. The strategic importance of the Red Sea, as a major maritime route from Thailand to Europe, intensifies the stress in the area, creating security risks for vessels and increasing both time and transportation expenses. As a response to these challenges, the company not only undertakes measures to mitigate any risks associated with these conflicts but also shifts to employing Free on Board (FOB) agreements with customers from affected areas. Concurrently, ongoing consultations with customers provide continuous insights into the market developments for these customer groups.

2.2.2 Securities Trading Risk for Shareholders

2.2.2.1 The risk of major shareholders owning more than 50% of the total shares

As of December 31st, 2023, Thai Rubber Latex Group Public Company Limited (“TRUBB”) holds 307,999,100 shares in the company, with a par value of 1.00 baht per share, representing 66.35% of the authorized capital and paid-up capital of 464.20 million baht. Thus, TRUBB is able to control almost all the resolutions of the shareholders’ meeting, whether it is the appointment of directors, or requesting resolutions on other matters requiring the majority of the shareholders except for laws or regulations of the company. So, other shareholders may not be able to get enough votes to check and balance all the business matters that the major shareholders want to do.

However, the company has established the organizational structure and guidelines for the board of directors by conducting investigation methods as well as balancing the powers of the stakeholder directors. By appointing a three-member audit committee to inspect, consider, and provide transparency in the operation. In addition, the company has established a policy on related party transactions. As a guideline for conducting related transactions with directors, major shareholder controllers, or individuals who may have conflicts of interest. That person will not have the authority to approve the transaction, which gives rise to the company’s being transparent in the operation and also in an auditable system.

2.2.2.2 Uncertainty of Risk-Return Tradeoff for Shareholders

The price of the company’s ordinary shares can fluctuate due to a number of factors, including:

(1) The outlook on the rubber thread business and the industrial conditions associated with the rubber thread, as well as the company’s business growth opportunities.

(2) The distinction between actual and expected performance of investors and analysts.

(3) Changes in the advice or views of analysts towards the company’s securities.

(4) Changes in various factors, affecting industries related to the company’s business operations, general economic conditions, or the atmosphere in the stock market.

(5) Changes in the market valuation and share prices of companies listed on the Stock Exchange of Thailand that operate a business similar to the company, and the volatility of stock prices in the stock market due to various factors as mentioned above, including other factors, may cause the price of the company’s ordinary shares to fluctuate. There are fluctuations in the trading price of the company’s shares. The share price may be lower than the price paid by investors when they purchased the shares. Or it may be higher than the price at which investors sell their shares. Therefore, investors may be at risk from the uncertainty of the returns that they will receive.

2.2.2.3 Risk of Unmasking Opportunity in Dividends that Cannot Meet Shareholder’s Expectation

The company’s ability to pay dividends depends on many factors, such as operating cash flow. Such factors may have an impact on the company’s ability to pay its results, raising the possibility that dividends will be paid at a lower rate than investors anticipate. However, the company has a policy of paying dividends of not less than one-third of the net profit from the separate financial statements after deduction of corporate income tax and reserves. All types as specified in the laws and regulations of the company. (with additional conditions).

3. Driving Business Towards Sustainability

World Flex Public Company Limited (“the Company”) realizes the importance of good corporate governance. One of the key goals of the company is to create an organization that can grow sustainably. In this regard, the company has formulated a policy of social responsibility as well as sustainable business practices. As a guideline for doing business with integrity and ethics, including responsibilities to the community, society, and environment, as well as related stakeholder groups, And to strengthen the structure and management system for the company to develop and grow into a stable and sustainable organization covering all dimensions, including the economy, society, the environment, and respect for human rights, including transferring such ideas to various operational levels of the organization and integrating operational plans to be connected. To create a balance in the dimensions of the economy, society, and the environment throughout the supply chain for sustainable development, the greatest benefit to all groups of stakeholders.

3.1 Sustainability Management Policy and Goals

Board of directors will supervise the objectives and goals as well as the company’s strategy to accomplish the objectives and main goals of the company and the United Nations Sustainable Development Goals (SDGs). The guidelines for supervision are as follows:

(1) The committee supervises the preparation of the annual strategy and plans, along with the company’s main objectives and goals. It will take into account the environmental and social impacts that cover respect for human rights and good corporate governance in all its aspects and will encourage the monitoring and review of the implementation of the strategies and goals that have been set in the short-term, medium-term, and long-term to ensure that the company’s strategies and plans achieve those objectives.

(2) The committee will oversee an analysis of the environment. There are factors and risks that may affect stakeholders throughout the business value chain (value chain) in the formulation of annual strategies and plans. This includes considering various factors that may affect the achievement of the company’s main goals in all aspects and truly understanding the needs of stakeholders.

(3) The committee will be supervised to ensure proper control over the operations of the company as well as convey the company’s main objectives and goals through strategies and action plans for acknowledging and implementing them to employees throughout the organization.

3.2 Stakeholder Management in the Business Value Chain


3.2.1 Value Chain

The company has always focused on the treatment of its stakeholders. Our business approach takes into account stakeholders throughout the business value chain, from upstream to downstream. It starts with raw material procurement, production, storage, and product delivery, including marketing and serving the company's customers. In order to satisfy customers both domestically and internationally, which are managed and supervised by the company's team and personnel, we have a common objective: to promote and create a culture of selling products and providing fair quality customer service throughout the process.

3.2.2 Main Activities

We focus more on our stakeholder groups as well as the activities of sustainability management throughout the business value chain. To do this, we must create stability and prosperity with products and services that meet the needs of all groups, along with effective risk management. Regarding the main activities our business value chain, as follows:

Main activities	Description
1. Raw Material Procurement	<ul style="list-style-type: none"> The company places importance on equitable and fair procurement processes for all trading partners. The company procures raw materials of high quality according to the company's standards at fair prices from multiple distributors, to create trade alliances and reduce the risk of relying on one distributor. The company has a process in place to manage the amount of raw materials required for our manufacturing process. Despite this, the company is able to generate profit margins on a consistent basis. The company has long-term relationships with both domestic and international raw material distributors. To support business operations and create sustainable growth, together.
2. Production	<ul style="list-style-type: none"> The company pays attention to the manufacturing process by using efficient machines. In addition, quality checks are carried out on every production process by expert engineers, technicians, and experts to maintain product quality standards. The company is committed to reducing greenhouse gas emissions by using clean and efficient technology. The company has measures and guidelines to manage waste arising from the production process properly and appropriately. The company pays more attention to safety. And provide fairness to employees, including respect for human rights for all parties.

Main activities	Description
3. Storage and delivery	<ul style="list-style-type: none"> The company has established a manufacturing plant in an area that is convenient for transporting products to ports or various shipping points. The company stores the products in the proper place to maintain the quality of the products. It is convenient to inspect and move them.
	
4. Marketing	<ul style="list-style-type: none"> The company builds competitiveness through a variety of products in terms of size, color and features, covering applications in a wide range of industries. The company builds good relationships with suppliers and maintains product quality to meet standards. The company attaches great importance to communicating advice and providing good service to customers. The company's sales and marketing department provides advice and services at any time, communicating in more than 10 languages and covering more than 50 countries around the world.
5. Customer Service	<ul style="list-style-type: none"> The company has a process to listen to the customer's opinions and suggestions in order to develop the highest level of customer satisfaction. Company Fast and efficient after-sales service is provided. By going to the front office if the company's products damage during transportation or from the company's production process.

3.2.3 Support activities

1) Human Resources Management

The company recognizes the importance of personnel within the organization, which is an important factor in driving sustainable business growth. In particular, the rubber thread business requires personnel with knowledge and expertise in production. We therefore strive to develop the capabilities, knowledge, and working skills of the personnel to keep up with the changes. We have prepared an operating manual for each work segment both at the office and at the production plant. This is a guideline for employees to perform their duties correctly and in accordance with the same standards. To enhance the skills, knowledge, and abilities of employees, including encouraging them to attend training events in various courses and seminars organized by external agencies.

In addition to developing the potential of personnel within the company for driving the organization. The company also recognizes the value and well-being of its employees. Caring for and caring for employees Building morale is important to keep skilled and talented people with the organization. For the past 2023 operations, the following actions have been taken:

1.1 Manpower planning and recruitment.

The Company reviews an organizational structure every year to ensure that it is concise, flexible, and highly flexible, ready to change by analyzing the mission of the department, roles, responsibilities, and necessity for business operations. It also allows employees to develop more skills in their jobs.

A succession strategy has been put into place. (Succession Planning) to provide the company with competent employees. Competence for the development and replacement of employees who have resigned or retired or transferred positions in the organization or company so that employees have the opportunity to advance in their careers and jobs according to their potential and can motivate employees to stay with the company for the long term.

1.2 Employee Training and Development.

Human resource development is to enhance long-term corporate competitiveness by continuously improving employees' knowledge, skills, and attitudes towards work and life through various development techniques and a positive learning environment. In 2023, 72 training courses totaling 426 hours were provided.



Leadership Development

The company utilizes an appointment system. Annual promotions provide possibilities for high-potential employees to gain competence and rise to higher positions through appointments. Internal promotion through employee recruitment within the company. The chosen employees are advised to obtain training in essential job-related courses. To develop skills in various areas to achieve goals and achieve maximum efficiency, which is also the retention of key personnel of the company.

1.3 Occupational Safety and Work Environment

Employees in an organization are like family. The Company strives to thoroughly manage occupational health and work environment to ensure the safety and well-being of all employees, recognizing the workplace as a second home. In 2023, the Company had zero fatal accidents and lost time injury frequency rate (LTIFR) of more than 3 days per 1,000 working days, or 24.10 million hours.

The company prioritizes ensuring a safe work environment by completing occupational safety, health, and work environment risk assessments. They also develop preventive and corrective actions, annual safety plans, and regularly monitor performance. Furthermore, all production operations are covered by accurate and safe operating procedures. Provide appropriate personal protective equipment for the specific job requirements and offer training in several courses to adhere to protocols for preventing work-related illnesses and accidents. This includes evaluating the work environment for potential risks to ensure legal compliance. Ensure employees' well-being by providing annual health assessments, including general check-ups and assessments tailored to occupational health hazards. The Company has established a work safety unit and assigned an occupational safety and health and working environment committee to ensure the safety of employees within the Company.

The Company offers annual occupational safety training to equip employees with information and comprehension of work practices and be able to behave responsibly in the event of an emergency, as follows:

Annual fire training and evacuation drills.



work with chemicals and Emergency Response



Forklift



Safety Risk Assessment



1.4 Addiction Prevention Program

The Company has established the “White Factory” project. The workplace is drug-free to ensure employees’ productivity, safety, and efficiency are not compromised by drug intoxication or narcotic substances. Pluak Daeng Police Station and Community Health Officer Conduct random drug testing for employees annually to deter drug-related issues in the workplace. Therefore, the company takes part in the community audit process to assist in reducing the workload of government authorities.

The company collaborated with government agencies in a scheme aimed at providing employees who test positive for drugs with the chance to rehabilitate and reintegrate into society while maintaining their employment. In 2023, the company has two employees who have had treatment and returned to their regular job duties.

2) Finance and Accounting

The company places high value on management that focuses on maintaining the company’s financial stability to ensure stability and sustainability. Our Accounting and Finance Department are responsible for managing, managing and supervising the company’s financial status as well as providing funding sources to support the company’s business operations. In addition, we realize the importance of preparing financial reports and disclosing financial information about the company. To be accurate and transparent in accordance with the regulations of the relevant agencies for the benefit of the company and all stakeholders.

3.2.4 Stakeholders Analysis for Business Value Chain

The company has organized a group of stakeholders both internally and externally, which is related to the business value chain and set out as a guideline to meet the expectations of the stakeholders as follows:

Stakeholder Group	Expectation of Stakeholders	Communication Channel with Stakeholders	Exceeding the expectations of stakeholders
Stakeholders within the Organization			
Shareholders	<ol style="list-style-type: none"> 1. Business growth and the ability to consistently generate good profits, along with the stable financial status of the company. 2. All shareholders are treated fairly and equally. 3. Timely disclosure of accurate and complete information. 4. Transparent Business Operations, which you can examine. 5. Effective corporate governance and risk management. 	<ol style="list-style-type: none"> 1. Shareholders’ disclosure of operating results and financial position for the quarter. 2. Annual shareholder meeting, as well as other gatherings. 3. Annual report. 4. The company’s press releases and communications to shareholders through various channels. 	<ol style="list-style-type: none"> 1. Establishing the company’s business strategy on a regular basis to ensure changes in circumstances and business growth as well as the efficient use of capital. To create competitiveness and increase the potential of the company’s business operations. 2. Transparent corporate governance based on best corporate governance practices and adherence to the Code of Business Conduct.

Stakeholder Group	Expectation of Stakeholders	Communication Channel with Stakeholders	Exceeding the expectations of stakeholders
Stakeholders within the Organization			
			<ol style="list-style-type: none"> 3. Establishing a distinct and appropriate dividend payment policy. 4. Accurate, complete, and transparent disclosure of information. 5. Thorough, systematic, and succinct risk management.
2. Employees	<ol style="list-style-type: none"> 1. Organizing meetings, seminars, and training to help employees develop their skills. 2. Professional Advancement. 3. Fair treatment of all employees and observance of human rights. 4. Fair and reasonable remuneration and other benefits and welfare. 5. The environment and workplace safety. 	<ol style="list-style-type: none"> 1. Listening to employees' opinions, suggestions, and problems through various communication channels within the company. 2. Annual Townhall Meeting. 3. E-mail communication. 4. Survey of Employee Engagement. 5. Employee activities. 	<ol style="list-style-type: none"> 1. Training to provide knowledge, develop potential skills, and promote advancement, as well as providing employees with the opportunity to develop their skills in other areas to enhance their potential to keep up with business changes. 2. Taking care of your employees, treat them fairly and equally, and make sure they are well-cared for. 3. Establishing a fair and lawful hiring process and employment conditions, including compensation and welfare in various fields for employees as required by law, such as social security, and various welfares other than those prescribed by law, such as health insurance and accident insurance, etc. 4. Creating a good workplace environment within safety standards, including encouraging employees to pay attention to safety and good hygiene. 5. Notifying information and announcements of various news for employees to thoroughly receive information and news. 6. Organizing activities to increase personnel participation at all levels.

Stakeholder Group	Expectation of Stakeholders	Communication Channel with Stakeholders	Exceeding the expectations of stakeholders
Stakeholders outside the Organization			
Customer	Getting quality products that meet the customer's needs, and the products are delivered accurately and in a timely manner.	1. Customer Satisfaction Survey. 2. Reporting incidents when problems arise.	Opinions, feedback, and customer satisfaction are used to improve and develop the products and services of a company.
Business partner	Conduct business with fairness and professionalism.	Liaison includes reporting problems via telephone and Email regularly.	1. Establishing a clear and equitable procurement policy for all parties. 2. Follow-up coordination with partners to ensure smooth business operations. 3. Keeping good relationships with partners.
Community	Conducting business responsibly and without negative impacts on the community.	1. Reporting problems and suggestions through various company channels. 2. Community activities.	1. Development of a social responsibility policy. 2. Organizing activities for social responsibility.

3.3 The Environmental Dimension in Sustainable Development

Environmental Policies and Practices.

The company strives to focus on the environment, both in terms of air pollution and noise pollution, including greenhouse gas emissions. Therefore, we have established policies and guidelines for energy efficiency and sustainable management. Also, to operate the business in terms of environmental and safety sustainability with the following rules.

Therefore, in order to carry out the activities of the company, it must comply with the established systems and standards in order to achieve its objectives. Selection of standardized raw materials the company has a policy of managing the production of products to be of high quality and standard. It is supported by ISO 9001:2015, the Quality Management and Production Standards Management System. The company has environmental management, as follows:

1. Energy Management

The company has foreseen the benefits of energy management in the organization. The goal is to control the use of energy within the organization effectively and concretely. The company has engaged with the government sector and complied with the procedures prescribed by law. Report the results of the energy audit and certification to the Department of Energy Development and Efficiency (DEDE) by March every year to continuously maintain and manage sustainable energy in safety and the environment.

We realize the importance of efficient use of natural resources and existing energy sources and are more concerned with energy conservation for employees within the organization under the energy management system, so that all employees participate in energy conservation and act in the same way. We aim to reduce the cost of the company together. This includes controlling the energy consumption that exists in the country to maximize benefits in accordance with government energy conservation policies as follows:

1.1 Energy conservation is considered a part of the company's operations.

1.2 There is an energy conservation policy that is suitable for the nature and amount of energy use in the manufacturing plant.

1.3 Our manufacturing plant wants to comply with the laws related to energy conservation and management.

1.4 Require an annual review of energy management policies, as well as action plans for energy reduction and continuous energy conservation.

1.5 We continually strive to improve the energy efficiency of the organization as well as aim to achieve the most cost-effective use of energy according to energy management methods.

1.6 Every year, our energy management working group will review and update policies, targets, and plans for energy conservation operations to push forward the implementation of energy conservation to be concrete, as well as communicate with all employees to understand and adhere to the implementation plan.

1.7 Every year, the company will review and improve its policies, goals, and plans for energy operations.

Energy management procedures in operation can be divided into 8 steps as follows:

1. Formation of an Energy Management Working Group.
2. Initial assessment of the state of energy management.
3. Policy on Energy Conservation.
4. Evaluation of the Potential for Energy Conservation.
5. Establishment of energy conservation goals and plans, as well as training plans and activities to encourage energy conservation.
6. Implementation of the Energy Conservation Plan, as well as monitoring and analyzing the progress of energy conservation goals and plans.
7. Energy management monitoring and evaluation.
8. Review, analysis and editing of energy management.

2. Pollution and Waste Management

2.1 Solid-Waste Management

1) Hazardous and non-hazardous waste the company sends both hazardous and non-hazardous waste for disposal in accordance with the laws and reports the management of hazardous waste to the regulatory authorities periodically as required by law, such as the SorKor.3 reports. Every time the waste is sent out of the manufacturing plant, it must be notified to the Department of Factory before being taken out (SorKor.2). Furthermore, we monitor the waste disposal from our

plant to determine whether it is in accordance with the principles or not, and then report it to the supervisor for further acknowledgment. Every time the waste is taken outside the manufacturing area, we must notify the Department of Factory to prevent illegal dumping that does not meet the requirements of the law.

2) General Waste Management General waste, such as food scraps, plastic bags, or cafeteria waste, or garbage from the employee dormitory. The company will sort different types of waste according to the 3 R principle. Unmanageable waste will be disposed of in accordance with the rules and regulations of the Sub-District Administrative Organization or the municipality where the company is located.

2.2 Waste Management

1) Wastewater management the company's wastewater causes account for 80% of its waste. This comes from the manufacturing process, with the remaining 20% coming from other processes such as floor cleaning and machine cleaning. Those are sent to the wastewater treatment system, where by the wastewater treatment system: Chemical treatment + Anaerobic filter + Activated Sludge + Polishing Pond, including biological wastewater treatment system, The last well of wastewater then passes into the plant's recycling system. In order to reuse water without releasing it into the environment, it is also the best use of resources.



2.3 Other Pollution Management

1) Air Pollution Control Strategies and Industrial Air Pollution such as powder dust from the manufacturing process and acetic acid vapor, there will be a bag filter dust treatment system to trap the powder dust before it is released into the outdoor environment. According to a wet scrubber treatment system, it absorbs the acetic acid vapor that occurs in the production process. This is to prevent air pollution that occurs in the work area that may affect employees. And we will inspect the environment in the working areas for dust and odors from the vents and control the air quality to meet the law. In addition, we have also conducted health check-ups for employees to monitor the impact on their health.

2) Quality and Management in Hot Oil Boiler The resulting air pollution will go through the processes of the cyclone treatment system and the wet scrubber treatment system. Both systems will work continuously in a series, first through the cyclone system and then through the wet scrubber system. The company will check the air quality from the ventilation shafts twice a year in order to control the treatment process to meet the air quality standards. Then, send the inspection report to the government agencies for further acknowledgment.

In 2023, the Company planted 300 pine trees along the industrial canal for around 500 meters to enhance green space and improve the factory's landscape, showcasing its environmental consciousness. Trees have a crucial role in absorbing and storing carbon dioxide. This can capture particle debris in the air. Dust adheres closely to the leaves' surface, bark on the branches, and trunks. Rainwater washes away the settled dust, which then seeps into the earth. Minimize dust scattering Air flowing over the tree canopy will decrease dust levels and lower the temperature, providing shade in the workplace. Environmental contamination and fine particles in the factory's production process can be shared with the community.

Therefore, the Company has become known as a leading advocate for tree planting initiatives. Reforestation schemes have been put in place to expand green spaces for the purpose of absorbing and storing carbon. The project aims to decrease carbon dioxide emissions in alignment with the country's objective of reaching Carbon Neutrality.



3. Reducing Greenhouse Gases

The company is aware of the importance of climate change and supports and promotes the management of greenhouse gases for the benefit of the organization, society, and the country's environment. To meet Thailand's goal of reducing greenhouse gas emissions, the organization will be led to become a low-carbon society along with the government's policies and agreements under the United Nations Framework Convention on Climate Change (UNFCCC). The company announced the greenhouse gas management policy as follows:

3.1 Set up greenhouse gas management as part of the company's strategic plan, to enhance the sustainable growth of the organization.

3.2 Make a concerted effort to reduce greenhouse gas emissions through the use of clean and efficient technology. Since 2023 - 2024, the company will begin collecting greenhouse gas emissions data in order to set goals to help reduce greenhouse gas emissions.

3.3 Promote and develop activities or projects to create a corporate culture that supports the company's low-carbon society according to greenhouse gas reduction measures.

3.4 Encourage research, technology development, and innovation to reduce greenhouse gas emissions in a sustainable manner, consistent with climate change adaptation.

3.5 Inform employees throughout the organization about the importance of reducing greenhouse gas emissions.

Greenhouse Gas Management Plan for the Company

Since 2022, the Company has been awarded the “2nd Green Industry” award, i.e. industrial businesses for adhere to environmentally friendly business operations. The Company focuses on continuous development and improvement and operates business with social responsibility. The Company is dedicated to annually evaluating the carbon footprint of the organization to track the effectiveness of activities in line with the greenhouse gas emission reduction targets, aiming to decrease emissions by a minimum of 10% each year. Using the fundamental data for each year of the audit.



The company attaches great importance to management's ability to reduce greenhouse gas problems. It was found that most of the business activities that generate the greatest amount of greenhouse gas emissions come from the rubber yarn manufacturing process, which is our main business including the use of electricity from the air conditioner in the office and fuel consumption from corporate vehicles. However, in 2022, we were determined to reduce greenhouse gas emissions from our business activities with the following guidelines:

1) Establish a working group on carbon footprint within the organization with the objective of achieving concrete results. Division of work duties Delegate authority to complete the work according to the wishes. Control determines the scope of work. The use of consensus in principles, etc.

2) Establish an organization-wide carbon footprint policy. (Carbon Footprint Organization)

3) In 2023, the Company has collected greenhouse gas emissions data within the organization. The carbon footprint is being assessed, the results will be assessed in 2024.

4) Inspect equipment and machinery regularly. To maintain the working conditions for maximum efficiency.

5) Reduce energy consumption by improving equipment and changing machines.

6) Maintain the office equipment such as air conditioners should always be in good condition or choose to use electrical appliances with energy-saving labels or low-carbon label.



In addition, the company has set measures to reduce greenhouse gas. To comply with the goals of greenhouse gas management as follows:

- 1) Making use of high-efficiency machinery or equipment to aid in energy conservation.
- 2) Manufacturing-process waste management.
- 3) Waste sorting within the organization for disposal in a proper areas.

In 2023, the company installed solar energy electricity through Solar Rooftop. The new office building strives to be an energy-efficient structure that utilizes clean energy from sunlight, so avoiding pollution. This helps decrease the Company's overall electricity usage, aligning with the initiative to promote sustainable energy and lower greenhouse gas emissions.

The Company installs solar cells (Solar Cell) on Grid system, which is a solar cell system connected to the grid or transmission line from the electricity system. Solar panels produce electricity to power electrical appliances directly when sunlight is available. If the solar cell system fails to provide sufficient energy for the premises, it will rely on electricity from the grid as an alternative power source. The system was installed in June 2023 and began utilizing solar power in August 2023.

ภาพแสดงการใช้ไฟฟ้าจากพลังงานแสงอาทิตย์ (Solar Rooftop) ระบบออนกริด (On Grid System)



Renewable Energy Information August - December 2023

Able to generate electrical energy	25.61 MWh.
The office building (Energy Conservation Prototype Building) has actual electricity consumption.	31.61 MWh.
Relies on electricity from electricity of	6 MWh

Environmental Benefits and Results



Reduce CO₂ emissions

14,367 kg.



Equivalent to planting trees

1,000 trees

Source: <https://monitoring.solaredge.com>

The Company participated in the project to develop economic mechanisms for establishing carbon prices and making investments to reduce greenhouse gas emissions. The project aims to impart knowledge on internal carbon pricing to enable the participating companies to implement carbon pricing mechanisms internally for effective risk management and analysis of greenhouse gas reduction costs. This will serve as a guide for the Company's future activities.



3.4 Social Dimension of Sustainable Development

Social Policy and Practice

The company realizes the importance of social responsibility and stakeholders and adheres to the behavior of being a good corporate citizen and complying with the law and related regulations in full. The company has encouraged employee participation in societal and community building, as well as improved societal quality of life through knowledge enhancement and job creation including supporting activities that benefit the community and society. This is an important part that will lead to the sustainable growth of the company. Along with the development of a better society and communities, we focus on conducting business with respect for human rights throughout the business value chain under ethical principles as well as operating under the principles of good corporate governance. We aim to be a part of the long-term sustainable social movement. The company made its policy information available on its website.

Our company has established policies and guidelines on social issues as follows:



1. Fairness in Business Operation

The company is committed to conducting business with honesty, fairness, transparency, and disclosure of important information that can be checked, as well as being determined to compete in trade equally by following the law, related regulations, and international business ethics, including rejecting any behavior that impedes fair competition such as seeking competitors' confidential information or requesting, accepting, and offering benefits that are considered fraud. In addition, we have a campaign to get people at all levels of the company and its subsidiary (if there is one) to be socially responsible.

2. Anti-corruption

World Flex Public Company Limited (the "Company") recognizes the importance of anti-corruption and is committed to conducting business with integrity. The Company follows excellent corporate governance principles, aims to conduct business with ethics, transparency, fairness and accountability, and strictly complying with regulations, rules, and laws. This policy aims to prevent corruption in all business activities, both domestically and internationally. It ensures that any business decisions or actions with a risk of corruption are thoroughly reviewed and addressed, in compliance with the policy as a clear guideline for business operations and development towards sustainability. The scope of responsibilities of the Audit Committee Directors, Internal Audit Department, executives and employees at all levels of the Company are clearly outlined. This includes guidelines for reporting whistleblowing or corruption complaints, the designated channels for reporting such issues, investigation procedures, and defined penalties.

This is to ensure that everyone in the organization is aware of the anti-corruption policy. The Company has posted an anti-corruption policy in the workplace for all employees to review. The policy will also be published on the Company's website.



Anti-Corruption Policy (Revised No. 1) was approved during the Board of Directors' Meeting No. 4/2023 and becomes effective from August 9th, 2023, onwards.

3. Human Rights

The company has a policy to support and respect the protection of human rights. By treating all stakeholders, such as employees, communities, and surrounding society, with respect for human values. Considering equality and equal freedom does not violate fundamental rights and does not discriminate in matters of race, nationality, religion, language, skin colour, gender, age, education, physical condition, or social status, including ensuring that the company's business is not involved in human rights violations such as not supporting forced labour, anti-child labour, sexual harassment, etc.

4. Labour Law and The Principle of Equal Treatment

The company treats workers equally and recognizes the importance of human resource development. This is a factor that will increase the value of the business and enhance the competitiveness and sustainable growth of the company and its subsidiaries (if any) in the future. The company has established policies and guidelines as follows:

4.1 Respect the rights of employees according to human rights principles and comply with labor laws.

4.2 Report the privacy rights of employees' personal data Employees are treated in strict accordance with personal information law. The company's personal data protection policy has been announced. Training is provided to employees with knowledge of the rights and obligations of the personal data protection laws involved.

4.3 Establish an employment process and fair employment conditions including compensation and consideration of merits under a fair and appropriate work evaluation process, including creating career stability and fair career advancement opportunities.

4.4 Promote human resource development by organizing training, seminars, and training, including sending personnel to attend seminars and training, to improve the knowledge, competence, and potential of personnel and to improve work processes to be efficient. This includes motivating employees to stay with the company to develop the organization further.

4.5 Provide welfare in various fields for employees as required by law, such as social security, etc., and other than those required by law, such as provident funds. Different types of grants and accident insurance for employees, etc.

4.6 Provide a safe and healthy workplace. There are measures to prevent accidents. We plan and organize training and encourage employees to have a conscience and participate in maintaining a hygienic workplace that is always safe.

5. Fair Treatment of Customers

We are determined to develop the products and services of the company and its subsidiaries (if any) for the highest satisfaction and benefit of customers and adhere to responsible treatment of customers, honesty, and taking care of customers as follows:

5.1 We take into account the quality and standards of products and services. By focusing on producing quality products or services that are safe and meet international standards, we aim to provide customers with the highest level of satisfaction.

5.2 We have a policy of providing customers with information about the products and services of the company or its subsidiaries (if any) that is correct, not distorted, and ambiguous. including not exaggerating advertising. To provide customers with accurate and sufficient information to make decisions.

5.3 We provide communication with customers. This includes receiving complaints about the quality of goods and services effectively through the company's website in order to respond quickly to customer needs, including preventing problems for customers and using such information to improve or develop such products and services further.

5.4 The company takes into account the personal information of the customer. The personal data protection policy has been announced on the company's website in both Thai and English. Train employees involved in collecting, collecting, and collecting. Use customers' personal information in a rigorous manner.

5.5 The company will keep the customer's information confidential and will not use such information in abusive ways.

6. Participation in Development of Community and Society

The company realizes its responsibility to the community and society. The company has a policy to conduct business that is beneficial to the economy and society and adheres to good citizenship practices as well as complying with all relevant laws and regulations. We are determined to develop, promote and enhance the quality of life of society and communities where the company and subsidiaries (if any) are located to be of better quality, along with the growth of the company and subsidiaries (if any) to strengthen the community and truly give back to society.



Contribute to the facilitation of local citizens through the execution of government responsibilities by transporting office supplies to the Pluak Daeng Police Station, situated in nearby of the factory.



Budget support and refreshments for employees. Establish a checkpoint in the village of Mae Nam Khu Sub-district while on duty. To promote public safety and prevent accidents during the Songkran Festival from April 11th to 17th, 2023, campaigns will be conducted on safe driving practices, avoiding drunk driving, and ensuring safe transit to and from hometowns.



Participate in volunteer service activities and build good relationships with the community at public water sources in the community of Mae Nam Khu Subdistrict by clearing weirs, ditches, canals by bringing water hyacinths and weeds to improve water flow, prevent flooding, and restore the ecosystem. Farmers have access to water for agricultural purposes to mitigate the impact of irregular rainfall patterns. These water sources can be used by the community.



Promote and provide educational opportunities by providing scholarships and teaching equipment, and electrical appliances to the school at Nikhom Sang Ton Eng School 8th, a school in the industrial area. The company's management team and employees will be responsible for delivering these resources.

7. Dissemination of innovations derived from socially responsible operating environments and stakeholders

We will encourage innovation at the work process level within the organization and between organizations. Which entails thoroughly considering and analyzing the work process, covering all aspects of various operations in a new light with the goal of bringing about a positive change and increasing productivity. The production of products and services is standardized quickly. This product or service will provide maximum benefits to all stakeholders, including society and the environment, including the opportunity to discover new products or services that will provide maximum benefits to all stakeholders, including society and the environment. The company will communicate and disseminate innovations to stakeholders both directly and indirectly via various communication channels to make sure that the information from the group of businesses reaches as many people as possible.

8. Corporate Social Responsibility Disclosure

At World Flex, we will prepare a corporate social responsibility report or disclose information about corporate social responsibility as part of the annual registration statement (56-1) to the public.

9. Sustainability Activities for Society and Environment (After Process)

The company focuses on operating its business with social responsibility. In the past, the company has organized various projects and activities that promoted social and environmental benefits as follows:



The company collaborates with local residents to support the promotion of Buddhism. Arranged a yearly Kathina ceremony for 2023 at four temples located near the factory: Dok Krai Temple, Nong Mapring Temple, Mae Nam Khu Mai Temple and Sitthi Samakkhi Temple aim to foster positive connections among employees and cultivate appreciation for Thai culture. They promote unity, organize events, and offer robes to monks during the Buddhist lent (Kathina ceremony).



Strategies for developing positive relationships with the community the corporation delegates employees to serve as representatives in football tournament events. Participating in the 3rd Pakprak Cup in Pluak Daeng Subdistrict, Rayong Province, aims to promote employee health via exercise and discourage drug use while fostering work-life balance.



Scholarships, National Children's Day Activities Year 2023 at educational institutions under the Mae Nam Khu Subdistrict Administration Organization Mae Nam Khu Subdistrict, Pluak Daeng District, Rayong Province.

2023 Honors

In 2023, the company received assessment results from the Corporate Governance Report of Thai Listed Companies 2023 (Corporate Governance Report of Thai Listed Companies 2023). Corporate governance or corporate governance or CGR was at the level of "Very good" (equivalent to 4 stars) from the 2023 corporate governance survey of Thai listed companies from the Thai Institute of Directors (IOD) with the support of the Stock Exchange of Thailand. and the Securities and Exchange Commission.



