



JD FOOD PUBLIC COMPANY LIMITED



BETTER FOODS  
BETTER FUTURE

ANNUAL REGISTRATION STATEMENT  
AND ANNUAL REPORT 2023  
(Form 56-1 One Report 2023)





## Company Name

บริษัท เจดีฟู้ด จำกัด (มหาชน)  
JD FOOD PUBLIC COMPANY LIMITED

## Initial Securities

JDF



## SET market



## Industry Category

Agriculture and Food



## Company Registration

0107563000151



## Business type

the business of manufacturing seasoning foods sauce, pastry filling processed foods according to customer requirement so that as well as manufacturing and distributing products under the Company's brand, e.g. the 'OK' brand seasoning shakes and bakery fillings, 'Kindee' curry flavored pastes and instant Thai food, 'Crispconut' roasted coconut chips, and all 'GOOD EATS'



## Office Address

116, 116/1, 116/2 Moo 3, Bangthorat Subdistrict,  
Mueang Samut Sakhon District,  
Samut Sakhon 74000

☎ 03444 0681 - 2 and 03444 0683

🌐 [www.jdfthailand.com](http://www.jdfthailand.com)



## Award



Investors can study additional information from the ANNUAL REGISTRATION STATEMENT  
Form 56-1(One Report) of the company shown on [www.jdfthailand.com](http://www.jdfthailand.com)

# Table of Contents

Financial Highlights	04
Message from the Chairman of the Company's Board of Directors	06
Message from the CEO and Managing Director	08
Board of Directors	10

---

Section <b>1</b>	Business operations and performance results <b>11</b>
<hr/>	
Structure and Operations of the Company	<b>12</b>
Risk Management	<b>56</b>
Sustainable Business Operation	<b>60</b>
Analysis and Description of Management Department (MD&A)	<b>86</b>
General Information and Other Key Information	<b>95</b>

---

Section <b>2</b>	Corporate Governance <b>104</b>
<hr/>	
Corporate Governance Policy	<b>105</b>
Corporate Governance Structure and Key Information about the Board of Directors, Subcommittees, Management, Employees, and Others	<b>116</b>
Key Performance Report on Corporate Governance	<b>146</b>
Internal Control and Segregation of Duties	<b>164</b>

---

Section <b>3</b>	Financial statements for the year 2023 ending December 31, 2023 <b>170</b>
<hr/>	

Section <b>4</b>	Data accuracy verification <b>217</b>
<hr/>	

## Attached documents

Attached documents 1	<b>220</b>
Details about the board of directors, the person with authority controlling management, those assigned the ultimate responsibility in the accounting and finance department, those directly responsible for overseeing accounting, and the corporate secretary	
Attached documents 2	<b>241</b>
Details about the head of internal audit and the head of compliance department	
Attached documents 3	<b>242</b>
Assets used in business operations and details about the asset valuation	
Attached documents 4	<b>244</b>
Policy and Practices for Corporate Governance and Business Ethics	
Attached documents 5	<b>245</b>
Subcommittee Performance Report	

---



**24**

Year of  
business



**300+**

Customers give  
confidence



**2000+**

taste



**300+**

professional  
personnel



## Vision

“Being a leader in the seasoning and processed food industry at the national level, widely recognized globally”



## Mission

“To assist consumers, discover their unique taste, we provide high-quality, standardized, and safe seasoning and processed food products. Our goal is to deliver products that meet the highest standards and ensure customer satisfaction”



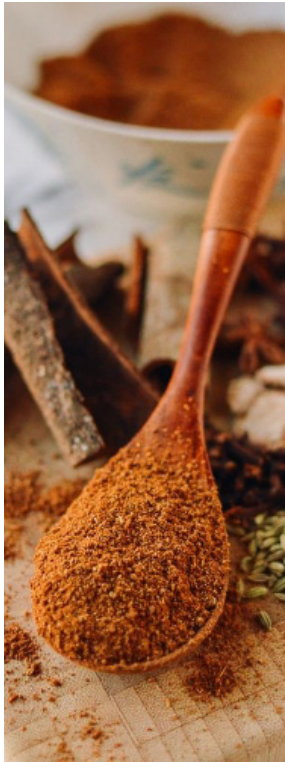
## The core values of the company

1. We treat stakeholders and our customers as if they were our partners, growing together with respect and trust
2. We continuously improve and develop our work processes to be ready to adapt to changes at all times
3. We work with meticulous attention to detail to deliver high-quality, safe, and standard-compliant results, aiming for utmost customer satisfaction





## Our products and services



### Seasoning Powder

JD Food produces seasoning powder products for various uses such as sprinkling, marinating, and flavoring, including taste, aroma, color, or other enhancements. We collaboratively develop unique recipes until achieving the best taste that aligns with customers' preferences



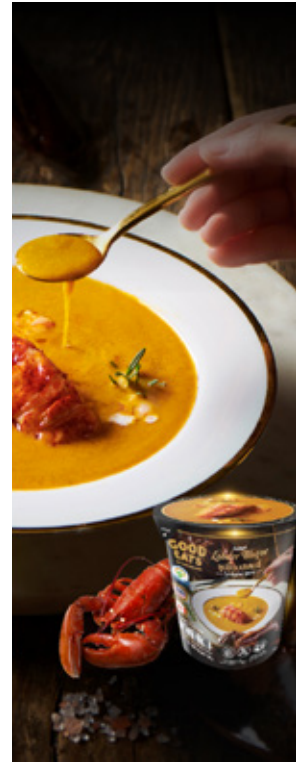
### Sauce, dipping sauce, and pastry filling

JD Food's range of sauce, dipping sauce, and pastry filling products are manufactured using modern and globally standardized processes. They enhance the flavor of various types of dishes effectively. Importantly, they can be used as ingredients for both savory and sweet dishes



### Crunchy baked coconut

JD Food is the pioneer factory in producing crispy baked coconut for export worldwide, maintaining continuous production for over 10 years. Through meticulous raw material selection and modern machinery, we produce crispy baked coconut to the highest global standards and at the highest production capacity in Thailand



### JD Food's Products

Not only being a manufacturer of seasoning powder and food recipes, JD Food also produces and sells products under its own brand



## Financial Highlights

Statement of comprehensive income	2021		2022		2023	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues	576.92	100.00%	573.18	100.00%	631.35	100.00%
Cost of Sales	406.81	70.51%	419.55	73.20%	453.56	71.84%
Gross profit	170.11	29.49%	153.63	26.80%	177.79	28.16%
Selling and distribution expenses	36.51	6.33%	56.44	9.85%	66.20	10.49%
Administrative expenses	77.49	13.43%	79.93	13.94%	71.12	11.27%
Total expenses	114.00	19.76%	136.37	23.79%	137.32	21.75%
Operating profit	56.11	9.73%	17.26	3.01%	40.47	6.41%
Financial costs	13.56	2.35%	11.04	1.93%	4.68	0.74%
Other income	8.78	1.52%	6.35	1.11%	5.79	0.92%
Other expenses	0.00	0.00%	0.00	0.00%	0.00	0.00%
Corporate income tax	5.94	1.03%	0.69	0.12%	(0.69)	(0.11%)
Net profit	45.39	7.87%	11.88	2.07%	42.27	6.70%

### Revenus



**631.35**

(million baht)

### Net profit



**42.27**

(million baht)





## Revenues

million baht



## Operating profit

million baht



## Net profit

million baht





## Message from the Chairman of the Company's Board of Directors

---



### Dear Shareholders

In 2023, the economy and consumption both domestically and internationally improved gradually following the relaxation of COVID-19 control measures after strict enforcement for over 3 years. This resulted in economic expansion, particularly in the tourism sector. The government's policies to stimulate the economy increased demand for consumer goods, especially food. However, overall production sectors were affected by increased raw material costs and transportation expenses, leading to higher living costs and inflation. Consequently, product prices had to be adjusted, which positively impacted increased income but negatively affected consumer purchasing power.





...In 2566, the company achieved sales  
revenue of 631.35 million baht,  
representing a 10.15% increase from the previous year,  
mainly due to increased orders from foreign customers...

Nevertheless, JD Food Public Company Limited is committed to sustainable growth and profit for shareholders while prioritizing care for stakeholders throughout the value chain, aiming to deliver standardized and quality products. In 2566, the company achieved sales revenue of 631.35 million baht, representing a 10.15% increase from the previous year, mainly due to increased orders from foreign customers, particularly from China. Market efforts through online channels and restructuring of sales channels by expanding distributor coverage have also contributed to this growth.

The company continues to focus on research and development of products to meet customer demands, both in terms of taste diversity and cost-effective management to remain competitive. The commitment to sustainable growth goes hand in hand with social responsibility, environmental consciousness, and ESG considerations. For social aspects, the focus is on human rights, safety and health standards for workers, community relations, anti-corruption measures, fair labor practices, and community development. Regarding environmental concerns, emphasis is placed on addressing climate change, reducing carbon dioxide emissions, adopting low carbon business practices, using resources efficiently, considering biodiversity, and environmental conservation. In terms of governance, the company emphasizes transparent governance, risk management mechanisms, compliance with regulations, and strict adherence to various rules and regulations. Additionally, collaboration with nearby communities for mutual development is also a priority. All of these represent the company's commitment to continuous action to foster sustainable business growth and organizational management based on ethical principles.

Finally, on behalf of the Board of Directors, we extend our gratitude to shareholders, partners, customers, employees, and all stakeholders, including financial institutions that have supported the company's operations. We would like to acknowledge the dedication of management and staff to fulfill their duties and manage operations effectively to lead the company towards sustainable growth in the food seasoning and processed food business, aiming to become a recognized leader in the global market for sustained growth.

**Professor Dr. Surapon Nitikraipot**  
Chairman of the Company's  
Board of Directors



## Message from the CEO and Managing Director

---



Dear Shareholders,

The year 2566 was a satisfactory year for our company, marked by increased sales and profits compared to the previous year. This was achieved through various adjustments and initiatives aimed at boosting revenue and reducing expenses, including more efficient production management.

In terms of operational performance in the year 2023, our company saw a sales growth of approximately 10% compared to 2022. This growth was attributed to a 6% increase in sales of products under customer orders or contract manufacturing, accounting for 87%, and a 53% increase in sales of products under our company's brand, accounting for 13%. This growth aligns with our plan to increase the proportion of sales between customer-order products or contract manufacturing and products under our company's brand to 80:20 by the year 2025.





**...Better cost management and reduced financial costs,  
leading to a 256% increase  
in net profit for the year 2023 compared to 2022.  
This represents an increase from 11.88 million Baht  
in 2022 to 42.27 million Baht in 2023.....**

Throughout the year 2023, we continued our marketing efforts through online channels, introduced new products, and expanded our sales channels by increasing our distributor network to expand our customer base.

In 2023, the cost of goods sold decreased compared to 2022, with the proportion of revenue decreasing from 73.20% to 71.84%. This reduction was attributed to the company's implementation of machinery to replace labor and more efficient management of raw materials. Additionally, the installation of the Solar Roof resulted in reduced electricity expenses. However, the company continued to face challenges regarding increased raw material prices. Furthermore, management expenses in 2023 decreased by 10% from 2022 due to reduced depreciation expenses, expenses related to entering the stock market, salary restructuring, cost control, and reduced financial costs, leading to a 256% increase in net profit for the year 2023 compared to 2022. This represents an increase from 11.88 million Baht in 2022 to 42.27 million Baht in 2023.

In addition to the organization's dedication to managing operations effectively to achieve goals, the company also places importance on social and environmental responsibility, as evidenced by receiving the CSR-DIW Continuous Awards 2023 from the Department of Industrial Works, Ministry of Industry, for the third consecutive year. Moreover, the company received the Krungsri ESG Awards 2023 and was certified with the Thai Labor Standard from the Department of Welfare and Labor Protection, Ministry of Labor.

The success mentioned above is a result of the dedication of senior management, as well as the full cooperation from employees at all levels who provided unwavering support to achieve satisfactory results. This also extends to customers, partners, financial institutions, and stakeholders who have placed their trust and supported the company's operations throughout. The company would like to express its sincere gratitude to all involved parties for their continued support.

**Ratana Eaprasertsak**  
Chief Executive Officer and  
Managing Director



## Board of Directors



**Professor Dr. Surapon Nitikraipot**  
Chairman of the Board of Directors /  
Independent Director



**Mr. Sorasit Soontornkes**  
Chairman of the Audit Committee /  
Member of the Risk Management  
Committee /  
Independent Director



**Mr. Danai Watanachariya**  
Chairman of the Nomination and  
Remuneration Committee /  
Member of the Audit Committee /  
Independent Director



**Mr. Pisit Serewiwattana**  
Chairman of the Risk Management  
Committee /  
Independent Director



**Mr. Jirawat Liwprasert**  
Member of the Audit Committee /  
Independent Director



**Dr. Tanai Charinsarn**  
Member of the Nomination and  
Remuneration Committee /  
Independent Director



**Miss Ratana Eaiprasertsak**  
Chairman of the Executive  
Committee /  
Executive Director /  
Chief Executive Officer and  
Managing Director



**Mr. Dhirabul Hosajakul**  
Member of the Nomination and  
Remuneration Committee /  
Member of the Executive Director



**Mr. Pawin Hosajakul**<sup>1</sup>  
Member of the Risk Management  
Committee /  
Member of the Executive Director

Noted : <sup>1</sup> Mr. Pawin Hosajakul Resigned from the position of director on September 1, 2023

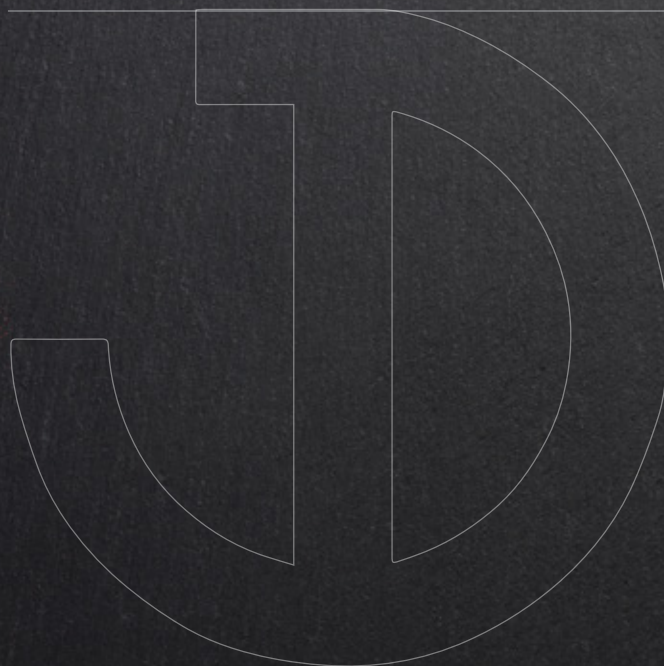




# 1

## Business Operations and Performance Results

Company structure and operations	12
Risk management	56
Sustainable Business Operation	60
Management Analysis and Discussion (MD&A)	87
General information and other important information	103







# Company Structure and Operations

---

## 1. Company Structure and Operations

### 1.1 Policy and Overview of Business Operations

JD Food Public Company Limited (“the Company” or “JDF”) is currently runs the business of manufacturing seasoning and processed foods according to customer requirement (Made to Order), so that its finished products can be used as ingredients or the finished products for customers in Thailand and worldwide. Most of the Company’s customers are in the Thai food industry, such as instant noodles, snacks, and the restaurant business (Food Service), as well as manufacturing and distributing products under the Company’s brand, e.g. the ‘OK’ brand seasoning shakes and bakery fillings; ‘Kindee’ curry flavored pastes and instant Thai food; ‘Crispconut’ roasted coconut chips; and all ‘GOOD EATS’ branded MSG-free instant soups, based on the Company’s extensive expertise and experience in the food industry for more than 20 years. The Company has a very experienced food science research and development team supporting the development of products and recipes for customers to ensure their uniqueness, flavors, aroma, and any other characteristics that the customer requires. Additionally, the Company has been certified for its international quality production, such as the British Retail Consortium (BRC) of the British Standards Institution, the Food Safety Modernization Act (FSMA) of the US Food and Drug Administration (U.S. FDA), all of which are recognized for international food manufacturers. The Company’s production standards are also recognized by various institutions in Thailand, such as the Good Manufacturing Practice, or GMP standards, the Hazard Analysis & Critical Control Points, or HACCP), the HALAL food standards, and the ISO 9001 quality management system standards.

#### 1.1.1 Vision, Mission, Company’s Core Value and Target

##### **Vision**

Being a leader in the seasoning and processed food industry at the national level, widely recognized globally.

##### **Mission**

To assist consumers, discover their unique taste, we provide high-quality, standardized, and safe seasoning and processed food products. Our goal is to deliver products that meet the highest standards and ensure customer satisfaction.

##### **Company’s Core Value**

1. We treat stakeholders and our customers as if they were our partners, growing together with respect and trust.
2. We continuously improve and develop our work processes to be ready to adapt to all the changes
3. We work with meticulous attention to detail to deliver high-quality, safe, and standard-compliant results, aiming for utmost customer satisfaction.



## Target

The company is committed to being a leader in the seasoning and processed food industry at the national level and has been widely recognized and renowned globally. The company aims to achieve a total revenue of 1,000 million Baht within the year 2568, focusing on growth to expand its portfolio and increase the proportion of revenue from products manufactured under OEM agreements and the company's own brands, with a ratio of 80:20, as well as expanding within the CLMV countries.

### 1.1.2 Major Changes and Developments

JD Food Public Company Limited, or formerly known as JD Food Products Company Limited, was established by Mr. Dhirabul Hosajakul and Ms. Rattana Eaiprasertsak, who are both experts in the food industry. In 1999, the Company started out in the business of manufacturing its own in-house food ingredient raw materials and distributing to industrial customers in the form of snacks and instant noodles. And with its determination to become a leader in the country's food seasoning industry, combined with its experience and knowledgeable team of staff skilled in food technology, the Company, therefore, focused on producing quality and international standard products for both its domestic and foreign customers through the establishment of a product research and development team with extensive expertise in food science to ensure that the Company would be able to provide advice and participate in the development of products to meet the needs of customers.

Later, in 2001, Mai Food International Co., Ltd. was established to operate the business of exporting instant food and food seasoning to foreign countries. Additionally, the Company also expanded its product range to also include the production and distribution of food seasoning powder. The Company started by purchasing land in the Lad Yai Subdistrict of Mueang Samut Songkhram District in Samut Songkhram Province from the original shareholders, to expand its factory and improve the quality of its products. Simultaneously, it also started producing semi-processed Thai food products under the "Kindee" brand. Throughout the Company's history, it has been committed to the determination in producing high-quality products for its customers and is still striving to develop its products on a continuous basis in order to respond to the needs of its domestic and international consumers.

The Company started producing dried coconut chips in 2009, initially producing under the Company's brand name "Cripsconut" in parallel with the expansion of its factory to support the expansion of its product range. In 2011, it established OK Food Supply Co., Ltd. to support the wholesale of its seasoning powder and bakery fillings under the "OK" brand. The Company has continued to expand continuously and has been certified by various institutions, both for its factory and product standards.



In 2020, the Company initiated a move from its original production line to a new factory, the “Bangthorat Factory,” which is in Bangthorat Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province. The new site occupies an area of more than 33 rai (more than 52,000 sq. meters). New machinery was also purchased to provide a semi-automated continuous production system, that was expected to increase production efficiency by reducing the transportation time between factories and reducing the loss rate through the increase in the production capacity. The original factory stopped producing all types of products at the end of 2020.

Currently, the Company has a registered capital of 300 million baht, with a paid-up capital of 300 million baht, divided into 600 million ordinary shares with a par value of 0.50 baht per share. In the past 4 years, the Company has gone through some significant changes and developments as follows:

## 2020

- On March 19, 2020, the company received promotion privileges from the Board of Investment (BOI) for the production of dried seasoning products, condiments, semi-processed foods, and food products from fruits and vegetables, under Investment Promotion Certificate No. 63-0322-1-00-1-0.
- On June 18, 2020, the company transformed from a limited company to a public company limited, with a change in name to 'JD FOOD PUBLIC COMPANY LIMITED'
- The operations at Bangthorat factory have commenced, and the production at the new factory has been certified with standard manufacturing practices, including Good Manufacturing Practice (GMP), Hazard Analysis & Critical Control Points (HACCP), and Halal food standards for all production lines.
- At the end of the year 2020, the original factory ceased all production and transferred all production processes and employees from each department to the new factory

## 2021

- On April 5, 2021, the Bangthorat factory was certified for its quality management system standards (ISO 9001).
- The Annual General Meeting of Shareholders No. 1/2564, held on April 23, 2021, resolved to increase the registered capital by 20 million baht to 190 million baht, divided into 1,900,000 ordinary shares with a par value of 100 baht per share.



# 2021

The Extraordinary General Meeting of Shareholders No. 1/2564, held on September 10, 2021, resolved to consider, and approve noteworthy matters, as follows:

- Changing the par value of shares from 100 baht per share to 0.50 baht per share.
- Increasing the registered capital from 190 million baht to 300 million baht, divided into 600,000,000 ordinary shares, with the allocation of the Company's 70,000,000 newly issued ordinary shares to be offered to existing shareholders in proportion to their shareholding, and allocating 150,000,000 ordinary shares for the initial public offering.

On August 11, 2021, the Company was promoted by the Board of Investment (BOI) for its snack products, according to the investment promotion certificate No. 64-0790-1-00-1-0.

The Board of Directors No. 4/2564 Meeting, on August 13, 2021, passed a resolution to approve interim dividend payment from retained earnings as of June 30, 2021, at the rate of 20.50 baht per share, totaling 38.95 million baht. And at its Board of Directors No. 5/2564 Meeting, on October 7, 2021, passed a resolution to approve interim dividend payment from retained earnings as of October 7, 2021, at the rate of 0.49 baht per share, totaling 220.50 million baht.

On October 27, 2021, the Company received an award from participating in a project to promote industrial factories with sustainable social and community responsibility (CSR-DIW Award) for the year 2021, from the Department of Industrial Works, the Ministry of Industry.

# 2022

On May 11, 2022, the Company received a promotional certification from the Board of Investment (BOI) for plant-based alternative protein products, seasonings, and food additives, according to the investment promotion certificate No. 65-0538-1-00-1-0.

On April 4, 2022, the Company registered an increase in paid-up capital to 300 million baht by receiving funding from the initial public offering of 390 million baht (before deducting IPO expenses), and used the funds for its loan repayments to financial institutions, investments in research and development of new product lines with high growth potential, market expansion in the CLMV+2 countries (Southern China and India), develop production processes, and purchase semi-automatic technology machinery for its new production line, as well as the Company's working capital.

# 2022

On April 7, 2022, the Company's ordinary shares began trading on the Stock Exchange of Thailand (SET) in the agro-industry sector of the Food and Beverage business category.

On August 24, 2022, the Company received an award from the Department of Industrial Works, Ministry of Industry, for its participation in the Industrial Factory Promotion Program for Sustainable Social and Community Responsibility (CSR-DIW Continuous Award) for the year 2022.

# 2023

## During the month of April

- "The company has developed and commenced the sale of Meatless Protein Chips under the brand 'Good Eats.' These chips are made from egg whites, yellow peas, and lentils, catering to health-conscious consumers. The product comes in three flavors: Original, Truffle Mushroom, and Grilled Seaweed, and is available for purchase through online channels."
- "The company has developed recipes and created menus to meet the needs of customers in the hotel, restaurant, and catering (HORECA) industry. These menus include more than 20 dishes aimed at maintaining food taste quality, convenience, and cost-effectiveness."



## During the month of May

- On May 18, 2023, the company proceeded to distribute dividends for the fiscal year 2023 to shareholders, as resolved at the Annual General Meeting of Shareholders held on April 20, 2023. The resolution approved the payment of dividends for the fiscal year 2023 at a rate of 0.02 Baht per share, totaling 12 million Baht.

## During the month of September

- On September 13, 2023, the company received the CSR-DIW Continuous Awards 2023 for its outstanding commitment to social responsibility as a business entity from the Department of Industrial Works, Ministry of Industry. This marks the company's third consecutive year receiving this prestigious award.





# 2023

## During the month of November

- On November 9, 2566, the company received the Krungsri ESG Awards 2023 for its commitment to driving sustainable business development.
- The company has successfully rebranded and redesigned its instant Thai stir-fried noodle products under the brand name "Kindee." This rebranding effort includes elevating the image and introducing a new design that emphasizes modernity and consumer-friendliness. The changes aim to respond to evolving consumer behaviors and preferences.



## During the month of December

- On December 12, 2023, the company was certified with the Thai Labor Standard (TLS) 8001-2563 at the basic level by the Department of Labor Welfare and Protection, Ministry of Labor.
- The company has developed and started selling crispy Nuts & Croissant snacks under the brand name "Good Eats." These snacks come in two flavors: Smoked BBQ and Truffle. They are distributed through online channels.





### 1.1.3. Details on the use of the proceeds from the initial public offering

Report on the utilization of capital increase between April 7, 2022 – December 31, 2023, are as follows:

Unit: Million Baht

Objectives	Investment Amount Obtained from Public Offerings	Amount spent between Apr. 7 2022 - Dec. 31, 2023	Balance amount as of Jan. 1, 2023	Amount spent between Jan. 1 - Dec. 31, 2023	Balance amount as of Jan. 1, 2024
1. To repay financial institution loans	200.00	200.00	-	-	-
2. To research and develop new product line with strong growth potential	40.00	12.69	27.31	15.65	11.66
3. To expand the market in the CLMV countries, southern China and India	30.00	0.72	29.28	0.96	28.32
4. To improve the manufacturing process and buy semi-automated machinery for a new production line	25.00	14.72	10.28	4.61	5.67
5. To purchase the Electronic Data Interchange (EDI) system <sup>/1</sup> change to install the Solar Rooftop project.	15.00	4.35	10.65	10.15	-
6. To use as a source of working capital	60.50	60.50	-	0.50 <sup>/2</sup>	-
<b>Total</b>	<b>370.50</b>	<b>292.98</b>	<b>77.52</b>	<b>31.87</b>	<b>45.65</b>

#### Remarks:

<sup>/1</sup> The Board of Directors' Meeting No. 6/2565 held on September 24, 2022, unanimously resolved to approve the change in the objectives of the utilization of the capital increase obtained from the initial public offering (IPO) by considering changing the objectives for using the funds to purchase an Electronic Data Interchange (EDI) system in the amount of 32 million baht, and redirecting it towards the installation of a solar rooftop system, in the amount of 15 million baht, while the remaining 17 million baht to be used as working capital.

<sup>/2</sup> The Board of Directors' Meeting No. 4/2023 held on August 11, 2023, has resolved to approve as insignificant the change in the objectives of the utilization of increased capital from initial public offering (IPO) insignificantly with the method of equalizing the amount of the objectives in Article Number 5, identified that "To install the Solar Rooftop project", which remaining amount of 0.50 million baht is used for the purpose. "To use as a source of working capital" in the amount of 0.50 million baht instead because the project of install the Solar Rooftop has been completed. And an increase in the company's working capital will increase the company's flexibility.



### 1.1.4. The Company's General Information

Company Name	: JD Food Public Company Limited
Stock Initials	: JDF
Business	: Manufacturer of food seasoning products, sauces, snack fillings, dehydrated foods
Business Type	: Food and beverages
Industry Category	: Agriculture and food
Registration No.	: 0107563000151
Head Office	: 116, 116/1, 116/2 Moo 3, Bangthorat Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000
Branch Offices	: Branch Office 1, No. 48/52 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000  Branch Office 2, No. 48/63 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000  Branch Office 3, No. 48/51 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000  Branch Office 4, No. 48/49 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000  Branch Office 5, No. 48/50 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000  Branch Office 6, No. 56/5 Moo 4, Lat Peng-Bang Tabun Road, Lat Yai Subdistrict, Mueang Samut Songkhram District, Samut Songkhram Province 75000  Branch Office 7, No. 56/2 Moo 4, Lat Peng-Bang Tabun Road, Lat Yai Subdistrict, Mueang Samut Songkhram District, Samut Songkhram Province 75000
Contact	: 116, 116/1, 116/2 Moo 3, Bangthorat Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province 74000
Registered Capital	: 300,000,000 baht
Issued and paid-up capital	: 300,000,000 baht
Ordinary Shares	: 600,000,000 shares
Par value	: 0.50 baht
Telephone No.	: +66 (0) 3444 0681 - 2
Fax No.	: +66 (0) 3444 0683
Website	: <a href="http://www.jdfthailand.com">www.jdfthailand.com</a>
Investor Relations	: <a href="mailto:ir@jdfthailand.com">ir@jdfthailand.com</a>

## 1.2 Nature of Business

### 1.2.1 Revenue Structure

For the fiscal year ended December 31, 2021 – 2023, the Company's revenue structure is classified according to the following product categories.

Product Category	For the accounting period ending December 31					
	2021		2022		2023	
	Million THB	%	Million THB	%	Million THB	%
1. Products manufactured based on customer orders, and products manufactured by contract (OEM)	537.99	91.85	524.81	90.55	557.32	87.47
2. The Company's branded products (Own Brand)	38.93	6.65	48.37	8.35	74.03	11.62
Total income from sales	576.92	98.50	573.18	98.90	631.35	99.09
Others income <sup>/1</sup>	8.78	1.50	6.35	1.10	5.79	0.91
<b>Total Revenue</b>	<b>585.70</b>	<b>100.00</b>	<b>579.53</b>	<b>100.00</b>	<b>637.14</b>	<b>100.00</b>

**Remark:**

<sup>/1</sup> Other income consists of profit from sales and write-off of non-financial assets, profits from foreign, income from interest, and gains on debt securities measured at a fair value through profit or loss

### 1.2.2 Nature of Products and Services

#### 1.2.2.1 Original Equipment Manufacturer (OEM)

The Company offers consulting services regarding product development in response to stated recipes or inventing new flavors that are in line with diverse customer requirements. The manufactured products will be used by customers to mix with their own raw materials or products to create flavoring. The end-products produced by the Company under the customer's brand can be classified according to two main categories, namely.

1. Food seasoning products, which can be used in a variety of ways, whether for sprinkling, fermenting, and seasoning, to add flavor, aroma, color, or through any other methods according to the purpose of use, and
2. Vegetable or fruit snacks, which the Company can produce in a variety of formats, both in the form of chips, sticks, or cluster pieces, etc.

## 1. Food seasoning product group

The Company has products classified into 4 types as seasoning powder, dehydrated food, dipping sauce and bakery fillings.

### 1) Seasoning Powder

The Company is contracted to develop formulas and produce seasoning powder according to a specific production formula, for use with both main dishes and desserts, for food manufacturing operators, such as semi-processed food and snacks, and an extensive variety of department stores or franchised restaurants. The customers utilize the food seasonings as ingredients in their cooking production process to ensure a consistent texture, taste, aroma, and color, as well as helping in reducing their food preparation costs. The Company has developed an extensive range of food recipes, including the production of food seasoning powder for various types of food entrepreneurs, which includes;

- 1) Seasoning powder for main dishes, which can be used for fermenting or coating food items, to enhance flavor. The seasoning powder has the capability to withstand heat without changing its taste.
- 2) Seasoning powder for desserts, which can be used as raw materials in baking or sprinkling on desserts.
- 3) Concentrated and clear soup powder, that can be easily and conveniently used, and suitable for restaurants that want to ensure a consistent flavor for their soup menus, and
- 4) Fruit, milk, and tea powder, for producing drinks or baking.



Example of using seasoning powder



Examples of food types that can be used with seasoning powder in food preparation



## 2) Dehydrated Food

The Company has the capability to produce dehydrated vegetables, assorted dried meats, dried herbs and spices, which can be used as raw materials for several food items, such as in the instant noodle industry, in which dehydrated vegetables are currently added, or other types of semi-processed foods that contain dehydrated meat as its raw materials, to add nutritional value, color, and flavoring.



Example of dehydrated food



## 3) Dipping Sauce

Customers can jointly develop the sauce flavoring in conjunction with the Company's food R&D researchers to obtain the most suitable product. The Company's modern sauce production process gives the sauce a longer shelf life, thereby reducing the cost of disposing of expired ingredients. Customers have the choice to choose up to three types of products, namely sauces, oils, and curry pastes mixed with oil, which will add texture and aroma to the food items as well.



Example of Sauce



## 4) Bakery Fillings

The Company has developed the production of fillings to meet the needs of its customers so that they may offer products that meet the consumers' needs. Whether it is a melting dessert filling like a lava bun, or fillings with a constant texture like donuts, each type will require a different production technological process. In addition, the Company's R&D team can also provide advice on producing other types of fillings.



Examples of food that can be filled with bakery fillings



## 2. Crispy Vegetable and Fruit Snacks

The Company is also a full-service provider of contract manufacturing snack products in the crispy vegetables and fruit category under the customer's brand. The Company is responsible for the production and product quality control throughout the entire process, which includes providing services for packaging, as well as packing for customers before delivering the final product to its customers. Currently, the Company is contracted to produce crispy coconut snacks mainly for both domestic and foreign customers. There are presently several forms of dehydrated coconut products that the company can produce, such as crispy coconut chips, chocolate-coated coconut chips, and crispy coconut sticks.

### 1.2.2.2 Products Under Own Brand



#### OK

OK branded seasoning powder and bakery fillings have been formulated to suit various food and bakery products. The products are manufactured using modern machinery that allows customers to be assured of its consistent taste and food safety. The products are sold at small general stores, well-known wholesalers, and bakery equipment stores. The users of such products include small and large restaurants, and bakery operators.



Samples of OK branded seasoning powder



Samples of OK branded fillings and mayonnaise



## Crispconut

The product under the brand 'Crispconut' is a crispy coconut snack, available in both baked coconut chips and coconut chunks, designed for health-conscious consumers as a snack or appetizer. The company meticulously selects high-quality coconuts with intense flavor and aroma from the best coconut plantations in the country. These coconuts are then processed without the use of oil or preservatives, resulting in crispy coconut snacks that are delicious, fragrant, and healthy. Additionally, the company's crispy coconut products can be used in various ways, such as in baking, sprinkled on salads, mixed with yogurt, or enjoyed with main dishes, depending on customers' preferences. These products are available in leading supermarkets and hypermarkets nationwide, including Lotus's, Big C, Gourmet Market, and Villa Market.



Coconut Chips







## Kindee

Based on the Company's intention to present authentic Thai food to consumers under the product framework of "Because we want you to 'eat well'," the Company has, therefore, created the 'Kindee' brand, which is an instant seasoning powder product with an intense original Thai taste. The product does not contain MSG of any kind and features an intense flavor that is palatable to Thais, as well as being very easy and convenient to cook and very accessible pricing. These products are available in leading supermarkets and hypermarkets nationwide and online through platforms like Shopee, Lazada, or LINE MyShop.

In addition, the company plans to add a new flavor, including jungle curry, red curry, liang curry, panaeng curry, sweet and sour stir-fry, khua kling, son-in-law's eggs, and massaman curry. In 2024, as well as expanding products under the brand 'Kindee' in the food product group. More products will be introduced to the market in the future, such as instant noodles, boat noodle flavor with rice vermicelli, glass noodle spicy salad coconut milk noodles etc.



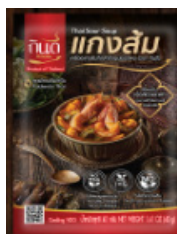
Laab-Namtok



Tom Yum



Green Curry



Thai Sour Soup



Five-Spices

Boat Noodle  
SoupPad Thai  
NoodleThai Seafood  
Dipping Sauce  
PowderThai Spicy  
Sauce Powder  
(jaew sauce)





## GOOD EATS

Instant soup product under the brand 'GOOD EATS', premium instant soup. Just open the cup, tear the envelope, add hot water and stir well. You'll find premium deliciousness. created by yourself like having a chef come to cook for you at home. Product itself received the Healthier Choice, free of any MSG.

Protein Chips snack product, brand 'GOOD EATS', is a crispy protein snack product made from egg whites, soybeans, and green peas that has a protein ratio of up to 14 grams and provides 110 kilocalories of energy. It is a healthy snack product with a delicious taste. Delicious and high quality at an economical price without MSG. For consumers who are health conscious Available for general sale at leading supermarkets and online channels such as Shopee, Lazada, Facebook, Tiktok, and LINE MyShop



Lobster Bisque Instant Soup

Truffle Instant Soup



Original Flavor

Truffle Flavor

Grill Seaweed Flavor





### 1.2.3 Marketing and Competition

Income structure from sales segmented by customer groups over the past 3 years can be categorized as follows:

Income by customer type	For the fiscal year ending on December 31					
	2021		2022		2023	
	MB	%	MB	%	MB	%
1. Customer groups within the country	539.76	93.56	543.30	94.79	576.69	91.34
2. International customer groups	37.15	6.44	29.88	5.21	54.66	8.66
<b>Total revenue from sales</b>	<b>576.92</b>	<b>100.00</b>	<b>573.18</b>	<b>100.00</b>	<b>631.35</b>	<b>100.00</b>

#### 1.2.3.1 Marketing Policies and Strategies

##### 1. Product Development

- **Developing flavors and products diversely according to customer needs**

Company focuses on catering to the needs of customers in the food industry and restaurant businesses through a comprehensive One-Stop Service. As of December 31, 2023, the company has a research and development team of over 31 individuals with expertise in the food industry, collaborating with customers to develop products and flavors. The emphasis is on addressing customer needs from research and flavor development to testing customer products, considering relevant legal aspects, manufacturing, and packaging. Over the years, the company has innovated in food seasoning, including recipes, flavors, and products that evolve with market trends and consumer preferences. The product portfolio consists of over 2,000 items, each offering diverse solutions for various types of customers, including industrial customers, retailers, and consumers. The company believes that continuous product development and innovation will be a key strength, contributing to sustained success in the future.

- **Quality of Product**

The company has achieved quality certification standards for production and quality management, including over 5 certifications for the seasoning production facility and more than 10 certifications for the crispy roasted coconut production facility. These certifications encompass various aspects, such as Good Manufacturing Practice (GMP), Hazard Analysis & Critical Control Points (HACCP), British Retail Consortium (BRC) for food safety, and Gluten-Free Certification. These standards are recognized both domestically and internationally.

The company prioritizes production and quality management as its top priority, given that its products are integral to food preparation and consumption. Therefore, the emphasis on quality is constant and pervasive throughout the company's processes. The company has established stringent quality control and inspection procedures for both the production and flavor of its products at every stage. This begins with inspecting the quality of raw materials upon receipt at the factory, covering aspects such as condition, size, color, aroma, taste, and other chemical

properties. The company has a dedicated Quality Control (QC) team with expertise in food inspection, ensuring that raw materials meet standards and are free from substances that violate the law.

Throughout the production process, the company conducts random product testing at each stage to ensure quality. When it comes to the delivery stage, the company performs a final quality check on the products to ensure they align with customer orders. At each inspection stage, the company generates a Quality Inspection Report, which is signed off on every occasion. This process is in place to control the quality inspection operations according to established standards. The company believes that maintaining a high standard of product quality promotes continuous business, strengthens its position, and instills trust in customers for ongoing growth and success.

- **Development of the company's own brand**

The company builds on its extensive experience and expertise as a long-standing manufacturer and product developer for customers. This includes ready-to-use powdered curry, instant seasoning, semi-prepared soups, and crispy roasted coconut under the company's own brand. The purpose is to diversify risk and enhance sustainability in business operations. The company focuses on developing products aligned with market trends in both flavor and convenience for consumption.

The company's products cater to a diverse range of customer groups, such as 'OK' brand powdered seasoning targeting small-scale food preparers, 'Crispconut' brand crispy roasted coconut snacks focusing on health-conscious snack consumers, 'ĀU Ā' or 'Kindee' brand semi-prepared curry highlighting products without monosodium glutamate (MSG) for health-conscious individuals, and 'GOOD EATS' brand semi-prepared soups and crispy snacks emphasizing the use of carefully selected high-quality ingredients for health benefits

## **2. Pricing Policy**

The pricing of products is determined based on customer orders and contract manufacturing negotiations between the company and the customers, considering the characteristics and volume of the developed products. The company considers the production cost, research, and development costs, and may include expenses for quality inspection and additional certifications as requested by customers for external analysis. Additionally, the company has the flexibility to adjust ingredient formulations to align with the budget of customer orders.

For products under the company's own brand, pricing considerations involve market prices and target audience analysis. The company offers products at competitive market prices and has products with unique selling points that may command premium prices.

## **3. Distribution Channels**

At present, the distribution channels for the company's products can be categorized into 4 channels, including 1) distribution through the company's sales department, 2) distribution through wholesalers, 3) distribution through large-scale retailers, and 4) online sales.





Distribution through the company's sales department is the primary distribution channel as the majority of the company's customers belong to the food industry and large-scale restaurant groups. The company's sales team, equipped with knowledge and experience in food research and development, directly engages with customers to present market trends and collaborate on developing food formulas tailored to each customer's preferences or the introduction of new products.

For products under the company's own brand, distribution occurs through both wholesalers and large-scale retailers. Additionally, the company has expanded its distribution through offline channels, including modern trade and traditional trade. Furthermore, the company has embraced online distribution through various e-commerce platforms such as Shopee, Lazada, and social media platforms like Facebook, Line, and TikTok.

#### 4. Marketing Strategy

The company has a plan for marketing and brand building, targeting both current and new customers. The company has studied trends, including taste preferences, innovative products, food innovation, and consumer lifestyles, with a particular focus on consumer behavior. This understanding of consumer insights is utilized to develop products that meet the needs of customers. The company consistently builds and communicates its brand and products through various channels, both offline and online. This includes participating in local and international trade shows, TV commercials (TVC), sponsorships, public relations (PR) activities, and press releases through leading marketing and business media.

For trade shows, the company consistently participates in events related to food and the food industry, both domestically and internationally. Examples include THAIFEX-Anuga Asia, where exclusive cooking showcases with renowned chefs are organized. The company also engages in events like Food Ingredients Asia (Fi Asia) to showcase its business and innovations in the food industry in various Asian countries.

Additionally, the company promotes its products internationally by showcasing them at trade shows in different countries, aiming to acquire new customers and expand its customer base, both domestically and internationally. Building strong partnerships with trade partners is a key focus, aiming for long-term relationships. This involves developing and controlling production to meet global standards, gaining trust from leading companies worldwide.

#### Market strategy in the country

##### Brand Sales

In 2023, the company experienced an increase in sales and growth compared to the previous year. This growth was attributed to expanding the sales channels for each brand. For the Crispconut brand, which is popular among tourists visiting Thailand each year, the company expanded sales channels to CVS, including 7-Eleven (Tourist store), Dear Tummy (Traditional Trade), which includes souvenir shops, and online channels. Additionally, special product sets for the tourist customer segment were introduced in Hypermarkets and Traditional Trade channels such as Big C, Dear Tummy, and souvenir shops.

In 2024, the company continues to see opportunities to expand brand sales channels to increase sales and reach more consumers. This includes exploring Modern Trade channels such as Makro, Lotus, Big C, Tops, as well as small local department stores with multiple branches like CJ Express, CJ More, Took-Dee Shop, Donjai Shop, and due to the increasing number of tourists every year, the company plans to expand channels to target tourists, including King Power and souvenir shops in provinces with high tourism potential, such as Chonburi (Pattaya), Chiang Mai, Phuket, as well as various coffee shops that are gaining interest from tourists. In addition to selling branded products, the company also plans to continue and develop OEM products to meet the needs of Modern Trade customers through the creation of new products and collaborative formula development with customers.

### **HoReCa Sales**

In 2023, the company identified an opportunity to increase sales in the country and expand the sales channels by adding another channel, namely the HoReCa (Hotel, Restaurant, Catering & Cafe) Sales Division. This aimed to present the company's products to a broader range of Food Service establishments. In that year, the company generated sales of 2.2 million baht on this new channel which marks a promising start. This led to valuable insights and awareness of opportunities to further develop business and drive sales growth in this channel.

In 2024, the company continued its expansion by innovating products suitable for the growing customer base through the RD team's expertise and knowledge. Products included curry dishes, shabu-shabu pork hot pot broth, various sauces, soups, marinated meat powder, and ready-to-drink beverage powder under the "Kindee HoReCa" brand. The focus was on targeting customers in restaurants with multiple branches, those with signature dishes, curry shops, hotels, schools, hospitals, and catering services. Additionally, the company explored OEM production to meet specific taste preferences of customers and aimed to expand its sales area beyond Bangkok and its metropolitan area. This expansion would include provinces with tourism potential and ample business opportunities such as Chonburi (Pattaya), Chiang Mai, and Phuket, contributing to achieving the set business objectives.

### **Market strategy in foreign countries**

Sales department for foreign markets focuses on expanding the market through the following methods:

1. Seek distributors for company-branded products, such as Crispconut, Kindee, Good Eats, and OK, in various international markets across Asia, Central and East, North America and Europe.
2. Expand distribution channels for crispy coconut products and plant-based snacks in various countries, with a particular focus on increasing presence in the Chinese market.
3. Provide contract manufacturing services/ OEM for crispy coconut products, plant-based snacks, and various flavored seasoning powders under customers' brands in different countries. Develop new products or flavors in line with the global food industry trends



to offer diverse options to international customers, such as Coconut Jerky, Plant-Based Snacks, and Protein Chips.

4. Introduce new flavor seasoning powder products, especially Thai original recipes, under the "Good Eats" brand to enhance product variety for distributors and importers in different countries.

Sales Department in the CLMV Market aims to expand the market and foster growth through the following strategies:

1. Increasing collaborations and seeking product distributors for the company's brands such as Crispconut, Kindee, Good Eats, and OK in the CLMV market. This involves initiating partnerships with entities that are already distributing Thai brands in CLMV countries. This strategy aims to enhance product diversity, expand the market, and create growth opportunities for both the company and its partners.
2. Expanding the distribution channels for the company's Hotel, Restaurant, Catering, and Cafe (HoReCa) product line to cater to HoReCa customers in CLMV countries. This includes aligning with the strategies of the HoReCa sales department in each country, as well as developing a greater variety of Thai and international menu recipes through collaboration with the company's Research and Development (RD) team.
3. Expanding the market for contract manufacturing services in the Hotel, Restaurant, Catering, and Cafe (HoReCa) sector, specifically focusing on national dishes of CLMV countries in the form of menu seasonings under the client's brand in each respective country. For example, developing menu seasonings for iconic dishes such as Mohinga Soup for Myanmar, Beef Pho for Vietnam, Lok Lak and Samlar Korko for Cambodia, and Luang Prabang Salad for Laos.

### 1.2.3.2 Customer Characteristics and Target Customer Groups

The company has customers and target customer groups from both domestic and international markets. The company can categorize target customer groups based on distribution channels, regions, and industries, as follows:

#### 1. Customer Groups in the Country

Most customers are domestic customers, particularly those in the food industry and food service businesses. They mainly order products developed by the company according to their specific recipe requirements.

- 1.1 Business Operators in the Food Industry in the Country are the business operators in the food industry in the country including manufacturers producing food products for both domestic sales and export. Examples of such businesses are factories producing snacks, crispy seaweed, and semi-prepared instant noodle factories, among others.
- 1.2 Business operators in the food service industry (Food Services) will be a sales team dedicated to the HoReCa channel, including multi-branch restaurants and franchise-style restaurants.

- 1.3 General Customers include individuals who purchase the company's branded products for personal consumption, entrepreneurs, and wholesalers who distribute the products for further retail.

## 2. International Customer Groups

- 2.1 Foreign Food Industry Businesses, including customers who order the production of crispy coconut and various flavor seasonings under their own brand, or chewy snacks with production bases located abroad, seeking to purchase flavor seasonings and crispy coconut as ingredients for their products.
- 2.2 Importers, distributors, and market agents in foreign markets including international customers who place orders for products under the company's brands such as Crispconut, Kindee, Good Eats, OK. This also includes products like flavored seasonings and crispy coconut, packaged in larger quantities for use in various food industries such as hotels, restaurants, and cafes.
- 2.3 Trading companies involved in exporting Thai products to international markets which include customers with manufacturing bases or product assembly in Thailand. They export goods to foreign markets in containerized shipments. Most of the ordered products usually fall under the company's brand names, such as Crispconut, Kindee, Good Eats, and OK

### 1.2.3.3 Overview and Industry Trends

The trends in the food and beverage service industry that are expected to gain popularity in 2024

The current changes in climate have significant impacts on the global environment, economy, and public health. This has led businesses in the food industry and American consumers to become more aware of the importance of mitigating these impacts and placing greater emphasis on environmental sustainability. It is anticipated that this trend will play a crucial role in supporting the growth of the sustainable food and beverage market in the United States in the coming year. The increasing focus on environmental sustainability and natural resource conservation, along with consumer behaviors favoring healthier food and beverage choices, is expected to contribute to the continuous expansion of the sustainable food and beverage market in the upcoming year. This, in turn, will drive businesses in the industry to develop innovative products to meet the evolving demands of environmentally conscious consumers.

Summary of the Trends and Directions in the Food and Beverage Service Industry Expected to Gain Popularity in 2024

**Using traditional ingredients for cooking has become an interesting and formal choice in various culinary spheres globally (Ancient Grains and Heritage Ingredients)** The evolution of culinary preferences has led to changes in the popularity of using traditional ingredients over different periods. However, despite a decline in the use of traditional ingredients, it is anticipated that there will be an expansion in the popularity of incorporating ancient grains that offer health benefits into cooking. Grains such as quinoa, amaranth, and teff are expected to gain more prominence in culinary practices due to their nutritional value and positive effects on health.

**Innovative Food Technologies** The factors in innovation in the production of food ingredients that have rapidly developed recently can better meet the consumers' demands, contributing to the increased popularity of innovative food products. Examples include plant-based protein, lab-grown





protein, and 3D-printed food, which have gained more popularity among consumers.

**Creating value and reducing waste (Upcycled-Zero Waste)** Prioritizing sustainability and environmental conservation is expected to drive businesses towards utilizing upcycled food production ingredients, such as surplus vegetables and fruits. Additionally, there is an anticipation that businesses will place importance on waste reduction in the industry to promote long-term environmental sustainability. It is also expected that businesses will choose environmentally friendly packaging options, such as biodegradable packaging and multi-functional packaging that can be repurposed, contributing to a reduction in overall environmental impact.

**Functional and Performance-Enhancing Foods (Functional Foods and Adaptogens)** Consumers in the current market not only emphasize nutritional factors but also prioritize the benefits of foods that contribute to improving overall well-being. Examples include products containing



“Packaging with plant seeds that can be used for cultivation is an example of using packaging that can be reused in the planting or cultivation process after it has been used.”

adaptogens from herbs, CBD-infused foods, and stress-relief foods.

