



ANNUAL REPORT 2022

(Form 56-1 One Report)



TRANSFORMING FOR SUSTAINABLE GROWTH



**TRANSFORMING FOR
SUSTAINABLE GROWTH**



DAKS
LONDON





By Appointment
To Her Majesty The Queen
DAKS London, United Kingdom



By Appointment
To His Majesty King Charles III
DAKS London, United Kingdom

DAKS

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ARROW



USA • 1851

Guy Laroche







OLYMP



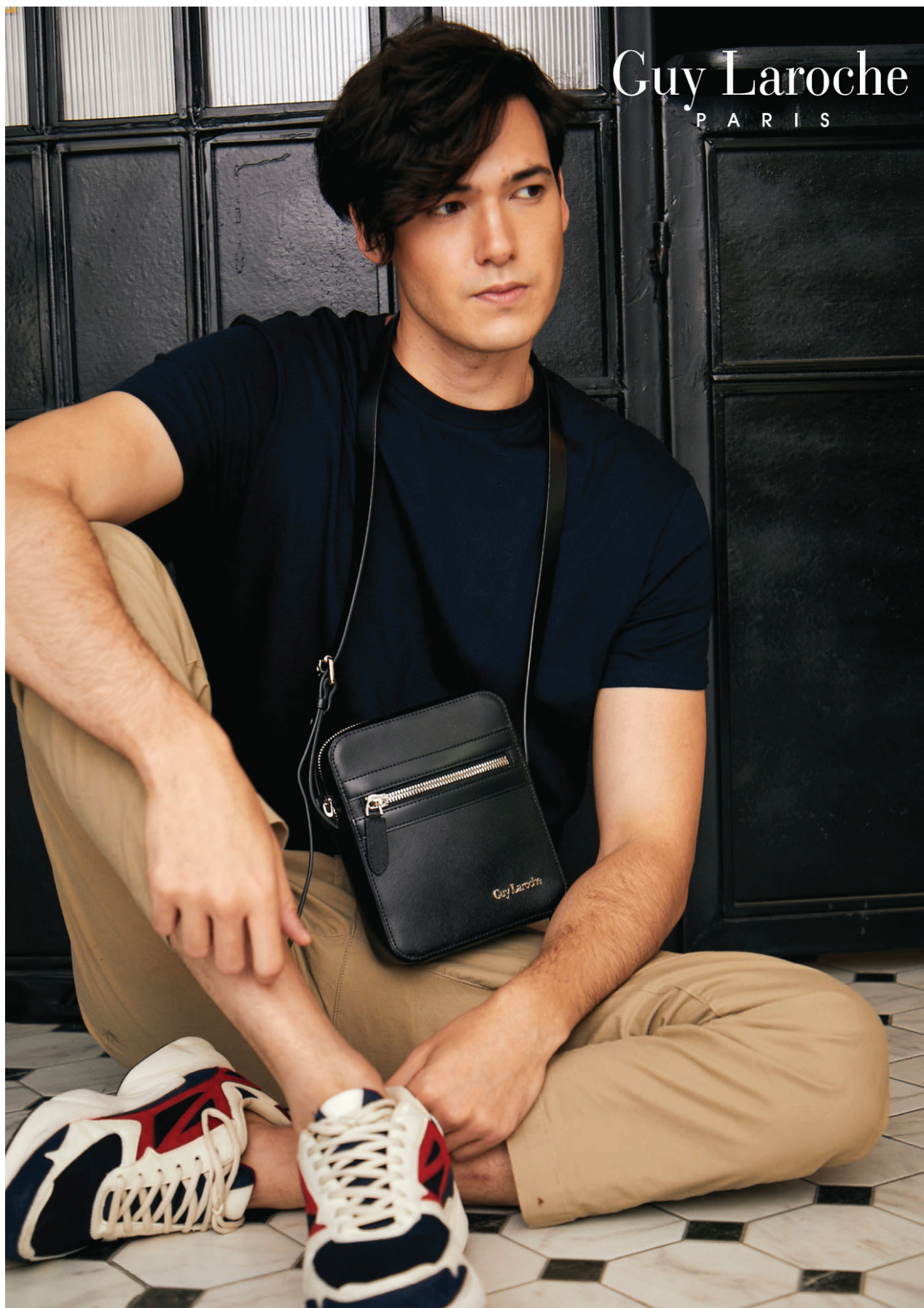
에라-원®
era-won



era-won



Guy Laroche
PARIS





LOUIS FONTAINE

SMYTH & MYNE

Lifestyle and more



UNIFORMS & WORKWEAR

THANULUX





babble



absorba
PARIS



Guy Laroche

Guy Laroche
P A R I S

Guy Laroche
I N N E R W E A R

GUY
Guy Laroche

TAKEO
KIKUCHI

OLYMP

era-won

icon

POSITIF⁺
THE FASTER WE LIVE

Thanulux
Brands

Menswear

Womenswear

Childrenswear

Leather Goods

absorba
PARIS

babble

Ozone

How

MIX-SELF

LOUIS FONTAINE

SMYTH
&
MYNE
Lifestyle and more

UNIFORMS & WORKWEAR
ERAWAN
by THANULUX

thanulux < workwear
& uniform

INNO

ゴムサポ
GOMU
SUPPORT
DURABLE AND SUPPORTIVE

Personal Care

Care & Home

Workwear

Government Uniform

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Highlights of the year

Thanulux Public Company Limited and Subsidiaries

SELECTED DATA	2022	2021	2020
FINANCIAL POSITION AND OPERATING RESULTS (Million Baht)			
Total Assets	10,600	4,494	4,337
Total Liabilities	3,527	516	543
Equity Attributable to Parent Company	7,055	3,978	3,794
Sales	1,777	1,333	1,119
Total Revenues	1,960	1,438	1,251
Gross Profit	534	382	291
Profit Attributable to Owners of The Parent Company	111	63	11
Per Share Data (Baht)			
Par Value	1.00	1.00	1.00
Book Value	55.21	33.15	31.61
Net Earnings	0.87	0.52	0.09
Market Price	33.00	18.00	17.10
Dividend	0.20	0.50	0.07
Financial Ratios			
Profitability Ratios (%)			
Percentage of Net Profit	5.66	4.35	0.86
Return on Equity	2.01	1.61	0.28
Growth Rates (%)			
Percentage Increase (Decrease) of Sales	33.35	19.08	(31.48)
Percentage Increase (Decrease) of Net Profit	77.30	482.28	(88.00)
Percentage Increase (Decrease) of Total Assets	135.89	3.62	(0.57)
Percentage Increase (Decrease) of Equity- Attributable to The Parent Company	77.36	4.85	0.39
Liquidity Ratios (Times)			
Current Ratio	1.87	7.48	6.32
Quick Ratio	1.63	5.01	4.39
Liquidity of Cash Flow from Operation	(0.32)	(0.05)	0.08
Efficiency Ratios (%)			
Return on Total Assets	1.47	1.42	0.25
Return on Fix Assets	31.23	23.08	13.20
Financial Policy Ratios (Times)			
Debt-Equity Ratio	0.50	0.13	0.14
Time Interest Earned	(71.69)	(12.08)	18.67
Leverage Ratio	(0.04)	(0.01)	0.03
Payout Ratio (%)	54.86	95.79	78.09

** The Board of Directors' Meeting No. 3/2023 has resolved to submit the agenda of dividend payment Baht 0.20 per share for approval at the General Shareholders' Meeting to be held on April 25, 2023

Report of the Board of Director

The year 2022 marks the significant step of the Company in achieving our goal of strengthening our long-term businesses through business restructuring, asset management, and organizational structuring. This was made possible through the support of all shareholders, including major shareholder Saha Pathana Inter-Holding PCL (“SPI”), and new strategic partner of the Company - BTS Group Holdings PCL (“BTS”). As a result of our successful changes, the Company’s assets increased significantly, surpassing Baht billions.

With the prolonged effect of Covid-19 pandemic in the past year, the global and Thai economy experienced a gradual recovery.. In response, the Company has put great effort in short and long term strategic management to cope with such situation, and assessed incidents and risks on a regular basis. Thanks to the united dedication of the Board of Directors, executives and employees, the Company’s revenue from sales reached THB 1,777.05 million, an increase of 33.35% from the previous year with 57.01% and 42.99% of revenue from sales came from domestic and export channel respectively. Net profit was achieved at THB 111.05 million, an increase by 77.30% from the previous year.

The Company recognizes the importance of sustainable development and has implemented a long-term strategy to sustain our business growth through business restructuring. At the end of 2022, the Company has issued shares through the Private Placement worth THB 2,884 million to BTS and acquired new businesses which include a secured lending business and an asset management company. Additionally, the Company has invested in joint ventures focused on real estate development for sales concerning residential properties in order to generate long-term income and profit. In terms of fashion and textile, the core business in which the Company has expertise in, the business restructuring will improve the business agility and increase the Company’s competitive advantage to enhance rapid growth.

Furthermore, realizing the importance of sustainable development in various fields, the Company received the honorable award for CSR - DIW Continuous Award 2022 from the Ministry of Industry for the 7th consecutive year. Thanulux also ranked “Very Good” for a survey of Thai Listed Companies 2022 arranged by the Thai Institute of Directors and has been certified as a member of Private Sector Collective Action against Corruption for the third time from 2022 to 2025.

The Board of Directors would like to express our gratitude to employees, executives, shareholders and all stakeholders for your unwavering support in this business restructuring through capital increase and acquisition of new businesses, and we have achieved such a great result. The Board of Directors expect that all stakeholders will continuously support us. We believe that this 2023 will be a challenging year and a great opportunity to begin our long-term and sustainable growth journey.

(Mr. Thamarat Chokwatana)

Chairman of the Board of Directors

1. Structure and operation of company

1.1 Overview of Business Operations

History

Thanulux Public Company Limited was founded on June 23, 1975 under the Intention of Mr. Boonsithi Chokwatana, operated the business of manufacturing finished garments. The initial registered capital was Baht 3 million and there were merely 75 employees. The business premises were situated near Wat Dok Mai. All shareholders were Thai nationality, comprising of natural persons and juristic persons. These include Saha Pathana Inter-Holding Public Company Limited and I.D.F. Company Limited.

With an aim of business operation as manufacturer of ready-made clothes, the Company started operation with contracted manufacturing of the shirt. Recognitions to the production potentiality of Sahaphat Group which is renowned for its quality and standardized factory, and robust determination, Arrow - the apparel brand from USA offered the Company as a copyright manufacturer of Arrow shirt products.