The survey was conducted by the Thai Investors Association (TIA) to evaluate the quality of general shareholder meetings of companies listed on the Stock Exchange of Thailand. The goal is to enhance the standards of Annual General Meetings of Shareholders of listed companies and improve corporate governance. The company was rated between 80-89 points, earning a 3-star rating.



In 2021, the Company was awarded the “Sustainability Disclosure Award” by the Thaipat Institute for the first time after being listed on the main market. The award was part of the Sustainability Disclosure Awards 2023. By Mr. Worapol Phimukphakdee, Assistant Managing Director of Support Division from the company accepted the Sustainability Disclosure Community (SDC) Award on behalf of the organization. This award recognizes Thaipat Institute’s commitment to sharing sustainability information with the public and stakeholders, including aspects related to the environment, social responsibility, and corporate governance.



Participate in the development of economic mechanisms to determine carbon prices and investments to reduce greenhouse gas emissions. The project aims to distribute information on internal carbon pricing with participating organizations to enable them to implement carbon pricing mechanisms internally for effective risk management and analysis of greenhouse gas reduction costs. Create opportunities for investments for the organization. Assist in steering the organization towards meeting greenhouse gas emission reduction targets. The Thailand Greenhouse Gas Management Organization (Public Organization) organized the event where Mr. Prayung Charoensuk representatives from the company received certificates upon accomplishing the project.



4. Management Discussion and Analysis

4.1 Operation Overview

Total sales revenue 2023 was 2,743.51 million baht. It was decreased 930.89 million baht or 25.33% compared to 2022 with total sales revenue of 3,674.40 million baht due to a slowdown in both domestic and overseas economic factors, demand reduction. As a result, the rubber thread demand in the user industry has decreased.

In 2023, it was a challenging year for the rubber thread industry. These are mainly due to the global economic downturn, customer demand has decreased across all regions. In addition, the competition in the market is quite high continuously from both domestic and overseas, new competitors in the market increase, interest rate hikes and inflation have led to a decline in the company's sales revenue.

4.2 Performance

The company's revenue structure consists of sales and other income. In 2023, the company had a total revenue of 2,755.57 million baht as follows:

Revenue Structure	Year 2021		Year 2022		Year 2023	
	million baht	percentage	million baht	percentage	million baht	percentage
1. revenue from the sale of rubber thread						
1.1 power-coated rubber thread	3,532.87	93.55	3,453.52	93.16	2,564.80	93.08
1.2 silicone coated rubber thread	230.65	6.11	220.57	5.95	177.68	6.45
Total	3,763.52	99.65	3,674.09	99.11	2,742.48	99.52
1. revenue from scrap rubber ¹	1.32	0.03	0.31	0.01	0.14	0.01
2. revenue from chemicals ²	1.18	0.03	-	-	0.89	0.03
Sales revenue	3,766.01	99.72	3,674.40	99.12	2,743.51	99.56
Other revenues ³	10.57	0.28	32.59	0.88	12.06	0.44
Total	3,776.58	100.00	3,706.99	100.00	2,755.57	100.00

Remark(s)

¹ Revenue from scrap rubber is the distribution of scrap rubber obtained from the rubber thread manufacturing process or rubber thread that does not meet the specified quality standards. In accounting, scrap rubber is a product obtained from a manufacturing process in which production costs are recorded in the cost of sales, which is the same as the production of scrap rubber. Therefore, revenue from scrap rubber is recorded in sales revenue. In order for the gross profit analysis to reflect the actual performance of the company.

² Revenue from chemicals is the sale of chemicals used in the production of goods to related companies. In accounting, chemicals are ingredients used in the production of rubber thread, which are recorded in the cost of sales. Because chemicals are sold, they are counted as sales revenue for the gross profit analysis to show how well the company is doing.

³ Other revenues includes foreign exchange gains and tax card income. Profit from the sale of assets, interest income, etc. Other income does not include gains from exchange rates, according to the financial statements for the year 2022 and 2023. Therefore, the total value of other revenues shown in the above table does not match the value of other income shown in the financial statements.

Sales Revenue

In 2023, the company had a sales revenue of 2,743.51 million baht, or 99.56% of total revenue. Analysis of sales revenue divided by product characteristics as follows:

(1) Revenue from Rubber Thread

Revenue from sales of rubber thread comes from selling talcum rubber thread and silicone rubber thread to customers both domestically and internationally under 8 brands of the company.

In 2023, the company's revenue from the sale of rubber thread amounted to 2,742.48 million baht, representing 99.52% divided by the type of rubber thread sales. The details are as follows:

Revenue from rubber thread	Year 2021		Year 2022		Year 2023	
	million baht	percentage ¹	million baht	percentage ¹	million baht	percentage ¹
powder-coated rubber thread	3,532.87	93.55	3,453.52	93.16	2,564.80	93.08
silicone coated rubber thread	230.65	6.11	220.57	5.95	177.68	6.45
Total	3,763.52	99.65	3,674.09	99.11	2,742.48	99.52

Remark(s) ¹ percentage of total revenue

In 2023, the company's sales volume of rubber thread was 31,887 tons as follows:

Sales Volume (Tons)	Year 2021	Year 2022	Year 2023
powder-coated rubber thread	33,204	31,811	29,647
silicone coated rubber thread	2,380	2,251	2,240
Total	35,584	34,062	31,887

In 2021-2023, the average price of latex in Thailand, which is the main raw material for producing rubber thread, as follows.

(baht/kilogram)	Year 2021	Year 2022	Year 2023
average price of concentrated latex	43.80	44.57	38.81

In 2023, the company had income from selling rubber thread in the amount of 2,742.48 million baht, a decrease of 931.61 million baht from the previous year, or a decrease of 25.36%, the main reason being that in 2023 the company sold 31,887 tons of rubber thread, a reduction. Decreased from the same period of the previous year by 2,175 tons, or a decrease of 6.39%, due to economic factors both domestic and international that slowed down. People spend less. As a result, the demand for rubber thread in the user industry decreased as well.

(2) Revenue from Scrap Rubber

Revenue from the sale of scrap rubber comes from the sale of scrap rubber obtained from the rubber thread manufacturing process. Or rubber thread of a quality that does not meet the specified standards. It is sold to domestic customers for further use in various fields, such as shoe soles and low-quality rubber wheels.

In 2023, the company's revenue from scrap rubber was 0.14 million baht, or 0.01% of total revenue. In accounting, scrap rubber is a product obtained from a manufacturing process in which production costs are recorded in the cost of sales, the same as rubber thread production. Therefore, the revenue from scrap rubber is recorded in the sales revenue in order to analyze the gross profit and reflect the actual performance of the company.

(3) Revenue from Chemicals

Revenue from sales of chemicals comes from sales of chemicals used in the production of products to related companies. Because the company has ordered chemicals from manufacturers and distributors of products in large quantities, As a result, the company has bargaining power. The selling price is based on the average cost of the chemicals plus an appropriate profit margin. If you want to know more about how chemicals are sold,

In 2023, There is income from chemical sales of 0.89 million baht. In accounting, chemicals are the ingredients used in the production of rubber thread, which are recorded in the cost of sales. Therefore, revenue from chemicals is recognized as revenue from sales. In order for the gross profit analysis to reflect the actual performance of the company.

Cost of Sales and Gross Profit

The cost of sales and gross profit of the company for the years 2021-2023 as follows:

Cost of Sales and Gross Profit (million baht)	Year 2021	Year 2022	Year 2023
sales revenue	3,766.01	3,674.40	2,743.51
cost of sales	3,061.90	3,308.84	2,779.62
gross profit	704.11	365.56	(36.11)
gross margin (percentage)	18.70	9.95	(1.32)

The cost of sales consists of the cost of raw materials, concentrated latex and chemicals. Costs related to production, labor costs, and depreciation expenses, etc.

Cost of product sales in 2023 amounted to 2,779.61 million baht, a decrease of 529.23 million baht, or 15.99%. The main factor affecting production costs is the decreased sales volume. This led to a significant reduction in production volumes as a result. Actual capacity utilization in 2023 is reduced to 89 percent compared to 93 percent in 2022. As a result, fixed production costs This includes depreciation. Expenses for repair and maintenance of machinery and the cost of employees taking care of the production section It is a factor that causes the company's cost of sales to not decrease as it should. But the reduction of electricity rates in the second half of 2023 from the government's supportive policies. It is still enough to be a factor that helps reduce the impact on products in the 4th quarter.

Other Revenues

Other income consists of tax card income, capital gains from the sale of assets, interest earned. Gains from improving the fair value of investment properties, etc. In 2023, the Company had other income of 12.06 million baht, representing 0.44%. Details are as follows:

Other revenues (million baht)	Year 2023
Tax card revenue	3.52
Profit from the sale of assets	0.48
Interest earned	0.79
Profit from improving the fair value of investment properties	-
Electricity revenue	0.10
Factory rental income	6.42
other	0.75
Total	12.06

In 2023, the Company had other income of 12.06 million baht. The decrease from the previous year was 20.54 million baht or 63.01%, mainly due to the profit from the improvement of the fair value of the property. For investment of 18.56 million baht in year 2022.

Distribution Cost

Distribution costs in 2023 amounted to 40.23 million baht, a decrease of 8.15 million baht, or 16.85%, compared to the same period last year. This is mainly due to export costs and freight. It will be proportional to the decreased sales volume. Improving the transportation management process also helps control transportation costs more efficiently.

Administrative Expenses

Administrative expenses in 2023 amounted to 52.98 million baht, accounting for 1.93% of sales, a decrease from 94.70 million baht in 2022, mainly reducing costs related to other employees. Due to the decreased number of employees and time management of support departments according to the reduced production plan

Financial Cost

Financial costs in 2023 amounted to 19.88 million baht, an increase of 15.89 million baht, or 398.25%, as a result of the continuous increase in interest rates according to financial institution policies in the past, causing the company's financial costs to increase.

Net Profit

In 2021-2023, companies had a net profit of (loss) 359.10 million baht, 198.49 million baht and (141.19) million baht, respectively, representing 9.51%, 5.35% and (5.12) % of total revenue, respectively. Details are as follows:

Item	Year 2021	Year 2022	Year 2023
Profit (loss) for the Year	359.10	198.49	(141.19)
Net profit margin (percentage)	9.51	5.35	(5.12)

As a result of higher costs as mentioned above, as a result, in 2023 the company had a net loss of 141.19 million baht, an increased loss of 339.68 million baht, representing 171.13% compared to 2022, which was mainly due to operating losses. Due to decreased sales income.

4.3 Financial Stability and Asset Management

Financial Statement	As of December 31 st , 2022		As of December 31 st , 2023		increase (decrease)	
	million baht	percentage	million baht	percentage	million baht	percentage
Total Assets	2,958.56	100.00	2,590.31	100.00	(368.25)	(12.45)
Total Liabilities	831.66	28.11	703.75	27.17	(127.91)	(15.38)
Equity	2,126.90	71.89	1,886.56	72.83	(240.34)	(11.30)
Total Liabilities and Equity	2,958.56	100.00	2,590.31	100.00	(368.25)	(12.45)

Remark(s): Financial Statement briefly.

(1) Assets

As of December 31st, 2023, the company had total assets of 2,590.31 million baht, a decrease of 368.25 million baht from the previous year, which was reflected by decreased sales. In addition, there was a reduction in inventory by 32.76 million baht, which was managed in line with the decreased demand for products in the market. Cash and cash equivalents decreased by 259.85 million baht. Trade and other receivables decreased by 22.35 million baht, in the same way that sales decreased. and land, buildings and equipment decreased by 81.70 million baht, accounting for 4.91%, most of which decreased from normal depreciation of the business.

(2) Liabilities

Total liabilities as of December 31st, 2023 amounted to 703.75 million baht, decreased from 2022 by 127.91 million baht, mainly due to the payment of debts to trade creditors, the cost of raw materials, chemicals and other creditors decreased by 58.21 million and payments. Payment of loans from financial institutions according to the conditions of the loan contract decreased by 100.80 million baht, but because the debt service coverage ratio (DSCR) of the

company was 0.39, not in accordance with the contract and conditions of the bank. That is, it must not be less than 1.20, resulting in the company's financial statements having to reclassify the loan from long-term loans. It is a short-term loan, totaling 233 million baht. However, the company is in the process of reviewing the credit limit to request approval according to the bank contract and conditions.

(3) Equity

As of December 31st, 2023, the company's shareholders' equity amounted to 1,886.56 million baht, decreased from 2022 in the amount of 240.34 million baht, or 11.30%, due to operating losses and dividend payments.

(4) Capital Structure

As of December 31st, 2021 - 2023, the company's debt to equity ratio (D/E ratio) was 0.39 times and 0.37 times, respectively.

4.4 Cash Flow and Liquidity Analysis

In 2023, the company's cash flow and liquidity were as follows:

(Unit: million baht)	Year 2022	Year 2023
Net Cash From (Used In) Operating Activities	166.80	17.14
Net Cash From (Used In) Investing Activities	(493.94)	(84.66)
Net Cash From (Used In) Financing Activities	13.90	(192.33)
Net Increase (Decrease) In Cash and Cash Equivalent	(313.23)	(259.85)
Effect Of Exchange Rate Changes on Cash and Cash Equivalents	0.08	0.00
Net Increase (Decrease) In Cash and Cash Equivalent - Net	(313.15)	(259.85)
Cash And Cash Equivalents, Beginning Balance	605.61	292.46
Cash And Cash Equivalents, Ending Balance	292.46	32.61

Net Cash From (Used In) Operating Activities

Consisting of loss after adjusting items that affect profit to cash received (paid) in the amount of 141.19 million baht, the company had cash inflows from trade and other receivables in the amount of 14 million baht, inventories in the amount of 32.77 million baht, and cash flows to trade creditors and Other payables amounted to 54.09 million baht, causing the company to have net cash from operating activities in the amount of 17.14 million baht.

Net Cash From (Used In) Investing Activities

The company had cash flows for investing activities in the amount of 84.66 million baht from the increase in land assets, buildings and equipment amounted to 86.98 million baht and cash received from equipment sales amounted to 1.70 million baht.

Net Cash From (Used In) Financing Activities

The company has cash flow spent in financing activities of 192.33 million baht, which is the receipt of short-term loans from financial institutions in the amount of 395.22 million baht and the payment of long-term loans from financial institutions in the regular installments in the amount of 100.80 million baht and paying dividends. The company's shareholders amounted to 97.48 million baht.

4.5 Management's perspective on future operations

- (1) When considering the past year due to factors such as weak demand There is a high oversupply of products in the market. Low-capacity utilization and intense competition, the company therefore carefully reviews and closely follows the world market. To adjust the production plan to be consistent with the growth of both current customers and new market opportunities Although demand will decline during 2023, it is expected to return in the second quarter of 2024.
- (2) Increase tight cost management measures focus on increasing efficiency and develop ways to create added value in order to maintain the ability to create continuous cash flow.
- (3) Increasing production efficiency with automation systems and various technologies. To reduce costs and reduce reliance on labor in the production process.
- (4) Addition a wastewater treatment system. To design usage to be efficient and environmentally friendly. The wastewater treatment system project should be operational around the third quarter of 2024 to be in line with the current global sustainable megatrend concept.

5. Other and essential of the Information

5.1 Data of the Company

Company Name	: World Flex Public Company Limited
Types of Business	: Manufacturers and distributors of Rubber Thread and textile.
Office	: No. 1/7 Bangna Thani Bldg 3 rd Floor. Room 3B Soi Bangna-Trad 34, Bangna Tai, Bangna Bangkok 10260
Factory	: No. 59/1 Moo 5, Highway 3191, Maenam Khu Subdistrict, Pluak Daeng District, Rayong 21140
Registration No.	: 0107545000390
Tel. Office	: 02-398-7188, 02-398-7189
Fax	: 02-398-7187
Website	: www.worldflex.net
Authorized Capital	: 464,200,000 THB
Paid-up capital	: 464,200,000 THB

5.2 Information references

5.2.1 Securities Registrar

Securities Registrar	: The Thailand Securities Depository Co., Ltd.
Address	: The Stock Exchange of Thailand Building 93 Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400
Tel.	: 02-009-9999
Fax	: 02-009-9991

5.2.2 Certified Public Accountant

Certified Public Accountant	: KPMG PHOOMCHAI Audit Co., Ltd.
Address	: No.1 Empire Tower, 50 th Floor, Sout Sathorn Road, Yannawa, Sathorn, Bangkok 10120
Tel.	: 02-677-2000
Fax	: 02-677-2222
Website	: www.home.kpmg/th

5.3 Legal Dispute

None



Section 2

Corporate Governance

- 6. Corporate Governance
- 7. Corporate Governance Structure
- 8. Corporate Governance Performance Report
- 9. Internal Controls and Related Transactions



6. Corporate Governance

The Board of Directors and executives of WFX adhere to the principles of good corporate governance in accordance with the principles of good corporate governance for listed companies in 2017 of the Securities and Exchange Commission to ensure sustainability in business operations. The company also believes that having a good management system makes it transparent. There is an adequate and appropriate balance of power and an internal control system, along with respect for the rights and equality of shareholders and liability to stakeholders, and other important factors that contribute to the organization's long-term balanced growth.

6.1 Overview of corporate governance policies and practices

World Flex Public Company Limited (the "Company") The Board of Directors recognizes the importance of good corporate governance to promote efficient operation and sustainable growth, which will serve the best interests of all stakeholders, including employees, investors, shareholders, and others. It covers key principles such as the board of directors' structure, roles, duties, and responsibilities. The principles of transparent, clear, and auditable management that guide the management of the organization have ensured that any operation of the company is fair and takes into account the best interests of shareholders and all stakeholders.

To provide credibility for shareholders and all stakeholders and for the purpose of creating sustainable value for the business. In line with the aspirations of both businesses and investors, as well as the capital market and society as a whole, the company has developed a good corporate governance policy based on good corporate governance principles for listed companies. In 2017, which was prepared by the Securities and Exchange Commission to guide the company's corporate governance.

In addition, the Good Corporate Governance Manual of the Company was approved by the Board of Directors' Meeting No. 1/2021 and promulgated from January 5, 2021, to the present.

Corporate Governance Principles and Policies

The Board of Directors has given priority to the implementation of good corporate governance principles, covering eight principles of corporate governance. as follows:

- | | |
|-------------|--|
| Principle 1 | Roles and Responsibilities of the Board of Directors. |
| Principle 2 | Objectives and main goals of the company. |
| Principle 3 | Strengthen effective boards. |
| Principle 4 | Recruitment and development of senior executives and personnel management. |
| Principle 5 | Promote innovation and responsible business practices. |
| Principle 6 | Ensure proper risk management and internal control systems. |
| Principle 7 | Maintain financial credibility and disclosure of information. |
| Principle 8 | Encourage participation and communication with shareholders. |

6.1.1 Policies and Practices relating to the Board of Directors

6.1.1.1 Nomination, Remuneration of Directors and Executives

(1) The Board of Directors will ensure that the nomination and development of chief executive officers and senior executives to have the knowledge, skills, experience and attributes necessary to drive the organization towards the goal.

1.1 The Board of Directors shall consider or assign the Nomination and Remuneration Committee to consider the criteria and procedures for nominating qualified persons to serve as Chief Executive Officer.

1.2 The Board of Directors will monitor the CEO's position to ensure that the appropriate senior executives are presented, at least the Board of Directors or the Nomination and Remuneration Committee will be in conjunction with the Chief Executive Officer to consider the criteria and procedures for nominating and appointing individuals. Approve the person proposed by the Chief Executive Officer to be Senior Executives.

1.3 The Nomination and Remuneration Committee has the authority, duties and responsibilities as assigned by the Board of Directors. as follows:

Recruitment

- (a) Determine how to recruit the right person to serve as a director to suit the nature and business practices of the organization. By determining the qualifications and expertise of each area that is required and presenting it to the Board of Directors meeting to approve the nomination criteria at a time.
- (b) Nomination of Directors, when it is deemed to nominate directors to the Committee of Consideration, the nomination may be considered from the former director to continue the position, or to accept nominations from shareholders, or to use third parties to help nominate or consider from the House of Professional Directors, or to have each director nominate the appropriate person, etc.
- (c) In the event that the Nomination and Remuneration Committee nominates a director who has completed a term in office to return to the position. The Nomination and Remuneration Committee must also use the performance of the directors in the past year as a condition for consideration.
- (d) Consider the list of nominated persons and select qualified people who meet certain eligibility criteria.
- (e) Verify that the person to be nominated is qualified by the laws and requirements of the relevant authorities.
- (f) To approach a qualified person to meet the criteria set out to ensure that the person is willing to take over as director of the Company. If appointed by shareholders.
- (g) Nominate the names to the Board of Directors to consider and include their names in the invitation to the shareholders' meeting. for the shareholders' meeting to consider and appoint.
- (h) Consider policies, guidelines and procedures for the preparation of a succession plan for appropriate and systematic management continuity for senior management positions. From line director upwards.

Remuneration

- (a) Consider the remuneration criteria of directors and senior executives to be appropriate by reviewing the appropriateness of the criteria currently in use. Compared to remuneration data of other companies in the same industry as the Company. And set the criteria accordingly to ensure the expected performance, to be fair and in return for the people who helped the company's work to be successful.
- (b) Review all types of remuneration patterns, such as regular compensation. Performance-based remuneration and meeting allowances, taking into account the practices used by the same industry. Performance and size of the Company's business and responsibilities, knowledge Competence and experience of directors and senior executives and high-level executives that the Company needs.
- (c) To consider the criteria for evaluation of the performance of chief executive officer, line executive and senior executive as assigned by the Board of Directors.
- (d) Determine the annual and non-monetary remuneration of the directors. Chief Executive Officer line manager and senior management According to the payment criteria have been considered and presented to the Board of Directors for approval of the Chief Executive Officer's remuneration. line manager and senior management Director's part to the Board of Directors to propose to the shareholders' meeting for approval.
- (e) To consider and review the operating framework of the compensation structure. Annual salary increases, annual bonuses, as well as other benefits as follows:
 - Consider the overview and framework of the compensation structure. Annual salary increases and annual bonuses, as well as any other benefits of senior management and employees, in accordance with management's proposals, to suit and produce the expected performance, fairness and rewarding employees who help the company's work.
 - Consider the annual salary increase budget as well as other special returns at the Company, assign employees.

1.4 To ensure that the business operation continues. The board will oversee the succession plan. (Succession Plan) to prepare for succession of chief executive officers and senior executives and have the Chief Executive Officer report the performance of the succession plan to the Board of Directors periodically at least once a year.

1.5 The Board of Directors will encourage and encourage chief executive officers and senior executives to be trained and developed. To increase knowledge and experience that is useful to the operation.

1.6 The Board of Directors will clearly establish the policies and practices of holding director positions at other companies of the Chief Executive Officer and Senior Management Officer. Both the type of director position and the number of companies that can go to the position.

(2) The Board, with the recommendations of the Nomination and Remuneration Committee, will oversee the proper remuneration and evaluation structure.

2.1 The Board of Directors, with the recommendations of the Board of Directors, will establish a remuneration structure that incentivizes executives and employees at all levels to perform their work in accordance with the objectives and goals of the organization and in line with the company's long-term interests, including as follow:

- (a) Determination of the suitability of the proportion of salary compensation Short-term performance.
- (b) Setting remuneration policies Factors such as compensation levels above or equal to approximately the industry level should be taken into account. Performance of the Business.
- (c) Establishing policies regarding evaluation criteria and communication to be acknowledged.

2.2 The Board of Directors, excluding executive directors, will play a role in remuneration and evaluation of the Chief Executive Officer, in the following details:

- (a) Approval of the Criteria for Evaluation of The Chief Executive Officer The evaluation criteria should incentivize the Chief Executive Officer to manage the business in accordance with the objectives, main goals, strategies and in line with the long-term interests of the business by communicating to the Chief Executive Officer the assessment criteria in advance.
- (b) Evaluate the chairman's performance annually or assign the Remuneration Committee to be the assessor, and the Chairman or Senior Director will communicate the results of the hearing, including development issues to the Chief Executive Officer.
- (c) To approve the Annual Remuneration of the Chief Executive Officer and to consider the evaluation of the Duties of the Chief Executive Officer and including other factors.

2.3 The Board of Directors will approve the criteria and factors for evaluating the performance. As well as approving the remuneration structure of senior executives and monitoring the Chief Executive Officer to evaluate senior management in accordance with such assessment principles.

2.4 The Supervisory Board shall establish criteria and factors for evaluating performance for the entire organization.

(3) The Board of Directors will understand the structure and relationships of shareholders that may affect the management and operations of the Company.

3.1 The Board of Directors will understand the structure and relationships of shareholders, which may be in the form of agreements within the family business, whether written or not. Shareholder agreement or parent group policy, which affects the authority to control the management of the Company.

3.2 The Board of Directors shall ensure that the Agreement pursuant to Article 4.3.1 hinders the board's duties. For example, having the right person to inherit the position.

3.3 The Board of Directors will ensure that the disclosure of information in accordance with the agreements affecting the control of the Company.

(4) The Board of Directors will monitor the management and development of personnel to have the right knowledge, skills, experience and motivation.

4.1 The Board of Directors will ensure that human resources are managed in accordance with the direction and strategy of the organization. Employees at all levels have the right knowledge, ability, motivation and are treated fairly to retain the organization's talented personnel.

4.2 The Board of Directors will ensure the establishment of provident funds or other mechanisms to ensure that employees have sufficient savings to support retirement, as well as to encourage employees to have an understanding of money management. Choosing an investment policy that corresponds to the age range, risk level, or take care of a Life Path investment policy.

6.1.1.2 Independence of the Board of Directors from management

The Structure of the Board of Directors consists of: Executive Director No less than 5 non-executive directors and independent directors, but not more than 12 persons, and directors who are truly independent of management and are free of any business or other relationships that may influence the independent exercise of discretion not less than one-third of the total number of directors, and must not be less than three directors, all directors are free to comment on the company's operations, to ensure that the management's operations are efficient, accurate and transparent, and to ensure that the management and operation of the business is in accordance with good corporate governance policies. The Board of Directors has established sub-committees, including (1) audit committees, (2) nomination and remuneration committees, (3) risk management committees, and (4) executive committees. However, this is The Audit Committee consists of all independent directors and at least three persons, with at least one audit committee member with financial knowledge and experience to review the reliability of financial statements.

6.1.1.3 Development of Directors and Executives

The Board of Directors has a policy to promote and facilitate training and education to the Company's directors and executives in order to continuously improve and operate, both internal and external training courses all board members must be trained to understand their duties as directors. The Board of Directors and senior executives are focused on participating in training or seminars in various courses or developing their knowledge, most of the directors have completed courses with the Thai Institute of Directors Association (IOD), including the Director Certification Program (DCP), the Director Accreditation Program (DAP), the Audit Committee Program.

6.1.1.4 Evaluation of the performance of directors' duties

The Board of Directors will conduct an annual evaluation of the board's duties. The assessment will be used for the further development of duties as follow:

(1) The Board of Directors and sub-committees will evaluate their performance at least once a year so that the Board of Directors will jointly consider the work and issues to further improve, setting norms to be compared with performance in a principled manner.

(2) Performance evaluations are evaluated both faculty and individually, at least as a manual assessment method. (Self-evaluation) or use cross evaluation as well as reveal the criteria. The overall assessment process and results are included in the annual report.

(3) The Board of Directors may consider arranging external advisors to help shape guidelines and suggest issues in evaluating the Performance of the Board at least once every 3 years and disclose such actions in the annual report.

(4) The results of the board's assessment will be used to determine the suitability of the composition of the Board of Directors.

6.1.2 Policies and Practices relating to Shareholders and Stakeholders

The Company recognizes the importance of maintaining the rights of stakeholders both inside and outside the Company, this will lead to the best interests of all stakeholders, from employees, investors, shareholders and other stakeholders. Therefore, the Company has established the guidelines for treating each group of stakeholders in the Guide to Good Corporate Governance and the Company's Business Ethics, for directors Executives and employees adhere to the practice of operating. The main stakeholders are divided into 2 groups:

Group 1 Key Stakeholders (Primary Stakeholders) who are directly close to the organization and have direct benefits or impacts from the business, such as employees, executives, shareholders, customers, partners, deliverers, family, employees, investors, creditors, communities at the organization area, etc.

Group 2 Secondary Stakeholders are those who are indirectly related to the organization or beyond society. They are the indirect beneficiaries or impacts of business operations such as governments, government agencies, trade associations, professional groups, NGOs, prospective customers or employees, non-resident communities, organization location etc., which are detailed as follows.

6.1.2.1 Equitable Treatment of Shareholders

The Board of Directors has a policy of treating all shareholders equally and fairly. By facilitating shareholders to exercise their rights in the matters they deserve as follows:

(1) Give shareholders the right to vote in one share-to-one vote. Same type of stocks Equal voting rights equal to one share per vote.

(2) Establish policies and guidelines regarding the prevention of conflicts of interest and prevention of the misuse of internal information for self or others in the Manual on Good Corporate Governance and Business Ethics, and publish them to all directors, executives and employees of the Company to acknowledge and strictly observe. This is to prevent cases where the Company's directors and executives Trade the Company's shares using internal information or connected transactions, as well as trade assets in a manner that violates or fails to comply with sectarian and SEC rules.

(3) Designated directors and executives (according to the SEC definition) Implement Section 89 of the Securities and Exchange Act by reporting their interests and related persons (including every time the information is changed), to be able to consider the Company's transactions that may have conflicts of interest to the Company. Directors and executives who have any interest in the matters considered must not participate in expressing their views and are not entitled to vote on the matter.

6.1.2.2 Promoting the exercise of shareholders' rights

(1) The company informs the meeting schedule together with the agenda and opinion of the Board of Directors to the Stock Exchange of Thailand, and published via the company's website at least 30 days before the meeting and send a meeting invitation letter with at least documents to shareholders at least 7 days before the meeting date for normal agenda and at least 14 days in case of special agendas such as capital increase, amendment of regulations, etc.

(2) Facilitate shareholders who are unable to attend meetings in person. The Company will deliver the proxy statement along with the invitation letter of the meeting, both Form A, Form B and Form C, to shareholders, as well as to attach evidence documents as well as easy-to-understand proxy instructions so that shareholders can prepare correctly and without problems attending the proxies' meetings. Shareholders can also download such proxy form from the Company's website on another channel.

(3) Propose the names of at least one independent director of the Company as an option for proxy for shareholders, and the Company attaches details about the name and profile of independent directors along with the invitation letter of the meeting.

(4) Conduct the shareholders' meeting according to the agenda specified in the invitation letter and the agenda is not added to the meeting without prior notice to the shareholders. In addition to those specified in the invitation letter, to be fair to shareholders who do not attend the meeting, except where necessary for the benefit of the Company, and to strictly comply with the relevant legal rules.

6.1.2.3 Preventing the use of internal data

The Board of Directors has established measures to prevent the misuse of insider trading of the Board of Directors. Executives and Related Employees Internal information means information relating to business operations or information that is critical to changes in the price or value of the Company's securities, such as financial position. Performance Development of critical products, contracts or terminations of contracts, which is information that has not yet been disclosed to the general public.

(1) Disclosure of any material information that has not been disclosed to the public shall be disclosed carefully, accurately, completely, in time by ensuring that shareholders or investors receive adequate information. Equally and easily accessible using disclosure channels through the STOCK Exchange's electronic information distribution system. (SET Community Portal) or through the Company's website as appropriate.

(2) Executives Director and employees must not use sensitive internal information for their own benefit to purchase or sell securities of the Company, or provide internal information that has not been disclosed to the STOCK Exchange to other persons not involved in that information, including family members, relatives and friends.

(3) Executives Director and employees who have been informed of the important internal information affecting the change in the price or value of the Company's securities. The purchase or sale of securities of the Company must be suspended for a period of one month prior to the publication of the Financial Statements or statements of the Company's financial position, as well as other important information, and should wait at least 24 hours After disclosing information to the public, before buying or selling the Company's securities.

(4) Executives Director and employees (under Section 59 of the Securities and Exchange Act B.E. 2535 (1992) and amended) Responsible for reporting the acquisition or disposition of securities of the Company in accordance with the Order of the Chief Executive Officer regarding the method of conduct regarding the acquisition or disposition of securities of directors. Executives

and employees (in accordance with Section 59 of the Securities and Exchange Act B.E. 2535 and amended) to prevent the purchase or sale of securities using inside information and to avoid charges regarding the suitability of buying or selling securities of internal parties.

(5) Directors and executives are responsible for reporting securities holdings under Section 59 of the Securities and Exchange Act B.E. 2535 (1992) and amended to the Securities and Exchange Commission and sending copies of this report to the Company.

(6) A person who has the right to disclose important information that has not been made public must be appointed to have the right to respond to inquiries or provide important information that has not been made public or approved by the Chief Executive Officer.

(7) Executives Director and employees should adhere to the practices of disclosure and confidentiality in accordance with the guidelines specified in anti-corruption practices.

6.1.2.4 Prevention of conflicts of interest

The Company realizes the importance of conducting business with transparency and preventing conflicts of interest. The Board of Directors Meeting No. 1/21, dated January 4, 2021, resolved to formulate a policy on the prevention of conflicts of interest on the principle that any decision in carrying out business activities must be in the best interests of the Company. and shareholders of the Company and should avoid actions that may cause conflicts of interest, any action that a person who is involved or has a stake in the transaction benefits or loses benefits. whether directly or indirectly from agreeing to enter into the transaction of the Company or a subsidiary by requiring those who are involved or have interests in the items considered must notify the Company know their relationship or interest in the said transaction, and must not participate in the consideration including no authority to approve such transactions which has the following guidelines:

(1) Executives Director and employees avoid any quail that is contrary to the Interests of the company, whether due to contact with the company's commercial stakeholders or by using opportunities or information obtained from directorship, executives or employees in the pursuit of personal interests or in relation to business competing with the company or other than the company's work or trading securities of the company.