**All Things Mushrooms** It is well known that mushrooms are rich in nutrients, especially proteins, making them increasingly popular among the new generation of consumers. This has led businesses to choose mushrooms as ingredients in various interesting food and beverage items, such as mushroom jerky, pizza crust made from mushroom flour, mushroom-infused tea and coffee, and mushroom beer, among others.

**Selecting Local Ingredients (Hyper-local Sourcing Sustainability)** Supporting local entrepreneurs and being socially responsible have become trends that are increasingly popular among restaurant service operators. For example, they choose to purchase fruits and vegetables from local farms and engage in initiatives like rooftop gardens to reduce carbon emissions. Additionally, collaborating with local farmers to selectively source ingredients for special menus is a common practice.

**Microbiome-Friendly Foods**, which support various beneficial microorganisms, have gained popularity due to their positive impact on human health and digestive systems. Examples include probiotics, which are abundant in fermented vegetables and fruits. Consumers often choose these foods to promote health and enhance digestive function.

**Sustainability in Brewing and Distilling** has become a prominent trend in the alcoholic beverage industry. There is a growing emphasis on sustainable production practices, environmentally friendly ingredient selection, and packaging that is both sustainable and health conscious. Examples include organic beers and biodynamic wines.

\*\*\* Biodynamic agriculture places importance on biodiversity in terms of ecosystems, nature, the environment, and holistic consumer well-being \*\*\*

Considering the current trends in consumer preferences for health-conscious and environmentally friendly food and beverage products, Thai entrepreneurs should consider adapting

and developing products that align with market trends and consumer demands. Particularly, there is a significant demand for plant-based protein products, which are highly popular at present. Additionally, Thai entrepreneurs have a competitive advantage in utilizing locally available ingredients, such as beans, mushrooms, and jackfruit. This industry has the potential for future market growth and presents opportunities for Thai businesses to thrive.

However, in product development, even though consumers in the market may be interested in consuming plant-based protein products that have a texture like animal meat, they still prioritize factors related to health impacts. Therefore, Thai entrepreneurs should consider choosing natural and safe seasoning ingredients, colors, flavors that do not adversely affect consumers' health in the long term. Additionally, incorporating beneficial ingredients for health, whether from Thai herbs or various grains, can attract more attention from consumers in the market.

Furthermore, the emphasis on preserving nature and the environment, in line with the policies of various local U.S. governments that restrict the use of food packaging produced from foam and plastic causing environmental pollution, may present an opportunity to promote the export of Thai food packaging made from biodegradable materials. Although products from China are significant competitors in the market due to their significantly lower production costs, the concerns of American consumers about the safety standards of Chinese products, along with the U.S. government's trade policy response to Chinese products, such as imposing a 25% import tax on food packaging from China, might help support the competitiveness of Thai products in the market.

Source: <https://www.ditp.go.th/post/143763> and Hospitality.net

### **3 New opportunities for the food and beverage industry**

The structure of Thailand's food industry is primarily driven by Small and Medium-sized Enterprises (SMEs), accounting for up to 98%. Staying ahead of trends can enhance competitiveness.

#### **1) Export Opportunities to Watch:**

1. **Halal Food Products:** One of the most notable opportunities lies in the Halal food sector, particularly targeting the Chinese Muslim population of around 30 million.
2. **Instant Noodles in the Korean Market:** Thailand's diverse range of instant noodles, especially flavors like Tom Yum, attracts interest in the Korean market. Other flavors, such as spicy and unique Thai tastes like larb and sour curry, are also gaining attention.
3. **Indian Market:** With a large and tea-loving population, the Indian market is exploring unique Thai fruit teas that offer a fresh and distinctive taste.

- 2) **Emerging Star Products:** These products have already been exported and gained significant momentum in the past year. They align with the current market trends and



show potential for future demand.

1. Cassava Products: known for its versatility, provides starch and is also considered a healthy choice due to its good fiber content. Ongoing innovations in cassava-based products present opportunities for further market development.
2. Rice Products: it has been a staple of Thai economy, introducing innovation in rice products has garnered attention and is currently gaining momentum. Implementing various innovations in rice-based products can enhance competitiveness and meet evolving consumer preferences.
3. Pet Food: The growing trend of increased pet ownership globally has led to a rise in the demand for high-quality and ethically produced pet food. Thailand has the potential to tap into this market by offering innovative and premium pet food products that have shown a strong presence and are likely to be in demand in the future.
4. Flavor Enhancers: The flavor enhancer market has experienced increased exports to Vietnam, indicating a growing interest in this product category. Thai businesses can capitalize on this trend by further developing and promoting flavor enhancers in the international market, leveraging their current market presence, and anticipating future demand.

- 3) **Future Foods** represent a new hope for the food and beverage industry and are a trend to watch closely.

#### Factors Influencing Opportunities for the Thai Food and Beverage Industry:

Positive Factors	Risk Factor
<ul style="list-style-type: none"> <li>● Confidence in Thai food products which is essential to assess the standards required by export markets.</li> <li>● The recovery of the tourism industry is crucial. Tourists contribute to the economy by spending on food consumption in our country.</li> <li>● The agricultural foundation and ownership of raw materials provide a competitive advantage in terms of production costs.</li> <li>● Engaging in trade agreements with various trading partners, such as Free Trade Agreements (FTA), helps reduce taxes for exporters.</li> <li>● Seeking opportunities to expand into new markets.</li> </ul>	<ul style="list-style-type: none"> <li>● Economic Downturn Mitigation</li> <li>● Due to the rising interest rates, there is an increase in business operating costs.</li> <li>● Geopolitical conflicts have an impact on imports and exports.</li> <li>● Trade Barriers: Measures such as exporting to Indonesia require products to meet Halal standards.</li> <li>● Market Characteristics: SMEs face challenges in accessing financial resources</li> </ul>

Source: <https://www.ttbbank.com/th/fin-biz/industry-expertise/food-beverage/ind-future-food23>

**"The future of food"** refers to a concept that focuses on the development and utilization of sustainable and health-promoting food. It emphasizes sustainability in terms of both environmental

and health aspects, catering to consumers who are increasingly conscious of their food choices. This concept has gained prominence as consumers shift towards consuming food that is not only good for their health but also aligns with environmental sustainability.

Characteristics of Future Food	Types of Future Food	ตลาดที่น่าสนใจ
<ol style="list-style-type: none"> <li>1. Safe for consumption, good for health</li> <li>2. Retroactively traceable</li> <li>3. Environmentally friendly</li> </ol>	<ol style="list-style-type: none"> <li>1. Functional food: Food with clear functions aimed at promoting good health, such as vitamin-enriched water, omega-3 fortified eggs, and plant-based foods.</li> <li>2. Novel food: Food that has been introduced for consumption within the last 15 years and has a wide range of applications, such as insect protein.</li> <li>3. Organic food: Products that have undergone minimal processing through organic farming practices</li> </ol>	<ul style="list-style-type: none"> <li>● U.S.A.</li> <li>● Vietnam</li> <li>● China</li> <li>● Myanmar</li> <li>● Cambodia</li> </ul> <p>Currently, Thailand exports plant-based food to the United States and Vietnam</p>

Thailand has a plan to promote future food to enhance food security in line with the BCG model. Future food contributes to sustainability, addressing global needs, and adding value through innovation.

During the period of 2023 to 2026, consumer behavior indicates a demand for products that prioritize health, food safety, innovation, and items that contribute to mental well-being. Sustainability, appreciation for nature and the environment are emphasized, while convenience remains important. The growth of ready-meal, ready-to-eat, and ready-to-cook products is evident. Additionally, consumers seek value for money in their purchases.

Source: <https://www.ttbbank.com/th/fin-biz/industry-expertise/food-beverage/ind-future-food23>

## Global Food and Beverage Trends for 2024







## เทรนด์อาหารและเครื่องดื่มโลก ปี 2024

 <b>1 Cultivated Meat</b> เนื้อสัตว์เพาะเลี้ยงหรือเนื้อเทียม	 <b>2 Precision Fermentation</b> การหมักเพื่อผลิตโปรตีนนม
 <b>3 Mushroom</b> ธุรกิจจากสารพัดเห็ด	 <b>4 Algae</b> ธุรกิจอาหารจากสาหร่าย
 <b>5 Precision Nutrition</b> อาหารพัฒนาตามยีนส์เฉพาะบุคคล	 <b>6 Functional Beverage</b> เครื่องดื่มเสริมอาหาร
 <b>7 Next Generation Sweeteners</b> การให้ความหวานแทนน้ำตาล	 <b>8 Upcycling</b> ใช้วัตถุดิบที่สูญเสียไปสร้างเป็นอาหารใหม่ได้
 <b>9 AI for everything</b> การแสดงผลผ่าน QR CODE	 <b>10 Smart Kitchen Tech</b> เทคโนโลยีสื่อสารกับเครื่องครัวได้
 <b>11 Non-Alcoholic Beverage</b> ตอบใจกลุ่มคนชอบสังสรรค์ แต่ยังให้ความสำคัญด้านสุขภาพ	 <b>12 Smart Packaging</b> บรรจุภัณฑ์อัจฉริยะ การยืดอายุอาหาร
 <b>13 Decentralized Production</b> การกระจายแหล่งผลิตเพื่อลดต้นทุน และรักษาคุณภาพ	 <b>14 Agriculture 2.0</b> ระบบการเพาะปลูกแนวตั้ง ตามกระแส ESG
 <b>15 Tech Powered Supply Chain Transparency</b> ต้องตรวจสอบซัพพลายเชนย้อนหลังได้	

Source: <https://www.ttbank.com/th/fin-biz/industry-expertise/food-beverage/ind-future-food23>

## 1.2.4 Procurement of Products and Manufacturing Processes

### 1.2.4.1 Procurement of Products

The main raw materials of the company include agricultural products, processed food ingredients, and packaging materials. The company predominantly sources raw materials from domestic traders. There is a consistent practice of comparing prices and other specifications of raw materials before procurement to maintain quality standards. Additionally, the company conducts an annual evaluation of suppliers listed in its registry to mitigate the risk associated with purchasing substandard raw materials. Quality, hygiene, and safety of the raw materials are considered fundamental principles in food business operations.

### 1.2.4.2 Production and Manufacturing Capacity

#### Production

To produce company products, most of the process involves collaborative efforts with customers each year to assess the quantity of products required. Production is typically made to order based on customer requests. The company's sales department negotiates with customers and coordinates the production quantities needed. This involves working closely with the production planning team to formulate plans for raw material procurement and production. Collaboration also extends to relevant departments such as purchasing, production, and inventory to ensure readiness for the upcoming operations.

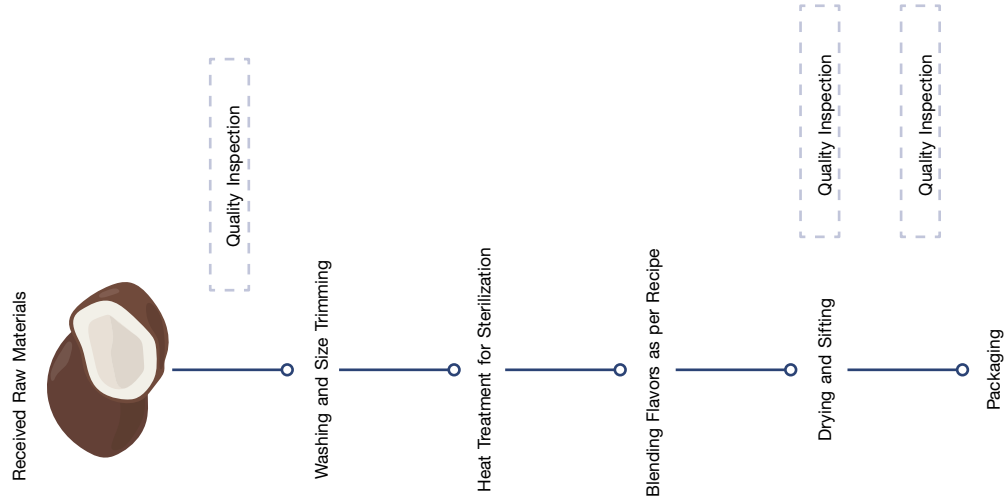
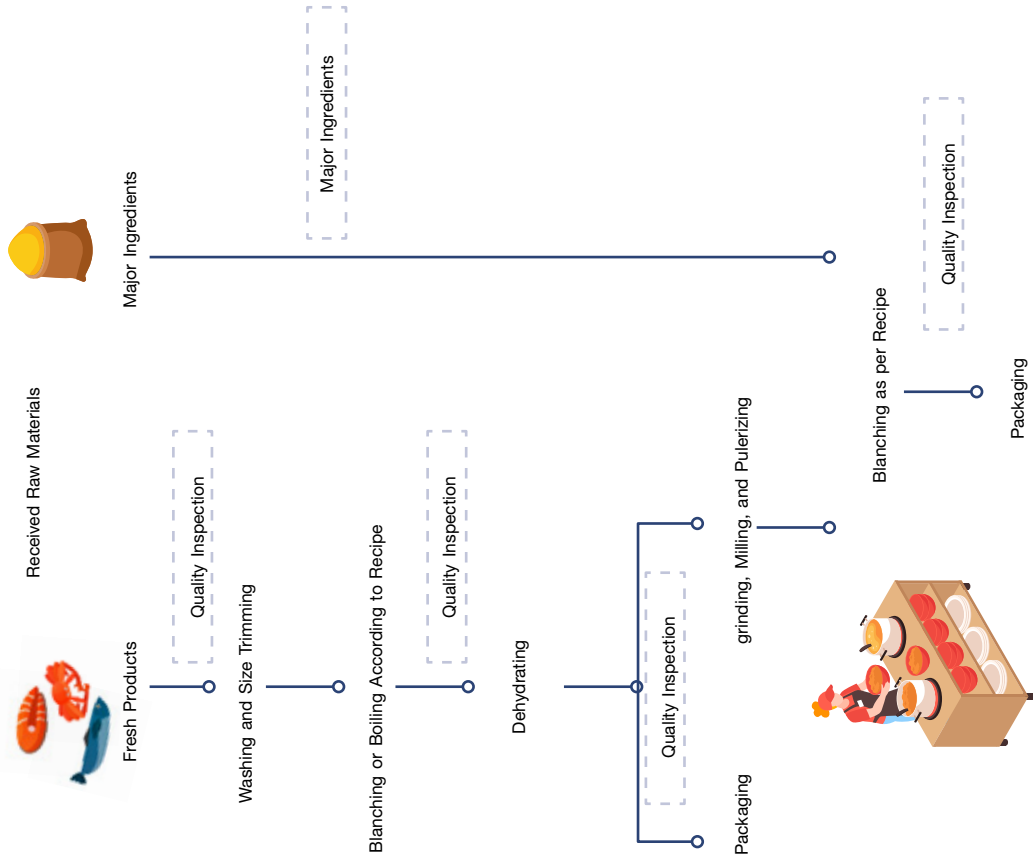
The production lead time depends on the type of product and starts once the customer confirms the purchase order. To ensure product quality control, the company has a Quality Control (QC) department that conducts inspections at every stage, from raw material reception to final product examination, considering factors like completeness and cleanliness, before dispatching to customers. To enhance production efficiency and reduce labor costs, the company has implemented automated technology in the packaging process. The company has ordered and plans to install automatic packaging machines.





## Manufacturing of Food Seasonings

## Production of Crispy Snacks from Vegetables and Fruits (Crispy Coconut Snacks)



## Manufacturing Capacity and Production Rates

For manufacturing capacity and production rates, the company uses different baseline calculations for each product type. 1) Seasoning products and sauce products, the calculations are based on the tonnage produced compared to the maximum tonnage achievable per year. The company assesses the manufacturing capacity by considering the quantity of tons produced relative to the maximum tons that can be manufactured annually. 2) Crispy baked coconut snacks, the calculations are based on the number of oven hours used for baking compared to the maximum oven hours available per year. The company estimates the manufacturing capacity of certain facilities, at the Bangtorat factory, by evaluating the production rates for each product group.

Product Groups	Unit	2021	2022	2023
<b>Seasonings</b>				
Production Capacity <sup>/1</sup> (Ton/Year)	Tons	9,523.00	9,523.00	9,523.00
Production Capacity Utilization Rate (Ton/Year)	Tons	3,010.24	3,196.99	3,278.79
Percentage of Production Capacity Utilization (%)	Percentage	31.61	33.57	34.43
<b>Crispy Coconut Snacks</b>				
Production Capacity <sup>/1</sup> (Ton/Year)	Tons	576.00	576.00	576.00
Production Capacity Utilization Rate (Ton/Year)	Tons	370.98	232.31	325.85
Percentage of Production Capacity Utilization (%)	Percentage	64.41	40.33	56.57
<b>Sauce</b>				
Production Capacity <sup>/1</sup> (Ton/Year)	Tons	1,860.00	1,860.00	1,860.00
Production Capacity Utilization Rate (Ton/Year)	Tons	492.62	613.70	600.39
Percentage of Production Capacity Utilization (%)	Percentage	26.48	32.99	32.28

### Remark:

<sup>/1</sup> Such production capacity represents the maximum capability of the machinery within a specified timeframe under optimal conditions. Currently, the production capacity of the production lines for seasonings, crispy baked coconut snacks, and sauces is calculated based on operating two shifts per day, each shift lasting 10 hours, and operating for 248 days per year. However, the actual production capacity may vary depending on various factors, such as downtime for scheduled maintenance, major repairs, cleaning, product changeovers, machine setup, and other factors.





### 1.2.5 Privileges Received from the Board of Investment (BOI)

The Company has received promotional privileges from the Board of Investment (BOI) in three categories, namely, 1) Category 1.17, the production of dried spices, condiments, and semi-processed food, and food products derived from vegetables and fruits, through the manufacture or preservation of food, beverages, food additives, or food ingredients using modern technology (except drinking water, ice cream, candy, chocolate, chewing gum, sugar, soft drinks, alcoholic beverages, caffeinated beverages, plant starch, bakery, instant noodles, essence of chicken and bird's nest), according to the investment promotion certificate No. 63-0322-1-00-1-0, dated March 19, 2020. 2) Category 1.17, the production of snacks, through the manufacture or preservation of food, beverages, food additives, or food ingredients using modern technology (except drinking water, ice cream, candy, chocolate, chewing gum, sugar, soft drinks, alcoholic beverages, caffeinated beverages, plant starch, bakery, instant noodles, essence of chicken and bird's nest), according to investment promotion certificate No. 64-0790-1-00-1-0 dated August 11, 2021, and 3) Category 1.17, the production of plant-based alternative proteins, seasonings and food additives type, through the manufacture or preservation of food, beverages, food additives, or food ingredients using modern technology (except drinking water, ice cream, candy, chocolate, chewing gum, sugar, soft drinks, alcoholic beverages, caffeinated beverages, plant starch, bakery, instant noodles, essence of chicken and bird's nest), according to investment promotion certificate No. 65-0538-1-00-1-0, dated 11 May 2022, for its Bangthorat factory at Samut Sakhon, respectively. Details of the benefits and privileges received are as follows.

Items	Investment Certificate No. 63-0322-1-00-1-0	Investment Certificate No. 64-0790-1-00-1-0	Investment Certificate No. 65-0538-1-00-1-0
1. Permission to bring in foreign craftsmen or specialists, as well as their spouses and dependents into the Kingdom. The number of persons and the period of stay within the Kingdom will be as determined by the Board of Investment considers as appropriate, and they will only be permitted to work in positions that has been approved by the Board of Investment for the specified period permitted.	Received	Received	Received
2. Exemption from import duty on machinery as approved by the Board of Investment.	Within September 19, 2022, it is permissible to request an extension of the timeframe up to 3 times, with each extension not exceeding 1 year from the date of exemption granted.	Within February 11, 2024, it is permissible to request an extension of the timeframe up to 3 times, with each extension not exceeding 1 year from the date of exemption granted.	Within November 17, 2024, it is permissible to request an extension of the timeframe up to 3 times, with each extension not exceeding 1 year from the date of exemption granted.

Items	Investment Certificate No. 63-0322-1-00-1-0	Investment Certificate No. 64-0790-1-00-1-0	Investment Certificate No. 65-0538-1-00-1-0
3. Exemption from corporate income tax 3.1 Exemption from paying corporate income tax on net profits derived from promoted operations but not exceeding 200% of the total investment, excluding cost of land and working capital.	For dried spices, condiments, semi-processed food, and food products from vegetables and fruits, for a period of 5 years counting from the date of the first revenue earnings, but not exceeding 834,000,000 baht of the income tax exemption. (Valid from October 12, 2020 – October 11, 2025)	For snacks, for a period of 5 years counting from the date of the first revenue earnings, but not exceeding 33,420,000 baht of the income tax exemption.  (Valid from April 3, 2023 – April 2, 2027 )	For plant-based alternative proteins, seasonings, and food additives, for a period of 5 years counting from the date of the first revenue earnings, but not exceeding 70,000,000 baht of the income tax exemption.
4. Exemption from including dividends received from the promoted activities in the calculation of income tax throughout the period in which the Company is exempted from paying corporate income tax.	Valid for October 12, 2020 – October 11, 2025		
5. Exemption from paying for import duties on raw materials and essential materials imported from abroad and used in the production process for the purpose of exports.	Valid for 1 year counting from the date of first import (applicable only for raw materials, food additives, food coloring, flavors, and plant protein extracts).  Valid from June 30, 2022, onwards until the certificate's expiration date.	Valid for 1 year counting from the date of first import (applicable only for egg white protein powder, food additives, and packaging)	Valid for 1 year counting from the date of first import (except agricultural products that are subject to tariff quotas that are bounded by the under the World Trade Organization's (WTO) agriculture agreement obligations).
6. Exemption from paying for import duties on promoted imported goods and which will be re-exported.	Valid for 1 year counting from the date of first import (applicable only for, food additives, food coloring, flavors, and plant protein extracts raw materials).	Valid for 1 year counting from the date of first import (applicable only for egg white protein powder, food additives, and packaging).	Valid for 1 year counting from the date of first import (except agricultural products that are subject to tariff quotas that are bounded by the under the World Trade Organization's (WTO) agriculture agreement obligations).



## 1.2.6 Quality System Standards

The Company gives the utmost importance to hygiene as it is a very significant factor in the food industry. The Company currently complies with several production standards related to the food industry, as well as complying with international production standards that are in addition to large-scale multinational food manufacturers whose products are distributed globally. Inspections of the Company's facilities are conducted every year, starting from the source of raw materials to ensure that they are free from contaminants, right up to ensuring fair trade with farmers. The Company has a quality control department which determines the nature of the raw material, production processes, and finished goods, by referring to the Company's certified standards received. The monitoring is conducted on a random basis and referenced with the following production standards.

Quality Certified Standards	Certifying Institution	Manufacturing Plant	
		Seasoning	Coconut
Food Production Standards			
Good Hygiene Practices: GHPs	The British Standards Institution (BSI)	√	√
Costco’s Good Manufacturing Practices (Costco’s GMP)	Costco (The British Standards Institution (BSI))	-	√
Hazard Analysis & Critical Control Points: HACCP	The British Standards Institution (BSI)	√	√
British Retail Consortium (BRC) food safety standards	The British Standards Institution (BSI)	√	√
Food Safety Modernization Act: FSMA	U.S. FDA / The British Standards Institution (BSI)	-	√
Gluten-Free Certification	The Gluten-Free Certification Organization (GFCO) (SGS) and The Gluten-Free Certification Program (GFCP) (The British Standards Institution (BSI))	√	√
Organic product standards	NOP (US FDA) (Bioagricert S.r.l)	√	-
Kosher Dietary Law	Thai Kashrut Services Co., Ltd.	-	√
HALAL food standards	Office of the Central Islamic Council of Thailand	√	√
AIB Consolidated Standard	AIB International, Inc.	-	√

Quality Certified Standards	Certifying Institution	Manufacturing Plant	
		Seasoning	Coconut
Standards for Quality Management			
Quality Management System Standards (ISO 9001)	The British Standards Institution (BSI)	√	
Environmental Management System Standards (ISO 14001)	The British Standards Institution (BSI)	√	
Occupational Health and Safety Management System Standards (ISO 45001)	The British Standards Institution (BSI)	√	
Labor and Safety Standards			
Thai Labor Standards	Department of Labor Protection and Welfare	√	
Supplier Code of Conduct	Arche Advisors	√	







## 1.2.7 Fixed Assets Used in Business Operation

As of December 31, 2023, the Company has fixed assets that are being used for its business operations, which include land, buildings, and equipment, after deducting accumulated depreciation as stated in the financial statement totaling 562.51 million baht, and properties for investment purposes totaling 33.13 million baht from the vacant land, land and buildings of the Ekachai Factory, and the Mae Klong Factory, which was the Company's original factory before moving to the present Bangthorat factory. A summary of the Company's list of lands, buildings, and equipment, are as follows:

Items	Net Book Value December 31, 2023 (Mil. Baht)	Nature of Ownership	Obligations
Land	117.02 <sup>1</sup>	Owner	Subject to bank obligations
Land improvements	5.29 <sup>2</sup>	Owner	
Buildings and improvements	274.50 <sup>3</sup>	Owner	
Machinery and equipment	173.23	Owner	No obligations, except for unregistered AZO machinery, which is used in the food seasoning production line located at the Bangthorat factory, worth 44.38 million baht.
Furnishings and office equipment	22.45	Owner	No obligations.
Assets – Rights to vehicle use	2.41	Owner	Hire-purchase contracts
Assets under construction	0.74	Owner	-
Total	595.64		

**Remark :**

<sup>1</sup> The Company's lands amounting to 117.02 million baht, is divided into the land of the Bangtorad factory amounting to 102.00 million baht and the land of investment purpose amounting to 15.02 million baht.

<sup>2</sup> The Company's land improvement items amounting to 5.29 million baht, is divided into the land improvements of the Bangthorat factory for the construction of a bridge to the factory's entrance and the pond, and landscape amounting to 5.01 million baht, and the land improvements for investment purposes amounting to 0.28 million baht, which is to improve the road surrounding the Mae Klong factory.

<sup>3</sup> The Company's building and building improvement items amounting to 274.50 million baht, is divided into the buildings and building improvements of the Bangthorat factory amounting to 256.67 million baht, and the buildings and building improvements for investment purposes amounting to 17.83 million baht.

### Land and Land Improvements<sup>/1</sup>

Location / Deed Title No.	Total Area (Rai-Ngan-Sq. Wah)	Purpose of Ownership	Nature of Ownership	Obligations	Net Book Value Dec. 31, 2023 (Mil. Baht)
<b>Bangthorat Factory<sup>1</sup></b>					
Head Office: 116, 116/1, 116/2 Moo 3, Bangthorat Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province					
128723	33-0-67 2/10	Factory, warehouses, and office buildings	Company Ownership	Mortgage obligation with Krungsri Ayudhya Bank Limited <sup>1</sup> , total amount 210,000,000 baht.	107.01
<b>Ekachai Factory</b>					
Branch Office 1: 48/52-53 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province					
46676	0-1-17	Land for investment purposes <sup>/3</sup>	Company Ownership	No obligations.	1.40
Branch Office 2: 48/63 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province					
46687	0-0-66	Land for investment purposes <sup>/3</sup>	Company Ownership	No obligations.	0.80
Branch Office 3: 48/51 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province					
46675	0-1-57	Land for investment purposes <sup>/3</sup>	Company Ownership	No obligations.	2.08
Branch Office 4: 48/49 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province					
46673	0-1-57	Land for investment purposes <sup>/3</sup>	Company Ownership	No obligations.	1.65
Branch Office 5: 48/50 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province					
46674	0-1-57	Land for investment purposes <sup>/3</sup>	Company Ownership	No obligations.	1.91



Location / Deed Title No.	Total Area (Rai-Ngan-Sq. Wah)	Purpose of Ownership	Nature of Ownership	Obligations	Net Book Value Dec. 31, 2023 (Mil. Baht)
---------------------------------	-------------------------------------	-------------------------	------------------------	-------------	---------------------------------------------------

**Mae Klong Factory**

Branch Office 6 and 8: 56/2 and 56/5 Moo 4, Lat Peng-Bang Tabun Road, Lat Yai Subdistrict, Mueang Samut Sakhon District Samut, Sakhon Province

6840	1-3-32	Land for investment purposes <sup>/3</sup>	Company Ownership	No obligations.	0.31
24809 <sup>/2</sup>	2-0-0	Land for investment purposes <sup>/3</sup>	Company Ownership		4.54
31801	0-1-2 5/10	Land for investment purposes <sup>/3</sup>	Company Ownership		2.61
31802	0-0-99 9/10				
31803	0-1-2 8/10				
31804	0-1-4 6/10				
Total					122.31

**Remarks:**

<sup>/1</sup> Land improvements valued at 5.01 million baht, is for the 102.00 property.

<sup>/2</sup> Land improvements valued at 0.28 million baht, is for the 4.26 property.

<sup>/3</sup> Presently, the Company has put up the old factory for sale, therefore, the account is recognized as an item for investment purposes.

**Buildings and Improvements**

Building / Location	Purpose of Ownership	Nature of Ownership	Obligations	Net Book Value Dec. 31, 2023 (Mil. Baht)
Bangthorat Factory	Factory, warehouses, and office buildings	Company Ownership	Mortgage obligation with Krungsri Ayudhya Bank Limited 1, total amount 210,000,000 baht.	256.67
Ekachai Factory	Asset for investment purposes	Company Ownership	No obligations.	2.84
Mae Klong Factory	Asset for investment purposes	Company Ownership	No obligations.	15.27
SOJ				274.78

**Intangible Assets**

As of December 31, 2023, the Company possesses intangible assets which consist of computer software items with a net book value of 4.98 million baht, with a policy to amortize on a straight-line basis over its useful life of 5–10 years, and a list of trademarks which has been fully amortized on a straight-line basis over its useful life of 10 years and a program during installation of 0.50 million baht.

## 1.2.8 Trademarks, Licenses, and Important Documents for Business

### Trademarks

The Company has registered its trademarks in both domestic and international markets. The trademarks that are considered as significant to the Company's business operations and which are owned by the Company are as follows:

No.	Trademark	Ownership	Product Type	Registration No.	End Date
1		Company	<ul style="list-style-type: none"> <li>Curry paste, seasoning powder, instant noodles, instant rice, dipping sauce</li> </ul>	221122826	Jul. 18, 2031
2		Company	<ul style="list-style-type: none"> <li>Instant curry paste, seasoning powder, instant noodles, semi-processed rice, semi-processed dipping sauce powder</li> </ul>	Kor 413431	Jun. 3, 2024
3		Company	<ul style="list-style-type: none"> <li>Coconut chips</li> </ul>	Kor 311206	Mar. 23, 2029
4		Company	<ul style="list-style-type: none"> <li>Ice cream</li> </ul>	Kor 407447	Aug. 27, 2024
5		Company	<ul style="list-style-type: none"> <li>Processed vegetables and fruits</li> </ul>	201101481	Feb. 27, 2028
6		Company	<ul style="list-style-type: none"> <li>Jam, jelly</li> </ul>	Kor 391475	Apr. 3, 2032
7		Company	<ul style="list-style-type: none"> <li>Instant curry paste, seasoning powder, instant noodles, instant rice, semi-processed dipping sauce powder</li> </ul>	Kor 230716	Nov. 9, 2024





No.	Trademark	Ownership	Product Type	Registration No.	End Date
8		Company	• Coconut chips	171114667	Jul. 20, 2025
9		Company	• Coconut chips	Kor 311205	Mar. 23, 2029
10		Company	• Coconut chips (CN)	17458178	Sept. 13, 2026
11		Company	• Fruit chips; Fruit, processed (HK)	305879792	Jun. 21, 2032
12		Company	• Snacks made from egg whites	231109852	Jun. 14, 2031
13		Company	• Coconut chips (JP&KR)	JP 1656363 KR 1656363	Jun. 02, 2033 Aug. 21, 2033
14		Company	• Preserved coconut	231116234	Jul 03, 2032
15		Company	• Semi-prepared soup mix / Crispy baked vegetables / Crispy baked fruits	231134439	June 14, 2031

## Licenses and Important Documents for Business

As of December 31, 2023, the Company possesses the following licenses and important documents for operating its business:

No.	Licenses and Related Documents	License No.	Issuer or Regulating Agency	Validity
1	Building Construction Permit Oor.1	No. 7/2562	Bangthorat Subdistrict Administrative Organization	-
2	Building construction, modification, or relocation Certificate Oor.6	No. 6/2563	Bangthorat Subdistrict Administrative Organization	-
3	Factory Operation License RorNgor.4	3-2(1)-2/63 SorKor	Department of Industrial Works Ministry of Industry	Tax exempt <sup>1</sup>
4	Food Production License Oor.2			
4.1	1. Ready-to-cook and ready-to-eat food items. 2. Sauce in sealed containers. 3. Ready-made agar and jelly desserts, including ready-made agar. 4. Ready-to-cook foods and ready-to-eat food items. 5. General food items, that include animal meats and products that have passed inspection. 6. General food items, that include plants and products that have passed inspection.	74-2-02963	Food and Drug Administration (FDA)	January 1, 2023 – December 31, 2025
4.2	For ready-to-eat instant food item (coconuts)	74-2-01763	Food and Drug Administration (FDA)	January 1, 2023 – December 31, 2025
4.3	1. Oils and fats 2. Beverages in sealed containers 3. Tea 4. Coffee 5. Icecream 6. Instant food, including noodles, rice flour noodles, egg noodles, rice vermicelli, and flavored vermicelli. 7. Semi-processed food, i.e. clear and concentrated soups, in chunks, powder, or dehydrated form. 8. Semi-processed food, such as curries and various curry pastes. 9. Ready-to-cook and ready-to-eat food items. 10. Ready-made agar and jelly desserts, including instant jelly. 11. Ready-made agar and jelly desserts, including instant agar.	74-2-03363	Food and Drug Administration (FDA)	January 1, 2023 – December 31, 2025



No.	Licenses and Related Documents	License No.	Issuer or Regulating Agency	Validity
4.3	<p>12. Flavoring agents</p> <p>13. Sauce in sealed containers.</p> <p>14. General food items, that include plants and products that have passed inspection.</p> <p>15. General food items, that include flour and products that have passed inspection.</p> <p>16. General food items, that include condiments that have passed inspection.</p> <p>17. General food items that include sugar that have passed inspection.</p> <p>18. Ready-to-cook foods and ready-to-eat food items.</p> <p>19. Dairy products</p> <p>20. Seasoning products derived from the hydrolysis of soy protein.</p> <p>21. Food additives</p> <p>22. Dietary supplements</p> <p>23. Semi-processed food items, that include cooked rice porridge or congee.</p> <p>24. General food items, that include spices that have passed inspection.</p> <p>25. General food items, that include products for cooking various types of food that are not yet ready for consumption that have passed inspection.</p> <p>26. Food products that contain parts of cannabis or hemp, such as:</p> <ul style="list-style-type: none"> <li>● Food additives</li> <li>● Food supplements</li> <li>● Cooked rice porridge or congee</li> <li>● Beverages in sealed containers</li> <li>● Coffee</li> <li>● Icecream</li> <li>● Clear and concentrated soups, in chunks, powder, or dehydrated form.</li> <li>● Curries and curry pastes</li> <li>● Ready-to-eat food.</li> <li>● Instant agar and jelly desserts</li> <li>● Sauces in sealed containers</li> <li>● Seasonings that have passed inspection.</li> <li>● Ready-to-cook food.</li> <li>● Snacks</li> <li>● Products for various types of cooking that are not yet ready for consumption that have passed inspection.</li> </ul>	74-2-03363	Food and Drug Administration (FDA)	January 1, 2023 – December 31, 2025

No.	Licenses and Related Documents	License No.	Issuer or Regulating Agency	Validity
5	Permit for establishing a food collection location / Certificate of Notification in the establishment of a food selling or collecting location SorAor.3	015/2566	Bangthorat Subdistrict Administrative Organization	October 25, 2023 – October 01, 2024
6	Permit to operate a business that is harmful to health AorPor 2			
6.1	To produce condiments No. 3.2	161/2566	Bangthorat Subdistrict Administrative Organization	October 25, 2023 – October 01, 2024
6.2	To produce food from animals, plants No. 3.5	164/2566	Bangthorat Subdistrict Administrative Organization	October 25, 2023 – October 01, 2024
6.3	To produce canned food, bottles or containers No. 3.9	162/2566	Bangthorat Subdistrict Administrative Organization	October 25, 2023 – October 24, 2024
6.4	To produce powdered beverages No. 3.21	163/2566	Bangthorat Subdistrict Administrative Organization	October 25, 2023 – October 24, 2024
7	Notification of possession or use of a radiation generator device.	008-15/02/65	Office of Atoms for Peace	
8	Permit to take out sewage or unused materials outside the factory area SorKor. 2	AorKor.6601-13183	Department of Industrial Works Ministry of Industry	Expires August 24, 2024
9	Business license for Liquefied Petroleum Gas Storage Facility – Type 3	SorKor 1520158	Department of Industrial Works Ministry of Industry	Expires December 31, 2023 <sup>2</sup>
10	Permit to bring or order the food into the Kingdom	74-4-00147	Food and Drug Administration - FDA)	Expires December 31, 2024
11	Certificate of Temporary Animal Carcass Holding for Importation into the Kingdom – Honey for Consumption TorRorSor.4	TorRorSor / 651170000198	Department of Livestock Development, Ministry of Agriculture and Cooperatives	Expires November 28, 2024





No.	Licenses and Related Documents	License No.	Issuer or Regulating Agency	Validity
12	Certificate of Temporary Animal Carcass Holding for Exportation into the Kingdom – Honey for Consumption TorRorSor.4	TorRorSor / 651170000199	Department of Livestock Development, Ministry of Agriculture and Cooperatives	Expires November 28, 2024
13	Permit to trade or profit as an animal carcass intermediary within the Kingdom – Bees.	657070010000003	Department of Livestock Development, Ministry of Agriculture and Cooperatives	January 4, 2024 – January 3, 2025
14	Permit to trade or profit as an animal carcasses for importing into and exporting into the Kingdom – Bees.	657070010000002	Department of Livestock Development, Ministry of Agriculture and Cooperatives	January 4, 2024 – January 3, 2025

**Remark:**

<sup>/1</sup> Factory Operation License RorNgor. 4 (Ministerial Regulation: Exemption of Annual Fee for Factory Operators, B.E. 2565 (2022)) By virtue of the provisions of Section 6 paragraph one of the Factory Act, B.E. 2535 (1992), as amended by the Factory Act, B.E. 2562 (2019), and Section 43 paragraph two of the Factory Act, B.E. 2535 (1992), as amended by the Factory Act (No. 3), B.E. 2562 (2019), the Minister of Industry hereby issues the Ministerial Regulations as follows: The annual fee will be exempted from June 10, 2022 to June 9, 2023, for Group 2 and 3 factory operators of all sizes.

<sup>/2</sup> In the process of applying for a business license renewal

**Appraisals of Assets**

In 2023, the Company conducted an appraisal of its assets, which have been detailed in Appendix 3, Assets Used in Business Operations and Details related to the Asset Appraisals.

**1.2.9 Work that has not been delivered**

The Company's business operations are not in the form of projects or specific works; therefore, each project or piece of work has a high value and takes a considerable time to deliver.

## 1.3 Shareholding Structure of the Company

### 1.3.1 Shareholding Structure

As of December 31, 2023, the Company has no subsidiaries or joint venture.

### 1.3.2 Persons who may have conflict of interest hold shares in the Company's subsidiaries or joint venture more than 10% of the voting rights.

- None -

### 1.3.3 Relationship with the major shareholders

- None -

### 1.3.4 Shareholders

#### (1) Major Shareholders<sup>/1</sup>

As of January 8, 2024, the top 10 major shareholders and the shareholding ratio are as follows:

	Name		Number of Shares	Ratio %
1.	Mr. Dhirabul	Hosajakul	117,750,000	19.63
2.	Mrs. Soodsri	Hosajakul	112,500,000	18.75
3.	Ms. Ratana	Eaiprasertsak	109,938,200	18.32
4.	Mr. Pawin	Hosajakul	54,500,000	9.08
5.	Ms. Theerada	Hosajakul	45,297,700	7.55
6.	Mr. Yuvapong	Suthinand	13,430,000	2.24
7.	Mr. Thanakarn	Dumrongrat	9,609,100	1.60
8.	Mr. Surapon	Nitikraipot	3,622,700	0.60
9.	Mr. Nattawut	Sretthapattanachai	3,170,000	0.53
10.	Mrs. Sureerat	Simla	2,868,700	0.48
Total			472,686,400	78.78

Remark: <sup>/1</sup> The name of the shareholders is shown in the List of Shareholders as of January 8, 2024, prepared by TSD

#### (2) The group of major shareholders who, by their behavior, have a significant influence on the determination of the Company's management policy or operations.

The Hosajakul family shareholding group holds 55.01% of the Company's total issued shares, which by behavior has a significant influence on the determination of the Company's management policy or operations.

#### (3) Major Shareholders' Agreement (if any)

- None -



## 1.4 Number of Registered Capital and Paid-up Capital

As of December 31, 2023, the Company has a registered capital of 300,000,000 baht and a paid-up capital of 300,000,000 baht, divided into 600,000,000 ordinary shares with a par value of 0.50 baht per share. No other types of shares are issued apart from ordinary shares. The total number of the Company's ordinary shares is listed on the Stock Exchange of Thailand (SET).

## 1.5 Issuance of Other Securities

- None -

## 1.6 Dividend Policy

The Company has established a policy to pay dividends to its shareholders at the rate of not less than 50% of the net profit of the Company's stated financial statements, after deducting taxes, legal reserves, and other reserves (if any). However, such dividend payment is subject to change depending on the Company's performance, financial status, liquidity, business expansion, the need for operational working capital, investment plans, future business expansion plans, market conditions, suitability, and other factors related to the operation and management of the Company, under the condition that the Company has sufficient cashflow to run its business. And such actions must be in the best interests of the shareholders as the Board of Directors and/or the Company's shareholders deem appropriate.

However, the Board of Directors' resolution in approving dividend payments must be proposed to the shareholders' meeting for approval, except for interim dividend payments, which the Board of Directors has the sole authority to approve such payments and then report it to the shareholders' meeting for acknowledgment at the next meeting.





## Risk Management

---

### 2.1 Risk Management Policy and Plan

The company is aware of the importance of risk management and believes that organizational risk management is a vital tool that helps achieve business objectives and foster sustainable growth. This is especially crucial amidst changing business environments. The company aims to respond to the needs of all stakeholders in a balanced manner while preventing potential losses from various uncertainties. It also seeks opportunities from acceptable risks to enhance business value. To ensure the effective and efficient implementation of risk management, the Board of Directors has appointed a Risk Management Committee. This committee is responsible for developing risk management frameworks, monitoring risk management processes, and reporting significant risk management outcomes to the Board. The company's risk management operations adhere to the principles outlined in the COSO (The Committee of Sponsoring Organizations of the Treadway Commission) risk management framework. The key risk management processes include (1) setting objectives, (2) event identification, (3) risk assessment, (4) risk response, (5) control activities, and (6) monitoring and reporting. A risk management working group, acting as representatives from all units, has been assigned to oversee the organization's risk management according to the risk management processes.

### 2.2 Risk Factors to the Company's Business Operations

In conducting the company's business, it inevitably faces various risks, like other businesses. The following risks are considered by the company, and if they occur, they may have a significant negative impact on the business, financial position, and operational results of the company. Additionally, there may be other risks that the company is currently unaware of or risks that are considered but not deemed significant at this time.

#### 2.2.1 Risks to the Company's Business Operations

The main risks in the company's business operations for the year 2023 consist of:

##### **The risk of intense price competition**

In the seasoning industry, new manufacturers often enter the business each year due to relatively low entry barriers. New entrants may adopt a primary strategy of reducing profits to offer lower prices, especially during times of increased raw material and fuel prices, significantly impacting the business's costs. Intense price competition is an ongoing risk, and the ability to compete effectively with competitors is crucial for success. The company's success depends on its ability to compete effectively with competitors and maintain market share and profitability.





To address these challenges, the company has implemented various strategies:

- 1) Customer Focus: The company targets customers seeking alternative suppliers and competitive prices. Simultaneously, it presents the company's product development at lower prices to maintain the highest possible sales volume.
- 2) Market Diversification: The company aims to discover new customers or markets with less price competition. Examples include premium product markets and international export markets.
- 3) Customer Relationship Management: Building close relationships with customers by inviting them to visit the factory, highlighting strengths, providing progress updates, and offering suitable alternatives.
- 4) Cost Analysis: Conducting detailed cost analysis of the production process to present customers with appropriate prices.

These strategies aim to position the company favorably in the market, mitigate the impact of intense price competition, and maintain a competitive edge. The company continually monitors market dynamics and adapts its strategies to address emerging challenges and opportunities.

**The risks associated with OEM (Original Equipment Manufacturer) and the customers do not release products according to the planned schedule**

Due to more than 90% of the company's revenue coming from OEM (Original Equipment Manufacturer) products, while products under the company's own brand (Own Brand) account for less than 10% of the revenue, the company faces risks if customers do not deliver products according to the planned schedule. This could result from various situations or factors within and outside of customers' businesses, or due to customers switching to other manufacturers. As part of the risk management policy, where the company aims to have more than one supplier for each product, the company has implemented various measures to mitigate these impacts, including:

1. Holding regular meetings with main customers at least once a month and secondary customers at least once every 2 months to build relationships and monitor various projects closely.
2. Proactively working to present various options or preparing proposals for new results for customers to consider, in order to ensure the success of projects.
3. Seeking alternative customers by participating in various exhibitions both locally and internationally, such as Thaifex, FIA, Gulf Food, SIAL China, Anuga, etc.
4. Expanding the customer base of the HORECA business both locally and internationally.
5. Increasing the number of distributors for the company's products to increase sales in the country.

However, the company also has a policy to manage risks by setting strategies to increase the proportion of products under the company's own brand from 7% to 20% within the year 2025. Additionally, the company has been investing in marketing its own brand products continuously since 2022 to establish the company's brands and products to be recognized and accepted both domestically and internationally, aiming to sustainably increase sales and profits for the company's growth.

### **The risks associated with agricultural raw material price fluctuations and shortages**

In the past year, there have been global supply disruption issues, including a decrease in agricultural raw materials due to global warming or drought conditions, a reduction in the production capacity of various products from China, problems stemming from greenhouse gas emissions, adjustments in fuel prices due to national oil producer policies, and domestic natural disaster situations. These factors have directly impacted on the company's cost structure and from price competition pressures or economic conditions that have weakened consumer purchasing power. Consequently, the company has had to maintain the same prices or adjust them slightly to retain customers and market share, significantly impacting the company's operations. To mitigate the risks from fluctuating raw material prices as mentioned above, the company has implemented various measures to control raw material costs appropriately, including:

1. Making forward purchase contracts with manufacturers or suppliers that the company trusts, with mutually agreed-upon contract terms, such as 3 months to 1 year, clearly specifying prices and quantities in the contract.
2. Monitoring the raw material prices, exchange rates, and various impacts, and regularly reporting to relevant parties to plan production and maintain advance stock.
3. Seeking alternative raw materials and suppliers for main raw materials while maintaining the same quality standards, especially during periods of scarcity or high price adjustments.
4. Collaborating with research and development teams to develop and adjust formulations for raw materials with significantly higher price adjustments. These measures aim to reduce the risk from fluctuating raw material prices and control raw material costs appropriately.

### **The risks associated with losing employees in critical positions and adjusting the minimum wage**

As the company is involved in manufacturing and distributing seasonings and processed foods, which require skilled and capable employees to support future company growth, the company has taken measures to mitigate this risk by:

1. Transitioning from monthly to daily wage or hiring daily wage workers. Introducing machinery to replace manual labor, such as various automatic production and packaging machines.
2. Creating a Skill Matrix for each job position and evaluating employees in each position to determine appropriate wages based on their abilities.
3. Hiring HR strategy experts to work on six projects:
  - a) Talent Management & Succession Planning.
  - b) Designing flexible benefits.
  - c) Designing salary structures.
  - d) Building the company's core values (DNA).
  - e) Developing a growth mindset among employees.
  - f) Creating employee engagement programs.

These initiatives aim to reduce the risk associated with fluctuations in the availability of skilled labor and to align the company's workforce with its future growth plans.



## 2.2.2 Investment Risk for Shareholders

The company faces no investment risk from shareholders.

## 2.2.3 Foreign Securities Investment Risk

The company does not invest in foreign securities.



## Driving Sustainable Business Practices

### 3.1 Sustainable Management Policy and Objectives

The company has a policy to conduct business in a sustainable manner, considering risks and opportunities for improvement at all levels of the organization. It addresses the short-term and long-term needs and expectations of all stakeholders, including the environmental, social, and governance (ESG) impacts. The company utilizes this information to formulate strategies and business operations to ensure sustainable growth in a rapidly changing environment. The approach considers the economic, social, and environmental balance under corporate governance. It aligns with the company's short-term and long-term strategies for a secure and sustainable future. The company is committed to responsibility and value creation for all stakeholders, establishing practices that reflect these principles.

1. Consideration of maintaining a balance in terms of economic, social, and environmental aspects, as well as good corporate governance, including the involvement of all stakeholders in the operations for sustainable growth.
2. Create awareness of sustainability management policies and promote the sustainable practices implementation to reduce the impact of operations and the valuable chain.
3. Transparently disclosing sustainability management policies and operational results as a good example to instill behaviors leading to a culture of sustainable business practices.
4. Upholding the principles of human rights by fostering equality and fairness both within and outside the organization, including showing respect and fairness towards all stakeholders.

The company's governance manual has disclosed sustainable development policies, corporate governance policies, human rights policies, risk management policies, stakeholder engagement policies, and policies and practices for selecting business partners and business ethics. Additionally, it includes sustainable development policies.




The company aligns its sustainable development initiatives with the 17 Sustainable Development Goals (SDGs) set by the United Nations, incorporating the principles of Environmental, Social, and Governance (ESG) in its approach. This encompasses aspects related to the environment, society, and the economy. The company translates these goals into operational practices across various departments, integrating and harmonizing action plans to ensure a balanced value chain. This approach aims to maximize benefits for all stakeholders involved.




