The name "Thanulux" was created to match the name ARROW, with its arrow symbol. Thanulux is associated with a red symbol of Rama God pointing an arrow towards the sky. The name expresses a deeper meaning whereby the Rama God, represents Thainess, the red color symbolizes good fortune and the arrow pointing towards the sky represents fashion trends moving forward.

Business Overview

The Company is a producer and distributes of finished garments and leather products under licensed international trademarks and Company own brands that are renowned domestically and Export.

Domestic distribution is undertaken through I.C.C. International Public Company Limited, being the major distributor to departmental stores, while international distributions are made through distributors and/or trademark owners, such as in the United States of America, Europe, Asia, ASEAN and Japan.

The Company is also a manufacturer of uniform and workwear products. Dharma practice set, a Buddhist monk triple robes and Healthcare and Medical Textile.

1.1.1 Vision and Mission

Vision

Dedicated to providing superior quality and innovative products and services by using digital technology management to ensure sustainable value for customer

Mission

1. Committed to add value and satisfaction to employees, customers and shareholders
2. Promote the good corporate governance with morality and ethics in business operation
3. Conducting business with responsibility to society and the environment

Business Goal

Thanulux drives for the sustainable growth, business operation that bases on honesty, transparency, and stakeholders' interest, as well as the efficient consumption of resources, being environmental-friendly. Our primary goal is to escalate economic value and operation performance, while developing personnel ability continually to support the sustainable business growth and expansion.

1.1.2 Significant Changes and Developments

First Decade: 1975 – 1985

Laying down the business foundations

The Company had been the licensee of the ARROW brand from the United States and had assigned ICC International Public Company Limited to oversee domestic sales and marketing. To enhance sales efficiency, the company had initiated the Arrow Consult (AC) who were available to advice on selecting shirt for customers and provided fitting rooms in order to give customer confidence that the proper fit had been acquired. As regards marketing, a slogan was created for the first ARROW product, "ARROW is shirt, shirt is ARROW" and Mr. Pichai Vasanasong was chosen as the brand ambassador under the slogan "ARROW: The True Gentleman Style"

Important events

- 1975 - Company registration on 23 June 1975 with a registered capital of Baht 3 Million.
- 1983 - Increase of registered capital to Baht 6 million for business expansion.
- 1984 - Increase of registered capital to Baht 12 million for business expansion.

Second Decade: 1986 – 1995

A test of the organization's strength

The Company entered into a joint venture with foreign companies for business expanded to leather goods, garments and upstream raw materials, building a new production facility in the Saha Group Industrial Park, Sriracha, and expanding to Saha Group Industrial Parks in Lamphun and Kabinburi and received an investment promotion from BOI.

Important events

- 1987 - Increase of registered capital to Baht 24 million and Baht 30 million
 - Listed in the Stock Exchange of Thailand on 21 July 1987.
- 1988 - Registered share capital increased to Baht 45 million and issued shares were revalued to Baht 10 per share.
- 1989 - Increase of registered capital to Baht 60 million for business expansion.
- 1994 - Conversion from a Limited Company to a Public Limited Company

Being the licensee of



LOUIS FONTAINE

Leather Goods

Guy Laroche

Fashion Men's Wear

absorba.
PARIS

Fashion Children's Wear

Being the licensee of

MIX-SELF

Fashion Women's Wear

Guy Laroche

Swimwear, underwear and pants

Third Decade: 1996 – 2005

A test of the organization's strength

The national economic crisis in 1997 severely devalued the Thai Baht. The business sector experienced a loss from exchange rates. The Company was also affected resulted to sales of products decreased both in domestic and export markets. In the crisis, Mr. Boonsithi Chokwatana found an opportunity, thus held the **Saha Group Export & Trade Exhibition Fair**. The aim was to expand to foreign customers. Because of the company's long experience in exports, longstanding relationships with foreign trading partners, along with the confidence of customers in the quality of goods, the Company's exports surged to 50 percent of total sales. Hence, the Company safely navigated through the economic crisis in a secure manner.

Important events

- 1996 - Increase of registered capital to Baht 120 million.
- 2002 - Received the transfer of the trademark "LOUIS FONTAINE" from Thai Wacoal Public Company Limited.
- 2003 - The par value was changed from Baht 10 per share to Baht 1 per share on 9 May 2003

Fourth Decade: 2006 – 2015

Never-Ending Innovations

Business competition in the digital era had intensified. Numerous new strategies and Innovation had been developed, the Company then was committed to research and develop of innovations by co-ordinate with upstream industries in the Group for developing high quality raw materials, thus differentiating goods from competition and creating competitiveness.

Important events

- 2007 - Received an outstanding product innovation award for "COTTAZILK".
- 2012 - Opening of a second factory building at the Lamphun branch
 - Expanded laundry service business at Bangplee branch
- 2015 - I.C.C. International Plc. (ICC), the distributor company in Saha Group, has become the licensee of ARROW trademark. Since 1 January 2015, and the company operated as manufacturer with licensor approval.

Being the licensee of



High Ends fashion
Men's Wear and Women's Wear



Men's Innerwear



Fashion Men's Wear



Fashion Children's Wear

Being the licensee of



Men's Wear and Leather Goods



Green Products

Fifth Decade: 2016 – Present

Value-Based Economic

Thailand was entering the 4.0 era which focus on the use of technology, innovation and creativity to drive the economy. The Company was cooperated with upstream industrial allies in the development of raw materials for creating products and also promoted employees to be creative by organizing “**Thanulux Innovation Award Contest**” since 2007. Selected Items were submitted to the Saha Group Chairman Award and encouraged registration of trademarks and patents.

Important events

- 2016 – Established a Joint venture company named “World Saha Fashion Company Limited” for the businesses relating to the distribution of apparel under the trademark “Takeo Kikuchi”.
- 2017 - Entrusted to be the licensee for distribute high-quality shirt from Germany under the trademark “Olymp”
 - Opening of Thanulux Public Company Limited, Mae-Sot Branch, Tak Province, to expand manufacturing capacity for leather goods.
- 2018 - Established a Joint venture company named “Saha Komehyo Company Limited” for investment in new business.
 - Expanded manufacturing capacity for leather goods at Lamphun branch.
- 2019 - Investment in ordinary shares of Saha Komehyo Company Limited
 - Investment in ordinary shares for establishment Saha Capital Tower Company Limited to expand in real estate business.
 - Transfer of retail business under “Era-won” brand from Celebrate Wealth Company Limited
- 2020 - Expanded business channels in the B2B, B2C format, including work wear (government uniforms and uniforms), healthcare and medical textile businesses.
- 2021 - Creation of new product brands and distributes more via online platforms, i.e., “Bubble” kid apparel and leather wear “Smyth & Myne”
 - Expansion of product lines in addition to apparel and leather wear under the Company's brands, i.e., ERAWON drinking water, Absorba baby care products, and the import of Antigen test kit (AKT) for initial testing of Covid-19 and the syringes for sales.
- 2022 - Expanded manufacturing capacity for leather goods at Sriracha branch Chonburi province.
 - Re-structure organizational with Saha Pathana Inter-Holding Public Company Limited and BTS Group Holdings Public Company Limited becoming the major shareholder.
 - Established TNLX Company Limited to be support the company's business group structure in the future
 - Established TNL Alliance Company Limited to be an intermediary juristic person in order to invest in the new business by investing in real estate business
 - Investment in ordinary shares of Oxygen Asset Company Limited which operating in a lending business focusing on a group of entrepreneurs who has securities as collateral

Being the licensee of

OLYMP

Hi End Men's Wear
From German

era-won

Men's Wear

1.1.3 Purposeful use of funds from funding

Report of the Utilization of Capital Increase by issuing new ordinary shares in the way of Private Placement

Capital Increase by issuing new ordinary shares	Capital Raising Objectives according to the Registration Statement	Proceeds Utilization Plan (Approx.)	Proceeds Used	Details/Progress on use of funds
issued ordinary shares (ESOP) to the directors, executives, and employees of the Company	to expand an investment under regular investment plan of our core business at present and/or other business associated with current business, as well as to accommodate investment in other business which could generate satisfied yield upon investment and long-term growth to our business.	107.08	within the first quarter of 2023	expected to be completed within the first quarter of 2023
Allotment to private placement Private Placement	Investment in 90 percent of the ordinary shares in Oxygen Asset Co., Ltd. ("Oxygen")	835.70	December 15, 2022	Fund used within objectives provided
	Investment in 50 percent of the ordinary shares in the following companies: <ul style="list-style-type: none"> - Ratchada Alliance Co., Ltd. - Phraram 9 Alliance Co., Ltd. - Khu Khot Station Alliance Co., Ltd. - Majestic Park Co., Ltd. - Future Domain Co., Ltd. - Suksawat Alliance Co., Ltd. - Ratburana Alliance Co., Ltd. (Collectively "7 Joint Venture Companies operating real estate business")	531.92	December 15, 2022	Fund used within objectives provided
	Reserve for repayment the outstanding loan of the Company which has been acquired on this occasion (as mentioned in (a) and (b)) including to be used as working capital and to support future investments	1,516.46	within the first quarter of 2023	to repay outstanding loan of the business in which the Company will invest partially at the sum of 852.79 ¹ million baht, with remaining sum of 663.67 million baht. It is estimated that the sum will be fully repaid accordingly within the first quarter of 2023

Remark ¹/ Due to the sufficient working capital, the Company made a repayment of the outstanding liabilities between Oxygen and Saha Pathana Inter-Holding Public Company Limited in amount of THB 563.87 million (there will be the remaining the outstanding liabilities of THB 2,529.56 million), and also made a repayment of the outstanding liabilities between 7 Joint Venture Companies operating real estate business and Rabbit Holdings Public Company Limited in amount of THB 288.92 million (there will be the remaining the outstanding liabilities of THB 1,255.06 million). The Company will make a repayment of remaining outstanding liabilities totaling THB 3,784.62 million after the issuance and offering of newly issued shares to all shareholders of the Company by way of right offering, which is expected to be completed within the first quarter of 2023

1.1.4 Obligations made by the company in the registration statement

- None-

1.1.5 Name, Head Office Location, Type of Business

Name	:	THANULUX PUBLIC COMPANY LIMITED
Registration Number	:	0107537001358
Register Capita	:	311,547,664 Baht, Ordinary shares 311,547,664 shares
Paid-up Capital	:	212,312,766 Baht, Ordinary shares 212,312,766 shares
Par value	:	1 baht
Business operation	:	Manufacturer of Ready-made clothes and Leather goods
Head Office	:	129/1 Chongnonthri Road, Chongnonthri, Yannawa, Bangkok 10120,
Website	:	www.thanulux.com
Telephone	:	0-2295-0911-9, 0-2295-4171-80
Fax	:	0-2294-5101, 0-2294-5918, 0-2294-0794
Customer Relation Center	:	0-2295-0911-9, 0-2295-4171-80
E-mail	:	Company Secretary suthida@thanulux.com
	:	Investor Relations supachoke@thanulux.com
	:	Internal Audit Department audit@thanulux.com
	:	Customer Relation Center crcenter@thanulux.com