(2) Employees should stand up for what is right, fair, legal. Do not act unlawfully or refrain from performing duties so that they or others can benefit unduly or intentionally damage another person.

(3) Employees shall refrain from holding shares in the Company's competitors. If the shareholding causes the employee to act or refrain from acting in accordance with the duties or have a negative impact on the job.

(4) Employees shall disclose to the Company in case the employee or family member is a shareholder in any business that may cause interest or cause business conflicts to the Company. Whether an employee or family member acquired the shares prior to becoming an employee or before the Company entered into the business or acquired it through inheritance.

(5) Directors and executives are obliged to disclose information about their interests and those involved so that the Company can consider the Company's transactions that may have conflicts of interest and can make decisions for the benefit of the Company.

6.1.2.5 Anti-Corruption

The Company has a policy for the Company's directors, executives, staff and employees to do not act in any way related to corruption and corruption in any form. For direct or indirect benefit to oneself, family, friends and acquaintances, whether they are the recipient, giver or offer of bribes, both in monetary or non-monetary to government agencies or private entities with which the Company operates or contacts will follow "Anti-Corruption and Corruption Practice Guidelines" strictly.

In addition, the Company also offers opportunities for all employees and stakeholders of the Company. There are channels to complain. Suggest advice and report illegal activity. Non-compliance with business ethics Fraud and corruption and the Company requires protection against employees and whistleblowers from committing wrongdoing. By anonymizing the whistleblower and keeping relevant information confidential. However, this is the complainant must provide details of the incident to be whistled or complained with the name, address and phone number that can be contacted. Send to the following channels:

In case the alleged is a lower-level employee than the Chief Executive officer.

Inform directly through the email channel of the Chief Executive Officer at ceo@worldflex.net

Or, send it via postal mail to the Chief Executive Officer and the company's Managing Director at the address 1/7 Bangna Thani Building, 3rd Floor, Room 3B, Soi Bangna-Trat 34, Bangna Tai sub-district, Bangna district, Bangkok 10260.

In case the alleged holds the position of Chief Executive Officer.

Inform through the email: chairman@worldflex.net

Or, send it via postal mail to the company's Chairman at the address 1/7 Bangna Thani Building, 3rd Floor, Room 3B, Soi Bangna-Trat 34, Bangna Tai sub-district, Bangna district, Bangkok 10260.

6.2 Business Ethics

According to the Securities and Exchange Commission (SEC), The company has enacted the corporate governance principles for listed companies. Therefore, the Board of Directors has implemented a business ethics for directors. Executives and employees of all levels are used as a clear and comprehensive course of conduct in responsible operations and tasks with Honesty, transparency, morality and ethics, and aim to ensure that the Company's business operations grow sustainably and acceptably of all parties involved. The term "employee" means full-time, part-time or employee under a special contract. Ask employees to understand this business ethics and strictly adhere to the practice, in addition, the Board of Directors considers this Business Code of Conduct to be part of the Company's "Working Regulations". In the past year, the company has not received any complaints related to ethical misconduct.

6.3 Adoption of Good Corporate Governance Principles for Listed Companies 2017

The Company recognizes the importance of good corporate governance as important to promote the Company's operations to be efficient and sustainable growth, so the Company has established a good corporate governance policy based on good corporate governance principles for listed companies in 2017. respond to changes in accordance with the Company's strategy and business direction.

6.4 Changes and Significant Developments

In the past year, the company has reviewed its policies, practices, and corporate governance systems consistently. The purpose of this ongoing evaluation is to elevate the standards of the company's corporate governance in accordance with the criteria set by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). The company adheres to the standards outlined in the Corporate Governance Report of Thai Listed Companies (CGR) by the Institute of Directors (IOD), a benchmark for promoting good corporate governance practices among Thai registered companies.

In the year 2023, the company underwent an assessment as part of the Corporate Governance Report of Thai Listed Companies 2023 project, conducted by the Thai Institute of Directors (IOD). The primary objective of this assessment is to examine and measure the corporate governance practices of registered companies, ensuring adherence to ethical principles and responsibility towards society and the environment (ESG). The assessment aims to guide relevant entities in formulating policies and measures to develop the corporate governance of registered companies in line with international standards. Additionally, the company, with a CGR assessment score of 77% (equivalent to 4 stars), can use the evaluation results to enhance its own corporate governance practices.

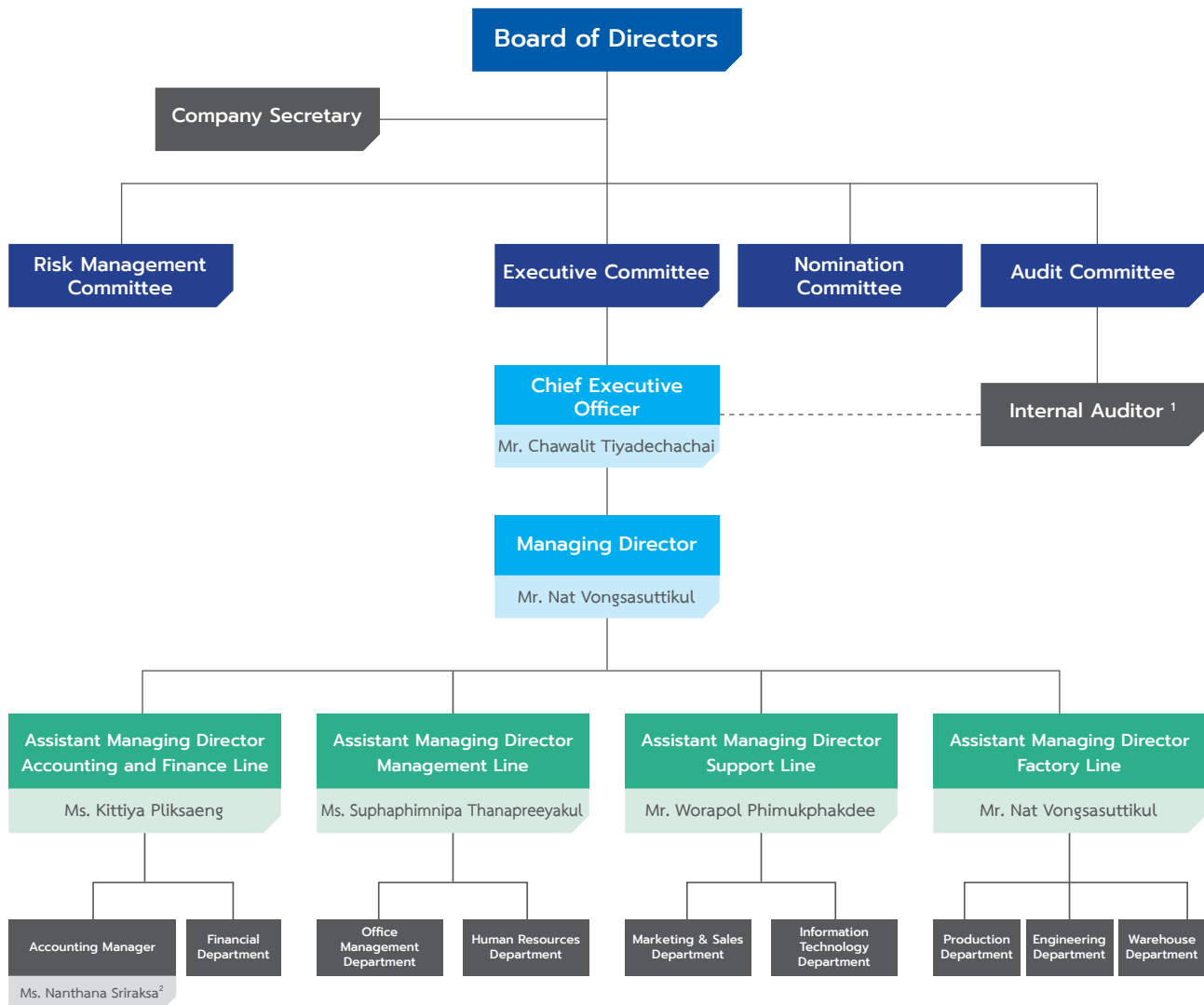


Furthermore, based on the assessment results from the Quality of Shareholders' Annual General Meeting (AGM) project for registered companies on the Stock Exchange of Thailand, conducted by the Thai Investors Association (TIA), the objective is to elevate the quality of AGMs for registered companies to meet standards. This initiative is an integral component of good corporate governance, aiming to contribute to the development of individual investors' potential. It supports shareholders in being aware of participation and equal access to information for informed investment decision-making. Summarizing the AGM Checklist assessment results for the year 2023, the company received a score between 80-89 points, equivalent to a rating of 3 stars.



7. Corporate Governance Structure

Organization Chart



Note: ¹ Currently, the Company employs a third-party company, namely the Company. IVL Audit Co., Ltd. is an internal auditor.

² Ms. Nanthana Sriraksa acts as a chief financial officer, preparing financial statements in accordance with financial reporting standards for public interest entities. Appointed on August 9, 2023.

The management structure of the Company consists of the Board of Directors and four sub-committees. Such as, audit committee. Executive Committee, Risk Management Committee and Nomination and Remuneration Committee, The Company has a board of directors' structure with at least three independent directors. And not less than a third of the Total Directors of the Company, which is in accordance with applicable laws and regulations of the Company.

7.1 Board Structure

7.1.1 Board of Director

7.1.1.1 Composition of the Board of Directors

Board of Directors The following elements should be specified:

(1) In accordance with the Company's regulations Board of Directors Must consist of at least five and not less than half of all directors and directors must be resident in the Kingdom of Thailand. And the directors of the Company must be qualified as required by law. The director of the Company is not required to be a shareholder of the Company.

(2) The Board of Directors consists of executive directors. At least one-third of independent directors and no less than three independent directors, the qualifications of independent directors are as specified by the Stock Exchange of Thailand.

(3) Board of Directors Select a director as chairman of the Board of Directors.

(4) Board of Directors Select a person to serve as a secretary of the Board of Directors. The Secretary also can be a director.

7.1.1.2 Appointment of directors and term of office

The election of directors of the Company shall be conducted by the Shareholders' Meeting. as follows:

(1) One shareholder has a vote of one share per vote.

(2) In elections, directors may vote for individual directors at a time or several at a time. People, according to the shareholders' meeting, but in each vote, Shareholders must vote with a vote that is in accordance with Article 1, all of which cannot divide the votes to any person. Therefore, shareholders cannot share their votes in the election of directors. In order for anyone less under section 70 paragraph one of the Public Act (non-cumulative voting only).

(3) the person who receives the highest votes, respectively, be elected as a director equal to the number of directors who will be or should be elected at that time. In the event that, the person who is elected in the subsequent order, The same number of votes exceeds the number of directors, who will be required or will be elected at that time, Let the president of the meeting be the decisive voter.

(4) The Board of Directors shall have a term of tenure in accordance with the Articles of Association of the Company, i.e., at every annual general meeting of shareholders. The directors left a third of the number of directors at the time. If the number of directors can't be divided into three parts, The directors, who have retired, may be re-elected.

For specific committees, including audit committees The Nomination and Remuneration Committee shall have a term of 3 years at a time, with 1 year herein referring to the period between the ANNAUL AGREEMENT MEETING of the appointed year until the next year's ANNAUL AGREEMENT MEETING. Directors who have retired from their term may be nominated and appointed to new positions.

(5) In addition to retiring from office on a term basis, the director retired from his position when,

- (a) die
- (b) resign
- (c) Ineligible or prohibited by the law on public limited companies or the Securities and Exchange Act
- (d) The shareholders' meeting voted to leave before the time of issue. With at least three-quarters (3/4) of the number of shareholders who attended the meeting and had the right to vote, and the shares counted together at least half of the shares held by shareholders who came to the meeting and had the right to vote.
- (e) Court order.

(6) Any director will resign from the position to submit the resignation to the Company. The resignation will be effective from the date of resignation to the Company. Directors who resign in accordance with the first paragraph may also inform the Registrar of their resignations.

(7) In the event that the director's position is vacated for other reasons. The Board of Directors shall select qualified persons and do not have a violate nature under the law on public limited companies or the securities and exchange laws to be a member of directors at the next board meeting, if the term of the director is less than two (2) months, and the person who becomes the director can only be in the position for the remaining term of the director who which replaced.

(8) The resolution of the Board of Directors in accordance with the first paragraph, must contain at least three-quarters of the remaining votes of the directors.

7.1.2 Audit Committee

7.1.2.1 Composition of the Audit Committee

The Audit Committee of the Company must have the following elements:

- (1) The Audit Committee consists of no less than three independent directors.
- (2) The audit committee has the appropriate skills according to the assigned mission. Audit Committee At least one person must have knowledge or experience in accounting or finance.
- (3) The Board of Directors shall select and appoint one audit committee member to chair the Audit Committee.
- (4) The Audit Committee shall appoint a person as secretary of the Audit Committee to help support the Audit Committee in performing its duties and to assist in the appointment of meetings. Preparing an agenda Submission of meeting documents and recording of meetings.

7.1.2.2 Qualifications of the Audit Committee

The Audit Committee must have the following characteristics and qualifications as Independent Directors:

- (1) Appointed by the Board of Directors.
- (2) Qualifications as stipulated in public law Securities and Exchange Laws and Stock Exchange of Thailand (SET) regulations.
- (3) At least one audit committee member must be knowledgeable in accounting and finance.
- (4) The Audit Committee member must be an independent director and be qualified as an independent board member as follows:

- (a) holding no more than a percentage of 1% of the company's total voting shares Major Companies Subsidiaries the Company's associates, major shareholders or controlling persons of the Company include the shareholdings of the relevant parties of the independent directors.
- (b) Not be or have been a director engaged in management. Employees, employees, consultants who receive regular salaries or controlling persons of the Company Major Companies Subsidiaries Associates, subsidiaries of the same order Major shareholders or controlling persons of the Company, unless they have been out of such characteristics for at least 2 years. Prior to the date of filing the application for permission to the Securities and Exchange Commission. Such prohibited characteristics this does not include cases where independent directors have been civil servants or advisors of government agencies that are major shareholders or controlling authorities of the Company.
- (c) A person who has a blood relationship or by legal registration in the manner of a parent, spouse. Siblings and children, including spouses of children of executives, major shareholders, controlling persons or persons who will be proposed as executives or controlling persons of the Company.
- (d) No or have ever had a business relationship with the Company. Major Companies Subsidiaries Associates, major shareholders or controlling persons of the Company in such a way that it may impede the independent exercise of judgment, including not being or ever being a meaningful shareholder or controlling person who has business relationships with the Company. Major Companies, Subsidiaries, Associates, major shareholders or controlling persons of the Company, unless they have been out of such characteristics for at least 2 years before being appointed as an independent director.
- (e) not being or having been an auditor of the Company, parent company, subsidiary company, associated company, major shareholder or the person who has the power to control the company and is not a significant shareholder controller or a partner of the audit firm which has auditors of the Company, parent company, subsidiary companies, associated companies, major shareholders or a person with controlling power of the Company is affiliated with, unless the foregoing relationship has been terminated for not less than 2 years before being appointed as an independent director.
- (F) not being or having been a professional service provider of any kind; This includes serving as a legal or financial advisor. which receives service fees of more than 2 million baht per year from the Company, mother company, subsidiary company, associated company, major shareholder or the person having control over the Company and is not a significant shareholder controller or a partner of that professional service provider Unless the foregoing relationship has been terminated for not less than 2 years prior to the date of appointment as an independent director.
- (g) Should be an independent person who is not involved or have any relationship with board of director or any shareholders.
- (h) Not to operate a business with the same conditions and as a competition with the business of the Company or its subsidiaries, or not to be an implicit partner in the partnership or as a director engaged in management. Employees, employees,

consultants who receive regular salaries or hold more than 1% of the total voting shares of other companies operating in the same condition and are competitive with the company's or its subsidiaries.

- (i) There are no other characteristics that prevent it from providing an independent opinion on the Company's operations.

(5) A person who can perform duties and express opinions or report performance independently of the assigned duties without the control of the company's management or major shareholders, including related parties or close relatives of such persons.

(6) It is a trusted and generally accepted person.

(7) Sufficient time can be devoted to carrying out the duties of the Audit Committee.

7.1.2.3 Term of Tenure

The term of the Audit Committee is as follows:

(1) The Audit Committee shall have a term of 3 years at a time, with 1 year herein referring to the period between the annual agreement meeting of the appointed year until the annual agreement meeting the following year, and the Audit Committee, which has retired from the term, may be nominated and appointed to a new position.

(2) In addition to the retirement of the aforementioned agenda. The audit committee member retired from the position when,

- (a) die
- (b) resign
- (c) Ineligible to be a member of the Audit Committee under this Charter or in accordance with the rules of the Stock Exchange of Thailand
- (d) Retired from the tenure as director

(3) Any audit committee member will resign from the position, submit the resignation to the Chairman of the Board of Directors, which should be notified in writing at least 1 month in advance with reasons for the Company to inform the Company of the resignation with a copy of the letter of resignation to the Stock Exchange of Thailand.

(4) In the event that the audit committee retires from the entire board of directors, the retired audit committee shall be appointed acting in the position to proceed before the new audit committee takes over.

(5) In the event that the position of audit committee is deteriorated for reasons other than the time of term, the Board of Directors shall appoint a fully qualified person as audit committee member within 90 days, so that the audit committee member has the full number specified by the Board of Directors, the person who becomes the audit committee member instead can only be in the position of the remaining term of the audit committee which represented.

7.1.3 Executive Committee

The nomination of the Executive Committee will be considered by the Nomination and Remuneration Committee and presented to the Board of Directors for approval of the appointment. The Executive Committee is not required to serve as a director. The Executive Committee shall select one Executive Committee to become Chairman of the Executive Committee.

7.1.3.1 Qualifications of Executive Committee

(1) Being knowledgeable honesty, have business ethics and have enough time to dedicate knowledge and abilities and perform duties for the company.

(2) Has complete qualifications and does not have any prohibited characteristics according to relevant laws.

(3) Not being a person who operates businesses of the same nature and is in competition with the Company's business. or become a partner or a director in another juristic person who operates a business of the same nature and is in competition with the business of the Company whether doing it for the benefit of oneself or others unless notified to the Board of Directors' meeting prior to the appointment.

7.1.3.2 Appointment and tenure of Executive Committee

The Board of Directors appoints qualified persons as stated above. The Executive Committee has a term of 3 years at a time and shall comply with the term of director (in case the Executive Committee also serves as a director). Executive Committee who have retired from their term may be appointed as Executive Committee.

In the event that the Executive Committee completes his term or may not hold the position until the end of his term, this will result in the number of executive directors below 5 members, the Board of Directors shall appoint a new Executive Committee to be fully or late within 3 months from the date of the incomplete number of Executive Committee. In order to ensure continuity in the performance of the duties of the Executive Committee.

7.1.4 Risk Management Committee

7.1.4.1 Composition of the Risk Management Committee

The Risk Management Committee consists of at least 3 members, and the Risk Management Committee is not required to serve as the Company's director.

In this regard, the Board of Directors or the Risk Management Committee elect one member of the Risk Management Committee to be the Chairman of the Risk Management Committee and appoint a secretary of the Risk Management Committee to assist in the operation of the Risk Management Committee regarding meeting appointments, prepare agenda, submit documents for the meeting and record the minutes of the meeting.

7.1.4.2 Qualifications of the Risk Management Committee

(1) Being knowledgeable be honest Have business ethics and have enough time to dedicate knowledge and abilities and perform duties for the Company.

(2) Fully qualified and not of prohibited characteristics under applicable law.

(3) Not being a person who operates businesses of the same nature and is in competition with the company's business, or become a partner or a director in another juristic person who operates a business of the same nature and is in competition with the business of the Company whether they do it for their own benefit or that of others unless notified to the Board of Directors' meeting prior to the appointment.

7.1.4.3 Appointments and Tenure

The Board of Directors shall appoint a person who meets the qualifications stated above and has been considered by the Nomination and Remuneration Committee. to hold the position of Risk Management Committee, the Risk Management Committee has a term of office of 3 years and is in accordance with the term of office of the Company's director. (In the case that the Risk Management Committee is also a director of the Company). The risk management committee who retires by rotation may be reappointed as the risk management committee.

In the event that the Risk Management Committee has completed the term of office or is unable to hold the position until the end of the term as a result, the number of risk management committees is less than 3 people. The Board of Directors shall appoint a new risk management committee member immediately or at the latest within 3 months from the date the number of risk management committee is incomplete. To ensure continuity in the performance of the Risk Management Committee.

7.1.5 Nomination and Remuneration Committee

7.1.5.1 Composition of the Nomination and Remuneration Committee

(1) Must consist of at least 3 directors and should consist of independent directors and most non-executive directors.

(2) The Board of Directors shall appoint independent directors who are members of the Nomination and Remuneration Committee. Become chairman of the Nomination and Remuneration Committee.

7.1.5.2 Qualifications of the Nomination and Remuneration Committee

(1) The Board of Directors appoints the Nomination and Remuneration Committee.

(2) Knowledge, experience and expertise in the company's business field. Legal and other aspects.

(3) Maturity and stability, courage to express differences of opinion and independence.

(4) Can devote time to acting.

7.1.5.3 Term of Tenure

The Nomination and Remuneration Committee shall serve a term of up to 3 years, with one year herein referring to the period between the annual agreement meeting of the year appointed until the annual agreement meeting the following year, and the Nomination and Remuneration Committee, which has retired from the term, may be nominated and re-appointed to a new position.

7.1.6 Senior Executives

The nomination of the Chief Executive Officer will be considered by the Nomination and Remuneration Committee for the full qualifications. suitable Have knowledge, competence, skills and experience that are useful to the Company's operations and presented to the Board of Directors for further approval. Other senior executives will consider the full qualifications and suitability Director by the Chief Executive Officer.

7.2 Information about the Board of Directors

Board of Directors

As of December 31, 2023, the Board of Directors consists of 8 members as follows:

Name-Surname		Position
1. Mr. Bunyong	Visatemongkolchai	Chairman of the Board of Directors / Independent Director / Audit Committee
2. Mr. Banlue	Chantadisai	Director / Independent Director / Chairman of the Audit Committee
3. Mr. Surapong	Rongsirikul	Director / Independent Director / Audit Committee
4. Mr. Chawalit	Tiyadechachai	Director / Chief Executive Director
5. Mr. Nat	Vongsasuttikul	Director / Managing Director
6. Ms. Chalongkwan	Wongsasuthikul	Director
7. Mr. Kowit	Wongsasuthikul	Director
8. Mr. Prakrit	Waraprateep	Director

With Ms. Suphaphimnipa Thanapreeyakul Acting as Company Secretary, appointed by the Board of Directors' meeting. Meeting 3/2021 on 25 February 2021



Mr. Bunyong Visatemongkolchai
Chairman of the Board of Directors
Independent Director
Audit Committee



Mr. Banlue Chantadisai
Director
Independent Director
Chairman of the Audit Committee



Mr. Surapong Rongsirikul
Director
Independent Director
Audit Committee



Mr. Chawalit Tiyadechachai
Director
Chief Executive Director



Mr. Nat Vongsasuttikul
Director
Managing Director



Ms. Chalongkwan Wongsasuthikul
Director



Mr. Kowit Wongsasuthikul
Director



Mr. Prakrit Waraprateep
Director



Ms. Suphaphimnipa Thanapreeyakul
Company Secretary

Authorized Directors of the Company

The authorized signatories of the Company are Mr. Chawalit Tiyadechachaia and Mr. Nat Vongsasuttikul. jointly sign and affix the Company's seal.

Authority, Duties and Responsibilities of the Board of Directors

- (1) Perform duties in accordance with the law. Objectives, Regulations of the Company, as well as the resolutions of the Shareholders' Meeting.
- (2) Consider and approve the appointment of a person who has qualifications and does not have any prohibited characteristics as specified in The Public Company Act B.E. 2535 and the Securities and Exchange Act including announcements of regulations and/or regulations related to the position of director in the event that the director's position becomes vacant for reasons other than retirement by rotation.
- (3) To consider the appointment of the Executive Committee by selecting from the Directors of the Company As well as establishing the scope of authority, duties and responsibilities of the Executive Director.
- (4) To consider the appointment of independent directors and audit committee members based on the qualifications and prohibited characteristics of independent directors and audit committee members in accordance with the securities and exchange law, including the announcement of regulations and/or related regulations of the SET, or proposed to the Shareholders' Meeting for further appointment as independent directors and audit committee members of the Company.
- (5) To consider, define and amend the names of directors who have the power to bind the Company.
- (6) Appoint any other person to operate the Company's business. Under the control of the board or it may authorize such person to have the authority and/or within the time deemed appropriate by the Board of Directors, which the Board may revoke, revoke. Change or modify that power.
- (7) To consider and approve the transaction of acquisition or disposition of assets of the Company Unless such transaction must be approved by the Shareholders' Meeting. In order to consider such approval in accordance with the notice. Regulations and/or related regulations of the Set.
- (8) To consider and approve connected transactions unless such transactions must be approved by the Shareholders' Meeting. In order to consider such approval in accordance with the notice. Regulations and/or regulations relating to settling.
- (9) To consider and approve the interim dividend payment to shareholders When it is clear that the Company has a fair profit to do so and report the dividend payment to the shareholders' meeting at the next shareholders' meeting.
- (10) It is responsible for determining the company's vision, policies and operational direction. Business strategy, annual budget, and supervision for management to comply with the established policies. Efficiently and effectively to maximize economic value for shareholders and sustainable growth.
- (11) Responsible to shareholders regularly Operate by maintaining the interests of shareholders. Material information is disclosed to investors accurately and completely. Standardized and transparent.

- (12) Evaluate performance and determine the remuneration of directors. and senior management.
- (13) Supervise management to have a proper and effective risk management system.
- (14) To consider and judge on material matters such as policies and business plans, large investment projects, administrative powers, etc. Acquisition or disposition of property and other items required by law.
- (15) Establish the authority and level of approval for transactions and actions related to the Company's work to faculty or individuals as appropriate and comply with applicable legal regulations by providing a manual of authority and reviewing at least once a year.
- (16) Provide accounting system Reliable financial and audit reporting, as well as ensuring the process of assessing the suitability of internal controls.
- (17) To approve the proposed appointment of the auditor and to consider the annual audit fee for presenting to the shareholders in the approval of the appointment.
- (18) The Board of Directors' responsibility report to prepare the financial report, expressed in conjunction with the auditor's report in the annual report, and covers important matters in accordance with the Policy of Best Practices for Directors of listed companies of the Stock Exchange of Thailand.
- (19) Supervise the performance of various sub-committees in accordance with the established charter.
- (20) The Board of Directors must self-evaluate the performance and evaluate the overall performance.
- (21) Directors shall not conduct business in the same condition and compete with the Company's business, or become a partner in an ordinary partnership or be an unlimited liability partner in a limited partnership, or be a director of a private company or other company that operates in the same condition and is competitive with the Company's business, whether for the benefit of themselves or for the benefit of others, unless notified to the shareholders' meeting prior to the appointment.

7.3 Information about the Sub-Committee

7.3.1 Audit Committee

As of 31 December 2023, The Audit Committee consists of three directors. as follows:

Name-Surname		Position
1. Mr. Banlue	Chantadisai	Chairman of the Audit Committee
2. Mr. Bunyong	Visatemongkolchai	Audit Committee
3. Mr. Surapong	Rongsirikul	Audit Committee

Note: 1) Mr. Banlue Chantadisai, an audit committee member with knowledge and experience in reviewing the reliability of financial statements. Which Mr. Banlue Chantadisai. Graduated with a Master's Degree in Business Administration, University of Chicago Business School, USA, and is a qualified person and experienced to benefit the Company.

2) Ms. Kittiya Pliksaeng acting as Secretary of the Audit Committee, appointed by the Audit Committee Meeting No. 5/2023 on November 8, 2023, replaces Ms. Supreeya Sintuphan who resigned.



Mr. Banlue Chantadisai
Chairman of the Audit Committee



Mr. Bunyong Visatemongkolchai
Audit Committee



Mr. Surapong Rongsirikul
Audit Committee



Ms. Kittiya Pliksaeng
Secretary of the Audit Committee

Authority, Duties and Responsibilities of the Audit Committee

- (1) Review financial reports to ensure accurate and reliable, including adequate disclosure. By coordinating with external auditors and executives responsible for preparing both quarterly and annual financial reports.
- (2) Review the Company's internal control system and internal audit to be appropriate and effective and consider the independence of the internal audit agency, as well as approve the appointment, migration, termination of the head of the internal audit agency or any other agency responsible for internal audits, and may suggest that any items deemed necessary and important, and bring feedback on the revision of the internal control system that is important and necessary to propose to the Board of Directors by reviewing with external auditors and internal audit managers.
- (3) Review compliance with securities and exchange laws or set requirements, policies, rules, regulations and other laws relating to the Company's business.
- (4) To consider, select and propose the appointment of independent persons to act as auditors, including to propose the remuneration of the Company's auditors to the Board of Directors, as well as attend meetings with auditors without management attending the meeting at least once a year.
- (5) Review the Company's Internal Audit Plan According to generally accepted methods and standards.

- (6) Consider connected transactions or transactions that may have conflicts of interest in accordance with the laws and requirements of the SET. As well as the disclosure of the Company's information in such matters to be accurate and complete. This is to ensure that such transactions are reasonable and in the best interests of the Company.
- (7) Review the Company's appropriate and effective risk management system.
- (8) Report the performance of the Audit Committee to the Board of Directors at least 4 times a year.
- (9) Prepare the audit committee's report as disclosed in the Company's annual report. The report must be signed by the Chairman of the Audit Committee and must contain at least the following information:
 - (a) Opinion on the accuracy, completeness and reliability of the Company's financial reports.
 - (b) Opinion on the adequacy of the Company's internal control system.
 - (c) Opinion on compliance with securities and exchange laws Set of Rights Regulations or laws relating to the Company's business.
 - (d) Opinion on the suitability of the auditor.
 - (e) Comments on connected transactions or transactions that may have conflicts of interest.
 - (f) Number of audit committee meetings and attendance of each audit committee member.
 - (g) Overall opinions or observations received by the Audit Committee for the performance of charter duties.
 - (h) Other items that shareholders and investors should be aware of Under the scope of duties and responsibilities assigned by the Board of Directors.
- (10) To comment on the appointment, removal, evaluation of the work of officials of the Internal Audit Agency.
- (11) In performing the duties of the scope of duties, the Audit Committee shall have the power to invite management section or employees of the relevant companies to comment. Attend or submit documents deemed relevant or necessary.
- (12) To have the power to hire consultants or third parties in accordance with the Company's regulations to provide opinions or consultations where necessary.
- (13) The Audit Committee must evaluate the performance by self-assessment and report the results of the assessment along with operational obstacles that may cause the performance to fail to meet the objectives of establishing the Audit Committee to the Board of Directors every year.
- (14) To consider, review and update the Charter of the Audit Committee.
- (15) Perform other tasks as assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

7.3.2 Executive Committee

As of December 31, 2023, the Executive Committee consists of five directors are as follows:

Name-Surname		Position
1. Mr. Chawalit	Tiyadechachai	Chairman of the Executive Committee
2. Mr. Nat	Vongsasuttikul	Executive Committee
3. Mr. Kowit	Wongsasuthikul	Executive Committee
4. Ms. Suphaphimnipa	Thanapreeyakul	Executive Committee
5. Mr. Worapol	Phimukphakdee	Executive Committee

Note: 1) Mr. Kowit Wongsasuthikul acting as Executive Director, replaces Ms. Supreeya Sintuphan who resigned, appointed by the Board of Directors' Meeting. No. 4/2023 on 9 August 2023, The newly-appointed director shall hold office only for the remaining term of office of the director whom he or she replaces until February 17, 2024.



Mr. Chawalit Tiyadechachai
Chairman of the Executive Committee



Mr. Nat Vongsasuttikul
Executive Committee



Mr. Kowit Wongsasuthikul
Executive Committee



Ms. Suphaphimnipa Thanapreeyakul
Executive Committee



Mr. Worapol Phimukphakdee
Executive Committee

Authority, Duties and Responsibilities of the Executive Committee

- (1) The Executive Directors must be appointed by the Board of Directors, consisting of directors who are executives and employees at the executive level, combining at least 5 persons together as executive committee members.
- (2) Supervise the management of the Company. In accordance with the policies set out by the Board of Directors and report the performance to the Board of Directors. In order to conduct a meeting of the Executive Committee, the Board of Directors must attend the meeting of not less than half of the entire Executive Committee. The executive committee's vote must be voted on by a majority of the meeting.