## Setting Sustainable Development Guidelines and Objectives for the Company in 2023

Objectives		Management and Administration Guidelines
Environmental Guidelines	<b>Energy Management and Climate Change Adaptation</b> <ul style="list-style-type: none"> <li>Consistent annual certification of the organization's carbon footprint</li> <li>Set a goal to reduce greenhouse gas emissions by 20% by the year 2027 compared to the baseline year 2021</li> </ul> 	<ul style="list-style-type: none"> <li>Certified by Bureau Veritas Certification and recognized for the organization's carbon footprint certification by TGO (Thailand Greenhouse Gas Management Organization) as the baseline for the year 2021</li> <li>The Solar Rooftop Project commenced in March 2023, resulting in a 13.6% reduction in greenhouse gas emissions within Scope 1 and Scope 2 boundaries in the year 2023.</li> <li>Improving and developing the energy efficiency of machinery to reduce greenhouse gas emissions, such as boilers and ovens</li> </ul>
	<b>Water Management</b> <ul style="list-style-type: none"> <li>Collecting water usage data and managing water within the organization for baseline information in the year 2023</li> <li>Set a goal to reduce water consumption per unit of production in the factory by at least 3% within the year 2024 compared to the baseline year 2023</li> </ul> 	<ul style="list-style-type: none"> <li>Enhancing water usage efficiency in the production process and products by installing water meters in every building to enable control and monitoring of water usage in each facility</li> <li>Initiating an energy conservation project and appointing a team to reduce water usage in the factory</li> <li>Treat water to meet specified standards, monitor quantity and quality, report incidents, investigate causes, implement corrections, and reduce water discharge</li> <li>Reusing treated water within the factory premises</li> </ul>
	<b>Waste Management</b> <ul style="list-style-type: none"> <li>Set a goal to reduce waste disposal in the factory and increase the amount of recycled waste by at least 5% within the year 2024 compared to the baseline year 2023</li> <li>Zero disposal quantity of waste per ton of products incinerated without energy recovery in the year 2023</li> </ul> 	<ul style="list-style-type: none"> <li>Aiming to reduce or eliminate the quantity of waste from its sources and establishing metrics for continuous assessment, monitoring, and measurement</li> <li>Research and development of innovations to reintegrate raw materials and recycled waste for the creation of value-added products</li> <li>Managing industrial waste in accordance with the principles of the 3Rs (Reduce, Reuse, Recycle) and the Circular Economy, for both hazardous and non-hazardous waste within the company, employing measures and standards set by government regulations or global standardization organizations as the baseline</li> </ul>

Objectives		Management and Administration Guidelines
Social Guidelines	<b>Health and Safety</b> <ul style="list-style-type: none"> <li>Set a goal of achieving zero fatalities due to accidents among employees every year, with a continuous reduction in the number of accidents annually</li> </ul>  	<ul style="list-style-type: none"> <li>Promoting a safety leadership and safety culture by encouraging a safe environment for employees and business partners across all companies, fostering awareness to demonstrate safety behavior throughout the entire organization</li> <li>Determined to elevate the occupational health and safety management system to achieve excellence in occupational health and safety</li> </ul>
	<b>Human Rights Management</b> <ul style="list-style-type: none"> <li>Supporting and promoting business partners throughout the value chain, both in business operations and joint ventures, to be aware, safeguard, and respect human rights in their business activities</li> </ul>    	<ul style="list-style-type: none"> <li>Integration of human rights, diversity management, and acceptance of individual differences as integral parts of business operations throughout the value chain</li> <li>Enhancing and advancing inclusive projects based on the principles of respecting human rights, promoting values, and fostering participation for all stakeholder groups throughout the business value chain</li> </ul>
	<b>Employee Care and Development</b> <ul style="list-style-type: none"> <li>All employees undergo competency assessments, and Individual Development Plans (IDP) are created for everyone.</li> </ul>  	<ul style="list-style-type: none"> <li>Creating a learning culture where employees take responsibility for their own learning and development, with supervisors serving as supportive mentors</li> <li>Developing leaders with a mindset, knowledge, and skills, and enabling them to enhance the potential of their subordinates is a crucial strength of the company</li> <li>Establishing a Welfare Committee to comprehensively and fairly take care of employees and foster a sense of commitment to the organization</li> </ul>
	<b>Community Development and Engagement</b> <ul style="list-style-type: none"> <li>Creating community satisfaction by actively participating in various community activities and setting a goal to have no complaints in the year 2024</li> </ul>     	<ul style="list-style-type: none"> <li>Fostering participation from employees, the community, and stakeholders at all levels to collaboratively create sustainable values for society</li> <li>Innovating to meet the needs of the community and address societal challenges</li> </ul>



	Objectives	Management and Administration Guidelines
Economic Guidelines	<b>Product and Service Responsibility</b> <ul style="list-style-type: none"> <li>Focusing on the agricultural production of dried or dehydrated products to create value for farmers throughout the supply chain</li> <li>All produced items are certified to meet international quality standards.</li> </ul>    	<ul style="list-style-type: none"> <li>Innovative approaches to develop products that meet consumer needs, elevate the quality of life, and consider the impacts of climate change, circular economy principles, while creating new business opportunities</li> <li>Emphasizing the production of products that directly provide benefits or meet the specific needs of customers</li> </ul>
	<b>Creating Customer Experiences</b> <ul style="list-style-type: none"> <li>Achieving an overall customer satisfaction survey score of over 90%</li> </ul> 	<ul style="list-style-type: none"> <li>Facilitating collaboration with business customers to reach end consumers (B2B2C)</li> <li>Creating collaboration with individual consumers (B2C)</li> </ul>
	<b>Creating Sustainable Value for Business Partners</b> <ul style="list-style-type: none"> <li>- 85% of the business partners demonstrate a commitment to adhere to the company's business ethics within the year 2024</li> </ul>   	<ul style="list-style-type: none"> <li>- Selecting and evaluating business partners with the potential for sustainable business operations</li> <li>- Evaluating risks and categorizing business partners to formulate strategies and development plans aligning with the identified risks</li> <li>- Developing and elevating the sustainability potential of business partners</li> <li>- Creating awareness and enhancing the knowledge and skills of employees in efficient procurement and purchasing</li> </ul>

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

### 3.2.1 Business Value Chain



#### 3.2.1.1 Innovation Insight in New Product Development

The company prioritizes and pays attention to the needs of all customer segments, aiming to create unique products that meet their requirements and consistently generate satisfaction among customers and consumers

#### **Operational Activities**

- In the past year, the company has been actively innovating to create new products that align with consumer trends and customer preferences. There has been a growing trend towards health and wellness, with an increasing demand for products catering to a healthy lifestyle and the nutritional needs of the aging population. To address this, the company has developed and introduced new products under the brand 'Good Eats' to promote health and well-being
- The company selects a diverse range of high-quality and safe raw materials to develop unique products that satisfy both domestic and international customers. By utilizing such ingredients, the company aims to create distinctive products and ensure customer satisfaction in both local and global markets
- Guidelines for developing new products must adhere to the food regulations of the end consumers' countries as the primary consideration

### **3 2.1.2 Green Sourcing in Procurement and Acquisition**

The company places importance on the procurement process, ensuring its efficiency, transparency, and a focus on achieving performance to maintain the quality of products. Importantly, there is an emphasis on minimizing environmental impact throughout the procurement processing environmental impact throughout the procurement process.

#### **Operational Activities**

- The company focuses on developing the capabilities of its partners to achieve mutual goals and sustainable growth. This is done by establishing guidelines for partner practices, managing risks in product and service aspects, regularly auditing performance to meet standards and appropriate management processes. Furthermore, there is a promotion of continuous quality improvement, with defined criteria for systematic evaluation
- The company plans for sourcing raw materials and works closely with partners, including preparing and substituting materials in emergency situations to ensure business continuity. This involves regular meetings with key partners to coordinate the procurement of raw materials
- The company follows standardized procurement processes, considering environmental and social factors. This includes ensuring no environmental impact, managing energy, occupational health and safety, and overseeing operations to ensure that products are delivered to customers and consumers safely and meet the specified quality standards.

### **3.2.1.3 Innovative Production**

The company has designed a flexible production process to respond to diverse needs. The company emphasizes and pays careful attention to every step of the production process, being professional to deliver high-quality products to consumers

#### **Operational Activities**

- Choose a production process that is appropriately flexible to manufacture a variety of products, aiming to enhance value and worth for the organization
- Quality control of products is carried out to ensure compliance with legal requirements and



various international management standards, covering aspects related to the environment, safety, and consumer protection. Examples of these standards include ISO 9001, ISO 14001, BRC Version 8, GHP, HACCP, HALAL, KOSHER

- Choose high-quality and safe raw materials to ensure the best possible product for consumers
- Implement effective safety management within the factory to ensure a safe and healthy working environment
- Utilize various resources efficiently, maximizing benefits without causing pollution to the environment and society. This includes responsible management of water and energy resources, the incorporation of renewable energy sources such as installing Solar Rooftop systems to generate electricity from sustainable sources. Additionally, continuous development of innovations and technologies in various fields is implemented.

### 3.2.1.4 Eco Accessibility in Transportation and Distribution

#### Operational Activities

- The company prioritizes efficient transportation and distribution, maintaining product quality, and delivering high-quality products to customers
- Emphasis is also placed on promoting safe driving for truck drivers and managing fuel consumption to maximize efficiency

### 3.2.1.5 Unique Foods Accessibility in Sales and Marketing

The company's food business delivers products directly to customers and consumers through comprehensive and efficient distribution channels. It adjusts its sales and marketing strategies to align with the current situation, focusing on providing excellent customer service.

#### Operational Activities

- The company strategizes to maintain market share and foster continuous growth, adjusting strategies to accommodate changes in consumer behavior.
- Penetrating new customer segments and expanding existing customer base is a key strategy for efficient growth.
- Clear communication and building relationships with customers and consumers are prioritized, along with actively soliciting feedback through communication channels to fully develop and meet customer needs possible.



### 3.2.2 Analysis of Stakeholders in the Value Chain of the Business

The company has established guidelines for the involvement of stakeholders, focusing on promoting proactive engagement of stakeholders through continuous activities and communication channels. This is aimed at listening to feedback and various suggestions, which will be beneficial for strategy development, direction, operational plans, and sustainable business development. Additionally, it helps mitigate risks or impacts from business operations. Therefore, the company has categorized stakeholders into seven main groups, considering their involvement, impact on operations, and the overall contribution to maximize benefits for all parties. These groups include 1) employees, 2) business partners, 3) suppliers, 4) customers/consumers, 5) government and private sector, 6) communities, and 7) shareholders.





Since the expectations of stakeholders in each group differ, the company's response and communication channels must be appropriately tailored to meet the specific needs of each group

Stakeholders	Expectations of stakeholders	The response to the expectations of stakeholders	Participation and Communication Channels
Employees	<ul style="list-style-type: none"> <li>• Compensation, Benefits, and Welfare</li> <li>• Job Stability and Career Advancement Opportunities</li> <li>• Workplace Safety and Occupational Health</li> <li>• Learning and Skill Development (Reskill and Upskill) and Capacity Building</li> <li>• Organizational Operations Direction and Adaptation Guidelines</li> <li>• Respect for Human Rights</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluate the fairness of compensation and benefits provided to employees on an annual basis</li> <li>• Motivate and Retain Competent Employees</li> <li>• Enhance various professional development programs for personnel</li> <li>• Ensure good safety and health practices in the workplace</li> <li>• Communicate information regularly to employees through various internal communication channels, including email, LINE groups, and bulletin boards</li> <li>• Broadcasting information to create awareness and promote health awareness</li> </ul>	<ul style="list-style-type: none"> <li>• Online social media and Email communication</li> <li>• Monthly Managements' Meeting</li> <li>• Suggestions or Complaints</li> <li>• Surveys on Employee Satisfaction and Engagement with the Organization</li> </ul>
Business Partnerships	<ul style="list-style-type: none"> <li>• Equal Opportunity in Business Operations</li> <li>• Collaborative Development of Capabilities for Joint Growth</li> <li>• Conducting Business with Transparency</li> </ul>	<ul style="list-style-type: none"> <li>• Fair and Transparent Competition</li> <li>• Transparent and Fair Business Contracts</li> <li>• Training Programs for Skill Enhancement</li> <li>• Business Ethics and Labor Practices</li> </ul>	<ul style="list-style-type: none"> <li>• Annual Meeting</li> <li>• Organizing Training to Enhance Knowledge and Various Activities to Foster Good Relationships Between the Company and Business Partner Networks</li> <li>• Online social media and Email</li> <li>• Annual Report</li> <li>• Suggestions or Complaints</li> <li>• Sustainability Development Reports on the Website</li> </ul>

Stakeholders	Expectations of stakeholders	The response to the expectations of stakeholders	Participation and Communication Channels
Business Partner	<ul style="list-style-type: none"> <li>• Flexibility and Continuity in Business Operations</li> <li>• Vision of Management and Business Operation Guidelines</li> <li>• Practices for Business Partners</li> <li>• Convenient, Efficient, Transparent, Fair, and Non-discriminatory Procurement Processes</li> <li>• Maintenance of Standards in Quality, Delivery, Service, and Sustainability in Business Operations of Business Partners</li> <li>• Collaboration between the Company and Business Partners in Risk Management throughout the Supply Chain</li> <li>• Development of Capabilities for Business Partners</li> </ul>	<ul style="list-style-type: none"> <li>• Conducting joint meetings with partners.</li> <li>• Assessing the risks associated with the continuity of business operations.</li> <li>• Initiating sustainable development projects in various dimensions in collaboration with partners.</li> <li>• Supporting, sharing knowledge, and developing partners.</li> </ul>	<ul style="list-style-type: none"> <li>• Annual meetings.</li> <li>• Online social media and email communication.</li> <li>• Suggestions or complaints.</li> <li>• Annual reports.</li> <li>• Sustainable development reports on the website.</li> <li>• Partner assessment reports.</li> </ul>
Customer - Consumer	<ul style="list-style-type: none"> <li>• Safety of consumer products</li> <li>• Clarity of business operation policies</li> <li>• Transparency in conducting business and responsibility towards consumer consumption.</li> <li>• Quality and safety of products</li> <li>• Pre-sales and after-sales service</li> <li>• Fair and appropriate pricing of products</li> <li>• Ability to respond to consumer needs and market conditions.</li> <li>• Environmental management responsibility</li> <li>• Undertaking projects beneficial to society</li> </ul>	<ul style="list-style-type: none"> <li>• Surveying customer involvement as stakeholders</li> <li>• Factory visit activities</li> <li>• Customer relationship management</li> <li>• Continuous product innovation development</li> <li>• Conducting business with transparency and integrity</li> <li>• Efficient environmental management</li> <li>• Undertaking community and social beneficial projects</li> </ul>	<ul style="list-style-type: none"> <li>• Direct customer contact</li> <li>• Online social media or email communication</li> <li>• Annual customer satisfaction surveys</li> <li>• Suggestions or complaints</li> </ul>



Stakeholders	Expectations of stakeholders	The response to the expectations of stakeholders	Participation and Communication Channels
Government and private sector	<ul style="list-style-type: none"> <li>• Transparent tax management and administration</li> <li>• Environmental law compliance</li> <li>• Advertising and selling products in accordance with laws and ethics.</li> <li>• Ensuring employee welfare and safety</li> <li>• Respecting human rights</li> <li>• Ethical business conduct in compliance with regulations and laws</li> <li>• Disclosing operational performance information</li> <li>• Social and environmental responsibility</li> </ul>	<ul style="list-style-type: none"> <li>• Operating business ethically and complying with regulations, laws, and policies set by regulatory authorities.</li> <li>• Reporting business performance and operational results to relevant government agencies as per their specified frequency</li> <li>• Participating in training programs offered by government agencies or other certified organizations.</li> <li>• Managing social and environmental aspects appropriately</li> <li>• Establishing relationships with various organizations</li> <li>• Conducting annual sustainability assessments</li> <li>• Managing social and environmental aspects appropriately</li> </ul>	<ul style="list-style-type: none"> <li>• Regularly solicit and exchange feedback.</li> <li>• Organize collaborative activities with government networks.</li> <li>• Online social media/email communications.</li> <li>• Annual reports.</li> <li>• Sustainable development reports on the website.</li> </ul>
Community	<ul style="list-style-type: none"> <li>• Creating jobs and promoting livelihoods within the community</li> <li>• Developing the local economy</li> <li>• Promoting good health and quality of life within the community</li> <li>• Promoting environmental awareness and addressing environmental issues within the community</li> </ul>	<ul style="list-style-type: none"> <li>• Creating jobs, promoting livelihoods, and developing the local economy within the community</li> <li>• Engaging in collaborative activities with neighboring communities</li> <li>• Conducting on-site visits and community meetings to monitor the progress of jointly operated projects.</li> <li>• Organizing projects aimed at social assistance and community development</li> </ul>	<ul style="list-style-type: none"> <li>• Reporting sustainable development efforts on the website</li> <li>• Online social media/ email communication</li> <li>• Suggestions or complaints</li> <li>• Collaborative activities with community networks</li> </ul>
Shareholders	<ul style="list-style-type: none"> <li>• Company performance</li> <li>• Business information of the company</li> <li>• Company missions and vision</li> <li>• Transparency in business operations</li> <li>• Environmental and social responsibility practices</li> <li>• Transparent business information provision</li> </ul>	<ul style="list-style-type: none"> <li>• Annual shareholders' meetings</li> <li>• Analyst meeting quarterly</li> <li>• Participating in annual Opportunity Day with institutional investors organized by the Stock Exchange of Thailand (SET)</li> <li>• Factory visits</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly investor briefings</li> <li>• Disclosing information through annual reports</li> <li>• Communicating news through the securities market</li> <li>• Shareholder meetings</li> </ul>

### 3.2.3 Sustainable Environmental Management

#### Environmental Policy and Practices

The company acknowledges that environmental stewardship is of utmost importance, and therefore places great emphasis on continuously developing its environmental operations in compliance with relevant laws, regulations, and international standards. The company manages its processes along the value chain to minimize environmental impacts, ensuring that management, supervision, monitoring, adjustments, and improvements are carried out at every stage with quality and standards. Additionally, the company is certified under the ISO 14001 environmental management system and has outlined the following guidelines for practice.

- Set goals to reduce energy consumption, emissions, water usage, and control wastewater and waste, while establishing policy frameworks and practices that comply with relevant environmental laws, regulations, and directives related to business operations, as well as raising awareness and fostering responsibility for environmental management.
- Ensure that product manufacturing complies rigorously with environmental conservation laws under the ethos of environmental care and preservation. Focus on nurturing and enhancing production processes and selecting materials that are environmentally friendly and sustainable.
- Promote and support efficient use of natural resources activities to achieve environmental sustainability, societal balance, and continuous environmental conservation both within and outside the organization.
- Instill a sense of environmental responsibility among all employees at every level earnestly and consistently.

#### Management for reducing greenhouse gas emissions

The company is committed to addressing the issue of climate change caused by greenhouse gas emissions, which contribute to global warming. To this end, the company has implemented a Carbon Footprint management policy for the mutual benefit of all employees within the organization, emphasizing responsibility towards society, communities, and stakeholders. The goal is to minimize greenhouse gas emissions by operating in accordance with relevant laws, international standards, and other related requirements in managing carbon emissions. This includes promoting and advocating resource efficiency, reducing waste from production processes, and considering lifecycle impacts to ensure sustainable practices in business operations, society, and the environment. Furthermore, the company aims to enhance awareness and responsibility among employees and surrounding communities, considering the interests of all stakeholders.

#### Environmental performance results

In the year 2023, the company set targets for sustainable development covering key areas to reduce impacts on natural resources, the environment, and the value chain. Emphasis was placed on reducing energy consumption, minimizing water usage in production processes, waste management, and greenhouse gas emissions from business operations. Additionally, employees were required to strictly adhere to relevant laws and regulations.

- **Energy Management**

Electricity is considered a critical resource in business operations. The company organized training on the topic of "Process Improvement to Maximize Productivity" to enable employees to efficiently evaluate opportunities for enhancing productivity in production processes. This





included promoting energy conservation among employees by implementing energy-saving measures such as scheduling lighting usage and duration, turning off lights during lunch breaks, and using energy-efficient machinery and equipment. Additionally, the company is dedicated to seeking various technologies and innovations to optimize internal energy consumption, leading to sustainable business development.

The company is committed to reducing the use of purchased electricity from fossil fuel-based sources to power machinery in the production process. Instead, it aims to utilize solar energy, a clean energy source that does not contribute to pollution. By harnessing solar energy, the company not only reduces its reliance on electricity generated from fossil fuels but also contributes to mitigating global warming.

In the year 2023, the company installed solar panels on the roof of its factory to utilize electricity for production processes and common areas. Data on the company's electricity consumption and fuel usage were also collected.

Results of Energy Management Operations: Electricity	Year 2020	Year 2021	Year 2022	Year 2023	% Of Change
Electricity Consumption (Unit: Kilowatt - Hours)	1,913,624	2,410,480	1,926,160	2,218,520	15.18
Electricity Expenditure of the Company (Unit: Thai Baht)	8,264,673	9,387,649	8,774,876	7,501,908	-14.51

Results of Energy Management Operations: Oil and Fuel	Year 2020	Year 2021	Year 2022	Year 2023	% Of Change
Diesel Fuel Consumption (Unit: Liters)	57,476	53,040	48,533	53,157	9.53
Petrol (Gasoline) Consumption (Unit: Liters)	59,286	56,850	56,096	51,688	-7.86
LPG (Liquefied Petroleum Gas) Consumption (Unit: Kilograms)	118,800	126,048	80,880	104,303	28.96
Biofuel Consumption (Unit: Kilograms)	376,000	406,450	424,360	452,020	6.52
Expenditure on Oil and Fuel Usage by the Company (Unit: Thai Baht)	5,721,321	6,674,633	7,268,548	7,268,548	11.33

- **Water Management and Conservation**

Water is indeed a crucial resource for the operations of our company, as it is essential for various activities involved in the production of our products to be efficient and achieve the objectives and goals set forth. To ensure the responsible and sustainable use of water resources, our company has established guidelines and practices aimed at developing products that utilize water efficiently. Additionally, we are committed to using water in a manner that minimizes any negative impact on the water resources of the communities in which we operate. Our goal is to maximize the benefits derived from water usage while minimizing any adverse effects on the environment and local communities.

Our company has installed water meters in all production buildings to control water usage efficiently. We aim to reduce water consumption per ton of production every year. Wastewater from the production process is treated and its quality is continuously monitored. We have a standardized wastewater treatment system, employing activated sludge technology, to treat wastewater generated from the production process. Additionally, we conduct regular quality checks on the treated water to ensure compliance with set standards.

Furthermore, external inspectors evaluate the quality of wastewater from the production process every three months. The parameters they assess include pH levels, Biological Oxygen Demand (BOD), Chemical Oxygen Demand (COD), Suspended Solids (SS), Hydrogen Sulfide (H<sub>2</sub>S), and Oil & Grease content.

Results of Water Management Operations	Year 2020	Year 2021	Year 2022	Year 2023	% Of Change
The amount of tap water usage by the company: (Unit: Cubic meters)	20,125	27,147	21,577	24,329	12.75
The expenses for using tap water by the company: (Unit: Thai Baht)	666,201	995,725	728,352	854,761	17.36

- **Waste Management and Pollution Control**

The company is focused on reducing waste and pollution from its production processes for the surrounding community. This includes assessing and segregating all waste and pollutants in the entire factory, including non-hazardous waste for reuse/recycling, industrial waste, and hazardous waste. Hazardous waste is appropriately disposed of through licensed industrial waste disposal facilities to ensure that the company's waste disposal does not pollute or negatively impact the environment for nearby communities. Additionally, the company prioritizes efficient use of natural resources by maximizing the utilization of by-products or leftovers from production processes and ensuring that waste treatment from production processes meets quality standards and undergoes proper environmental management system assessments.

The company conducts environmental quality assessments in office areas and operational facilities at least once per year. In the year 2023, it was found that the results of the environmental quality assessment were within the legal standards.

Results of Waste Management	Year 2020	Year 2021	Year 2022	Year 2023	% Of Change
Total Non-Hazardous Waste Quantity (Unit: kilograms)	65,602	86,137	102,462	102,247	-0.21
Total Hazardous Waste Quantity (Unit: kilograms)	3,320	2,799	1,295	1,192	-7.95
Quantity of Non-Hazardous Waste Reused/ Recycled (Unit: kilograms)	25,601	32,137	34,842	38,247	9.77



- **Management to Reduce Greenhouse Gas Issues**

The company conducts assessments and reports on greenhouse gas management in accordance with the Carbon Footprint assessment guidelines of the Thailand Greenhouse Gas Management Organization (TGO). The company ensures the accuracy of data by conducting regular external expert reviews every year. Additionally, the company has engaged the services of Bureau Veritas Thailand Limited to register and obtain the Carbon Footprint label from the TGO in the year 2023.

The company has set a target to reduce greenhouse gas emissions by 20% by the year 2027 compared to the baseline year of 2021. This will be achieved through plans to increase the efficiency of resource utilization, focusing on energy-saving measures and cost-effectiveness. Specifically, there are plans to optimize the energy usage of machinery appropriately and implement solar energy utilization in the Solar Rooftop project to mitigate the impact of greenhouse gas emissions.

Results of the Greenhouse Gas Management	Year 2020	Year 2021	Year 2022	Year 2023	% Of Change
The amount of greenhouse gas emissions from Scope 1(Unit: Metric Tons of Carbon Dioxide Equivalent, tCO2e)	N/A	N/A	741	636	-14.17
The amount of greenhouse gas emissions from Scope 1(Unit: Metric Tons of Carbon Dioxide Equivalent, tCO2e)	N/A	N/A	1,205	963	-20.08
The amount of greenhouse gas emissions from Scope 13 (Unit: Metric Tons of Carbon Dioxide Equivalent, tCO2e)	N/A	N/A	3,236	3,179	-1.76

## Project installation of rooftop solar power generation systems

### Target group

The location of the company's headquarters

### The objectives

1. Promote the use of clean energy to contribute to reducing greenhouse gas emissions and mitigating global warming.
2. Reduce operating costs.

### Duration of implementation

Q4/2022 - Q1/2023

### Project Progress

The company has installed solar panels with a production capacity of 612 kilowatts on an area of over 4,400 square meters to utilize solar energy instead of electricity.

### The objective

The goal is to reduce the electricity cost for the main office by 3,000,000 baht per year.

### Summarize the results of operations

The company can generate electricity from solar energy at 567,000 kilowatts per year or save electricity costs by 3,000,000 baht per year.

### The return on investment is significant

The company recognizes the importance of using electricity resources efficiently. Therefore, it promotes the use of solar energy to reduce carbon dioxide emissions. The company has installed solar panels at its headquarters to save electricity costs. In 2023, the company was able to generate 567,000 kilowatts per year from solar energy or save 3,000,000 baht per year in electricity costs





### 3.2.4 Social Sustainability Management

A strong society drives sustainable business growth. Therefore, the company places importance on comprehensive social development, especially concerning customers, communities, and employees. Sustainable social development encompasses various aspects such as consumer responsibility, community development, and employee well-being. Additionally, the company has established policies and guidelines to ensure fair and ethical practices.

#### Social Policy and Practices

The company operates within the framework of good governance, ensuring transparency and accountability. It is committed to developing the business in tandem with fostering economic, social, and environmental balance. The company is dedicated to maintaining itself as a good corporate citizen, conducting business for sustainable growth under the principles of corporate social responsibility. This commitment is based on ethical principles and sound corporate governance practices. Additionally, the company aims to efficiently deliver returns to shareholders while considering the impact of its operations on all stakeholders associated with the company.

#### Human Rights Policy

The company conducts its business adhering to the principles of corporate responsibility with fairness and integrity. It recognizes its social responsibility and accountability to all stakeholders and treats everyone with respect, dignity, and equality, in line with the principles of human rights. The company has a policy to support and respect human rights in its dealings with all stakeholders, including employees, communities, and society, by respecting the inherent dignity of all individuals and promoting equality and freedom for all. It does not tolerate any form of discrimination based on race, nationality, religion, language, skin color, gender, age, education, physical condition, or social status. Additionally, the company ensures that its business does not engage in or contribute to human rights abuses, such as forced labor, child labor, and sexual harassment.

In addition, the company has been certified with the Thai Labor Standard (MRAT.8001-2563) and receives annual certification for compliance with the COSTCO Code of Conduct. The company promotes vigilance in adhering to human rights standards by encouraging employee participation in expressing opinions and providing channels for complaints for those who have suffered harm from human rights violations arising from the company's business operations.

#### The social performance results

The company has established a welfare committee within the workplace to represent employees in negotiating with the employer for the provision of welfare benefits to employees. In 2566, the company did not violate human rights and there were no disputes related to human rights violations.

- **Treating employees fairly and respecting human rights**

The company places great importance on and is committed to treating labor consistently and equally, without discrimination, to enable all employees to fully realize their potential in line with human rights principles. The company's efforts in labor practices and respect for human rights include the following.



### Number of employees

The company emphasizes equal treatment, compliance with company regulations and policies, and strict adherence to human rights laws without discrimination based on race, religion, gender, age, culture, or any other factors.

Employee Performance Results	Year 2020	Year 2021	Year 2022	Year 2023	% Of Change
Total number of employees (persons)	511	439	441	418	-5.22
Number of male employees (persons)	178	148	147	141	-4.08
Number of female employees (persons)	333	291	294	277	-5.78

Results of employee initiatives categorized by age	Year 2020	Year 2021	Year 2022	Year 2023	% Of Change
Number of male employees under 30 years old	81	53	51	51	-
Number of male employees aged 30 - 50 years old	90	89	88	82	- 6.82
Number of male employees aged over 50 years old	6	6	8	8	-
Number of female employees aged under 30 years old	118	79	78	61	-21.79
Number of female employees aged 30 - 50 years old	201	198	197	196	-0.51
Number of female employees aged over 50 years old	15	14	19	20	5.26

Employee Performance: Classified by Position	Year 2020	Year 2021	Year 2022	Year 2023	% Of Change
The number of male operational staff	165	134	134	131	-2.24
The number of male managerial staff	9	12	11	9	-18.18
The number of male executive-level staff	3	2	2	1	-50.00
The number of female operational-level staff	312	261	265	241	-9.06
The number of female managerial-level staff	18	27	24	32	33.33
The number of female senior executive staff	4	3	5	4	-20.00

### Compensation and various benefits

The compensation and benefits provided by the company to employees are aligned with the company's performance, aiming to empower employees to feel motivated in their work and to create sustainable growth through their performance.



In 2023, employees received compensation considered appropriate and in line with industry standards for similar businesses. This included consideration of performance and merit under a fair performance evaluation process. Additionally, the company provided statutory benefits as required by law, such as social security coverage. Beyond legal requirements, the company also offered additional benefits to employees, including retirement savings funds, healthcare coverage, and various types of financial assistance, such as assistance for marriage ceremonies, funeral expenses for parents, spouses, and deceased children of employees, among others.

The results of the operations regarding employee compensation	Year 2020	Year 2021	Year 2022	Year 2023	% Of Change
Total compensation amount (THB)	95,501,932	101,081,223	108,869,314	139,567,636	28.20
Total compensation amount for male employees (THB)	30,559,345	30,999,659	33,124,445	39,893,489	20.44
Total compensation amount for female employees (THB)	64,942,587	70,081,563	75,744,868	99,674,147	31.59

The results of the operations regarding the provident fund	Year 2020	Year 2021	Year 2022	Year 2023	% Of Change
The number of employees who are members of the provident fund	200	267	246	211	-14.23
The amount of money that the company contributes to the provident fund (THB)	3,070,232	3,394,366	3,573,569	3,225,359	-9.74

#### Employee Training and Development

The company recognizes the value of its personnel at all levels of work, therefore emphasizing the importance of employee development and promoting continuous improvement of their knowledge and abilities. Various development methods are employed, tailored to each position, alongside a focus on grooming successors for key roles within the organization. Additionally, the company prioritizes training on job skills in production processes, workplace safety, and fostering good attitudes, ethics, and teamwork among its employees to promote skills, knowledge, and readiness to drive the organization towards its goals. In 2023, the company conducted skill development training in various formats designed to promote and enhance growth for employees at all levels within the organization, including training programs aimed at improving skills and capabilities

The results of the employee development	Year 2020	Year 2021	Year 2022	Year 2023	% Of Change
Average training hours per employee per year (Unit: hours/person/year)	14.99	36.41	38.89	34.41	-11.52
Training and development expenses (Unit: Thai Baht)	1,038,198	560,476	1,642,108	1,491,001	-9.20

## A sustainable financial planning knowledge promotion program for employees

### “Financial planning for all ages and tax planning and retirement planning”

#### Target group

Employees at JG4 and above who are interested, totaling 20 people.

#### The objectives

To provide knowledge in financial planning for employees, tax planning, and retirement planning, in order to develop essential financial skills for daily life, as well as to instill appropriate financial attitudes and behaviors for effective personal financial management. This includes aspects such as saving, spending, and investing, aiming to create wealth in life.

#### Duration of implementation

On July 14, 2023

#### Project Progress

Provide knowledge by Mr. Natapat Lertsaksrisakul Investment consultant and Financial advisor.

#### Summarize the results of operations

Employees have become more knowledgeable and understanding in financial management and planning, enabling them to set directions and goals clearly and comprehensively for various financial decisions. They can articulate objectives and decisions regarding finances with clarity and completeness, considering individual constraints, conditions, and various risks. Moreover, they help individuals understand the short-term and long-term impacts that may affect life goals.



#### Workplace Safety, Occupational Health, and Environmental Conditions

The company's operations may impact the nearby communities, and the information about these impacts can be accessed and disseminated rapidly, affecting community acceptance. Therefore, the company has established measures and guidelines to prevent adverse effects on the community, ensuring their safety. The internal Occupational Health and Safety (OH&S) management system is crucial, and the company operates in accordance with international standards and laws. A dedicated Safety Committee is appointed to enforce rigorous safety measures, and the company is certified with ISO 45001 for Occupational Health and Safety Management Systems. Additionally, the company sets guidelines for employee practices to ensure workplace safety and health, including accident prevention measures and fostering



safety awareness among employees. In 2023, the company conducted various safety training programs such as fire extinguishing and fire evacuation drills, certified by the Department of Labor Protection and Welfare, to review and improve safety procedures continuously. Regular health check-ups and health risk assessments are conducted for all employees working in high-risk areas annually.

he results of the company's operations regarding safety, occupational health, and environmental conditions in the workplace for employees	Year 2020	Year 2021	Year 2022	Year 2023	% Of Change
Total working hours of all employees (unit: hours)	2,241	2,232	2,259	1,854	-17.96
The number of employees who have been injured at work to the extent that they had to stop working for more than 1 day (unit: people)	1	2	1	0	-100.00
The number of employees who have died because of work-related incidents (unit: people)	0	0	0	0	0

#### Treating labor fairly and justly

The company cares about the well-being of its employees and extends this concern to their children through the "Employee Children's Education Fund" project. This support has been provided since 2004, totaling over 10 years to date. The fund provides financial assistance to the children of employees from preschool to university levels. In 2022, the company had given award over 200 scholarships, totaling over one million baht, to help alleviate the financial burden of education expenses for employees.

The company promotes education through the "Learning & Adaptability" project, which supports educational initiatives conducted in collaboration with various public and private educational institutions. This project aims to integrate learning with work by elevating internships to a learning and working integration. It applies theoretical knowledge to practical tasks, emphasizing real learning experiences. Upon completion of the internship program, students undergo evaluation and follow-up to achieve predetermined goals. This project benefits three main groups:

- **Organization:** By collaborating with educational institutions, the organization gains knowledge, advice, and consultation on principles and technical aspects. This enables employees to develop skills and expertise in collaborative projects, such as increasing productivity and cost-saving measures.
- **Students:** Gain direct experience and acquire skills in their profession, contributing to a strong professional profile. These experiences enable them to further develop their skills for future employment opportunities.
- **Educational Institutions:** Receive collaboration in educational initiatives from organizations, leading to higher job placement rates for students. This collaboration also aids in curriculum development and enhances the knowledge and abilities of faculty members.

### Conducting business with integrity

The company is committed to conducting business with honesty, integrity, transparency, and accountability, while continuously striving to compete fairly in the marketplace. This includes adhering to laws, regulations, and international business ethics, as well as rejecting any behavior that undermines fair competition, such as seeking confidential information from competitors or engaging in dishonest business practices.

### Anti-corruption corporate practices

The company has a clear policy against corruption, which has been communicated to employees at all levels of the organization and external parties to ensure practical implementation. Additionally, the company has established projects or guidelines to combat corporate corruption, including supporting activities that promote and instill legal compliance among all employees. It has also established procedures for receiving complaints and handling cases with clear guidelines outlined in the anti-corruption policy. Various communication channels have been set up to provide opportunities for employees and stakeholders to report grievances or complaints to the company conveniently and appropriately. Furthermore, the company has implemented measures to protect whistleblowers, complainants, witnesses, and individuals providing information during investigations from any form of retaliation, danger, or unfair treatment. It is stipulated that any involvement, assistance, or cooperation with corruption will be subject to disciplinary action according to the company's regulations.

### Customer Responsibility

The company is committed to developing its products and services for the utmost satisfaction and benefit of its customers, adhering firmly to the principles of responsibility, honesty, and customer care. This commitment involves considering the quality and standards of products and manufacturing efficiency, focusing on producing safe products that meet international standards, and developing service systems to ensure that customers consume high-quality products and receive the highest level of satisfaction. The company upholds fairness in the market by implementing policies to provide customers with accurate and sufficient information about the company's products and services, without exaggeration, concealment, or false advertising, to enable informed decision-making. Furthermore, the company prioritizes customer safety, ensuring that products and services meet global safety standards and regulations, including design, creation, and ongoing research for innovation and product development to meet consumer needs and promote healthy lifestyles. Additionally, the company is dedicated to creating awareness of nutritional information by displaying it on packaging and implementing customer relationship systems for effective communication and handling of complaints regarding product and service quality through various online channels such as LINE, Facebook, and the company's website, to respond promptly to customer needs.

In 2023, the company consistently produced and develop products with responsibility, honesty, and integrity, promptly responding to rapidly changing consumer demands in terms of convenience, comfort, and health and safety concerns. Each new product underwent development and market research to align with consumer preferences, comprising;

1. The company's new products are not only delicious and healthy but also convenient to prepare and consume. These include semi-prepared curry paste products under the Kindee brand, which come in three new flavors: Five Spice Powder, Thai Sour Soup





Powder, and Boat Noodle Soup Powder

2. The company focuses on expanding new sales channels and reaching customers through various online platforms such as LINE Shoppe, Facebook, and others.
3. Research and development for good health and nutrition.

The company's product development focuses on providing good nutritional benefits. It includes a range of healthy alternative food options that allow consumers to control their nutrient intake for better health. For example, these products do not contain MSG or any preservatives. Additionally, to obtain certification from the "Healthier Choice Logo" from Mahidol University's Institute of Nutrition, the company offers various ready-to-eat soup products.

4. Quality and safety standards

The company prioritizes quality and safety at every stage, from production processes to delivering excellent products to customers. It has been certified to various standards in different areas, including:

- The company has been certified to the British Retail Consortium (BRC) Issue 8 standard for food safety management systems. This certification covers a range of products including seasonings, coconut snacks, dehydrated vegetables, and meats, as well as oils and pastes. The certification was issued by BSI (Thailand) and includes aspects such as service management, food defense, and prevention of food fraud
- The company has obtained certifications for both product and manufacturing processes according to the Halal food standards from the Central Islamic Committee of Thailand (CICOT), as well as the Kosher Dietary Law standards through Thai Kashrut Services Co., Ltd.
- The ISO 9001:2015 Quality Management System and the GHP (Good Hygiene Practices) & HACCP (Hazard Analysis and Critical Control Points) food safety standards according to Codex 2020 are implemented and managed by BSI (Thailand) Co., Ltd.
- The company has been certified with the Level 3 Green Industry System standard for the green industry sector by the Ministry of Industry, as well as the ISO 14001:2015 Environmental Management System by BSI (Thailand) for all food production processes.
- The company has been certified with the ISO 45001:2018 Occupational Health and Safety Management System standard by BSI (Thailand) for all food production processes.

**The company promotes innovation and disseminates innovations derived from socially responsible, environmentally friendly, and community-focused operations**

The company supports innovation in various areas, particularly process innovation, both internally and through collaboration between organizations, emphasizing creative innovation that leads to positive change, creating outcomes and added value. This is done to maximize benefits to society. The company considers the dissemination of innovation as a social responsibility policy. Communication and dissemination of innovation to stakeholders are carried out through various channels such as LINE, Facebook, JDF Website, etc., ensuring that information on these innovations reaches stakeholders widely and effectively.

**Community and social development**

The company is aware of its responsibility to the community and society. Therefore, it has a policy to conduct business that benefits the economy and society and adheres to being good citizens by fully complying with relevant laws and regulations. The company is committed to developing, promoting, and improving the quality of life in the community where it operates in line with the company's growth, aiming to strengthen the community and genuinely contribute back to society.

In the year 2023, the company continued to engage in the CSR DIW-CONTINUOUS (Corporate Social Responsibility, Department of Industrial Work) project, promoting sustainable social and community responsibility. This initiative involved organizing activities with communities within a 5-kilometer radius of the factory to encourage participation in addressing community needs and issues. The focus was on promoting community and social development for sustainable living together. Activities included promoting and preserving beautiful cultural traditions, as well as actively involving the local population in various community events. For example, the company participated in conserving local cultural heritage to foster good relationships between employees and people in the area.

The support of company products for donation to communities or government agencies to facilitate public welfare activities is a commendable initiative.



On April 11, 2023, company representatives delivered company products along with bottled water and coffee to checkpoints or public service points during the "7 Dangerous Days" period, which is a critical time during the Songkran festival. This took place at the checkpoint in front of the Bang Tho Rat PTT gas station on Rama 2 Road

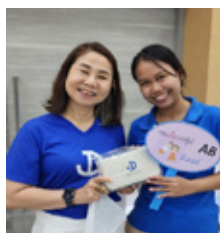




On April 13, 2023, company representatives delivered company products together with soy milk and other beverages to participate in merit-making activities for the Elderly Day. These products were donated to the elderly and residents of Community Group Moo 3, Bang Tho Rat Subdistrict, Mueang Samut Sakhon District



On April 15, 2023, company representatives participated in merit-making activities by offering alms to monks and pouring scented water over Buddha statues at Wat Bang Nam Won in Bang Tho Rat Subdistrict. This was done in celebration of Songkran, the Thai New Year, alongside the local community. This tradition, which has been passed down through generations, is an integral part of the Mon people's cultural heritage.



On August 18, 2023, the company organized a blood donation activity as a tribute to Her Majesty Queen Sirikit, the Queen Mother, on the occasion of the Thousand Years of the Royal Ancestor. This event took place at the company's office meeting room, with a significant number of executives and employees participating. The donated blood was presented to Samut Sakhon Hospital (Blood Donation Unit)





## **Mangrove Reforestation Project by JD Foods Public Company Limited**

### Target Group

Representatives of interested employees, totaling 20 individuals

### Objectives

1. To encourage employee involvement in the conservation and preservation of nature and the environment
2. To instill a sense of conservation of natural resources and promote unity among employees of JD Foods Public Company Limited
3. To contribute to the conservation of mangrove forests as a type of natural resource and environment
4. To preserve breeding grounds and habitats for aquatic animals

### Duration of Operation

September 16, 2023

### Project Implementation

Mahachai East Coast Natural Resources and Environment Conservation and Rehabilitation Learning and Practice Center

### Results of Operations

1. Increase in mangrove forest area
2. Employees have participated in the conservation and preservation of nature and the environment
3. Employees have developed a sense of conservation of natural resources and unity among company employees
4. Reduction in the problem of coastal soil erosion
5. Economic promotion by improving the economy, as mangrove forests serve as a food source for aquatic animals and provide breeding grounds for juveniles



## Project to Install Solar-Powered Brightening Lights on Highway Number 3274 (Community Group 3, Bang Tho Rat Subdistrict)

### Target Group

Employees of the company and individuals in the nearby community surrounding the business premises

### Objectives

1. To increase street lighting in Community Group 3, Bang Tho Rat Subdistrict, the community where the company operates
2. To ensure safe and efficient road usage for vehicle users
3. To enhance nighttime visibility and create a more illuminated environment
4. To prevent accidents and deter criminal activities for nighttime commuters

### Duration of Operation

During August to November 2023

### Project Implementation

NAKHONPATHOM HIGHWAY DISTRICT

### Results of Operations

1. The area in front of the business premises is now brighter
2. Road users can now travel more safely and smoothly







On September 13, 2023, Ms. Teerada Hosajakul, Deputy Managing Director, represented the company in receiving the CSR DIW-CONTINUOUS award from the Department of Industrial Works for the third consecutive year



On November 9, 2023, Ms. Wallee Chansuksurachode, Chief Operating Officer, represented the company in receiving the Krungsri ESG Awards 2023: Excellence Performance trophy from Krungsri Ayudhya Bank Limited



On December 12, 2023, Ms. Wallee Chansuksurachode, Chief Operating Officer, represented the company in receiving the Thai Labor Standards Certificate from the Governor of Samut Sakhon Province at the Office of Labor Welfare and Protection, Samut Sakhon Province



## Management Discussion and Analysis (MD&A)

### Overview of Performance Results for the Year 2023

statement of comprehensive income	For the fiscal year ended December 31					
	2022		2023		Change Increase (Decrease)	
	Million THB	%	Million THB	%	Million THB	%
<b>Revenues</b>						
Revenues	573.18	98.90	631.35	99.09	58.17	10.15
Other income	6.35	1.10	5.79	0.91	(0.56)	(8.75)
<b>Total revenue</b>	<b>579.53</b>	<b>100.00</b>	<b>637.14</b>	<b>100.00</b>	<b>57.61</b>	<b>9.94</b>
<b>Expenses</b>						
Cost of goods sold	419.55	72.39	453.56	71.19	34.01	8.10
Selling and distribution expenses	56.44	9.74	66.20	10.39	9.76	17.30
Administrative expenses	79.93	13.79	71.12	11.16	(8.81)	(11.01)
<b>Total expenses</b>	<b>555.92</b>	<b>95.92</b>	<b>590.88</b>	<b>92.74</b>	<b>34.96</b>	<b>6.29</b>
Finance cost	11.04	1.90	4.68	0.73	(6.36)	(57.63)
<b>Profit before income tax</b>	<b>12.57</b>	<b>2.17</b>	<b>41.58</b>	<b>6.52</b>	<b>29.01</b>	<b>230.77</b>
Income tax	0.69	0.12	(0.69)	(0.11)	(1.38)	(200.99)
<b>Profit for the year</b>	<b>11.88</b>	<b>2.05</b>	<b>42.27</b>	<b>6.63</b>	<b>30.39</b>	<b>255.77</b>

### Overview of the Company's business operations

JD Food Public Company Limited ("the Company") operates primarily in the production and distribution of seasoning products and dried food. The Company's product portfolio can be categorized into two main types based on the Company's distribution characteristics as follows:

1. Contract manufacturing products consist of food seasoning and crispy baked coconut snacks, as well as high-protein snack bars, sold to customers in the food industry, such as semi-finished instant noodles and snack bars, and restaurant businesses.
2. Products under the company's brand, distributed to general customers through wholesalers, large-scale retailers, and online channels. In the year 2023, the company introduced new products, including high-protein crispy baked snacks under the brand "Good Eats," products for the hotel, restaurant, and catering business (HORECA), and semi-finished curry paste under the brand "Kindee" with new flavors.

For the fiscal year ended December 31, 2023 and December 31, 2022, the company had total revenues of 637.14 million baht and 579.53 million baht, respectively. In 2023, the increase in total revenue was attributed to sales of products both domestically and internationally, the introduction of new products catering to both existing and new customers, and expansion of customer and product base into restaurant chains, dietary supplements, and more.

For the fiscal year ended December 31, 2023, and December 31, 2022, the company had total revenues of 637.14 million baht and 579.53 million baht, respectively. In 2023, the increase in total revenue was attributed to sales of products both domestically and internationally, the introduction of new products catering to both existing and new customers, and expansion of customer and product base into restaurant chains, dietary supplements, and more.

In 2023, the gross profit increased from product sales, with cost control and raw material management for net profit in 2023 and 2024 totaling 42.27 million baht and 11.88 million baht respectively. The increase in net profit stemmed from an increase in gross profit and a decrease in selling and administrative expenses, as well as financial cost expenses.

## Revenues

The company's revenue structure by product type from 2022 to 2023 is as follows

Product Type	For the fiscal year ended December 31			
	2022		2023	
	Million THB	%	Million THB	%
1. Revenue from contract manufacturing products (OEM) and others	524.81	90.55	557.32	87.47
2. Revenue from products under the company's brand (OWN Brand)	48.37	8.35	74.03	11.62
<b>Total revenue from sales</b>	<b>573.18</b>	<b>98.90</b>	<b>631.35</b>	<b>99.09</b>
Other income	6.35	1.10	5.79	0.91
<b>Total revenue</b>	<b>579.53</b>	<b>100.00</b>	<b>637.14</b>	<b>100.00</b>

In 2023 and 2022, revenue from contract manufacturing products amounted to 557.32 million baht and 524.81 million baht, respectively, accounting for 87.47% and 90.55% of total revenue, respectively. The main revenue came from contract manufacturing products, and revenue from products under the company's brand increased.

## Contract manufacturing products (OEM)

For the fiscal year 2023, revenue from contract manufacturing products amounted to 557.32 million baht, an increase of 32.51 million baht, or an increase of 6.19% compared to the previous year. Revenue from contract manufacturing products came from the following products:

1. Seasoning products for food accounted for more than 76% to 80% of total revenue. The company continuously added new flavors for customers. Additionally, the company expanded its product line of sauces and pastry fillings, focusing on developing products with unique flavors under international standards to meet the demands of customers producing goods for export.
2. Snack products saw a slight decrease in revenue due to economic downturns in Europe and North America. However, in 2023, the company introduced new high-protein and peach protein-containing snack products to leading customers, both domestically and internationally.



For the fiscal year 2022, revenue from contract manufacturing products amounted to 524.81 million baht, a decrease of 13.18 million baht, or a decrease of 2.45% compared to the previous year. The main reason for the decrease in revenue from contract manufacturing products was the negative impact of the COVID-19 pandemic, especially the severe situation in China, where lockdown measures were implemented due to the continued spread of the virus. This led to a decrease in sales compared to 2021.