1.2 Type of Business

1.2.1 Revenue Structure

In 2022, the proportion of domestic to foreign distributions was 57 : 43

Revenue of the Company and Subsidiaries

Divided by the operator

(Unit: Million Baht)

Product	Operated By	% of Shareholding	2022	%	2021	%	2020	%
Fashion Goods	Thanulux PCL.	-	1,777.06	100.00	1,332.56	99.99	1,120.07	100.08
Fashion Goods	S.Apparel Co. Ltd.	99.999	-	-	-	-	-	-
Fashion Goods	Celebrate wealth Co. Ltd.	87.76	-	-	0.10	0.01	(0.93)	(0.08)
Total Sales Revenue			1,777.06	100.00	1,332.66	100.00	1,119.14	100.00

Divided into Sources of Revenue

(Unit: Million Baht)

Product	Sales Revenue	2022	%	2021	%	2020	%
Fashion Goods	Domestic	1,013.08	57.01	768.09	57.57	708.83	63.34
Fashion Goods	Export	763.98	42.99	564.57	42.36	410.31	36.66
Total Sales Revenue			100.00	1,332.66	100.00	1,119.14	100.00

Revenue Structure of the Company only

(Unit: Million Baht)

Sales Revenue	2022	%	2021	%	2020	%
Finished garments	1,152.63	65.86	871.88	65.43	748.43	66.80
Leather goods	624.43	34.14	460.68	34.57	372.02	33.20
Total	1,777.06	100.00	1,332.56	100.00	1,120.44	100.00

1.2.2 Product information

(1) Characteristics of products or services and development of business innovation

Company's Products

The Company's products may be classified into two categories, as follows:

Finished Garments

The Company's finished garments incorporate men, women and children customer groups, consisting of shirts, polo shirts, trousers, suits, jackets, pajamas, underwear, neckties, handkerchiefs, scarves, swimsuits, sportswear and socks under the trademarks ARROW, EXCELLENCY, GETAWAY, COOL, Guy Laroche, Guy Guy Laroche, DAKS, ELLE HOMME, Takeo Kikuchi, Olymp, HORNBILL, ICON, Positif, MIX-SELF, MORGAN and Erawon for men and women. As for children products, the Company manufactures and distributes garments for infants to 8-year olds. In addition, there are also diapers, bedding, shoes, socks, dolls and accessories for toddlers under the trademarks absorba

Leather Goods

These products are manufactured for men and women, consisting of wallets, handbags and belts under the trademarks ARROW, EXCELLENCY, GETAWAY, Guy Laroche, Guy Guy Laroche, DAKS, LOUIS FONTAINE and MORGAN.

Other products such as food, water, household Equipment and beauty products under the brand Era-won and Healthcare and Medical Textile.

(2) Marketing and Competition

Marketing strategy

Domestic market

In 2022, the Company was still affected by the Covid-19 during the first half of the year. When the situation improved during the second half, the business, especially retail business, was gradually recovered.

During the past few years, the Company has continued adjusting its business operation. In this 2022, new products, innovation gradually, enter the market for sales in department stores, which is the original channel, or the online channels where the sales is significantly risen.

Fashionable items, including licensed brands and house brands

1.Products

What we focus is the product design based on the survey on customer's demand both offline and online channel through social networks which we can receive their opinions. In addition, the production process from raw materials until ready-made items are manufactured to meet the changing context of fashion trends among different age range of customers.

ARROW products

Shirt No. 5 - Upcycling

The t-shirt made of unused materials is created to for another use with extra properties, easy for ironing, anti-wrinkle or ironing-free (wash, dry, wear). The fabric well absorbs sweat and ventilate heat, passing standard test with Cool Mode labels by the Thailand Greenhouse Gas Management Organization (TGO), passing the standard for fabric smoothness. Moreover, the product is also labeled for level 5 energy-saving label from the Electrical Generating Authority of Thailand (EGAT). The fabric is resistant to washing, light and sweat. The dying color is safe and free of carcinogen and heavy metals

DAKS products

Bemberg men's shirts, women's shirts and dresses

The Bemberg fabric is made of unused cotton seed, being recycled into a fabric. Such an idea can minimize the waste from the weaving process. The fabric is improved into a silk-like texture, with softness, glossy and tender touch, an ideal for hot or cool weather. It is considered as a sustainable material.

Guy Laroche products

Eco Shirts

The Recycled plastic bottled shirt is made by recycled-bottle plastic material.

Erawon

Antibacterial Shirts

The t-shirt made of oxford fabric, based on nano-zinc innovation having properties that can eliminate bacteria on the first wear, eliminating odor throughout its lifetime. The fabric also irritation-free for your skin, since the fabric will suppress the fungal growth in the textile, resistant to color variation after washing. For this reason, Erawon has applied this innovation into casual t-shirt, ideal for wearing to work, as well as to meet the modern fashion trend.

Olymp products

This year, the Olymp Shirt started importing the products with Green Choice Label which made from the sustainable raw materials and environmental-friendly production process. Moreover, the raw material is 100 based on natural product, reducing the use of plastic packaging with replacement of natural item or recyclable item.

Absorba products

Organic collection

The collection of our apparel is made of 100% organic cotton, with no use of hazardous chemicals. The cotton is grown without any chemical fertilizers and pesticide, and hence, it is environmentally friendly. The product is tender and mild for baby skin with a soft, light touch that ventilates the air well. Parents are worry-free of the child's sensitive skin.

Natural Soft & Shine Plus

The apparel is made of 100% cotton of premium quality known as Pima Cotton. The weaving process itself removes the thread to minimum length, leaving the ready-made surface soft, tender and smooth touch, but also shiny.

Anti Bacteria Innerwear

The children sleep wears from the Anti-Bacteria collection to suit the use of young skin. The fabric reduces the damp odor, whether the cloth is dried in the shade or at nighttime, or even children sweat during their playtime. Our pajamas are accredited for SEK standard from Japan, which is guaranteed safe and irritation-free.

Guy Laroche leather products

According to the trend about health products, Guy Laroche has developed the fabric used for cushioning bags, by adding the anti-bacteria fabric lining to ensure users for no bacteria residue inside the bag.

2. Prices

Taking customers as a primary concern, Thanulux sets the price that matches the quality of products, which allows competitiveness in the same market.

3. Sales Channels

The Company has collaborated with distributors in providing knowledge for products and services through recommendation from sales representatives at selling point or via webpage and online media to ensure our customers will have correct understanding of our products and services.

Sales and sales channel

- 1) The Company appoints dealers to distribute products to department stores or modern trade.
- 2) Online and on air platforms
- 3) Factory outlets and community malls
- 4) Direct sales to customers for made to order uniforms and medical textiles.

4. Sales promotion

In 2022, Thanulux has joined the publicity activity through Saha Group Fair launched at Bitec Exhibition and Convention Center. It is the first event again after a pause for 2 years. The event aimed to introduce innovation in which this year highlighting sustainable materials as well as healthcare and medical products.

The online platform has been developed to stimulate sales and is expected for availability in the market and service in the early of 2023.

Uniforms

Uniform and Workwear

The Company continues the production of uniforms for the local market. In addition, this year, we have extended our tailor service to new industries, thanks to the potentiality and readiness of the Company. Thanulux always addresses the importance of uniform creation that comforts and is safe for wearing, in addition to the designed aesthetic.

We have applied certain technology to administrate the purchase orders for maximum efficiency, i.e., receiving purchase orders through online sales platform, real-time updating information with customers, using sorter automation which enhances the rapid progress for packing. Moreover, the list of individual customers is sorted accurately, precision without delay, complementing satisfaction among customers.

We have added more product lines in which the corporate customers are interested and require in addition to uniforms, for instance, hats, bags, aprons or bottled drinking water. These new items are provided to customers in this year.

Health Care and Medical Textile Business

Thanulux has developed the branded Inno-Innowearition, a shirt which passed the Cool Mode standard from the Thailand Greenhouse Gas Management Organization (TGO). The shirt is free of chemicals and hazardous dye that cause irritation or carcinogen. With easy maintenance, comfortable touch, air-ventilation, the shirt is labeled for energy saving level 5 from the Electricity Generating Authority of Thailand (EGAT). The Cool Mode energy-saving shirt that helps saving energy, which you can wear without ironing.

For GOMU Support brand, we have developed the auxiliary item made of rubber with outstanding feature for its endurance, long-life, enhance the fitness and easy maintenance. The textile is easy for washing, worry-free to shrinking after washing. The internal lining is made of anti-bacteria fabric with high flexibility and fits well to the body shape.

Distribution

1. Online channel through well-known marketplaces
2. TV shopping channel
3. Product exhibition in domestic trade shows, for instance, the participation in the Care Asia 2022

Oversea market

1. Products

Thanulux always focuses on product quality development in response to the rapid change of customer's lifestyles. Casual wear is the line that we expect the growth thanks to the Covid-19 outbreak, which has shifted customer's behavior toward the apparel that offer comfortable feeling, suitable for working and leisure style.

2. Prices

The Company realizes the importance of reasonable pricing that fits the quality of the product, proper manufacturing technique and the price customer willing to pay. To enhance customers' competitiveness amid the current economic situation, intense competition in the oversea market due to warfare and increasing inflation rate, volatile behavior of consumers which tend to be more online, the Company has diverted to safety stock manufacturing in coupling with the existing made to order manufacturing. It is crucial that the organization adjust the strategy toward such a highly fluctuating situation, while seizing the opportunity from the weakening Thai baht.

3. Sales promotion

In the time when we could not meet oversea customers nor invite a customer for a visit and business opportunities to expand business, the Company used online media to launch a meeting with customers, presenting new products constantly in order to maintain relationship with them while seeking for new possibility to expand our business to new markets such as Asia, Middle East, and Europe. Contributed by cooperation of our supplies from Thailand and abroad, new sales channels of our customers which tend toward online platforms, it is essential that the Company will optimize and reduce lead time of production to enhance our competitiveness both at local and international scale, such as Vietnam, Indonesia, Burmese.