- (3) To consider the appropriate determination of individual authority and approval level and to arrange the separation of duties that may facilitate fraud, including establishing procedures and procedures for transactions with major shareholders, directors, etc. executives or persons appropriately associated with such persons; To prevent the transfer of benefits and present them to the Board of Directors for approval of the principles, as well as to regulate compliance with approved principles and requirements.
- (4) Consider the annual budget and budget spending procedures to present to the Board of Directors and oversee the spending according to the budget approved by the Board of Directors.
- (5) To consider and optimize the Company's business plan for the benefit of the Company.
- (6) To consider and approve investments and set investment budgets according to the authority manual.
- (7) Consider entering into contracts that are binding on the Company in accordance with the authority manual.
- (8) Responsible for having sufficiently important information of the Company to make decisions of the Board of Directors, shareholders, as well as to prepare reliable financial reports in accordance with good and transparent standards.
- (9) To consider the company's profits and losses and propose to pay annual dividends to the Board of Directors.
- (10) To consider the new business operation or dissolution of the business to be presented to the Board of Directors.
- (11) Supervise procedures for workers to report incidents or unusual or illegal acts. to the Executive Committee in a timely manner and in the event of such an event having a significant impact. Must report to the Board of Directors for revision within a reasonable period of time.
- (12) Take any action to support the above actions or in the opinion of the Board of Directors or as authorized by the Board of Directors.
- (13) The submission to the Board of Directors' meeting on any matters which have been voted on and/or approved by the Board of Directors' meeting shall be reported to the Board of Directors at the next Board of Directors meeting.
- (14) The Executive Director does not approve items that they may have conflicts of interest in. Have interests or may have any other conflicts of interest with the Company and/or its subsidiaries (if any).

7.3.3 Risk Management Committee

As of December 31, 2023, the Risk Management Committee consists of three directors are as follows:

Name-Surname		Position
1. Mr. Chawalit	Tiyadechachai	Chairman of the Risk Management Committee
2. Mr. Nat	Vongsasuttikul	Risk Management Committee
3. Ms. Kittiya	Pliksaeng	Risk Management Committee

Note: 1) Ms. Kittiya Pliksaeng acting as Risk Management Committee, replaces Ms. Supreeya Sintuphan who resigned, appointed by the Board of Directors' Meeting. No. 4/2023 on 9 August 2023, The newly-appointed director shall hold office only for the remaining term of office of the director whom he or she replaces until February 25, 2024.



Mr. Chawalit Tiyadechachai
Chairman of the Risk Management Committee



Mr. Nat Vongsasuttikul
Risk Management Committee



Ms. Kittiya Pliksaeng
Risk Management Committee

Authority, Duties and Responsibilities of the Risk Management Committee

- (1) Set risk management policies to cover the entire organization. Determine the company's acceptable risk level (Risk Appetite) and supervise compliance with risk management policies in order to have effective risk management. However, this is Risk assessments must cover at least the following topics:
 - (a) Financial Risk
 - (b) Operational Risk
 - (c) Strategic Risk
 - (d) Compliance Risk
 - (e) Data Protection Impact Assessment Risk)
- (2) Formulate risk management strategies by considering the company's objectives, vision, mission, policy, core goals and business strategy.
- (3) Establish the company's risk identification process. By analyzing the causes of risks, the likelihood and the degree of risk that affects the Company's operations.
- (4) Establish risk management practices and hedging measures proposed by the relevant departments to ensure that they cover all types of identified risks and are effective in controlling or reducing such risks in accordance with risk management policies and acceptable risk levels.

- (5) Supervise the relevant departments to monitor risk management operations in accordance with the guidelines or measures set out on a regular basis to improve or correct them in time if the risks change or are likely to be severe.
- (6) Supervise the person assigned to collect the risk management follow-up results and report the follow-up results to the Risk Management Committee to consider, acknowledge and suggest improvements. Change risk management practices or risk control measures and present them to the Board of Directors for further consideration.
- (7) Coordinate with the Audit Committee on major risk issues and have an internal audit department to ensure that the Company has an internal control system appropriate for risk management, as well as that the risk management system is properly implemented and followed by the entire organization.
- (8) Provide advice, consultation and recommendations to agencies and personnel or working groups involved in risk management as well as consider appropriate approaches to the development of risk management systems.
- (9) To consider and establish the structure and appoint a risk management working group as appropriate and define roles and responsibilities for the sake of carrying out objectives, as well as to evaluate and monitor risk management.
- (10) Review the appropriateness and adequateness of the Company's policies, strategies, preventive measures and risk management practices. To ensure that such policies, strategies, preventive measures and practices are in line with the Company's circumstances and business direction.
- (11) The Risk Management Committee may arrange for an external advisor to jointly consider and determine the guidelines and suggest risk management as necessary and appropriate.
- (12) Review the Charter of the Risk Management Committee and propose to the Board of Directors to consider amending the Charter of the Risk Management Committee in accordance with the circumstances.
- (13) Evaluate annual performance by conducting both faculty-by-faculty and individual assessments and annual performance reports to the Board of Directors.
- (14) Take any other action as assigned by the Board of Directors or in accordance with the policies set by the Board of Directors.

7.3.4 Nomination and Remuneration Committee

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

Name-Surname		Position
1. Mr. Surapong	Rongsirikul	Chairman of the Nomination and Remuneration Committee
2. Ms. Chalengkwan	Wongsasuthikul	Nomination and Remuneration Committee
3. Ms. Suphaphimnipa	Thanapreeyakul	Nomination and Remuneration Committee



Mr. Surapong Rongsirikul
Chairman of the Nomination and
Remuneration Committee



Ms. Chalengkwan Wongsasuthikul
Nomination and Remuneration Committee



Ms. Suphaphimnipa Thanapreeyakul
Nomination and Remuneration Committee

Authority, duties and responsibilities for recruitment

- (1) Determine how to recruit the right person to serve as a director to suit the nature and business practices of the organization. By defining the qualifications and expertise of each area that you want to have.
- (2) Nomination of Directors When it is time to nominate directors to the Board of Directors for consideration, nomination may be considered by the original directors to continue the position, or to accept nominations from shareholders, or to use third parties to help nominate or consider by individuals from the House of Directors, or to have each director nominate the appropriate person, etc.
- (3) Consider the list of nominated persons and select qualified individuals who meet the criteria set.
- (4) Verify that the person to be nominated is qualified by the laws and requirements of the relevant authorities.
- (5) To approach a qualified person to meet the criteria set out to ensure that the person is willing to take over as director of the Company. If appointed by shareholders.
- (6) Nominate the Board of Directors to consider and include the names in the letter of the shareholders' meeting for the shareholders' meeting to consider the appointment.
- (7) To consider the nomination of senior executives as assigned by the Board of Directors.

Authority, duties and responsibilities for remuneration

- (1) Consider the remuneration criteria of directors and senior executives to be appropriate by reviewing the appropriateness of the criteria currently in use. Compared to remuneration data of other companies in the same industry as the Company. And set the criteria accordingly to ensure the expected performance, to be fair and to give back to the person who helped the company's work succeed.
- (2) Review all types of remuneration patterns, such as regular compensation. Performance-based remuneration and meeting allowances, taking into account the practices used by the same industry. Performance and size of the Company's business and responsibilities, knowledge the competence and experience of directors and senior executives required by the company.
- (3) Consider the criteria for evaluating the performance of managing directors. Executive Director and Senior Executive As assigned by the Board of Directors.
- (4) Determination of annual remuneration of directors managing director The Executive Director and Senior Executive Officer, in accordance with the pay criteria, have been considered and presented to the Board of Directors for approval of the remuneration of the Managing Director. Executive Director and Senior Executive Officer Director's Equity the Board of Directors shall present it to the Shareholders' Meeting for approval.
- (5) Consider the appropriateness and approval. In the event of an offer of new securities to directors and employees based on the principle of fairness to shareholders and incentivizing directors and employees to perform their duties to create value-added value for shareholders in the long run and to retain truly qualified personnel.

7.4 Executive Information

As of December 31, 2023, the Company's executives there are 5 persons as follows:

Name-Surname		Position
1. Mr. Chawalit	Tiyadechachai	Chief Executive Officer
2. Mr. Nat	Vongsasuttikul	Managing Director and Assistant Managing Director, Factory Line
3. Ms. Kittiya	Pliksaeng	Assistant Managing Director, Accounting and Finance Line
4. Ms. Suphaphimnipa	Thanapreeyakul	Assistant Managing Director, General Management Line
5. Mr. Worapol	Phimukphakdee	Assistant Managing Director, Support Line



Mr. Chawalit Tiyadechachai
Chief Executive Officer



Mr. Nat Vongsasuttikul
Managing Director and
Assistant Managing Director, Factory Line



Ms. Kittiya Pliksaeng
Assistant Managing Director,
Accounting and Finance Line



Ms. Suphaphimnipa Thanapreeyakul
Assistant Managing Director,
General Management Line



Mr. Worapol Phimukphakdee
Assistant Managing Director, Support Line

Authority, Duties and Responsibilities of the Chief Executive Officer

- (1) Set direction and formulate the company's strategic policies.
- (2) Plan and develop processes in accordance with the Company's policies and strategies.
- (3) View and manage the business operations and/or daily management of the Company in accordance with the policy. Regulations, business plans and budgets set by the Board of Directors and/or as assigned by the Executive Committee.
- (4) Manage the Company's operations in accordance with the Company's vision, mission and goals in accordance with the Company's business plan and budget and related business strategy as defined by the Board of Directors and/or the Executive Committee.
- (5) Supervise financial operations in order to comply with the Company's business plan, budget and related business strategies as defined by the Board of Directors and/or the Board of Directors.

- (6) Monitor and evaluate the Company's performance regularly. To cope with potential risks both from external and internal factors.
- (7) It has the power to approve the operation of various aspects of transactions in terms of trading goods, services, sourcing of raw materials. marketing Personnel management, procurement and general administration for normal transactions of the Company Such approval must be subject to the conditions and restrictions as defined in the Approval and Implementation Authority Regulations approved by the Board of Directors.
- (8) Have the authority to define and modify the management structure. The Company's management is in line with the Company's policy of conduct and the competitiveness of the industry.
- (9) Have the authority to hire, appoint, migrate, dismiss. Termination and determination of compensation for employees at a lower level than the Chief Executive Officer, to the extent that it complies with the Company's regulations.
- (10) have the authority to issue amendments, amendments, improvements, regulations and directives regarding the company's operations. In order for the operation to comply with the Company's policies, as well as to preserve the interests of the Company and to maintain the discipline of work within the organization.
- (11) Authorize and/or assign others to perform tasks and/or take action on any basis instead. To the extent that it complies with the criteria of approval authority or the regulations or directives set forth by the Board of Directors and/or the Board of Directors.
- (12) have the authority to approve various operating expenses and/or other expenses which are the company's normal expenses in the approved limits, as well as the pension to be considered. Negotiate and approve the legalization of contracts and/or any actions relating to the Company's operations in accordance with the authority and/or credit limits approved by the Board of Directors and/or the Board of Directors.
- (13) Take any action as assigned by the Executive Committee and/or the Directors.
- (14) In addition, the Board of Directors' Meeting No. 3/2021 on February 25, 2021 resolved to determine the authority, duties and responsibilities of the Managing Director. Details are as follows:

Authority, Duties and Responsibilities of the Managing Director

- (1) Control business operations Plan strategies for the company's daily operations and management.
- (2) Judging on important matters of the Company Define tasks, objectives. method The Company's policies include management control over various fields.
- (3) Be a commanding authority. Contact, order, and sign the legal contract. Any instructional documents, notices as specified in the operation manual.
- (4) Hhave the authority to hire, appoint, migrate individuals as they see fit, as well as determine the appropriate scope of authority, duties and returns, and have the power to dismiss them as appropriate for employees of various levels as specified in the operation manual.

- (5) Have the authority to set trade conditions for the benefit of the Company.
- (6) To consider investing in new business or dissolution of business to present to Executive directors and /or directors.
- (7) Approve and appoint consultants necessary for operations.
- (8) Take any action as assigned by the Executive Committee and/or the Directors.
- (9) The Managing Director cannot approve the transaction that the person may have the other conflicts of interest with the Company.

Executive Remuneration

- (1) Monetary compensation

In 2023, the Company paid monetary compensation to 5 executives (excluding Ms. Kittiya Pliksang, Accounting Manager). Details are as follows:

Executive Remuneration	Amount (List)	Remuneration (Million Baht)
	฿ 2565	฿ 2566
Salary, bonuses, contributions to provident funds and contributions to social security funds	51,204,075.40	13,909,589

- (2) Other compensation

- None -

7.5 Personnel

7.5.1 Total number of employees

December 31, 2023, the Company had a total of 672 employees (excluding 5 executives). and 5 people respectively Details are as follows:

Department of Work	As of 31 December 2022		As of 31 December 2023	
	Regular	Daily	Regular	Daily
1. Accounting Department	10	- None -	6	- None -
2. Financial Department	5	- None -	6	- None -
3. Office Management Department	21	- None -	29	- None -
4. Human Resources Department	5	- None -	5	- None -
5. Marketing & Sales Department	24	- None -	19	- None -
6. Information Technology Department	5	- None -	6	- None -
7. Production Department	514	30	418	5
8. Engineering Department	164	2	134	- None -
9. Warehouse Department	24	- None -	21	- None -
(1) Other Department (Environment)	25	5	22	1
Total	834		672	

The table shows the location of work of employees (Excluding 5 executives)

Location of work	Number of Employee As of 31 December 2022		Number of Employee As of 31 December 2023	
	Employee (persons)	(%)	Employee (persons)	(%)
1. Office	118	14.15	117	17.41
2. Factory	716	85.85	555	82.59
Total	834	100%	672	100%

The table shows of number of employees separated by gender

Classified by gender of an employee	Number of employees separated by gender As of 31 December 2022		Number of employees separated by gender As of 31 December 2023	
	Employee (persons)	(%)	Employee (persons)	(%)
1. Male	435	51.85	348	51.40
2. Female	404	48.15	329	48.60
Total	839	100%	677	100%

The table shows of number of employees separated by age

Classified by age of an employee	Number of employees separated by age As of 31 December 2022		Number of employees separated by age As of 31 December 2023	
	Employee (persons)	(%)	Employee (persons)	(%)
1. Less than 30 years	358	42.67	264	39.00
2. 30 – 50 years	425	50.66	362	53.47
3. More than 50 years	56	6.67	51	7.53
Total	839	100%	677	100%

The table shows of number of employees by position level

Classified by level of position	Number of employees by position level As of 31 December 2022		Number of employees by position level As of 31 December 2023	
	Employee (persons)	(%)	Employee (persons)	(%)
1. Manager Department	6	0.72	5	0.74
2. ผู้ช่วยผู้จัดการฝ่าย	4	0.48	5	0.74
3. ผู้จัดการแผนก	3	0.36	14	2.08
4. ผู้ช่วยผู้จัดการแผนก	10	1.20	10	1.49
5. หัวหน้าส่วน	17	2.04	20	2.98
6. หัวหน้าหน่วย	78	9.35	87	12.95
7. เจ้าหน้าที่	64	7.67	48	7.14
8. พนักงาน	652	78.18	483	71.88
Total	834	100%	672	100%

The Company values empowering individuals with disabilities to pursue employment that promotes human dignity. The Act on the Promotion and Development of Quality of Life of Persons with Disabilities supports the employment of individuals with disabilities to promote equality. The B.E. 2550 (2007) and its amendments (No. 2) B.E. 2556 (2013) accompanying the ministerial regulation stipulates the number of persons with disabilities to be admitted to work by employers or owners of establishments and government agencies and the amount that employers or owners of establishments must contribute to the Fund for the Promotion and Development of Quality of Life of Persons with Disabilities. Year 2011.

In 2022 and 2023, the Company hired 5 individuals with disabilities, making up 33.85% of the total workforce.

7.5.2 Employee compensation

(1) Monetary compensation

In 2023, the Company paid monetary compensation to employees (excluding 5 executives). Details are as follows:

Department of Work	Employee Remuneration (Year 2022)	Employee Remuneration (Year 2023)
1. Accounting Department	3,296,599.33	4,157,015.33
2. Financial Department	1,732,125.00	2,237,826.33
3. Office Management Department	6,911,503.67	11,221,968.01
4. Human Resources Department	1,670,339.00	2,274,055.00
5. Marketing & Sales Department	12,929,748.00	15,855,243.67
6. Information Technology Department	2,344,424.67	3,433,617.00
7. Production Department	123,049,825.55	128,829,381.37
8. Engineering Department	46,365,384.74	48,055,012.78
9. Warehouse Department	5,840,562.67	6,721,823.07
10. Other Department (Environment)	7,110,036.00	7,672,253.50

(2) Other compensation

- None -

7.5.3 Provident Fund

The Company has joined the Sinsathaporn Provident Fund, registered with Bualuang Mutual Fund Management Company Limited, and became a fund management company on May 1, 2013. The objective is to raise employee morale and to incentivize employees to work with the Company for the long term, in accordance with the Provident Fund Act B.E. 2530 (including as amended).

As of December 31, 2023, the proportion of employees participating in provident funds can be summarized as follows:

Number of employees participating in provident fund (persons)	Proportion of employees participating in provident fund/total number of employees (percentages)
351	51.84

7.5.4 Human Resource Development Policy

The Company has been critical of the importance of training and personnel development. In order to strengthen the knowledge and competence of employees so that employees can work in order to keep pace with the changes and in accordance with the company's strategy. The following guidelines are as follows:

(1) Employee training must be prepared as an annual training plan. In accordance with the Company's business plan.

(2) Training and developing employees are a duty to do together as follows:

- The company has a goal. Committed to employee training and development It is assigned to human resources management and defines as a guideline for how many trainings each employee should receive per year.
- Supervisors are responsible for giving subordinates the opportunity to undergo regular training and development. Based on the training plan,
- Employees must be forced to develop and improve themselves according to the development plan in order to keep up with the changing missions.

(3) Employee training and development consists of two parts: training on the job of duty and training on management and other organizational behaviors, with variations in circumstances and necessity.

(4) Approval of training expenses requires a review of the budget received, and approval of the use of such budgets in accordance with the designation manual.

7.5.5 Company Tax Management

World Flex Public Company Limited is committed to transparent business operations. It is verifiable and includes principles of tax management in accordance with good civic duties to ensure tightness and legal payment of taxes and duties, as well as guidelines for planning the proper use of tax benefits in accordance with the principles and requirements of various laws of relevant agencies for the maximum benefit to the organization. The Company has disclosed the details of the tax policy on the Company's website.

7.6 Auditor's Remuneration

The Company paid the audit of the financial statements for the fiscal year 2023 to KPMG Phumchai Audit Company Limited has the following details:

Remuneration (Million Baht)	Year 2022	Year 2023
Auditor's Remuneration	1,400,000.00	1,460,000.00
Other ¹	21,000.00	15,627.00
Combine	1,421,000.00	1,475,627.00

Note: 1. Other compensation is auditor's compensation for providing other financial services to the Company.

7.7 Other important information

Company Secretary

The Board of Directors' Meeting No. 3/2021 on February 25, 2021 resolved to appoint Ms. Suphaphimnipa Thanapreeyakul. As a Company Secretary in accordance with the requirements of Section 89/15 Of the Securities and Exchange Act 1992 (including amendments) With responsibility, caution and integrity, And must comply with the law, Objectives, Articles of Association of the Company, The resolutions of the Board of Directors' Meeting, as well as the resolutions of the Shareholders' Meeting and the Board of Directors meeting No. 3/2021 on February 25, 2021, resolved to define the roles, duties and responsibilities of the Secretary. Details are as follow:



Ms. Suphaphimnipa Thanapreeyakul

- (1) Coordinate the schedule of the Board of Directors' meeting throughout the year and annual general meeting of shareholders and inform the Board of Directors in advance.
- (2) Prepare agenda items, supporting documents, sending to directors along with invitations to the Board of Directors' meetings.
- (3) Preparation of shareholders' meeting Agenda and Meeting Documents Deliver to the shareholder with the meeting invitation as well as ensure the meeting goes smoothly. And legally.
- (4) Attend meetings and prepare minutes of meetings of the Board of Directors and shareholder meetings by recording important information in the meeting, as well as useful questions and comments.
- (5) Monitor the resolutions of the Board of Directors' Meeting and the resolutions of the Shareholders' Meeting, as well as report to the Board of Directors on an ongoing basis.
- (6) Provide information or advice to the Board of Directors and executives in performing their duties in accordance with the law, including the requirements of the Securities and Exchange Commission and the requirements of the Stock Exchange of Thailand. As well as best practices of listed companies in corporate governance.
- (7) Prepare an annual information statement (56-1 One Report) with accurate and complete information in accordance with the requirements of the Securities and Exchange Commission of the Stock Exchange of Thailand. Ready to send to such agencies and shareholders. (submit only the yearly report)
- (8) Prepare profile and directors registration to Keep accurate and up-to-date information.

- (9) Send a copy of the report on the interests of directors and executives or related persons to the Chairman of the Board of Directors and Chairman of the Audit Committee within 7 days from the date of receipt of the report.
- (10) Keep the following documents complete, systematic and convenience to verify.
 - Invitation letter to attended the meeting and minutes of the Board of Directors meeting and the shareholder's meeting with supporting documents.
 - Annual Report.
 - Directors Registration.
 - Report on the interests of directors and executives or related persons.

Investor Relations

The Company established investor relations section and assigned Mr. Ronnawat Looksen to represents the Company in the disclosure of information, Including the company's business, by reporting to shareholders, investors, analysts and the general public through the Company's communication channels, including the Company's website, analyst meetings, roadshows, etc. In addition, the Company provides quarterly management discussion and analysis (MD&A) to be published on the Stock Exchange of Thailand website, including the Company's website. Based on transparency, accuracy and auditability, the Company is strong on any disclosures that affect the Company's business operations. In order to cause damage or disadvantage to the Company, but not including limited to performance information. Commercial information or any other information of the Company that has not been made public to be disclosed directly or indirectly.



Mr. Ronnawat Looksen

Investors can link to the investor agency at tel. 02-398-7188 or www.worldflex.net website or email ir@worldflex.net.

Accounting Supervisor

The Company has assigned Miss. Nanthana Sriraksa, accounting manager, to be directly responsible for overseeing the company's accounting, Refer to the details in Attachment 1.

Internal audit

The Company has appointed IVL Audit Co., Ltd. (IVL) as an internal audit service provider, and IVL has assigned Ms. Valdee Siboonruang, Ms. Nathanon Patthanaprasitchai and Ms. Ungkana Thaijaratsatian as heads of internal audits, Refer to the details in Attachment 3.

8. Corporate Governance Performance Report

8.1 The performance of the Board of Directors in 2023

The performance of the Board of Directors in 2023 can be summarized as follows:

In 2023, The Board of Directors has been focused on corporate governance and sustainable development. Which is the management approach to business operations. Establish good corporate governance policies and practices, including sustainable development, based on the eight principles of good corporate governance principles for listed companies in 2017 (CG Code) to create sustainable value for the business as well as to ensure that the practice is appropriate. Sufficient to adapt under changing factors, consistent with creating value for the whole customer business. The company will review the vision, strategy, goals and plans every year. One of the environmental factors of the business in each period includes setting short-term goals. In the medium and long term, it is committed to ensuring that the proper allocation of resources and control of operations is carried out. From strengthen board effectiveness, the selection of suitable persons with independent directors as chairman of the process of finding and selecting directors and nominating and developing senior executives and personnel management.

8.1.1 Nomination, development, and evaluation of the duties of the Board of Directors

Information relating to the nomination, development and evaluation of the board's duties is as shown in Section 6.1.1, "Policies and Practices relating to the Board of Directors".

Succession and Executive Development Plan. The successor will be developed in accordance with the Company's normal development strategy and a plan to develop the successor in the performance that the successor lacks. To optimize the succession planning process. Therefore, the human resource management process is supported as follows:

(1) Portfolio Management

Evaluation of the performance of the successor is conducted regularly and separately from the annual performance evaluation.

(2) training

Training in accordance with the theoretical and practical potential development plan.

(3) Recruitment and selection

If the position is vacated at any party, there will be nominations or select a group of successors to make the most of the succession planning system and evaluate past performance and select the right successor for the position for key positions that cannot be found in a timely manner. The Company may need to recruit new person to be able to continuously support the Company's mission and strategy and have the highest performance.

(4) Creating a mentoring system

Human Resources Management has a policy of creating a mentor system to provide a process to support successors with the opportunity to learn experiences from mentors. To confidently prepare the successor to the main position of the organization.

8.1.2 Attendance and remuneration of individual committees

8.1.2.1 Board meeting

Chairman of the Board of Directors assigned to the Company Secretary to prepare a schedule for the annual board meeting in advance and inform each director of the schedule so that the directors can allocate the attendance time.

Agenda Considerations

Chairman of the Board of Directors, Chief Executive Officer the Managing Director and the Assistant Managing Director will jointly consider the selection of matters to the board's agenda and each director is free to propose the meeting, which will be included in other agenda items.

Meeting Documents

The Company Secretary will send a meeting invitation with agenda items and supporting documents to the Directors at least 5 days in advance of the meeting date.

Conducting a Meeting

1) It takes no less than 1 hour, which is enough for the management to make a proposal and the directors to discuss important issues thoroughly. The chairman of the board encourages careful discretion and all directors pay attention to every issue brought up in the meeting. including issues of corporate governance.

2) Executives attended the board meeting to provide additional information on issues directly related to the problem. such as the marketing situation procurement of raw materials and production, etc.

Quorum Counting

The Board of Directors' meeting must be attended by at least half of the total number of directors in order to be considered full of the quorum. The Chairman of the Board of Directors presided over the meeting.

Information Access

The Board of Directors can request additional necessary information from the Managing Director or company secretary or other designated executives.

8.1.2.2 Attendance

Board of Directors Meeting

In 2023, Directors attended the Board of Directors' meetings and shareholders' meetings as follows:

Name-Surname	position	Number of times attending the meeting in 2023		
		Board of Directors	General Meeting shareholder	Extraordinary General Meeting of Shareholders
1. Mr. Bunyong Visatemongkolchai	Chairman of the Board of Director / Independent Director / Audit Committee	6/6	1/1	-
2. Mr. Banlue Chantadisai	Director / Independent Director / Chairman of the Audit Committee	6/6	1/1	-
3. Mr. Surapong Rongsirikul	Director / Independent Director / Audit Committee	6/6	1/1	-
4. Mr. Chawalit Tiyadechachai	Director	6/6	1/1	-
5. Mr. Nat Vongsasuttikul	Director	6/6	1/1	-
6. Ms.Chalongkwan Wongsasuthikul	Director	6/6	1/1	-
7. Mr. Kowit Wongsasuthikul	Director	6/6	1/1	-
8. Mr. Prakrit Waraprateep	Director	6/6	1/1	-

Note: Mr. Banlue Chantadisai and Mr. Surapong Rongsirikul, a retired director, retired from the office for a term. He has returned to serve as a director of the company for another term. By resolution of the 2023 Annual General Meeting held on April 19, 2023.

Audit Committee Meeting

Attendance of the Audit Committee for 2023 details as follows:

Name-Surname	position	Number of times attending the meeting in 2022	Number of times attending the meeting in 2023
1. Mr. Banlue Chantadisai	Chairman of the Audit Committee	4/4	5/5
2. Mr. Bunyong Visatemongkolchai	Audit Committee	4/4	5/5
3. Mr. Surapong Rongsirikul	Audit Committee	4/4	5/5

Note: The Audit Committee was appointed by the Board of Directors' Meeting No. 2/2021 on January 21, 2021. And the Extraordinary General Meeting of Shareholders No. 1/2021 on January 29, 2021

Executive Committee Meeting

Attendance of the Executive Committee for 2023 details as follows:

Name-Surname			position	Number of times attending the meeting in 2022	Number of times attending the meeting in 2023
1. Mr. Chawalit	Tiyadechachai	Chairman of the Executive Committee		13/13	12/12
2. Mr. Nat	Vongsasuttikul	Executive Committee		13/13	12/12
3. Mr. Kowit	Wongsasuthikul	Executive Committee		-	4/12
4. Ms. Suphaphimnipa	Thanapreeyakul	Executive Committee		13/13	12/12
5. Mr. Worapol	Phimukphakdee	Executive Committee		13/13	12/12

Note: 1. The Board of Directors was appointed by resolutions of the Board of Directors' Meeting No. 4/2020 on July 13, 2020.

2. Mr. Kowit Wongsasuthikul acting as Executive Director, replaces Ms. Supreeya Sintuphan who resigned, appointed by the Board of Directors' Meeting. No. 4/2023 on 9 August 2023, the newly appointed director shall hold office only for the remaining term of office of the director whom he or she replaces until February 17, 2024.

Risk Management Committee Meeting

Attendance of the Risk Management Committee for 2023 details as follows:

Name-Surname			position	Number of times attending the meeting in 2022	Number of times attending the meeting in 2023
1. Mr. Chawalit	Tiyadechachai	Chairman of the Risk Management Committee		4/4	4/4
2. Mr. Nat	Vongsasuttikul	Risk Management Committee		4/4	4/4
3. Ms. Kittiya	Pliksaeng	Risk Management Committee		-	2/4

Note: 1. The Risk Management Committee was appointed by resolutions of the Board of Directors' Meeting No. 3/2021 on February 25, 2021.

2. Ms. Kittiya Pliksaeng acting as Risk Management Committee, replaces Ms. Supreeya Sintuphan who resigned, appointed by the Board of Directors' Meeting. No. 4/2023 on 9 August 2023, the newly appointed director shall hold office only for the remaining term of office of the director whom he or she replaces until February 25, 2024.

Nomination and Remuneration Committee Meeting

Attendance of the Nomination and Remuneration Committee for 2023 Details as follows:

Name-Surname			position	Number of times attending the meeting in 2022	Number of times attending the meeting in 2023
1. Mr. Surapong	Rongsirikul	Chairman of the Nomination and Remuneration Committee		3/3	5/5
2. Ms. Chalengkwan	Wongsasuthikul	Nomination and Remuneration Committee		3/3	5/5
3. Ms. Suphaphimnipa	Thanapreeyakul	Nomination and Remuneration Committee		3/3	5/5

Note: The Nomination and Remuneration Committee was appointed by resolutions of the Board of Directors' Meeting No. 3/2021 on February 25, 2021.

8.1.2.3 Individual Board of Directors Remuneration

The Company has clearly and transparently defined the remuneration of directors and executives in accordance with the roles and responsibilities of supervising the company's work and passed the appropriate considerations with the best interests of the Company and shareholders.

(1) Monetary compensation

The Board of Directors' Meeting No. 2/2023 on Wednesday, February 22, 2023 and the Annual General Meeting of Shareholders 2023, resolved to approve monthly remuneration, meeting allowances, and annual remuneration (bonus) to the Company's directors for Year 2023, an amount not exceeding 5,000,000 baht (five million baht only), consist of:

1) Monthly remuneration and meeting allowance in the amount of 2 million baht (two million baht)

2) In terms of bonuses, the Board of Directors shall consider the allocation as appropriate depending on the Company's performance, obligations and responsibilities of the Company's directors, the amount is Baht 3 million (three million Baht).

3) Non-monetary remuneration

- none-

The table below sets out a comparison between the proposed remuneration structure of directors and the previous year.

Directors	2022		2023	
	Monthly Allowance (THB/Person)	Meeting Allowance (THB/Time/Person)	Monthly Allowance (THB/Person)	Meeting Allowance (THB/Time/Person)
Board of Directors				
• Chairman	10,000	15,000	10,000	15,000
• Committee	10,000	10,000	10,000	10,000
Audit Committee				
• Chairman	None	15,000	None	15,000
• Committee	None	10,000	None	10,000
Nomination and Remuneration Committee				
• Chairman	None	12,000	None	12,000
• Committee	None	10,000	None	10,000
Risk Management Committee				
• Chairman	None	12,000	None	12,000
• Committee	None	10,000	None	10,000
Executive Committee				
• Chairman	None	12,000	None	12,000
• Committee	None	10,000	None	10,000

Notes: 1) The Board of Director are held the position of Operation or Executives, they are entitled to receive remuneration monthly retainer, meeting allowance to especially held the position of the Board of Director only. But not entitled to receive meeting allowance for held the position of Sub-Committee, which entitled to receive remuneration Salary are held the position of operation of the company.

In 2023, the Company paid monetary remuneration to directors in the amount of Baht 1,870,000 as follows:

List of Directors			Remuneration of Directors in 2023 (Baht)				
			Board of Director	Audit Committee	Executive Committee	Risk Management Committee	Nomination and Remuneration Committee
1	Mr. Bunyong	Visatemongkolchai	215,000	50,000	-	-	-
2	Mr. Banlue	Chantadisai	190,000	75,000	-	-	-
3	Mr. Surapong	Rongsirikul	190,000	50,000	-	-	60,000
4	Mr. Chawalit	Tiyadechachai	190,000	-	-	-	-
5	Mr. Nat	Vongsasuttikul	190,000	-	-	-	-
6	Ms. Chalangkwan	Wongsasuthikul	190,000	-	-	-	50,000
7	Mr. Kowit	Wongsasuthikul	190,000	-	40,000	-	-
8	Mr. Prakrit	Waraprateep	190,000	-	-	-	-
Total			1,545,000	175,000	40,000	-	110,000

Note: The Executive Committee and the Risk Management Committee are as a executive of the Company, and will not paid for those position.

(2) Other compensation

- None -

8.13 Supervision of subsidiaries and associates

The Company has an investment policy in subsidiaries and associates that operate in accordance with the goals. The Company's vision and growth strategy to strengthen stability or promote the company's business. The Company may consider investing in other businesses further if it is a business with growth potential or can further its business or benefit the Group's business or generate a good return on investment. The Company will analyze and consider the feasibility of investing. Proportion of Investment, expected returns, Potential risks Including the Company's financial position before deciding to invest in projects Significant investment approvals must be considered by the Board of Directors' meeting and/or the Shareholders Meeting in accordance with the specified scope of approval authority. And in accordance with the relevant rules and guidelines of the Capital Market Supervisory Board. Securities and Exchange Commission and the Stock Exchange of Thailand this includes criteria regarding the acquisition or disposition of property, connected transactions and disclosure of information.