## Products under the Company's brand

For products under the company's brand, the values for the years 2022 and 2023 were 74.03 million baht and 48.37 million baht, respectively. This accounts for approximately 12% and 8% of the total revenue, respectively. The product categories that experienced significant growth include:

- Crispy baked coconut snacks under the brands Crispconut and Coco Munchies, especially in the international market, particularly in China, experienced significant growth due to a substantial increase in customers. This was achieved by expanding distribution channels to enhance product distribution.
- The sales of instant curry under the brand Kindee have consistently grown to meet the demand of customers seeking convenience in cooking. The company has expanded its distribution channels and introduced new products. For example, the semi-finished curry paste under the brand Kin Dee has introduced new flavors such as boat noodles, five spice powder (Palo), and orange curry.
- Instant soups and high-protein snacks under the brand Good Eats have experienced continuous growth. The company has introduced snack products with the highest protein content in the market to meet the demand of health-conscious customers and those seeking high-protein options.
- Seasoning powder and pastry fillings under the brand OK saw a change in distributors in the middle of 2023 to ensure comprehensive product distribution nationwide. This change impacted a decrease in sales; however, the company is confident that sales will increase again in 2024 due to the enhanced distribution of products and joint marketing efforts with closely aligned distributors.

Furthermore, details of the company's revenue structure categorized by customer type from 2022 to 2023 are as follows:

Revenue structure by customer	For the fiscal year ended December 31st			
	2022		2023	
	Million THB	%	Million THB	%
1. Domestic customers	543.30	94.79	576.69	91.34
2. International customers	29.88	5.21	54.66	8.66
<b>Total revenue</b>	<b>573.18</b>	<b>100.00</b>	<b>631.35</b>	<b>100.00</b>



## Domestic customers

If considering the company's revenue divided by customer type, the company generates the majority of its revenue from sales to domestic customers, including customers in the food industry, food service businesses, and general customers. In 2023 and 2022, revenue from domestic customers amounted to 576.69 million baht and 543.29 million baht, respectively, accounting for 91.34% and 94.79% of total sales revenue, respectively. The growth breakdown by customer group is as follows:

- The snack customer group is the fastest-growing segment. It has the potential to grow with key customers. Sales have increased by selling raw materials imported to be used in manufacturing for major customers. Additionally, the company has successfully acquired several new customers, which will serve as a crucial customer base in the future.
- The HORECA customer group experienced growth in 2023 as this customer segment began to recover more compared to 2022. This was achieved by focusing on product development in collaboration with customers, introducing both new products and cost-effective options. The product categories with significant growth within this group were powdered shakes and drink mixes, with new flavor offerings introduced.
- The instant noodle customer group saw a decrease in powdered seasoning sales in 2023 due to changes in customer management policies. However, the company expanded its product range, especially with imported raw materials, to increase sales. In 2023, efforts were focused on sourcing and finding suppliers to ensure high-quality products meet customer standards, with confidence that sales will increase in 2024 with the introduction of imported products to replace the lost market share.
- An interesting market in 2023 was the dietary supplement market, particularly protein drink customers, which is currently experiencing significant growth. This led the company to expand into the dietary supplement market to learn and develop products according to customer needs.

## International customers

In 2023, the company's revenue from international customers amounted to 54.66 million baht, marking an increase of 24.78 million baht or 82.93% compared to the previous period. This rise in international revenue was driven by new customer orders and the expansion of distribution channels, particularly in the Asian region, including China, Korea, and Malaysia.

On the other hand, in 2022, the company's revenue from international customers totaled 29.88 million baht, reflecting a decrease of 7.25 million baht or 19.54% compared to the previous period. This decline was primarily due to reduced orders resulting from the impact of the COVID-19 pandemic, particularly the severe situation in China, which led to lockdowns in the country.





## Cost of goods sold and Gross profit

The cost of sales includes the cost of raw materials in production, packaging costs, employee expenses including both wages and overtime for production staff, depreciation of buildings, machinery, and equipment in the factory, provision for obsolete and defective goods, and utilities expenses, among others. The main components of the cost of sales are raw material costs and employee expenses, accounting for approximately 55% to 64% and 21% to 29% of the total cost of sales, respectively.

The list	For the fiscal year ended December 31			
	2022		2023	
	Million THB	%	Million THB	%
Revenue from sales	573.18	100.00	631.35	100.00
Cost of goods sold	419.55	73.20	453.56	71.84
Gross profit and gross profit margin	153.63	26.80	177.79	28.16

For the fiscal year ending on December 31, in 2023 and 2022, the company had selling expenses amounting to 453.56 million baht and 419.55 million baht, respectively. The proportion of selling expenses to revenue decreased by 71.84% from the previous year, where it was 73.20%. This change followed the same direction as the increase in the company's sales revenue. Additionally, the company replaced labor with machinery, reducing costs, and improved efficiency in purchasing raw materials management. Furthermore, the company installed Solar roof, reducing electricity costs, and implemented cost reduction policies. However, the company still faced challenges regarding global raw material prices, which increased, such as sugar, and exchange rates adjustments compared to the previous year. This led to price adjustments for some main raw materials. Additionally, some production expenses increased from the previous year, such as bonuses paid to employees based on the company's performance.

As for the gross profit from sales of the company, in 2023 and 2022, it amounted to 177.79 million baht and 153.63 million baht, respectively, or gross profit margin from sales of 28.16% and 26.80%, respectively.

## Selling and distribution expenses

For the years 2023 and 2022, the company had selling and distribution expenses amounting to 66.20 million baht and 56.44 million baht, respectively. This represents an increase of 9.76 million baht or 17.29 percent. The increased expenses were due to marketing and promotional costs, including brand awareness initiatives, product promotions to the HORECA market segment, and brand visibility through support in the Iron Chef program, as well as various online platforms such as Facebook, Instagram, and TikTok. These platforms are experiencing growth as markets. Additionally, the company participated in various domestic and international trade shows such as Thaifex 2023, Sial China 2023, and the Summer Fancy Food Show in New York City to enhance sales opportunities and to distribute annual bonuses based on company performance.

## Administrative expenses

For the years 2023 and 2022, the company had administrative expenses amounting to 71.12 million baht and 79.93 million baht, respectively. The company's administrative expenses decreased by 8.81 million baht, representing a decrease of 11.02 percent. This reduction is due to \*reversal of impairment loss on old machinery upgrading to produce protein snacks and decreased depreciation expenses resulting from the disposal of expired assets. Additionally, there were structural adjustments in management to enhance efficiency and align with the company's policies. In 2022, the company had increased management expenses related to securities market entry.

## Financial Costs

The financial costs of the company arise from loans from a commercial bank. For the year 2023, the financial costs amounted to 4.68 million baht, and for the year 2022, the financial costs amounted to 11.04 million baht. The decrease is due to repayments of the company's loan.

## Net Profit

For 2023 and 2022, the company had a net profit of 42.27 million baht and 11.88 million baht, respectively. The company's net profit increased by 30.39 million baht, representing a percentage increase of 255.81%. This increase in net profit occurred due to the reasons mentioned earlier.



## Financial Position

Balance Sheet	As of December 31st			
	2022		2023	
	Million THB	%	Million THB	%
<u>Assets</u>				
<u>Current assets</u>				
Cash and cash equivalents	50.70	5.73	72.40	8.54
Trade and other receivables	93.36	10.55	109.11	12.88
Inventories	47.75	5.40	54.29	6.41
Other current financial assets	50.66	5.73	0.78	0.09
Other current assets	0.20	0.02	0.16	0.02
<b>Total current assets</b>	<b>242.67</b>	<b>27.43</b>	<b>236.74</b>	<b>27.94</b>
<u>Non-current assets</u>				
Investment properties	41.96	4.74	33.13	3.91
Property, plant, and equipment	586.67	66.31	562.51	66.38
Intangible assets	6.02	0.68	5.47	0.65
Deferred tax assets	6.74	0.76	7.46	0.88
Other non - current assets	0.69	0.08	2.09	0.25
<b>Total non-current assets</b>	<b>642.08</b>	<b>72.57</b>	<b>610.66</b>	<b>72.06</b>
<b>Total assets</b>	<b>884.75</b>	<b>100.00</b>	<b>847.41</b>	<b>100.00</b>
<u>Liabilities and shareholders' equity</u>				
<u>Current liabilities</u>				
Short-term loans from financial institution	20.00	2.26	-	-
Trade and other payables	53.65	6.06	63.18	7.46
Current portion of lease liabilities	1.03	0.12	0.55	0.06
Current portion of long-term loans from financial institution	37.77	4.27	39.75	4.69
Income tax payable	1.25	0.14	-	-
Other current liabilities	2.04	0.23	1.44	0.17
<b>Total current liabilities</b>	<b>115.74</b>	<b>13.08</b>	<b>104.92</b>	<b>12.38</b>

Balance Sheet	As of December 31st			
	2022		2023	
	Million THB	%	Million THB	%
<u>Non-current liabilities</u>				
Lease liabilities - net of current portion	1.35	0.15	0.49	0.06
Long-term loans from financial institution - net of current portion	72.67	8.21	16.02	1.89
Provision for long-term employee benefits	26.19	2.96	27.00	3.19
<b>Total non-current liabilities</b>	<b>100.21</b>	<b>11.33</b>	<b>43.51</b>	<b>5.13</b>
<b>Total liabilities</b>	<b>215.95</b>	<b>24.41</b>	<b>148.43</b>	<b>17.52</b>
Shareholders' equity				
<u>Share capital</u>				
Registered				
600,000,000 ordinary shares of Baht 0.50 each	300	33.91	300	35.40
<b>Issued and fully paid up</b>				
600,000,000 ordinary shares of Baht 0.50 each	300	33.91	300	35.40
Share premium	303.17	34.27	303.17	35.78
<b>Retained earnings</b>				
Accumulated profits				
Appropriated - statutory reserve	23.26	2.63	25.46	3.00
Unappropriated	42.37	4.79	70.35	8.30
<b>Total shareholders' equity</b>	<b>668.80</b>	<b>75.59</b>	<b>698.98</b>	<b>82.48</b>
<b>Total liabilities and shareholders' equity</b>	<b>884.75</b>	<b>100.00</b>	<b>847.41</b>	<b>100.00</b>



## Assets

As of December 31, 2023, and 2022, the company had total assets amounting to 847.41 million baht and 884.75 million baht, respectively. The significant assets include land, buildings, and equipment, trade receivables and other receivables, investment properties, and inventory.

### 1. Cash and cash equivalents.

As of December 31, 2023, and 2022, the company's cash and cash equivalents consist of cash, and bank deposits. As of December 31, 2023, the company had cash and cash equivalents of 72.40 million baht, an increase of 21.70 million baht from the previous year. This increase was due to increased sales of products both domestically and internationally and from the sale of investment properties.

As of December 31, 2022, the company had cash and cash equivalents of 50.70 million baht, a decrease of 6.68 million baht from the previous year. This decrease was due to increased spending on machinery and an increase in investments in mutual funds of 50 million baht. However, the company still had sufficient cash flow for its normal operations.

### 2. Trade and other receivables

As of the end of 2023 and 2022, the company had net trade receivables of 96.96 million baht and 85.16 million baht, respectively. The majority of the company's trade receivables are from domestic sales, with an increase in trade receivables at the end of 2023 resulting from increased sales both domestically and internationally.

Regarding the company's trade credit policy, it follows agreements made with customers, which typically involve credit terms ranging from 30 to 60 days. However, the actual collection period depends on the payment policies and cycles of the customers, resulting in an actual collection period of approximately 49 to 61 days.

The quality of receivables and the provision for credit losses expected by the company are detailed as follows:

Trade Receivables and Other Receivables (Unit: Million Baht)	As of December 31	
	2022	2023
<b>Trade Receivables: Unrelated parties</b>		
Not yet due	72.10	79.87
Overdue		
- Less than 3 months overdue	13.29	17.19
- Overdue between 3 to 6 months	-	0.03
- Overdue between 6 to 12 months	1.83	0.06
- Overdue between 6 to 12 months	-	-
<u>Less:</u> allowance for expected credit losses	(2.06)	(0.19)
<b>Total trade receivables - nets</b>	<b>85.16</b>	<b>96.96</b>



Trade Receivables and Other Receivables (Unit: Million Baht)	As of December 31	
	2022	2023
<b><u>Other receivables</u></b>		
Other receivables - Unrelated parties	6.38	9.93
Prepaid expenses	2.55	3.19
Customs duty refundable	0.14	-
Advance payment	0.13	0.03
<b><u>Less:</u></b> allowance for expected credit losses	(1.00)	(1.00)
<b>Total other receivables - nets</b>	<b>8.20</b>	<b>12.15</b>
<b>Total trade and other receivables</b>	<b>93.36</b>	<b>109.11</b>

Based on the above table, it is found that in terms of the value of trade receivables segmented by aging, the majority of trade receivables are comprised of receivables that are not yet due and receivables that are overdue but not more than 3 months. The Company adopted Thai Financial Reports standard No.9 since 2023 and determined allowances for expected credit losses using the Simplified Approach method, relying on management's judgment in estimating the debt repayment of each debtor and the credit loss rate of each stage of debt. For the years 2023 and 2022, the company had estimated credit loss provisions for trade receivables in the amounts of 0.19 million Baht and 2.06 million Baht, respectively, with the main reason for the decrease being debt write-offs.

For other receivables, they consist receivables of unrelated, parties including the following:

1. Suspense accounts for foreign currency deposits awaiting deposit. These represent payments received from foreign trade receivables in foreign currency deposit accounts (FCD), subject to regulations regarding the transfer or withdrawal of foreign currency by the Bank of Thailand.
2. Other accounts receivable.
3. Prepaid expenses, such as security deposits for exhibitions, prepaid seminar fees, annual internet network service fees, and advance payments.

At the end of the year 2023 and 2022, the company had other liabilities amounting to 12.15 million baht and 8.20 million baht, respectively.

As of December 31, 2023, the company had other liabilities net amounting to 12.15 million baht, an increase of 3.95 million baht, with deductions for the estimated credit loss of 1.00 million baht.

As of December 31, 2022, the company had other liabilities net amounting to 8.20 million baht, an increase of 2.59 million baht, with deductions for the estimated credit loss of 1.00 million baht.



### 3. Inventory

The company's net inventory at the end of the accounting year 2023 and 2022 amounted to 54.29 million baht and 47.75 million baht, respectively. The details of the remaining inventory are as follows:

The List	As of December 31			
	2022		2023	
	Total (Million THB)	%	Total (Million THB)	%
Raw materials	21.60	43.97	22.84	38.32
Packaging Material	10.39	21.14	11.22	18.82
Spare parts and factory supplies	2.02	4.11	3.94	6.60
Work in process	6.89	14.04	9.83	16.48
Finished good	7.47	15.21	11.79	19.78
Goods in Transit	0.75	1.53	-	-
<b>Total Inventory</b>	<b>49.12</b>	<b>100.00</b>	<b>59.62</b>	<b>100.00</b>
<u>Less:</u> provision for decrease in inventory value	(0.47)		(0.24)	
<u>Less:</u> provision for obsolete inventory	(0.90)		(5.09)	
<b>Total Inventory - Net</b>	<b>47.75</b>		<b>54.29</b>	

As of December 31, 2023, the company had inventory before deducting the decrease and obsolescence of 59.62 million baht which increased by 10.50 million baht or 21.38 percent compared to the end of 2022. This increase was attributed to the successful production of finished goods and ongoing company operations.

As of December 31, 2023, the company had inventory before deducting the decrease and obsolescence 49.12 million baht, which decreased by 2.15 million baht or increased by 4.19 percent compared to the end of 2022. This decrease was due to the reduction in finished goods inventory as part of the company's normal operations.

For the policy of setting aside allowances for inventory reduction and obsolescence, the company considers 13 types of products based on the characteristics of remaining inventory, storage lifespan according to the Certificate of Analysis (COA) from suppliers, quality control's evaluation of product expiration, and the movement rate of remaining inventory. As of December 31, 2023, and 2022, the company has set aside allowances for obsolescence amounting to 5.09 million baht and 0.90 million baht, respectively. Additionally, the company has set aside allowances for the reduction of net realizable value (NRV) of finished goods, amounting to 0.24 million baht in 2023 and 0.47 million baht in 2022. The allowances for inventory reduction and obsolescence are calculated by comparing the cost and net realizable value, and the company records the difference that arises when the net realizable value is lower than the cost.

#### **4. Other current assets**

Other current assets of the company include accrued input tax, refundable interest income receivable, and deposits. As of December 31, 2023, and 2022, the company had other current assets amounting to 0.16 million baht and 0.20 million baht, respectively.

#### **5. Investment properties**

The company had investment properties for the fiscal year 2023 and 2022 totaling 33.13 million baht and 41.96 million baht respectively. As of December 31, 2023, the company's investment properties amounted to 33.13 million baht, a decrease of 8.83 million baht from the end of the 2022 fiscal year due to the sale of land and regular depreciation of property prices.

As of December 31, 2022, the company had investment properties amounting to 41.96 million baht, a decrease of 2.51 million baht from the end of the 2021 fiscal year due to regular depreciation of property prices.

Each item of the company's investment properties has been mortgaged to a financial institution and is pending sale. These properties are being independently appraised for fair market value using both market comparison and cost approaches.

#### **6. Property, plant, and equipment**

The company's land, buildings, and equipment net amounted to 562.51 million baht for the fiscal year 2023 and 586.67 million baht for the fiscal year 2022. The majority of this consists of buildings and improvements, machinery and equipment, and land.

As of the end of the fiscal year 2023, the company's land, buildings, and equipment net amounted to 562.51 million baht, a decrease of 24.16 million baht compared to the end of the fiscal year 2022. The main reasons for this decrease were the sale of assets (vehicles), depreciation of assets, and reduced asset purchases.

As of the end of the fiscal year 2022, the company's land, buildings, and equipment net amounted to 586.67 million baht, a decrease of 15.48 million baht compared to the end of the fiscal year 2021. The main reasons for this decrease were depreciation of assets and reduced asset purchases.

### **Liabilities**

As of December 31, 2023, and 2022, the company's total liabilities amounted to 148.43 million baht and 215.95 million baht, respectively, representing 17.52% and 24.41% of the total liabilities and owner's equity, respectively. The main liabilities of the company include long-term loans from financial institutions and trade payables and other payables.

#### **1. Short-term loans from financial institution**

At the end of the year 2022, the company had a short-term loan from a financial institution amounting to 20.00 million baht. This loan was in the form of a short-term borrowing agreement with a financial institution to be used for business operations to enhance the company's liquidity. In the year 2023, there were no outstanding short-term loans as they had been fully repaid.



## 2. Trade and other payables

Accounts Payable and Other Payables (Unit: Million Baht)	December 31	
	2022	2023
Trade payables -unrelated parties	35.05	25.72
<u>Other payables</u>		
Other payables - unrelated parties	3.33	5.24
Accrued expenses	13.65	29.17
Other liabilities (Performance guarantee payable and tax liabilities)	1.62	3.05
Net Other Liabilities	18.60	37.46
Total Trade Payables and Other Payables	53.65	63.18

For the fiscal years 2023 and 2022, the company had trade payables and other payables amounting to 63.18 million baht and 53.65 million baht, respectively. Trade payables and other payables of the company consist of trade payable which credit term of approximately 30 to 60 days, other payable, accrued expenses, retention payables and tax payables.

For trade payables, as of the end of fiscal year 2023, the company had trade payables amounting to 25.72 million baht, representing a decrease of 9.33 million baht or a decrease of 26.62% compared to the previous fiscal year. As of the end of fiscal year 2022, the company had trade payables amounting to 35.05 million baht, which increased by 4.04 million baht or an increase of 13.03% compared to the previous fiscal year 2021. This increase was due to orders for goods purchased to meet customer demand in the November and December months of 2022, with a credit payment term of 60 days leading to an increase in trade payable.

For other payables, the company had total other payables of 37.46 million baht and 18.60 million baht for fiscal years 2023 and 2022, respectively.

## 3. Lease liabilities

Company's lease liabilities consist of leases for vehicles provided as benefits for executives and senior management. These lease liabilities include both short-term lease liabilities, due within one year, and long-term lease liabilities.

The list (Unit: Million Baht)	31 December 2022	31 December 2023
Current portion of lease liabilities	1.03	0.55
Lease liabilities - net of current portion	1.35	0.49
Total lease liabilities	2.38	1.04
The number of vehicles leased by the company (number of vehicles)	5	2

#### 4. Long-term loans from financial institutions

The list (Unit: Million Baht)	31 December 2022	31 December 2023
Current portion of long-term loans from financial institution	37.77	39.75
Long-term loans from financial institution - net of current portion	72.67	16.02
<b>Total long-term loans</b>	<b>110.44</b>	<b>55.77</b>

The company had long-term loans from financial institutions for the fiscal year ending December 31, 2023, and 2022, amounting to 55.77 million baht and 110.44 million baht, respectively. In 2022, the company had long-term loans from financial institutions remaining at 110.44 million baht.

At the end of 2023, the company had long-term loans from financial institutions remaining at 55.77 million baht, decreased by 54.67 million baht from 2022, representing a decrease of 49.50 percent. This reduction was due to loan repayments, and there were no additional borrowings.

The long-term loans above can be summarized with loan details and borrowing purposes as follows;

The loan agreement	Objectives	Loan amount (Million THB)	Debt burden as of December 31, 2023 (Million THB)	Interest rate on borrowed funds (Annual Percentage)
Loan agreement, No. 1	For the construction of buildings and structures for the Bang Thorat Factory.	70.00	-	Year 1 to Year 2: MLR-2% Year 3 to Year 4: MLR-1.75% Subsequent years: MLR-1.5%
Loan agreement, No. 2	For the construction of factory buildings and various systems for the Bang Thorat factory	210.00	55.77	
Loan agreement, No. 3	To purchase machinery for the Bang Thorat factory	40.00	-	

#### Shareholders' equity

The company's shareholders' equity for the year ended December 31, 2023, and 2022 was 698.98 million baht and 668.80 million baht, respectively. The company had a share premium of 303.17 million baht.

Retained Earnings – Legal Reserve of the Company. As of December 31, 2023, and 2022, the retained earnings – legal reserve of the company were 25.46 million baht and 23.26 million baht, respectively. Since 2020, the company has set aside a portion of its annual net profit as a legal reserve, in accordance with the Public Limited Companies Act, which requires companies to set aside at least 5.00% of their annual net profit until the legal reserve reaches 10.00% of the company's registered capital.





## Liquidity and Sources of Funds for a Company

The List	For the year ended December 31	
	2022	2023
	Million THB	Million THB
Net cash provided by (used in) operating activities	78.32	75.34
Net cash provided by (used in) investing activities	(82.20)	39.16
The net cash is derived from (used in) fundraising activities	(2.99)	(92.81)

For the fiscal year ended December 31, 2023, the Company generated net cash from operating activities of 75.34 million baht. This was primarily driven by the operating profit before changes in working capital less the increases in accounts receivable and inventories. This results in net cash of 75.45 million baht.

For the fiscal year ended December 31, 2022, the Company generated net cash from operating activities of 78.32 million baht. This was primarily driven by the operating profit before changes in working capital of 77.15 million baht.

For the fiscal years ended December 31, 2023, for, the Company had cash from investing activities of 39.16 million baht and year 2022: The Company had cash used in investing activities of 82.20 million baht.

For the fiscal year ended December 31, 2023, the Company had cash inflows from 1) sale of debt securities of Capital Nomura Securities Public Company Limited for 50 million baht 2) sale of investment properties and land and buildings for 9.02 million baht. There were purchases of assets of 19.58 million baht.

For the fiscal year ending December 31, 2022, the company had a cash outflow of 82.20 million baht for investment activities, from the net investment in debt securities of Capital Nomura Securities Public Company Limited, amounting to 50 million baht.

For the fiscal year ending December 31, 2023, and 2022, the company had cash flows used in financing activities of 92.81 million baht and 2.99 million baht, respectively. In 2023, the company's cash outflows from financing activities were primarily used for repayment of short-term borrowings from financial institutions amounting to 20 million baht, repayment of long-term borrowings from financial institutions, and interest payment totaling 59.04 million baht, and dividend payment for the fiscal year 2022 in May 2023, amounting to 12.00 million baht.

For the fiscal year 2022, the company had a significant cash outflow from financing activities, primarily used to repayment short-term borrowings from financial institutions amounting to 230 million baht and repayment long-term borrowings from financial institutions amounting to 137.51 million baht. However, the company received cash from issuing ordinary shares to increase capital amounting to 390 million baht.

## Key financial ratios

Financial ratios	Unit	The fiscal year ending on December 31 <sup>st</sup>	
		2022	2023
Current ratio	Ratio	2.10	2.26
Liquidity ratio	Ratio	1.24	1.73
Cash flow liquidity ratio	Ratio	0.32	0.69
Accounts receivable turnover ratio	Ratio	6.47	6.85
Days sales outstanding (DSO)	Day	56	53
Accounts payable turnover ratio	Ratio	12.70	14.93
Days payable outstanding (DPO)	Day	28	24
Finished goods ratio	Ratio	43.32	47.09
Average inventory turnover period	Day	8	8
Inventory turnover ratio	Ratio	8.36	8.34
Average selling period	Day	43	43
Cash Cycle	Day	70	72
Gross profit margin	Percentage	26.80	28.16
Operating profit margin	Percentage	4.12	7.33
Other profit margin	Percentage	1.09	0.99
Cash to profit ratio	Percentage	331.39	165.03
Net profit margin	Percentage	2.05	6.63
Return on equity (ROE)	Percentage	2.52	6.18
Return on assets (ROA)	Percentage	1.36	4.88
Return on investment (ROI)	Percentage	10.18	16.13
Asset turnover ratio	Ratio	0.01	0.05
Debt-to-equity ratio	Ratio	0.32	0.21
Interest coverage ratio <sup>/1</sup>	Ratio	6.61	20.84
Interest bearing debt to EBITDA ratio	Ratio	1.82	0.58
Debt service coverage ratio (Cash Basis) <sup>/2</sup>	Ratio	1.24	2.42
Dividend payout ratio <sup>/3</sup>	Percentage	-	28.39

Remark: <sup>/1</sup> Calculate from the sum of net income before deduction of interest, tax, depreciation, and amortization divided by dividends paid.

<sup>/2</sup> Calculate from the sum of net income before deduction of interest, tax, depreciation, and amortization divided by the sum of short-term debt bearing interest and long-term debt bearing interest that is due within 1 year.

<sup>/3</sup> The dividend payout ratio is derived from distributing dividends from retained earnings to existing shareholders. Furthermore, in the future, the dividend payout ratio will follow the company's policy.



## General Information and Other key Information

### 5.1 General Information

Company Name	: JD Food Public Company Limited
Initial Securities	: JDF
Business	: Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business
Business Type	: Food and Beverages
Industry Category	: Agriculture and Food
Company Registration	: 0107563000151
Head Office Address	: 116, 116/1, 116/2 Moo 3, Bangthorat Subdistrict, Mueang Samut Sakhon District, Samut Sakhon 74000
Branches' Address	: Branch 1: 48/52 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon 74000 Branch 2: 48/63 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon 74000 Branch 3: 48/51 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon 74000 Branch 4: 48/49 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon 74000 Branch 5: 48/50 Moo 1, Ekachai Road, Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon 74000 Branch 6: 56/5 Moo 4, Lat Peng-Bang Tabun Road, Lat Yai Subdistrict, Mueang Samut Songkhram District, Samut Songkhram 75000 Branch 7: 56/2 Moo 4, Lat Peng-Bang Tabun Road, Lat Yai Subdistrict, Mueang Samut Songkhram District, Samut Songkhram 75000
Contact	: 116, 116/1, 116/2 หมู่ที่ 3 ตำบลบางโหด อำเภอเมืองสมุทรสาคร จังหวัดสมุทรสาคร 74000
Registered Capital	: 300,000,000 บาท
Paid-up Capital	: 300,000,000 บาท
Issued and Paid Share	: 600,000,000 หุ้น
Par Value	: 0.50 บาท
Telephone	: +66 (0) 3444 0681 - 2
Fax	: +66 (0) 3444 0683
Website	: www.jdfthailand.com
Investor Relations	: ir@jdfthailand.com

## 5.2 Other References

### Securities Registrar

Company Name	:	<b>Thailand Securities Depository Company Limited</b>
Head Office Address	:	The Stock Exchange of Thailand Building 93, Ratchadapisek Road, Din Daeng, Bangkok 10400
Telephone	:	+66 (0) 2009 9999
Fax	:	+66 (0) 2009 9991

### Auditor

Company Name	:	<b>EY Office Company Limited</b>
Head Office Address	:	33 <sup>rd</sup> Floor, Lake Rajada Office Complex 193/136-137, Ratchadapisek Road, Khlong Toei, Bangkok 10110
Telephone	:	+66 (0) 2264 9090
Fax	:	+66 (0) 2264 0789

### Internal Auditor

Company Name	:	<b>Dharmniti Internal Audit Company Limited</b>
Head Office Address	:	5 <sup>th</sup> Floor, Dharmniti Building, Zone B 178, Soi Permsup (Prachachuen Rd. Soi 20) Bangsue, Bangkok 10800
Telephone	:	+66 (0) 2596 0500
Fax	:	-

### Legal Consultant

Company Name	:	<b>Ms. Nilubol Lertnuwat</b>
Head Office Address	:	12/1, Ladprao Rd. Soi 93, Klong Chao Khun Sing, Wang Thonglang, Bangkok 10310
Telephone	:	-
Fax	:	-

## 5.3 Legal Disputes

As of December 31, 2023, the Company is not involved in any legal disputes, which are (1) litigation or disputes that may have a negative impact on the Company's assets in an amount higher than 5% of the shareholders' equity, (2) lawsuits or disputes that can significantly affect the Company's business operations of which the financial impact can be assessed, and (3) lawsuits that are not caused by the Company's normal business operations.

## 5.4 Secondary Markets

- None -





## 2

## Corporate Governance

Corporate Governance Policy	106
Corporate Governance Structure and Key Information about the Board of Directors, Subcommittees, Management, Employees, and Others	117
Key Performance Report on Corporate Governance	147
Internal Control and Segregation of Duties	165







## Corporate Governance Policy

---

### 6.1 Overview on Corporate Governance and Guidelines

The Company has recognized and emphasized the importance of an efficient, transparent, and inspectable management system, which will instill confidence in shareholders, investors and all concerned parties, leading to sustained business growth under ethical and legal principles. The Company has, therefore, established a policy for good governance to enhance existing operations and establish clear standards that are communicated to all employees at all levels, truly promoting a culture of corporate governance.

The Company established a good governance policy that aligns with the principles of good corporate governance for registered companies under the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), which references the globally recognized corporate governance principles. Along with that, the Company has adopted and developed the Corporate Governance Code for Listed Companies 2017 (CG Code) to guide its operations and build confidence that its operations are fair and take into consideration the maximum benefits of shareholders and all stakeholders. The Company also created a business ethics manual in written form to establish standards for quality and credibility in its operations, as well as conducting annual reviews of the policy and manual to ensure alignment with its operations.

#### 6.1.1 Policy and Guidelines Concerning Board of Directors, Shareholders and Stakeholders

The Company has formulated policy and guidelines concerning Board of Directors, shareholders and stakeholders covering 8 principles of corporate governance which is consistent with the Corporate Governance Code for Listed Companies 2017 (CG Code) of the Securities and Exchange Commission, Thailand as follows:

##### **Principle 1: Establish Clear Leadership Role and Responsibilities of the Board**

The Company's Board of Directors understands and is aware of its role, responsibilities, and principles of good corporate governance as a leader to oversee the organization in compliance with the law, objectives, regulations, decisions made by the board and the shareholders' meeting, with responsibility, caution, honesty and to protect the rights and interests of all shareholders. Additionally, the board also participates in providing advice on defining the visions, strategies, directions of the business, policies, and objectives of the Company with the management.



At the end of each year, as the Company's next year budget presentation is made by the management, the Board of Directors shall provide recommendations and observations for the management to create budget plans within the Company's framework in the future and to ensure they can achieve their goals. The Board shall also oversee and monitor the management team's operations and performances to ensure sustainable, long-term growth.

In addition, the Board of Directors appointed sub-committees, including the Audit Committee, the Nomination and Remuneration Committee, the Risk Management Committee, and the Executive Committee, to support, monitor and oversee the implementation and management of the operations. The board has clearly defined the roles and responsibilities of each subcommittee and the management and executives are supervised and monitored to perform their duties in accordance with accountability and responsibility, duty of care and duty of loyalty, while also ensuring compliance with the relevant laws, regulations, the board's resolutions, shareholder resolutions and the Company's policies, such as the social responsibility policy, anti-corruption policy and the business ethics. This is for the purpose of conducting business with integrity for the benefit of society, respecting rights and having responsibility towards shareholders and stakeholders, as well as reducing environmental impact. The board has communicated various policies to executives and employees for understanding, comprehension, and implementation. The board also has the responsibility to review and revise policies to align with changing circumstances for the Company to adapt accordingly.

## **Principle 2: Define the Main Objectives and Goals of the Business for Sustainability**

The Board of Directors must define the main objectives and goals in business operations of the Company which create sustainable value creation and consistent with the overall value creation to the business, customers, stakeholders, and society. All levels of employees should be informed of the above-mentioned objectives and goals and perform their duty to achieve such objectives and goals as corporate culture.

In addition, the Board of Directors will promote the application of technology and innovation in business operations to comply with the policy with efficiency. The objectives, goal and strategic plan must be reviewed annually to ensure that the Company's strategic plan is consistent with the economic situation, potential of the organization and the main goal. Monitoring closely and evaluation must be conducted.

## **Principle 3: Enhance the Board of Directors' Efficiency.**

The Board of directors is aware of the benefits for shareholders, investors, and organizations, and therefore places importance on the nomination and appointment of quality board members and sub-committee members to enhance the Company's strengths in the long term. The board delegated the Nomination and Remuneration Committee to determine and review the directors' structure in terms of directors' number, proportion of independent directors and various qualifications, including knowledge, expertise, experience, and specific abilities to align with the Company's operations. Additionally, the appointment of sub-committees is made to support the duties of the Board of Directors to create confidence in shareholders and outside parties.

## **The Nomination and Appointment of Directors**

### **Independent Directors**

The Company specifies that the proportion of independent directors shall be at least 1 of 3 of the total director number, but not less than 3. Currently, the Company has 6 independent directors, namely Prof. Dr. Surapon Nitikraipot, Mr. Sorasit Soontornkes, Mr. Danai Watanachariya, Mr. Jirawat Liwprasert, Mr. Pisit Serewiwattana and Dr. Tanai Charinsarn. All independent directors have the qualifications specified in the notice of the Capital Market Supervisory Board, as well as the regulations of the Securities and Exchange of Thailand and other related regulations, criteria, laws.

### **Director Nomination Guidelines**

The Nomination and Remuneration Committee is responsible for evaluating suitable individuals to be nominated as directors and independent directors prepared as a Director Pool, including evaluating qualified individuals who are nominated by shareholders and directors, as well as those passed the training and are listed as recommended by the IOD Chartered Directors who have the knowledge and expertise in the areas that the company requires according to the Board Skill Matrix. The evaluation will be reviewed on an annual basis to align with the Company's strategy and business direction.

### **Determination of Directors' Qualifications and Nomination**

The Board of Directors has delegated the Nomination and Remuneration Committee to determine the procedure of selecting suitable individuals and the qualifications of each sub-committees, emphasizing various qualifications, including skills, experience, and beneficial abilities. The board shall ensure transparency in the nomination process and set the compensation of directors in line with the Company's long-term strategies and goals, experience, obligations, accountability, and responsibility to enhance confidence in shareholders and external parties.

### **Criteria and Methods for Selecting Individuals to be Nominated for Election as Directors**

1. For the nomination of individuals to be elected as directors in the shareholders' meeting in place of directors who retired by rotation, the Nomination and Remuneration Committee shall propose the list to the Board of Directors for consideration before presenting to the shareholders' meeting. It is the right of each shareholder to propose other individuals, and the authority to consider any individual as a director lies with the shareholders.
2. Each shareholder has one vote per share.
3. Each shareholder can use their existing votes to elect one or multiple individuals as directors. In the case of electing multiple individuals as directors, the votes will not be divided in any proportion to everyone.
4. Individuals receiving the highest number of votes in order are elected as directors, to the extent of the director number to be elected in that election. In the case that the person elected in the next order has an equal number of votes exceeding the number of directors to be elected, selection shall be made by drawing lots to determine the elected directors.



## Performance Assessment and Knowledge Development

### 1. Performance Assessment of Board of Directors

The Company has arranged the performance assessments and reviews of the duties of the Board of Directors and sub-committees on an annual basis, at least once a year. The assessments are divided into two types as a Whole Assessment and Self-Assessment. The results are analyzed by the Board of Directors to identify conclusions and determine measures for improving the board's performance in the future.

For As a Whole Assessment and Self-Assessment, the Nomination and Remuneration Committee will consider the assessment forms of the board and sub-committees' performance before presenting them to the Board of Directors for consideration.

The Company's Secretary has sent out evaluation forms to all directors to assess the boards and sub-committees' performance in which they are holding positions. Afterward, the Secretary shall summarize the results and present them to the Nomination and Remuneration Committee and the Board of Directors for consideration in sequence.

In 2023, the performance assessment results of the Board of Directors and sub-committees can be summarized as follows:

Performance Evaluation of the Committees	2022		2023	
	Average score	Evaluation results	Average score	Evaluation results
1. Evaluation of the overall performance of the committees	3.64	Excellent	3.84	Excellent
2. Evaluation of the performance of sub-committees is as follows:				
2.1 Audit Committee	3.87	Excellent	3.93	Excellent
2.2. Nomination and Remuneration Committee	3.68	Excellent	3.54	Good
2.3 Risk Management Committee	3.87	Excellent	3.94	Excellent
2.4 Management Committee	2.42	Moderate	3.40	Good
3. Evaluation of the individual committee member's performance (self-assessment)	3.70	Excellent	3.83	Excellent

**Noted:**

The meaning of the scores: 3.60 - 4.00 (Excellent)/ 2.60 - 3.59 (Good)/ 1.60 - 2.59 (Moderate)/ 0.00 - 1.59 (Needs Improvement)

### 2. Performance Assessment of Chief Executive Officer and Managing Director

The Board of Directors and the Nomination and Remuneration Committee shall evaluate the performance of the Chief Executive Officer and Managing Directors based on the Company's business performance, the implementation of the policies assigned by the board, as well as economic and social circumstances. The Nomination and Remuneration Committee will use the information to determine compensation for the Chief Executive officer and Managing Director and present it to the Board of Directors for consideration.

### **3. Development of Directors and Senior Executives**

In accordance with the principles of good corporate governance for the fiscal year 2017 recommended by the Office of the Securities and Exchange Commission (SEC), one practice guideline suggests that the company's board of directors should oversee and ensure that both the board of directors as a whole and individual members have knowledge and understanding of their roles, the nature of the business, and relevant laws related to business operations. Furthermore, it advocates for continuous support in enhancing skills and knowledge for the regular duties of board members.

In the year 2023, the company's board of directors participated in various training programs as follows:

1. Risk Management Program for Corporate Leaders (RCL) course organized by the Thai Institute of Directors (IOD).
2. Seminar on Financial Reporting Integrity in the Thai Capital Market and Sustainability in the Downturn Economy and Measures to Reduce Global Warming, organized by EY
3. Advanced Master of Management course organized by the National Institute of Development Administration (NIDA)

### **Principle 4: Nominate and Encourage Development of Top Executives and Personnel Management.**

The Board of Directors shall ensure that the Company has a proper and adequate process for appointing high-level directors and executives and they follow the Succession Plan as stated in the Company's code of conduct to drive the organization towards its goals. The board shall ensure a fair compensation structure and performance assessment in collaboration with the Nomination and Remuneration Committee, which will consider the appropriate criteria for compensation in comparison to other companies in the same industry to ensure fairness. Additionally, the board is responsible for monitoring and developing personnel through training, imparting knowledge, and skills, as well as promoting teamwork to increase the abilities and experiences of the Company's employees.

Also, the board shall emphasize the understanding of structure and relationships of shareholders, which may have an impact on the Company's operations and decision-making power. To avoid any hindrance to the board's performance, it shall ensure that there is proper disclosure of sensitive information.

### **Principle 5: Promote Innovation and Responsible Business.**

The Board of Directors shall ensure that the management operates the business with responsibility to the society and environment, reflecting in the operational plan to ensure that all departments of the organization act in alignment with objectives, main goals, and strategies of the business.

In addition, the Board of Directors shall prioritize and support the creation of innovations that bring value to the Company while also benefiting customers or stakeholders. This is to ensure social and environmental responsibility, which will drive the Company's operations and increase its value based on changing environmental factors. This may involve defining the Business Model, developing new products and services, analyzing, and improving production processes and collaborating with partners.





Furthermore, the Board of Directors shall control treatment towards its employees related to operations by following business ethics. The company recognizes that employees are the most valuable asset and therefore emphasizes compliance with labor and social welfare laws. The Company also aims to encourage employees to have a sense of duty and responsibility, a sense of pride and trust in the organization and a focus on teamwork. In addition, the board and the Company promote employee training in topics related and beneficial to the operations. The employee compensation is evaluated based on their performance in a fair manner and in line with the Company's short and long-term results, as well as in comparison with other businesses in the industry. There is also continuous promotion and development of employees' knowledge and skills, with employee rights taken into consideration by providing opportunities for them to voice their concerns in case of unfair treatment through various channels such as suggestion boxes or the human resources department.

In addition, the Board of Directors has the responsibility to ensure that the Company conducts its business in an ethical manner, is socially and environmentally responsible and respects the rights of stakeholders to guide the Company in achieving its goals and objectives sustainably. In conducting policy or guidelines, the board shall include the responsibility to customers, partners, communities especially the surrounding ones and competitors. The company shall operate transparently, openly and does not create unfair competition. The board shall also prevent any corrupt practices.

#### **Principle 6: Ensure Appropriate Risk Management and Internal Controls.**

The Board of Directors shall ensure that the Company has risk management and internal controls that will effectively achieve its objectives and comply with relevant laws and standards. The board has also appointed the Audit Committee, who are independent directors and have no disqualifications according to the relevant laws to carry out their duties impartially. The responsibilities of the Audit Committee assigned by the board include conducting an inspection of financial reports, reviewing the internal controls, compliance with laws, the selection of auditors, the disclosure of the Company's information and the preparation of the Audit Committee's report, etc.

To ensure that the Board of Directors can efficiently supervise risk management and internal controls, relevant policies have been established to help manage corporate governance, such as business ethics and work guidelines, risk management policy, connected transaction policy, inside information usage policy, anti-corruption policy, whistleblowing policy and corporate social responsibility policy, etc.

In addition, the Board of Directors has established a clear anti-corruption policy and communicated it to all levels of personnel to ensure effective implementation. The board also has implemented projects or strategies to combat corruption, as well as supported activities that promote and instill compliance with relevant laws and regulations among all employees. There is a procedure for receiving complaints from all stakeholders, including shareholders, customers, competitors, creditors, government, community, society, management, and employees, in case of alleged corruption via communication channels as follows:

1. In a case where the position of the person being complained about is lower than the Chief Executive Officer and Managing Director levels:
  - Reporting complaints to Company Secretary and/or Internal Audit and/or Chief Executive Officer and Managing Director via a postal channel to:  
JD FOOD PUBLIC COMPANY LIMITED OFFICE  
No. 116,116/1,116/2 Moo 3, Bang Tho Rat, Mueang Samut Sakhon, Samut Sakhon 74000 Thailand
2. In a case where the position of the person being complained about is at the Chief Executive Officer and Managing Director levels or higher:
  - Reporting complaints to Audit Committee via a postal channel to:  
JD FOOD PUBLIC COMPANY LIMITED OFFICE  
No. 116,116/1,116/2 Moo 3, Bang Tho Rat, Mueang Samut Sakhon, Samut Sakhon 74000 Thailand

The procedure will be kept confidential, and the confidentiality of the informant or complainer will be maintained to provide convenient and appropriate opportunities for employees and stakeholders to report any violations or complaints to the Company. In addition, the Company has established protection measures for informants or complainers, witnesses and individuals who provide information in the investigation to prevent any harm or injustice that may arise from reporting violations or complaints, being a witness, or providing information to the Company.

### **Principle 7: Maintain Integrity on Financial Status and Information Disclosure**

The Board of Directors is responsible for overseeing the financial reporting and disclosure of important information accurately, timely and in accordance with relevant standards and practices, ensuring that there are qualified personnel to handle financial reporting and disclosure and monitoring the adequacy of the Company's liquidity and debt repayment capabilities, including contingency plans in case of financial difficulties while considering the rights of stakeholders.

In this regard, Investor Relations is tasked with communicating and disseminating useful information to shareholders, investors, analysts, and relevant parties equally and in a timely manner, as well as ensuring that the disclosures meet the standards set by the Securities and Exchange Commission, the Stock Exchange of Thailand, and related agencies, such as the annual report and website, as well as ensuring that important information that affects the Company's share price is disclosed accurately and sufficiently for investors to make informed decisions.

### **Principle 8: Promote Engagement and Communication with Shareholders.**

The Board of Directors and the Company emphasizes the importance of treating shareholders equally and providing them with confidence that their rights as shareholders are fully respected, such as the right to buy, sell or transfer shares, the right to share in the Company's profits, the right to receive adequate information through the Company's or the stock market's website, or by other means, and the right to participate in meetings to exercise their voting rights independently in the appointment or removal of directors. The voting topics also include the consideration of compensation for directors, the appointment of auditors, the dividend payment, the issuance of new shares, as well as questions to the Board of Directors regarding their reports and other matters presented



at the meeting, to consider and approve the right to propose agendas for future meetings and to nominate candidates for election as directors. Shareholders shall participate in making important decisions of the Company, with each shareholder having the right to vote according to the number of shares held, with each share having one vote.

In addition, the Board of Directors is aware of and prioritizes the rights of shareholders. The board shall not take any action that violates or infringes on the rights of shareholders and ensure that shareholders have a say in important company decisions. The shareholders' meetings shall be conducted in an orderly, transparent, efficient manner and conducive to shareholders exercising their rights. The resolutions of shareholder meetings and reports on shareholder meetings shall be disclosed accurately and completely.

## 6.2 Business Ethics

The Company is committed to sustainable business growth with transparency and integrity in accordance with the law and emphasizes good corporate governance and responsibility to society. Therefore, the company has established a Supplier Code of Conduct to guide suppliers in conducting business in compliance with legal and ethical requirements, as well as international standards, to promote ethical business practices, respect human rights, and promote social and environmental responsibility, including compliance with safety, occupational health, and environmental standards. This is to create sustainable business operations throughout the supply chain, elevate competitiveness, and achieve sustainable growth together. The Company's practices include:

### 6.2.1 Business Ethics

#### Corporate Governance

The Company's business partners must conduct business based on correctness, honesty, integrity, transparency and inspect ability, considering the stakeholders under good corporate governance, including compliance with laws and regulations related to conducting business with honesty, integrity, transparency and inspect ability.

#### Fair Business Conduct

The Company's business partners must treat all stakeholders with honesty, integrity, fairness, ethics, and a commitment to compete on the basis of business ethics, laws, responsibility and fairness, including conducting business within a framework of good competition.

#### Information Disclosure

The Company's business partners must disclose accurate and complete information about themselves as required by law.

#### Keeping Confidential Information

The Company's business partners must keep confidential information of the Company and not use such information without consent, including not violating confidential information of others.

#### Respect for intellectual property

The Company's business partners must respect and not infringe on the intellectual property of others and ensure protection against intellectual property infringement.

### **Anti-Corruption**

The Company's business partners must not engage in or support any form of corruption, including implementing anti-corruption policies to prevent and combat corruption.

## **6.2.2 Human Rights and Labor**

### **Non-discrimination**

The Company's business partners must consider the dignity of human beings, equality, and fairness without discriminating against employees based on physical differences, mental states, race, nationality, religion, gender, age, skin color, education, social status, or any other matter.

### **Labor Protection**

The Company's business partners must show responsibility as an employer towards employees by:

- Not hiring child laborers who are below the age limit prescribed by law. In the case where business partners employ child laborers who are above the legal age limit, it is necessary to ensure that they receive protection under the law in all aspects, as well as development and promotion of their quality of life and appropriate work.
- Not allowing female employees to work in a manner that may be hazardous to health and safety. In the case where female employees are pregnant, they must be protected and entitled to benefits according to the law.
- Hiring foreign workers must be carried out in accordance with the law in a complete and accurate manner.

### **Non-forced Labor**

The Company's business partners must not use or benefit from forced labor in the form of slave labor, human trafficking, or child labor prohibited by law, including physical or mental abuse of workers, whether through threats, detention, intimidation, coercion, or any form of violence.

### **Wage and Benefits**

The Company's business partners must provide fair and just wages, overtime pay, holiday pay, and benefits to employees and not less than the rates prescribed. Employees must receive wages; overtime pay or other benefits as specified.

### **Work Duration**

The Company's business partners must not allow employees to work beyond the hours prescribed by law. Overtime or holiday work must be voluntary, and employees must be provided with days off and leave not less than prescribed by law.

## **6.2.3 Safe and Occupational Health**

### **Safety and Work Environment**

The Company's business partners must Ensure the implementation of worker and stakeholder safety by preparing a safe and healthy work environment, reducing, and controlling the risks of accidents and health impacts that may arise from work, transportation, services and provide emergency management measures to minimize losses.



### **Personal Protective Equipment**

The Company's business partners must provide personal protective equipment that is sufficient and appropriate to the risks, readily available and ensures proper use.

## **6.2.4 Environment**

### **Compliance with Environmental Laws, Rules, Regulations and Standards.**

The Company's business partners must comply with environmental laws, regulations and rules, including cooperation in complying with international agreements on managing waste disposal in accordance with the law and to help prevent or reduce the impact on the environment.

### **Efficient Use of Resources**

The Company's business partners should use resources efficiently by applying the 3R principle: Reduce, Reuse/Recycle and Replenish.

### **Environmental Impact Reduction**

The Company's business partners should choose environmentally friendly products and services, and exercise caution in any operations that may impact the environment.

## **6.2.5 Corporate Social Responsibility**

The Company's business partners must conduct business while considering the potential impact on the surrounding community and society and participate in improving the quality of life and creating a better living environment for the community and society. They should also actively and continuously promote employee awareness and responsibility towards society to foster a sustained good organizational culture.

## **6.2.6 Whistleblowing Channels**

In case the partners or stakeholders have doubts or suspect any actions that violate the law, regulations, or ethics, they can file a complaint and provide supporting evidence through the following channels.

1. Comment Box :
2. Post : Audit Committee or Company Secretary  
JD Food Public Company Limited  
No. 116, 116/1, 116/2 Moo 3 Bangthorat, Muangsamutsakorn,  
Samutsakorn 74000, Thailand.
3. E-mai; : ir@jdfthailand.com
4. Telephone : +66 (0) 3444 0681 ต่อ 1011
- 5 Website : www.jdfthailand.com

In this regard, the Company will investigate and record the inquiry as a document without disclosing the name of the informant and maintain the confidentiality of the complaint data. Additionally, there are clear measures to protect the whistleblower.