Trends for the Industry and Competition

Export of Thai textiles and wearing apparel is forecast to decline by 6-7% at the year-end when compared to the previous year. The textile group declines by 14-15% while the export of wearing apparels grows by 9-10% as a result of the economic recession in our trading partners (US, Japan and ASEAN) caused by the implementation of financial policy to control inflation rates in many countries. Such action poses negative impact on buying power and economic activity among consumers, in particular, during the last quarter of the year. Furthermore, China continues imposing Zero Covid measure to control the prolonged outbreak of Covid-19, affecting Thailand's export of textile and wearing apparel to China market. It is foreseen that these impacts, in terms of recession of the world economic recession and the measures imposed to control the pandemic situation, may eventually disturb the export of textiles and wearing apparel until 2023.

The textile industry tends to encounter a significant situation which could be viewed as a challenge and opportunity as follows:

1. With the downturn of global economy and declining demand of consumers in the world trade, the apparel segment in 2023 is likely to grow by 1.0-20 % only. The apparel industry is driven by consumers, hence, it is significantly related to the economic variation. Moreover, the textile industry is tended to encounter the inflation and rising cost of energy as well as the shorten loop of global supply chain.

2. Number of fashion brands and retailers tend to utilize much more various sources of raw materials, including the near sourcing strategy to reduce the risk of raw material procurement for production.

3. Fashion business will magnify the sustainability, by developing the supply chain of apparel segment to meet sustainability concept, taking social responsibility and attempting to be more transparent to be consistent with the consumer's behavior, expectations of our stakeholders, including the compliance to new rules and regulations of the international trade which related to the environmental concerns.

Nevertheless, for online sales platform, e-commerce remains its post as a stabilized channel for distribution of goods and services with potential growth.

Promotional Privileges

By virtue of the Investment Promotion Act, B.E. 2520, the Company has been granted some promotional privileges from the Board of Investment (BOI) as follows:

1. Promotional certificates No.	1628(2)/2011 Lampoon 4	1627(2)/2011 Kabinburi 4	60-0122-0-00-1-0 Lampoon 5	60-1470-1-03-1-0 Mae-sod
2. Dates of promotional certificates	31/05/2011	31/05/2011	31/01/2017	26/12/2017
3. The first receiving revenues dates	2/09/2011	4/05/2011	2/08/2018	1/03/2018
4. The type of business promoted	Leather products or artificial leather	Textile or fragment	Leather products or artificial leather	Leather products or artificial leather
5. Important privileges which are granted:				
5.1 Exemption from corporate income tax on net profit from promotional operations, commencing from the first receiving revenue date.†	8 years (Expired on 30/10/17)	8 years (Expired on 30/11/18)	8 years (Expired on 31/01/22)	8 years (Expired on 28/02/26)
5.2 Exemption from income tax on dividends from promoted business which was exempted from income tax in 5.1.	8 years (Expired on 30/09/17)	8 years (Expired on 30/11/18)	8 years (Expired on 31/01/22)	8 years (Expired on 28/02/26)
5.3 Exemption from income tax on dividends from promoted business which was exempted from income tax in 5.1.	5 years (Expired on 30/10/22)	5 years (Expired on 30/11/23)	5 years (Expired on 31/01/27)	5 years (Expired on 28/02/31)
5.4 Double deduction of expenses for utilities (electricity, water and transportation) for the year.	10 years (Expired on 30/10/21)	10 years (Expired on 30/11/21)	10 years (Expired on 31/01/28)	10 years (Expired on 28/02/28)
5.5 Exemption from corporate income tax for amounts not exceeding (Adjustable to capital investment amount excluding cost of land and working capital))	Baht 76.27 million	Baht 46.13 million	Baht 15.12 million	Baht 60.00 million

The Company had strictly comply with certain terms and conditions stipulated in the promotional certificates.

(3) Procurement of raw materials and proportion of raw material purchase (2022)

Primary raw materials of the Company included ready-made woven fabrics, ready-made knitted fabrics and ready-made tanned and dyed leather. Secondary raw materials included threads, buttons, zips, components for ready-made apparels, metal parts such as belt buckles, loops, logos, components for leather wear assembly and raw materials used as packaging, for instance, bags, paper labels, boxes. The procurement of these raw materials are from local sources 65%, and import 35%. The countries of import included Italy, France, Australia, America, China, Hong Kong, Japan, Korea and Taiwan. The local source is from large manufacturers having standardized management system and standard production control system, eco-production process. Moreover, our production factory is under Sahapat Group, the upstream manufacturing base of textiles and raw material components, i.e., Erawan Textile for manufacturing threads and fabrics, S.S.D.C. (Tiger Text) for dyeing and finishing fabrics, Thai Kulchae for manufacturing elastic fabrics, TPC S for manufacturing lining, non-woven fabric, Thai Naxis for manufacturing fabric labels, printed labels, sublimation, paper prints and Fujix for manufacturing quality thread that meet Japanese standard. All these qualified manufacturers are to reinforce our potency in competition and constant development.

The Company has in place, controlling and assessing system of suppliers and sub-contractors in accordance with ISO9001 standard to ensure the manufacturing and labor management are in line with international standard. We select a supplier that having moral and transparent business operation, compliance with the law, taking consideration with stakeholders, paying respect to human rights, having eco-production process, not using hazardous paints and chemicals and joining in the anti-corruption.

The severe hit of Coronavirus in the first half of the year posed a negative impact to the economy worldwide. Trading markets has been sluggish, causing unfavorable outcome to number of manufacturing bases in many countries. The situation improved during the second half of the year, when the opportunities in the market increased. However, a number of raw material factories encountered continual loss and some had to cease the business. Such situation had only a minor impact on the Company's procurement thanks to the due caution and prudent monitoring on the changes, purchase order system and raw material management were planned carefully, with alternative resources in hand. Eventually, the raw material prices were slightly increased, hence, the cost of production was also added up slightly as well. The Company's constant researches and developments on fabrics and raw materials, for example, development of new fabric, development of new raw material or replacement of existing materials, development of manufacturing techniques, raw material control and quality test under international standard before entering production process, has effectively optimized the procurement, cost management and inventory control. We also have an alternative and backup manufacturing base to handle an unexpected.

Factories in which the company is located and production capacity

(Unit: Pieces)

Operators	Location	Category	Production capacity (unit) per year
Thanulux Public Company Limited	129/1 Chongnonthri Road, Chongnonthri, Yannawa, Bangkok	Garment	672,000
		Leather goods	102,000
	99/3 Moo 5 Saha Group Industrial Park-Lamphun, Paa-sak, Muang Lamphun, Lamphun	Leather goods	576,000
	125 Moo 5 Saha Group Industrial Park-Kabinburi, Suwannasom Road, Nonthri, Kabinburi, Prachinburi	Garment	1,080,000
	269/15 Moo 15 Saha Group Industrial Park-Mae Sot, Mae Kasa, Mae Sot, Tak	Leather goods	222,000
S. Apparel Company Limited (Subsidiary)	4/2 Moo 8, Bangna-Trad Road Km. 18, Bang Chalong Subdistrict, Bang Phli District Samut Prakan Province	Garment	-
Total			2,652,000

Capacity production and volume classified by product

(Unit: Pieces)

	Subsidiary			Company		
	2022	2021	2020	2022	2021	2020
full capacity			-			
Finished garments	-	-	-	1,752,000	1,350,000	1,350,000
Leather goods	-	-	-	900,000	900,000	860,000
Total	-	-	-	2,652,000	2,250,000	2,210,000
Actual Production						
Finished garments			-	1,851,531	1,427,521	1,127,730
Leather goods	-	-	-	762,199	594,553	590,434
Total	-	-	-	2,613,730	2,022,074	1,718,164
capacity utilization (%)	-	-	-	98.56	89.87	77.74
production volume increase rate (%)	-	-	(100.00)	29.26	17.69	(32.76)

Note: Subsidiaries are in the process of dissolution.

The company continues to produce additional masks in the year 2021 in the amount of 545,596 pieces and in the year 2020 in the amount of 1,533,403 pieces.

(4) Assets used in business

Fixed asset

The Company's fixed assets include land, building, and machine. All the assets have no encumbrance or being under any suretyship. Details are shown in Attachment 4.

Intangible asset

Trademark

The Company has signed the bilateral contract with the person trademark owner including owner or those franchisors in association with using trademark for manufacturing and distributing of apparel and leather wear. As stated in the contract, the royalty is subject to 3.5-7.5% of the sales volume.

Trademark	Amount of Contract	Contract Period
DAKS	10 years	2018 - 2028
Olymp	6 years	2016 - 2022

Trademark	The term of the contract between the trademark owner and the licensee	Amount of Contract between the grantor and TNL	Contract period between the grantor and TNL
Guy Laroche, Guy Guy Laroche	10 years	2 years	2021- 2022
Absorba	5 years	5 years	2021 - 2025
ELLE HOMME	5 years	5 years	2022 – 2026

The feasibility to renew trademark contract

The Company has strictly complied with the contractual conditions regarding keeping reputation of the trademark, maintaining the standard and quality of the product as if the owner or franchisor of each trademark would. The annual survey of trademark owner and/or franchisor on the market, sales and production always be satisfied. Thanks to the prolonged relation in collaborated business with them, including our success, those trademarks have become widely known in the market. Hence, the contract renewal is continued.