To supervise the operations of subsidiaries and associates. The Company will send representatives of the Company who are qualified and competent to be suitable for the business in which the Company invests in the directors, administrator or controlling authority in such subsidiaries and associates; to reflect the company's shareholding, to act and supervise the subsidiary and/or

associated company to operate business in accordance with the law, Policies & Plans Company's Business As well as ensuring that individuals who have any interest in any matter or have conflicts of interest with subsidiaries and associates, whether directly or indirectly, are not involved in any matter. Participate in approving that. however, the consideration of the selection of persons who will be directors or executives in each company shall be at the discretion of the Board of Directors' meeting or the delegation of authority approved by the Board of Directors' meeting.

However, this is any transaction or operation of the Subsidiary, which is significant or affecting the Company's financial position and performance, or is deemed or the acquisition or disposition of assets as announced. Acquisition or disposition of assets or connected transactions in accordance with the announcement of related connected transactions, which will result in the Company being obliged to seek approval at the Board of Directors' meeting and/or seek approval from the Shareholders' Meeting of the Company and/or seek approval from the relevant authorities in accordance with the law prior to the transaction. The subsidiary will enter into the transaction. This can only be done once approved by the Board of Directors' meeting and/or the shareholders meeting of the Company and/or related entities (case by case/if any).

In addition, the Company will establish the necessary measures and procedures to ensure that its subsidiaries disclose information about their performance and financial position accurately. The Company will take the necessary actions to monitor the full and accurate disclosure of such information.

8.1.4 Monitoring compliance with corporate governance policies and practices

The Company recognizes the importance of good corporate governance as it is important to promote the company's operations to be efficient and sustainable growth, which will lead to the best interests of all stakeholders, from employees, investors, shareholders and other stakeholders. In 2017, which was prepared by the Securities and Exchange Commission to guide the corporate governance of the Company.

In 2023, the Company's Board of Directors has followed up to comply with good corporate governance policies. The follow-up results are as follows:

Principle 1 : Roles and Responsibilities of the Board of Directors.

- 1.1 The board will understand the role and realize the responsibility as a leader to supervise the organization to have good management. which covers (1) setting objectives and goals, (2) formulating strategies, operational policies, as well as allocating critical resources to achieve objectives and goals, (3) monitoring, evaluating and overseeing performance reporting.
- 1.2 The Board of Directors will supervise the Company to lead to at least the governance outcome. as follows: (1) Be competitive and have good performance with long-term impact in mind, (2) Conduct business ethically. Respect rights and responsibilities to shareholders and stakeholders (3) benefit society and develop or reduce negative environmental impacts (4) can adapt under changing factors.

- 1.3 The Board of Directors will ensure that all directors and executives perform their duties with careful responsibility. (Duty of Care) and honesty to the organization (Duty of Loyalty) and ensure that the operation is in accordance with the law. Regulations and resolutions of the Shareholders' Meeting, as well as policies or guidelines that have been set out, as well as a significant operational approval process.
- 1.4 The Board of Directors will understand the scope of duties and responsibilities of the Board of Directors and clearly define the scope of assignments, duties and responsibilities to the Chief Executive Officer and Management. As well as monitoring the Chief Executive Officer and Management to perform their duties as assigned.

Principle 2 : Define the company's main objectives and goals for sustainability.

- 2.1 The Board of Directors shall determine or ensure that the company's primary objectives and goals (Objectives) are sustainable. It is an objective and goal that is consistent with creating value for the whole company. Customers, Stakeholders and Society.
- 2.2 The board will oversee The Company's objectives and goals, as well as strategies in the medium and/or annual periods of the Company, are in line with achieving the Company's main objectives and goals. Technology is used appropriately and safely.

Principle 3 : Strengthen an effective committee.

- 3.1 The Board of Directors is responsible for determining and reviewing the board structure. In terms of composition size. The appropriate proportion of independent directors and necessary to lead the organization towards the intended objectives and goals.
- 3.2 The Board of Directors will select the appropriate person as chairman, and ensure that the composition and operation of the Board of Directors facilitate the exercise of discretion in making independent decisions.
- 3.3 The Committee formed a nomination committee and held a meeting to consider the criteria and procedures for recruiting individuals in order to obtain qualified directors who would provide the Board with the appropriate knowledge and expertise elements. As well as reviewing the criteria and procedures for nominating directors.
- 3.4 In offering the board of directors' remuneration to shareholders for approval. The Board of Directors will consider the structure and remuneration rates to be appropriate for responsibility and incentivize the Board of Directors to lead the organization to pursue both short- and long-term goals.
- 3.5 The Board of Directors has a duty to ensure that all directors are responsible for performing their duties and allocate sufficient time.
- 3.6 The Board of Directors is responsible for overseeing the framework and mechanism for overseeing the policies and operations of subsidiaries (if any) and other entities in which the Company invests significantly. At the appropriate level for each business, including its subsidiaries and other businesses invested in, the Company has a proper understanding.

- 3.7 The Board of Directors will conduct an annual evaluation of the board's duties. The assessment will be used for the further development of duties.
- 3.8 The Board of Directors will oversee each board and directors' knowledge of their roles, duties, business characteristics and laws related to business operations, as well as encourage all directors to receive skills and knowledge for the performance of director duties on a regular basis.
- 3.9 The Board of Directors will ensure that the board's operations are in order, have access to the necessary information, and have a company secretary with the necessary knowledge and experience and appropriate to support the board's operations.

Principle 4 : Recruitment and development of senior executives and personnel management.

- 4.1 The Board of Directors will ensure that the nomination and development of chief executive officers and senior executives has the knowledge, skills, experience and attributes necessary to drive the organization towards its goals.
- 4.2 The Board, with the recommendations of the Nomination and Remuneration Committee, will oversee the proper remuneration and evaluation structure.
- 4.3 The Board of Directors will understand the structure and relationships of shareholders that may affect the management and operations of the Company.
- 4.4 The Board of Directors will monitor the management and development of personnel to have the right knowledge, skills, experience and motivation.

Principle 5 : Promoting Innovation and Responsible Business Operations.

- 5.1 The Board of Directors values and supports the creation of innovations that contribute value to the business while creating benefits for customers or related parties. And be responsible for society and the environment.
- 5.2 The Board of Directors will monitor the management of business responsibly for society and the environment and reflect it in the Operational Plan to ensure that all parties of the organization are aligned with their objectives. The Company's main goals and strategies.
- 5.3 The Board of Directors will monitor management to allocate and manage resources efficiently and efficiently. Taking into account the impact and development of resources along the Value Chain line to achieve the main objectives and goals sustainably.
- 5.4 The Board of Directors shall provide a framework for corporate governance and management of information technology in accordance with the company's requirements. As well as ensuring the adoption of information technology to increase business opportunities and improve operations. Risk Management so that the Company can achieve its main objectives and goals.

Principle 6 : Ensure appropriate risk management and internal control.

- 6.1 The Board recognizes the importance of risk management in the management system and its operations with the aim of making risk management a culture of all workers. In addition to helping the organization achieve its core objectives and goals, it also encourages the Company to have a concrete value-added operation for the organization. The Board of Directors will ensure that the Company has a risk management system and internal controls that will achieve its objectives effectively and to comply with applicable laws and standards.
- 6.2 The Board will establish an audit committee that can perform its duties effectively and independently.
- 6.3 The Board of Directors will monitor and manage potential conflicts of interest between the Company and management. committee or shareholders, including preventing undue use of assets, information and opportunities of the Company and transactions with people who have undue relationships with the Company in an unreasonable manner.
- 6.4 The Committee will oversee the preparation of clear anti-corruption policies and practices and communicate at all levels of the organization and to outsiders in order to achieve practicality.
- 6.5 The Board of Directors will oversee the Company's mechanism for receiving complaints and taking action in case of clues.

Principle 7 : Maintain financial credibility and disclosure.

- 7.1 The Board of Directors is responsible for ensuring that the system for preparing official reports and disclosure of important information is accurate, adequate, timely, in accordance with the relevant rules, standards and practices.
- 7.2 The Board will monitor the adequacy of financial liquidity and the ability to pay debts.
- 7.3 In the face of financial difficulties or likely problems, the Company has been struggling with financial difficulties. The Board of Directors will consider ensuring that the Company has a plan to resolve the issue or that there are other mechanisms in place to resolve the financial problems. However, this is Under the consideration of stakeholder rights.
- 7.4 The Board of Directors will consider preparing sustainability reports as appropriate.
- 7.5 The Board of Directors shall supervise the management to arrange for the agency or persons responsible for investor relations that are responsible for communicating with shareholders and other stakeholders such as investors, analysts, etc. to be appropriate, equitable and timely.
- 7.6 The Board of Directors will encourage the adoption of information technology to disseminate information.

Principle 8: Support engagement and communication with shareholders

- 8.1 The Board of Directors will ensure that shareholders are involved in making decisions on important matters of the Company.
- 8.2 The Board of Directors will ensure that the operation on the day of the shareholders' meeting is carried out. Transparent, efficient and allows shareholders to exercise their rights.
- 8.3 The Board of Directors will ensure that the disclosure of the resolutions of the meeting and the preparation of minutes of the shareholders' meeting shall be accurate and complete. The resolutions of the shareholders' meeting with the results of the vote within the next business day were disclosed through the news system of the Stock Exchange of Thailand and on the Company's website.

Report on the results of the self-assessment of the Board of Directors.

objective

To ensure that the Board of Directors reviews the work in accordance with the guidelines of good corporate governance principles, it is recommended that the Board of Directors and Company sub-committees perform self-assessment at least once a year.

The assessment is prepared in accordance with the Board of Directors' self-assessment model. Prepared by the Corporate Governance Development Department for Capital Markets the Stock Exchange of Thailand February 2015 and Good Corporate Governance Guidelines January 2021

The assessment form of the Board of Directors and sub-committees consists of: Self-assessment form of the Board of Directors and individuals, allowing the Board of Directors to compare the assessment results in each topic or each year.

The meaning of the rating is as follows.

- | | |
|------------------------------|---|
| 0 = strongly disagree, | or no action is taken on the matter (need improvement) |
| 1 = Disagree | or have little action on the matter (Fair) |
| 2 = Agree | or have taken reasonable action on the matter (good) |
| 3 = Quite a lot of agreement | or good action on the subject (very good) |
| 4 = Strongly agree | or has excellent action been taken in that regard (Excellent) |

Self-assessment of the Board of Directors

In 2023, the Company Secretary submitted a self-form to each director to evaluate the Board's overall performance. To provide the evaluation findings to the Board of Directors for improvement. Modify operations.

The overall self-assessment of the Board of Directors is divided into 6 topics: 1) Structure and qualifications of the Board of Directors; 2) Roles, Duties and Responsibilities of the Board of Directors 3) Board of Directors Meeting 4) Duties of Directors 5) Management Relationship and 6) Director Personal Development and Executive Development Summary of the self-assessment results of the Board of Directors for the year 2023 The assessment results are at a very good level.

Self-assessment of individual Board of Directors

In 2023, the Company Secretary sent a self-assessment of the committee's form to each director with the goal of evaluating the committee's overall performance and presenting the results to the Board of Directors for discussion, improvement, and operational fixes.

Self-assessment of the Board of Directors as a whole the assessment was divided into 3 topics: 1) Structure and qualifications of the Board of Directors; 2) The Board of Directors' meetings, and 3) The roles, duties and responsibilities of the Board of Directors. Summary of the 2023 Individual Self-Assessment of the Board of Directors The assessment results are at a very good level.

8.2 Summary of the performance of the Audit Committee in the past year

8.2.1 Reviewing financial reports

The Audit Committee reviewed and considered the Company's quarterly consolidated financial statements and consolidated financial statements for the year 2023 together with the Company's management and auditors. Material adjustment of the account statement affecting the financial statements. Scope of audit, adequacy of accounting methods Assessment of internal control and adequacy, accuracy and completeness of disclosure of information in the financial statements

In addition, The Audit Committee has met with the auditor to determine the scope. The auditor's quarterly and annual audit guidelines and plans and inquire into the risks of irregularities that may occur or that the auditor may encounter during the audit, as well as to determine whether there is suspicious information indicating that there may be fraud. in conclusion the auditor made no observations and found no indication of any suspicious circumstances.

8.2.2 Reviewing interfaith items

The Audit Committee has reviewed the disclosure of connected transactions and items that are likely to be conflicts of interest based on the principles of normal business reasonableness, transparency, adequate disclosure, as done with third parties, for which this information is properly reviewed and disclosed to the Stock Exchange of Thailand (SET) in a timely manner.

8.2.3 Internal Audit Supervision

The Audit Committee reviews and reviews the internal control system in conjunction with the internal audit department and in conjunction with management and auditors on a quarterly basis. The Organization has an adequate internal control system that is suitable for business operations, which is consistent with the auditor's opinion that there are no material deficiencies that may affect the Company's financial statements.

8.2.4 Consideration of the appointment and remuneration of auditors

The Audit Committee has selected and considered the remuneration rate of the auditor from KPMG Bhumichai. Audit Limited based on the qualifications of the auditor, knowledge, competency, experience, past quality of work and independence in accordance with the requirements of the SET or other related entities, deemed to be a person who has a good understanding of the company's business by presenting it to the Board of Directors for approval to the annual general meeting of shareholders to consider the appointment of KPMG Bhumichai. Audit Limited and Approve audit fees for the year 2022.

8.2.5 Review of the Charter of the Audit Committee, including the Internal Audit Authority

The Audit Committee considers annually reviewing the Charter of the Audit Committee.

8.3 Summary of the performance of the duties of the Sub-Committee in the past year

8.3.1 Performance of the Risk Management Committee.

The Risk Management Committee was established to help support the Board of Directors in formulating risk management policies throughout the organization. Based on the basic principles of Good Corporate Governance and the COSO Enterprise Risk Management Framework (COSO ERM), which includes identifying risks, offering hedging measures to help reduce the impact on the Company's business.

The Risk Management Committee consists of 3 directors as follows:

- | | | | |
|----|--------------|----------------|---|
| 1. | Mr. Chawalit | Tiyadechachai | Chairman of the Risk Management Committee |
| 2. | Mr. Nat | Vongsasuttikul | Risk Management Committee |
| 3. | Ms. Kittiya | Pliksaeng | Risk Management Committee |

In 2023, the Risk Management Committee had 4 meetings, taking action on the following issues:

(1) Establish a risk management framework and review risk factors and impacts to implement a systematic and standardized risk management plan. Economic coverage finance as well as managing emerging risks from both internal and external factors, the company's steady growth priorities are highest.

(2) Comment on the issues and scope of risks of the organization, including operational risks, information technology system risks, fraud risks, corruption risks (in line with anti-corruption policies), risks from external factors such as currency fluctuations, financial risks, and competitor impact risks.

(3) Monitor and advise the department to analyze the impact of various factors, both external and internal factors, that may affect the work of the organization. To adjust the blackout to keep up with the changes. Reduce the impact of such risks.

(4) Report on the results of operations to the Board of Directors continuously The Risk Management Committee is confident that the Company has effective risk management in line with internal control systems and good corporate governance practices.

(5) Review the Charter of the Risk Management Committee to provide appropriate guidelines for the performance of duties that are appropriate and in accordance with the current situation.

From the above-mentioned operations, The Risk Management Committee has determined that risk management has been conducted systematically, including close monitoring, which is part of the company's ability to achieve its objectives. The company's planned business operations, as well as being able to create added value for the Company to deliver to shareholders and stakeholders of the Company in a sustainable manner.

8.3.2 Performance of the Nomination and Remuneration Committee

Nomination and Remuneration Committee the Company has performed the duties as assigned by the Board of Directors to review the criteria for the nomination method and appoint persons deemed appropriate to be the directors of the Company, including offering for remuneration and other benefits for the Board of Directors, the Board of Directors or the Shareholders' Meeting, as well as to nominate and consider the remuneration and performance of the Chief Executive Officer. Managing Director and Assistant Managing Director.

The Nomination and Remuneration Committee consists of 3 directors as follows:

- | | | | |
|----|-------------------|----------------|--|
| 1. | Mr. Surapong | Rongsirikul | Chairman of the Nomination and Remuneration Committee (Independent Director) |
| 2. | Ms. Chalengkwan | Wongsasuthikul | Nomination and Remuneration Committee |
| 3. | Ms. Suphaphimnipa | Thanapreeyakul | Nomination and Remuneration Committee |

In 2023 The Nomination and Remuneration Committee has held a total of 5 meetings and has reported the performance to the Board of Directors for consideration of matters and report the results of the meeting with comments to the Board of Directors. The Board of Directors considered by summarizing the criteria considered as follows:

(1) To consider, review and nominate legally qualified persons and the rules relating to the supervision of directors instead of positioning directors who must be issued in accordance with the agenda. By considering, selecting and nominating persons with qualifications, experience and knowledge that are useful and suitable for the business characteristics of the Company, proposed to the Board of Directors' meeting and the ANNAUL AGREEMENT MEETING for further consideration. The directors with stakeholders will abstain from voting.

(2) To consider the remuneration of the Board of Directors, the Board of Directors, based on the responsibilities assigned to them. Performance, financial status of the Company and remuneration rates, comparable to industry benchmarks. The Company's Board of Directors and the Annual General Meeting of Shareholders for approval.

(3) Remuneration of Chief Executive Officer, Managing Director and Assistant Managing Director To consider as appropriate for the company's assigned obligations and performance in comparison with the Company's goals as well as economic reality compared to the company's remuneration rates in similar industries.

(4) Follow and ensure that the Company has a succession plan and continuity of proper management. For senior management positions and important positions. To prepare people to be able to support and comply with business expansion.

(5) Nomination and Remuneration Committee To carry out the duties assigned to them with careful, transparent, fair and honest opinions in accordance with the principles of good corporate governance for the best interests of shareholders, investors and all stakeholders.

(6) Review the Charter of the Nomination and Remuneration Committee to provide appropriate guidelines for the performance of duties that are appropriate and in accordance with the current situation.

8.3.3 Performance of the Executive Committee

The Board of Directors is appointed by the Board of Directors to oversee, manage and control the Company's operations in accordance with the policies and strategies of business operations as specified by the Board of Directors, including the practice of being a charter of the Executive Committee, business ethics and laws related to business operations.

In 2023, The Executive Committee has 12 meetings to perform the duties assigned to them. The Board of Directors will jointly consider important matters to present to the Board of Directors for approval as the case as below:

(1) Report the Company's operating results quarterly.

(2) Present goals Business strategy and annual plan to the Board of Directors, as well as responsible for managing the Company's business in accordance with the policy. Directions and goals.

(3) Ensure that financial reports are prepared for auditors to audit or review and comment on such financial statements.

(4) Consider transactions with connected parties and acquisitions or disposition of assets with careful caution. There is a reasonableness in terms of price and other relevant conditions, taking into account the interests of the Company and its shareholders. Executive directors with stakes will not be involved in the decision. Before presenting the Audit Committee and the Board of Directors respectively, as well as monitoring the operations of each department and the overall company.

(5) To consider and approve the Company's annual budget, investments, including financial transactions and business-sensitive loans, before presenting to the Board of Directors for approval.

(6) Supervise Encourage the Board of Directors Executives and Employees Have an understanding of anti-corruption policies and the Company's protocols.

(7) Review the Charter of the Executive Committee to provide appropriate guidelines for the performance of duties that are appropriate and in accordance with the current situation.

The Executive Committee is committed to managing the business in order to achieve the Company's vision, mission, goals and business strategy. Under the principles of good corporate governance with transparency and accountability, along with conducting business with social and environmental responsibility. for the organization to grow stably and sustainably.

8.4 Performance of the Chief Executive Officer in the past year

The Board of Directors, excluding executive directors, will play a role in remuneration and performance evaluation of the Chief Executive Officer. In the following matters:

(1) To approve the criteria for evaluating the Chief Executive Officer's performance. The performance evaluation criteria should motivate the Chief Executive Officer to manage the business in accordance with the objectives, main goals, strategies, and the company's long-term interests by communicating the evaluation criteria to the CEO in advance.

(2) To evaluate the performance of the Chief Executive Officer annually or assign the Remuneration Committee to be the assessor and the Chairman of the Board of Directors or senior directors to communicate the results of the consideration, including development issues, to the Chief Executive Officer.

(3) To approve the annual remuneration of the Chief Executive Officer along with the evaluation of the CEO's performance of duties and other factors, including.

In 2023, the summary of the performance evaluation of the Chief Executive Officer consists of 3 parts: Part 1: Performance evaluation using financial ratios as indicators (KPIs) Part 2: Performance evaluation using the achievement of the Company's sustainability projects. Part 3: Performance evaluation by the Board of Directors received a good rating.

9. Internal Controls and Related Transactions

9.1 Internal control

Board of Directors and Executives of the Company Give importance to the internal control system Because it is important to build confidence in the management. In order to prevent damage that will occur to the Company as a whole, the Company has set goals and action plans to guide the operations and the results can be measured. There is an organizational structure that will enable the management to operate efficiently and effectively in accordance with the rules and regulations and to focus on continual development.

In addition, the Company has assigned the Audit Committee to oversee the internal control system in accordance with the appropriateness of the internal control system. The auditor's work and auditors are continuing to conduct operations. Monitor the Company's operations so as not to cause conflicts of interest, as well as to make connected transactions to help prevent assets from leaking. To review the efficiency of controlling the company's internal operations. In various areas continuously.

9.1.1 Opinion of the Board of Directors on Internal Control

The essence of the Company's internal control system that have been defined as follows:

(1) Control Environment

The Company has established a good internal control environment. with a clear and appropriate organizational structure and line of work including setting business goals and Key Performance Indicators (KPI) to be used to assess performance in accordance with the Company's goals. Require that there is a manual in the operation of every system in writing to use as a guideline for the operation. Realize good corporate governance by establishing business ethics and Code of Conduct for Executive Directors and employees of the company including promoting anti-corruption and corruption There is an annual training to educate employees. In order to operate with transparency and fairness to all groups of stakeholders.

(2) Risk Assessment

The Company has focused on managing potential risks to the business that may prevent it from achieving its intended objectives or goals. By the Company the Risk Management Committee is responsible for overseeing and monitoring the risk management process. Regularly assess the Company's risk through at least 4 risk management committee meetings and report risk assessments to the Company's directors to consider and acknowledge risks from inside and outside. (Key Risk Indicator: KRI) to be used as an early warning tool. For all major corporate and agency-level risks, which cover strategic risks. Operations, finances Compliance and Security Reputation, other aspects and emerging risks, which are regularly reported to the Risk Management Committee. In addition, there is an annual review of risk factors that may affect the Company.

(3) Control Activity

The Company has appropriate and adequate control measures. There is a clear separation of the responsibilities of each position and there are manuals/procedures to suit the company's structure and current operations, as well as regularly review the performance in accordance with the regulations, regulations, operating authority manuals and operational manuals to ensure that the operation has adequate, appropriate and effective internal control systems.

(4) Information & Communication

The Company has attached importance to information and communication systems. Promote and encourage continuous system development, tight security and standards to ensure accurate and up-to-date information. The Company has adopted modern and efficient information technology as well as data security to ensure the operation and use of important information in the management of information of executives or stakeholders sufficiently in a timely manner. In order to make business decisions, including the provision of intranet system as a communication channel within the Company to publish policies, regulations and operational manuals, as well as news in general, the Company also has an investor relations agency that coordinates with investors to obtain information about the Company's operations and investments. With fast and easily accessible channels such as the Company's website, e-mail, etc.

(5) Monitoring & Evaluation

The Company provides continuous monitoring and evaluation of internal control and performance processes. To ensure internal control of the Company. The Board of Directors has provided an internal control system that covers all aspects such as accounting and finance. Work tasks Compliance with laws/regulations by assigning the internal audit agency to be responsible for and evaluate the performance of the annual audit plan to ensure that what is detected from the inspection or review is properly revised in a timely manner.

9.1.2 Internal Audit Supervisor

The Audit Committee Meeting No. 1/2023 on January 27, 2023 considered the qualifications, qualifications, as well as experiences of Ms. Valdee Siboonruang, Ms. Nathanon Patthanaprasitchai and Ms. Ungkana Thaijaratsatian, and appointed the company. IVL Audit Co., Ltd. (IVL) is an internal audit service provider with Ms. Valdee Siboonruang, Ms. Nathanon Patthanaprasitchai and Ms. Ungkana Thaijaratsatian as internal audit supervisors.

The Audit Committee will review the Company. Have an internal control system and an internal audit to be appropriate and effective and consider the independence of the internal audit agency, as well as approve the appointment, migration, termination of the head of the internal audit agency or any other agency responsible for internal audits, and may suggest reviewing or reviewing any items deemed necessary and important, as well as implementing recommendations on the revision of the internal control system that are important and necessary to propose to the Board of Directors by reviewing it in conjunction with external auditors and internal audit managers.

9.2 Opinion of the internal auditor on the internal control system

The Company hired IVL Auditing Co., Ltd. to act as the Company's internal auditor. IVL Audit Co., Ltd. has assigned Ms. Valdee Siboonruang, Ms. Nathanon Patthanaprasitchai and Ms. Ungkana Thajjaratsatian, Head of Internal Audit, to be the main responsible for the company's internal auditor duties, where Ms. Valdee Siboonruang, Ms. Nathanon Patthanaprasitchai and Ms. Ungkana Thajjaratsatian are qualified and sufficient to perform their internal audit duties because they are knowledgeable and competent, ability and experience to work in internal audits and have been trained in relevant courses regularly.

The Company has been hiring IVL Auditing Co., Ltd. since 2020, with internal auditors reviewing and evaluating the internal control system continuously to date. Since 2020, the Company IVL Audit Co., Ltd. has inspected the Company's internal control system, including continuous monitoring and evaluation of internal control systems until 2023, covering the following key work systems:

1. Enterprise internal control
2. Contract management and compliance with legal regulations
3. Revenue cycle
4. Production Management
5. Procurement Management
6. Warehouse management
7. Asset Management and Maintenance
8. Human Resource Management
9. Environmental Management and Safety
10. Accounting Management
11. Financial Management
12. General Control Information Technology System
13. Application Control

The Audit Committee Meeting No. 1/2024, held on February 21, 2024, IVL Audit Company Limited, which is an internal auditor, presented the Internal Audit Report No. 4, 2023 to the Audit Committee. The Company has implemented and followed appropriately defined internal control policies and systems.

9.3 Inter-transactions

The Company has transactions between each other and persons who may have various conflicts, including directors. Shareholders, executives and related companies referring to companies with individuals who may have conflicts of interest. Have relationships with directors Executives and shareholders of such companies, who can summarize the relationship characteristics as follows:

Person / Legal entities that may have conflicts	Relationship Nature
Thai Rubber Latex Group Public Company Limited ("TRUBB")	<ul style="list-style-type: none"> The business produces and sells latex and latex by products. It is a listed company on the STOCK Exchange of Thailand. There is one director with the Company, including Ms. Chalengkwan Wongsasuttikul. To be the majority shareholder of the Company, which holds 66.35% of the paid-up capital of Baht 464.20 million.
Thai Rubber Gloves Co., Ltd. ("TBG")	<ul style="list-style-type: none"> Business producing and selling rubber gloves. There are one directors with the Company, including Ms.Chalengkwan Wongsasuttikul. The company's major shareholder is TRUBB, in which TRUBB holds 100.00% of the paid-up capital of TBG. Baht 200 million.
Latex Systems Public Company Limited (Latex System)	<ul style="list-style-type: none"> Business producing and selling latex Mattress. There is one director with the Company, including Ms. Chalengkwan Wongsasuttikul. There is a common major shareholder with the company, is TRUBB, in which TRUBB holds 18.00% of shares in LS of the paid-up registered capital of 158.78 million baht.

9.3.1 List of Transactions with Related Parties that the Company Engages with/ Potentially Having Conflicts of Interest.

The transactions between the company and individuals/legal entities that may have conflicts of interest for the accounting period of the year 2023 are detailed as follows:

Related to persons or businesses	Related Transactions	Opinion of the Audit Committee
1. Thai Rubber latex Group Public Company Limited ("TRUBB")	<ol style="list-style-type: none"> The company engages in the manufacturing and distribution of concentrated latex and products derived from latex. The company has one co-director, Ms. Chalengkwan Wongsasuthikul. The company is the majority shareholder of the WFX, holding 66.35% of the registered capital, which amounts to 464.20 million baht. 	<ol style="list-style-type: none"> The company established policies and procedures for the procurement of latex by soliciting prices and quantities from at least three suppliers to compare the prices and quantities of latex available for purchase. In the fourth quarter of the year 2023, the company purchased latex from Thai Rubber Latex Group Company Public Company (Limited) amounting to 226.27 million baht to use as the main raw material in the production of rubber threads. The internal auditor randomly examined 5 purchase orders for latex totaling 64.77 million baht and found that the company selected suppliers by comparing at least 3 suppliers, as specified by the company. In the fourth quarter of the year 2023, the company generated revenue from selling chemicals to Thai Rubber Latex Group Public Company (Limited) amounting to 0.42 million baht. The internal auditor examined the sales of these chemicals and found that the company sold them at a gross profit margin of 2.50% to 2.71%, with approval from the executive officer. This is in accordance with the company's set selling price, and the gross profit margin does not exceed 3.00%.

บุคคลหรือกิจการ ที่เกี่ยวข้องกัน	ลักษณะ ความสัมพันธ์	ความเห็นของคณะกรรมการตรวจสอบ
2. Latex Systems Public Company Limited (LS)	<ol style="list-style-type: none"> The company manufactures and distributes mattresses and bedding made from natural rubber latex. The company has a joint major shareholder with TRUBB, where TRUBB holds 18.00% of the registered and paid-up capital of LS, amounting to THB 158.78 million bath. 	<ol style="list-style-type: none"> In the fourth quarter of the year 2023, the company purchased rubber pillow products from the company "Latex Systems Limited (Public)" amounting to 1,108.00 Baht. The internal auditor examined this purchase and found that it was a gift purchase for customers, duly approved by the authorized personnel as specified.
3. Thai Rubber Gloves Co., Ltd. ("TBG")	<ol style="list-style-type: none"> The company manufactures and distributes rubber gloves. The company shares a co-director with WFX; Ms. Chalengkwan Wongsasuthikul. The company has joint major shareholders with TRUBB, in which TRUBB holds 100% of the registered and paid-up capital in TBG, totaling 200.00 million baht. 	<ol style="list-style-type: none"> In the fourth quarter of the year 2023, the company purchased medical gloves from Thai Rubber Gloves Co., Ltd. to be used as consumables in the factory, amounting to 0.19 million Baht. The internal auditor examined this procurement and found that the company selected the supplier by comparing at least three suppliers, as specified by the company's policy. The decision to purchase from Thai Rubber Gloves Co., Ltd. was based on the availability of products meeting the company's requirements. In the fourth quarter of the year 2023, the company generated revenue of 0.12 million Baht from selling chemicals to Thai Rubber Gloves Co., Ltd. The internal auditor examined this chemical sale and found that the company sold the chemicals at a gross profit margin of 2.57%, with approval from the executive officers. This pricing is consistent with the raw material selling price set by the company, ensuring that the gross profit margin does not exceed 3.00%.
4. Mr. Chawalit Tiyadechachai	<ol style="list-style-type: none"> Holds the position of company director. Is a director who is able to authorize company bindings. Serves as an executive, holding the position of Chief Executive Officer (CEO) Is a share holder in the company, holding a stake of 1.94 percent of registered capital; amounts to 464.20 million baht. 	<ol style="list-style-type: none"> In the fourth quarter of 2023, there were no related-party transactions.
5. Mr. Nat Vongsasuttikul	<ol style="list-style-type: none"> Holds the position of company director. Is a director who is able to authorize company bindings. Serves as an executive, holding the position of Managing Director. Is a share holder in the company, holding a stake of 0.50 of registered capital; amounts to 464.20 million baht. 	<ol style="list-style-type: none"> In the fourth quarter of 2023, there were no related-party transactions.



Section 3

Financial Statements

for the year ended 31 December 2023



World Flex Public Company Limited

Financial statements for the year ended 31 December 2023

and

Independent Auditor's Report



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Independent Auditor's Report

To the Shareholders of World Flex Public Company Limited

Opinion

I have audited the financial statements of World Flex Public Company Limited, which comprise the statement of financial position as at 31 December 2023, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023 and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

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 Financial Statements* section of my report. I am independent of the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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



Fair value measurement of investment properties	
Refer to Notes 3(f) and 9	
The key audit matter	How the matter was addressed in the audit
<p>Investment properties are measured at fair value which was determined by independent property valuers regularly.</p> <p>As at 31 December 2023, the Company engaged independent valuer to measure fair value of its investment properties using valuation techniques of market comparison.</p> <p>Determining fair value requires significant judgment to determine key assumptions used in estimation. Since the value of the investment properties are significant to the statement of financial position, I have determined this matter to be a key audit matter.</p>	<p>My audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding the Company's process and controls over the fair value measurement. • Evaluating qualification, competence, and independence of the independent valuer's. • Using the work of expert engaged by KPMG in evaluating the reasonableness of measurement basis and key assumptions used for estimating fair value of assets; and • Considering the adequacy of the disclosures in accordance with Thai Financial Reporting Standards.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the 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 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 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 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 those charged with governance and request that the correction be made.

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

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

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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



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

A handwritten signature in blue ink, appearing to read 'Siripen', followed by a long, horizontal, wavy line.