## 6.3 Changes and Important Development of the Policy, Guidelines, and the Corporate Governance System in Past Year

### 6.3.1 Changes and Important Development of the Policy, Guidelines and the Corporate Governance System or Charters of the Board of Directors in 2023

In 2023, the Company conducted the following important work in reviewing the policy, guidelines and the corporate governance or charters of the Board of Directors and Sub-Committees to ensure that the Company has continuously applied the principle of corporate governance and has increased efficiency in the governance and upgraded the standard for corporate governance to comply with the Corporate Governance Code for Listed Companies 2017 (CG Code 2017) as follows:

1. Review the charters of the Board of Directors and Committees and their assessment forms.
2. Reviewed the company's vision, mission and strategy including following the implementation of the strategy for the management and employees to aim the operations in the same direction.
3. Followed up on the performance of the management by stipulating that there must be a report on the Performance and Results of the Company's Operations.
4. Acknowledged the summary of the self-assessment results of the committee as a group, summary of self-assessment results of sub-committee as a group and having summarized the self-assessment results of individual committee members at the Board of Directors Meeting No. 1/02024 on February 22, 2024.
5. Acknowledged operational guidelines for sustainable organizational development according to ESG principles for 2024 at the Board of Directors Meeting No. 6/2023 on November 10, 2023.

### 6.3.2 Other Work Related to Corporate Governance

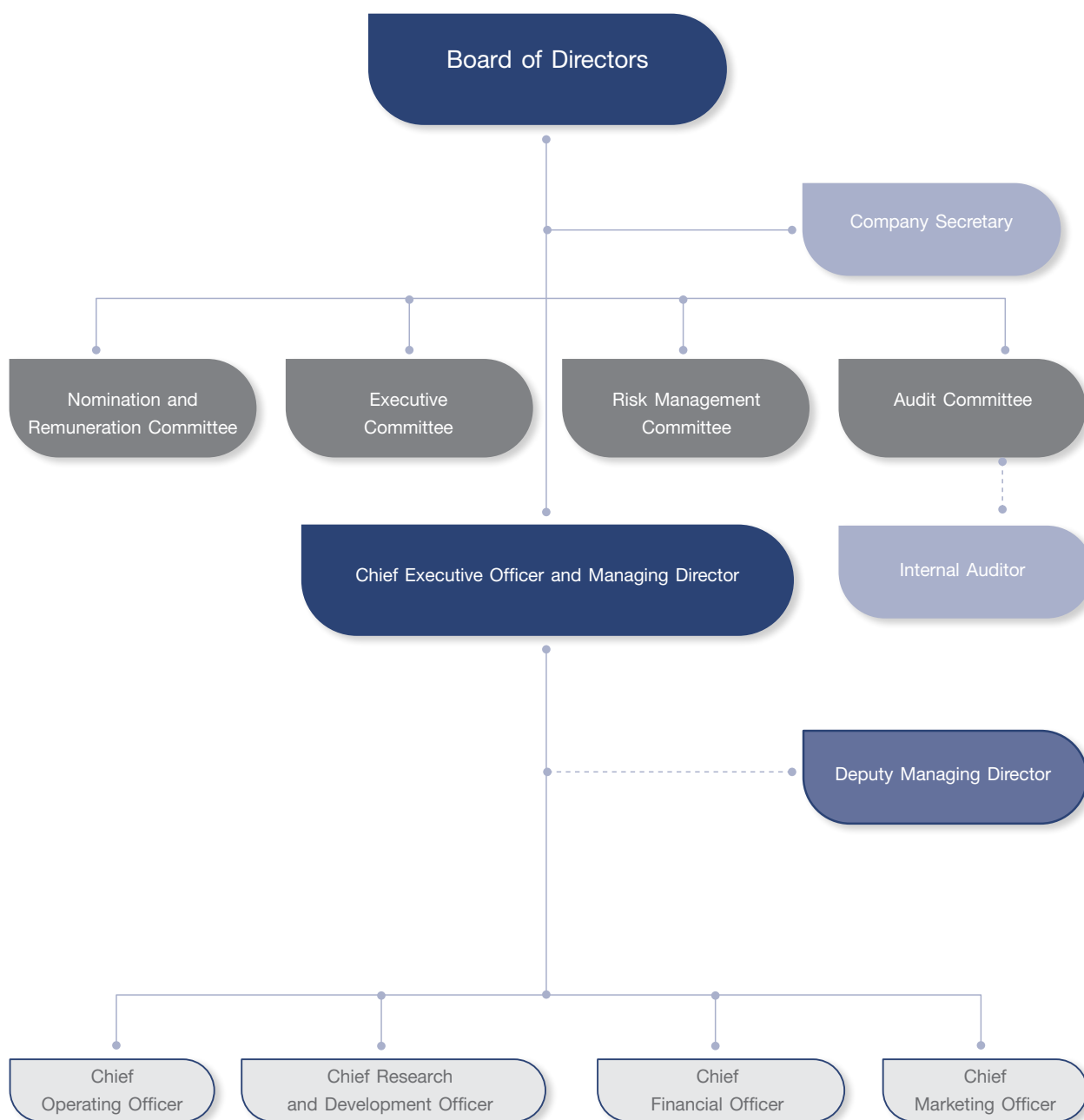
#### Succession Plan

The Company has ensured the availability of the succession plan for important positions as well as the human resource development plan conducted by Chief Executive Officer and Managing Director to obtain a reasonable number of qualified persons in knowledge, skill, and experience for preparation of continuous succession plan for business continuity in the long run.



## Corporate Governance Structure and Key Information about the Board of Directors, Sub-Committees, Management, Employees, and Others

### 7.1 Corporate Governance Structure



## 7.2 Information about the committee

### Board of Directors

The Board of Directors is composed of individuals who possess recognized expertise and capabilities and play a significant role in setting the organization's objectives and goals alongside senior management. This includes determining strategies, operational policies for both short and long terms, financial policy setting, risk management, as well as reviewing and approving significant annual policies and operating plans. Moreover, they oversee and audit the company's performance and the performance of senior executives to ensure alignment with established objectives.

As of December 31<sup>st</sup>, 2023, the Board of Directors of the company consisted of 8 members, which is an appropriate number for the business. It comprised 6 independent directors, 1 non-executive director, and 1 executive director, who is highly qualified in various professions including business management, engineering, finance, marketing, accounting, auditing, and law. Additionally, they have experience in the food industry and possess qualifications as required by law. Among the directors, there was 1 female and 7 male members, as follows:

No	List of Directors		Position
1	Professor Dr. Surapon	Nitikraipot	Independent Director/ Chairman of the Board of Directors
2	Mr. Sorasit	Soontornkes	Independent Director / Board of Directors
3	Mr. Danai	Watanachariya	Independent Director / Board of Directors
4	Mr. Pisit	Serewiwattana	Independent Director / Board of Directors
5	Mr. Jirawat	Liwprasert	Independent Director / Board of Directors
6	Dr. Tanai	Charinsarn	Independent Director / Board of Directors
7	Miss Ratana	Eaiprasertsak	Board of Directors
8	Mr. Dhirabul	Hosajakul	Board of Directors
	Mr. Pawin <sup>/1</sup>	Hosajakul	Board of Directors

Remark; : <sup>/1</sup> Mr. Pawin Hosajakul resigned from the Risk Management Committee as of September 1, 2023

Miss Juthamas Siangpongpan serves as the secretary to the board of directors of the company.

### Authorized Signatory of the Company

Authorized Signatories of the Company as per the Certificate of Registration of the Company, Department of Business Development, Ministry of Commerce, are Ms. Ratana Eaiprasertsak and Mr. Dhirabul Hosajakul, who jointly signed and affixed the company's official seal.

### Composition of the Board of Directors

The composition of the board of directors of the company must include the following:

1. The board of directors of the company is not required to be shareholders of the company.
2. The board of directors of the company consists of not less than 5 directors, and at least half of the total number of directors must have a residence in the Kingdom.



3. The board of directors of the company consists of independent directors, at least one-third of the total number of directors but not less than 3 directors. Independent directors must meet all qualifications as specified in the criteria for independent directors as set forth in the notification of the Securities and Exchange Commission No. TorJor 39/2016 regarding applications for permission and approvals for the offering of newly issued shares ("Notification No. TorJor 39/2016").
4. The board of directors of the company selects one director as the chairman of the board of directors, and in cases where the board of directors of the company deems it appropriate, one or more directors may be selected as vice-chairmen of the board of directors. Vice-chairmen of the board of directors have duties as prescribed in the company's regulations, which are assigned by the chairman of the board of directors.

**The qualifications of the board of directors of the company include:**

1. Must be a person with knowledge, abilities, honesty, integrity in conducting business, and have sufficient time to dedicate their knowledge, abilities, and duties to the company.
2. Must possess qualifications and not have characteristics that are prohibited by law concerning public limited companies, securities laws, and stock exchange regulations, including not having characteristics that suggest an inappropriate fit to be entrusted to manage business with a public company, as specified by the Securities and Exchange Commission's regulations.
3. Directors may hold positions in other companies, provided that such positions do not hinder the performance of their duties as directors of the company and comply with the guidelines of the Securities and Exchange Commission and the Stock Exchange of Thailand.
4. Directors must not engage in businesses that are identical or competitive with the company's operations, or become partners in a partnership or limited partnership, or be directors or hold direct or indirect interests in a private company or another company engaging in identical or competitive businesses, unless approved at a shareholder meeting prior to the appointment.

Independent directors must possess qualifications related to independence as determined by the company and comply with the guidelines set forth in the Securities and Exchange Commission's announcement regarding the criteria for independent directors which are;

1. Holds shares not exceeding 1% of the total voting shares of the company, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons of the company, considering the shareholdings of related parties of each independent director.
2. Is not, and has never been, a management-involved director, employee, consultant receiving regular salary, or person with controlling power of the company, its parent company, subsidiaries, associated companies, subsidiary companies at the same level, major shareholders, or controlling persons of the company unless exempted for at least 2 years before appointment. This shall not include cases where an independent director has been a government official or consultant to government agencies that are major shareholders or controlling persons of the company.

3. Is not a person related by blood or registered under the law as a spouse, parent, child, sibling, or spouse of a sibling of another director, executive, major shareholder, or controlling person of the company or its subsidiaries.
4. Is not, and has never been, involved in the same business as the company, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons in a manner that may impair independent judgment, unless exempted for at least 2 years before appointment.

Business Relationships as stated in paragraph one, including normal commercial transactions, property leases, asset or service transactions, financial assistance given or received, loan guarantees, asset pledges, and similar actions that result in liabilities for either party of at least 3% of the company's net assets or at least 20 million Baht or whichever is lower. The calculation of such liabilities should follow the method of calculating the value of transactions that related to each other as stated in the Securities and Exchange Commission's Criteria for transactions related to each other, with due consideration of liabilities incurred within 1 year before the Date of Business Relationship with the Same Person

5. Is not, and has never been, the auditor of the company, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons, nor is a person who holds a stake, exercises control, or is a partner in an audit firm that has audited the company or its parent company's subsidiaries, associated companies, major shareholders, or controlling persons, unless exempted for at least 2 years before appointment.
6. Is not, and has never been, a professional service provider, including legal or financial consultants, who has received fees exceeding 2 million baht per year from the company, its parent company, subsidiaries, associated companies, major shareholders, or controlling persons, unless exempted for at least 2 years before appointment.
7. Has not been appointed as a representative of a director of the company, major shareholder, or related major shareholder.
8. Is not engaged in a business that similar to or competitive with the company or its subsidiaries or is not a shareholder holding more than 1% of the total voting shares of another company with a similar business nature, and is not a management-involved director, employee, consultant receiving regular salary, or shareholder of another company competing with the company or its subsidiaries.
9. Does not have any other characteristics that would prevent them from providing independent opinions on the company's operations.

### **Appointment and Term of Office**

The Nomination and Remuneration Committee shall be responsible for the selection and nomination of individuals who possess the qualifications required to serve as directors of the company. The committee will present the names of such individuals to the Board of Directors for further consideration and recommendation to the shareholders' meeting for election. The shareholders' meeting shall have the authority to appoint the directors. However, in the event of the appointment of a director to fill a vacancy other than due to expiration of term, the Nomination and Remuneration Committee shall





select an individual who possesses the required qualifications to propose to the Board of Directors for appointment as a director. The appointment shall be subject to the remaining term of the vacant position, provided that the term of office of such director shall not exceed the remaining term of the director being replaced.

Furthermore, at each annual ordinary shareholders' meeting, one-third of the total number of directors shall retire from office. If the number of directors cannot be evenly divided into three parts, the number of directors to retire shall be the nearest by one-third. A retiring director may be re-elected to the position. Directors who are required to retire in the first and second years after the company is registered shall draw lots. Subsequently, for the following years, the director who has served the longest tenure shall retire from office.

In addition to retiring according to the tenure, a director of the company may cease to hold office when:

1. They pass away.
2. They resign.
3. They fail to meet the qualifications for being a director of the company as stipulated in the charter or are disqualified by law.
4. The shareholders' meeting passes a resolution for their removal from office before the expiration of their tenure with a vote of not less than three-fourths of the total number of shareholders present at the meeting who are entitled to vote, and whose combined shares represent not less than one-half of the total shares held by the shareholders present at the meeting and entitled to vote.
5. The court orders their removal.

Any director who wishes to resign from their position shall submit their resignation letter to the company, and the resignation shall take effect from the date the resignation letter is submitted to the company.

#### **The roles and responsibilities of the board of directors**

1. Authority, Duties, and Responsibilities in Managing the Company: The board has the authority, duties, and responsibilities to manage the company in accordance with the law, objectives, regulations of the company, and resolutions of the shareholders' meetings, adhering to the principle of "Good Corporate Governance for Registered Companies" as prescribed by the Securities and Exchange Commission of Thailand.
2. Convening Shareholders' Meetings: Ensure that shareholders' meetings, including ordinary annual meetings, are held within 4 months from the end of the company's accounting period.
3. Financial Reporting: Ensure the preparation of financial statements and the completion of the company's profit and loss statements at the end of the accounting period, which have been audited by the auditor and presented to the shareholders' meeting for consideration and approval.

4. **Setting Vision, Mission, Goals, Policies, Strategies, and Budgets:** Determine the vision, mission, goals, policies, strategies, and business operation plans of the company, as well as control and supervise the management and administration of the board of directors in accordance with the delegated policies. However, for matters required by law to be resolved and approved by the shareholders' meeting, such as capital increase or reduction, issuance of debentures, sale or transfer of all or significant parts of the business, amendment of the articles of association, etc., the board of directors must obtain approval before proceeding.
5. **Monitoring Operations:** Monitor and ensure that the management operates according to the business plans and budgets continuously, including reviewing policies, plans, and budgets regularly.
6. **Compliance Oversight:** Oversee the company's compliance with securities laws and regulations, rules of the Securities and Exchange Commission, including transactions related to significant assets, relevant laws concerning the company's business.
7. **Management Structure:** Consider establishing a management structure and have the authority to appoint management committees, board chairs, subcommittees, and the CEO, as well as defining the roles and responsibilities of the management committees, board chairs, subcommittees, and the CEO as appropriate.
8. **Annual Report:** Prepare the annual report of the board of directors and be responsible for preparing and disclosing financial statements to demonstrate the financial position and performance of the company for the past year and present it to the shareholders' meeting for consideration and approval.
9. **Delegation of Authority:** Have the authority to delegate one or more directors or other persons to perform any tasks on behalf of the board of directors, under the board's control, or may delegate power to those individuals as deemed appropriate by the board of directors. The board of directors may revoke, withdraw, modify, or amend such delegated powers as deemed necessary within the timeframe determined by the board of directors.  
Furthermore, the delegation of authority must not involve delegating powers that would enable the appointed individuals to consider and approve transactions between the company and themselves or individuals who may have a vested interest or potential conflict of interest with the company or its subsidiaries, as defined in the regulations of the Securities and Exchange Commission and/or the Stock Exchange of Thailand, and/or any other announcements by relevant authorities. However, this exclusion does not apply to transactions approved in accordance with policies and criteria already considered and approved by the shareholders' meeting or the board of directors.
10. **Appoint a company secretary** responsible for conducting various operations for the benefit of the company or the board of directors, such as maintaining the company's register of directors, issuing notices for board meetings, and issuing notices for shareholder meetings of the company.
11. **Consider and approve the appointment of individuals** who possess the qualifications and do not have disqualifications as specified in the Public Companies Limited Act B.E. 2535 and securities laws, including regulations and/or rules related to the position of directors, in cases where the directorship is vacant for reasons other than expiration of term.



12. Consider and appoint independent directors and audit committee members, based on the qualifications and disqualifications of independent directors and audit committee members as specified in securities laws, including regulations and/or rules related to the Stock Exchange of Thailand, or propose them to the shareholders' meeting for appointment as independent directors and audit committee members of the company.
13. Consider and approve the designation and amendment of the authorized signatories of the company.
14. Consider and approve transactions involving the acquisition or disposal of assets of the company unless such transactions require approval from the shareholders' meeting. In considering such approvals, comply with the announcements, regulations, and/or rules related to the Stock Exchange of Thailand.
15. Consider and approve related-party transactions unless such transactions require approval from the shareholders' meeting. In considering such approvals, comply with the announcements, regulations, and/or rules related to the Stock Exchange of Thailand.
16. Consider and approve the distribution of interim dividends to shareholders when it is deemed that the company has sufficient profits to do so and report such dividend payments to the next shareholders' meeting.
17. Be constantly accountable to shareholders, operate while safeguarding shareholders' interests, provide accurate and complete disclosure of material information to investors, and maintain standards and transparency.
18. Establish authority and approval levels for transactions and operations related to the company's business, delegating such authority to committees or individuals as appropriate, and ensure compliance with relevant laws by preparing an operational authority manual.
19. Provide recommendations on the appointment of auditors and consider the annual audit fees to be presented to shareholders for approval.
20. Seek professional opinions from external organizations, if necessary, to make informed decisions.
21. Report the board's responsibility in preparing financial reports by presenting it alongside the auditor's report in the annual report, covering key issues in accordance with the Good Corporate Governance practices prescribed by the Stock Exchange of Thailand.
22. Ensure that the company implements suitable and efficient accounting systems, including internal control systems and internal audit systems.
23. Establish policies regarding corporate governance based on ethical principles and effectively implement these policies to ensure that the company is accountable to all stakeholders fairly.
24. Conduct an annual performance evaluation of the board of directors as a whole, individual board members, including sub-committees of the board, and management committees, using either self-assessment methods or third-party assessment methods, to enable the board to assess performance and identify issues, as well as propose corrective measures to enhance operational efficiency. Disclose the criteria, process, and evaluation results in the annual report.

### 7.3 Information about the sub-committee

#### Audit Committee

As of December 31, 2023, the Audit Committee of the company consists of 3 independent directors as follows:

No	Committees' Name		Position
1	Mr. Sorasit	Soontornkes	Chairman of the Audit Committee/ Independent Director
2	Mr. Danai	Watanachariya	Audit Committee/ Independent Director
3	Mr. Jirawat	Liwprasert	Audit Committee/ Independent Director

In this regard, Mr. Sorasit Soontornkes is an individual with sufficient knowledge and experience to assess the reliability of the company's financial statements. Mrs. Pornthippa Pittayaphala serves as the Secretary of the Audit Committee.

#### Components of the Audit Committee:

1. The audit committee members must be independent directors of the company.
2. The audit committee must be appointed by the company's board of directors.
3. The audit committee must consist of at least 3 independent directors who have sufficient knowledge and experience to fulfill their duties as audit committee members.
4. At least one member of the audit committee must have sufficient knowledge and experience in accounting or finance to effectively assess the reliability of financial statements.
5. Members of the audit committee can serve as audit committee members in no more than five registered companies.
6. The company's board of directors selects one audit committee member to serve as the chairman of the audit committee.

#### Characteristics of Audit Committee Members:

1. Have qualifications according to the criteria of the SEC and the stock exchange of Thailand.
2. Not be a director who has been delegated by the company's board of directors to make decisions regarding the operations of the company, subsidiaries, affiliated companies, sister companies, or conflicting entities.
3. Not be a director involved in management, an employee, consultant receiving regular salaries, controlling shareholder, or significant shareholder of the company, subsidiaries, affiliated companies, sister companies, or conflicting entities, including close relatives.
4. Able to perform duties, express opinions, and report work results independently as assigned by the company's board of directors without being under the control of management, major shareholders of the company, or related persons.
5. Able to allocate sufficient time and thought to perform the duties as an audit committee member.



6. Should receive continuous training and knowledge enhancement related to the audit committee's responsibilities to keep up with any changes that may occur and should continuously improve knowledge about the company's operations to enhance the effectiveness of the audit committee.
7. The chairman of the audit committee should be a capable leader, conduct meetings according to proper guidelines, plan efficient work, and ensure overall effectiveness and confidence in the audit committee.

#### **Appointment and Term of Office**

1. The Nomination and Remuneration Committee shall be responsible for the selection and nomination of individuals who possess the qualifications as stipulated in the Articles of Association to serve as members of the audit committee. The Committee shall propose such individuals for consideration and election at the next board meeting.
2. Audit committee members shall serve a term of three years from the date of their appointment and shall serve in accordance with the term of office of being a company director.
3. Audit committee members who have completed their term may be reappointed to serve another term but shall not be automatically reappointed.
4. Should an audit committee member wish to resign before the completion of their term, they shall provide prior notice and submit a resignation letter to the company, stating the reasons for resignation. The company shall inform the stock exchange and submit the resignation letter to the SEC.
5. In the event of a vacancy in the audit committee for reasons other than the completion of the term, the board of directors shall appoint a qualified individual to serve as a replacement audit committee member promptly to ensure the completeness of the audit committee without delay. The appointed individual shall serve for the remaining term of the member they are replacing.
6. Audit committee members shall vacate their positions when:
  - (1) They cease to be directors of the company.
  - (2) Their term of office expires.
  - (3) They no longer meet the qualifications of an audit committee member.
  - (4) They pass away.
  - (5) They resign.
  - (6) They are removed from the office.
  - (7) They are sentenced to imprisonment by final court judgment or lawful order except for offenses committed through negligence or minor offenses.
  - (8) They become incapacitated or quasi-incapacitated.
  - (9) They become bankrupt.
7. If the number of audit committee members is less than 3, the appointment of new committee members should be expedited or, at the latest, within 3 months from the date when the audit committee members are incomplete. This is to ensure continuity in the operations of the audit committee and to comply with the criteria for maintaining the status of a listed company as stipulated by the stock exchange of Thailand.



**The responsibilities and duties of the audit committee include:**

1. Audit Committee Charter
  - (1) Establishing an Audit Committee Charter addressing the responsibilities of the audit committee.
  - (2) The content of the Audit Committee Charter should be clear and specify the meaning of terms, including the scope of duties in various aspects of the audit committee.
  - (3) Reviewing the Audit Committee Charter to ensure it is current and aligned with the company's operations, and can be effectively utilized, at least annually.
2. Financial Reporting
  - (1) Audit to ensure that the company has processes in place for the preparation and disclosure of accurate, complete, reliable, and timely financial reports, coordinating with the accountants and responsible managers for both quarterly and annual financial reporting.
3. Interrelated items and potentially conflicting items
  - (1) Consider interrelated government programs and potentially conflicting items in accordance with legal regulations and securities market requirements to ensure that these listings are rational and provide maximum benefit to the company.
  - (2) Review the company's disclosure practices in cases where there are interrelated or related items, or items that may give rise to conflicting interests, to ensure accuracy and completeness.
4. Internal Control
  - (1) Verify that the company has effective and appropriate internal control systems.
  - (2) Evaluate the findings and recommendations from the auditors and internal audit department regarding the internal control systems and recommend management adjustments or improvements based on these recommendations. Additionally, monitor the implementation of actions in response to these recommendations.
5. Internal Audit
  - (1) Verify that the company has an independent internal audit department and an effective internal audit system.
  - (2) Verify the activities and structure of the internal audit department and approve the charter of the internal audit department.
  - (3) Consider and provide approval for appointments, recommend commendations, promotions, transfers, dismissals, and terminations, including setting and evaluating performance goals for the head of the internal audit department to ensure independence and confidence in its operations.
  - (4) Review the internal audit plan in collaboration with the head of the internal audit department, particularly focusing on internal control systems and financial management processes.
  - (5) Consider and provide comments and observations on the budget and staffing levels of the internal audit department to propose to management for approval.



- (6) Review the internal auditor's audit plan and scope, as well as the scope of the company's accountants, including internal audit consultants (if any), to ensure that they are complementary and non-duplicative.

#### 6. Accounting Audit

- (1) Evaluate, nominate, and propose compensation for the appointment of accountants to ensure the independence considering their reliability, adequacy of resources, the volume of audit work of the accounting office, and the experience of personnel assigned to audit the company's accounts, including their performance in the past year. Additionally, consider withdrawing accountants. The Audit Committee will present these opinions to the company's board for further approval.
- (2) Review the scope and auditing methods proposed by the accountants, including considering the reasons for changing the audit plan (if there have been changes to the audit plan later).
- (3) Recommend the accountants to audit or examine any transactions that are deemed necessary and significant during the audit of the company's accounts and subsidiaries.
- (4) Examine the reports prepared by the accountants, propose management adjust and rectify them, and monitor the implementation of these recommendations.
- (5) Assess the adequacy and effectiveness of coordination between accountants and internal auditors.
- (6) Acknowledge the audit findings from the accountants promptly regarding suspected irregularities in compliance with sections 28, 1/2 paragraph 2, and articles 305, 306, 308, 309, 310, 311, 312, or article 313 of the Public Company Act. Furthermore, continue the audit process without delay and submit preliminary audit results to the SEC Office and the accountants within 30 days from the notification received from the accountants.

#### 7. Compliance with laws and related regulations

- (1) Review and ensure that the company complies with the Public Company Act, regulations of the Stock Exchange of Thailand, and relevant laws pertaining to the company's business operations.

#### 8. Audit Committee Reporting

- (1) The Audit Committee must report on its operational results to the Board of Directors at least once every quarter during board meetings for their awareness and consideration.
- (2) Prepare an annual operational report of the Audit Committee, presenting items as specified by the Stock Exchange of Thailand, signed by the Audit Committee chairman, and disclosed in the company's annual report.
- (3) In carrying out its duties, if the Audit Committee discovers or has suspicions regarding transactions or actions that may significantly impact the financial status and operational results of the company, the Audit Committee must report to the Board of Directors. Subsequently, the Audit Committee should take appropriate actions to address and rectify the identified transactions or actions within a reasonable timeframe.
  - (3.1) Items involving conflicts of interest
  - (3.2) Fraud or significant irregularities or deficiencies in the internal control system

- (3.3) Violations of the Public Company Act, regulations of the Stock Exchange of Thailand, or relevant laws related to the company's business.
- (4) If the Board of Directors or management fails to take corrective actions regarding the items mentioned in (3.1), (3.2), and (3.3) within the timeframe deemed appropriate by the Audit Committee, any member of the Audit Committee may report the identified transactions or actions according to (1), (2), and (3) to the SEC Office or the Stock Exchange of Thailand
9. Good Corporate Governance
- (1) Review to ensure that the company has a continuous process for developing good corporate governance, including providing necessary guidelines and recommendations for improvement.
- (2) Emphasize and promote the company's commitment to good corporate governance by making it a regular agenda item in board meetings and annual general meetings of shareholders.
- (3) The Chairman of the Audit Committee must receive a copy of the report of the profit and loss participation according to Section 89/14 of the Public Company Act from the company secretary within 7 working days from the date the company receives the report.
10. Risk Management
- (1) Review to ensure that the company has a standardized and effective risk management process in place that is suitable and efficient.
- (2) Collaborate with the risk management team and management in evaluating and providing feedback on the results and progress reports of the company's risk management.
11. Anti-Corruption
- Reviewing the company's business operations in accordance with anti-corruption or anti-corruption measures, including financial reporting, internal control systems, and internal audits, to ensure that the various organizational units operate efficiently and in compliance with the law, adhering to regulations and ethical standards. In the event of any identified discrepancies or suspicions that certain activities may significantly impact the financial status and operational results of the group of companies, including corrupt practices or collusion, the Audit Committee will report such cases to the Board of Directors for internal corrective action within a timeframe deemed appropriate by the Audit Committee.
12. Other Responsibilities
- (1) Carry out any other operations as assigned by the Board of Directors with the approval of the Audit Committee, where the Audit Committee is responsible to the Board of Directors for the duties and responsibilities delegated by the Board of Directors. However, the responsibility for all activities of the company towards external parties remains with the Board of Directors as a whole.
- (2) Has responsibilities as additional regulations announced by the stock exchange of Thailand.



- (3) Ensure the establishment of a whistleblowing process, where employees and stakeholders can report suspicions or observations of potential violations or non-compliance with laws, regulations, ethical codes, or corporate governance policies. This is to provide confidence to whistleblowers that the company has an independent investigation process and appropriate follow-up actions.
- (4) Control and oversee special investigation cases as necessary.

### The Nominating and Remuneration Committee

As of December 31, 2023, the Nominating and Remuneration Committee of the company consists of 3 members, comprising 2 independent directors and 1 non-executive director, as follows:

No	Committees' Name		Position
1	Mr. Danai	Watanachariya	Chairman of the Nomination and Remuneration Committee / Independent Director
2	Dr. Tanai	Charinsarn	Nomination and Remuneration Committee / Independent Director
3	Mr. Dhirabul	Hosajakul	Nomination and Remuneration Committee

Miss Juthamas Siangpongpan serves as the secretary to the Nominating and Remuneration Committee.

### The composition of the Nomination and Remuneration Committee

1. Comprising a minimum of 3 directors of the company, with the Chairman of the Nomination and Remuneration Committee being an independent director.
2. The Board of Directors is responsible for appointing the Nomination and Remuneration Committee to act as the Nomination and Remuneration Committee. However, members of the Nomination and Remuneration Committee who have retired may be reappointed by the Board of Directors.
3. The Nomination and Remuneration Committee shall consider selecting a member from the independent directors to serve as the Chairman of the Nomination and Remuneration Committee.

### Qualifications of the Nomination and Remuneration Committee

1. Not serving as the Chairperson of the company's board.
2. Ability to dedicate sufficient time to fulfill duties, ensuring the successful operation of the Nomination and Remuneration Committee in line with its objectives.

### Appointment and Term of Office

1. The Nomination and Remuneration Committee serves for the term corresponding to their tenure as directors of the company.
2. If a member of the Nomination and Remuneration Committee vacates their position, resulting in an insufficient number of members, the Board of Directors shall appoint a new member to the Nomination and Remuneration Committee to ensure the completion of the committee within 3 months from the date of the insufficient number of members.

3. The Nomination and Remuneration Committee member vacates their position immediately when:
  - (1) They deceased.
  - (2) They resigned.
  - (3) They cease to be directors of the company.
  - (4) The Board of Directors resolves to remove them from the position.
  - (5) They lack the qualifications of being a Nomination and Remuneration Committee member.
4. Resignation of the Nomination and Remuneration Committee must submit a resignation letter to the Chairman of the Board of Directors

### **Scope of duties and responsibilities of the Nomination and Remuneration Committee**

1. Recruitment Operations
  - (1) Consider the components and qualifications of the company's board of directors as a whole, as well as individuals suitable for the size, type, and complexity of the company's business. This includes evaluating their educational background, knowledge, expertise, skills, relevant experience, and specialized abilities related to the company's business. Independence in accordance with the criteria set by the company should also be considered.
  - (2) Consider the qualifications of the Chief Executive Officer (CEO), Managing Director, and subordinate directors that are suitable for managing the company's business to achieve the specified vision. This assessment should encompass educational background, experience, knowledge, skills, expertise, and the ability to lead, as well as key business environment factors such as economic conditions, industry trends, and competitive landscape. Evaluate these factors to ensure a comprehensive understanding of their relevance and importance to the effective management of the company.
  - (3) Establish procedures and criteria for selecting individuals that align with the specified structure and qualifications. This should be done while adhering to principles of good corporate governance.
  - (4) Ensure that the company provides orientation and furnishes useful documents to newly appointed directors to facilitate the performance of their duties.
  - (5) Develop and review a Succession Plan for the Chairman, CEO, and company directors to ensure readiness for seamless continuity in management. This plan aims to prepare successors to effectively carry out the company's operations in a continuous manner.
  - (6) Support the company in providing opportunities for minority shareholders to nominate individuals for consideration as company directors.
  - (7) Select directors with appropriate qualifications to serve on subsidiary boards, to be presented for consideration and appointment by the company's board of directors when there are vacant positions.





## 2. Compensation Assessment Procedures

- (1) Consider the format and criteria for compensating directors, CEOs, and managers, as well as subsidiary board members, to ensure that the compensation structure and criteria are appropriate. This involves: 1) Reviewing the suitability of current criteria 2) Examining compensation data from other companies in the same industry 3) Establishing criteria that are appropriate for achieving expected outcomes, ensuring fairness, and rewarding individuals who contribute to the company's success 4) Reviewing all types of compensation, considering amounts and proportions for each type to be appropriate and 5) Ensuring that compensation aligns with organizational standards or relevant guidelines provided by regulatory bodies
- (2) Evaluating the performance criteria of directors, subsidiary board members, and executive officers, and presenting them for approval by the board of directors. The process of evaluating the performance of directors, subsidiary board members, and executive officers may involve self-assessment or delegation to a committee for evaluation, which can also include assessing compensation.
- (3) The process of determining annual compensation for directors, subsidiary board members, and executive officers typically involves the following steps:
  - (3.1) Set the annual compensation for directors, subsidiary board members, and executive officers according to the established criteria for payment that has been carefully considered.
  - (2) When determining the compensation for the CEO and executive officers, it is essential to consider various aspects of their performance evaluations. By thoroughly assessing these areas, organizations can ensure that the compensation structure aligns with the contributions and effectiveness of the CEO and executive officers in driving the company's success and growth.
  - (3) Compare with the compensation paid by other companies in the same industry.
  - (4) Present the proposed compensation to the board of directors for approval of the CEO and executive officers' compensation. Compensation for the board of directors and subsidiary board members must be presented for approval at the shareholders' meeting.
- (4) Consider establishing criteria and various conditions in the case of offering new securities (or rights to purchase shares) to directors and employees, aimed at motivating them to fulfill their duties in order to create long-term shareholder value and retain high-quality personnel genuinely, while ensuring the compensation is not excessive and is fair to the shareholders.

Furthermore, if any director or employee is to receive an allocation of securities exceeding 5% of the total securities to be allocated, the regulations of the Securities and Exchange Commission (SEC) stipulate that the compensation committee must consider appropriateness and give approval. However, no member of the compensation committee may receive an allocation of securities exceeding 5%, even if they have the right to give approval.

- (5) Regularly review the charter of the compensation committee and assess compensation consistently.
- (6) Take responsibility for any other tasks assigned by the company's board of directors.

### **Risk Management Committee**

As of December 31, 2023, the Risk Management Committee of the company consists of two members, with two independent directors as follows:

No	Committees' Name		Position
1	Mr. Pisit Serewiwattana		Chairman of the Risk Management Committee / Independent Director
2	Mr. Sorasit Soontornkes		Risk Management Committee / Independent Director
	Mr. Pawin <sup>1</sup> Hosajakul		Risk Management Committee

Remark:: <sup>1</sup> Mr. Pawin Hosajakul resigned from the Risk Management Committee as of September 1, 2023

Miss Wallee Chansuksurachode serves as the secretary of the Risk Management Committee.

#### **The components of the risk management committee**

1. The risk management committee is appointed by the board of directors, consisting of directors and/or executives and/or advisors, with a minimum of 3 members, including at least 1 independent director.
2. The chairperson of the risk management committee must be an independent director and/or advisor, appointed by the board of directors.
3. The risk management committee has the authority to appoint a risk management working group to support its functions.

#### **Characteristics of the Risk Management Committee Members**

1. Legal Compliance: They must have qualifications and not possess attributes that are prohibited by laws related to public limited companies, securities, stock markets, and other relevant laws.
2. Risk Management Expertise: They should have knowledge of risk management and excellent organizational management skills.
3. Trustworthiness: They need to be trustworthy and generally accepted by others.
4. Business Understanding: They should have a good knowledge of and understanding of the company's business, products, and services.
5. Good Governance Understanding: They must understand good governance principles, possess judgment, decision-making skills, analyze problems, and provide appropriate recommendations.
6. Creativity: They should demonstrate creativity, express their opinions, and listen to others' opinions.
7. Time Commitment: They should be able to allocate sufficient time to fulfill their duties as risk management committee members of the company.



### **Appointment and Term of Office**

1. Risk management committee members serve a term of office of 3 years each.
2. When a risk management committee member completes their term of office, they may be reappointed for another term as deemed appropriate by the board of directors.
3. Committee members are relieved from their position when;
  - (1) They deceased.
  - (2) They resigned.
  - (3) The board of directors resolves to relieve from the position.

In the event a risk management committee member wishes to resign from their position, they must submit a resignation letter to the company. The resignation shall take effect from the date the resignation letter is received by the company.

### **The duties and responsibilities of the Risk Management Committee**

1. Establishing comprehensive company-wide Risk Management Policies and guidelines covering various significant risk types, such as strategic risk, operational risk, financial risk, regulatory risk, reputational risk, and emerging risks, among others, to present to the Board of Directors for approval.
2. Setting strategies and methods for managing the company's risks in alignment with the Risk Management Policy, allowing for the assessment, monitoring, and mitigation of risks to an appropriate level. These strategies should include practical guidelines to respond effectively to the occurrence of such risks.
3. Studying, reviewing, and evaluating potential risks, including trends that could impact the company and its subsidiaries, encompassing both internal and external risks across various areas such as strategic, operational, financial, regulatory, legal, reputational, and emerging risks.
4. Monitor, supervise, oversee, and review the risk management policy, including strategies and procedures for addressing risks, with at least an annual review to ensure confidence that the risk management strategies are appropriate for the circumstances and effectively implemented.
5. Appoint a risk management operational team to support risk management processes and activities as necessary and appropriate.
6. Report the progress of risk management activities and identify necessary corrective actions to align with the policies and strategies set forth by the board of directors, at least quarterly.
7. Provide guidance and support to the company's management committee on organizational risk management, including promoting and supporting continuous improvement and development of internal risk management systems on a regular basis.
8. Communicate, exchange information, and coordinate regarding risks and internal controls with the company's audit committee.
9. Support the development of a risk management and internal control culture that is appropriate.

## Executive Committee

As of December 31, 2023, the Executive Committee of the company consists of a total of 3 directors,

No	Committees' Name		Position
1	Miss Ratana	Eaiprasertsak	Chairman of the Executive Committee / Chief Executive Officer and Managing Director
2	Mr. Dhirabul	Hosajakul	Executive Director
3	Miss Theerada	Hosajakul	Executive Director / Deputy Managing Director
	Mr. Pawin <sup>1</sup>	Hosajakul	Executive Director

Remark: <sup>1</sup> Mr. Pawin Hosajakul resigned from the Executive Director as of September 1, 2023

Miss Nattchaya Saengjae serves as the secretary of the Executive Committee.

### **The components of the Executive Committee include:**

1. The board of directors comprises at least 3 directors who may be directors and/or executives of the company.
2. The board of directors appoints one director to serve as the chairman of the board.
3. The board of directors may appoint one employee of the company to serve as the secretary of the board to assist in facilitating the board's work regarding meeting arrangements, preparing meeting agendas, distributing meeting materials, and recording meeting minutes.
4. In the event that the board of directors appoints consultants to advise the board, if the chairman of the board deems it appropriate, they may invite the consultants appointed by the board to attend any meeting or agenda as deemed necessary.

### **The qualifications of the Executive Committee**

1. Be a person with knowledge and capability, honesty, integrity in conducting business, and have sufficient time to dedicate knowledge, abilities, and duties to the company.
2. Have qualifications and not possess characteristics prohibited by laws related to Public Companies Limited Act, B.E., Securities and Exchange Act and other relevant laws, and must not have characteristics indicating unsuitability to be entrusted with managing business affairs with shareholders being the public as declared by the Securities and Exchange Commission.

### **Appointment and Term of Office**

1. The nominating and compensation committee shall be responsible for the selection and nomination of individuals who possess the qualifications as stipulated in the Articles of Association to serve as directors. The committee shall propose the names of such individuals for consideration and approval at the board meeting for the next appointment.
2. The board of directors shall appoint individuals who meet the qualifications as stipulated in the Articles of Association to serve as directors. Each director shall serve for a term of three years. A director who has completed their term may be reappointed as a director.



3. In addition to completion of the term, a director may be removed from office when:
- (1) They deceased.
  - (2) They resigned.
  - (3) They fail to meet the qualifications required for directors as stipulated in the Articles of Association
  - (4) The board of directors resolved to remove them from the office.
  - (5) They ceased to be a director or employee of the company (as applicable)
- Any director who wishes to resign from their position must submit a resignation letter to the company. The resignation shall take effect from the date the resignation letter is submitted to the company.

#### **The scope of authority, duties, and responsibilities of the Executive Committee**

1. The executive committee is responsible for overseeing the management of the company in accordance with the law, objectives, regulations, resolutions of shareholders' meetings, and resolutions of board meetings, with integrity, caution, and in the best interests of the company. They shall ensure that the executive committee meetings are convened at least once a month.
2. The executive committee has the duty to consider and evaluate the following matters as necessary for the operation of the business and to present them to the board of directors for approval or endorsement.
  - 2.1 Company policies, objectives, and annual plans.
  - 2.2 Annual budget of the company.
  - 2.3 Investment guidelines, policies, and goals to provide a framework for management to implement in their operations.
  - 2.4 Employee salary structure and benefits to appropriately compensate employees for their work.
3. Execute tasks as delegated by the board of directors.
4. The authority to approve the opening of deposit accounts and manage deposit accounts with banks both domestically and internationally, considering their suitability for overall financial management.
5. The authority and responsibility to act on the following matters within the specified scope as detailed below;
  - 5.1 Controlling and establishing guidelines for managing investments in other businesses of the company within the scope delegated by the board of directors and in accordance with applicable laws.
  - 5.2 Having the authority to issue orders, regulations, announcements, records, to ensure that work is carried out in accordance with company policies and for the benefit of the company, as well as to maintain discipline within the organization.
  - 5.3 Approving the appointment of various consultants deemed necessary for the operations within the scope of authority designated by the company.
  - 5.4 Fulfilling other duties as temporarily assigned by the board of directors from time to time.



## 7.4 Information about the Management Personnel

### 7.4.1 Management Team

According to the definition in the Securities and Exchange Commission's Announcement Re: Definition of the Management Team No. TorJor 23/2551 BE dated December 31, 2023, the management team of the company consists of 7 executives.

No	Committees' Name		Position
1	Miss Ratana	Eaiprasertsak	Chief Executive Officer and Managing Director / Chief Research and Development Officer (Sustaining in position) / Chief Financial Officer (Sustaining in position)
2	Miss Theerada <sup>/2</sup>	Hosajakul	Deputy Managing Director / Chief Marketing Officer (Sustaining in position)
3	Miss Wallee	Chansuksurachod	Chief Operating Officer
4	Miss Buntiya	Seepung	Senior Supply Chain Manager
5	Miss Suthita	Mueang-Ngern	Senior Product Development Manager
6	Mr. Wasu	Thiptham	Senior Engineering Manager and Maintenance
7	Miss Nichchada <sup>/3</sup>	Kaewnate	Accounting and Finance Manager
	Mrs. Phensiri <sup>/4</sup>	Chaipatiyutpong	Chief Marketing Officer

**Remark:**

<sup>/1</sup> According to Section 3/1 of the Securities and Exchange Act of 2535 (1992), as amended by the Securities and Exchange Act (No. 4) of 2551 (2008), "The Executive" means the managing director or the top four executives after the managing director. It also includes individuals holding positions equivalent to those of the fourth-ranking executives. This definition encompasses management-level personnel in accounting or finance departments who hold positions at the level of or above department managers.

<sup>/2</sup> At the 4th/2566 (2023) meeting of the board of directors on August 11, 2023, it was resolved to appoint Miss Theerada Hosajakul as acting Chief Marketing Officer. The company is currently in the process of recruiting individuals with suitable qualifications for the position of Chief Marketing Officer. Once the recruitment is completed, the information about the appointed individual will be entered into the company's database of directors and management personnel for future reference.

<sup>/3</sup> The person appointed with the highest responsibility in the accounting and finance department is Miss Nichchada Kaewnate. The person appointed with the responsibility for overseeing accounting operations is Miss Kanitta Katsuwan.

<sup>/4</sup> Mrs. Phensiri Chaipatiyutpong terminated from the position of Chief Marketing Officer on June 13, 2023.

### The scope of authority, duties, and responsibilities of the Chief Executive Officer and Managing Director

The Chief Executive Officer and Managing Director have the scope, duties, and responsibilities to oversee and control overall operations to ensure alignment with the company's objectives, regulations, policies, rules, directives, business strategies, goals, operational plans, financial objectives, budgets, resolutions of the board of directors' meetings, and/or resolutions of the shareholders' meetings. The scope, duties, and responsibilities of the chairman and managing director include:

1. To analyze the competitive capabilities of the organization, particularly in research and development (R&D), especially in enhancing the R&D capabilities for new products or new businesses, establishing R&D units abroad, as well as recruiting research and development partners to support the company's growth.
2. To develop a plan for research and development (R&D) to support the organization's growth strategy, including budgeting and preparing resources in terms of tools and personnel development systematically.



3. To analyze the cost structure of products and develop products or manufacturing processes with appropriate and competitive costs, including developing cost allocation systems for each product group to compete effectively and sustainably in target markets.
4. To manage the company's operations, including overseeing and controlling overall operations to align with objectives, regulations, policies, rules, directives, business strategies, goals, operational plans, financial objectives, budgets, resolutions of the board of directors' meetings, and/or resolutions of the shareholders' meetings.
5. Being a representative of the company in business negotiations
6. Negotiating for funding with financial institutions or fund managers
7. To build a positive image for the company and gain acceptance in the Stock Exchange of Thailand
8. To seek business opportunities and foster sustainable growth for the company.
9. To proceed with the development and delivery of the company's business policies, including business plans and budgets for submission to the board of directors for approval, and to provide progress reports on approved plans and budgets to the board of directors and its subcommittees regularly.
10. To monitor and evaluate the performance of the management team and report the progress of management operations to the board of directors and its subcommittees regularly.
11. Implementing or delegating management authority to ensure that operations are conducted efficiently and effectively in accordance with approved policies, plans, and budgets by the board of directors, based on systematic internal controls, and maintaining regular risk management practices.
12. Monitoring and reporting on the company's status, proposing options and strategies aligned with policies and market conditions.
13. Ensuring good corporate governance oversight.
14. Leading and conducting oneself in accordance with the company's ethical principles and business integrity, while promoting, supervising, and monitoring management practices based on sustainability principles, social responsibility, and adherence to measures and guidelines against corruption.
15. Taking responsibility for the company's revenue, profits, as well as important financial ratios crucial for business operations.
16. Responsible for building the credibility of the company and ensuring satisfaction among stakeholders.
17. Responsible for sales volume, fostering growth and sustainability, and overseeing the company's operations effectively.
18. Review and sign financial documents, including legal contracts, and approve various matters as required.
19. Have the authority to carry out any regular business operations of the company and any actions necessary for the general management of the company, with the power to approve within the scope of authorization and issue directives at various levels (Levels of Authorization).

20. Have the authority, duties, and responsibilities as delegated or assigned by the board of directors and/or subcommittees, and in accordance with the policies set forth by the board of directors and/or subcommittees.

21. Carry out tasks and duties as assigned by the board of directors and the management committee.

The Chief Executive Officer and Managing Director are allowed to hold positions as directors in other companies if it does not hinder the performance of their duties in the company and the businesses must not be of the same type or compete with the company's business. Additionally, they must obtain approval from the company's board of directors before assuming a directorial position in another company.

Furthermore, any approval for transactions or assignments Chief Executive Officer and Managing Director to representatives or delegates for such transactions must not involve actions that would cause conflicts of interest or potential conflicts of interest with the company or its subsidiaries. Such approvals for transactions must be presented to the board of directors' meeting and/or the shareholders' meeting for approval, and the transactions must be reviewed by the audit committee in accordance with the company's regulations and as stipulated by the Office of the Securities and Exchange Commission (SEC) and/or the Stock Exchange of Thailand (SET).

#### **7.4.2 Guidelines for determining the compensation of directors and executives, including the Chief Executive Officer and Managing Director managing director.**

The company has a clear and transparent process for determining compensation, where the Nomination and Remuneration Committee is responsible for considering and proposing compensation rates of the board of directors, Chief Executive Officer and Managing Director. These proposals are presented for approval at the board of directors' meeting and subsequently at the ordinary shareholders' meeting. When determining the compensation of the board of directors, Chief Executive Officer and Managing Director, factors such as the company's financial status, scope of duties, and responsibilities are considered to ensure that the compensation is competitive, motivating, and retains knowledgeable and capable individuals to serve the company. Additionally, the compensation rates are benchmarked against those of boards of directors and subcommittees of companies in the same industry to ensure comparability.

#### **7.4.3 The compensation for Directors and Executives**

##### **(1) Monetary compensation**

In 2023, the 4 top executives (as defined by the Securities and Exchange Commission) who received compensation, including salaries and bonuses, amounted to a total of 23,514,540 Baht. This compensation includes individuals who were no longer employed as executives in 2023.

##### **(2) Other Compensation**

In 2023, the 4 top executives (as defined by the Securities and Exchange Commission) who received compensation, including salaries and bonuses, amounted to a total of 1,126,277 Baht. This compensation includes individuals who were no longer employed as executives



in 2023.

Additionally, the company's executives received other benefits and allowances according to the company's regulations, similar to regular employees. These benefits include medical benefits, company car, telephone expenses, fuel expenses, and vehicle depreciation, totaling 1,079,148 Baht. This compensation also includes individuals who were no longer employed as executives in 2023.

In 2021 and 2022, the company paid compensation to the executives as follows:

Compensation	Year 2021		Year 2022	
	Total	Compensation (Million THB)	Total	Compensation (Million THB)
Salary and Bonus	7	21.77	8	23.51
Other compensation includes contributions to the social security fund, contributions to the provident fund, and other employee benefits. <sup>/1</sup>		1.74		2.20

Remark::

<sup>/1</sup> Other employee benefits typically include employee incentive plans, healthcare benefits, telephone allowances, fuel allowances, vehicle depreciation allowances, and so on.