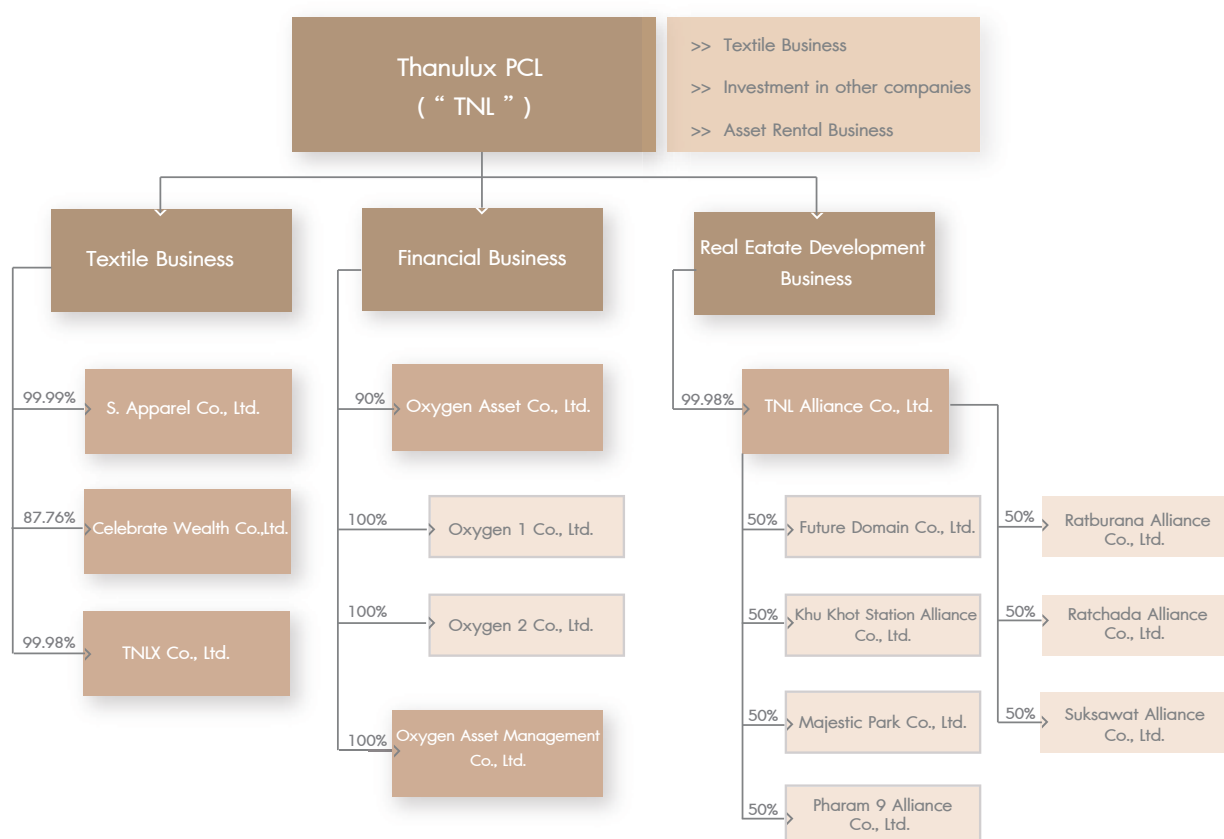
1.3 Shareholding Structure for Companies under Thanulux Group

1.3.1 Shareholding Structure

Thanulux is listed in the Stock Exchange of Thailand on 21 July 1987 and converted into a public company limited in 1994. The Company holds 2 subsidiaries which are (1) S. Apparel Company Limited (currently, the entity is ceased) and (2) Celebrate Wealth Company Limited (currently pending the liquidation process). Later in September 2022, the Company has restructured its shareholding and structure of business groups. The Board of Directors' meeting No. 8/2022 held on 30 September 2022 passed the approval to incorporate 2 subsidiaries which are (1) TNLX Company Limited, to be support the company's business group structure in the future and (2) TNL Alliance Company Limited To be an intermediary juristic person in order to invest in the new business by investing in real estate business

Moreover, on 30 November 2022, the Ordinary Meeting of Shareholders No. 2/2022 passed a resolution approving the acquisition of 90.00% of ordinary shares in Oxygen. Asset Company Limited, which operating in a lending business focusing on a group of entrepreneurs who has securities as collateral Thanulux has acquired ordinary shares of Oxygen on 15 December 2022.

At present, the Company has a registered capital of 311.55 million baht and paid up capital of 212.31 million baht, including 6 subsidiary companies which include (1) S. Apparel Company Limited ("SAP") (2) Celebrate Wealth Company Limited ("CBW") (3) TNLX Company Limited ("TNLX") (4) Oxygen Asset Company Limited ("Oxygen") (5) Oxygen Asset Management Company Limited ("OAM") and (6) TNL Alliance Company Limited ("TNLA")



Shareholding Structure in Subsidiaries

	Company	Category	Registered paid-up capital (THB million)	Shareholding proportion (percent)	Business Operation	Location
Textile and garment business						
1	S. Apparel Co., Ltd. ("SAP") ^{1/}	Subsidiary	8.10	99.99	Operating the business of manufacturing and distributing the apparels.	4/2 Moo. 8, Bang Na-Trad Road, Bang Chalong Sub-district, Bang Phli District, Samut Prakan
2	Celebrate Wealth Co., Ltd. ("CBW") ^{2/}	Subsidiary	85.00	87.76 ^{3/}	Operating the business of distributing the apparels	129/1 Chong Nonsi Road. Chong Nonsi Sub-district, Yan Nawa District, Bangkok
3	TNLX Company Limited ("TNLX") ^{7/}	Subsidiary	1.00	99.98	Supporting the structure of the business in the future to be clear.	129/1 Chong Nonsi Road. Chong Nonsi Sub-district, Yan Nawa District, Bangkok
Financial Business						
1	Oxygen Asset Company Limited ("OA")	Subsidiary	100.00	90.00 ^{4/}	Operating the business of providing loans to entrepreneurs with collateral which focus on granting credits of not less than THB 10.00 million.	530 Soi Sathu Pradit 58, Bang Pong Pang Sub-district, Yan Nawa District, Bangkok
2	Oxygen Asset Management Co., Ltd. ("AMC")	Subsidiary	26.00	100.00 ^{5/}	Operating business of collateralized non-performing loans (NPLs) and non-performing assets (NPAs) from the purchase and/or transfer of NPLs and/or NPAs from financial institutions and/or financial business operators through the auction in order to manage by obtaining a license to operate such business from the Bank of Thailand.	530 Soi Sathu Pradit 58, Bang Pong Pang Sub-district, Yan Nawa District, Bangkok
3	Oxygen 1 Co., Ltd. ("ONE")	Indirect Subsidiary	1.00	100.00 (Held share through OA)	Operating mortgage, consignment sale and auction sale business	530 Soi Sathu Pradit 58, Bang Pong Pang Sub-district, Yan Nawa District, Bangkok
4	Oxygen 2 Co., Ltd. ("TWO") ^{6/}	Indirect Subsidiary	1.00	100.00 (Held share through OA)	It was established to operate mortgage, consignment sale and auction sale business. At present, there is no business operation.	530 Soi Sathu Pradit 58, Bang Pong Pang Sub-district, Yan Nawa District, Bangkok
Real Estate Business						
1	TNL Alliance Company Limited ("TNLA")	Subsidiary	1.00	99.98	To be used as a central juristic person to invest in 7 joint venture companies which operates real estate business in order to support the business group structure to be clear.	129/1 Chong Nonsi Road, Chong Nonsi Sub-district, Yan Nawa District, Bangkok
2	Future Domain Company Limited ("FD")	Joint Venture Company	200.00	50.00 ^{7/}	Operating the real estate development business such as town homes under the project "Noble Curve" and the allocated land under the project "Noble Curate".	1035 Noble Building, Phloen Chit Road, Lumpini Sub-district, Pathum Wan District, Bangkok
3	Khu Khot Station Alliance Company Limited ("KK")	Joint Venture Company	300.00	50.00 ^{7/}	Operating the real estate development business such as condominium units and the community mall buildings under the project "New Cross Khu Khot Station".	1035 Noble Building, Phloen Chit Road, Lumpini Sub-district, Pathum Wan District, Bangkok
4	Majestic Park Company Limited ("MJP")	Joint Venture Company	300.00	50.00 ^{7/}	Operating the real estate development business such as condominium units and single detached houses under the project "Noble Create"	1035 Noble Building, Phloen Chit Road, Lumpini Sub-district, Pathum Wan District, Bangkok
5	Pharam 9 Alliance Co., Ltd. ("R9A")	Joint Venture Company	768.00	50.00 ^{7/}	Operating the real estate development business such as residential and commercial condominium units under the project "Nue District R9"	1035 Noble Building, Phloen Chit Road, Lumpini Sub-district, Pathum Wan District, Bangkok
6	Ratburana Alliance Co., Ltd. ("RBA")	Joint Venture Company	300.00	50.00 ^{7/}	Operating the real estate development business such as condominium units under the project "Nue Riverest Ratburana" and single detached house under the project "Noble Rivervilla"	21 Vibhavadi-Rangsit Road, Chomphon Sub-district, Chatuchak District, Bangkok
7	Ratchada Alliance Co., Ltd. ("RDA")	Joint Venture Company	50.00	50.00 ^{7/}	Operating the real estate development business such as condominium units under the project "Nue Noble Ratchada-Latphrao"	1035 Noble Building, Phloen Chit Road, Lumpini Sub-district, Pathum Wan District, Bangkok
8	Suksawat Alliance Co., Ltd. ("SUK")	Joint Venture Company	50.00	50.00 ^{7/}	Operating the real estate development business such as shop house and home office under the project "Nue Hybe Suksawat"	1035 Noble Building, Phloen Chit Road, Lumpini Sub-district, Pathum Wan District, Bangkok

- Remark:
- 1/ Currently, SAP stop the business operation and will proceed to register the company dissolution.
 - 2/ CBW registered the company dissolution, the registrar accept the registration on July 21, 2022, and currently is in the process of liquidation.
 - 3/ Other shareholders of CBW are (1) Ramasornthaveekarn Co., Ltd. held 75,500 shares, representing 8.88 percent of total issued and sold shares, and total voting rights of CBW; and (2) Total Way Image Co., Ltd. held 28,500 shares, representing 3.35 percent of total issued and sold shares, and total voting rights of CBW.
 - 4/ Other shareholders of OA which is SPI held 99,997 shares, representing 10.00 percent of total issued and sold shares, and total voting rights of OA.
 - 5/ According to the resolution of the Board of Directors Meeting No. 12/2022 held on December 8, 2023, it was resolved that the Company Purchased OAM ordinary shares from OA in the total amount held by OA, on February 3, 2023, the Company had already acquired OAM ordinary shares. As a result, the Company holds 100% of shares in OAM and makes OAM become a direct subsidiary of the Company.
 - 6/ Registered on January 27, 2023
 - 7/ Other shareholders of FD, KK, MJP, R9A, RBA, RDA, and SUK are Noble Development Public Company Limitedes (NOBLE") held 50.00 percent of total issued and sold shares, and total voting

Group Task Allocation Policy

For subsidiaries, the Company will supervise and determine the business operation policies of subsidiaries. The Board of Directors and key executives of subsidiaries will be the same Board of Directors and executives who used to manage the business in the Company. The Company will supervise and determine the business operation policy of subsidiaries through the directors of the Company who will be appointed as directors of subsidiaries. A person who will be appointed as a director of subsidiaries will first be approved by the Board of Directors meeting of the Company and their responsibilities and scope of work will also be clearly approved by the Board of Directors of the Company. The Company can fully supervise the operations of subsidiaries. The Company will continue to manage its business transparently in accordance with good corporate governance practices, including relevant government agency rules and regulations.

1.3.2 Persons who may have conflicts hold more than 10% of the shares in the shares in the Subsidiary of Joint venture

Cross-Shareholding

The Company has a cross-shareholding structure but such cross-shareholding does not create any conflict or inconsistency with the rules provided under the Notification of the Capital Market Supervisory Board No. TorChor. 28/2551 Re: "Application for and Approval of Offer for Sale of Newly Issued Shares", clause 14.