(Siripen Sukcharoenyingyong)
Certified Public Accountant
Registration No. 3636

KPMG Phoomchai Audit Ltd.
Bangkok
21 February 2024

World Flex Public Company Limited**Statement of financial position**

Assets	Note	31 December	
		2023	2022
		<i>(in Baht)</i>	
Current assets			
Cash and cash equivalents	5	32,608,173	292,459,912
Trade and other current receivables	4, 6	290,872,952	313,218,574
Inventories	7	277,346,071	310,113,703
Derivative assets	22	19,849,878	5,249,260
Other current assets	8	18,982,467	12,287,903
Total current assets		639,659,541	933,329,352
Non-current assets			
Investment properties	9	358,360,844	358,360,844
Advance for machinery and equipment purchase		303,410	28,695
Property, plant and equipment	10	1,581,610,820	1,663,312,844
Intangible assets		493,616	1,982,675
Other non-current assets		9,886,509	1,553,103
Total non-current assets		1,950,655,199	2,025,238,161
Total assets		2,590,314,740	2,958,567,513

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

World Flex Public Company Limited

Statement of financial position

Liabilities and equity	Note	31 December	
		2023	2022
		(in Baht)	
Current liabilities			
Short-term loans from financial institution	11	27,784,000	-
Trade and other current payables	4, 12, 13	284,147,352	342,360,063
Current portion of long-term loans from financial institution	11	233,020,034	100,800,000
Current portion of lease liabilities	11	1,983,292	2,047,226
Dividend payable		11,973	11,973
Derivative liabilities	22	84,941	428,084
Other current liabilities		1,193,311	2,014,827
Total current liabilities		548,224,903	447,662,173
Non-current liabilities			
Long-term loans from financial institution	11	-	233,020,034
Lease liabilities	11	3,994,565	5,969,129
Non-current provisions for employee benefits	14	15,757,854	12,470,495
Deferred tax liabilities	19	131,080,988	129,045,231
Other non-current liabilities		4,695,261	3,503,811
Total non-current liabilities		155,528,668	384,008,700
Total liabilities		703,753,571	831,670,873

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

World Flex Public Company Limited**Statement of financial position**

Liabilities and equity	<i>Note</i>	31 December	
		2023	2022
		<i>(in Baht)</i>	
Equity			
Share capital:			
Authorised share capital			
<i>(464,200,000 ordinary shares, par value at Baht 1 per share)</i>		<u>464,200,000</u>	<u>464,200,000</u>
Issued and paid-up share capital			
<i>(464,200,000 ordinary shares, par value at Baht 1 per share)</i>		464,200,000	464,200,000
Surplus on share-based payment		17,395,000	17,395,000
Share premium on ordinary shares		855,566,587	855,566,587
Retained earnings			
Appropriated			
Legal reserve	15	46,420,000	46,420,000
Unappropriated		157,273,113	385,364,809
Other components of equity	15	<u>345,706,469</u>	<u>357,950,244</u>
Total equity		<u>1,886,561,169</u>	<u>2,126,896,640</u>
Total liabilities and equity		<u>2,590,314,740</u>	<u>2,958,567,513</u>

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

World Flex Public Company Limited
Statement of comprehensive income

		For the year ended	
		31 December	
	Note	2023	2022
		(in Baht)	
Income			
Revenue from sales of goods	16	2,743,513,539	3,674,398,481
Other income		12,060,822	32,596,487
Total income		2,755,574,361	3,706,994,968
Expenses			
Cost of sales of goods	7	2,779,616,115	3,308,837,618
Distribution costs		40,226,972	48,382,437
Administrative expenses		52,980,858	94,702,303
Net losses on foreign exchange		2,026,777	12,393,820
Total expenses		2,874,850,722	3,464,316,178
Profit (loss) from operating activities		(119,276,361)	242,678,790
Finance costs	18	(19,881,392)	(3,984,502)
Profit (loss) before income tax expense		(139,157,753)	238,694,288
Tax expense	19	(2,035,757)	(40,201,993)
Profit (loss) for the year		(141,193,510)	198,492,295
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Losses on remeasurements of defined benefit plans	14	(1,659,961)	-
Other comprehensive income for the year, net of tax		(1,659,961)	-
Total comprehensive income for the year		(142,853,471)	198,492,295
Basic earnings (loss) per share (in Baht)	20	(0.30)	0.43

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

World Flex Public Company Limited
Statement of changes in equity

	Retained earnings					Other components of equity		
	Issued and paid-up share capital	Surplus on share-based payment	Share premium	Legal reserve	Unappropriated	Revaluation surplus		Total equity
Note				(in Baht)				
For the year ended 31 December 2022								
	464,200,000	17,395,000	855,566,587	33,506,200	301,369,773	370,095,785		2,042,133,345
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
21	-	-	-	-	(113,729,000)	-		(113,729,000)
	-	-	-	-	(113,729,000)	-		(113,729,000)
Comprehensive income for the year								
	-	-	-	-	198,492,295	-		198,492,295
	-	-	-	-	198,492,295	-		198,492,295
15	-	-	-	12,913,800	(12,913,800)	-		-
15	-	-	-	-	12,145,541	(12,145,541)		-
	464,200,000	17,395,000	855,566,587	46,420,000	385,364,809	357,950,244		2,126,896,640
Balance at 31 December 2022								

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

World Flex Public Company Limited
Statement of changes in equity

		Retained earnings				Other components of equity	
		Issued and paid-up share capital	Surplus on share-based payment	Share premium	Legal reserve	Unappropriated surplus	Revaluation surplus
	Note				(in Baht)		
For the year ended 31 December 2023							
Balance at 1 January 2023		464,200,000	17,395,000	855,566,587	46,420,000	385,364,809	357,950,244
							2,126,896,640
Transactions with owners, recorded directly in equity							
Distributions to owners							
	21	-	-	-	-	(97,482,000)	-
Total distributions to owners		-	-	-	-	(97,482,000)	-
Comprehensive income for the year							
		-	-	-	-	(141,193,510)	-
Loss							(141,193,510)
		-	-	-	-	(1,659,961)	-
Other comprehensive income							(1,659,961)
Total comprehensive income for the year		-	-	-	-	(142,853,471)	-
	15	-	-	-	-	-	-
Transfer to legal reserve							-
	15	-	-	-	-	12,243,775	(12,243,775)
Transfer to retained earnings							-
Balance at 31 December 2023		464,200,000	17,395,000	855,566,587	46,420,000	157,273,113	345,706,469
							1,886,561,169

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

World Flex Public Company Limited**Statement of cash flows**

	For the year ended	
	31 December	
	2023	2022
	(in Baht)	
<i>Cash flows from operating activities</i>		
Profit (loss) for the year	(141,193,510)	198,492,295
<i>Adjustments to reconcile profit to cash receipts (payments)</i>		
Tax expense	2,035,757	40,201,993
Depreciation and amortisation	163,349,199	124,618,544
Finance costs	19,881,393	3,984,502
Gain on fair value adjustment of investment properties	-	(18,560,844)
Unrealised (gain) loss on exchange	(11,995,003)	1,371,828
(Gain) loss on disposal of plant and equipment	(481,832)	73,582
Loss on write-off of plant and equipment	1,462,509	34,734
Gain on write-off of finance lease asset	(18,935)	(91,449)
Provision for employee benefits	5,306,010	1,240,112
Interest income	(786,846)	(555,606)
	<u>37,558,742</u>	<u>350,809,691</u>
<i>Changes in operating assets and liabilities</i>		
Trade and other current receivables	14,418,805	(22,791,538)
Derivative assets	5,249,260	3,008,643
Inventories	32,767,632	63,757,748
Other current assets	(6,694,565)	26,629,780
Other non-current assets	(8,102,282)	1,337,771
Trade and other current payables	(54,088,151)	(145,426,060)
Derivative liabilities	(428,084)	(1,021,658)
Other current liabilities	(821,516)	(25,535,059)
Other non-current liabilities	1,191,450	(332,500)
Provision for employee benefits paid	(3,678,611)	(204,694)
Net cash generated from operating activities	<u>17,372,680</u>	<u>250,232,124</u>
Taxes paid	<u>(231,124)</u>	<u>(83,427,777)</u>
Net cash from operating activities	<u>17,141,556</u>	<u>166,804,347</u>

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

World Flex Public Company Limited**Statement of cash flows**

	For the year ended	
	31 December	
	2023	2022
	(in Baht)	
<i>Cash flows from investing activities</i>		
Acquisition of property, plant and equipment	(86,980,694)	(493,951,326)
Acquisition of intangible assets	(166,000)	(582,100)
Proceeds from sale of plant and equipment	1,695,238	38,600
Interest income	786,846	555,606
Net cash used in investing activities	(84,664,610)	(493,939,220)
<i>Cash flows from financing activities</i>		
Proceeds from short-term loans from financial institutions	395,223,000	-
Repayment of short-term loans from financial institutions	(367,439,000)	-
Proceeds from long-term loans from a financial institution	-	269,049,138
Repayment of long-term loans from a financial institution	(100,800,000)	(25,200,000)
Payment of lease liabilities	(1,975,798)	(2,548,201)
Dividends paid to owners of the Company	(97,482,000)	(215,841,380)
Interest paid	(16,823,262)	(7,845,923)
Finance cost paid	(3,031,154)	(3,710,377)
Net cash from (used in) financing activities	(192,328,214)	13,903,257
Net decrease in cash and cash equivalents		
before effect of exchange rate changes	(259,851,268)	(313,231,616)
Effect of exchange rate changes on cash and cash equivalents	(471)	83,430
Net decrease in cash and cash equivalents	(259,851,739)	(313,148,186)
Cash and cash equivalents as at 1 January	292,459,912	605,608,098
Cash and cash equivalents at 31 December	32,608,173	292,459,912
<i>Supplemental disclosures of cash flow information:</i>		
Purchase of property, plant and equipment during the year		
Total purchase of property, plant and equipment during the year	82,711,796	491,413,161
Add: settlement of payables for property, plant and equipment		
previously purchased	9,017,131	23,429,707
Add: advance for property, plant and equipment purchase	274,715	-
Less: finance costs capitalised as qualify assets	-	(7,602,426)
Less: payables on purchase of property, plant and equipment	(5,022,948)	(9,017,132)
Less: advance for property, plant and equipment purchase	-	(4,271,984)
Purchase of property, plant and equipment paid by cash	86,980,694	493,951,326

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

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Related parties
5	Cash and cash equivalents
6	Trade accounts receivable
7	Inventories
8	Other current assets
9	Investment properties
10	Property, plant and equipment
11	Interest-bearing liabilities
12	Trade accounts payable
13	Other current payables
14	Non-current provisions for employee benefit
15	Reserves and other components of equity
16	Segments information and disaggregation of revenue
17	Expenses by nature
18	Finance costs
19	Income tax expense
20	Earnings per share
21	Dividends
22	Financial instruments
23	Capital management
24	Commitments with non-related parties

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 21 February 2024.

1 General information

World Flex Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in 2021. The Company’s registered office as follows:

Head office : No. 59/1 Moo 5, Highway 3191, Tambol Manam Koo, Amphur
 Pluakdaeng, Rayong
 Bangna branch : No. 1/7 Bangna Thani Building, Floor 3 Room 3B, Soi Bangna-Trad 34,
 Bangna Tai, Bangna, Bangkok

The parent company during the financial year was Thai Rubber Latex Group Public Company Limited (66.4% shareholding), which was incorporated in Thailand.

The principal activities of the Company are manufacture and sales of latex thread.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Company’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

(a) Foreign currencies

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency differences are generally recognised in profit or loss.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

(b) Financial instruments

(b.1) Classification and measurement

Other financial assets and financial liabilities (except trade accounts receivable (see note 3(d)) are initially recognised when the Company becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

(b.2) Derecognition and offset

The Company derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and the Company intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(b.3) Derivatives

Derivative are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

(b.4) Impairment of financial assets other than trade accounts receivable

The Company recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Company recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Company considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'. The Company recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Company.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company takes action such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

(b.5) Write offs

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(b.6) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

(d) Trade and other accounts receivable

Trade and other accounts receivable are recognised when the Company has an unconditional right to receive consideration. Trade and other accounts receivable are measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

The Company estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(e) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

(f) Investment properties

Investment properties are measured at cost on initial recognition and subsequently at fair value, with any change recognised in profit or loss. Cost includes expenditure that is directly attributable to the acquisition of the investment properties. The cost of self-constructed assets includes capitalised borrowing costs. When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Differences between the proceeds from disposal and the carrying amount of investment properties are recognised in profit or loss. When investment properties that was previously classified as property, plant and equipment measured at revalued amounts is sold (see note 3(g)), the amounts included in the revaluation reserve are transferred to retained earnings.

(g) Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses except for land, buildings and machinery which are measured at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss. When there is a disposal of revalued assets, the amount recognised in revaluation reserve is reclassified to retained earnings.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

Revalued assets

Revaluations of assets are performed by independent professional valuers with sufficient regularity to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date. Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the “revaluation reserve” in other components of equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset, the increase is recognized in profit or loss. A decrease in value is recognised in profit or loss to the extent it exceeds the revaluation reserve previously recognised in other comprehensive income in respect of the same asset. The revaluation reserve is utilised by reference to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset’s original cost and transferred directly to retained earnings. Upon disposal of a revalued asset, any remaining related revaluation reserve is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

The estimated useful lives are as follows:

Building and building improvements	5 10 and 20	years
Machinery, tool and equipments	3 5 and 10	years
Vehicles	5	years
Waste water treatments system	10	years

(h) Intangible assets

Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software license	3	years
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(i) Leases

At inception of a contract, the Company assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

As a lessee

At commencement or on modification of a contract, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as expenses on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Company uses the Company's incremental borrowing rate to discount the lease payments to the present value. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. The Company remeasured lease liabilities using the original discount rate and recognised the impact of the change in lease liability in profit or loss.

As a lessor

At inception or on modification of a contract, the Company allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Company considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

When the Company is an intermediate lessor, the Company classifies the sub-lease either as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease. In case of a head lease is a short-term lease, the sub-lease is classified as an operating lease. Those right-of-use assets are presented as investment properties.

The Company recognises finance lease receivables at the net investment of the leases, which includes the present value of the lease payments, and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease income reflects a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

The Company recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other income in the accounting period in which they are earned.

The Company estimates lifetime expected credit losses (ECLs), using a provision matrix to find ECLs rate. This method groups the lease receivables based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(j) Impairment of non-financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised in profit or loss if the carrying amount of an asset exceeds its recoverable amount, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Impairment losses of assets recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

(k) Trade and other accounts payable

Trade and other accounts payable are stated at amortised cost.

(l) Employee benefits

Defined contribution plans

Obligations for contributions to the Company's provident funds are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Company determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Company's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits are expensed at the earlier of when the Company can no longer withdraw the offer of those benefits and when the Company recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(m) Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(n) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(o) Revenue from contracts with customers

Revenue is recognised when a customer obtains control of the goods in an amount that reflects the consideration to which the Company expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Company estimates the returns based on the historical return data, does not recognise revenue and cost of sale for the estimated products to be returned.

(p) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to items recognised directly in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(q) Earnings per share

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

(r) Share-based payments

The grant-date fair value of equity-settled share-based payment awards granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant-date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

4 Related parties

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Company; a person or entity that is under common control or under the same significant influence as the Company; or a person or entity over which the Company has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

Relationships with parent, key management personnel or other related parties which the Company had significant transactions with during the year were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Thai Rubber Latex Group Public Company Limited	Thailand	The ultimate parent company with the same directors and executives.
Thai Rubber Gloves Company Limited	Thailand	Subsidiary of the parent company, common directors
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.

Significant transactions with related parties
Year ended 31 December

	2023	2022
	<i>(in thousand Baht)</i>	
Parent		
Sales of raw materials	508	-
Purchases of raw materials	735,942	1,073,910
Sales of equipment	-	20
Other related parties		
Sales of raw materials	116	-
Purchases of raw materials	707	226
Key management personnel		
Key management personnel compensation		
Short-term employee benefits	13,458	50,765
Post-employee benefits	452	439
Total key management personnel compensation	13,910	51,204

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

Balances with related parties
At 31 December

Trade accounts receivable

	2023	2022
	<i>(in thousand Baht)</i>	
Parent	195	-
Other related parties	124	-
Total	319	-

Trade accounts payable

Parent	57,596	57,881
Total	57,596	57,881

5 Cash and cash equivalents

	2023	2022
	<i>(in thousand Baht)</i>	
Cash on hand	29	47
Cash at bank	32,579	292,413
Total	32,608	292,460

6 Trade accounts receivable

	2023	2022
	<i>(in thousand Baht)</i>	
Trade account receivables – Others	257,150	267,303
Trade account receivables – Related parties	319	-
Net	257,469	267,303

At 31 December

Within credit terms	229,496	246,569
Overdue:		
1-30 days	27,973	20,605
31-60 days	-	129
Net	257,469	267,303

Information of credit risk is disclosed in note 24 (b.1.1).

7 Inventories

	2023	2022
	<i>(in thousand Baht)</i>	
Finished goods	51,391	66,066
Raw materials - field latex and concentrated latex	81,805	36,700
Raw materials - chemical	112,885	168,093
Supplies	23,450	36,950
Raw materials in transit	7,815	2,305
Total	277,346	310,114

Inventories recognised as an expense in 'cost of sales of goods':
 - Cost

	2,779,616	3,308,838
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World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

8 Other current assets

	2023	2022
	<i>(in thousand Baht)</i>	
Vat receivable	989	1,506
Other prepaid expense	13,027	2,967
Advance insurance payment	4,325	4,084
Others	641	3,731
Total	18,982	12,288

9 Investment properties

	2023	Land 2022
	<i>(in thousand Baht)</i>	
<i>Cost</i>		
At 1 January	358,361	339,800
Gain on fair value adjustments	-	18,561
At 31 December	358,361	358,361

As at 1 December 2023 the Company has released the obligation to collateral against credit facilities from financial institutions with net book value amounted to Baht 227.10 million.

Measurement of fair value

Fair value hierarchy

The fair value measurement of investment properties was determined by independent property valuers, at market approach. The fair value has been categorised as a Level 3 fair value based on the input to the valuation technique used.

Valuation technique used in measuring the fair value and significant unobservable inputs used

The following table shows the valuation technique used in measuring the fair value of land as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Market comparison technique	The quoted prices and actual trading price of a similar comparative investment properties adjusted by other various factor.	The estimated fair value would increase (decrease) if the price per area were higher (lower).

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

10 Property, plant and equipment

	Land	Building and building improvements	Machinery	Tools and equipments (in thousand Baht)	Vehicles	Waste water treatments system	Assets under construction	Total
Cost / Revaluation								
At 1 January 2022	250,891	341,060	251,972	358,031	38,251	28,898	291,965	1,561,068
Additions	-	6,475	-	12,458	165	-	479,211	498,309
Transfer	-	83,737	266,675	180,596	484	4,533	(536,025)	-
Disposals/ Write-off	-	(4,619)	-	(1,549)	-	-	-	(6,168)
At 31 December 2022 and 1 January 2023	250,891	426,653	518,647	549,536	38,900	33,431	235,151	2,053,209
Additions	-	958	-	4,306	1,110	-	77,296	83,670
Transfer	-	239,323	8,573	49,479	-	6,159	(303,534)	-
Disposals/ Write-off	-	(2,752)	-	(70,073)	(5,655)	-	-	(78,480)
At 31 December 2023	250,891	664,182	527,220	533,248	34,355	39,590	8,913	2,058,399
Depreciation and impairment losses								
At 1 January 2022	-	16,065	20,116	201,029	12,888	19,977	-	270,075
Depreciation charge for the year	-	21,182	37,081	55,005	6,991	2,764	-	123,023
Disposals/ Write-off	-	(1,855)	-	(1,347)	-	-	-	(3,202)
At 31 December 2022 and 1 January 2023	-	35,392	57,197	254,687	19,879	22,741	-	389,896
Depreciation charge for the year	-	33,242	49,063	69,053	6,172	4,165	-	161,695
Disposals/ Write-off	-	(332)	-	(69,728)	(4,743)	-	-	(74,803)
At 31 December 2023	-	68,302	106,260	254,012	21,308	26,906	-	476,788
Net book value								
At 31 December 2022	250,891	385,509	461,450	294,440	17,313	10,690	235,151	1,655,444
Owned assets	-	5,752	-	409	1,708	-	-	7,869
Right-of-use assets	250,891	391,261	461,450	294,849	19,021	10,690	235,151	1,663,313

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

	Land	Building and building improvements	Machinery	Tools and equipments (in thousand Baht)	Vehicles	Waste water treatments system	Assets under construction	Total
At 31 December 2023								
Owned assets	250,891	591,403	420,960	278,948	12,017	12,684	8,913	1,575,816
Right-of-use assets	-	4,477	-	288	1,030	-	-	5,795
	250,891	595,880	420,960	279,236	13,047	12,684	8,913	1,581,611

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

The Company have pledged their property, plant and equipment which had a net book value of Baht 864.6 million (2022: Baht 729.6 million), as collateral to secure credit facilities from financial institutions of the Company.

In December 2020, land, building and machinery of the Company were remeasured by independent professional valuers at market approach and depreciated replacement cost approach. The fair value has been categorised as a Level 3 fair value. The Company recognised a revaluation reserves amounting to Baht 239.4 million, in other comprehensive income. At 31 December 2023, the net book value of land, building, and machinery of the Company would have been amounting to Baht 824.0 million if they were measured at cost (2022: Baht 679.2 million).

Measurement of fair value

Fair value hierarchy

The fair value of land, building and machinery was determined by external, independent property valuers, having appropriate recognized professional qualifications and recent experience in the location and category of the property being valued. The independent valued provide the fair value of the Company's land, building and machinery portfolio over periods of 3 - 5 years.

The fair value measurement for land, building and machinery has been categorised as a Level 3 fair value based on the input to the valuation technique used.

Valuation technique used in measuring the fair value and significant unobservable inputs used

The following table shows the valuation technique used in measuring the fair value of land, building and machinery, as well as the significant unobservable inputs used.

Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Market comparison technique	The quoted prices and actual trading price of a similar comparative land adjusted by other various factor.	The estimated fair value would increase (decrease) if the price per area were higher (lower).
Replacement cost technique	Construction costs, used machine costs or second hand machine and depreciation of building and machine adjusted by other factors.	The estimated fair value would increase (decrease) and the condition of property and construction cost and used machine or second hand machine would increase (decrease).

Leases

As at 31 December 2023, the Company has right-of-use assets amounted to Baht 5.80 million. (2022: Baht 7.87 million).

During 2022, the Company leased building, vehicle, and equipment for 3 - 5 years and paid fixed and variable lease payment that are based on usage over the lease term. These payment terms are common in Thailand.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

Extension options

The Company has extension options on property leases exercisable up to one year before the end of the contract period. The Company assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

	2023	2022
	<i>(in thousand Baht)</i>	
Year ended 31 December		
Amounts recognised in profit or loss		
Depreciation of right-of-use assets:		
- Buildings	1,269	1,178
- Vehicles	678	1,324
- Equipment	84	103
Interest on lease liabilities	263	275

In 2023, total cash outflow for leases of the Company were Baht 2.2 million. (2022: Baht 2.8 million).

11 Interest-bearing liabilities

	2023	2022
	<i>(in thousand Baht)</i>	
Short-term loans from financial institution - secured	27,784	-
Long-term loans from financial institution - secured	233,020	333,820
Lease liabilities	5,978	8,016
Total interest-bearing liabilities	266,782	341,836

As at 31 December 2023, the Company has unutilised credit facilities at the total of Baht 1,819.64 million and USD 23.49 million (2022: Baht 1,627.9 million and USD 26.6 million).

In June 2021, the Company entered into a long-term loan agreement with a local financial institution of Baht 400 million and the company withdraw the loan in installments as follows:

- 1st installment amounting to Baht 90 million in September 2021
- 2nd installment amounting to Baht 125 million in May 2022
- 3rd installment amounting to Baht 144 million in October 2022

Long-term loans of Baht 359.0 million subject to interest at Minimum Loan Rate ("MLR") minus 1.57% per annum and repayments are to be made monthly, commencing from October 2022.

Long-term loans from a financial institution of the Company are secured by the Company's land and premises thereon, plants and machinery.

As of 31 December 2023, the Company was unable to comply with the condition regarding maintaining the Debt Service Coverage Ratio as specified in the loan agreement. To comply with financial reporting standards, the Company has therefore classified long-term loans from a financial institution in the amount of Baht 133.0 million to be presented with current portion of long-term loans from financial institution in the statement of financial position. At present, the Company is in the process of requesting a waiver from breaching the said condition with the financial institution.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

12 Trade accounts payable

	2023	2022
	<i>(in thousand Baht)</i>	
Trade accounts payable - Other parties	170,407	171,661
Trade accounts payable - Related party	57,596	57,881
Total	228,003	229,542

13 Other current payables

	2023	2022
	<i>(in thousand Baht)</i>	
Other accounts payable	21,412	29,395
Advance received from goods	9,226	10,640
Accrued bonus	6,250	26,200
Payable for construction and machinery purchased	5,023	9,017
Advanced rental income	4,296	-
Advanced management fee	-	26,521
Others	9,937	11,045
Total	56,144	112,818

14 Non-current provisions for employee benefit

<i>At 31 December</i>	2023	2022
	<i>(in thousand Baht)</i>	
Defined benefit obligations	15,758	12,470
Total	15,758	12,470

Defined benefit plan

The Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

<i>Present value of the defined benefit obligations</i>	2023	2022
	<i>(in thousand Baht)</i>	
At 1 January	12,470	11,435
<i>Recognised in profit or loss:</i>		
Current service cost	5,126	1,077
Interest on obligation	181	163
<i>Recognised in other comprehensive income:</i>		
Actuarial gain (loss)		
- Demographic assumptions	6,322	-
- Financial assumptions	(1,892)	-
- Experience adjustment	(2,770)	-
Benefit paid	(3,679)	(205)
At 31 December	15,758	12,470

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

<i>Principal actuarial assumptions</i>	2023	2022
	(%)	
Discount rate	2.6 - 2.7	1.3 - 1.4
Future salary growth	3.0 - 4.5	3.0 - 4.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2023, the weighted-average duration of the defined benefit obligation was 10 years (2022: 10 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

<i>Effect to the defined benefit obligation</i>	2023	2022	2023	2022
<i>At 31 December</i>	Increase		Decrease	
		(in thousand Baht)		
Discount rate (1% movement)	(1,158)	(1,100)	1,303	1,254
Future salary growth (1% movement)	1,181	1,406	(1,074)	(1,248)
Employee turnover rate (20% movement)	(1,639)	(1,735)	2,154	2,214
Future mortality (1% movement)	(7)	(7)	7	7

15 Reserves and other components of equity

Reserves comprise:

Appropriations of profit and/or retained earnings

Legal reserve

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

Other components of equity

Revaluation reserve

The revaluation reserve comprises the cumulative net change in the valuation of land, building and machinery included in the financial statements at valuation until such land, building and machinery is sold or otherwise disposed of.

	2023	2022
	(in thousand Baht)	
At 1 January	357,950	370,096
Amortisation	(12,244)	(12,146)
At 31 December	345,706	357,950

The revaluation surplus can neither be offset against deficit nor used for dividend payment.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

16 Segments information and disaggregation of revenue

Management determined that the Company operates in a single line of business, namely latex thread products, and has, therefore, only one reportable segment.

Segment's performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Company's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

<i>Year ended 31 December</i>	Latex thread products	
	2023	2022
	<i>(in thousand Baht)</i>	
Information about reportable segments		
External revenues	2,743,514	3,674,398
Total revenue	2,743,514	3,674,398
 Disaggregation of revenue	 2023	 2022
Primary geographical markets	<i>(in thousand Baht)</i>	
People Republic of China	2,122,384	2,795,361
Bangladesh	70,562	243,794
Indonesia	73,918	122,405
Russia	80,396	84,159
Brazil	83,191	55,710
Thailand	21,622	40,269
Other countries	291,441	332,700
Total revenue	2,743,514	3,674,398

(a) Major customers

In 2023, revenue from 3 customers of the Company's represents approximately Baht 1,227.8 million (2022: Baht 1,282.1 million) of the Company's total revenue.

(b) Promotion privileges

The Company has been granted promotional certificates by the Office of the Board of Investment for rubber products. The Company has been granted several privileges including exemption and/or reduction from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates, which the Company must comply with.

<i>Year ended 31 December</i>	2023			2022		
	Promoted businesses	Non- promoted businesses	Total	Promoted businesses	Non- promoted businesses	Total
	<i>(in million Baht)</i>					
Export sales	723	1,999	2,722	728	2,906	3,634
Local sales	6	16	22	5	35	40
Total	729	2,015	2,744	733	2,941	3,674

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

17 Expenses by nature

	2023	2022
	<i>(in thousand Baht)</i>	
Change in finished goods	14,674	19,040
Raw materials and supplies used	2,013,499	2,501,744
Depreciation and amortisation	163,349	124,619
Employee benefit expenses	242,925	291,054
Utility expense	113,692	97,654
Oil and gasoline expenses	121,324	184,061
Transportation expenses	22,957	27,021

18 Finance costs

	2023	2022
	<i>(in thousand Baht)</i>	
Interest expense:		
Bank loans and overdrafts	16,850	275
Other finance costs	3,031	3,710
Total	19,881	3,985

19 Income tax

Income tax recognised in profit or loss

	2023	2022
	<i>(in thousand Baht)</i>	
Current tax expense		
Current year	-	36,517
Deferred tax expense		
Movements in temporary differences	2,036	3,685
Total income tax expense	2,036	40,202

Reconciliation of effective tax rate

	Rate (%)	2023 (in thousand Baht)	Rate (%)	2022 (in thousand Baht)
Profit (loss) before income tax expense		(139,158)		238,694
Income tax using the Thai corporation tax rate	20	(27,832)	20	47,739
Promotion privileges		-		(8,844)
Expenses not deductible for tax purposes		575		1,307
Losses in the current year that are not recognized are deferred tax assets		29,293		-
Net	(1)	2,036	17	40,202

Deferred tax
At 31 December

	Assets		Liabilities	
	2023	2022	2023	2022
	<i>(in thousand Baht)</i>			
Total	4,601	5,078	(135,682)	(134,123)
Set off of tax	(4,601)	(5,078)	4,601	5,078
Net deferred tax liabilities	-	-	(131,081)	(129,045)

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

Movements in total deferred tax assets and liabilities during the years ended 31 December 2023 and 2022 were as follows:

	At 1 January 2023	(Charged) / Credited to Profit or loss (in thousand Baht)	At 31 December 2023
<i>Deferred tax assets</i>			
Employee benefit obligations	2,494	-	2,494
Others	2,584	(477)	2,107
Total	5,078	(477)	4,601
<i>Deferred tax liabilities</i>			
Property, plant and equipment (revaluation)	(82,807)	888	(81,919)
Investment properties (revaluation)	(47,729)	-	(47,729)
Others	(3,587)	(2,447)	(6,034)
Total	(134,123)	(1,559)	(135,682)
Net	(129,045)	(2,036)	(131,081)

	At 1 January 2022	(Charged) / Credited to Profit or loss (in thousand Baht)	At 31 December 2022
<i>Deferred tax assets</i>			
Employee benefit obligations	2,287	207	2,494
Others	2,289	295	2,584
Total	4,576	502	5,078
<i>Deferred tax liabilities</i>			
Property, plant and equipment (revaluation)	(83,238)	431	(82,807)
Investment properties (revaluation)	(44,017)	(3,712)	(47,729)
Others	(2,681)	(906)	(3,587)
Total	(129,936)	(4,187)	(134,123)
Net	(125,360)	(3,685)	(129,045)

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

Deferred tax assets have not been recognized

	2023	2022
	(in thousand Baht)	
Temporary Difference	325	-
Tax losses	28,968	-
Total	29,293	-

The tax losses expire in 2028. The deductible temporary differences do not expire under current tax legislation. The Company has not recognised these items as deferred tax assets because it is not probable that the Company will have sufficient future taxable profit to utilise the benefits therefrom.

20 Earnings per share

	2023	2022
	(in thousand Baht / thousand shares)	
Basic earnings per share		
Profit (loss) attributable to ordinary shareholders of the Company	(141,194)	198,492
Weighted average number of ordinary shares outstanding at 1 January	464,200	464,200
Weighted average number of ordinary shares outstanding at 31 December	464,200	464,200
Basic earnings (loss) per share (in Baht)	(0.30)	0.43

21 Dividends

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
2023				
2022 Annual dividend	19 April 2023	15 May 2023	0.21	97.48
2022				
2021 Annual dividend	20 April 2022	5 May 2022	0.25	113.73

22 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

	Carrying amount		Fair value
	Financial instruments measured at FVTPL	Financial instruments measured at amortised cost (in thousand Baht)	Level 2
At 31 December			
2023			
Financial assets			
Forward exchange contract used for hedging	19,850	-	19,850
Financial liabilities			
Long-term loans from financial institution	-	233,020	230,299
Forward exchange contract used for hedging	(85)	-	(85)
2022			
Financial assets			
Forward exchange contract used for hedging	5,249	-	5,249
Financial liabilities			
Long-term loans from financial institution	-	333,820	329,315
Forward exchange contract used for hedging	(428)	-	(428)

The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position

Type	Valuation technique
Forward exchange contracts	Determined using quoted forward exchange rates at the reporting date

The fair value of financial liability measured at amortised costs is calculated by discounted cash flows technique.