## 7.5 Information About Employees

### 7.5.1 Number of Personnel (Excluding Executives)

As of December 31, 2023, the company had a total of 325 employees, consisting of 110 males and 215 females. These employees were distributed among various departments as follows:

Departments	Total (Employees)	
	As of 31 December 2022	As of 31 December 2023
Industrial Sales	12	11
Export Sales	5	4
Brand Sales	4	3
Marketing	1	3
HoReCa Sales	-	4
Sales Support	-	4
Research and Development	26	29
Quality Assurance	29	31
Supply Chain	32	29
Premix	2	1
Production	153	160
Engineering	15	16
Occupational Health and Safety	3	2
Procurement	4	4

Departments	Total (Employees)	
	As of 31 December 2022	As of 31 December 2023
Pricing	2	3
Human Resources and Administration	7	6
Financial and Accounting	8	7
IT	3	4
Internal Audit	1	1
Management	6	3
<b>Total</b>	<b>313</b>	<b>325</b>

### 7.5.2 Compensation and Benefits (Excluding Executives)

The company provides benefits to employees to motivate them and enhance their dedication and efficiency at work. These benefits aim to retain skilled employees within the organization for as long as possible. The company offers various benefits, such as bonuses and annual salary adjustments, provident funds, long-service awards, healthcare coverage, annual health check-ups, child education funds, and financial assistance in various situations as per the company's policies and conditions.

#### (1) Monetary Compensation (Excluding Executives)

In 2023, the company's employees received a total compensation of 94,894,683 Baht, which consists of salaries and bonuses.

#### (2) Other Compensation (Excluding Executives)

In 2023, the company's employees received a total of 5,055,277 Baht in additional benefits, including contributions to provident funds, social security funds on behalf of the company, and post-employment benefits. This compensation is inclusive of employees who were no longer with the company in 2023.

Additionally, the employees received other benefits and allowances according to the company's regulations. These benefits include medical benefits, overtime pay, meal allowances, commissions, and other compensations such as bonuses for completing specified years of service (8 years, 15 years, and 20 years). The total amount for these benefits is 11,111,991 Baht, inclusive of employees who were no longer with the company in 2023.

### The provident fund

The company has established the "Employee Provident Fund" under the K Master Pooled Fund with the objective of providing incentives and encouragement to employees, as well as motivating them to work with the company in the long term. The company has been contributing to the provident fund for employees since (2018). The company will contribute funds to employees who are members at a rate not exceeding 5%. In 2023, there were 221 employees participating in the





provident fund, accounting for 52.87% of the total workforce.

In the year 2022 and 2023, the company had total employee compensation as follows:

(Unit: THB)

The types of employee compensation	Year 2022	Year 2023
The number of people	441	418
Salary	107.39	107.22
Bonus	11.02	11.19
Other Compensation <sup>/1</sup>	16.39	21.16
<b>Total</b>	<b>134.80</b>	<b>139.57</b>

**Remark:**

<sup>/1</sup> Contributions to the social security fund, contributions to the provident fund, broker fees, severance pay, and other employee benefits such as overtime pay, shift allowances, meal allowances, diligence allowances, education allowances for children, vehicle allowances, and other welfare benefits as specified by the company.

### 7.5.3 Recruitment and Employee Development

The company is deeply aware of the importance of its employees, considering them as the most valuable resource. Therefore, the company has established policies for human resource management in terms of recruitment and skill development planning. It prioritizes the development of knowledge, skills, and potential related to employee job performance. This is achieved through internal training programs tailored to the needs of each department, as well as external training such as seminars and study tours both domestically and internationally. These continuous and regular activities aim to enhance the knowledge and capabilities of employees at all levels as per details below;

#### Employee Recruitment

The company prioritizes the recruitment and selection process by adhering to principles of fairness and impartiality. This includes defining the job characteristics, specifying educational qualifications, experience, expertise, and other requirements for each position clearly. Additionally, interviews are conducted by supervisors or managers in the relevant field to ensure that employees with the specified qualifications and suitability for the position are recruited.

Furthermore, all new employees undergo orientation to familiarize themselves with the organization's vision, mission, and core values, as well as the company's human resource management regulations and practices. This helps employees understand their roles and responsibilities in the workplace and enables them to perform their duties in line with the objectives.

## Employee Training and Development

The company prioritizes employee development by organizing both internal and external training programs. These programs are carefully selected to align with the company's business needs and complemented by competency-based assessments. The company establishes these initiatives as policies and guidelines to support employee performance, aiming to achieve the organization's vision, mission, and objectives. Employee training is divided into three parts;

1. **Core Courses:** These training programs aim to enhance employees' knowledge and skills to improve their work efficiency and foster a positive attitude toward work.
2. **Management Courses:** These training programs are designed for supervisors and cover topics related to managing tasks and subordinates.
3. **Functional Courses:** These training programs focus on job-specific skills related to the tasks employees perform.

In 2023, the company organized more than 48 internal and external training courses, such as ISO 45001-2018 work systems, Halal, VACCP, TACCP, Accounting, Internal Auditing, PDPA, Electricians, etc.

Statistics on employee training hours in 2022 and 2023, respectively.

Description	Year 2022	Year 2023
Number of training hours (hours)	12,056	11,390
Average number of training hours per person per year (hours)	38.89	34.41

### 7.5.4 Employees' Treatment

#### Treating employees equally

The company emphasizes equal treatment of employees at all levels within the organization, starting from the recruitment and selection process, appointment, and promotion, ensuring suitability for the responsibilities, knowledge, abilities, and potential of the employees without bias. Furthermore, the company provides opportunities for all employees to express their opinions, suggestions, and ideas to support their involvement in the development and improvement of the company's operational efficiency.

The company operates based on the principles of corporate governance, adhering to fairness and ethical values. It has a responsibility to society and all stakeholders, without discrimination, ensuring equal treatment and respect for human dignity. Human dignity is considered a fundamental and essential aspect of human rights, and the company has a policy to support and respect human rights, treating employees, communities, and surrounding societies with respect for the value of humanity. The company considers equality and freedom as fundamental principles, refraining from violating basic rights and not discriminating based on race, nationality, religion, language, skin color, gender, age, education, physical condition, or social status. Additionally, the company ensures that its business operations are not involved in human rights violations, such as not supporting forced labor, child labor, and sexual harassment.



## Communicating with employee feedback

The company conducted an Employee Engagement Survey for all employees and a 360-degree feedback survey for managerial-level employees. These surveys were conducted to gather data for identifying and addressing various shortcomings and to aid in the continuous improvement of management effectiveness, both in the short and long term. Additionally, opportunities were provided for employees to express their feedback or file complaints, serving as channels for resolving issues or addressing concerns raised by employees.

## Building a good relationship between management and employees

The company emphasizes the importance of fostering good relationships between management and employees in the workplace. This is believed to enhance collaborative work efficiency and reduce work-related stress. In the past, the company has organized various joint activities between management and employees, such as New Year's celebration events, company outings, Corporate Social Responsibility (CSR) activities, and collaborative philanthropic initiatives.

## Creating safety and occupational health in the workplace

The company prioritizes safety and occupational health in the workplace for employees and all relevant parties, considering it crucial for the food business operations. Therefore, the company has implemented the following measures regarding safety and occupational health in the workplace:

1. Establishing safety and occupational health policies.
2. Appointing a committee for workplace safety, occupational health, and environmental conditions.
3. Appointing management-level safety officers.
4. Appointing safety officers at the supervisor level.

Statistics on sick leave rates, leave due to work-related accidents or illnesses, and severe work-related accidents or illnesses of employees in the company in the years 2022 and 2023, respectively.

Description	Year 2022	Year 2023
The average sick leave rate per year (days) <sup>/1</sup>	8.50	5.15
The average rate of leave due to work-related accidents or illnesses	-	-
The number of severe work-related accidents or illnesses leading to work stoppage (occurrences).	1	-
The number of fatal severe work-related accidents or illnesses. (occurrences).	-	-

**Remark:** <sup>/1</sup> There were no sick leaves due to work-related illnesses or accidents.

### 7.5.5 Key labor disputes over the past 3 years

The company has not experienced any significant labor disputes that have had a significant impact on the business, financial status, or operational performance of the company.

## 7.6 Others information

### 7.6.1 List of individuals assigned the following responsibilities.

#### 1. Company Secretary

Miss Juthamas Siangpongpan appointed by the Board of Directors at the 4<sup>th</sup> of the meeting which was held on August 13<sup>th</sup>, 2021, to serve as the Company Secretary, with duties and responsibilities as stipulated in the Securities and Exchange Act B.E. 2535. The detailed resume of the Company Secretary is provided in Attachment 1.

#### 2. The person appointed with the highest responsibility in the accounting and finance department, and the person directly responsible for overseeing accounting operations.

Miss Nichchada Kaewnate, the Finance and Accounting Manager is appointed with the highest responsibility in the accounting and finance department, while Miss Kanitta Katsuwan, the Head of the Accounting Department, is directly responsible for controlling and overseeing accounting operations to ensure compliance with the financial reporting standards as prescribed, as well as adhering to the company's regulations, requirements, and criteria. The detailed is provided in Attachment 1.

#### 3. Head of Internal Audit Division

The company has appointed Dharmniti Internal Audit Company. Ltd. as the internal audit firm to serve as the Head of Internal Audit. Miss Ruetaichanok Suphamong will assume the role of Head of Internal Audit and report to the company's Audit Committee. Detailed resume of the Head of Internal Audit is attached as Attachment 2.

### 7.6.2 Information on investor relations and contact details

The company has investor relations to be responsible for providing information and listening to the feedback of shareholders, including receiving comments from shareholders, investors, and analysts. The investor relations department aims to serve as a communication channel for providing information, answering questions, as well as listening to and exchanging ideas with shareholders, investors, securities analysts, and interested parties.



Shareholders and investors can contact the company to inquire about information via telephone, email, and postal mail, or they can access important information for shareholders and investors on the website <https://www.jdfthailand.com/th/ir/>. Additionally, they can contact the Investor Relations department directly for inquiries.

Telephone	+66 (0) 3440 0681 – 2
Fax	+66 (0) 3440 0683
Email	ir@jdfthailand.com
Postal	JD Food Public Company Limited Investor Relations Department 116, 116/1, 116/2 Moo 3 T.Bangtorat, A. Muangsamutsakorn Samutsakorn Province 74000
Operating Hours	Monday to Friday, 08:00 – 18:00 hrs.

### 7.6.3 Remuneration for the auditors

The Audit Committee is responsible for evaluating and reviewing the selection of auditors for the company, considering various factors such as reputation, capabilities, high standards of work, experience, and expertise in auditing, knowledge and understanding of the business, as well as pricing, among others. The committee will propose recommendations to the company's board of directors for consideration and presentation at the annual general meeting of shareholders for the appointment of auditors and approval of remuneration annually.

In the year 2023, at the Annual General Meeting of Shareholders held on April 20, 2023, it was resolved and approved to appoint Ernst & Young (EY) as the company's auditor. Furthermore, the auditing firm has no relationship or vested interest with the company, its management, major shareholders, or related parties. The appointed auditor is independent and possesses the qualifications accepted to serve as the company's auditor. Additionally, the auditor is approved by the Securities and Exchange Commission, as resolved and approved at the Annual General Meeting of Shareholders, to appoint the auditor and set the auditor's remuneration for the year 2023 as follows:

#### The appointed auditor

- |                                |                                                    |
|--------------------------------|----------------------------------------------------|
| 1) Ms. Kamontip Lertwitworatep | Certified Public Accountant (Thailand) No. 4377 or |
| 2) Ms. Satida Ratanurak        | Certified Public Accountant (Thailand) No. 4753 or |
| 3) Ms. Siriwan Nitdamrong      | Certified Public Accountant (Thailand) No. 5906    |



### Audit fees

The company has paid audit and/or financial statement review fees for the fiscal years 2022 and 2023 to the auditors as follows:

(Unit: THB)

	Year 2022	Year 2023
1. Annual audit fees	2,300,000	2,300,000
2. Interim financial statement review fees	120,000	120,000
<b>Total</b>	<b>2,420,000</b>	<b>2,420,000</b>

### Other services fees, excluding audit fees

(Unit: THB)

	Year 2022	Year 2023
1. Fees for auditing projects related to investment promotion, for which the company intends to claim corporate income tax exemption benefits.	-	150,000
2. Other Fees <sup>/1</sup>	76,250	95,711
<b>Total</b>	<b>76,250</b>	<b>245,711</b>

Remark : <sup>/1</sup> Other services fees include travel expenses, document preparation fees, and overtime fees for auditors.





## Report on Key Performance in Respect of Corporate Governance

### 8.1 Report on performance of duties by the Board of Directors in the past year

In the year 2022, the Board of Directors reviewed the Company's policies and directions and supervised management and operations of the Company to be in accordance with goals, objectives, visions, strategies, and directions of business operations. The management reported the operating results to the Board of Directors every quarter and the Board of Directors carefully reviewed such results for the benefit of the shareholders under the framework of laws and Code of Conduct.

#### 8.1.1 Nomination, Development and Performance Assessment of the Board Nomination Directors

The Board of Directors has considered and appointed the Nomination and Remuneration Committee to nominate and select persons with knowledge, abilities and experiences that are beneficial to the long-term business operations. and in line with business directions and strategies and sustainable development to hold the position of the Company's director.

#### 1. Independent Directors

The Nomination and Remuneration Committee is responsible for considering the qualifications of independent directors and prohibited characteristics in accordance with the Public Limited Companies Act, Securities and Exchange Act, announcement of Capital Market Supervisory Board and related laws and regulations. Moreover, the Company's Board of Directors will select independent directors based on their work experience and other appropriate qualities. The Board will then propose them at the shareholders' meeting and later appoint them to be directors of the Company. The Company has the policy of appointing independent directors, at least one-third of the total directors and there should be no less than 3 independent directors. The criteria of qualifications of independent directors set by the Board of Directors are as follows:

1. Holding no more than 1% of the total number of shares with voting rights in the Company, parent company, subsidiary, associated company, major shareholder, or controlling person of the Company, including shares held by related persons of such independent director.
2. Not being or used to be a director who participates in management, employee, staff, advisor who receives a regular salary or controlling person of the Company, parent company, subsidiary, associated company, subsidiary of the same level, major shareholder, or controlling person of the Company, unless having been discharged from the characteristics for at least 2 years before being appointed. Such prohibited characteristics do not include having been a government employee or advisor of a government agency, which is a major shareholder or a controlling person of the Company.

3. Not a person related by blood relationship or by legal registration in the form of parent, spouse, sibling, and child, including spouse of child of other director, executive, major shareholder or controlling person who will be nominated as director, executive or controlling person of the Company or its subsidiary.
4. Not having a business relationship with the Company, parent company, subsidiary, associated company, major shareholder, or controlling person of the Company in a manner that may impede the exercise of one's independent judgment, including not being or having been a significant shareholder or a controlling person of a person having a business relationship with the Company, parent company, subsidiary, associated company, major shareholder or controlling person of the company, unless having been discharged from the aforementioned nature for at least 2 years before being appointed.

Such business relationship includes making transactions in the normal business operations, including renting or renting out property, items related to assets or services or providing or receiving financial assistance by accepting or lending, guaranteeing, and placing assets as collateral for liabilities and any other similar behavior in the same manner, which results in the Company or the contracting party having an obligation to pay the other party in the value of 3% of the Company's net tangible assets or from twenty million baht and above, whichever is lower. Calculation of such indebtedness shall be in accordance with the method for calculating the value of connected transactions under the notification of the Capital Market Supervisory Board regarding rules on connected transactions *mutatis mutandis*. Such consideration shall include debt incurred during a period of 1 year prior to the date of the business relationship with the same person.

1. Not being or having been an auditor of the Company, parent company, subsidiary, associated company, major shareholder or controlling person of the Company and is not a significant shareholder, controlling person, or partner of audit firm, which has the auditor of the Company, parent company, subsidiary, associated company, major shareholder or controlling person, unless such nature has been terminated for at least 2 years before being appointed.
2. Not being or having been a professional service provider of any kind, including legal or financial advisory services who receive service fees of more than 2 million baht per year from the Company, parent company, subsidiary, associated company, major shareholder, or controlling person and is not a significant shareholder, controlling person or a partner of that professional service provider, unless such nature has been terminated for at least 2 years before being appointed.
3. Not being a director who has been appointed to represent and protect the interests of the Company's director, major shareholder, or shareholder who is related to a major shareholder.
4. Do not conduct similar business and is not in significant competition with the business of the Company or its subsidiaries. Not being a significant partner in a partnership or being a director who takes part in the management, employee, staff, or an advisor who receives a regular salary or holding more than 1% of the total number of shares with voting rights of other companies which conduct similar business and being in significant competition with the business of the Company or its subsidiaries.



5. There is no other characteristic that prevents a person from expressing an independent opinion on the Company's operations.

However, after being appointed as an independent director with the characteristics as specified above, independent directors may be assigned by the Board of Directors to make decisions about the business operations of the Company, parent company, subsidiary, associated company, same level subsidiary by having a decision in the form of a collective decision.

## 2. Nomination of Directors and Senior Management

The Nomination and Remuneration Committee has been assigned the duty to nominate persons with suitable qualifications to act as directors of the Company by proposing to the Board of Directors for consideration and proposing to the shareholders' meeting for an appointment. The persons with suitable qualifications are considered from professional skills, knowledge, abilities, expertise (Board Skill Matrix) and work experiences in order for the Board of Directors to have components in terms of business, strategy, law, finance, accounting, economics, international business, information technology, in order to integrate knowledge and skills that are beneficial to the operation of the Company, without specifying gender, age, race, religion or any differences to make the composition of the Board of Directors complete and in the best interest of the Company.

Additionally, in the process of selecting qualified people, the Company has given minority shareholders the opportunity to nominate candidates for consideration and selection. The Company will allow shareholders to propose matters to be included in the meeting agenda and nominate qualified persons to be considered for election as directors in advance by announcing on the Company's website giving minority shareholders the right to appoint a director. The Company has preliminary criteria that minority shareholders wishing to nominate a person to be considered for selection as a director must be a shareholder of the Company. The shareholder(s) wishing to nominate a person may be a single shareholder or several shareholders collectively holding not less than one percent of the total number of the Company's voting shares to nominate a person to be considered for election as a director.

The Nomination and Remuneration Committee has been assigned the duty to determine the method of nomination of suitable persons to hold directorship positions that are appropriate to the nature of the Company and business, as well as having a variety of knowledge, abilities, skills, experiences, and expertise which are beneficial to the Company's operations as follows:

List of Directors		Business Administration/ Management	Innovation/ Food Technology	Engineering	Sales/ Marketing	International Business	Accounting/ Finance	Economics	Law	Strategic Planning	Information Technology	Human Resources	Auditing	Risk Management
Prof. Dr. Surapon	Nitikraipot	•				•		•	•	•		•	•	•
Mr. Sorasit	Soontornkes	•				•	•	•	•	•	•	•	•	•
Mr. Danai	Watanachariya	•	•	•									•	
Mr. Pisit	Serewiwattana	•			•	•	•	•		•			•	•
Mr. Jirawat	Liwprasert	•					•	•		•		•	•	
Mr. Tanai	Charinsarn	•		•						•	•			
Miss Ratana	Eaiprasertsak	•	•	•	•	•				•		•		
Mr. Dhirabul	Hosajakul	•	•	•	•					•				
Mr. Pawin	Hosajakul	•		•	•	•					•	•		

#### Selection of Directors and Senior Executives

The Nomination and Remuneration Committee is tasked with the duty of selecting individuals with appropriate qualifications to serve as directors of the Company. This is presented to the Board of Directors for consideration and submission to the shareholders' meeting for consideration and appointment as the case may be. The committee considers professional skills, knowledge, abilities, specific expertise, work experience. So that the Board of Directors has elements in business, strategy, law, finance, accounting, economics, internal business and information technology to integrate knowledge and abilities that are beneficial to the Company's operation. without specifying gender, age, race, religion or any differences in order to ensure that the composition of the board is complete and in the best interests of the Company.





## Directorship

The Board of Directors has a term of office of not more than 3 years per relevant law. Independent directors will hold office for a continuous term of not more than 9 years unless there are reasons and necessities as the Board of Directors deems appropriate. In 2023, the Company does not have an independent director who holds the position of director for more than 9 years. In addition, the Company's directors and executives can take the position of directors or executives of affiliated companies or other companies, but must comply with the regulations of the SEC, the Securities and Exchange Commission, the Capital Market Supervisory Board, and the Stock Exchange of Thailand, including other relevant rules, regulations and laws. This must be notified to the meeting of the Board of Directors for acknowledgment. However, each director can hold the position of director in no more than 5 listed companies.

## Development of the Board of Directors

The Board of Directors and senior management attach importance to regularly attending trainings, seminars, and courses relating to improvement of knowledge and capabilities in performing the duties as a director (please refer to details of trainings of each director under Attachment 1.) Most of the Company's directors have a history of attending training with the Thai Institute of Directors (IOD) and other leading organizations/institutions. They have attended various seminars on related topics. The Company provides support to all directors as a channel to receive news and increase knowledge that can be applied in the position of director. In the year 2023, directors attended the following trainings/seminars.

No.	Name		Training Courses/Seminars in the Year 2023
1.	Mr. Sorasit	Soontornkes	Seminar on the topics of financial statement manipulation to commit fraud in the Thai stock market and sustainability under the declining economy, along with measures to mitigate global warming by EY
2.	Mr. Jirawat	Liwprasert	Seminar on the topics of financial statement manipulation to commit fraud in the Thai stock market and sustainability under the declining economy, along with measures to mitigate global warming by EY
3.	Mr. Danai	Watanachariya	Seminar on the topics of financial statement manipulation to commit fraud in the Thai stock market and sustainability under the declining economy, along with measures to mitigate global warming by EY
4.	Dr. Tanai	Charinsarn	Risk Management Program for Corporate Leaders (RCL) 33 <sup>rd</sup> Batch/2023 Thai Institute of Directors (IOD)
5.	Miss Ratana	Eaiprasertsak	Advanced Master of Management (AMM 10) from National Institute of Development Administration (NIDA)

As of December 31, 2023, Directors participated in training course related to director function as Director Certification Program (DCP) 6 person (75%) and Director Accreditation Program (DAP) 6 person (75%) from 8 directors as in Attachment 1.

## The Evaluation of the Performance of Duties of the Board of Directors

### Criteria

To comply with the good corporate governance principles, the Company has a policy for the Board of Directors to evaluate of the performance at least once a year to assist the Board of Directors to review the performance, issues, and obstacles during the past year and to increase work efficiency of the Board of Directors.

The Company has assessed the performance of the Board of Directors for the year 2023 at the Board of Directors Meeting No. 1/2024 held on February 22, 2024. The evaluation criteria will be calculated as a scoring method. If the score is in the range of 3.60 - 4 = excellent, the score range of 2.60 - 3.59 = good, the score range of 1.60 - 2.59 = average, and the score below 1.59 = needs improvement, in summary as follows:

1. Self-assessment of the Board of Directors as a group
2. Self-assessment of Sub-Committees as Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Executive Committee
3. Self-assessment of Individual Directors

In 2023, the results of the Board of Directors' self-assessment can be summarized as follows:

Performance Assessment of the Board of Directors	Average Scores	Level of Assessment Results
1. Self-assessment of the Board of Directors as a group	3.84	Excellent
2. Self-assessment of Sub-Committees as follows:		
2.1 Audit Committee	3.93	Excellent
2.2 Nomination and Remuneration Committee	3.54	Good
2.3 Risk Management Committee	3.94	Excellent
2.4 Executive Committee	3.40	Good
3. Self-assessment of Individual Directors	3.83	Excellent

### **Performance Assessment of the Board of Directors**

The performance assessment of the Board of Directors shall be held at least once a year. The performance assessment shall be conducted on the Board of Directors and each individual director as follows:

1. Evaluation of the performance of the Board of Directors by covering issues in various fields according to the assessment form of the Stock Exchange of Thailand, as follows:
  - (1) The structure and qualifications of the Board of Directors in the following matters are appropriate. make the work of the board efficient
  - (2) The roles, duties and responsibilities of the Board of Directors have given importance take time to consider Review and follow adequately the following matters.
  - (3) Board meetings on the following matters: for the Board of Directors to perform their duties in meetings effectively.
  - (4) Other matters such as the relationship between the Board of Directors and the management and self-development of the board members.



2. Assessment of individual directors' performance (self-assessment) covering various issues according to the assessment form of the Stock Exchange of Thailand, as follows:
  - (1) Structure and qualifications of the Board of Directors
  - (2) Meeting of the Board of Directors
  - (3) Roles, duties, and responsibilities of the Company's directors

The scores and opinions of the Company Directors will be used to improve the performance of the Board of Directors each year. and to make the work of the Board of Directors more effective. Including the use of the assessment results as information to support the opinions of the Board of Directors in proposing to shareholders to consider the election of company directors to replace directors who retire by rotation.

### **Succession Plans for Senior Management Positions**

The Nomination and Remuneration Committee has considered the succession plan for senior executives such as the Chief Executive Officer and Managing Director. For the organization to have successors in senior management or important leaders to maintain competitiveness to drive the organization today and sustain business growth in the future which is to manage human resource risks and retain high potential personnel to co-create success with the organization. Including the development of personnel who have potential within the organization to grow and advance to be higher-level executives through a systematic and continuous development process.

### **8.1.2 Meeting Attendance of Directors and Sub-Committee**

The Board of Directors has predetermined the meeting schedule of the Board of Directors and sub-committees each year. The Company Secretary will inform the meeting schedule so that the directors are aware of the date and time of the meeting and can attend the meeting. In case there is a special agenda, there may be additional meetings of the Board of Directors as appropriate. The Board of Directors has assigned the Company Secretary to be responsible for organizing the meeting and delivering the meeting invitation letter together with the agenda and supporting documents specifying the date, time, place and business to be held to the Board of Directors at least 7 days prior to the date of the meeting so that the directors have sufficient time to study the information except in urgent cases To protect the rights or benefits of the Company, the Chairman of the Board of Directors or a person assigned by him may notify the meeting by other means or set an earlier meeting date.

In the Board of Directors meeting There must be no less than half of the total number of directors present at the meeting to constitute a quorum. The Chairman of the Board of Directors acts as the chairman of the meeting have a duty of care allocate sufficient time for each agenda item for the directors' independent discussions and opinions on important issues. Considering the interests of shareholders and those involved fairly in the event that the Chairman of the Board of Directors is not present at the meeting or is unable to perform their duties. If there is a Vice Chairman of the Board of Directors present at the meeting, the Vice Chairman of the Board of Directors shall act as chairman of the meeting, unless there is no Vice Chairman of the Board of Directors, or he is unable to perform their duties. The committee members attending the meeting shall select one committee member to act as chairman of the meeting. The final decision of the Board of Directors' meeting shall be made by a majority vote of the directors attending the meeting. by voting One director is entitled to one vote in voting. Except that directors who

have an interest in any matter will not have the right to vote on that matter. and to leave the meeting during the consideration of that matter to allow the meeting to freely discuss and express opinions. If the votes are equal, the chairman of the meeting shall cast one additional vote to act as the deciding vote.

**(1) Board of Directors Meetings**

In 2022 and 2023, the number of meetings of the Board of Directors and the number of times each director attended the meeting are the following.

No.	Name	Total Meetings Attended / Total of Meetings	
		2022	2023
1	Professor Dr. Surapon Nitikraipot	7/7 (100%)	6/6 (100%)
2	Mr. Sorasit Soontornkes	7/7 (100%)	6/6 (100%)
3	Mr. Danai Watanachariya	7/7 (100%)	6/6 (100%)
4	Mr. Pisit Serewiwattana	7/7 (100%)	5/6 (83.33%)
5	Mr. Jirawat Liwprasert	7/7 (100%)	6/6 (100%)
6	Dr. Tanai Charinsarn	7/7 (100%)	5/6 (83.33%)
7	Miss Ratana Eaiprasertsak	7/7 (100%)	6/6 (100%)
8	Mr. Dhirabul Hosajakul	7/7 (100%)	6/6 (100%)
9	Mr. Nipon Jaisin	4/4 <sup>1</sup> (100%)	-
10	Miss Theerada Hosajakul	6/6 <sup>2</sup> (100%)	-
11	Mr. Pawin Hosajakul	7/7 (100%)	4/4 <sup>3</sup> (100%)
Total Attendances (percentage)		100%	86.67%

Noted:

<sup>1</sup> Resign from the Director, Executive Committee and Managing Director on August 1, 2022

<sup>2</sup> Resign from the Director and Executive Committee on October 1, 2022

<sup>3</sup> Resign from the Director, Executive Committee and Member of the Risk Management on September 1, 2023

**(2) Sub-Committees Meetings**

In 2022 and 2023, the number of meetings of the sub-committees and the number of times each director attended the meeting was the following.

No.	Name		Total Meetings Attended / Total of Meetings	
			2022	2023
Audit Committee				
1	Mr. Sorasit	Soontornkes	4/4 (100%)	4/4 (100%)
2	Mr. Danai	Watanachariya	4/4 (100%)	4/4 (100%)
3	Mr. Jirawat	Liwprasert	4/4 (100%)	4/4 (100%)
Total Attendances (percentage)			100%	100%

No.	Name	Total Meetings Attended / Total of Meetings	
		2022	2023
Nomination and Remuneration Committee			
1	Mr. Danai Watanachariya	3/3 (100%)	1/1 (100%)
2	Dr. Tanai Charinsarn	3/3 (100%)	1/1 (100%)
3	Miss Ratana Eaiprasertsak	1/1 <sup>/1</sup> (100%)	-
4	Mr. Dhirabul Hosajakul	1/1 <sup>/2</sup> (100%)	1/1 (100%)
Total Attendances (percentage)		100%	100%

Noted:

<sup>/1</sup> Resign from the Member of the Nomination and Remuneration Committee on April 8, 2022

<sup>/2</sup> Appointed by the Board of Directors' Meeting No. 4/2022 on May 13, 2022, to act as a Member of the Nomination and Remuneration Committee.

No.	Name	Total Meetings Attended / Total of Meetings	
		2022	2023
Risk Management Committee			
1	Mr. Pisit Serewiwattana	4/4 (100%)	4/4 (100%)
2	Mr. Sorasit Soontornkes	4/4 (100%)	4/4 (100%)
3	Mr. Pawin Hosajakul	4/4 (100%)	3/3 <sup>/1</sup> (100%)
Total Attendances (percentage)		100%	100%

Noted:

<sup>/1</sup> Resign from the Director, Executive Committee and Member of the Risk Management on September 1, 2023



No.	Name	Total Meetings Attended / Total of Meetings	
		2022	2023
Executive Committee			
1	Miss Ratana Eaiprasertsak	13/13 (100%)	11/11 (100%)
2	Mr. Dhirabul Hosajakul	13/13 (100%)	11/11 (100%)
3	Mr. Nipon Jaisin	6/7 <sup>/1</sup> (100%)	-
4	Miss Theerada Hosajakul	10/10 <sup>/2</sup> (100%)	7/7 <sup>/3</sup> (100%)
5	Mr. Pawin Hosajakul	13/13 (100%)	8/8 <sup>/4</sup> (100%)
Total Attendances (percentage)		88.89%	100%

**Noted:**

<sup>/1</sup> Resign from the Director, Executive Committee and Managing Director on August 1, 2022

<sup>/2</sup> Resign from the Director and Executive Committee on October 1, 2022

<sup>/3</sup> Appointed by the Board of Directors' Meeting No. 2/2023 on April 20, 2023

<sup>/4</sup> Resign from the Director, Executive Committee and Member of the Risk Management on September 1, 2023



**(3) Meetings of the Non-Executive Members of the Board of Directors**

The Board of Directors requires non-executive directors to hold meeting among themselves as appropriate without any executive directors or executives participating in the meeting to provide an opportunity to discuss any issues relating to the Company's business or other matters of interest. In this year 2023 the non-executive had a meeting on September 23, 2023. Details of the meeting attendance of the non-executive members to discuss the succession plan for the position of Chief Executive Officer and Managing Director and the structure of the Executive Board. Details of meeting attendance are as follows:

No.	Name	Total Meetings Attended / Total of Meetings	
		2022	2023
1	Professor Dr. Surapon Nitikraipot	-	1/1 (100%)
2	Mr. Sorasit Soontornkes	-	1/1 (100%)
3	Mr. Danai Watanachariya	-	1/1 (100%)
4	Mr. Pisit Serewiwattana	-	1/1 (100%)
5	Mr. Jirawat Liwprasert	-	1/1 (100%)
6	Dr. Tanai Charinsarn	-	1/1 (100%)
Total Attendances (percentage)		-	100%



#### (4) Shareholder Meeting

In 2022 and 2023, the number of shareholder meetings and the number of times each director attended the meeting was the following.

No.	Name		Total Meetings Attended / Total of Meetings	
			2022	2023
Annual General Meeting of Shareholders				
1	Professor Dr. Surapon Nitikraipot		1/1 (100%)	1/1 (100%)
2	Mr. Sorasit Soontornkes		1/1 (100%)	1/1 (100%)
3	Mr. Danai Watanachariya		1/1 (100%)	1/1 (100%)
4	Mr. Pisit Serewiwattana		1/1 (100%)	1/1 (100%)
5	Mr. Jirawat Liwprasert		1/1 (100%)	1/1 (100%)
6	Dr. Tanai Charinsarn		1/1 (100%)	1/1 (100%)
7	Miss Ratana Eaiprasertsak		1/1 (100%)	1/1 (100%)
8	Mr. Dhirabul Hosajakul		1/1 (100%)	1/1 (100%)
9	Mr. Nipon Jaisin		1/1 (100%)	— <sup>1</sup>
10	Miss Theerada Hosajakul		1/1 (100%)	— <sup>2</sup>
11	Mr. Pawin Hosajakul		1/1 (100%)	1/1 (100%)
Total Attendances (percentage)			100%	100%

Noted:

<sup>1</sup> Resign from the Director, Executive Committee and Managing Director on August 1, 2022

<sup>2</sup> Resign from the Director and Executive Committee on October 1, 2022



No.	Name		Total Meetings Attended / Total of Meetings	
			2022	2023
Extraordinary Annual General Meeting				
1	Professor Dr. Surapon	Nitikraipot	-	1/1 (100%)
2	Mr. Sorasit	Soontornkes	-	1/1 (100%)
3	Mr. Danai	Watanachariya	-	1/1 (100%)
4	Mr. Pisit	Serewiwattana	-	-
5	Mr. Jirawat	Liwprasert	-	1/1 (100%)
6	Dr. Tanai	Charinsarn	-	1/1 (100%)
7	Miss Ratana	Eaiprasertsak	-	1/1 (100%)
8	Mr. Dhirabul	Hosajakul	-	1/1 (100%)
9	Mr. Nipon	Jaisin	-	_/ <sup>1</sup>
10	Miss Theerada	Hosajakul	-	_/ <sup>2</sup>
11	Mr. Pawin	Hosajakul	-	1/1 (100%)
Total Attendances (percentage)			-	88.89%

**Noted:**<sup>1</sup> Resign from the Director, Executive Committee and Managing Director on August 1, 2022<sup>2</sup> Resign from the Director and Executive Committee on October 1, 2022

### 8.1.3 Remuneration of the Board of Directors, Sub-Committees and Executives

#### Remuneration of the Board of Directors and Sub-Committees

##### (1) Monetary Remuneration

The Company defines remuneration of the Board of Directors, Sub-Committees and Executives in a manner comparable to companies in similar businesses, experiences, duties, and scope of responsibilities. The Nomination and Remuneration Committee will consider the format, set the criteria for salary scale, salary increase, bonus, compensation, and reward for the Board members, Committee members, Chief Executive Officer, and Managing Director based on appropriateness and fairness in compliance with related law. The above-mentioned format and criteria will be submitted for approval of the Board of Directors and/or for approval of the shareholders' meeting.

The Annual General Meeting of Shareholders for the year 2023, held on April 20, 2023, resolved to approve the remuneration for the Board of Directors and Sub-Committees for the year 2023 as follows.

Compensation List	2022	2023
<b>1. Meeting Allowance</b>		
<b>(1) Board of Directors<sup>/1 /2</sup></b>		
• Chairman of the Board of Directors	50,000 Baht/Person/Time	50,000 Baht/Person/Time
• Member of the Board of Directors	30,000 Baht/Person/Time	30,000 Baht/Person/Time
<b>(2) Audit Committee<sup>/1 /2</sup></b>		
• Chairman of the Audit Committee	30,000 Baht/Person/Time	30,000 Baht/Person/Time
• Member of the Audit Committee	20,000 Baht/Person/Time	20,000 Baht/Person/Time
<b>(3) Nomination and Remuneration Committee<sup>/1 /2</sup></b>		
• Chairman of the Nomination and Remuneration Committee	30,000 Baht/Person/Time	30,000 Baht/Person/Time
• Member of the Nomination and Remuneration Committee	20,000 Baht/Person/Time	20,000 Baht/Person/Time
<b>(4) Risk Management Committee<sup>/1 /2</sup></b>		
• Chairman of the Risk Management Committee	30,000 Baht/Person/Time	30,000 Baht/Person/Time
• Member of the Risk Management Committee	20,000 Baht/Person/Time	20,000 Baht/Person/Time
<b>(5) Executive Committee<sup>/1 /2</sup></b>		
• Chairman of the Executive Committee	30,000 Baht/Person/Time	30,000 Baht/Person/Time
• Member of the Executive Committee	20,000 Baht/Person/Time	20,000 Baht/Person/Time
<b>2. Annual Remuneration (Gratuity)</b>		
• Chairman of the Board of Directors	700,000 Baht/Person/Year	700,000 Baht/Person/Year
• Member of the Board of Directors (Independent Director)	300,000 Baht/Person/Year	300,000 Baht/Person/Year
• Chairman of the Audit Committee	100,000 Baht/Person/Year	100,000 Baht/Person/Year
<b>3. Incentive<sup>/2</sup></b>		
• Board of Directors	No more than 2% of dividends paid to the shareholders from the entire board	No more than 2% of dividends paid to the shareholders from the entire board
<b>4. Monthly Remuneration<sup>/2</sup></b>		
• Chairman of the Executive Committee	65,000 Baht/Person/Month	65,000 Baht/Person/Month
• Member of the Executive Committee	65,000 Baht/Person/Month	65,000 Baht/Person/Month

Noted:

<sup>/1</sup> Only directors attending the meeting will receive meeting allowance

<sup>/2</sup> Member of the Board of Directors and/or member of the sub-committees who hold executive positions. The above compensation will not be received.

## (2) Non-Monetary Remuneration

- None -



## Remuneration for Individual Directors

In 2022 and 2023, the Board of Directors received a total remuneration of 7.80 million baht and 6.16 million baht, respectively, with the remuneration received by each director as follows:

**Table showing individual director remuneration in 2023. (Only directors who are not executives)**

Name	Meeting Allowance					Annual Remuneration (Gratuity)	Incentive	Monthly Remuneration	Total
	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Risk Management Committee	Executive Committee				
1. Professor Dr. Surapon Nitikraipot	300,000	-	-	-	-	700,000	10,000	-	1,010,000
2. Mr. Sorasit Soontornkes	180,000	120,000	-	80,000	-	400,000	10,000	-	790,000
3. Mr. Danai Watanachariya	180,000	80,000	30,000	-	-	300,000	10,000	-	600,000
4. Mr. Pisit Sereuwattana	150,000	-	-	120,000	-	300,000	10,000	-	580,000
5. Mr. Jirawat Liwprasert	180,000	80,000	-	-	-	300,000	10,000	-	570,000
6. Dr. Tanai Charinsarn	150,000	-	20,000	-	-	300,000	10,000	-	480,000
7. Mr. Dhirabul Hosajakul	180,000	-	20,000	-	280,000	-	10,000	780,000	1,210,000
8. Mr. Pawin Hosajakul <sup>/1</sup>	120,000	-	-	60,000	160,000-	-	10,000	520,000	870,000
9. Mr. Nipon Jaisin <sup>/2</sup>	-	-	-	-	-	-	50,000 <sup>/5</sup>	-	50,000
<b>Total</b>		<b>280,000</b>	<b>70,000</b>	<b>260,000</b>	<b>380,000</b>	<b>2,300,000</b>	<b>130,000</b>	<b>1,300,000</b>	<b>6,160,000</b>

**Noted:**

<sup>/1</sup> Resigned from the positions of director, executive director, and risk management committee member on September 1, 2023.

<sup>/2</sup> Proportionate calculation based on the duration of serving as a company director.



### 8.1.4 Remuneration of the Executives

The Nomination and Remuneration Committee will consider the format, set the criteria for salary scale, salary increase, bonus, compensation, and reward of Chief Executive Officer, and Managing Director based on appropriateness and fairness in compliance with related law. The above-mentioned format and criteria will be submitted for approval of the Board of Directors' meeting, which is comparable to the same manner in industry, experience, duty, scope of accountability and responsibility as follows:

1. Monthly Compensation: The level of compensation received is in accordance with the job responsibilities according to the position, experiences, and individual skills.
2. Annual Bonus: Consideration of the annual bonus of the current year and the proportion of changes in bonuses for the previous year shall be considered after the overall assessment of the Company's operating results, business performance or performance of assigned executive duties and the performance of the executives' comparison with the targets set each year.
3. Incentive: To stimulate efforts in working towards achieving the goals set at no more than 2 percent of dividends from operating results.
4. Other Remuneration: Other remuneration such as social security fund, provident fund, car allowance (if not using the car provided by the Company), car fuel and telephone charges. These are in accordance with the policy set by the Company, which is considered an important tool to persuade executives to work with the Company in the long run.

### 8.1.5 Monitoring on Compliance with Good Corporate Governance Policies and Guidelines

#### Fair Business Operations

The Company is committed to conducting business with honesty, fairness, transparency, and disclosure of important information. It should be able to be checked as well as determined to compete in trade equally by complying with the law, related regulations, and codes of conduct for conducting global business. This includes rejecting any behavior that obstructs fair competition, such as seeking confidential information of business competitors, requesting, receiving, and giving any dishonest benefit in trade.

#### Policy on the Usage of Internal Corporate Information

The Company places importance on supervising the usage of internal information in accordance with the principles of good corporate governance by adhering to the principles of good governance. The Company, therefore, has policies and procedures to supervise prohibiting directors, executives, and employees of the Company from using company internal information that has not been disclosed to the public, including disclosing or using the confidential information of the Company and business partners for personal benefit as well as trading.

In addition, the Company educates us about the duties and responsibilities of reporting changes of securities and derivatives holding in the Company under Section 59 and penalties under Section 275 of the Securities and Exchange Act B.E. 2535. The Company also strictly requires directors, executives, and those holding executive positions in accounting or finance to prepare and submit



reports on changes in securities and derivatives holding for themselves and their spouses or cohabiting partners, minor children, and juristic persons in which the directors, executives, and those holding executive positions in accounting or finance, or spouses, or cohabiting partners and their minor children collectively hold more than 30 percent of the total number of voting rights of the such juristic person, and such combined shareholding is the largest proportion in that juristic person to the Office in accordance with the rules and procedures prescribed in the Notification of the Office of the Securities and Exchange Commission on Preparation of Report on Changes to the Securities and Derivatives Holding of Director, Executive, Auditor, Plan Preparer and Plan Administrator within the specified period of 30 days from the date of appointment. The incumbent shall report changes in securities holding within 3 business days from the date of purchase, sale, transfer, or acceptance of transfer of such securities. The Company's secretary will compile information before submitting it to the Securities and Exchange Commission.

Additionally, the Company requires directors, executives, and those holding executive positions in accounting or finance and related workers who have been informed of material inside information that affects the change in the price of securities must suspend the purchase and sale of the Company's securities in the period before the release of financial statements or disclosure of information about the financial position and status of the Company until the Company has disclosed the information to the public. The Company will notify directors, executives and those holding executive positions in accounting or finance or equivalent to refrain from trading the Company's securities in writing at least 30 days in advance before disclosing information to the public, it is advisable to wait up to 48 hours after the disclosure of such information to the public before buying or selling securities or entering into obligations under futures contracts related to the Company's securities, including prohibiting such persons and persons related to inside information from disclosing such information to other persons as well.

In the past year, the directors and executives performed correctly and completely in accordance with the Company's policy. There was no insider trading offense.

### Anti-Corruption

The Company operates its business based on transparency, ethics, corporate governance, and compliance with laws pertaining to the prevention of corruption and anti-corruption. This includes neither offering nor receiving bribes from either the public or the private sector. The Company has established an organizational structure with the division of responsibilities, process, and chain of command in each department to be clear to have checks and balances and to have a tight review between each other appropriately. In addition, the Company has set practical guidelines for directors, executives, and employees of the Company by prohibiting the directors, executives, and employees of the Company from soliciting, performing, or accepting corruption in any form, directly or indirectly, for the benefit of the organization, themselves, family, friends, and acquaintances or for business benefits. These guidelines cover all businesses, both domestically and internationally, as well as all relevant departments of the Company. The Company also encourages the regular review of compliance with this anti-corruption policy as well as reviewing practices and requirements for compliance with business changes, rules, regulations, and legal requirements. In case of violation of any action which supports or cooperates with corruption, it shall be considered a penalty according to the Company's regulations.

## Whistleblowing

The Company provides opportunities for its directors, executives, employees, and stakeholders, both inside and outside the Company, who witness an act that leads to suspicion of corruption to the Company, whether directly or indirectly through the whistleblowing channels as specified in this policy. The whistleblower must specify details of the matter to be reported, clues or complaints, together with evidence or information sufficient for investigation, and name, address, and reachable telephone number and clearly specify that it is a confidential document, through the following channels:

1. Comment Box
2. Post : Audit Committee or Company Secretary  
JD Food Public Company Limited  
No. 116, 116/1, 116/2 Moo 3 Bangthorat, Muangsamutsakorn,  
Samutsakorn 74000, Thailand.
3. E-mai; : ir@jdfthailand.com
4. Telephone : +66 (0) 3444 0681 ต่อ 1011
5. Website : www.jdfthailand.com

The proceedings will be confidential, and the confidentiality of the whistleblowers or complaints will be maintained to provide opportunities for employees and stakeholders to report clues or complaints to the Company conveniently and appropriately. In addition, the Company has established measures to protect whistleblowers, or complainants, witnesses and persons who provide information in the fact-finding investigation from suffering or harm or unrighteousness arising from whistleblowing, complaints, witnesses, or providing information to the Company.

## 8.2 Report of the Audit Committee

### 8.2.1 Audit Committee Meeting

Details of the topic are reported under section 8.1.2 Meeting Attendance of Directors and Sub-Committee.

### 8.2.2 The Performance of The Audit Committee

The Audit Committee performance is reported under section appendix No.5 Reports on the Performance of the Sub-Committees.

## 8.3 Report of the Other Sub-Committees

### 8.3.1 Sub-Committee Meeting

Details of the topic are reported under section 8.1.2 Meeting Attendance of Directors and Sub-Committee.

### 8.3.2 The Performance of the Sub-Committees

The Nomination and Remuneration Committee performance is reported under section appendix No.5 Reports on the Performance of the Sub-Committees.

The Risk Management Committee performance is reported under section appendix No.5 Reports on the Performance of the Sub-Committees.

The Executive Committee performance is reported under section appendix No.5 Reports on the Performance of the Sub-Committees.



## Internal Control and Connected Transactions

### 9.1 Sufficiency and Appropriateness of the Internal Control System

The Company emphasizes having a good internal control system by assigning the Audit Committee responsible for reviewing and evaluating the internal control system to be efficient and effective in accordance with COSO (The Committee of Sponsoring Organization of Treadway Commission) to achieve objectives of internal control in all four aspects, including strategic, operation, reporting and compliance with applicable laws and regulations. The Company has appointed Dharmniti Internal Audit Co., Ltd. to follow up and review the operation system of various departments of the Company according to the annual audit plan approved by the Audit Committee and report directly to the Audit Committee so that the Company can utilize resources worthily and generate maximum benefits, as well as take care of the property, reduce mistakes, and prevent possible damage from fraud or misconduct. The Company also has operation supervision, financial reporting that is accurate, reliable, and timely, as well as compliance with policies, rules, and regulations of the law to be able to operate the business for shareholders' maximum benefit.

In the Board of Directors' Meeting No. 6/2023 held on November 10, 2023, the Board of Directors assessed sufficiency of the Company's internal control system according to Internal Control Sufficiency Evaluation Form of the SEC prepared by executive and the Company's relevant departments, which consists of internal control systems in various aspects, five elements as follows:

#### 1. Control Environment

The Company has an organizational structure and line of command appropriately, adheres to honesty, and upholds the code of conduct and business ethics. It assesses the performance of employees using Key Performance Indicators (KPIs) that are consistent with the organization's goals. There is a manual for operating the operation authority and a manual for operating every system in writing to be used as a guideline for operations. In addition, the Company emphasizes that all executives and employees of the Company pay attention to good corporate governance so that it can grow sustainably in the future.

#### 2. Risk Assessment

The Company has given importance to risk management that may occur to the business that may cause the objectives or targets to be not achieved. The Board of Directors resolved to establish the Risk Management Committee responsible for developing the risk management framework, following up the risk management process, and reporting risk management results to the Board of Directors. The Company's risk management operations are based on the corporate risk management framework principles of COSO (The Committee of Sponsoring Organizations of the Treadway Commission), which has important risk management processes as follows: (1) Objective Setting (2) Event Identification (3) Risk Assessment (4) Risk Response (5) Control Activities and (6) Monitoring and Risk

Reporting. The executives have been assigned a risk management working group, which is representative of all departments responsible for corporate risk management according to the abovementioned risk management process.

### **3. Control Activities**

The Company regularly controls operations to comply with rules, regulations, and operating manuals. The authority and level of approval of transactions are clearly stated. In addition, the Audit Committee reviews the internal audit report every quarter to acknowledge the important issues and problems found from the audit by making suggestions to the management, making corrections, and reporting the results of the corrections, including the case where the Company has a transaction with a person who may have conflicts or a related person, the management team will inform the matter or present it to the Audit Committee meeting to consider its reasonableness and seek approval from the Board of Directors.

### **4. Information and Communication**

The Company has a quality data and information storage system. Documents are stored in categories. The data can be used for the benefit of the Company's business accurately and sufficiently for the decision-making of those involved and helping to control the operation effectively, understand the same level of responsibility, as well as be able to be used in a timely manner.

The Company has established a Personal Data Protection Committee to ensure the operation and use of essential data for management comprises completeness, accuracy, and security of data according to Personal Data Protection Act (PDPA). In addition, the Company has an Investor Relations Department that coordinates with investors to provide information on the Company's operations and investments with fast and accessible communication channels, such as the Company's website and E-mail. Notably, the Company has provided communication channels for outsiders to report information about complaints or report clues about corruption through the channels specified by the Company.