Cross-Shareholding as at 31 December 2022

Name of Company	Proportion of Shareholding (%)	
	The Company's Shareholding in Other Company	Other Company's Shareholding in the Company
1. Shareholdings exceeding 50%		
(A) Other company holding more than 50% of the Company's shares; the Company must not have cross-shareholding in the other company.	-	-
(B) The Company holding more than 50% of shares in other companies; the other company must not have cross-shareholding in the Company.		
1. S. Apparel Company Limited	99.99	-
2. Celebrate Wealth Company Limited	87.76	-
3. TNLX Company Limited	99.99%	
4. Oxygen Asset Company Limited	90.00%	
5. Oxygen Asset Management Company Limited	100.00%	
6. TNL Alliance Company Limited	99.99%	
(C) The Company holding more than 50% of shares in 2 or more other companies; such other companies must not have cross-shareholdings amongst themselves. The two subsidiary companies as (b) do not have cross-shareholding amongst themselves.	-	-
2. Shareholdings exceeding 25% but not exceeding 50%		
(A) Other company holding > 25% but < 50% of the Company's shares; the Company's cross-shareholding in the other company must not exceed 10%.	-	-
1. Saha Pathana Inter-Holding Public Company Limited	0.93%	41.09%
2. BTS Group Holdings Public Company	-	41.09%

Name of Company	Proportion of Shareholding (%)	
	The Company's Shareholding in Other Company	Other Company's Shareholding in the Company
(B) The Company holding > 25% but < 50% of other company's shares; the other company's cross-shareholding in the Company must not exceed 10%.	-	-
3. Shareholdings not exceeding 25% *		
(A) Other company holding not more than 25% of the Company's shares; the Company's cross-shareholding in the other company must not exceed 25%.		
(B) The Company holding not more than 25% of other company's shares; the other company's cross-shareholding in the Company must not exceed 25%.	-	-

Remark: Data only shown for companies with cross-shareholding

1.3.3 Business Relationship with the Company's major shareholding parties

The Company has engaged in transactions, with textile and apparel group of Saha Pathana Inter-Holding Public Company Limited ("BTS"), major shareholder, from upstream to downstream industry, and with the distribution company also, these transactions enhance the company's business capability completely starting from procurement of raw material till distribution of goods.

In addition, the Company has a transaction with BTS Group Holding Public Company Limited ("BTS"), the Company's major shareholder. by distributing employee uniforms to BTS and companies in the BTS group, which is a normal business transaction.

According to the Extraordinary General Meeting of Shareholders No. 2/2022, the Company has proposed measures in order to prevent conflicts of interest between companies. and major shareholders of the company between the Company and the major shareholders of the Company including SPI and BTS who are about to become the major shareholder of the Company. As SPI and BTS operate a several of businesses which may include financial business and real estate business, although SPI and BTS have clearly different business operation from the Company which will not conflict with the intended investment business of the Company. However, to build trust of the shareholders and all stakeholders, and to prevent conflicts of interest in the business operations, the Company will proceed as follows:

Under the Company's operational plan, the two major shareholders, SPI and BTS, will have check and balance to supervise and manage the Company's business by considering the interests of all shareholders and the Company under the relevant laws and regulations.

In the event that the Company wishes to operate a business that may have a potential conflict of interest with SPI, or BTS, or its subsidiaries, associated company of such major shareholder, the representative director of such shareholder will be deemed to have an interest and cannot make a decision in the Board of Directors' meeting to consider such matter, and all of the independent directors of the Company must attend the Board of Directors' meeting to consider the reasonableness of such matter and the reasonableness in doing such business.

For the real estate development business, SPI and BTS acknowledged and understand the risk on conflict of interest very well. Even there is no conflict in respect of current business operation and investment but SPI and BTS agreed not to undertake any real estate project which may cause a conflict of interest to the operation of 7 Companies which operate real estate development business that purchased from Rabbit Holding Public Company Limited and U Global Hospitality Company Limited, including the material land of the Company where the current factory of the Company is located while the Company is the owner of such real estate.

1.3.4 Share Holder

(1.) Major Shareholder

(A) Top 10 Shareholders

The Company's 10 Major Shareholders as of 31 December 2022

	Name of Share Holder	Number of shares	%
1	BTS Group Holdings Public Company	87,237,766	41.09%
2	Saha Pathana Inter-Holding Plc.	87,237,766	41.09%
3	I.C.C. International Plc.	13,307,040	6.27%
4	Watsadoramai Co., Ltd.	2,800,000	1.32%
5	Mr. Palm Leelanuwatana	1,376,240	0.65%
6	Ms. Marin Leelanuwatana	1,217,960	0.57%
7	Watsadoramai Co., Ltd.	1,000,000	0.47%
8	Mr. Wacharapong Tanatchaiyasit	785,640	0.37%
9	Mrs.Sirina Pavarolavidya	634,040	0.30%
10	Hlanpu Co., Ltd.	616,740	0.29%
Total		196,213,192	92.42%

Note: Investors can see the updated shareholders' information from the Company website. thanulux.com, and prior to the 49th General Meeting of Shareholders.

Report of Shareholdings of Directors and Executive Officers in Thanulux Public Company Limited as of 31 December 2022

Unit:share

	Name		End of 2021		Purchase		Sale/Transfer		End of 2022	Share Hold
			Directors / Executives	Spouse*	Directors / Executives	Spouse*	Directors / Executives	Spouse*		%
1	Mr. Thamarat	Chokwatana	152,747	-	100,000	-	-	-	252,747	0.12%
2	Mr. Surayut	Thavikulwat	-	-	-	-	-	-	-	-
3	Ms. Lapika	Sasanavin	-	-	-	-	-	-	-	-
4	Ms. Chawadee	Rungruang	-	-	-	-	-	-	-	-
5	Ms. Suthida	Jongjenkit	-	-	300,000	-	-	-	300,000	0.14%
6	Mr. Kittichai	Treerachataphong	-	-	600,000	-	-	-	600,000	0.28%
7	Prof. Dr. Suchatvee	Suwansawat	-	-	-	-	-	-	-	-
8	Mr. Maris	Sangiampongsa	-	-	-	-	-	-	-	-
9	Mr. Vittawat	Panpanich	-	-	11,400	-	-	-	11,400	0.01%
10	Ms. Marin	Leelanuwatana	1,117,960	-	100,000	-	-	-	1,217,960	0.57%
11	Mr. Suchart	Layluxsiri	5,000	-	100,000	-	-	-	105,000	0.05%
12	Ms. Yupaporn	Jearrakul	5,000	-	100,000	-	-	-	105,000	0.05%
13	Dr. M.L. Sirapirpom	Teeraprasert	8,000	19,080	50,000	10,000	-	-	87,080	0.07%
14	Ms. Kochchakorn	Peungsiricharoen	4,000	-	-	-	-	-	0.00%	
Total			1,292,707	19,080		10,000	-	-	2,679,187	1.26%

* Inclusive of shares held by spouse and children who have not reached legal age

As of 31 December 2022 of Thanulux Public Company Limited has a registered 311,547,664 baht and paid up capital 212,312,766 baht

The amount of securities hold by directors and managements (including their spouses and children under legal maturity) is 2,679,187 shares, equal to 1.26% of total registered capital 120,000,000 shares which is not exceed 25% of the company's sold shares.

Also, the company has required directors and managements to report their shareholding status including those hold by spouses and children under legal maturity within 30 days from the date of appointment as director or management. In case the directors or managements including their spouses and children under legal maturity wish to change their shareholding status, they should inform the Company Chairman 1 day in advance. And shall report to The Securities and Exchange Commission in accordance with article 59 of The Securities and Exchange Act B.E.2535 including inform the company secretary within 3 working days upon completion of the transaction.

Distribution of Shareholding as at the Book Closing Date on 31 December 2022, Categorized According to Type of Shareholder

Type of Shareholder	No. of shareholder	No. of share	%
Legal entity			
Thai Nationality	26	194,686,022	91.70
Foreign Nationality	1	600,000	0.28
Total Legal entity	27	195,286,022	91.98
Ordinary person			
Thai Nationality	244	16,823,084	7.92
Foreign Nationality	2	203,660	0.10
Total Ordinary person	246	17,026,744	8.02
Total	266	212,312,766	100.00

(2.) Investments in other companies

Investments in companies which Thanulux Public Company Limited holds at 10% and over of the issued shares as follows:

Company Name/Address	Type of Business	Type of Share	Issued Shares	Shares Hold	% of Shares Hold	Amount (Baht)
DISTRIBUTING COMPANIES						
1. Celebrate Wealth Co., Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok	Apparel	Ordinary	850,000	746,000	87.76	69,235,995.20
2. Saha Komehyo Co., Ltd. Room No. T28A1, 28th FL. Siam Piwat Tower, 989 Rama 1 Rd., Pathumwan, Pathumwan, Bangkok	Second hand products	Ordinary	1,350,000	135,000	10.00	13,500,000.00
3. International Commercial Coordination (Hong Kong) Limited Room 408, 4/F., Hope Sea Industrial Centre, 26 Lam Hing Street, Kowloon Bay, Kowloon, Hong Kong	Apparel	Ordinary	50,000	7,200	14.40	3,822,438.85
4. World Saha Fashion Co., Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok	Apparel	Ordinary	50,000	9,500	19.00	9,500,000.00
5. Morgan De Toi (Thailand) Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok	Apparel	Ordinary	400,000	64,000	16.00	6,400,597.59
6. Paknumpo Wattana Co., Ltd. 310/47-50 Sawanvithi Road, Paknumpo, Muang, Nakornsawan	Apparel	Ordinary	10,000	1,400	14.00	1,037,442.00