(b) Financial risk management policies

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

World Flex Public Company Limited

Notes to the financial statements

For the year ended 31 December 2023

The Company audit committee oversees how management monitors compliance with the Company's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

(b.1.1) Trade accounts receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's commercial terms and conditions are offered. The Company's review. Sale limits are established for each customer and reviewed quarterly. Any sales exceeding those limits require approval from the risk management committee.

The Company limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 3 months. Outstanding trade receivables are regularly monitored by the Company. An impairment analysis is performed by the Company at each reporting date. The provision rates of expected credit loss are based on days past due for individual trade receivables to reflect differences between economic conditions in the past, current conditions and the Company's view of economic conditions over the expected lives of the receivables.

Information relevant to trade accounts receivable is disclosed in note 6.

(b.1.2) Cash and cash equivalent and derivatives

The Company's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks and financial institutions which the Company considers to have low credit risk.

(b.2) Liquidity risk

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

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

<i>At 31 December</i>	Carrying amount	1 year or less	Contractual cash flows		Total
			More than 1 year but less than 5 years <i>(in thousand Baht)</i>	More than 5 years	
2023					
<i>Non-derivative financial liabilities</i>					
Short-term loans from financial institution	27,784	27,879	-	-	27,879
Long-term loans from financial institution	233,020	248,934	-	-	248,934
Trade and other current payables	284,147	284,147	-	-	284,147
Lease liabilities	5,978	2,179	4,198	-	6,377
	<u>550,929</u>	<u>563,139</u>	<u>4,198</u>	<u>-</u>	<u>567,337</u>
<i>Derivative financial liabilities</i>					
Forward exchange contracts	85	85	-	-	85
	<u>85</u>	<u>85</u>	<u>-</u>	<u>-</u>	<u>85</u>
2022					
<i>Non-derivative financial liabilities</i>					
Long-term loans from financial institution	333,820	113,107	244,451	-	357,558
Trade and other current payables	342,360	342,360	-	-	342,360
Lease liabilities	8,016	2,300	6,330	-	8,630
	<u>684,196</u>	<u>457,767</u>	<u>250,781</u>	<u>-</u>	<u>708,548</u>
<i>Derivative financial liabilities</i>					
Forward exchange contracts	428	428	-	-	428
	<u>428</u>	<u>428</u>	<u>-</u>	<u>-</u>	<u>428</u>

(b.3) Market risk

The Company is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

(b.3.1) Foreign currency risk

The Company is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Company primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

	2023			2022		
<i>Exposure to foreign currency</i>						
<i>31 December</i>	USD	CNY	Total	USD	CNY	Total
	<i>(in million Baht)</i>					
Trade and other current receivables	222	39	261	181	88	269
Trade and other current payables	(7)	-	(7)	(5)	-	(5)
Net statement of financial Position exposure	215	39	254	176	88	264
Forward exchange purchase contracts	-	-	-	7	-	7
Forward exchange selling contracts	(486)	(2)	(488)	(288)	-	(288)
Net exposure	(271)	37	(234)	(105)	88	(17)

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

<i>Impact to the profit or loss</i>	Movement (%)	Strengthening (in million Baht)	Weakening
2023			
USD	10	48.4	(48.4)
CNY	10	0.2	(0.2)
2022			
USD	10	29.2	(29.2)

Forward exchange contract

As at 31 December 2023, the Company has entered into forward exchange contracts to sell USD 14.13 million (2022: USD 8 million) and CNY 0.50 million at the forward rate of Baht 33.6 -36.5 per USD (2022: Baht 34.1 - 37.7 per USD) and 4.94 per CNY. These contracts are due between 19 January 2024 to 3 July 2024 (2022: 27 March 2023 to 26 June 2023).

World Flex Public Company Limited
Notes to the financial statements
For the year ended 31 December 2023

23 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

24 Commitments with non-related parties

	2023	2022
	<i>(in million Baht)</i>	
<i>Capital commitments</i>		
Building and building improvement	34	22
Total	34	22
<i>Other commitments</i>		
Purchase orders for goods and supplies	17	20
Bank guarantees	10	7
Total	27	27


Bank guarantees

As at 31 December 2023, there were outstanding bank guarantees of Baht 9.9 million (2022: Baht 7.4 million) issued by the banks on behalf of the Company to guarantee electricity use as required in the normal course of the Company's business.



Section 4

Attachment

- Attachment 1** Information of the Board of Directors, Executives, Controlling Persons of Accounting and Financial, and Company Secretary
 - Attachment 2** Detail of Chief of the Office of The Internal Audit
 - Attachment 3** Details on Business Assets and Asset Valuation
 - Attachment 4** Corporate Governance, Code of Business Ethics Policy and Guideline
 - Attachment 5** Audit Committee's Report
- 

Attachment 1

Information of the Board of Directors, Executives, Controlling Persons of Accounting and Financial, and Company Secretary



Mr. Bunyong Visatemongkolchai

Chairman of the Board of Directors / Independent Director / Audit Committee

Age 66 Year

Shareholding proportion in company (percent)

- None (0.00%)

Family relationships between the committee and executive

- None

Educational Qualification

- Master of Laws, Temple University, USA
- Bachelor of Laws, Thammasat University
- Mini MBA, Chulalongkorn University

Training

- Student of Assistant Chief District Officer Class of 48 Institute of Administration Development.
- Top Executives Course Class of 5 (CMA.5) Capital Market Academy
- Agile Strategy Transformation Office (ASTO) by Bluebik Group Public Company Limited.
- ESG Global Trends and Effective Integration by Dr. Seree Nonthasoot
- Anti-Corruptions by Office Of National Anti-Corruption Commission
- Role of the Chairman Program (RCP) Class of 52/2022
- Advanced Audit Committee Program (AACP) Class of 30/2018
- Director Accreditation Program (DAP) Class of 119/2015

Working experience

July 2nd, 2021 - Present

July 6th, 2022 - Present

Feb 1st, 2018 - May 31st, 2018

Jan 29th, 2021 - Present

Feb 16th, 2023 - Present

Nov 9th, 2023 - Present

2017 - 2023

- Vice Chairman of the Board
- Director / Chairman of Executive Committee
- Risk management Committee / Acting Managing Director
- Bangkok Commercial Asset Management Public Company Limited
- Asset management
- Chairman of the Board of Directors / Independent Director / Audit Committee
- World Flex Public Company Limited
- Manufacture and distribute the natural rubber thread.
- Independent Director / Audit Committee / Nomination and Remuneration Committee
- BIC Corporation Co., Ltd.
- Pet Wellness Business
- Director / Chairman of the Audit Committee
- Director
- Able Asset Group Co., Ltd.
- Real estate business

July 27th, 2022 - Present

Apr 30th, 2022 - Present

2016 - Nov 1st, 2023

Mar 11st 2019 - Apr 29th, 2021
Oct 2018 - Apr 29th, 2021

2017 - Jan 5th, 2021

2015 - 2017

2014 - 2016

2014 - 2016

2011 - 2016

2011 - 2016

- Chairman of the Nomination and Remuneration Committee / Audit Committee
- Independent Director
- Three Money Holding Company Limited.
- Lending Business (Pico Finance)
- Director / Managing Director
- TFD Real Estate Management Co., Ltd.
- Trust management business
- Chairman of the Board of Directors
- Director
- Thai Credit Guarantee Corporation (TCG)
- Guarantee credit service business for entrepreneurs of all kinds of SME
- Directors / Independent Director / Audit Committee
- Latex Systems Public Company Limited
- Manufacture and distribute the mattress, pillow and other accessories made from 100% natural latex.
- Director / Chairman of the Risk Committee / Executive Committee / Corporate Governance Committee / Nomination and Remuneration Committee
- Government Housing Bank
- Bank business
- Director
- Thai Factory Development Public Company Limited
- Real estate business
- Director
- Total Industrial Services Co., Ltd.
- Real estate business
- Independent Director / Audit Committee
- RHB Securities (Thailand) Public Company Limited
- Stock Trading
- Director
- Thai Asset Management Corporation (TAMC)
- Asset Management



Mr. Banlue Chantadisai

Director / Independent director /

Chairman of the Audit committee

Age 74 Year

Shareholding proportion in company (percent)

- None (0.00%)

Family relationships between the committee and executive

- None

Educational Qualification

- M.B.A., University of Chicago Business School, USA
- Bachelor of Engineering, Massachusetts Institute of Technology, USA

Training

- Risk Management Program for Corporate Leaders (RCL) Class of 15/2019
- Advanced Audit Committee Program (AACP) Class of 27/2017
- Director Certification Program (DCP) Class of 9/2001

Working experience

Jan 29 th , 2021 – Jan 3 rd , 2024	<ul style="list-style-type: none"> • Director / Independent director / Chairman of the Audit Committee • World Flex Public Company Limited) • Manufacture and distribute the natural rubber thread.
2017 – Present	<ul style="list-style-type: none"> • Chairman of the Board of Directors / Independent Director • Bangkok Bank Berhad • Commercial Bank in Malaysia
2017 – 2021	<ul style="list-style-type: none"> • Director / Independent director / Chairman of the Audit Committee • Latex System Public Company Limited • Manufacture and distribute the mattress, pillow and other accessories made from natural latex.
2015 – Present	<ul style="list-style-type: none"> • Director / Chairman of the Audit Committee • Property Perfect Public Company Limited • Develop real estate

2013 – 2021

- Director
- Mitkorn Development Co., Ltd.
- Tenancy and processing about real estate.

2012 – Present

- Director
- Asia Tires Ventures Co., Ltd.
- Leasing office suite

2012 – Present

- Director
- Wattanachot Co., Ltd.
- Manage asset investment.

2011 – Present

- Director
- Y.C. Real Estate Co., Ltd.
- Purchasing and selling the real estate.

2011 – Present

- Directors
- Bangkok Solar Co., Ltd
- Real estate business.

2011 – Present

- Directors
- Chot Chalit Co., Ltd.
- Allocate land for living.

2010 – Present

- Director
- C.S. Capital Co., Ltd.

2010 – Present

- Consult and guide about management
- Chairman of the Board of Directors
- Lynn Philips Asset Management Co., Ltd.
- Financial Business

2005 – 2019

- Chairman of the Board of Directors
- Lynn Philips Mortgage Credit Foncier Co., Ltd.
- Credit foncier



Mr. Surapong Rongsirikul

Director / Independent director /
Audit Committee / Chairman of the Nomination
and Remuneration Committee
Age 68 Year

Shareholding proportion in company (percent)

- None (0.00%)

Family relationships between the committee and executive

- None

Educational Qualification

- M.B.A. Thammasat University
- B.B.A in Accounting Ramkhamhaeng University
- B.B.A. in Marketing Thammasat University

Training

- Director Accreditation Program (DAP) Class of 152/2018

Working experience

Jan 29th, 2021 – Present

- Director / Independent director / Audit Committee / Chairman of the Nomination and Remuneration Committee

2021 – Present

- World Flex Public Company Limited)
- Manufacture and distribute the natural rubber thread.

2018 – 2021

- Director / Independent director / Audit Committee
- Pilatus Marine Public Company Limited
- Deliver fuels, all kinds of gas by land and sea.
- Director / Independent director / Chairman of the Nomination and Remuneration Committee
- Latex System Public Company Limited
- Manufacture and distribute the mattress, pillow, and other accessories made from natural latex.

2004 – 2015

- Deputy Director
- Port Authority of Thailand
- Port service



Mr. Chawalit Tiyadechachai

Director / Chairman of Executive Committee
/ Chairman of Risk Management Committee /
Chief Executive Officer
Age 50 Year

Shareholding proportion in company (percent)

- 1.94¹

Family relationships between the committee and executive

- Husband who doesn't register a marriage certificate
Ms. Chalangkwan Wongsasuthikul.

Educational Qualification

- M.B.A., University of Central Oklahoma, USA
- Bachelor of Engineering in Electronics Engineering,
Assumption University

Training

- Director Accreditation Program (DAP) Class of 179/2021

Working experience

Oct 1st, 2017 - Present

- Director / Chairman of Executive Committee / Chairman of Risk Management Committee / Chief Executive Officer
- World Flex Public Company Limited)
- Manufacture and distribute the natural rubber thread.

2020- 2021

- Director
- Thai Rubber Industry Co., Ltd.
- Purchase agricultural product.

2008 - 2018

- Director / Managing Director
- Phoenix Rubber Products Co., Ltd.
- Manufacture and distribute the latex gloves.

¹ Shareholding proportion in company before offering the stock selling to the public for the first time including the share of conjoint or child not being legal age of aforesaid person and director who has the authorized director of the company.



Mr. Nat Vongsasuttikul

Director / Executive Committee /

Risk Management Committee /

Managing Director /

Assistant Managing Director in the Factory Line

Age 45 Year

Shareholding proportion in company (percent)

- 0.50²

Family relationships between the committee and executive

- Cousin of Ms. Chalangkwan Wongsasuthikul and Mr. Kowit Wongsasuthikul.

Educational Qualification

- M.B.A., Assumption University
- B.B.A. in Business computer, Saint John University

Training

- Top Executives Course Class of 33 (CMA.33) Capital Market Academy
- Ethical Leadership Program (ELP) Class of 26/2022
- Director Certification Program (DCP) Class of 279/2019
- Financial Statements for Directors (FSD) Class of 20/2013

Working experience

May 14th, 2013 - Present

- Director / Executive Committee / Risk Management Committee / Managing Director / Assistant Managing Director in the Factory Line
- World Flex Public Company Limited)
- Manufacture and distribute the natural rubber thread.
- Assistant Managing Director Marketing & Sales Domestic
- Thai Rubber Latex Corporation (Thailand) Public Company Limited.
- Manufacture and distribute concentrated latex

2548 - 2551

² Shareholding proportion in company before offering the stock selling to the public for the first time including the share of conjoint or child not being legal age of aforesaid person and director who has the authorized director of the company



Ms. Chalongkwan Wongsasuthikul

Director / Nomination and Remuneration Committee

Age 51 Year

Shareholding proportion in company (percent)

- 0.42

Family relationships between the committee and executive

- Wife who doesn't register a marriage certificate Mr. Chawalit Tiyadechachai, Older sister of Mr. Kowit Wongsasuthikul, and cousin of Mr. Nat Wongsasuttkul.

Educational Qualification

- M.B.A., University of Central Oklahoma, USA
- M.B.A. in Management and Organization Development, Assumption University
- Bachelor of Arts in International Economics, Chulalongkorn University

Training

- Corporate Governance for Executives (CGE) Class of 21/2023
- Hot Issue for Directors: What Directors Need to Know about Digital Asset, By The Stock Exchange of Thailand, Training period on 26th August 2022, 3-hour.
- Director Certification Program (DCP) Class of 229/2016
- Company Secretary Program (CSP) Class of 13/2005
- Executive Training Program: Procurement & Logistic Management Series: Module 4: Monitoring Procurement & Logistic Performance using Intelligence dashboard.
- Attending short-term training provided by Thai Rubber Latex Public Company Limited.
- Joining student internship program (SIP 21) of Bangkok Bank Public Company Limited.
- Leadership Management
- Carbon Footprint
- Business Strategy Workshop
- Subcommittee of The Thai Rubber Association
- Balanced Scorecard, Implementation Guidelines
- Leadership Development to enhance the excellence of the organization.
- Corporate culture, importance matters & duty writing.
- Roles and responsibility of the Board of Directors.
- Management of cost reduction that everyone participates.
- New rules in accordance with Securities and Exchange Act B.E. 2535.
- Safety Officer at management level
- Techniques for setting goals for performance evaluation.
- Business analysis and decision making.
- Public Relation of Economic Faculty in Chulalongkorn University Festival 1993

Working experience

- | | |
|--------------------------------------|--|
| Feb16 th , 2009 - Present | <ul style="list-style-type: none"> • Director / Nomination and Remuneration Committee • World Flex Public Company Limited • Manufacture and distribute the natural rubber thread. |
| 2021 - Present | <ul style="list-style-type: none"> • Director • Thai Rubber Gloves Co., Ltd. • Manufacture and distribute the latex gloves |
| 2012 - Present | <ul style="list-style-type: none"> • Director • Thai Rubber Latex Group Public Company Limited • Manufacture and distribute concentrated latex. |
| 2010 - 2015 | <ul style="list-style-type: none"> • Director • Thai Rubber H P N R Co., Ltd. • Manufacture and distribute Standard Thai Rubber |
| 2007 - 2015 | <ul style="list-style-type: none"> • Director • Thai Rubber Land and Plantation Co., Ltd. • Rubber plantation |
| 2002 - 2021 | <ul style="list-style-type: none"> • Director • PK IMMEX Co., Ltd. • Wholesale food product |



Mr. Kowit Wongsasuthikul

Director

Age 48 Year

Shareholding proportion in company (percent)

- None (0.00%)

Family relationships between the committee and executive

- Younger brother of Ms. Chalengkwan Wongsasuthikul, and cousin of Mr. Nat Vongsasuttikul

Educational Qualification

- Master of Business of E-Commerce, Assumption University
- Bachelor of Business Administration, Assumption University

Training

- Director Accreditation Program (DAP) Class of 152/2018
- Director Certification Program (DCP) Class of 147/2018
- PDPA for Organization (Personal Data Protection Act B.E. 2562 (2019)). By Bunne Businession Co., Ltd. Training period on 27th May 2022, 6-hour.
- PDPA Implementation (Personal Data Protection Act B.E. 2562 (2019)). By Bunne Businession Co., Ltd. Training period on 7th July 2022, 6-hour.
- Occupational Safety, Health, and Environment (OSH&E). Safety & Training Center Co., Ltd. Training period on 21st - 22nd July 2022, 12-hour.

Working experience

July 6th, 2020 - Present

- Director
- World Flex Public Company Limited
- Manufacture and distribute the natural rubber thread.

2023 - Present

- Director
- Thaitex CBD Smart Farm Co., Ltd.
- Growing Medical plants

2012 - Present

- Director
- Mae Fah Luang Land and Property Co., Ltd.
- Buy and sell real estate for residential business

2010 - 2023

- Director
- Thai Rubber H P N R Co., Ltd.
- Manufacture and distribute Standard Thai Rubber

2018 - 2021

- Director
- Latex System Public Company Limited
- Manufacture and distribute the mattress, pillow and other accessories made from natural latex.

2002 - 2021

- Director
- PK IMMEX Co., Ltd.
- Wholesale food product



Mr. Prakit Waraprateep

Director

Age 46 Year

Shareholding proportion in company (percent)

- 0.21

Family relationships between the committee and executive

- None

Educational Qualification

- Master of Computer Information Science (CIS), Assumption University
- Bachelor of Marketing, Assumption University

Training

- Director Accreditation Program (DAP) Class of 177/2020

Working experience

July 9th, 2020 – Present

- Director
- World Flex Public Company Limited
- Manufacture and distribute the natural rubber thread.

2015 – Present

- Director
- Thai Rubber H P N R Co., Ltd.
- Manufacture and distribute Standard Thai Rubber

2012 – Present

- Director
- Mae Fah Luang Land and Property Co., Ltd.
- Buy and sell real estate for residential business



Ms. Suphaphimnipa Thanapreeyakul

Assistant Managing Director in General Management

Line / Company Secretary

Age 54 Year

Shareholding proportion in company (percent)

- 0.16

Family relationships between the committee and executive

- None

Educational Qualification

- Bachelor of General Management, Dhurakij Pundit University
- Mini Master in HR Management Class of 9, By Faculty of Economics, Chulalongkorn University

Training

- Company Reporting Program (CRP) Class of 33/2022
- PDPA Awareness (Personal Data Protection Act B.E. 2562 (2019)) by PDPA Consultant and Training Co., Ltd. period on 7th September 2022, 6-hour.
- KPIs System, emphasize on how to be successful by C&T Business (Thailand) Co., Ltd. period on 30th June 2022, 3-hour.
- Company Secretary Program (CSP) Class of 108/2020
- Quality Awareness by Value added consulting Co., Ltd. Training period 21st September 2019, 6-hour training.
- Role and responsibility of company secretary (CS) by Dharmniti Seminar and Training Co., Ltd. Training period 25th July 2019, 6-hour training.
- Effective Quality Management Representative (QMR) by BSI Group (Thailand) Co., Ltd. Training period 17th July 2019, 6-hour training.
- Personal Data Protection Act B.E. 2562 (2019) by Dharmniti Seminar and Training Co., Ltd. Training period 11th July 2019, 6-hour training.
- Total internal audit by Dharmniti Seminar and Training Co., Ltd. Training period 14th June 2018, 6-hour training.

Working experience

Feb 9th, 2004 – Present

- Assistant Managing Director in General Management Line & Company Secretary
- World Flex Public Company Limited
- Manufacture and distribute the natural rubber thread
- Director
- Chot Chuang Commercial Co., Ltd.
- Buy & Sales other

2011 – 2020



Mr. Worapol Phimukphakdee

Assistant Managing Director in Business

Support Line

Age 45 Year

Shareholding proportion in company (percent)

- 0.15

Family relationships between the committee and executive

- None

Educational Qualification

- B.A, Faculty of Humanities, Ramkhamhaeng University

Training

- Director Accreditation Program (DAP) Class of 197/2022

Working experience

May 16th, 2008 - Present

- Assistant Managing Director in Business Support Line
- World Flex Public Company Limited
- Manufacture and distribute the natural rubber thread.



Ms. Kittiya Pliksaeng

Assistant Managing Director in Accounting and Financial Line / CFO

Age 41 Year

Shareholding proportion in company (percent)

- 5,000 Shares (0.00%)

Family relationships between the committee and executive

- None

Educational Qualification

- Master in Energic and Environmental management, Shinawatra University
- Bachelor of accounting, Ramkhamhaeng University

Training

- CFO Refresher Course 2023 by ATI - ASCO Training Institute, The Stock Exchange of Thailand. Period in the year 2023, 6.40 hours.
- E-learning CFO's Orientation Course (Thai Version) by ATI - ASCO Training Institute, The Stock Exchange of Thailand. Period in the year 2023, 12-hours.
- Basic Employee Benefits of 1/2022 by CPD Tutor Co., Ltd. period on 14th June 2022, 6-hour.
- Fundamental of TFRS9 class of 3/2022 by CPD Tutor Co., Ltd. period on 17th September 2022, 6-hour.
- To update the related measurement in taxation program by Faculty of Business Administration Borpitpimuk Chakkawad campus, Training period 26th September 2021, 4-hour training.
- The important issue of Thai financial reporting standard program by Faculty of Business Administration Borpitpimuk Chakkawad campus, Training period 25th September 2021, 4-hour training.
- Accounting for decision program by Faculty of Business Administration Borpitpimuk Chakkawad campus, Training period 19th September 2021, 2-hour training.
- Calculation deferred tax program by Microsoft Excel by Dharmniti Seminar and Training Co., Ltd. Training period 21 July 2021, 4-hour training.

Working experience

Aug 1st, 2023 - Present

- Assistant Managing Director in Accounting and Financial Line / CFO

March 1st, 2019 - 2023

- Accounting Manager
- World Flex Public Company Limited
- Manufacture and distribute the natural rubber thread.

2017 - Present

- Director
- Mee Phukdee Rung Ruang Co., Ltd.
- Interior decoration for condominium.

Attachment 2

Detail of Chief of the Office of The Internal Audit

World Flex Public Company Limited has appointed I VL AUDITING CO., LTD. (I VL) as internal audit and I VL has appointed Ms.Wanladee Siboonreuang, Ms.Natthanon Phatthanaprasitchai and Ms. Ungkana Thaijaratsatian as chief of internal audit as detail follows:

Ms.Waldee Siboonreuang

Senior Partner

Age 59 Year

Shareholding proportion in company (percent)

- None

Family relationships between the committee and executive

- None

Educational Qualification

- Bachelor's degree in accounting theory, Chulalongkorn University

Training

- Certified Public Accountant Registration No. 3829
- Director Accreditation Program (DAP)
- Audit Committee Program

Working experience

- | | |
|----------------|--|
| 1994 - Present | <ul style="list-style-type: none"> • Senior Partner • I VL Auditing Co., Ltd. • Audit and internal audit |
| 1990 - 1994 | <ul style="list-style-type: none"> • Accounting and financial manager • Mancom Corporation (Thailand) Co., Ltd. • Supervision in accounting and finance |
| 1989 - 1990 | <ul style="list-style-type: none"> • Senior assistance auditor • Deloitte Touche Tohmatsu Jaiyos Co., Ltd. • Manage and work as an audit |

Ms. Nathanon Patthanaprasitchai

Partner

Age 47 Year

Shareholding proportion in company (percent)

- None

Family relationships between the committee and executive

- None

Educational Qualification

- Master's degree of Business Administration (Accounting) Ramkhamhaeng University
- Bachelor's degree in accounting, Burapha University

Training

- None

Working experience

- | | |
|----------------|--|
| 2008 - Present | <ul style="list-style-type: none"> • Partner • I VL Auditing Co., Ltd. • Audit and internal audit |
| 2006 - 2008 | <ul style="list-style-type: none"> • Finance and accounting assistant manager • Kanebo Cosmetics (Thailand) Co., Ltd. • Cosmetics |
| 2001 - 2009 | <ul style="list-style-type: none"> • Senior assistance auditor • I VL Auditing Co., Ltd. • Audit and internal audit |

Ms. Ungkana Thaijaratsatian

Partner

Age 47 Year

Shareholding proportion in company (percent)

- None

Family relationships between the committee and executive

- None

Educational Qualification

- Master's degree of Business Administration (Accounting) Ramkhamhaeng University
- Bachelor's degree in accounting, Bangkok University

Training

- Certified Public Accountant Registration No. 9346
- Internal Auditing Certificate Program (IACP)

Working experience

- | | |
|----------------|--|
| 2012 - Present | <ul style="list-style-type: none"> • Partner • I VL Auditing Co., Ltd. • Audit and internal audit |
| 2008 - 2012 | <ul style="list-style-type: none"> • Accounting and Finance Manager • T. Krungthai Industrial Public Company Limited • Automotive |
| 2003 - 2008 | <ul style="list-style-type: none"> • Accounting Manager • Thai Taiyo Co., Ltd. • Furniture |
| 2002 - 2003 | <ul style="list-style-type: none"> • Office Manager • Khon Kaen M.D.F. Board Co., Ltd. • Wood MDF |
| 1999 - 2002 | <ul style="list-style-type: none"> • Senior assistance auditor • I VL Auditing Co., Ltd. • Audit and internal audit |

Attachment 3

Details on Business Assets and Asset Valuation

OPERATING ASSETS

1. Operating principal assets of the Company

On 31st December 2023, the principal assets of the Company such as land, building, machine, equipment and supplies, vehicle, wastewater treatment system, asset under construction, a right-of-use asset, and intangible asset are as follows:

List of assets	Net book value on 31 st December 2023 (Million baht)	Type of ownership	Contingency
1. Land	250.89	Company is owner	mortgage loan as collateral from 2 financial institutions with 8 title deeds
2. Building and under construction part	591.40	Company is owner	mortgage loan as collateral from 2 financial institutions with 8 title deeds
3. Machine	420.96	Company is owner	mortgage loan as collateral from a financial institution with 8 title deeds
4. Equipment and supplies	278.95	Company is owner	none
5. Vehicle	12.02	Company is owner	none
6. Wastewater treatment system	12.68	Company is owner	none
7. Asset under construction	8.91	Company is owner	none
8. A right-of-use asset**	5.80	Company is tenant	none
9. Intangible asset	0.49	Company is owner	none
Total	1,582.10		

1.1 Land

On 31st December 2023, the company has net book value of land amount 250.89 million baht that is the location of rubber thread factory, in Pluak Daeng sub-district, Rayong province, as follows:

Location	Usability	Net book value (million baht)	Type of ownership	Contingency
1. No. title deeds 254, 255 address 59/1 Sai Nikhom Phatthana - Nong Pla Lhai reservoir (HW no. 3191), Maenam Khu sub-district, Pluak Daeng district, Rayong province. Total area: 18-0-60.1 rai	Location of a rubber thread factory	31.94	Company is owner	mortgage loan as collateral with a financial institution with financial amount 642.00-million-baht and 20.00 million dollar US
2. No. title deeds 1750, 1751, 9562, 9563, 20416, 20417 address 59/1 Sai Nikhom Phatthana - Nong Pla Lhai reservoir (HW no. 3191), Maenam Khu sub-district, Pluak Daeng district, Rayong province. Total area: 56-0-64.4 rai	Location of a rubber thread factory	107.83	Company is owner	mortgage loan as collateral with a financial institution with financial amount 795 million-baht
3. No. title deeds 8756 address 59/1 Sai Nikhom Phatthana - Nong Pla Lhai reservoir (HW no. 3191), Maenam Khu sub-district, Pluak Daeng district, Rayong province. Total area: 3-3-99 rai	Location of a rubber thread factory	5.00	Company is owner	None
4. No. title deeds 252, 253, 256, 7570, 7644, 7667, 8236 address 59/1 Sai Nikhom Phatthana - Nong Pla Lhai reservoir (HW no. 3191), Maenam Khu sub-district, Pluak Daeng district, Rayong province. Total area: 59-1-8.6 rai	Location of a rubber thread factory	106.12	Company is owner	Some mortgage loan as collateral with a financial institution with financial amount 795 million-baht
Total		250.89		

1.2 Building and under construction part

On 31st December 2023, the company has net book value of building and under construction part amount 591.40 million baht including rubber thread factory, cargo, thermal power factory and building and another under construction part which is located on the land of the company in Pluak Daeng sub-district, Rayong Province as follows:

Building & Building improvements	Net book value (million baht)	Type of ownership	Contingency
Rubber thread factory Cargo, Thermal power factory, Office Building and building and another under construction part	591.40	Company is owner	Some Building are mortgage loans as collateral with the financial institution for 642.00 million baht and 20.00-million-dollar US. And mortgage loans as collateral for financial for 795.00 million baht

1.3 Machine

On 31st December 2023, the company has net book value of the machine amount 420.96 million baht which produce the rubber thread, and other machines which concerned with production procedure as follows:

Machines	Net book value (million baht)	Type of ownership	Contingency
1. the machine which produces the rubber thread, amount 58 machines	420.64	Company is owner	Some machines are mortgage loans as collateral with the financial institution for 642.00 million baht and 20.00-million-dollar US. And mortgage loans as collateral for financial for 795.00 million baht
2. other machines	0.32	Company is owner	
Total	420.96		

1.4 Equipment and supplies

On 31st December 2023, the company has net book value of equipment and supplies amount 278.95 million baht used in office and rubber thread factories.

1.5 Vehicles

On 31st December 2023, the company has net book value of vehicles 12.02 million baht which are used in office and rubber thread factory amount 96 lists.

1.6 Wastewater treatment system

On 31st December 2023, the company has net book value of wastewater treatment system amount 12.68 million baht which is the system used in treating the wastewater from producing the rubber thread.

1.7 Assets under construction

On 31st December 2023, assets under construction have net book value of amount 8.91 million baht including rubber thread factory building, machines, some equipment and supplies used in the production process, environmental system, etc.

1.8 A right-of-use asset

On 31st December 2023, the company has net book value of a right-of-use asset amount of 5.80 million baht is the value of the leasing agreement of the company as follows:

สินทรัพย์สิทธิการใช้	Net book value (million baht)	Contingency
1. Office building ¹	4.48	None
2. Equipment and supplies ²	0.29	None
3. Vehicles ³	1.03	None
Total	5.80	

Note:

1. A right-of-use asset in the office building's list is the value of the leasing agreement in the office building area and car park area located at Bangna Thani building, Bangna-Trat soi no. 34, Bangna-tai sub-district, Bangna district, Bangkok 10260.
2. A right-of-use asset in the equipment and supplies list is the value of the leasing agreement of rental the copier.
3. A right-of-use asset in the vehicles' list is the value of the leasing agreement of the vehicle for the executive

1.9 Intangible assets

At 31st December 2023, the company has net book value of intangible assets such as an accounting program amount of 0.49 million baht.






2. Investment property


On 31st December 2023, the company has net book value of investment property such as outlaw land located at Sa Kaeo province amount 358.36 million baht. Now, the company has a selling and leasing announcement that outlaw land.