### **5. Monitoring**

The company has a continuous process of monitoring operational performance. The board of directors reviewed and approved the internal audit plan for the fiscal year. The audit committee reviewed various issues with the internal auditors and independent external auditors. Additionally, the audit committee invited the accountants to present financial reports with regular monitoring of operational performance. Quarterly reports are prepared for presentation to the audit committee and the board of directors. The company conducts continuous and regular evaluations to ensure effective internal controls.

Furthermore, Ernst & Young (EY), the company's accounting firm, audited the financial statements for the fiscal year ending December 31, 2566. In this audit, EY must assess the risk of misstatements in financial statements due to fraud or errors, and they evaluated the effectiveness of the company's internal accounting controls as necessary to determine the scope of the audit procedures. Based on their study and evaluation, EY did not identify any internal control system issues related to the financial statements.



Moreover, concerning technology and information technology (IT), the auditors did not observe any significant issues that could impact their opinion on the financial statements in this regard. During the 1st Executive Committee Meeting of 2567 on February 22, 2023, the audit committee was informed of the audit results conducted by both accounting firms, and everything proceeded smoothly.

### **Internal Control System**

The Company has appointed Dharmniti Internal Audit Co., Ltd. as the Company's internal auditor. The internal auditor's duties include reviewing and assessing the efficiency of the Company's internal control system. The internal audit is an independent agency, which reports directly to the Audit Committee. The internal audit's responsibilities include to create assurance and provide advice so that there is good corporate governance over the Company's internal procedures, risk management, internal control, and compliance with regulations to achieve the Company's objectives. The internal audit office prepares an internal audit plan on a yearly basis. The internal audit plan is prepared in line with business strategic directions and key risks that affect the Company's operations are identified (Risk-Based Approach). The internal audit plan covers the Company's work procedures, and the audit results are reported to the Audit Committee for consideration. The audit results are also reported to the Board of Directors and supervisory agency on a quarterly basis. There is regular monitoring on implementation of recommendations from review and audit. The internal audit office (KPMG) does not have any limitation on expressing opinion nor conflict of interest with the review unit.

### **Head of Internal Audit Department**

According to the resolution of the meeting of the Board of Directors No. 1/2023 held on February 24, 2023 the Board of Directors has assigned Dharmniti Internal Audit Co., Ltd. as the Company's internal auditor by Ms. Ruetaichanoke Supamong as Head of Internal Audit who shall be mainly responsible for performance of duties by the Company's internal auditor for the year 2023 according to the internal audit plan agreed between the internal auditor and the Company. The internal auditor shall prepare a report with recommendations for improvement according to the Company's internal audit plan, policy, and directly present the report to the Audit Committee's meeting continuously on a regular basis.

The Audit Committee has reviewed the qualifications of internal auditor by Ms. Ruetaichanoke Supamong as Head of Internal Audit and is of the view that he is suitable to perform such duties due to qualifications, educational background, work experience and has received suitable and adequate trainings to be a supervisor of such operations. In this regard, the scope of powers, duties, and responsibilities of the Audit Committee. Have authority together with the management to consider and approve the appointment. Propose merit, transfer, removal, or termination. Including in determining and evaluating the annual performance of the head of the internal audit department to ensure that this department functions independently.

Please refer to additional details regarding the Company's Head of Internal Audit under Attachment 2 (Details on head of internal audit).



## 9.2 Related Parties Transaction

### Persons who may have the conflict of interest with the Company

The Company has transactions between each other and persons who may have conflicts that can summarize the relationship as follows:

Persons or Legal Persons who/which may have conflicts	Relationship Style
1. Miss Ratana Eaiprasertsak	<ul style="list-style-type: none"><li>- Board of Director, Chairman of Executive Committee and Chief Executive Officer and Managing Director</li><li>- Major shareholders of the Company holding 18.32%<sup>/1</sup> of the total number of shares.</li></ul>
2. Mr. Dhirabul Hosajakul	<ul style="list-style-type: none"><li>- Board of Director, Member of Nomination and Remuneration Committee and Member of Executive Committee</li><li>- Major shareholders of the Company hold 19.63%<sup>/1</sup> of the total number of shares.</li><li>- Father of Mr. Pawin Hosajakul and Miss Theerada Hosajakul</li></ul>

**Remark :** <sup>/1</sup> Information as of January 8, 2024





The related party transactions between the Company, individuals, and juristic persons that may have conflicts in the fiscal year ended December 31, 2022, and December 31, 2023, can be summarized as follows:

No.	Persons or Legal Persons who/which may have conflicts	Type of Transaction	Value of Transaction (Million Baht)		Necessity and reasonableness of the transaction	Audit Committee's Opinion
			Fiscal year ended of 31 Dec 2022	Fiscal year ended of 31 Dec 2022		
1	Miss Ratana Eaiprasertsak	Guaranteeing the company's debt in the name of an individual for a car hire-purchasing contract.	1.63	-	<ul style="list-style-type: none"> <li>The company has a contract. Leasing the cars for use in the Company's business operations with Ms. Ratana as a personal guarantee for the company. The guarantee is in accordance with the conditions demanded by the financial institution. Ms. Ratana does not receive any compensation from the guarantee.</li> <li>As of June 30, 2023, the company has canceled Ms. Ratana as a guarantor for the said item and have paid all car installments</li> </ul>	The Audit Committee considered and had an opinion that such an item was necessary. Reasonable and beneficial to the Company's business operations.
2	Mr. Dhirabul Hosajakul	Guaranteeing the company's debt in the name of an individual for a car hire-purchasing contract.	2.73	-	<ul style="list-style-type: none"> <li>The company has a contract. Leasing the cars for use in the Company's business operations with Mr. Dhirabul as a personal guarantee for the company. The guarantee is in accordance with the conditions demanded by the financial institution. Mr. Dhirabul does not receive any compensation from the guarantee.</li> <li>As of June 30, 2023, the company has canceled Mr. Dhirabul as a guarantor for the said item. and have closed all car installments</li> </ul>	The Audit Committee considered and had an opinion that such an item was necessary. Reasonable and beneficial to the Company's business operations.

### 9.3 Necessity and reasonableness of the related party transaction

The related party transaction of the Company is a necessary and beneficial item for the business operations of the Company and/or for the normal business operations of the Company and/or in accordance with the general trading conditions in the same way that the Vigneault shall act with the general parties in the same situation with the power of trade negotiations without influence in that the other party has the status of a person who may have conflicts.

### 9.4 Related transaction approval measures and procedures

The Company sets out connected transaction policies for the Company to make transactions correctly, appropriately, in accordance with the securities and exchange laws and regulations, announcements, orders or requirements of the Capital Market Supervisory Board and the SET, as well as compliance with the requirements regarding the disclosure of connected transactions and other relevant guidelines. However, this is Stakeholders will not be able to participate in the approval of such items.

### 9.5 Related Party Transaction in the Future Policy

The Board of Directors must comply with securities and exchange laws and regulations. Notification, orders or requirements of the Capital Market Supervisory Board and the SET, including compliance with the requirements regarding the disclosure of connected transactions of the Company or its subsidiaries in accordance with accounting standards set by the Association of Accountants and Certified Auditors of Thailand, and other relevant guidelines.

In addition, if connected transactions have been made or there are changes to the terms and conditions regarding transactions connected to the major shareholders, directors, executives, or persons associated with the Company's stakeholders will not attend the Board of Directors' meetings in relation to the consideration of the entry of such transactions.







3

Financial statements for  
the year 2023 ending  
December 31, 2023



## Independent Auditor's Report

---

### To the Shareholders of JD Food Public Company Limited

#### Opinion

I have audited the accompanying financial statements of JD Food Public Company Limited ("the Company"), which comprise the statement of financial position as at 31 December 2023, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of JD Food Public Company Limited as at 31 December 2023, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

#### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the 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 are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Key Audit Matters

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



I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond to each matter are described below.

### ***Revenue recognition***

As discussed in Note 4.1 to the financial statements regarding the accounting policies on revenue recognition from sales of goods, which represent significant amounts in the financial statements and directly affect profit or loss of the Company. In addition, there are both domestic and export sales to a large number of customers with a variety of conditions. As a result, there are risks with respect to the amount and timing of revenue recognition. I have therefore paid significant attention to the revenue recognition of the Company.

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

### **Other Information**

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

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



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

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

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

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

In preparing the financial statements, management is responsible for assessing the 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 Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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, related safeguards.

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

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



Kamontip Lertwitworatep

Certified Public Accountant (Thailand) No. 4377

EY Office Limited

Bangkok: 22 February 2024



## JD Food Public Company Limited

### Statement of financial position

As at 31 December 2023

(Unit: Baht)

	<u>Note</u>	<u>2023</u>	<u>2022</u>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	72,395,048	50,699,007
Trade and other receivables	8	109,109,310	93,359,534
Inventories	9	54,294,940	47,754,713
Other current financial assets	10	784,166	50,664,427
Other current assets		158,777	196,964
<b>Total current assets</b>		<u>236,742,241</u>	<u>242,674,645</u>
<b>Non-current assets</b>			
Investment properties	11	33,129,136	41,962,489
Property, plant and equipment	12	562,510,555	586,669,425
Intangible assets	13	5,476,336	6,023,426
Deferred tax assets	25	7,455,541	6,736,132
Other non-current assets		2,091,354	684,109
<b>Total non-current assets</b>		<u>610,662,922</u>	<u>642,075,581</u>
<b>Total assets</b>		<u>847,405,163</u>	<u>884,750,226</u>

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



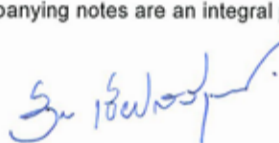
# JD Food Public Company Limited

## Statement of financial position (continued)

As at 31 December 2023

		(Unit: Baht)	
	Note	2023	2022
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Short-term loans from financial institution	14	-	20,000,000
Trade and other payables	15	63,183,367	53,647,951
Current portion of lease liabilities	17.2	541,443	1,027,509
Current portion of long-term loans from financial institution	16	39,751,673	37,772,930
Income tax payable		-	1,248,720
Other current liabilities		1,441,949	2,037,918
<b>Total current liabilities</b>		<b>104,918,432</b>	<b>115,735,028</b>
<b>Non-current liabilities</b>			
Lease liabilities - net of current portion	17.2	489,134	1,349,396
Long-term loans from financial institution - net of current portion	16	16,019,903	72,671,848
Provision for long-term employee benefits	18	27,002,566	26,191,646
<b>Total non-current liabilities</b>		<b>43,511,603</b>	<b>100,212,890</b>
<b>Total liabilities</b>		<b>148,430,035</b>	<b>215,947,918</b>
<b>Shareholders' equity</b>			
Share capital			
Registered			
600,000,000 ordinary shares of Baht 0.50 each		300,000,000	300,000,000
Issued and fully paid up			
600,000,000 ordinary shares of Baht 0.50 each		300,000,000	300,000,000
Share premium		303,175,823	303,175,823
Retained earnings			
Appropriated - statutory reserve	20	25,460,000	23,260,000
Unappropriated		70,339,305	42,366,485
<b>Total shareholders' equity</b>		<b>698,975,128</b>	<b>668,802,308</b>
<b>Total liabilities and shareholders' equity</b>		<b>847,405,163</b>	<b>884,750,226</b>

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




Directors





## JD Food Public Company Limited

### Statement of comprehensive income For the year ended 31 December 2023

		(Unit: Baht)	
	Note	2023	2022
<b>Profit or loss:</b>			
<b>Revenues</b>			
Revenues		631,347,001	573,178,015
Other income	22	5,792,606	6,347,796
<b>Total revenues</b>		<u>637,139,607</u>	<u>579,525,811</u>
<b>Expenses</b>	23		
Cost of sales		453,555,719	419,554,603
Selling and distribution expenses		66,204,536	56,441,903
Administrative expenses		71,126,795	79,837,303
Other expenses		-	86,793
<b>Total expenses</b>		<u>590,887,050</u>	<u>555,920,602</u>
<b>Operating profit</b>		46,252,557	23,605,209
Finance cost	24	(4,676,198)	(11,035,548)
<b>Profit before income tax</b>		41,576,359	12,569,661
Income tax	25	694,819	(687,987)
<b>Profit for the year</b>		<u>42,271,178</u>	<u>11,881,674</u>
<b>Other comprehensive income:</b>			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Actuarial gain (loss)	18	(122,948)	4,135,144
Less: Income tax effect	25	24,590	(827,029)
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax</b>		<u>(98,358)</u>	<u>3,308,115</u>
<b>Other comprehensive income for the year</b>		<u>(98,358)</u>	<u>3,308,115</u>
<b>Total comprehensive income for the year</b>		<u>42,172,820</u>	<u>15,189,789</u>
<b>Basic earnings per share</b>	27		
Profit for the year		<u>0.07</u>	<u>0.02</u>
<b>Weighted average number of ordinary shares (Thousand shares)</b>		<u>600,000</u>	<u>563,014</u>

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

## JD Food Public Company Limited

### Statement of changes in shareholder's equity

For the year ended 31 December 2023

	Note	Issued and paid up share capital	Share premium	Retained earnings		Total
				Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2022		225,000,000	-	22,500,000	27,936,696	275,436,696
Profit for the year		-	-	-	11,881,674	11,881,674
Other comprehensive income for the year		-	-	-	3,308,115	3,308,115
Total comprehensive income for the year		-	-	-	15,189,789	15,189,789
Share capital increase	19	75,000,000	315,000,000	-	-	390,000,000
Transaction costs - net of income tax	19	-	(11,824,177)	-	-	(11,824,177)
Unappropriated retained earnings transferred to statutory reserve	20	-	-	760,000	(760,000)	-
Balance as at 31 December 2022		300,000,000	303,175,823	23,260,000	42,366,485	668,802,308
Balance as at 1 January 2023		300,000,000	303,175,823	23,260,000	42,366,485	668,802,308
Profit for the year		-	-	-	42,271,178	42,271,178
Other comprehensive income for the year		-	-	-	(98,358)	(98,358)
Total comprehensive income for the year		-	-	-	42,172,820	42,172,820
Unappropriated retained earnings transferred to statutory reserve	20	-	-	2,200,000	(2,200,000)	-
Dividends paid	21	-	-	-	(12,000,000)	(12,000,000)
Balance as at 31 December 2023		300,000,000	303,175,823	25,460,000	70,339,305	698,975,128

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



## JD Food Public Company Limited

### Statement of cash flow

For the year ended 31 December 2023

	(Unit: Baht)	
	<u>2023</u>	<u>2022</u>
<b>Cash flows from operating activities</b>		
Profit before tax	41,576,359	12,569,661
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation	50,399,296	48,633,803
Amortisation	820,090	758,900
Impairment loss on financial assets (reversal)	(978,701)	1,954,261
Reduction of inventories to net realisable value (reversal)	3,965,576	(404,015)
Reversal of impairment loss on non-financial assets	(1,899,369)	(216,037)
Net gain on disposals and write-off of non-financial assets	(2,311,190)	(1,765,592)
Provision for long-term employee benefits	4,812,982	4,686,099
Gain on disposals and fair value adjustments of financial assets	(119,739)	(191,210)
Unrealised loss on exchange	272,463	196,561
Interest income	(223,456)	(111,155)
Finance cost	4,676,198	11,035,548
Profit from operating activities before changes in operating assets and liabilities	100,990,509	77,146,824
Operating assets (increase) decrease		
Trade and other receivables	(15,039,667)	(152,733)
Inventories	(10,505,803)	2,148,526
Other current assets	38,187	17,328
Other non-current assets	(1,453,964)	94,401
Operating liabilities increase (decrease)		
Trade and other payables	7,063,458	2,342,320
Other current liabilities	(601,979)	96,458
Provision for long-term employee benefits	(4,125,010)	(2,583,790)
Cash from operating activities	76,365,731	79,109,334
Interest received	223,456	111,155
Income tax paid	(1,248,720)	(900,836)
<b>Net cash from operating activities</b>	<u>75,340,467</u>	<u>78,319,653</u>
<b>Cash flows from investing activities</b>		
Increase in investment in debt instruments	-	(110,000,000)
Proceeds from disposals of debt instruments	50,000,000	60,000,000
Acquisitions of property, plant and equipment	(19,579,597)	(33,649,705)
Increase in intangible assets	(273,000)	(2,417,100)
Net proceeds from disposal of investment properties	7,533,830	-
Proceeds from disposals of property, plant and equipment	1,482,673	3,864,485
<b>Net cash from (used in) investing activities</b>	<u>39,163,906</u>	<u>(82,202,320)</u>

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

## JD Food Public Company Limited

### Statement of cash flow (continued)

For the year ended 31 December 2023

	(Unit: Baht)	
	<u>2023</u>	<u>2022</u>
<b>Cash flows from financing activities</b>		
Net decrease in short-term loans from financial institution	(20,000,000)	(230,000,000)
Cash paid for lease liabilities	(1,423,082)	(4,081,107)
Repayment of long-term loans from financial institution	(54,855,938)	(137,514,923)
Cash received from share capital increase	-	390,000,000
Transaction costs on issuance of shares	-	(11,994,974)
Dividend paid	(11,993,990)	-
Interest paid	(4,535,322)	(9,403,583)
<b>Net cash used in financing activities</b>	<u>(92,808,332)</u>	<u>(2,994,587)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	21,696,041	(6,877,254)
Cash and cash equivalents at beginning of year	<u>50,699,007</u>	<u>57,576,261</u>
<b>Cash and cash equivalents at end of year (Note 7)</b>	<u><u>72,395,048</u></u>	<u><u>50,699,007</u></u>
 <b>Supplementary disclosures of cash flow information</b>		
Non-cash related transactions from investing activities:		
Payables for acquisitions of property, plant and equipment and intangible assets	3,122,260	488,840
Non-cash related transactions from financing activities:		
Dividend payable	6,010	-

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



## JD Food Public Company Limited

### Notes to financial statements

For the year ended 31 December 2023

#### 1. General information

JD Food Public Company Limited ("the Company") was incorporated as a limited company and domiciled in Thailand, and registered the change of its status to a public limited company under The Public Limited Companies Act on 18 June 2020. The Company is principally engaged in the manufacture and distribution of seasoning and dehydrated foods and its registered office address is 116, 116/1, 116/2 Moo 3, Tambon Bangtorat, Amphur Muang, Samut Sakhorn Province.

#### 2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

#### 3. New financial reporting standards

##### 3.1 Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.



### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

## **4. Significant accounting policies**

### **4.1 Revenue and expense recognition**

#### *Sale of goods*

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally upon delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting discounts and allowances, price promotions and payment with traditional business practice to customers.

#### *Interest income*

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

#### *Other income*

Other income is recognised on an accrual basis.

#### *Finance cost*

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

### **4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.



### 4.3 Inventories

Finished goods and work in process are stated at the lower of cost (under average method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs which consists of cost of raw material, labour and attributable factory overheads.

Raw materials, spare parts and factory supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

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

Allowance for diminution in inventory value will be set up for slow-moving and deteriorated inventories.

### 4.4 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties, which are land improvements and buildings, is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5 - 20 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

### 4.5 Property, plant and equipment and depreciation

Land is stated at cost less allowance for loss on impairment of assets (if any).

Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of building and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Land improvements	10 - 20 years
Buildings and building improvements	5 - 50 years
Machinery and equipment	5 - 25 years
Furniture and office equipment	3 - 15 years
Motor vehicles	5 years

Depreciation is included in determining income. No depreciation is provided on land and assets under construction and installation.

Subsequent costs, which are costs of replacing a part of an item of property, plant and equipment, are recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### **4.6 Intangible assets**

Intangible assets are recognised at cost on the date of acquisition. Following the initial recognition, the intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with finite useful lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	5 - 10 years
Trademark	10 years

#### **4.7 Leases**

At inception of contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.





## The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

### *Right-of-use assets*

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets, which are motor vehicles, are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful life of 5 years and the lease term.

If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use assets are presented as part of property, plant and equipment in the statement of financial position.

### *Lease liabilities*

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounts the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### ***Short-term leases and leases of low-value asset***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

## **4.8 Related party transactions**

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

## **4.9 Foreign currencies**

The financial statements are prepared in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

## **4.10 Impairment of non-financial assets**

At the end of each reporting period, the Company performs impairment reviews in respect of the investment properties, property, plant and equipment, right-of-use assets and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.





In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is immediately recognised in profit or loss.

#### 4.11 Employee benefits

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

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### **Post-employment benefits and other long-term employee benefits**

###### *Defined contribution plans*

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

###### *Defined benefit plans and other long-term employee benefits*

The Company has obligations in respect of the severance payments its must make to employees upon retirement under labor law. The Company treats the severance payment obligation as a defined benefit plan. In addition, the Company provides other long-term employee benefit plans, namely long service awards.

The obligation under the defined benefit plans and other long-term employee benefit plans is determined by a professionally qualified independent actuary, on a regular basis, based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term employee benefits are recognised immediately in profit or loss.

Past service cost is recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

The defined benefit obligations are measured at the present value of estimated future cash flows using a discount rate that is similar to the interest rate on government bond.

#### **4.12 Provisions**

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **4.13 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation. Corporate income tax is calculated at 20 percent for non-promoted operation and is exempted for promoted operations.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At the end of the reporting period, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

#### **4.14 Financial instruments**

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.



## Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

### *Financial assets at amortised cost*

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### *Financial assets at FVOCI (debt instruments)*

The Company measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows and to sell the financial asset and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is recycled to profit or loss.

### *Financial assets at FVTPL*

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value including interest income recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Company has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.



## **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

## **Regular way purchases and sales of financial assets**

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

## **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

## **Impairment of financial assets**

The Company recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).



The Company considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **4.15 Derivatives**

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes including interest income are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.



#### 4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation techniques that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

Level 1 Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

#### 5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

##### **Property plant and equipment and depreciation**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.



## Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

### 6. Related party transactions

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	(Unit: Thousand Baht)		
	<u>2023</u>	<u>2022</u>	<u>Transfer pricing policy</u>
<u>Transactions with shareholders</u>			
Dividend payment	12,000	-	At the declared rate
<u>Transactions with related person</u>			
Sales of assets	-	425	Book value plus margin

#### Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Company had employee benefit expenses payable to its directors and management as below.

	(Unit: Million Baht)	
	<u>2023</u>	<u>2022</u>
Short-term employee benefits	26.3	31.3
Termination benefits	1.1	-
Post-employment benefits and other long-term employee benefits	0.7	0.9
Total	<u>28.1</u>	<u>32.2</u>

### 7. Cash and cash equivalents

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Cash	20	20
Bank deposits	<u>72,375</u>	<u>50,679</u>
Total cash and cash equivalents	<u>72,395</u>	<u>50,699</u>

As at 31 December 2023, bank deposits in savings accounts carried interests between 0.50 and 0.75 percent per annum (2022: 0.20 and 0.75 percent per annum).

## 8. Trade and other receivables

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates:		
Not yet due	79,870	72,103
Past due		
Up to 3 months	17,188	13,285
Over 3 months to 6 months	34	-
Over 6 months to 12 months	58	1,834
Total trade receivables - unrelated parties	97,150	87,222
Less: Allowance for expected credit losses	(195)	(2,058)
Total trade receivables - unrelated parties - net	96,955	85,164
<u>Other receivables</u>		
Other receivables - unrelated parties	9,930	6,376
Prepaid expenses	3,194	2,555
Customs duty refundable	-	139
Advances	34	130
Total other receivables	13,158	9,200
Less: Allowance for expected credit losses	(1,004)	(1,004)
Total other receivables - net	12,154	8,196
Total trade and other receivables - net	109,109	93,360

Set out below are the movements in the allowance for expected credit losses of trade receivables.

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Beginning balance	2,058	104
Provision for expected credit losses (reversal)	(979)	1,954
Amount written off	(884)	-
Ending balance	195	2,058



## 9. Inventories

(Unit: Thousand Baht)

	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Finished goods	11,791	7,472	(711)	(547)	11,080	6,925
Work in process	9,825	6,894	(2,184)	(160)	7,641	6,734
Raw materials	34,074	32,737	(2,435)	(657)	31,639	32,080
Spare parts and factory supplies	3,935	2,016	-	-	3,935	2,016
Total	<u>59,625</u>	<u>49,119</u>	<u>(5,330)</u>	<u>(1,364)</u>	<u>54,295</u>	<u>47,755</u>

During the current year, the Company reduced cost of inventories by Baht 4.0 million, to reflect the net realisable value, which was included in cost of sales (2022: reversed the write-down of cost of inventories by Baht 0.4 million, and reduced the amount of inventories recognised as expenses during the year).

## 10. Other current financial assets

(Unit: Thousand Baht)

	<u>2023</u>	<u>2022</u>
<u>Debt instruments at FVTPL</u>		
Mutual funds	784	50,664
Total other current financial assets	<u>784</u>	<u>50,664</u>



## 11. Investment properties

The net book value of investment properties as at 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)						
	2023			2022		
	Land and land improvements	Buildings	Total	Land and land improvements	Buildings	Total
Cost	15,437	58,909	74,346	22,137	58,909	81,046
Less: Accumulated depreciation	(135)	(41,082)	(41,217)	(115)	(38,969)	(39,084)
Net book value	15,302	17,827	33,129	22,022	19,940	41,962

A reconciliation of the net book value of investment properties for the years 2023 and 2022 is presented below.

(Unit: Thousand Baht)		
	<u>2023</u>	<u>2022</u>
Net book value at beginning of year	41,962	44,467
Disposal during the year - net book value at disposal date	(6,700)	-
Depreciation for the year	(2,133)	(2,505)
Net book value at end of year	<u>33,129</u>	<u>41,962</u>

On 8 November 2023, the Company entered into an assets sales and purchase agreement to sell a plot of land at the price of Baht 8.0 million. The Company recognised net gain on disposal of such land of Baht 0.8 million in profit or loss for the year 2023.

As at 31 December 2023, the fair value of the investment properties, which are land and buildings awaiting sales, was determined based on market approach and cost approach, performed by an accredited independent valuer, was Baht 75.9 million (2022: Baht 84.5 million).





## 12. Property, plant and equipment

	(Unit: Thousand Baht)								
		Land	Buildings and	Machinery	Furniture		Right-of-use	Assets under	
	Land	improvements	building	and	and office	Motor	Motor	and	Total
			improvements	equipment	equipment	vehicles	vehicles	installation	
Cost									
1 January 2022	102,000	4,650	304,222	267,352	48,613	17,649	14,218	12,342	771,046
Additions	-	-	665	2,372	505	-	-	28,986	32,528
Disposals and write-off	-	-	(8)	(105)	-	(8,590)	-	-	(8,703)
Transfer in (out)	-	1,292	4,615	12,064	528	7,263	(7,263)	(18,499)	-
31 December 2022	102,000	5,942	309,494	281,683	49,646	16,322	6,955	22,829	794,871
Additions	-	-	1,392	2,004	1,182	-	-	17,636	22,214
Disposals and write-off	-	-	-	(1,634)	(149)	(5,633)	-	-	(7,416)
Transfer in (out)	-	-	5,636	31,490	605	4,357	(4,357)	(37,731)	-
31 December 2023	102,000	5,942	316,522	313,543	51,284	15,046	2,598	2,734	809,669
Accumulated depreciation									
1 January 2022	-	463	26,679	87,524	17,522	17,345	5,960	-	155,493
Depreciation for the year	-	232	16,019	21,357	5,832	304	2,385	-	46,129
Disposals and write-off	-	-	(1)	(88)	-	(6,515)	-	-	(6,604)
Transfer in (out)	-	-	-	-	-	5,188	(5,188)	-	-
31 December 2022	-	695	42,697	108,793	23,354	16,322	3,157	-	195,018
Depreciation for the year	-	232	17,151	24,222	5,271	598	792	-	48,266
Disposals and write-off	-	-	-	(1,629)	(149)	(5,633)	-	-	(7,411)
Transfer in (out)	-	-	-	-	-	2,876	(2,876)	-	-
31 December 2023	-	927	59,848	131,386	28,476	14,163	1,073	-	235,873
Allowance for impairment									
1 January 2022	-	-	-	11,024	376	-	-	2,000	13,400
Decrease during the year	-	-	-	(195)	(21)	-	-	-	(216)
31 December 2022	-	-	-	10,829	355	-	-	2,000	13,184
Decrease during the year	-	-	-	(1,899)	-	-	-	-	(1,899)
31 December 2023	-	-	-	8,930	355	-	-	2,000	11,285
Net book value									
31 December 2022	102,000	5,247	266,797	162,061	25,937	-	3,798	20,829	586,669
31 December 2023	102,000	5,015	256,674	173,227	22,453	883	1,525	734	562,511
Depreciation for the year									
2022 (Baht 35.7 million included in cost of sales, and the remaining balance included in selling and distribution expenses and administrative expenses)									46,129
2023 (Baht 39.3 million included in cost of sales, and the remaining balance included in selling and distribution expenses and administrative expenses)									48,266

As at 31 December 2023, the Company mortgaged part of its land and construction thereon with net book value of Baht 363.8 million (2022: Baht 376.4 million) as collateral for long-term loan facilities granted by a commercial bank and pledged machinery of the new plant with net book value of Baht 44.4 million (2022: Baht 47.2 million) as additional collateral under a business security agreement for a long-term loan agreement.

As at 31 December 2023, certain plant and equipment items have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 34.2 million (2022: Baht 31.8 million).

### 13. Intangible assets

	(Unit: Thousand Baht)			
	Computer software	Trademark	Intangible assets under installation	Total
<b>Cost</b>				
1 January 2022	5,320	100	936	6,356
Additions	147	-	2,109	2,256
Transfer in (out)	2,545	-	(2,545)	-
31 December 2022	8,012	100	500	8,612
Additions	273	-	-	273
31 December 2023	8,285	100	500	8,885
<b>Accumulated amortisation</b>				
1 January 2022	1,736	94	-	1,830
Amortisation for the year	753	6	-	759
31 December 2022	2,489	100	-	2,589
Amortisation for the year	820	-	-	820
31 December 2023	3,309	100	-	3,409
<b>Net book value</b>				
31 December 2022	5,523	-	500	6,023
31 December 2023	4,976	-	500	5,476

### 14. Short-term loans from financial institution

Movements in short-term loans from financial institution during the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Beginning balance	20,000	248,941
Add: Increase during the year	100,000	120,000
Amortisation of transaction costs during the year	-	1,059
Less: Repayment during the year	(120,000)	(350,000)
Ending balance	<u>-</u>	<u>20,000</u>

The credit facilities agreement contains certain covenants with which the Company has to comply, pertaining to matters such as maintenance of certain financial ratios, maintenance of percentage of shares held by the major shareholders.

**15. Trade and other payables**

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Trade payables - unrelated parties	25,720	35,047
Other payables - unrelated parties	5,243	3,324
Accrued expenses	29,168	13,654
Payables to the Revenue Department	3,052	1,623
<b>Total trade and other payables</b>	<b>63,183</b>	<b>53,648</b>

**16. Long-term loans from financial institution**

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Long-term loans from financial institution	55,858	110,714
Less: Deferred transaction costs	(86)	(269)
<b>Total</b>	<b>55,772</b>	<b>110,445</b>
Less: Portion due within one year	(39,752)	(37,773)
<b>Long-term loans from financial institution - net of current portion</b>	<b>16,020</b>	<b>72,672</b>

Movements in long-term loans from financial institution during the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Beginning balance	110,445	247,428
Add: Amortisation of transaction costs during the year	183	531
Less: Repayment during the year	(54,856)	(137,514)
<b>Ending balance</b>	<b>55,772</b>	<b>110,445</b>

On 18 December 2019, the Company entered into 3 loan agreements with a local bank, obtaining total credit facilities of Baht 320 million for the construction of the new plant and purchases of machinery for the plant. The loans carry interest at MLR minus 2.00 percent per annum for the first 2 years, MLR minus 1.75 percent per annum between the third and the fourth year, and MLR minus 1.50 percent per annum for the fifth year onwards. The loans are repayable within 5 - 7 years from drawing dates. The interest is to be paid every month from January to September 2020 and the principal with interests are repayable in monthly installment of Baht 4.7 million in October 2020 and Baht 5.7 million from November 2020 onwards.

During the years 2023 and 2022, the Company prepaid long-term loans totaling Baht 20 million and Baht 88.2 million, respectively. At the present, the principal with interests of the loans are repayable in monthly installment of Baht 3.5 million.

In addition, there were transaction costs of Baht 1.6 million from the drawdowns which are recorded as deferred transaction costs and are amortised throughout the loan periods.

The long-term loan facilities are secured by the mortgage of part of the Company's land and construction thereon. The loan agreements contain certain covenants with which the Company has to comply, pertaining to matters such as maintenance of certain financial ratios, maintenance of percentage of shares held by the major shareholders.

## 17. Leases

The Company has lease contracts for motor vehicles used in its operations. Leases generally have lease term at 4 years.

### 17.1 Right-of-use assets

The movements of right-of-use assets are presented in Note 12 to the financial statements.

### 17.2 Lease liabilities

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Lease payments	1,068	2,491
Less: Deferred interest expenses	(38)	(114)
Total	1,030	2,377
Less: Portion due within one year	(541)	(1,028)
Lease liabilities - net of current portion	489	1,349

Movements in lease liabilities during the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Beginning balance	2,377	6,185
Add: Accretion of interest	76	273
Less: Payments during the year	(1,423)	(4,081)
Ending balance	1,030	2,377

A maturity analysis of lease payments is disclosed in Note 31.1 to the financial statements under the liquidity risk.



**17.3 Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Depreciation expense of right-of-use assets	792	2,385
Interest expense on lease liabilities	76	273
Expense relating to leases of low-value assets	76	64

**17.4 Others**

The Company had total cash outflows for leases for the year ended 31 December 2023 of Baht 1.5 million (2022: Baht 4.1 million), including the cash outflows related to leases of low-value assets.

**18. Provision for long-term employee benefits****18.1 Defined contribution plans**

The Company and its permanent employees have jointly registered a provident fund scheme under Provident Fund Act B.E. 2530. Such fund is monthly contributed by both the employees at the rate of 3 - 5 percent of the employees' basic salaries. The fund is managed by Kasikorn Asset Management Co., Ltd. and will be paid to employees upon termination in accordance with the fund rules. During the year 2023, the Company recognised the contributions of Baht 3.2 million (2022: Baht 3.6 million) as expenses.

**18.2 Defined benefit plans for employee retirement benefit under labor law**

The Company has obligations in respect of severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as defined benefit plans.

**18.3 Other long-term employee benefits**

The Company has provided other long-term employee benefit plan, namely a long service award for employees.

The defined benefit and other long-term employee benefit liabilities are measured at the present value of estimated future cash flows using a discount rate that is similar to the interest rate on government bond. A professionally qualified independent actuary values the defined benefit and other long-term employee benefit obligations on a regular basis.



Movements in provision for long-term employee benefits are shown as follows:

(Unit: Thousand Baht)

	Employee retirement benefit under labor law	Other long-term employee benefits	Total
<b>Balance as at 1 January 2022</b>	22,144	6,080	28,224
Included in profit or loss:			
Current service cost	3,538	1,173	4,711
Past service cost	-	(1,275)	(1,275)
Interest cost	375	107	482
Gain or loss on settlements	865	-	865
Actuarial (gain) loss arising from:			
Demographic assumptions changes	-	15	15
Financial assumptions changes	-	(380)	(380)
Experience adjustments	-	268	268
Included in other comprehensive income:			
Actuarial (gain) loss arising from:			
Demographic assumptions changes	162	-	162
Financial assumptions changes	(4,650)	-	(4,650)
Experience adjustments	353	-	353
Benefits paid during the year	(1,828)	(755)	(2,583)
<b>Balance as at 31 December 2022</b>	20,959	5,233	26,192
Included in profit or loss:			
Current service cost	2,719	786	3,505
Interest cost	515	139	654
Gain or loss on settlements	630	-	630
Actuarial (gain) loss arising from:			
Financial assumptions changes	-	(33)	(33)
Experience adjustments	-	57	57
Included in other comprehensive income:			
Actuarial (gain) loss arising from:			
Financial assumptions changes	(212)	-	(212)
Experience adjustments	335	-	335
Benefits paid during the year	(3,390)	(735)	(4,125)
<b>Balance as at 31 December 2023</b>	21,556	5,447	27,003



As at 31 December 2023, the Company expects to pay Baht 2.7 million of long-term employee benefits during the next year (2022: Baht 5.0 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefits of the Company is 9 years (2022: 8 years).

Significant actuarial assumptions are summarised below.

	<u>2023</u>	<u>2022</u>
	(% per annum)	(% per annum)
Discount rate	3.2	3.1
Salary increase rate	5.0	5.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at 31 December 2023 and 2022 is summarised below.

	(Unit: Million Baht)			
	<u>2023</u>		<u>2022</u>	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(2.3)	2.6	(2.1)	2.4
Salary increase rate	2.4	(2.1)	2.2	(1.9)

## 19. Share capital

On 18 March 2022, the Board of Directors' meeting of the Company passed a resolution to approve the allocation of the 150,000,000 new ordinary shares of the Company with a par value of Baht 0.50 each prescribed in the prospectus as follows:

- Not more than 15,000,000 ordinary shares are to be offered to the Company's patronages at the offer price of persons at the underwriter's discretion mentioned in c).
- Not more than 7,500,000 ordinary shares are to be offered to the Company's employees at the offer price of persons at the underwriter's discretion mentioned in c).
- Not less than 127,500,000 ordinary shares are to be offered to persons at the underwriter's discretion.

During 29 - 31 March 2022, the Company offered 150,000,000 ordinary shares with a par value of Baht 0.50 each, at a price of Baht 2.60 per share to the initial public offering, amounting to Baht 390 million of which the share premium amounted to Baht 315 million. Subsequently on 1 April 2022, the Company received full payment of the additional capital and registered the increase in its issued and paid-up share capital from Baht 225 million (450,000,000 ordinary shares with a par value of Baht 0.50 each) to Baht 300 million (600,000,000 ordinary shares with a par value of Baht 0.50 each) with the Ministry of Commerce on 4 April 2022. The Stock Exchange of Thailand (SET) has approved the listing of the 600,000,000 ordinary shares with a par value of Baht 0.50 each as securities on the SET, to be traded from 7 April 2022.

The Company incurred expenses relating to the share offering amounting to approximately Baht 12.0 million (net of income tax amounting to Baht 11.8 million), which were recorded as transaction costs presented as a deduction against the share premium.

## 20. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

During the year 2023, the Company set aside a statutory reserve of Baht 2.2 million (2022: Baht 0.8 million).

## 21. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
<u>2023</u>			
Final dividend for 2022	Annual General Meeting of the shareholders on 20 April 2023	12,000	0.02
Total dividends for 2023		12,000	

**22. Other income**

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Gain from disposals of non-financial assets	2,317	1,789
Net gain on exchange	364	-
Interest income	223	111
Gain on disposals and fair value adjustments of FVTPL debt instruments	120	191
Others	2,769	4,257
Total other income	<u>5,793</u>	<u>6,348</u>

**23. Expenses by nature**

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Raw materials and consumables used	291,012	267,844
Salaries, wages and other employee benefits	138,832	134,799
Depreciation and amortisation	51,219	49,393
Utilities expenses	14,164	15,090
Repair and maintenance expenses	7,317	7,899
Transportation expenses	2,986	2,447
Changes in finished goods and work in process	(7,250)	4,979

**24. Finance cost**

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Interest expenses on borrowings	4,371	9,126
Amortisation expenses of banks fees and transaction costs	229	1,637
Interest expenses on lease liabilities	76	273
Total finance cost	<u>4,676</u>	<u>11,036</u>

## 25. Income tax

Income tax for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
<b>Current income tax:</b>		
Current income tax charge	-	1,025
Adjustment in respect of income tax of previous year	-	199
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(695)	(536)
<b>Income tax reported in profit or loss</b>	<u>(695)</u>	<u>688</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Deferred tax relating to actuarial gain (loss)	(24)	827
<b>Income tax charged to other comprehensive income</b>	<u>(24)</u>	<u>827</u>

The reconciliation between accounting profit and income tax for the years ended 31 December 2023 and 2022 is presented below.

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Accounting profit before tax	41,576	12,570
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	8,315	2,514
Adjustment in respect of income tax of previous year	-	199
Effects of:		
Promotional privileges (Note 26)	(8,965)	-
Non-deductible expenses	197	116
Additional expense deductions allowed	(177)	(2,248)
Others	(65)	107
Total	<u>(9,010)</u>	<u>(2,025)</u>
Income tax reported in profit or loss	<u>(695)</u>	<u>688</u>
Effective tax rate	<u>1.7%</u>	<u>5.5%</u>





The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)		
Statements of financial position		
as at 31 December		
	<u>2023</u>	<u>2022</u>
<b>Deferred tax assets</b>		
Allowance for expected credit loss	205	205
Allowance for diminution in value of inventories	488	133
Allowance for impairment of non-financial assets	2,257	2,637
Provisions	51	53
Provision for long-term employee benefits	4,499	3,759
<b>Total</b>	<u>7,500</u>	<u>6,787</u>
<b>Deferred tax liabilities</b>		
Deferred bank fees and transaction costs	41	40
Unrealised fair value gain on investment	-	2
Leases	3	9
<b>Total</b>	<u>44</u>	<u>51</u>
<b>Deferred tax assets - net</b>	<u>7,456</u>	<u>6,736</u>

## 26. Promotional privileges

The Company has received promotional privileges from the Board of Investment for various operations subjected to certain imposed conditions. Details are as follows:

<u>Certificate No.</u>	<u>Operation</u>	<u>Principal privileges</u>
63-0322-1-00-1-0 dated on 19 March 2020	Manufacture of seasoning and dehydrated foods	Exemption from corporate income tax on income from the promoted operations for a period of 5 years from the date of first earning operating income
64-0790-1-00-1-0 dated on 11 August 2021	Manufacture of snacks such as protein crispy snack	Exemption from corporate income tax on income from the promoted operations for a period of 5 years from the date of first earning operating income
65-0538-1-00-1-0 dated on 11 May 2022	Manufacture of alternative protein (Plant Based)	Exemption from corporate income tax on income from the promoted operations for a period of 5 years from the date of first earning operating income

The Company's revenues from sales for the years ended 31 December 2023 and 2022, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)						
	Promoted operations		Non-promoted operations		Total	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Domestic sales	531,547	500,495	45,138	42,799	576,685	543,294
Export sales	54,092	27,541	570	2,343	54,662	29,884
Total revenues from sales	<u>585,639</u>	<u>528,036</u>	<u>45,708</u>	<u>45,142</u>	<u>631,347</u>	<u>573,178</u>

## 27. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

### Weighted average number of ordinary shares

(Unit: Thousand shares)		
	<u>2023</u>	<u>2022</u>
Balance brought forward	600,000	450,000
Add: The weighted average number of ordinary shares issued during the year	-	113,014
Weighted average number of ordinary shares	<u>600,000</u>	<u>563,014</u>

## 28. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Company is principally engaged in one reportable operating segment in manufacture and distribution of seasoning and dehydrated foods. Its operations are carried on only in geographical area of Thailand, through the distribution channel both domestic and oversea markets. During the year ended 31 December 2023, domestic sales represented 91 percent of total sales (2022: 95 percent of total sales). Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.



### Geographic information

The Company operates only in Thailand. As a result, all assets as reflected in the financial statements pertain exclusively to this geographical reportable segment. However, the Company has the distribution channel both domestic and overseas markets which revenue from external customers is based on locations of the customers as follows:

	(Unit: Thousand Baht)	
	<u>2023</u>	<u>2022</u>
Thailand	576,685	543,294
China	30,072	2,467
South Korea	10,879	7,503
United Kingdom	5,973	5,962
Canada	102	3,268
Poland	-	3,472
Others	7,636	7,212
Total	<u>631,347</u>	<u>573,178</u>

### Major customers

For the year 2023, the Company had revenue from 2 major customers in amount of Baht 68.3 million and Baht 64.9 million (2022: 2 major customers in amount of Baht 79.0 million and Baht 58.3 million).

## **29. Commitments and contingent liabilities**

### **29.1 Capital commitments**

As at 31 December 2023, the Company had capital commitments of approximately Baht 0.6 million (2022: Baht 16.4 million), relating to construction of factory and acquisitions of machinery and equipment.

### **29.2 Other commitments**

29.2.1 As at 31 December 2023, the Company had commitments of Baht 44.1 million (2022: Baht 49.7 million) from purchases of raw and packaging materials which are due for delivery within 1 year from purchasing dates.

29.2.2 As at 31 December 2023, the Company had commitments to pay consultancy and other service fees under the agreements which are for a period of less than 1 year of Baht 3.8 million (2022: Baht 4.3 million).

29.2.3 As at 31 December 2023, the Company had future lease payable in respect of leases of low-value assets of Baht 0.1 million (2022: Baht 0.2 million).



### 29.3 Other contingent liabilities

29.3.1 As at 31 December 2023, the Company had outstanding bank guarantee of Baht 0.8 million (2022: Baht 0.8 million) issued by bank on behalf of the Company in respect of electricity use in the normal course of its business.

29.3.2 As at 31 December 2023, the Company had unused facilities for fleet cards of Baht 0.8 million (2022: Baht 0.7 million) with bank.

### 29.4 Litigation

29.4.1 On 1 December 2023, the Company had a dispute with a former employee regarding the unfair termination. Currently, the case is under hearing of the Labour Court. Based on the currently available information as at the reporting date and opinion of the Company's legal counsel, the management of the Company believes that such termination is complied with Labour Protection Act. and thus possibility of the unfavourable result of the case to the Company is remote and provision has not therefore been recorded.

29.4.2 On 1 December 2023, the Company received a letter from Department of Labour Protection and Welfare ordering the Company to pay a compensation for termination to another employee of Baht 0.91 million including interest at the rate of 15 percent per annum, commencing from the date of the termination. On 4 January 2024, the Company filed a lawsuit to Labour Court to revoke the order and placed a deposit to the Court of Baht 0.95 million. Currently, the case is under hearing of the Labour Court. Based on the currently available information as at the reporting date and opinion of the Company's legal counsel, the management of the Company believes that such termination is complied with Labour Protection Act. and thus possibility of the unfavourable result of the case to the Company is remote and provision has not therefore been recorded.

## 30. Fair value hierarchy

As at 31 December 2023 and 2022, the Company had the assets that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)						
	As at 31 December 2023			As at 31 December 2022		
	Level 2	Level 3	Total	Level 2	Level 3	Total
<b>Assets measured at fair value</b>						
Financial assets measured at						
FVTPL						
Investment in debt instruments	0.8	-	0.8	50.7	-	50.7
<b>Assets for which fair value was disclosed</b>						
Investment properties	-	75.9	75.9	-	84.5	84.5



## 31. Financial instruments

### 31.1 Financial risk management objectives and policies

The Company's financial instruments principally comprise cash and cash equivalents, trade receivables, trade payables and short-term and long-term borrowings. The financial risks associated with these financial instruments and how they are managed is described below.

#### **Credit risk**

The Company is exposed to credit risk primarily with respect to trade receivables, deposits with banks and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

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

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. Credit term provided to customers normally is between 30 days and 60 days.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

#### ***Financial instruments and cash deposits***

The Company manages the credit risk from balances with banks and financial institutions by making investments only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are regularly reviewed by the management. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by credit-rating agencies.



## Market risk

### Foreign currency risk

The Company's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The foreign currency risk is currently expected to be minimal. However, if the foreign currency risk is higher in the future, the Company will seek to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate.

There are no significant financial assets denominated in foreign currencies, the risk from change in exchange rate is therefore low.

### Interest rate risk

The Company's exposure to interest rate risk relates primarily to its short-term and long-term borrowings. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The interest rate risk therefore is expected to be minimal.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	As at 31 December 2023					Effective interest rate (% per annum)
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	
	Within 1 year	More than 1 to 5 years				
<b>Financial assets</b>						
Cash and cash equivalents	-	-	64.9	7.5	72.4	0.50 - 0.75
Trade and other receivables	-	-	-	109.1	109.1	-
Other current financial assets	-	-	-	0.8	0.8	-
	-	-	64.9	117.4	182.3	
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	63.2	63.2	-
Lease liabilities	0.5	0.5	-	-	1.0	3.05 - 3.81
Long-terms loans from financial institution	-	-	55.9	-	55.9	MLR - 1.50
	0.5	0.5	55.9	63.2	120.1	



(Unit: Million Baht)

	As at 31 December 2022					
	Fixed interest rates		Floating	Non-interest		Effective
	Within	More than	interest	bearing	Total	interest
	1 year	1 to 5 years	rate			rate
						(% per annum)
<b>Financial assets</b>						
Cash and cash equivalents	-	-	42.3	8.4	50.7	0.20 - 0.75
Trade and other receivables	-	-	-	93.4	93.4	-
Other current financial assets	-	-	-	50.7	50.7	-
	-	-	42.3	152.5	194.8	
<b>Financial liabilities</b>						
Short-term loans from financial institution	20.0	-	-	-	20.0	2.75
Trade and other payables	-	-	-	53.6	53.6	-
Lease liabilities	1.0	1.3	-	-	2.3	3.05 - 3.81
Long-terms loans from financial institution	-	-	110.4	-	110.4	MLR - 1.75
	21.0	1.3	110.4	53.6	186.3	

*Interest rate sensitivity*

The following table demonstrates the sensitivity of the Company's profit before tax to a reasonably possible change in interest rates on that portion of floating rate borrowings affected as at 31 December 2023 and 2022.

Foreign currency	2023		2022	
	Increase		Increase	
	Increase (decrease)	(decrease) in profit before tax	Increase (decrease)	(decrease) in profit before tax
	(%)	(Million Baht)	(%)	(Million Baht)
Loans in Baht	+0.5	(0.3)	+0.5	(0.6)
	-0.5	0.3	-0.5	0.6

The above analysis has been prepared assuming that the amounts of the floating rate borrowings and all other variables remain constant over one year. Moreover, the floating legs of these borrowings are assumed to not yet have set interest rates. As a result, a change in interest rates affects interest payable for the full 12-month period of the sensitivity calculation. This information is not a forecast or prediction of future market conditions.

*Commodity price risk*

The Company has risk from the price volatility of agricultural products for raw materials in productions such as fresh coconut. However, the Company has developed and enacted procurement and inventory management policy taking into accounts forecasted production volume and changes in the price of such raw materials and therefore does not expect to incur material financial losses.