Business operations and results

Company Name/Address	Type of Business	Type of Share	Issued Shares	Shares Hold	% of Shares Hold	Amount (Baht)
7. Intanin Chiangmai Co., Ltd. 162/2 Changklan Road, Changklan, Muang, Chiangmai	Apparel	Ordinary	5,000	625	12.50	2,781,362.50
8. Koraj Wattana Co., Ltd. 3/44-47 Troksoathong, Mukamontree Road, Muang, Nakhonratsima	Apparel	Ordinary	10,000	1,250	12.50	1,527,575.00
9. Sun & Sand Co., Ltd. 74/220-224 Phoon-pon Road, Muang, Phuket	Apparel	Ordinary	10,000	1,250	12.50	1,498,637.50
10. Intersouth Co., Ltd. 229-231 Dhamnoonvithi Road, hadyai, Songkhla	Apparel	Ordinary	10,000	1,250	12.50	4,285,612.50
11. Eastern I.C.C. Co., Ltd. 90/5-6, 8 Moo 4, Pipit Road, Bangsai, Muang, Choburi	Apparel	Ordinary	10,000	1,250	12.50	2,938,062.50
12. Maharachapreuk Co., Ltd. 470/7 Praaongdam Road, Muang, Phitsanulok	Apparel	Ordinary	10,000	1,200	12.00	415,584.00
MANUFACTURING COMPANIES						
1. TNLX Co., Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok	Textiles	Ordinary	10,000	9,997	99.97	999,700
2. S. Apparel Co., Ltd. 4/2 Moo 8, Bangna-Trad Rd., KM.18 Bangchalong, Bangplee, Samutprakarn	Garment	Ordinary	180,000	179,998	99.998	20,583,208.27
3. Total Way Image Co., Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok	Leather ware	Ordinary	200,000	38,000	19.00	7,132,316.93
4. Thai Naxis Co., Ltd. 222 Moo 5, Suwannasorn Rd., Nonthri, Kabinburi, Prachinburi	Label	Ordinary	200,000	38,000	19.00	4,700,000.00
5. International Leather Fashion Corp., Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok	Leatherware	Ordinary	500,000	90,000	18.00	8,810,100.00
6. Erawan Textile Co., Ltd. 49 Moo 3 Poochaosamingprai Rd., Samrongtai,Prapradaeng, Samutprakarn	Spun yarn and fabrics manufacturing	Ordinary	6,214,634	922,468	14.84	17,726,177.91
7. Champ Ace Co., Ltd. 3885/2 Bangklo, Bangkorleam, Bangkok	Garment	Ordinary	400,000	60,000	15.00	6,000,000.00
8. People's Garment Public Co., Ltd. 666 Rama 3 Rd., Bangpongpan, Yannawa, Bangkok	Garment	Ordinary	96,000,000	13,484,000	14.05	52,683,587.15
SERVICE COMPANIES						
1. TNL Alliance Co., Ltd. 129/1 Chongnonthri Rd., Chongnonthri, Yannawa, Bangkok	Intermediary juristic person	Ordinary	10,000	9,997	99.97	999,700
2. Oxygen Asset Company Limited 530 Soi Sathupradit 58, Bang Phongphang, Yannawa, Bangkok	Lending Business	Ordinary	1,000,000	900,000	90.00	900,000,000
3. Oxygen Asset Management Company Limited 530 Soi Sathupradit 58, Bang Phongphang, Yannawa, Bangkok	Asset Management Business	Ordinary	260,000	259,998	100.00	25,999,800
4. SSDC (Tigertex) Co., Ltd. 111 Moo 5, Nonthri, Kabinburi, Prachinburi	Bleaching, Dyeing Fabric and Yarn	Ordinary	32,400,000	6,144,600	18.96	68,634,718.97

(3.) Agreement between major shares

There is no agreement between the major shareholders on matters affecting the issuance and offering of securities or the Company's management.

1.4 Amount of registered capital and paid-up capital

1.4.1 Amount of registered capital and paid-up capital

Thanulux Public Company Limited is a listed company on the Stock Exchange of Thailand (SET), its trading abbreviation is "TNL" ordinary shares as of 31 December 2022 of Thanulux Public Company Limited has a registered 311,547,664 baht and paid up capital 212,312,766 baht divided into ordinary shares 212,312,766 shares with a par value of 1 baht per share.

However, the Board of Directors' Meeting No. 1/2023 held on February 3, 2023 resolved to approve the determination of the date for determining the names of shareholders who are entitled to the allocation of newly issued ordinary shares to the existing ordinary shareholders (Right Offering) (Record Date) and the subscription period for capital increase shares. The subscription date is scheduled between 7-13 March 2023. After the completion of the subscription period There were shareholders who subscribed for a total of 92,309,898 shares, 100 percent of the number of newly issued ordinary shares to existing ordinary shareholders approved by the shareholders' meeting. As of [17] March 2023, the company has already registered the paid-up capital. As a result, the company has registered capital of 311,547,664 baht and paid-up capital of 304,622,664 baht.

1.4.2 Other types of shares with rights and conditions different from ordinary shares

- None -

1.4.3 Shares or Convertible Securities

- None -

1.5 Issuance of other securities

- None -

1.6 Dividend Payment Policy

The Company has a policy of paying dividends to shareholders at the rate of Baht 0.20 per share, which is equivalent to 20 percent of the par value. However, payment is principally subject to the Company's operating results and economic conditions. Dividend payments would be made from net earnings and retained earnings. Dividends would be calculated in proportion to the earnings in the Company operating results (unconsolidated statement). Details of dividend payouts are shown below:

Thanulux Plc.	2565	2564	2563	2562	2561
Earnings per share (Baht)	0.87	0.51	0.07	1.12	1.68
Dividend per share (Baht)	0.20	0.50	0.07	0.55	0.75
Payout ratio (%)	22.99	98.37	105.40	49.01	44.53

Note * The Board of Directors Meeting No. 2/2022 adopted a resolution to propose to the 49th General Meeting of shareholders, which is to be held on April 25, 2022, the approval of dividend payment at the rate of Baht 0.20 per share.

Subsidiary Companies The Company has a policy whereby subsidiary companies shall pay dividends from net earnings and retained earnings with due regard to the excess cash remaining from normal operations or surplus of capital investments, subject principally to forecasts of future operating results and economic conditions.

2. Risk Management

Risk Management Policy and Plan

Thanulux places a high value on appropriate risk management on a continuous basis, taking into consideration that a systematic management of an organization under the comprehensive risk management to all business segments linked to an efficient internal control system will enable the company to achieve strategic goal and business operation amid the fluctuation of environment and competition. Furthermore, the Company will be able to meet the needs of stakeholders from all groups at a balanced pace, reducing potential risks from volatility. In addition to the above, the Company realizes the importance of sustainable risk management and promote the risk management as an integral part of the corporate governance as to enhances added value to the corporation. The risk analysis is conducted continuously with the consideration of internal and external factors that cover all aspects. All these efforts contribute to preparation of individual department's risk management into a solid format to cope all operations at an acceptable level.

Risks related to Current Business Operation

1. Distribution channels

The COVID-19 pandemic which started in the end of 2019 until now continues to have impacts on our business operation, especially, domestic sales where consumers have shifted their shopping toward the online channel more. Such change poses impact to our offline sales, for instance, department stores, shops.

Oversea sales continue to grow at a positive pace. Our major customers increase their purchase order from the estimation due to the relocation of production base from the country with high rate of Covid-19. The current situation in Covid-19 has eased, but economic recovery will take time. As such, progress also affects customers' buying behavior. Hence, the Company has managed the risks by:

Domestic markets

- 1) Licenses brand: The Company joins hands with the partner in developing innovative products which highlight the improvement on quality and price that meet the need of the target groups while the online sale channels are expanded.
- 2) The House Brand products are: the raw materials and products are developed under collaboration with the supply chain, with the emphasis on quality and prices to meet expectation of the target group both online and offline (stores/factory outlet/pop up). The distribution of the product is directly to consumers.
- 3) Special design and production of uniforms for government officers to boost up sales volume

Oversea market

With the policy to maintain the existing customer base which potentially for expansion while in search of the new customers in existing and new markets, the Company is committed in development of its products and manufacturing techniques under collaboration with the customers, including the search for quality raw materials.

2. Cyber Security

Currently, with more implementation of digital technology, i.e., work from home during COVID-19 outbreak, digital workplace, our employees can connect, communicate and work together via various channels. Moreover, in the business operation aspect, the shift in working styles also links business procedures together, for example, production, sales, product delivery, recruitment, facilitating progress and time. Nevertheless, since digital tools are used in business operations, cyberattacks have become a threat to our databases.

In managing the information security, the protective equipment, for instance, cyber command is installed for threat detection, threat hunting and threat response. A web application firewall is also added to enhance data security and minimize the risk of cyberattack.

In addition to the above, the Company has arranged training courses with an aim to pass on knowledge and ensure understanding among personnel. The business continuity plan, Disaster Recovery Plan (DRP) are implemented for effective operation. DRP is drilled on an annual basis.

3. Exchange rate

Exporting products is at risk from exchange rates, and therefore, the Company has applied financial instrument to maintain and prevent risks from exchange rate such as signing the forward contracts based on the preventive measure on the risk of foreign currency. The income and expense in foreign currency is managed in natural hedge with the management summary report on the exchange rate fluctuation. Purchase orders from the customers with foreign currency are estimated and reported to the Risk Management Committee on a quarterly basis.

4. Investment and liquidity management

The COVID-19 outbreak in 2019 poses dramatic change in economy and finance field. The interest reduction policy keeps the yield upon investment at a low scale. Realizing such a situation, the Company has optimized the investment plan by considering the liquidity risk of the assets for investment in order to prevent the risk of illiquid

For risks of yield upon investment and liquidity of cash and financial assets, the Company has managed the excess quick capital in the form of deposits with a commercial bank, government bond, money market fund and debt instruments, corporate bonds. All these transactions are under consideration of the Risk Management Committee, Executive Committee and the Board of Directors. The Asset-Liability Management Committee is responsible for a close monitoring and reporting to the Executive Committee and Risk Management Committee on a quarterly basis.

5. Receipt of debt payments

Upon an assessment on the risk of granting credit in commercial purpose, based on the consideration of credit of each customer, the Company will check financial status of every new customer before releasing the credit. In addition, the Company has applied for the risk insurance for the customer of high value purchase, required to have the trade receivables period reported to the executives regularly to monitor the transaction that could lead to the damages. However, most of the customers are not due and the credit term does not pose any effect on the Company's liquidity and financial status.

6. Human Resource Management

After the business situation in local and international scale tend to improve in the past two years until 2022, human resource is considered as the core that drives business toward the targeted direction and goal. The production force has been reinforced to accommodate business growth. To enhance our personnel competitiveness during times when things are rapidly and aggressively changed, we provide them with a development course. For this reason, the Company has established risk management for human resource, which can be summarized as follows:

1) Organization restructuring in accordance with business direction and reinforce of production

The organization has been restructured in accordance with business direction. The main business line is adjusted to enhance the sales channel and improve efficiency in the management. Each branch increases production capacity to support business demand. For Business Development and Business Support, the emphasis is to boost up performance to add up the variety of trading activities in sales channels.

2) Management of key strategic positions and succession planning

Addressing the importance of the succession plan in 2022, the Management has analyzed and reviewed strategic key position to assess and development the person to undertake such key strategic position, to select the successor and to set up a plan for personnel development using different executive development tools, as well as to nominate the successor of importance position as set out in the plan.