Location	Net book value (million baht)	Type of ownership	Contingency
No. title deeds 782, 791 - 797, 799 - 811, 813 - 820, 1406, 1433 - 1436, 1439 - 1440, 1442 - 1443, 1622, 1703 - 1705, 1711, 1768, 2511, 21740 - 21747, 21789 - 21790 Ban Non-Ban Nong Prue Road (Sor Kor.4012) Watthana Nakhon Sub-district, Watthana Nakhon District, Sa Kaeo Province Total Area: 2,050-0-48.0 Rai	358.36	Company is owner	None

3. Trademark

On 31st December 2023, the company has 8 lists of trademarks as follows:

Trademark	Ownership holder	Status
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in February 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>The trademark was registered with the Department of Intellectual Property on April 19, 2022, and will expire on February 1, 2031.</p>
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in February 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>However, the said trademark has been ordered by the Trademark Registrar to be unable to register. Because it is similar to another person's trademark that has already been registered. The Company filed an appeal against the registration refusal order with the Trademark Board in November 2021. The appeal is currently being considered.</p>
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in February 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>The trademark was registered with the Department of Intellectual Property on April 19, 2022, and will expire on February 1, 2031.</p>
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in April 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>The trademark was registered with the Department of Intellectual Property on June 8, 2022, and will expire on April 29, 2031.</p>
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in February 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>The trademark was registered with the Department of Intellectual Property on April 19, 2022, and will expire on February 1, 2031.</p>

Trademark	Ownership holder	Status
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in February 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>The trademark was registered with the Department of Intellectual Property on April 19, 2022, and will expire on February 1, 2031.</p>
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in April 2021 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>The trademark was registered with the Department of Intellectual Property on June 13, 2022, and will expire on April 29, 2031.</p>
	The company	<p>The company has submitted to register the trademark with the department of intelligent property in Thailand in November 2023 by registering the trademark for products 23 types (rubber thread for textile).</p> <p>So that this trademark is being considered by the department of intelligent property. It may be authorized in 2024.</p>

4. Property insurance for business

Property insurance policies for business has the details as follows:

4.1 Property assurance policy for producing rubber thread.

Party	Bangkok Insurance Public Company Limited
No. of party	523-01551-1926
Type of policy	Industrial all risks insurance policy
property for insurance	<ol style="list-style-type: none"> 1. The building (excluding the footing) cafeteria, garage, guardhouse, and other building including under-construction part, electric system, water supply, telephone system, any public utility, any system, door, fence, and spirit house but excluding company name's plate, or every type of ads plate and electric transformer. 2. Furniture, built-in, appliances for decoration and any electronics, equipment, any office equipment, air conditioner, computer with any supplies and every asset concerning with business of insured. 3. The machine and supplies, spares, equipment, any appliances in the factory 4. Every type of product's stock, raw material, under-producing product, instant product, material, parcel, and any package 5. Biomass Steam-boiler and Hot Oil 6,000,000 Kcal 6. Production line 7. Hot Oil

ทรัพย์สินเอาประกันภัย	8. Work in progress, latex storing bucket, wood vinegar bucket, compound bucket, dispersion bucket, and Cooling Tank. 9. Workshop, building (excluding foundation), including renovations and renovations. The insured's business involves a variety of systems, tools, equipment, spare parts, furniture, utilities, and assets of various types. 10. Including any supplementary decoration and construction and any utility.
Location of asset	Address 59/1 Moo 5, Mae Nam Khu Sub-District, Pluak Daeng District, Rayong Province, being the location of property insured as follows: 1. Factory building 6 buildings. 2. Cargo building 5 buildings. 3. Workshop building 1 building. 4. Employee camp building 1 building. 5. Hot Oil Building with Machinery 3 buildings. 6. 2-story store 1 building.
Period	From October 4, 2023 to December 31, 2024 at 16.30 h.
Financial amount protection	1,590.00 million baht
beneficiary	1. Bangkok Bank Public Company Limited is the beneficiary of the credit limit according to the obligations. 2. Kasikornank Public Company Limited is the beneficiary of the credit limit according to its obligations.

4.2 Business Interruption Insurance Policy

Party	Bangkok Insurance Public Company Limited
No. of party	523-01550-105
Type of policy	Business Interruption Insurance Policy
property for insurance	The Gross Profit as the result of the decrease of income and the decrease of the expenses in the process by the company will protect for the damage from interruption of business because of any building or any asset which the company uses to run the business at the location of property insured that damage and protected under the policy in no. 5.3.1.
Location of asset	Address 59/1 Moo 5, Mae Nam Khu Sub-District, Pluak Daeng District, Rayong Province, being the location of property insured as follows: 1. Factory building 6 buildings. 2. Cargo building 5 buildings. 3. Workshop building 1 building. 4. Employee camp building 1 building. 5. Hot Oil Building with Machinery 3 buildings. 6. 2-story store 1 building.
Period	From October 4, 2023 to December 31, 2024 at 16.30 h.
Financial amount protection	100.00 million baht
beneficiary	The company is the beneficiary in the financial amount of 100.00 million baht.

4.3 Legal liability insurance policy arising from a Type 3 controlled business under the law on fuel control relating to the operation of a liquefied petroleum gas control business.

Party	Bangkok Insurance Public Company Limited
No. of party	523-01588-162
Type of policy	Legal liability insurance policy arising from the operation of type 3 control businesses.
property for insurance	Persons or juristic persons (persons who have suffered damages due to fire or explosion from explosions in category 3 control businesses with respect to liquefied petroleum gas control businesses.
Location of asset	Address 59/1 Moo 5, Mae Nam Khu Sub-District, Pluak Daeng District, Rayong Province, where the insured property is located.
Period	From October 4, 2023 to October 4, 2024 at 16.30 h.
Financial amount protection	<ol style="list-style-type: none"> 1. Death or total disability: 200,000 baht/person 2. Medical expenses are reimbursed according to the actual damage but not exceeding 200,000 baht/person (In both cases 1 and 2, the total amount is not more than 200,000 baht/person) 3. Indemnification based on actual damages, but not exceeding the sum insured under Category 3 Control Business, with respect to the liquefied petroleum gas control business. <p>Remark: Losses or damages under Clauses 1, 2 and 3 do not exceed 1,500,000 baht/time.</p>
beneficiary	-

4.4 Vehicle insurance policy

On 31st December 2023, the company has made the vehicle insurance for running the business and delivering the product, total amount of insurance 20 million baht.

5. Business Certificate

To manage the business of the company, there must be an authorization certificate such as:

Factory license (ror. ngor.4)

License for business detrimental to health

rubber trade license

License for being importer the rubber in Thai kingdom, etc.

6. Right and benefit from investment promotion.

On 31st December 2023, the company has got the investment promotion by Investment Promotion Act B.E. 2520 from the Board Of Investment (BOI) total 2 descriptions as follows:

Promotion certificate no.	1316(2)/2556
Authorized certificate date	7 th January 2013
Opening promotion date	12 th January 2019
Type of promotion certificate	Type 1.16 Business producing the product from natural latex
Promotion product	rubber thread
Right and benefit	<ul style="list-style-type: none"> • authorized for bringing skilled craftsman or specialist foreigner, conjoint, and person in patronization for two kinds into Thai kingdom in number and period as the committee view as proper. • for the skilled craftsman or specialist foreigner authorized to stay in the kingdom to work in the duty that the committee view as proper through the period that was authorized. • except for the import duty for the machine that the committee consider authorized. • except for the corporation tax for net profit which received from running the total promoting business no more than 100 percent of investment budget excluding the land value and circulating fund, period for 8 years from the day having income from the business. • In the case of running the business during the excepting corporate tax time, a promoted person will be authorized to bring the losses from the last year deducting from the net profit after the period that except the corporate tax, which is not more than 5 years, from the expired date. There will be deducted from the net profit of a year or years. • exempt for bringing the dividend from the business, which is promoted and excepting the corporate tax, to calculate for pay the tax through the period that a promoted person receives the exempt from corporate tax. • exempt for import duty for the product that a promoted person enters for return in a period 1 year from the first date of importation.
Condition for individual project	<ul style="list-style-type: none"> • must be activated within 36 months, from the date of promoting certificate issue. • must have registered and paid-up capital not less than 308.00 million baht. • a person who has Thai nationality must hold all the share not less than 51 percent of registered capital. • must do by the essential of the project which is promoted in the type of product and size of business. • must have an investment size not less than 1.00 million baht. • must apply using the right and benefit of exemption for the corporate tax and report within 120 days. • corporate tax which is exempted the value not more than 90.00 million baht, so that it would be adjusted by the investment budget by excluding the true land's price and circulating fund in the operating day. • must receive the certificate of International Organization for standardization or ISO 9000 or ISO 14000 or international standardization where is equivalent within 2 years from the operating day. • must install the factory in Rayong province, so that, within 15 years from the operating day, the relocation will not be done.

Promotion certificate no.	64-1383-1-00-1-0
Authorized certificate date	14 December 2021
Opening promotion date	Not yet open
Type of promotion certificate	Category 1.14.2 Manufacture of natural rubber products
Promotion product	Rubber Thread
Right and benefit	<ul style="list-style-type: none"> Under Section 25, permission to allow the alien skilled craftsman, the alien expert and family to stay in the Kingdom into the Kingdom in accordance with the amount and the length of stay in the Kingdom as determined by the board considers appropriate. Under Section 26, an alien who is a craftsman or a specialist who is permitted to stay in the Kingdom under Section 25 may work only in a position and do work that has been approved by the Board for the time period specified. Allowed to stay in the kingdom. Exemption from import duty on machinery approved by the Board under Section 28. Exemption from corporate income tax under Section 31, paragraph one, for net profits derived from promoted businesses in the aggregate of not more than 100 percent of investment, excluding cost of land and working capital, for a period of eight years beginning on the date of the start of earning from that business. Paragraph three, the income that must be used to calculate the net profit derived from the business under the first paragraph shall include income from the sale of by-products such as scrap or waste from the production process. Paragraph four, in the case of a loss in business during the period of corporate income tax exemption under paragraph one, the promoted person is allowed to deduct the annual loss incurred during that time from the net profit incurred after the corporate income tax exemption period for a period not exceeding 5 years from the date of its expiration. The deduction can be chosen from the net profit of any year or several years. Under Section 34, exemption from the need to include dividends from the promoted business that are exempt from corporate income tax under Section 31 to include in the calculation of income tax throughout the period that the promoted person is exempt from corporate income tax. Under Section 36 (1), exemption from import duty on raw and essential materials imported from abroad for use in production for export for a period of 1 year from the date of first import. (Chemicals only) Section 36 (2) provides for an exemption from import duty on goods imported by promoted person for re-exportation for a period of one year from the date of first importation. (Chemicals only) Since August 24, 2021, which is the date that the board approved the promotion.
Condition for individual project	<ol style="list-style-type: none"> The equipment used in the promoted business must be brand new. <ol style="list-style-type: none"> 1.1 Machines that are exempted or have their import duties reduced It must be brought in by June 14, 2024. 1.2 Must apply for approval of the list of machinery before exercising rights and benefits, such as exemption or reduction of import duty on machinery, in the form and manner specified by the office.

Condition for individual project

2. Must be completed and ready to operate within a period of not more than 36 months from the date of the issuance of the promotion certificate, which must tell the office that they want to open the operation in the way that the office wants.
 3. Must have at least 308,000,000 baht in paid-up registered capital.
 4. Must function in accordance with the essence of the promoted project the following:
 - 4.1 Product category: rubber thread.
 - 4.2 Business Size the production capacity of rubber thread is approximately 12,440 tons per year (working time of 24 hours per day, 360 days/year). By-products are scraps or waste from the manufacturing process.
 5. Must have an investment size (excluding the cost of land and working capital) of not less than 1,000,000 baht.
 6. Must submit a request for corporate income tax exemption rights and benefits and reports on operating results that have been audited by a certified public accountant to the office for approval within 120 days from the end of the accounting period for claiming the rights and benefits of the corporate income tax exemption for that accounting period.
 7. Section 31 paragraphs one and three provide for corporate income tax exemption. The value is not more than 500,000,000 baht, which will be changed based on how much money is invested, excluding the cost of land and working capital at the start of the project.
 8. Must obtain a quality system certificate in accordance with ISO 9000 or ISO 14000 or other equivalent standards within 2 years from the date of operation. If you are unable to do so within the specified time, For 1 year, the rights and benefits of the corporate income tax exemption will be revoked.
 9. Must set up a factory in Rayong. According to the provincial city planning announcement, the establishment of the manufacturing plant must not be in a restricted area. and must obtain permission from the Ministry of Industry or related government agencies within 15 years from the date of operation. They will not be able to move their plant to set up in another locality unless authorized by the board.
- The promoted person must comply with the conditions in the promotion certificate or in the license. If such conditions are violated or not met, all or part of the rights and benefits will be revoked and will be considered part of the promotion certificate.

7. Loan agreement

On 31st December 2023, the company has a loan agreement from 4 financial institutions as follows:

7.1 Loan agreement from the first financial institution

7.1.1 Loan agreement issue 1

Party	World Flex Public Company Limited ("The borrower") The 1 st financial institution ("The lender")
Date of agreement	13 rd January 2023 (Update)
Objective	for spending as a circulated fund in the business

Type of limit	<ol style="list-style-type: none"> 1. Letter of Credit; L/C and/or 2. Trust Receipt; T/R and/or 3. Packing Credit (P/C) and/or 4. Export Bill Purchase (EBP)
Credit limit	289.00 million baht
Collateral	<ul style="list-style-type: none"> • Land and Building on the Title deeds no. 1750, 1751, 9562, 9563, 20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company. • Land and Building on the Title deeds no. 7644, 7570 and 7667. Located No. 255 Moo 5, Pluak Daeng – Rayong Road, Maenam Khu sub-district, Pluak Daeng district, Rayong Province. • Registration of business collateral agreement, machine in the Title deeds no. 1750,1751, 9562, 9563 ,20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company.
Another essential condition	<ul style="list-style-type: none"> • The borrower can spend the credit limit in the above type in the limit of the circulated fund anytime, not more than the aforesaid amount, • In the case of the borrower being in arrear the principal or the interest with any amount and/or breaking the agreement with any number, considering that all the dept of the borrower is due immediately, the borrower must pay all the dept immediately and agrees to pay the interest for the amount in the arrears with the rate equivalent to the interest rate to the lender which the bank charges from the client when the client is in arrear from the day borrower being in arrear until the day the borrower pays all the dept.

7.1.2 Loan agreement issue 2

Party	World Flex Public Company Limited (“The borrower”) The 1 st financial institution (“The lender”)
Date of agreement	13 rd January 2023 (Update)
Objective	for spending as a circulated fund in the business
Type of limit	Promissory note (P/N)
Credit limit	15.00 million baht
Collateral	<ul style="list-style-type: none"> • Land and Building on the Title deeds no. 1750, 1751, 9562, 9563, 20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company. • Land and Building on the Title deeds no. 7644, 7570 and 7667. Located No. 255 Moo 5, Pluak Daeng – Rayong Road, Maenam Khu sub-district, Pluak Daeng district, Rayong Province. • Registration of business collateral agreement, machine in the Title deeds no. 1750,1751, 9562, 9563 ,20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company.
Another essential condition	<ul style="list-style-type: none"> • The borrower can spend the credit limit in the above type in the limit of the circulated fund anytime, not more than the aforesaid amount, • In the case of the borrower being in arrear the principal or the interest with any amount and/or breaking the agreement with any number, considering that all the debt of the borrower is due immediately, the borrower must pay all the dept immediately and agrees to pay the interest for the amount in the arrears with the rate equivalent to the interest rate to the lender which the bank charges from the client when the client is in arrear from the day borrower being in arrear until the day the borrower pays all the dept.

7.1.3 Loan agreement issue 3

Party	World Flex Public Company Limited ("The borrower") The 1 st financial institution ("The lender")
Date of agreement	13 rd January 2023 (Update)
Objective	for spending as a circulated fund in the business
Type of limit	Forward Contract
Credit limit	5.00 million dollars united stated
Collateral	<ul style="list-style-type: none"> Land and Building on the Title deeds no. 1750, 1751, 9562, 9563, 20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company. Land and Building on the Title deeds no. 7644, 7570 and 7667. Located No. 255 Moo 5, Pluak Daeng - Rayong Road, Maenam Khu sub-district, Pluak Daeng district, Rayong Province. Registration of business collateral agreement, machine in the Title deeds no. 1750, 1751, 9562, 9563, 20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company.
Another essential condition	<ul style="list-style-type: none"> The borrower can spend the credit limit in the above type in the limit of the circulated fund anytime, not more than the aforesaid amount, In the case of the borrower being in arrear the principal or the interest with any amount and/or breaking the agreement with any number, considering that all the debt of the borrower is due immediately, the borrower must pay all the dept immediately and agrees to pay the interest for the amount in the arrears with the rate equivalent to the interest rate to the lender which the bank charges from the client when the client is in arrear from the day borrower being in arrear until the day the borrower pays all the dept. The borrower must draw up and copy the financial statement, annual income statement by approval with authorized accounting audit to clarify to the bank within not more than 150 days from the end of tranche accounting.

7.1.4 Loan agreement issue 4

Party	World Flex Public Company Limited ("The borrower") The 1 st financial institution ("The lender")
Date of agreement	13 rd January 2023 (Update)
Objective	for spending as a circulated fund in the business
Type of limit	Forward Contract
Credit limit	10.00 million dollars united stated

Collateral	<ul style="list-style-type: none"> Land and Building on the Title deeds no. 1750, 1751, 9562, 9563, 20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company. Land and Building on the Title deeds no. 7644, 7570 and 7667. Located No. 255 Moo 5, Pluak Daeng – Rayong Road, Maenam Khu sub-district, Pluak Daeng district, Rayong Province. Registration of business collateral agreement, machine in the Title deeds no. 1750,1751, 9562, 9563 ,20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company.
Another essential condition	<ul style="list-style-type: none"> The borrower can spend the credit limit in the above type in the limit of the circulated fund anytime, not more than the aforesaid amount, In the case of the borrower being in arrear the principal or the interest with any amount and/or breaking the agreement with any number, considering that all the debt of the borrower is due immediately, the borrower must pay all the dept immediately and agrees to pay the interest for the amount in the arrears with the rate equivalent to the interest rate to the lender which the bank charges from the client when the client is in arrear from the day borrower being in arrear until the day the borrower pays all the dept. The borrower must draw up and copy the financial statement, annual income statement by approval with authorized accounting audit to clarify to the bank within not more than 150 days from the end of tranche accounting.

7.1.5 Loan agreement issue 5

Party	The company (“The borrower”) The first financial institution 1 (“The lender”)
Date of agreement	13 rd January 2023 (Update)
Objective	for spending as a circulated fund in the business
Type of limit	Packing Credit (P/C)
Credit limit	100.00 million baht
Collateral	<ul style="list-style-type: none"> Land and Building on the Title deeds no. 1750, 1751, 9562, 9563, 20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company. Land and Building on the Title deeds no. 7644, 7570 and 7667. Located No. 255 Moo 5, Pluak Daeng – Rayong Road, Maenam Khu sub-district, Pluak Daeng district, Rayong Province. Registration of business collateral agreement, machine in the Title deeds no. 1750,1751, 9562, 9563 ,20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company.
Another essential condition	<ul style="list-style-type: none"> The borrower must not have a commitment, a dept or any obligation by raising a loan or guaranteeing for whoever until the dept into equity ratio (D/E ratio) in anytime more than 2: 1 so that the debt into equity ratio must be lower than 0 by approval from the annual financial statement, the borrower must not invest or jointly invest in another company for supplementary from the day signing this agreement except agreeing by the bank in writing, the borrower must not offer the loan or any benefit to the third party or any business except agreeing in writing

7.1.6 Loan agreement issue 6

Party	World Flex Public Company Limited ("The borrower") The 1 st financial institution ("The lender")
Date of agreement	13 rd January 2023 (Update)
Objective	for investing for constructing a factory and spending for the expanded production project under the promoting loan of entrepreneur of rubber product from rubber authority of Thailand.
Type of credit	Long term loan
Credit limit	400.00 million baht
Collateral	<ul style="list-style-type: none"> Land and Building on the Title deeds no. 1750, 1751, 9562, 9563, 20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company. Land and Building on the Title deeds no. 7644, 7570 and 7667. Located No. 255 Moo 5, Pluak Daeng - Rayong Road, Maenam Khu sub-district, Pluak Daeng district, Rayong Province. Registration of business collateral agreement, machine in the Title deeds no. 1750, 1751, 9562, 9563, 20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company.
Another essential condition	<ul style="list-style-type: none"> the borrower can withdraw the loan for the construction nor more than 80 percent of the cost estimate or the work value which is approved by the bank so that the amount is not more than 222.00 million baht, the borrower, can withdraw the loan for another price of any equipment not more than 80 percent of the invoice and/or the receipt, so it is not more than 215.00 million baht. For withdrawing the loan for the construction and the machine and other equipment, the cost must not be more than 400.00 million baht. The borrower must not have a commitment, a dept or any obligation by raising a loan or guaranteeing for whoever until the dept into equity ratio (D/E ratio) in anytime more than 2: 1 so that the debt into equity ratio must be lower than 0 by approval from the annual financial statement, the borrower agrees to maintain the DSCR ratio by calculating from the profit before deducting the paying interest, revenue, depreciation, and EBITDA and divided by the long-term debt that is due in that pay tranche, including the interest to pay short term and long-term loan in the ratio not less than 1.20 time, by approved with the annual financial statement. the borrower must not invest or jointly invest in the company, excepting the agreement from the bank, the borrower must not offer the loan or any benefit to the third party or any business except the agreement from the bank.

7.1.7 Loan agreement issue 7

Party	World Flex Public Company Limited ("The borrower") The 1 st financial institution ("The lender")
Date of agreement	13 rd January 2023 (Update)
Objective	for spending as a circulated fund in the business
Type of credit	Forward Contract
Credit limit	18.10 million baht
Collateral	<ul style="list-style-type: none"> Land and Building on the Title deeds no. 1750, 1751, 9562, 9563, 20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company. Land and Building on the Title deeds no. 7644, 7570 and 7667. Located No. 255 Moo 5, Pluak Daeng – Rayong Road, Maenam Khu sub-district, Pluak Daeng district, Rayong Province. Registration of business collateral agreement, machine in the Title deeds no. 1750,1751, 9562, 9563 ,20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company.
Another essential condition	<ul style="list-style-type: none"> the borrow can spend the loan limit in the aforesaid type in the circulated fund anytime, not more than the loan that abovesaid, in the case of the borrow breaking the agreement in any number, or account that brings to be guarantee (if any) seized or withdrawn (all amount or some amount) in any case, the borrower agrees to the bank to calculate the interest in the case of being in arrears on the base of principal from the day the borrower being in arrears, etc. until all debt was paid. The increasing rate from the interest rate in the normal case with the maximum is an agreement in this evidence.

7.1.8 Loan agreement issue 8

Party	World Flex Public Company Limited ("The borrower") The 1 st financial institution ("The lender")
Date of agreement	13 rd January 2023 (Update)
Objective	for spending as a circulated fund in the business
Type of credit	Letter of Guarantee
Credit limit	20 million baht
Collateral	<ul style="list-style-type: none"> Land and Building on the Title deeds no. 1750, 1751, 9562, 9563, 20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company. Land and Building on the Title deeds no. 7644, 7570 and 7667. Located No. 255 Moo 5, Pluak Daeng – Rayong Road, Maenam Khu sub-district, Pluak Daeng district, Rayong Province. Registration of business collateral agreement, machine in the Title deeds no. 1750,1751, 9562, 9563 ,20416 and 20417. Located in Pluak Daeng district, Rayong Province. Ownership of the Company.

Another essential condition

- the borrow can spend the loan limit in the aforesaid type in the circulated fund anytime, not more than the loan that abovesaid,
- in the case of the borrow breaking the agreement in any number, or account that brings to be guarantee (if any) seized or withdrawn (all amount or some amount) in any case, the borrower agrees to the bank to calculate the interest in the case of being in arrears on the base of principal from the day the borrower being in arrears, etc. until all debt was paid. The increasing rate from the interest rate in the normal case with the maximum is an agreement in this evidence.

7.2 Loan agreement from the second financial institution

7.2.1 Loan agreement issue 1

Party	World Flex Public Company Limited ("The borrower") The 2nd financial institution ("The lender")
Date of agreement	14 th February 1996
Objective	for spending as a circulated fund in the business
Type of credit	Overdraft (O/D)
Credit limit	5.00 million baht
Collateral	<ul style="list-style-type: none"> • Title deeds no. 254, 255 Maenam Khu sub-district, Pluak Daeng district, Rayong Province with the building, company's ownership, being mortgage as collateral, • Some part of the machine company's ownership, being mortgage as collateral.
Another essential condition	If the bank renews the overdraft or does a moratorium on a person who does the overdraft to pay a debt with informing the guarantor or not, the guarantor agrees to lengthen the period of the agreement every time and not to consider that the renewal or the moratorium of the agreement as releasing the responsibility of guarantor.

7.2.2 Loan agreement issue 2

Party	World Flex Public Company Limited ("The borrower") The 2 nd financial institution ("The lender")
Date of agreement	14 th February 1996
Objective	for spending as a circulated fund in the business
Type of credit	Overdraft (O/D)
Credit limit	15.00 million baht
Collateral	<ul style="list-style-type: none"> • Title deeds no. 254, 255 Maenam Khu sub-district, Pluak Daeng district, Rayong Province with the building, company's ownership, being mortgage as collateral, • Some part of the machine company's ownership, being mortgage as collateral.
Another essential condition	If the bank renews the overdraft or does a moratorium on a person who does the overdraft to pay a debt with informing the guarantor or not, the guarantor agrees to lengthen the period of the agreement every time and not to consider that the renewal or the moratorium of the agreement as releasing the responsibility of guarantor.

7.2.3 Loan agreement issue 3

Party	World Flex Public Company Limited ("The borrower") The 2 nd financial institution ("The lender")
Date of agreement	19 th November 2020
Objective	for spending as a circulated fund in the business
Type of credit	Promissory note (P/N)
Credit limit	200.00 million baht
Collateral	<ul style="list-style-type: none"> Title deeds no. 254, 255 Maenam Khu sub-district, Pluak Daeng district, Rayong Province with the building, company's ownership, being mortgage as collateral, Some part of the machine company's ownership, being mortgage as collateral.

7.2.4 Loan agreement issue 4

Party	World Flex Public Company Limited ("The borrower") The 2 nd financial institution ("The lender")
Date of agreement	19 th November 2020
Objective	for spending as a circulated fund in the business
Type of credit	<ol style="list-style-type: none"> 1. Bill Receivable 2. Bill Receivable Under Letter of Credit 3. Packing Credit 4. Promissory note limit(P/N)
Credit limit	330.00 million baht
Collateral	<ul style="list-style-type: none"> Title deeds no. 254, 255 Maenam Khu sub-district, Pluak Daeng district, Rayong Province with the building, company's ownership, being mortgage as collateral, Some part of the machine company's ownership, being mortgage as collateral.

7.2.5 Loan agreement issue 5

Party	World Flex Public Company Limited ("The borrower") The 2 nd financial institution ("The lender")
Date of agreement	19 th November 2020
Objective	for spending as a circulated fund in the business
Type of credit	<ol style="list-style-type: none"> 1. Letter of Credit (L/C) and/or 2. Trust Receipt (T/R)
Credit limit	90.00 million baht
Collateral	<ul style="list-style-type: none"> Title deeds no. 254, 255 Maenam Khu sub-district, Pluak Daeng district, Rayong Province with the building, company's ownership, being mortgage as collateral, Some part of the machine company's ownership, being mortgage as collateral.

7.2.6 Loan agreement issue 6

Party	World Flex Public Company Limited ("The borrower") The 2 nd financial institution ("The lender")
Date of agreement	19 th November 2020
Objective	for spending as a circulated fund in the business
Type of credit	Forward Contract
Credit limit	20.00 million dollars united stated
Collateral	<ul style="list-style-type: none"> Title deeds no. 254, 255 Maenam Khu sub-district, Pluak Daeng district, Rayong Province with the building, company's ownership, being mortgage as collateral, Some part of the machine company's ownership, being mortgage as collateral.

7.2.7 Loan agreement issue 7

Party	World Flex Public Company Limited ("The borrower") The 2 nd financial institution ("The lender")
Date of agreement	13 rd January 2023 (Update)
Objective	for spending as a circulated fund in the business
Type of credit	Letter of Guarantee
Credit limit	2 million baht
Collateral	<ul style="list-style-type: none"> Title deeds no. 254, 255 Maenam Khu sub-district, Pluak Daeng district, Rayong Province with the building, company's ownership, being mortgage as collateral, Some part of the machine company's ownership, being mortgage as collateral.

7.3 Loan agreement from the third financial institution

7.3.1 Loan Agreement Issue 1

Party	World Flex Public Company Limited ("The borrower") The 3 rd financial institution ("The lender")
Date of agreement	11 st April 2023
Objective	for spending as a circulated fund in the business
Type of credit	<ol style="list-style-type: none"> Promissory note (P/N) Packing Credit Forward Contract
Credit limit	300 million baht
Collateral	Clean Loan

7.4 Loan agreement from the fourth financial institution

7.4.1 Loan Agreement Issue 1

Party	World Flex Public Company Limited ("The borrower") The 4 th financial institution ("The lender")
Date of agreement	17 th May 2023
Objective	for spending as a circulated fund in the business
Type of credit	1. Promissory note limit (P/N) and/or 2. Packing Credit and/or 3. Letter of Credit (L/C) and/or 4. Trust Receipt (T/R) and/or 5. Forward Contract
Credit limit	200.00 million baht
Collateral	Clean Loan
Another essential condition	In case where the applicant applies for a loan from several banks and/or multiple accounts, the applicant agrees that When requesting credit disbursement each time The loan applicant agrees to allow the bank to determine from which contract and/or which account and/or what line of credit will be chosen at that time.

8. Policy for investment in subsidiary and associated company

On 31st December 2023, the company hasn't an investment in the subsidiary or associated company. However, the company has a policy in the subsidiary or associated company which runs the business match with the objective, vision, and strategic plan in the growth of the company for supporting the stability or supporting the company's business. So that the company may consider investing in the other business as supplementary if it is the business that is efficient to grow or expand the business or is useful for the business of the company's group or returns well the investment by the company will analyze and consider the possibility in the investment, investment proportion, the return that may be a possible risk including the financial status of the company. Before you decide to invest in any project, by the approval of investment that is essential, that will be considered from the board the director and/or shareholder's meeting as the defined approval in the term of authority and being as any rules and criterion which concerning with the board of director of exchange commission, the securities and exchange commission and the stock exchange of Thailand that including the criteria about acquisition and disposition of assets, the connected transaction, and the disclosure checklist.

For supervising the subsidiary company and associated company operation, the company will send the presentative who is qualified and competent to manage the business which the company invests as the executive director or juristic person with controlling power in the subsidiary company and associated company aforesaid to reflect the shareholding proportion of the subsidiary company and associated company, for supervising the subsidiary company and associated company and/or running the business conforms with the law, policy and business plan including supervising the stakeholder or whoever has the conflict of interest with the subsidiary company and associated company direct and indirect way, participate in authorizing any issue. However, the consideration of a person who will be director or executive in each company would be the discretion of the meeting of board of directors or the delegation of authority which is authorized by the meeting of the board of directors.

So, entering the transaction or any actions of a subsidiary company which has the significant value or effect on the financial status and overall operation of the company or being in the scope or acquisition and disposition of assets, the connected transaction in the announcement of the connected transaction, which affects to the company, must be authorized by the meeting of the board of directors and/or the board of shareholder and/or the organization which legally concerned before entering a transaction or any action when getting the authorization from the meeting of the board of directors and/or the board of shareholder and/or the organization (as the case may be)

Furthermore, the company will decide the measurement and the action procedure as needed, for assuring that the subsidiary has a disclosure checklist about the overall operation and financial status correctly. The company will act as needed for following the disclosure checklist aforesaid completely and correctly.

Attachment 4

Corporate Governance Policy and Practice, and Business Code of Conduct

The company is aware of the importance of corporate governance as it is important to help promote the company's operations. To be efficient and have sustainable growth This will lead to the highest benefit to all involved parties. From employees, investors, shareholders, and other stakeholders, the company has established a corporate governance policy based on the principles of corporate governance. The Company has disclosed information on the Corporate Governance Policy and Business Code of Conduct As details appear on the Company's website: (www.worldflex.net). Including:

- Corporate Governance Policy
- Code of Conduct
- Investment and Management Policy of the company in subsidiaries and associated companies
- Tax Policy

Detail appears: <https://worldflex.net/th/investor.php/corporate-governance>

Attachment 5

Audit Committee's Report

Mr. Surapong Rongsirikul

Chairman of the Audit Committee



To The Shareholders of World Flex Public Company Limited

In 2023, The Audit Committee consists of 3 independent directors who are experts in finance, law, and business. All members of the Audit Committee are qualified as per the provisions of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) and sufficiently educated and experienced to verify the reliability of the financial statement as follows:

- | | |
|----------------------------------|---------------------------------|
| 1. Mr. Banlue Chantadisai | Chairman of the Audit Committee |
| 2. Mr. Bunyong Visatemongkolchai | Audit Committee |
| 3. Mr. Surapong Rongsirikul | Audit Committee |

Additionally, Mr. Banlue Chantadisai resigned from the position of director and chairman of the audit committee, effective from January 3rd, 2024, resulting in vacancies in the positions of director, audit committee member, and chairman of the audit committee. At the company's board meeting on January 25th, 2024, during the 1/2024 meeting, a resolution was unanimously passed to appoint Mr. Surapong Rongsirikul as the new chairman of the audit committee, filling the vacant position. This appointment aligns with the company's Articles of Association and the audit committee's regulations.

Ms. Kittiya Pliksang, Assistant Manager of Accounting and Finance Line, has been appointed as the secretary of the audit committee. She was appointed during the 5/2566 audit committee meeting on November 8th, 2566, replacing Ms. Supreeya Sinthuphan, who resigned from the position.

The Audit Committee has performed its duties under the scope of responsibilities specified in the Charter of Audit Committee approved by the Board of Directors which is consistent with the best practices of the Stock Exchange of Thailand for the year 2023. The Audit Committee has held 5 meetings with the Management, Internal Audit Unit, and Auditor of the Company as to the direction and verification of various information of the Company concerning reporting and disclosure of the information regarding finance, internal control, and compliance of the relevant regulatory units, and the minutes have been served to the Board of Directors every time. The subject matters are as follows:

Verification of Financial Reports

The Audit Committee has verified and considered the quarterly financial statement and collective 2023 financial statement of this Company together with the Management and Auditor of the Company. The Audit Committee has inquired the Auditor about the accuracy and completeness of the financial statements, adjustments of accounting items of which the subject matters affect the financial statements, scope of audit, sufficiency and suitability of accounting methods, internal control assessment, and sufficiency, accuracy, and completeness of disclosure of information in the financial statements.



Mr. Surapong Rongsirikul
Chairman of the Audit Committee



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