## Liquidity risk

Liquidity risk is the risk that the Company will be unable to liquidate financial assets and/or procure sufficient funds to discharge obligations in a timely manner. The Company manages liquidity risk through monitoring and planning of its cash flows, including the arrangement of credit facilities with financial institutions, in order to ensure that it will have sufficient funds for its operations.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities as at 31 December 2023 and 2022 based on contractual undiscounted cash flows.

	(Unit: Thousand Baht)		
	As at 31 December 2023		
	Less than 1 year	1 to 5 years	Total
Trade and other payables	63,183	-	63,183
Lease liabilities	570	498	1,068
Long-term loans from financial institution	42,000	16,250	58,250
Total	105,753	16,748	122,501

	(Unit: Thousand Baht)		
	As at 31 December 2022		
	Less than 1 year	1 to 5 years	Total
Short-term loans from financial institution	20,000	-	20,000
Trade and other payables	53,648	-	53,648
Lease liabilities	1,096	1,395	2,491
Long-term loans from financial institution	42,000	75,981	117,981
Total	116,744	77,376	194,120

## 31.2 Fair values of financial instruments

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable, accounts payable and short-term loans from financial institution, the carrying amounts in the statement of financial position approximate their fair value.
- The fair value of debt securities is generally derived from net assets value of mutual fund at the end of reporting period.
- The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

During the current year, there were no transfers within the fair value hierarchy.



## 32. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the credit facilities agreements with bank. The Company has complied with these covenants throughout the reporting periods.

The Company manages its capital position by reference to its debt-to-equity ratio. As at 31 December 2023, the Company's debt-to-equity ratio was 0.21:1 (2022: 0.32:1).

## 33. Event after the reporting period

On 22 February 2024, the meeting of the Company's Board of Directors passed a resolution approving a dividend payment for 2023 at Baht 0.04 per share, totaling Baht 24 million, to the Company's shareholders. The Company will later propose for approval of such dividend payment in the Annual General Meeting of the Company's shareholders.

## 34. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2024.



# 4

## Certification of Information

---







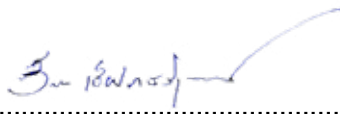
## Certification of Information

The Company has carefully reviewed the information in this 56-1 One Report. The Company certifies that such information is correct, complete, truthful, not misleading, and that no significant information that must be reported has been left out. In addition, the Company certifies that:

1. Financial statements and financial information summarized in this 56-1 One Report have been displayed correctly, and completely in the material matters of the Company's financial status, performance results, and cash flow.
2. The Company implements an effective information disclosure system to ensure that the Company has disclosed its information in the material part correctly and completely, including ensuring that such system is adhered to.
3. The Company has implemented an effective internal control system and supervising to ensure that such system is adhered to. The Company has informed the auditor and the Company's Audit Committee of its internal control system evaluation on November 8, 2023, which covered the faults and key changes of the internal control system, including misconduct that may affect the Company's preparation of the financial reports.

In this regard, to prove that all documents are the same set of documents for which the Company has certified the authenticity, the Company has assigned Miss Rattana Eaiprasertsak to enter her signature on each page of this document as well. If there are any documents on which the signature of Miss Rattana Eaiprasertsak is not present, the Company considers that it is not the information for which the Company has certified the authenticity of the information as mentioned above.

### JD Food Public Company Limited

Name	Position	Signature
1. Mr. Dhirabul Hosajakul	Authorized Director	 .....
2. Miss Ratana Eaiprasertsak	Authorized Director	 .....
Authorized person		
Miss Ratana Eaiprasertsak	Chief Executive Officer and Managing Director	 .....

# Attachment

---

<b>Attachment 1</b> : Details of Directors, Executives, Authorized Controller, Persons assigned highest responsibility in accounting and finance, Persons assigned to be directly responsible for supervising accounting, and Company Secretary.	<b>220</b>
<b>Attachment 2</b> : Details of the Head of Internal Audit and the Head of the Company's Compliance Division	<b>241</b>
<b>Attachment 3</b> : Assets Used in Business Operations and the Details About Asset Appraisals	<b>242</b>
<b>Attachment 4</b> Corporate Governance Policy and Guidelines and Business Code of Conducts	<b>244</b>
<b>Attachment 5</b> Reports on the Performance of the Sub-Committees	<b>245</b>





## Attachment 1

### Details of Directors, Executives, Authorized Controller, Persons assigned highest responsibility in accounting and finance, Persons assigned to be directly responsible for supervising accounting, and Company Secretary.

#### 1. Details of Directors, Executives, Authorized Controller, Persons assigned highest responsibility in accounting and finance, Persons assigned to be directly responsible for supervising accounting, and Company Secretary as of January 8, 2024.



Professor  
Dr. Surapon Nitikraipot

##### Position:

- Chairman of the Board of Directors
- Independent Director

Appointment date: February 26, 2018

Age (years):  
63

##### Educations :

- Honorary Doctorate Degree, Soka University, Japan
- Master's and Ph.D. Department of Public Law, Robert Schuman de Strasbourg University, France
- Bachelor's degree, Bachelor of Laws Thammasat University

##### Trainings :

- Board Nomination and Compensation Program (BNCP), Thai Institute of Directors Association (IOD), Class 5/2018
- Role of Chairman Program (RCP), Thai Institute of Directors Association (IOD), Class 25/2011
- Director Certification Program (DCP), Thai Institute of Directors Association (IOD), Class 102/2008
- International Institute of Public Administration Program "Decentralization and Local Government," International Institute of Public Administration, Paris, France.
- National Defense Course for the Joint Public-Private Sectors, Class 23 (2010), National Defense College
- Thai Barrister at the 35th Session, Office of Legal Training Students of the Thai Bar Association
- Executive Program in Energy Literacy, Class 7 (Energy Academy 7), Thailand Energy Academy
- Senior Executive Program (CMA), Class 4, Capital Market Academy

Proportion of shareholding in the Company (%) : 0.60

Family relationship between directors and executives : -None-

Work experience in the past 5 years :



Professor  
Dr. Surapon Nitikraipot  
(continue)

**Position:**

- Chairman of the Board of Directors
- Independent Director

**Appointment date:**

February 26, 2018

**Age (years):**

63

**Directorship in listed companies and/or other listed companies**

- 2020 – Present Chairman of the Board of Directors / Independent Director  
JD Food Public Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business
- 2021 – Present Chairman of the Board of Directors / Chairman of Corporate  
Governance and Sustainable Development Committee /  
Independent Director  
Heng Leasing and Capital Public Company Limited  
/ Loan Service Business
- 2018 – 2021 Independent Director PTT Public Company Limited  
/ Energy and Utilities Business
- 2014 – 2018 Independent Director / Chairman of the Corporate Governance  
Committee / Member of the Nomination and Remuneration  
Committee PTT Global Chemical Public Company Limited  
/ Petrochemical and Chemical Business

**Directorship in limited companies/other organizations**

- 2022 – Present President of the University Council  
Thammasat University / Educational Institution
- 2017 – Present Chairman of the Executive Committee  
Kamnoetvidya Science Academy / Educational Institution
- 2016 – Present Honorable Director  
The Public Sector Development Commission: OPDC  
/ Government Agency
- 2016 – Present President of the University Council  
Navamindradhiraj University / Educational Institution
- 2015 – Present Director Knowledge Network Institute of Thailand  
/ Government Agency
- 2015 – Present Vice President of the Council Vidyasirimedhi Institute  
/ Educational Institution
- 2015 – Present Civil Service Sub-committee  
Office of the Constitutional Court / Government Agency
- 2014 – Present Director of Thammasat Department  
Ananda Mahidol Foundation / Educational Institution
- 2012 – Present Special Advisor  
Office of The Administrative Courts and Election Commission  
/ Government Agency
- 2006 – Present Council Member, Group 8  
Office of the Council of State / Government Agency
- 1982 – Present Retired Government Official  
Thammasat University / Educational Institution
- 2005 – 2022 Advisor  
Thammasat University Hospital / Medical Service Business
- 2018 – 2020 Chairman of the Board of Directors / Independent Director  
Heng Leasing Company Limited / Loan Service Business
- 2018 – 2021 Chairman of the Board of Directors / Independent Director  
J.D. Food Products Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business
- 2015 – 2017 Vice Chairman of the Board of Directors  
Thai Institute of Directors (IOD)  
/ State-Owned Enterprises for Training and  
Development of Company Directors



**Mr. Sorasit Soontornkes**

**Position:**

- Chairman of the Audit Committee
- Independent Director

**Appointment date:**

**February 26, 2018**

**Position:**

- Member of the Risk Management Committee

**Appointment date:**

**May 14, 2021**

**Age (years):**

**71**

**Educations**

- Master of Economics in Business Economics, Thammasat University
- Master of Accounting, Chulalongkorn University
- Bachelor's degree in Accounting, Chulalongkorn University

**Trainings**

- Advanced Audit Committee Program (AACP), Thai Institute of Directors Association (IOD), Class 33/2019
- Director Certification Program (DCP), Thai Institute of Directors Association (IOD), Class 91/2007
- Senior Executive Program, Sasin Institute of Business Administration of Chulalongkorn University
- Executive Development Program (Wharton School) University of Pennsylvania, U.S.A
- Executive Development Program (Wharton School) University of Pennsylvania, U.S.A
- Senior Executive Program (CMA), Class 8, Capital Market Academy
- Advanced Army Academic Program, Core curriculum, Series 46, Royal Thai Army College

**Proportion of shareholding in the Company (%) : 0.07**

**Family relationship between directors and executives : -None-**

**Work experience in the past 5 years :**

**Directorship in listed companies and/or other listed companies**

2020 - Present	Independent Director / Chairman of the Audit Committee / Member of the Risk Management Committee JD Food Public Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business
2018 – Present	Chairman of the Board of Director / Independent Director AIRA Factoring Public Company Limited / Loan Service Business
2018 – 2020	Independent Director / Chairman of the Audit Committee Allianz Ayudhya Capital Public Company Limited / Insurance Business
2017 - 2020	Advisor and Chairman of the Risk Management Committee Nok Airlines Public Company Limited / Airline Business





**Mr. Sorasit Soontornkes**  
(continue)

**Position:**

- Chairman of the Audit Committee
- Independent Director

**Appointment date:**

February 26, 2018

**Position:**

- Member of the Risk Management Committee

**Appointment date:**

May 14, 2021

**Age (years):**

71

**Directorship in limited companies/other organizations**

2022 – Present	Member of the Budget Consideration Subcommittee Office of The National Broadcasting and Telecommunications Commission (NBTC) / Government Agency
2021 – Present	Audit Committee Office of the Eastern Special Development Zone Policy Committee / Government Agency
2017 - Present	Audit Committee Bank of Thailand / Government Agency
2017 - Present	Director of Audit Office, University Council Office Chulalongkorn University / Educational Institution
2018 - 2020	Independent Director / Chairman of the Audit Committee / Member of the Risk Management Committee J.D. Food Products Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business
2012 – 2016	President and Director Deposit Protection Agency / Government Agency



**Mr. Danai Watanachariya**

**Position:**

- Member of the Audit Committee
- Independent Director

**Appointment date:**  
February 26, 2018

**Position:**

- Chairman of the Nomination and Remuneration Committee

**Appointment date:**  
May 28, 2020

**Age (years)**  
66

**Educations :**

- Executive M.B.A. Chulalongkorn University
- Bachelor's Degree in Agro-Industry, Kasetsart University

**Trainings**

- Advanced Audit Committee Program (AACP), Thai Institute of Directors Association (IOD), Class 34/2019
- Board Nomination and Compensation Program (BNCP), Thai Institute of Directors Association (IOD), Class 7/2019
- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD), Class 148/2018

**Proportion of shareholding in the Company (%) :** 0.17

**Family relationship between directors and executives :** -None-

**Work experience in the past 5 years :**

**Directorship in listed companies and/or other listed companies**

2020 – Present Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee  
JD Food Public Company Limited  
/ Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business

**Directorship in limited companies/other organizations**

2018 – 2020 Independent Director / Member of the Audit Committee  
J.D. Food Products Company Limited  
/ Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business

2010 - 2014 Regional Technical Director, Indochina  
Coca-Cola (Thailand) Company Limited  
/ Production and Distribution of Beverage Business



Mr. Pisit Serewiwattana

**Position:**

- Chairman of the Risk Management Committee
- Independent Director

**Appointment date:**

October 7, 2021

**Age (years)**

62

**Educations :**

- Master of Management & Human Relations, Abilene Christian University, Texas, U.S.A.
- Bachelor's degree in Economics, Thammasat University

**Trainings**

- Director Leadership Certification Program (DLCP), Thai Institute of Directors Association (IOD), Class 5/2022
- Director Refreshment Training Program (RFP), Thai Institute of Directors Association (IOD), Class 5/2022
- IT Governance and Cyber Resilience Program (ITG), Thai Institute of Directors Association (IOD), Class 8/2018
- Corporate Governance for Executives (CGE), Thai Institute of Directors Association (IOD), Class 4/2015
- Corporate Governance for Capital Market Intermediaries (CGI), Thai Institute of Directors Association (IOD), Class 1/2014
- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD), Class 46/2005
- Digital Promotion Leader Program in Agribusiness Class 1, Digital Economy Promotion Agency, Ministry of Digital Economy and Society
- Management Science Program for Executives (Batch 2), National Institute of Development Administration
- Top Executive Program in Commerce and Trade (TEPCoT), Class 11, Commerce Academy University of the Thai Chamber of Commerce
- Senior Executive Program in Energy Science (Energy Science Program), Class 7, Thailand Energy Academy
- Diploma Program in Medical Governance for Senior Executives (Batch 4), King Prajadhipok's Institute
- Senior Executive Program (CMA), Class 17, Capital Market Academy
- Corporate Governance Program for Directors and Senior Executives of State Enterprises and Public Organizations (PDI), Class 11, King Prajadhipok's Institute

**Proportion of shareholding in the Company (%) : 0.17**

**Family relationship between directors and executives : -None-**



**Mr. Pisit Serewiwattana**  
(continue)

**Position:**

- Chairman of the Risk Management Committee
- Independent Director

**Appointment date:**

October 7, 2021

**Age (years)**

62

**Work experience in the past 5 years :**

**Directorship in listed companies and/or other listed companies**

- 2021 - Present Independent Director /  
Chairman of the Risk Management Committee  
JD Food Public Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business
- 2023 - Present Chairman of the Board of Directors / Independent Director  
Scan Inter Public Company Limited  
/ Energy Business
- 2022 - Present Independent Director / Member of the Audit Committee /  
Chairman of the Risk Management Committee /  
Member of the Nomination and Remuneration Committee /  
Member of the Good Corporate Governance Committee  
Ananda Development Public Company Limited /  
Real Estate Development & Providing Management Services for  
Real Estate Project Business
- 2021 - Present Independent Director / Chairman of the Nomination and  
Remuneration Committee / Member of the Audit Committee  
VGI Public Company Limited  
/ Media and Publishing Business
- 2021 - Present Director / Member of the Executive Committee /  
Member of the Risk Oversight Committee  
Bangkok Asset Management Public Company Limited  
/ Asset Management Business

**Directorship in limited companies/other organizations**

- 2022 - Present Director  
Summit Capital Leasing Company Limited  
/ Leasing Business
- 2018 - present Director  
Thai-Japanese Association  
/ Association
- 2015 - present Director  
S Medical Company Limited  
/ Hospital Business
- 2012 - Present Director  
Synphaet Bangna Company Limited  
/ Hospital Business
- 2004 - Present Executive Director  
Serirak Hospital Company Limited  
/ Hospital Business
- 2016 - 2021 Managing Director  
Export-Import Bank of Thailand  
/ Banking Business



Mr. Jirawat Liwprasert

**Position:**

- Member of the Audit Committee
- Independent Director

**Appointment date:**

February 26, 2018

**Age**

(years)

68

**Educations :**

- Master of International Affairs in International Finance and Banking, Columbia University, New York, USA
- Bachelor's Degree in Economics, Thammasat University

**Trainings**

- Advanced Audit Committee Program (AACP), Thai Institute of Directors Association (IOD), Class 33/2019
- Corporate Governance for Capital Market Intermediaries (CGI), Thai Institute of Directors Association (IOD), Class 4/2015
- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD), Class 41/20058

**Proportion of shareholding in the Company (%) :** 0.17

**Family relationship between directors and executives :** -None-

**Work experience in the past 5 years :**

**Directorship in listed companies and/or other listed companies**

2020 – Present Independent Director / Member of the Audit Committee  
JD Food Public Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business

**Directorship in limited companies/other organizations**

2018 – 2020 Independent Director / Member of the Audit Committee  
J.D. Food Products Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business

1990 - 2015 Executive Director  
Asia Plus Holding Public Company Limited  
/ Securities Business





**Dr. Tanai Charinsarn**

**Position:**

- Independent Director

**Appointment date:**

April 2, 2020

**Position:**

- Member of the Nomination and Remuneration Committee

**Appointment date:**

October 7, 2021

**Age (years)**

50

**Educations:**

- Doctor of Information Technology in Information Technology, University of New South Wales, Australia
- Master of Science in Civil Engineering, University of Illinois at Urbana-Champaign, USA.
- Bachelor of Engineering in Civil Engineering, Chulalongkorn University

**Trainings**

- Board Nomination and Compensation Program (BNCP), Thai Institute of Directors Association (IOD), Class 12/2021
- Director Leadership Certification Program (DLCP), Thai Institute of Directors Association (IOD), Class 1/2021
- Advanced Audit Committee Program (AAP), Thai Institute of Directors Association (IOD), Class 32/2019
- Director Certification Program (DCP), Thai Institute of Directors Association (IOD), Class 98/2008
- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD), Class 16/2004
- Senior Executive Program (CMA), Class 30, Capital Market Academy

**Proportion of shareholding in the Company (%) :** 0.17

**Family relationship between directors and executives :-**None-

**Work experience in the past 5 years :**

**Directorship in listed companies and/or other listed companies**

2020 – Present	Independent Director / Member of the Nomination and Remuneration Committee JD Food Public Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business
2022 – Present	Independent Director / Member of the Nomination, Remuneration and Corporate Governance Committee Thantawan Industry Public Company Limited / Produce and Distribution of Plastic Packaging and Plastic Products Business
2022 – Present	Independent Director / Member of the Executive Committee / Member of the Risk Management Committee SC Asset Corporation Public Company Limited / Real Estate Business
2018 – Present	Independent Director / Member of the Audit Committee / Member of the Nomination and Remuneration Committee Ready Planet Public Company Limited / All-in-One Sales and Marketing Platform Service Business



**Dr. Tanai Charinsarn**  
(continue)

**Position:**

- Independent Director

**Appointment date:**

April 2, 2020

**Position:**

- Member of the Nomination and Remuneration Committee

**Appointment date:**

October 7, 2021

**Age (years)**

50

2004 – Present Director  
DCON Products Public Company Limited  
/ Manufacturing and Distributing Floor Slabs and Prestressed Concrete Piles Business

2020 - 2021 Independent Director  
DV8 Public Company Limited  
/ Satellite Television and Advertising Sales Business

**Directorship in limited companies/other organizations**

2022 – Present Facilitator  
Thai Institute of Directors Association / Government Agency

2022 – Present Lecturer  
Faculty of Commerce and Accountancy, Chulalongkorn University  
/ Educational Institution

2019 – Present Director  
TNI and Associates Company Limited  
/ Management Consulting Business

2018 – Present Director  
Ignite Plus Company Limited / Management Consulting Business

2016 – Present Director  
MTP Solution Company Limited / Management Consulting Business

2016 – Present Director  
Visual Training Plus Company Limited  
/ Management Consulting Business

2016 – Present Director  
Infinite Multiplier Company Limited  
/ Publishing of Textbooks, Dictionaries and Encyclopedias Activities Business

2015 – Present Director  
Negotiation Plus Company Limited / Management Consulting Business

2014 – Present Director  
Acumen Plus Company Limited  
/ Training, Consulting, Printing and Distribution of Books Business

2014 – Present Director  
Amity Solution Company Limited  
/ Management Consulting Business

2018 – 2020 Independent Director  
J.D. Food Products Company Limited  
/ Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business

2017 – 2020 IT Strategy Committee  
Thailand Post Company Limited  
/ State Enterprises Under the Ministry of Information and Communication Technology (MICT)

**Miss Ratana Eaiprasertsak****Position:**

- Director
- Executive Director

**Appointment date:****February 26, 2018****Position:**

- Chairman of the Executive Committee
- Chief Executive Officer and Managing Director

**Appointment date:****February 25, 2022****Age (years)****60****Educations**

- Master of Science Department of Food and Nutrition for Development, Mahidol University
- Bachelor of Science in Nursing and Midwifery, Mahidol University

**Trainings**

- Company Reporting Program (CRP), Thai Institute of Directors Association (IOD), Class 32/2022
- IT Governance and Cyber Resilience Program (ITG), Thai Institute of Directors Association (IOD), Class 12/2019
- Director Certification Program (DCP), Thai Institute of Directors Association (IOD), Class 273/2019
- Board Nomination and Compensation Program (BNCP), Thai Institute of Directors Association (IOD), Class 6/2019
- Corporate Governance for Executives (CGE), Thai Institute of Directors Association (IOD), Class 12/2018
- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD), Class 149/2018
- Advanced Master of Management (AMM), Class 10

**Proportion of shareholding in the Company (%) : 18.32****Family relationship between directors and executives : -None-****Work experience in the past 5 years :****Directorship in listed companies and/or other listed companies**

2020 - Present Director / Chairman of the Executive Committee /  
Chief Executive Officer and Managing Director  
JD Food Public Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business

**Directorship in limited companies/other organizations**

2018 – 2020 Director / Executive Director / Senior Deputy Managing Director  
J.D. Food Products Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business

1999 – 2018 Director / Director of Product Development and Quality Control  
J.D. Food Products Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business



Mr. Dhirabul Hosajakul

**Position:**

- Director
- Executive Director

**Appointment date:**

February 26, 2018

**Position:**

- Member of the Nomination and Remuneration Committee

**Appointment date:**

May 13, 2022

**Age (years)**

68

**Educations**

- Bachelor of Science in Food Science, Kasetsart University

**Trainings**

- Board Nomination and Compensation Program (BNCP), Thai Institute of Directors Association (IOD), Class 14/2022
- Role of the Chairman Program (RCP), Thai Institute of Directors Association (IOD), Class 47/2021
- Director Certification Program (DCP), Thai Institute of Directors Association (IOD), Class 282/2019
- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD), Class 151/2018

**Proportion of shareholding in the Company (%) :** 19.63

**Family relationship between directors and executives :**

- Father of Mr. Pawin Hosajakul and Ms. Theerada Hosajakul

**Work experience in the past 5 years :**

**Directorship in listed companies and/or other listed companies**

2020 - Present Director / Executive Director /  
Member of the Nomination and Remuneration Committee  
JD Food Public Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business

**Directorship in limited companies/other organizations**

2018 – 2020 Director / Chairman of the Executive Committee  
J.D. Food Products Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business

1999 – 2018 Director / President  
J.D. Food Products Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business

**Mr. Pawin Hosajakul****Position:**

- Director
- Executive Director

**Appointment date:****February 26, 2018****Position:**

- Member of the Risk Management Committee

**Appointment date:****May 14, 2021**

\*\*Resigned from the position of director on September 1, 2023

**Age (years)****35****Educations**

- Bachelor of Engineering in Information and Communication, Chulalongkorn University

**Trainings**

- Strategic Board Master Class (SBM), Thai Institute of Directors Association (IOD), Class 7/2019
- Board Nomination and Compensation Program (BNCP), Thai Institute of Directors Association (IOD), Class 6/2019
- Director Certification Program (DCP), Thai Institute of Directors Association (IOD), Class 268/2018
- Family Business Governance (FBG), Thai Institute of Directors Association (IOD), Class 13/2018
- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD), Class 151/2018
- Risk Management Program for Corporate Leaders (RCL), Thai Institute of Directors Association (IOD), Class 13/2018

**Proportion of shareholding in the Company (%) : 9.08****Family relationship between directors and executives :**

- Son of Mr. Dhirabul Hosajakul

**Work experience in the past 5 years :****Directorship in listed companies and/or other listed companies**

2020 - Present Director / Executive Director /  
Member of the Risk Management Committee  
JD Food Public Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business

**Directorship in limited companies/other organizations**

2018 – 2020 Director / Executive Director / Deputy Managing Director  
J.D. Food Products Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business

2012 – 2018 Human Resources Manager  
J.D. Food Products Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business





Miss Theerada Hosajakul

**Position:**

- Deputy Managing Director
- Executive Director

**Appointment date:**

October 1, 2022

**Position:**

- Director
- Executive Director

**Appointment date:**

February 26, 2018

\*\*Resigned from the position of director on October 1, 2022

**Age (years)**

40

**Educations**

- Master of Science in Administrative Studies, Boston University
- Bachelor of Business Administration in Management Information System, Chulalongkorn University

**Trainings**

- Director Refreshment Training Program (RFP), Thai Institute of Directors Association (IOD), Class 7/2022
- Director Certification Program (DCP), Thai Institute of Directors Association (IOD), Class 289/2019
- Strategic Board Master Class (SBM), Thai Institute of Directors Association (IOD), Class 7/2019
- IT Governance and Cyber Resilience Program (ITG), Thai Institute of Directors Association (IOD), Class 11/2019
- Family Business Governance (FBG), Thai Institute of Directors Association (IOD), Class 13/2018
- Director Accreditation Program (DAP), Thai Institute of Directors Association (IOD), Class 151/2018
- Certificate of CFO in Practice Certification Program, Class 11
- Certificate of Professional Development Program for Investor Relations in 2022, Thai Listed Companies Association

**Proportion of shareholding in the Company (%) :** 7.55

**Family relationship between directors and executives :**

- Daughter of Mr. Dhirabul Hosajakul

**Work experience in the past 5 years :**

**Directorship in listed companies and/or other listed companies**

2022 - Present	Deputy Managing Director / Executive Director JD Food Public Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business
2020 – 2022	Director / Executive Director JD Food Public Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business

**Directorship in limited companies/other organizations**

2018 – 2020	Director / Executive Director / Chief Marketing Officer J.D. Food Products Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business
2011 – 2018	International Business Development Manager J.D. Food Products Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business



Miss Wallee  
Chansuksurachode

**Position:**

- Chief Operating Officer

**Appointment date:**

September 1, 2021

**Age (years)**

57

**Educational qualifications**

- Master of Science in Food Technology, Chulalongkorn University
- Bachelor of Science in Biotechnology, Mahidol University

**Proportion of shareholding in the Company (%) :** -None-

**Family relationship between directors and executives :** -None-

**Work experience in the past 5 years :**

- |                |                                                                                                                                                                       |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2021 – Present | Chief Operating Officer<br>JD Food Public Company Limited<br>/ Produces and Distributes Food Seasonings, Sauce,<br>Filling, and Dehydrated Food Products Business     |
| 2018 – 2020    | Chief Technical Officer<br>J.D. Food Products Company Limited<br>/ Produces and Distributes Food Seasonings, Sauce,<br>Filling, and Dehydrated Food Products Business |
| 1994 – Present | Director<br>Mahachai Development Company Limited<br>/ Producing and Selling Refined Sugar Business                                                                    |
| 1995 – 2018    | APAC Food R&D Director<br>PepsiCo Services Asia Company Limited<br>/ Production and Distribution of Beverages and Snacks Business                                     |



Miss Buntiya Seepung

**Position:**

- Senior Supply Chain Manager

**Appointment date:**

June 1, 2018

**Age (years)**

46

**Educations :**

- Master's degree, Master of Science in Technology Management, Kasetsart University
- Bachelor of Science, Major Agro-Industry, Naresuan University

**Proportion of shareholding in the Company (%) :** 0.01

**Family relationship between directors and executives :** -None-

**Work experience in the past 5 years :**

2020 - Present	Senior Supply Chain Manager JD Food Public Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business
2018 - 2020	Senior Operations Manager J.D. Food Products Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business
2008 – 2018	Manager of Quality Management System Department J.D. Food Products Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business



Miss Suthita Mueang-Ngern

**Position:**

- Senior Product Development Manager

**Appointment date:**

August 9, 2021

**Age (years)**

46

**Educations :**

- Bachelor's degree, Bachelor of Science Agro-Industry, Naresuan University

**Proportion of shareholding in the Company (%) :** 0.00

**Family relationship between directors and executives :** -None-

**Work experience in the past 5 years :**

2021 – Present Senior Product Development Manager  
JD Food Public Company Limited  
/ Produces and Distributes Food Seasonings, Sauce,  
Filling, and Dehydrated Food Products Business

2007 – 2021 Department Manager  
Thai Union Group Public Company Limited  
/ Food Industry Business



Mr. Wasu Thiptham

**Position:**

- Senior Engineering Manager and Maintenance

**Appointment date:**

February 1, 2023

**Age (years)**

46

**Educations :**

- Bachelor of Mechanical Engineering, Southeast Asia University

**Proportion of shareholding in the Company (%) :** -None-

**Family relationship between directors and executives :** -None-

**Work experience in the past 5 years :**

- |                |                                                                                                                                                                                   |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 2023 – Present | Senior Engineering and Maintenance Manager<br>JD Food Public Company Limited<br>/ Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business |
| 2020 – 2022    | Engineering and Maintenance Manager<br>JD Food Public Company Limited<br>/ Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business        |
| 2019 – 2020    | Senior Engineering Manager<br>Do Day Dream Public Company Limited<br>/ Manufacturing and Distributing Skin Care and Supplements Business                                          |
| 2016 – 2019    | Engineering Manager<br>KCG Corporation Public Company Limited<br>/ Food Production Business                                                                                       |





### Miss Nichchada Kaewnate

#### Position:

- Accounting and Finance Manager
- The Authorized Person Directly Responsible for Assigned Accounting and Finance

#### Appointment date:

September 24, 2022

#### Age (years)

48

#### Educations :

- Bachelor of Accounting, Southeast Asia University

Proportion of shareholding in the Company (%) : -None-

Family relationship between directors and executives : -None-

#### Work experience in the past 5 years :

2022 – Present	Accounting and Finance Manager JD Food Public Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business
2021 – 2022	Accounting Director Thai Ha Public Company Limited / Food Production Business
2019 – 2020	Accounting Manager S.P. Petpack Company Limited / Packaging Production Business
2017 – 2018	Accounting Manager T.P.B.I Public Company Limited / Packaging Production Business



Miss Kanitta Katsuwan

**Position:**

- Head of Accounting Department
- The Authorized Person Directly Responsible for Controlling Accounting

**Appointment date:**

February 1, 2023

**Age (years)**

38

**Educations :**

- Bachelor of Business Administration in Accounting, Ramkhamhaeng University

**Proportion of shareholding in the Company (%) :** 0.00

**Family relationship between directors and executives :** -None-

**Work experience in the past 5 years :**

**Directorship in limited companies/other organizations**

2023 – Present	Head of Accounting Department JD Food Public Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business
2021 – 2022	Senior Accounting Officer JD Food Public Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business
2010 – 2021	Accounts Receivable Officer J.D. Food Products Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business



Miss Juthamas Siangpongpan

**Position:**

- Company Secretary

**Appointment date:**

August 14, 2021

**Age (years)**

33

**Educations :**

- Bachelor of Business Administration in Tourism and Hotel Management, Burapha University

**Trainings**

- Board Reporting Program (BRP), Thai Institute of Directors Association (IOD), Class 33/2020
- Effective Minutes Taking (EMT), Thai Institute of Directors Association (IOD), Class 39/2017
- Company Secretary Program (CSP), Thai Institute of Directors Association (IOD), Class 61/2015
- Certificate of Finance for Non-financial Executives, Class 37, Thammasat University
- Certificate of Professional Development Program for Company Secretary in 2022, Class 2, Thai Listed Companies Association
- Certificate of Professional Development Program for Investor Relations in 2023, Thai Listed Companies Association
- Corporate Sustainability Strategy

**Proportion of shareholding in the Company (%) :** -None-

**Family relationship between directors and executives :** -None-

**Work experience in the past 5 years :**

2021 – Present	Company Secretary JD Food Public Company Limited / Produces and Distributes Food Seasonings, Sauce, Filling, and Dehydrated Food Products Business
2013 – 2021	Company Secretary President Automobile Industries Public Company Limited / Manufacturing and Distributing Replacement Automotive Air-Conditioner Parts Business

## Attachment 2

### Details on the Company's Head of Internal Audit

#### Head of the Internal Audit

The Company has appointed Dharmniti Internal Audit Company. Ltd., an external agency to review and assess the adequacy of the internal control system of operational processes and corporate controls to ensure that the Company's internal control system, risk management, and corporate governance processes are processed efficiently and effectively according to their objectives. Dharmniti Internal Audit Co., Ltd. assigned Miss Ruetaichanok Suphapong, who holds the position of a manager, as the primary responsible person for carrying out the duty of the Company's internal auditor and report the results of such audits to the Audit Committee and the Chief Executive Officer regularly every quarter.

In this regard, the Audit Committee has considered the qualifications of Dharmniti Internal Audit Co., Ltd. and that of Miss Ruetaichanok Suphapong and agreed that the qualifications are appropriate and adequate for carrying out the said duty due to their independency and experience in performing internal audit works. The detail on the head of the internal audit work is as follows:

#### Background of the Company's Internal Auditor



Miss Ruetaichanok Suphapong

##### Position:

- Company Internal Auditor

##### Age (years)

39

##### Educations :

- Bachelor of Marketing, Faculty of Humanities and Social Sciences, Burapha University

##### Trainings

- Internal audit training program to prepare to be an international certified internal auditor (Pre CIA)
- CIA Part II training program
- COSO 2013 course both theory and practice
- Internal control guideline course for companies preparing to be listed on the stock exchange.
- International Standards Course for Internal Auditing Professional Practice
- IT Audit course
- Corruption Investigation Guidelines Course
- Thailand's Private Sector Collective Action Coalition against Corruption
- Improving and Maintaining Audit Quality project
- Asian Confederation of Institutes of Internal Auditors Conference 2018
- Certificate of Internal Auditor of Thailand (CPIAT)
- Certificate of Independent Auditor in Project Assessment – CAC SME Certification

##### Work experience in the past 5 years :

- |                |                                                                                                                         |
|----------------|-------------------------------------------------------------------------------------------------------------------------|
| 2016 – Present | Executive Director / Manager<br>Dharmniti Internal Audit Company Limited<br>/ Provides Internal Auditing Services       |
| 2011 - 2016    | Assistant Manager<br>Dharmniti Auditing Company Limited<br>/ Provides Accounts Auditing and Internal Auditing Services. |
| 2009 – 2010    | Senior Internal Auditor                                                                                                 |
| 2007 – 2008    | Internal Auditor                                                                                                        |

## Attachment 3

### Assets Used in Business Operations and the Details About Asset Appraisals

#### Details About Asset Appraisals

Appraised Assets	Appraisal Date	Property Appraiser/ Name of the Main Appraiser	Objective for Appraisal	Appraisal Method	Appraisal Price
<b>1. Appraisal of land and buildings 48/49</b> Located at: Muen Sap Land Project, separated from Ekachai Road (Tor Lor. 3242), Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province Title Deed No. 46673 <b>Owner:</b> JD Food Public Company Limited	December 20 <sup>th</sup> , 2023	Sasipakdi Company Limited Mr. Tatphon Kertkiatkachom	For internal use within the business operations of JD Food Public Company Limited.	The Market Approach was used to determine price.	Appraisal price 9.3 million baht Land 157 sq. wah. Office usable area 493.50 sq. m. Factory usable area 460.80 sq. m.
<b>2. Appraisal of land and buildings 48/50</b> Located at: Muen Sap Land Project, separated from Ekachai Road (Tor Lor. 3242), Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province Title Deed No. 46674 <b>Owner:</b> JD Food Public Company Limited	December 20 <sup>th</sup> , 2023	Sasipakdi Company Limited Mr. Tatphon Kertkiatkachom	For internal use within the business operations of JD Food Public Company Limited.	The Market Approach was used to determine price.	Appraisal price 9.1 million baht Land 157 sq. wah. Office usable area 493.50 sq. m. Factory usable area 460.80 sq. m.
<b>3. Appraisal of land and buildings 48/52</b> Located at: Muen Sap Land Project, separated from Ekachai Road (Tor Lor. 3242), Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province Title Deed No. 46675 <b>Owner:</b> JD Food Public Company Limited	December 20 <sup>th</sup> , 2023	Sasipakdi Company Limited Mr. Tatphon Kertkiatkachom	For internal use within the business operations of JD Food Public Company Limited.	The Market Approach was used to determine price.	Appraisal price 9.1 million baht Land 157 sq. wah. Office usable area 493.50 sq. m. Factory usable area 460.80 sq. m.



Appraised Assets	Appraisal Date	Property Appraiser/ Name of the Main Appraiser	Objective for Appraisal	Appraisal Method	Appraisal Price
<b>4. Appraisal of land and buildings 48/51</b> Located at: Muen Sap Land Project, separated from Ekachai Road (for Lor. 3242), Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province Title Deed No. 46676 <b>Owner:</b> JD Food Public Company Limited	December 20 <sup>th</sup> , 2023	Sasipakdi Company Limited Mr. Taphon Kertkiatkachom	For internal use within the business operations of JD Food Public Company Limited.	The Market Approach was used to determine price.	Appraisal price 7.7 million baht Land 117 sq. wah. Office usable area 404.25 sq. m. Factory usable area 300.60 sq. m.
<b>5. Appraisal of land and buildings 48/63</b> Located at: Muen Sap Land Project, separated from Ekachai Road (for Lor. 3242), Khok Krabue Subdistrict, Mueang Samut Sakhon District, Samut Sakhon Province Title Deed No. 46678 <b>Owner:</b> JD Food Public Company Limited	December 20 <sup>th</sup> , 2023	Sasipakdi Company Limited Mr. Taphon Kertkiatkachom	For internal use within the business operations of JD Food Public Company Limited.	The Market Approach was used to determine price.	Appraisal price 5.3 million baht Land 66 sq. wah. Office usable area 163.50 sq. m. Factory usable area 283.50 sq. m.
<b>6. Appraisal of land and buildings</b> Located at: 56/2, 56/5 Moo 4, Lat Peng-Bang Tapun Road, Lat Yai Subdistrict, Mueang Samut Songkhram District, Samut Songkhram Province Title Deed No. 6840, 24809, 31801, 31802, 31803, 31804 <b>Owner:</b> JD Food Public Company Limited	December 20 <sup>th</sup> , 2023	Sasipakdi Company Limited Mr. Taphon Kertkiatkachom	For internal use within the business operations of JD Food Public Company Limited.	The Cost Approach was used to determine price.	Appraisal price 35.27 million baht Land 1,941.80 sq. wah. Usable area 3,576.00 sq. m.



## Attachment 4

# Corporate Governance Policy and Guidelines and Business Code of Conducts

The Company values and adheres to business operations under the principles of good corporate governance, with control and balance of power to make the management transparent, verifiable, and free from corruption. The Company focuses on maximizing benefits for shareholders and considers the stakeholders.

In this regard, the Company has prepared and published the Corporate Governance Policy and Guidelines and Business Code of Conduct, including various policies to define the direction of work for directors, executives, and employees at all levels, which everyone has acknowledged and is following as a guideline in their performance of duty.

More details, please visit Company's website,  
[https://www.jdfthailand.com/th/corporate\\_governance/](https://www.jdfthailand.com/th/corporate_governance/)

## Attachment 5

### Reports on the Performance of the Sub-Committees

#### Report on the Performance of the Audit Committee for the Year 2023

Committee of the Audit Committee (AC) of JD Food Public Company Limited, appointed by the Board of Directors, consists of 3 independent directors: Mr. Sorasit Soontornkesas Chairman of the Audit Committee, Mr. Danai Watanachariya and Mr. Jirawat Liwprasert as Member of the Audit Committee who possess qualifications as prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand.

During the fiscal year 2023, the AC held a total of 4 meetings, with all committee members attending each meeting. These meetings included joint meetings with the auditors, internal auditors, and company management. The AC performed its duties independently and fairly within the scope of authority, duties, and responsibilities as specified in the audit committee charter and as delegated by the Board of Directors. This was to support and promote the company's good internal control system, financial and accounting reporting in accordance with relevant standards, compliance with laws and regulations, transparent management, and ethical conduct.

The key operational outcomes of the AC are summarized as follows:

1. **Financial Report Review:** The AC conducted a review of the company's accounting policies, quarterly financial statements, and the 2023 annual financial report. It also evaluated key financial information for each quarter and provided recommendations for improvements to enhance the efficiency of the financial reporting and accounting system. The CAC found that the annual financial report accurately represented the financial position and operating results of the company as required, with reliable and sufficient disclosure of information. It complied with generally accepted accounting principles and relevant accounting and financial reporting standards, including intercompany transactions and potential conflicting items regarding benefits.
2. **Supervision of Internal Audit Plans and Monitoring Compliance with Internal Audit Reports:** The AC considered and approved the annual internal audit plan prepared according to the organization's risk order. It supervised and monitored the internal auditors' operations to ensure adherence to the plan, examined their roles, responsibilities, scope of work, and independence. The AC's assessment concluded that the company has an adequate and appropriate internal audit system. Additionally, the company's management has placed importance on and effectively implemented improvements based on the recommendations in the audit reports.
3. **Risk Management and Internal Control Monitoring:** The AC regularly monitored risk management and internal control systems, which are significant, as per the recommendations of the Risk Management Committee, internal auditors, and management.



4. Appointment of Auditors and Compensation, and Joint Meetings with Auditors: The AC evaluated the performance of auditors, considering their independence, reliability, knowledge, and ability to provide services, advice, and opinions to the company's board for approval at the shareholders' meeting. This included appointing auditors and determining their annual audit fees for 2023. Regular joint meetings with auditors were held, and two meetings were conducted exclusively with auditors without company management's participation.
5. Audit of the Audit Committee Charter: The AC conducted a review and audit of the Audit Committee Charter and presented it to the Board of Directors for approval once annually.
6. Self-Evaluation of the Audit Committee: The AC conducted a self-evaluation regarding its roles and responsibilities then reported the evaluation results to the Board of Directors.
7. Preparation of Audit Committee Reports: The AC prepared reports on its operational performance, which were presented to the Board of Directors and regularly disclosed to external parties every year.

### The summary of the Audit Committee's opinion is as follows:

The Audit Committee has fulfilled its duties within the scope of its roles, responsibilities, and authorities as stipulated in the Audit Committee Charter. It has utilized its knowledge and experience with caution and diligence, providing independent and impartial opinions and recommendations. This is to ensure effective oversight of the company's operations and to provide guidance on risk management and internal control systems to the management.

The Audit Committee regularly reports its meeting outcomes to the Board of Directors for their acknowledgment. The committee believes that the company complies with relevant laws, regulations, and requirements, and has adequate and appropriate internal control processes, risk management, and governance practices. There has been good cooperation from management, employees, and stakeholders from all parties, contributing to efficient and effective operations, transparency, and trustworthiness. This is aimed at enhancing confidence among shareholders, investors, and all stakeholders involved.

(Mr. Sorasit Soontornkes)  
Chairman of the Audit Committee

## Report on the Performance of the Nomination and Remuneration Committee for the Year 2023

The Nomination and Remuneration Committee of JD Food Public Company Limited (hereinafter referred to as the “Company”) was appointed by the Board of Directors to perform duties independently under the scope of duties and responsibilities specified under Charter of the Nomination and Remuneration Committee. This is in accordance with the requirements and guidelines of good corporate governance prescribed by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand. At present, the Nomination and Remuneration Committee consists of:

1. Mr. Danai Watanachariya Chairman of the Nomination and Remuneration Committee
2. Dr. Tanai Charinsarn Member of the Nomination and Remuneration Committee
3. Mr. Dhirabul Hosajakul Member of the Nomination and Remuneration Committee

Miss Juthamas Siangpongpan, Company Secretary acts as Secretary of the Nomination and Remuneration Committee appointed by the meeting of the Nomination and Remuneration Committee.

In the year 2023, the Nomination and Remuneration Committee held 1 meeting, all members of the Nomination and Remuneration Committee attended all meetings. Report on performance of duties by the Nomination and Remuneration Committee, which had been presented to the Board of Directors, can be summarized with key issues as follows:

1. **Nomination of person to be selected as the Company’s directors.** The Nomination and Remuneration Committee has considered criteria and procedures for nominating suitable qualified persons for the position of the Company’s director in accordance with the Company’s business strategies. The committee uses the Board Skill Matrix for the selection process, considering various qualifications as appropriate including professional qualifications, skills, age, gender, experience, multi-disciplinary expertise and requisite capabilities, and performance as a director in the past. Directors without conflict of interest have considered the suitability of persons to be proposed to the Board of Directors’ meetings for consideration and appointment as the Company’s directors in replace of the directors who are retired by rotation.
2. **Determination of remuneration of the Company’s directors and senior management.** The Nomination and Remuneration Committee has considered guidelines for determining remuneration of the Company’s directors and senior management and methods and criteria for determining fair remuneration. The committee has also determined remuneration of senior management to be in accordance with their performance.





3. **Implementation of the succession plan of senior management.** The Nomination and Remuneration Committee has considered and acknowledged the implementation of succession plan of senior management for the organization to have successors for senior management and key leaders to maintain competitiveness and drive the organization to sustain business growth at present and in the future. This is considered management on risks relating to human resource and retention of employees with high capabilities to jointly create success with the organization. It also helps developing potential employees within the organization to grow and become higher-level executives through a systematic and continuous development process.
4. **Performance assessment of the Board of Directors.** The Nomination and Remuneration Committee has arranged for an evaluation of the performance of the Board of Directors and sub-committees, both on entire committee and individual basis, is conducted at least once a year and the results are reported to the Board of Directors.
5. **Review Charter of the Nomination and Remuneration Committee** to be appropriate and in line with the duties and the responsibilities of the Nomination and Remuneration Committee and related laws. The Nomination and Remuneration Committee has performed its duties with prudence, independence and transparency for the utmost benefit of the Company and shareholders, taking into account all stakeholders carefully.

(Mr. Danai Watanachariya)  
Chairman of the Nomination and  
Remuneration Committee

## Report on the Performance of the Risk Management Committee for the Year 2023

The Risk Management Committee of JD Food Public Company Limited (hereinafter referred to as the “Company”) consists of:

1. Mr. Pisit Serewiwattana Chairman of the Risk Management Committee
2. Mr. Sorasit Soontornkes Member of the Risk Management Committee
3. Mr. Pawin<sup>/1</sup> Hosajakul Member of the Risk Management Committee

Remark: <sup>/1</sup> Mr. Pawin Hosajakul resigned from the position on September 1, 2023.

Miss Wallee Chansuksurachode, Chairman of the Risk Working Group acts as Secretary of the Risk Management Committee appointed by the meeting of the Risk Management Committee.

The Risk Management Committee performs duties as assigned by the Board of Directors with scope of duties and responsibilities as stipulated under Charter of the Risk Management Committee and provides recommendations on appropriate and effective risk management guidelines for business operations in line with the strategic directions, operations and business plan, and support and promote risk management at all levels throughout the organization continuously and efficiently according to the standards. In the year 2023, the Risk Management Committee held a total of 4 meetings. To ensure that the risk management is adequate, appropriate, and implemented on a regular basis, performance of duties by the Risk Management Committee can be summarized as set out below.

1. Review of the annual corporate risk assessment report. The Risk Management Committee reviewed an issue of corporate risk selection process for the year 203 in line with risks collected by the management from all parties to perform risk assessment and prioritization. The Risk Management Committee has also determined criteria for assessing risks, opportunities and impacts, an acceptable level of risk and deviation, and measures to manage those risks to an acceptable level.
2. Review of the monitoring report on corporate risk. The Risk Management Committee has reviewed the monitoring report 4 times and has provided comments on measures for managing risk at medium level to an acceptable level or reducing the likelihood of risk occurring. Control measures are also monitored to ensure that the Company’s risk management is in line with its strategic plans and operations.
3. Review of Charter of the Risk Management Committee. The Risk Management Committee reviews the appropriateness of Charter of the Risk Management Committee to ensure that the content of the charter is consistent with the Company’s risk management objectives and strategies.



(Mr. Pisit Serewiwattana)

Chairman of the Risk Management Committee



## Report on the Performance of Executive Committee for the Year 2023

The Board of Directors had a resolution to appoint the Executive Committee with the objectives to supervise, manage and control the Company's operations and support the management's performance in operating the Company's business to be in accordance with the policies, plans, and business goals as determined by the Board of Directors. The Executive Committee also controls such operations to be in accordance with the laws on securities and exchange, any other relevant announcements, rules and regulations issued by the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand related and good corporate governance principles for listed companies.

At present, the Executive Committee consists of:

- |                           |               |                                     |
|---------------------------|---------------|-------------------------------------|
| 1. Miss Ratana            | Eaiprasertsak | Chairman of the Executive Committee |
| 2. Mr. Dhirabul           | Hosajakul     | Member of the Executive Committee   |
| 3. Mr. Pawin <sup>1</sup> | Hosajakul     | Member of the Executive Committee   |
| 4. Miss Theerada          | Hosajakul     | Member of the Executive Committee   |

Remark: <sup>1</sup> Mr. Pawin Hosajakul resigned from the position on September 1, 2023.

Miss Nattchaya Saengjae, Secretary of Chief Executive Officer and Managing Director acts as Secretary of the Executive Committee.

In the year 2023, the Executive Committee held 11 meetings to consider and approve matters and propose approaches for solving problems and making suggestions, can be summarized with key issues as follows:

1. Plan, formulate and present policies, directions, goals, business strategies to be in line with the economic, competitive market conditions and business plans for approval by the Board of Directors.
2. Control and monitor the Company's performance to be in accordance with the policies, goals, business plans and budgets and authorizations as approved by the Board of Directors.
3. Consider and approve operations that are normal business transactions of the Company according to the investment budget or the approved budget.
4. Consider and approve any amendment or change in regulations, orders, requirements, and rules relating to operations, control, and management in every department.
5. Consider and scrutinize the management's proposals and present goals, policies and business plans to the Board of Directors for approval.
6. Drive the Company towards operating under the principles of good corporate governance.
7. Perform any other duty as assigned by the Board of Directors.

The Executive Committee believes in managing and supervising the Company's operations with care and responsibility, honesty, and in accordance with the laws and the principles of good corporate governance for stability and sustainability of the Company in the future.

(Miss Ratana Eaiprasertsak)

Chairman of the Executive Committee



JD FOOD PUBLIC COMPANY LIMITED





JD FOOD PUBLIC COMPANY LIMITED

116, 116/1, 116/2 Moo 3, Bangthorat Subdistrict,  
Mueang Samut Sakhon District, Samut Sakhon 74000  
03444 0681 – 2 and 03444 0683  
[www.jdfthailand.com](http://www.jdfthailand.com)