3) Personnel Development to Keep up with Changes

Thanulux emphasizes the personnel development to ensure that their knowledge and skill will keep up with the fluctuation of business context, and hence has arranged the knowledge development courses. For example, sales skill and digital marketing development course, creating fashionable brands to meet the changes, applying technologies to utilize work and leadership development and the Growth Mindset course to be consistent with the agile working styles which highlights the outcome and swift change to response to customers in timely manner.

4) Driving people with performance management concept

In 2022, the Performance Management Policy will be established in order to establish targets that ensure consistency from the corporate, department, and individual levels. This includes the performance between supervisors and their subordinates. The policy will encourage the discussion about the target, performance, performance monitoring and a systematic reflection of such performance, leading to constant development of personnel potential and leveraging overall outcome of the entire organization.

7. Compliance with the rules, regulations, and relevant laws

The Company requires audit and performance assessment to ensure the compliance with the relevant laws. In this regards, the legal department is responsible for supervising and monitoring the laws related to business operation which may be changed or amended. The legal department will disseminate and create the understanding among the personnel regularly.

As to the Personal Data Protection Act, the Company has announced the Privacy Policy as a framework for personal data management. The Persona Data Protection Policy is under supervision of the Personal Data Protection Commission to ensure the protection as stipulated by law. For example, the data processing must be consistent with the legal basis, the privacy notice, personal data record, establishment of the Data Subject Rights Management.

Furthermore, having a security system that meets standard, the Company has raised awareness among employees and provided them with the proper training courses to ensure their understanding of the Privacy Notice, personal data processing record, and Data Subject Rights Management.

The security system meets the appropriate standards. Employees are educated and trained to ensure their understanding on the personal data protection.

ESG Risk

1. Fraud and Corruption

The Company conducts business with honesty, transparency, promotes the employees and executives to be aware of the importance of the anti-corruption and fraud by joining the Thai Private Sector Collective Action Against Corruption or CAC. The risk of corruption is also assessed, and the result is reported to the Risk Management Committee and the Board of Directors. The result is eventually determined into the procedures that control risk from corruption. The anti-corruption policy and practice are established and disseminated via various channels, for instance, internal - external control of the Company, emails to ensure all employees, suppliers and stakeholders will acknowledge and comply with. Moreover, there are various whistleblowing channels for internal and external parties to make a report. The Company provides training courses to ensure executives and employees will understand the anti-corruption.

2. Human right

The Company manufactures and distributes ready-made apparels and leather products with a solid endeavor to empower the business for the growth together with responsibility on the society and environment, or other regulations including relevant international practices with an aim to build up the foundation of sustainable and constant responsibility.

With due awareness and recognition on the management system that adheres to morality, ethics, honesty, transparency, accountability, respect to human rights and benefits of stakeholders, the Company is committed to build and carry on a good relation together with corporate attitude and culture to ensure the employees will take responsibility for the society we are dwelling in.

The company realizes the importance of basic human rights in support to the respect to rights and freedom by refraining from discrimination, promoting equality, no child labor and is against corruption in all forms.

3. Environmental Management

The Company has established an explicit environmental policy and has implemented strict compliance measures with an intention to preserve and maintain the ecosystem and environment for the communities where the Company business is running. i.e., energy consumption, water consumption, waste management, waste and pollution. The Company prioritizes the efficient use of resources which helps in developing and mitigating impacts to the environment. The Company strives to drives the business together with taking responsibility to society and environment, taking into account benefits of all stakeholders.

Pride Awards of the years



- “Outstanding Workplace on Labour Relations and Labour Welfare 2022 (National), 1st year”
for Kabinburi branch From Ministry of Labor
and Social Welfare



- “Outstanding Business Establishments Labor Relations and Welfare (National), 8th year, Lamphun branch From Ministry of Labor and Social Welfare



- CSR DIW continuous award 2021
for 3 Branches, Head Office, Kabinburi Branch, and Lamphun Branch , 8th consecutive year



- Certificate for ISO 14000:2015



- Certificate for ISO 9001:2015

- Sustainability Model Organization Award in Thai Capital Market Support for people with disabilities 2022



- The Green Industry Certificate Level 3 (Green Factory Level 3) Head Office, Kabinburi Branch from the Ministry of Industry



- Received KNITED No.5, HANG RDY in the Room and NON IRON awards from Thailand Greenhouse Gas Management Organization (TGO) in collaboration with Thailand Textile Institute (THTI).

rt. The product

Room, Non Iron



Social Awards

Ministry of Labor and Social Welfare

- 2015 - Awarded "Safe Workplace Honoring Her Royal Highness Princess Maha Chakri Sirindhorn, Head Office and Lamphun Branch"
- 2021 - Certificate on the standard of prevention and remedy of drug problems within the establishment.
- Certificate for the Good Labor Practices: GLP
- 2015 - 2022 - Awarded the "Outstanding Workplace on Labour Relations and Labour Welfare (National)"
- 2022 - Sustainability Model Organization Award for people with disabilities from Thai Capital Market Support



สภากาชาดไทย
The Thai Red Cross Society

Thai Red Cross Society

- 2015 - Received honors from Her Royal Highness Princess Soamsawali as an agency supporting blood donation activities for 3 consecutive years.



Ministry of Industry

- 2012 - Was certified as a Green Factory, First Level Green Industry.
- 2013 - Awarded an honorary shield as a workplace that is compliant with good governance principles on the environment.
- 2017 - Received the Green Industry Certificate Level 4 (Green Culture) and "Eco Factory: Eco Industrial Town in 4.0 era".
- 2018 - Gold Medal 3Rs Awards from Project "To develop waste utilization potential"
- 2019 - Certificate Production scheme of Low Greenhouse Gas Emission
- 2021 - Green Industry, Level 4 Award for the Green Culture, Lampoon branch
- Eco Factory plus Social Award, Kabinburi branch
- 2015 - 2022 - Honorable CSR-DIW CONTINUOUS Award 2022 CSR standard
- 2022 - Green Industry, Level 3 Award for the Green Culture, Headquarter and Kabinburi branch



Bangkok Metropolitan Administration

- 2018 - Certificate "Sponsor and a precursor to the benefit of the Yannawa area".



กระทรวงพลังงาน
MINISTRY OF ENERGY

Ministry of Energy

- 2019 - Award of the promotion of energy conservation in industrial, Lower Eastern region



กรมอนามัย
DEPARTMENT OF HEALTH

Department of Health

- 2021 - Certificate of establishment of safety and hygiene to prevent Covid-19



Thai Garment Manufacturers Association

- 2021 - Certificate for declaration on the intent against child labor and forced labor within the establishment

Products Awards Merchandise and product awards

- 2011 - Received royal accreditation of Thai silk standard "Thai silk blend" for Cottazilk fabric under trademark Daks.
- 2014 - First operator to receive accreditation for the use of the "Smart Fabric" mark under the "Anti Bacteria" category, after having undergone inspection and standard accreditation procedures applied by the Thailand Textile Institute.
- 2015 - Received royal accreditation of Thai silk standard 'Thai silk' for 100% silk fabric fabric under brand Daks.
- 2021 - MiT Certificate from the Federation of Thai Industries for manufacturing of short-sleeve shirt for government official, with the nano-zinc fabric size 36. The product is made in Thailand, The Federation of Thai Industries
- 2017 - Certified for the electric saving "Label No.5" for shirt from the project of Electricity Saving type shirt of Electricity Generating Authority of Thailand.

Products Certification

from the Greenhouse Gas Management Organization (public organization) under collaboration with the Thailand Textile Institute.

- 2013 - Certified a Carbon Footprint label for the shirt, Brand ARROW Style AY 630
- Certified the "Smart Fabric" standard accreditation for good ventilation of moisture and sweat as well as greater comfort. The product accredited was shirt (cool innovation) under brand Guy Laroche.
- 2014 - Certified an Environmental Footprint label for the shirt, Brand ARROW Style AY 630
- 2016 - Accreditation of Cool Mode standard for 100% Cotton Knitted TRI003
- 2021 - Certificate for the development of the CoolMode fabric "VRCool"
- 2023 - Certificate for development of clothes to reduce global warming (CoolMode) for civil servant uniforms, Hang Dry in The Room, Non Iron for Arrow shirts and Knitted No.5 TR1006 for Corporate Brand Innoweartion products.



Management Standardization

- 2002 - Awarded quality accreditation ISO9001:2000 for designs and manufacturing of garments and leather goods from Bureau Veritas Certification (Thailand) Ltd. (BVQI)
- 2010 - Awarded quality accreditation ISO9001:2008 for design and manufacturing of garments and leather goods from Bureau Veritas Certification (Thailand) Ltd. (BVQI)
- 2015 - Awarded environmental management standard accreditation ISO14001:2004 for design and manufacture of menswear, women's wear, children's wear and leather goods from Bureau Veritas Certification (Thailand) Ltd. (BVQI)
- 2017-2022 - Certified quality accreditation ISO9001:2015 for design and manufacturing of garments and leather goods from Bureau Veritas Certification (Thailand) Ltd. of Headquarter, Kabinburi branch, Lampoon branch, and Mae-sod branch
- 2018-2022 - Certified environmental management standard accreditation ISO14001:2015 for design and manufacturing of menswear, women's wear, children's wear and leather goods from Bureau Veritas Certification (Thailand) Ltd. of Headquarter, Kabinburi branch, and Lampoon branch
- 2019 - Bronze Award of Happy Retirement Companies, organizes by the Stock Exchange of Thailand (SET), Securities and Exchange Commission (SEC), Provident Fund Association and Fund Management Companies



Message from the Managing Director

Transformational for Sustainable Growth)

TNL is dedicated to achieving sustainable growth for 48 years, by delivering favorable return to shareholders, carrying out business operation responsibly towards society, providing employment opportunities, distributing income to the society while preserving the quality of the environment with an adherence to the Saha Group's core values "Good People, Good Products, Good Society". In the past year, the Company prioritized the development towards sustainability coupling with good corporate governance, with consideration for all stakeholders, in terms of the economy, society and environment. Our achievement in 2022 can be summarized as follows:

Economy: Focus on advancing product development, innovation and technologies by arranging an annual innovation contest with an aim to stimulating for new products of fine quality, to boost sales volume and return the best satisfaction to customers.

Society: Promote human resource development, which is an essential foundation to sustain our organization. Arrange training courses, initiate learning to enhance performance at work, and create happiness at work to nourish the career advancement. Supervise to ensure adequate compensation and welfare for the well-being of employees.

Environment: Create products of good quality and eco-friendly from upstream to downstream in accordance with international standards regarding environment. Raise awareness among employees for wise utilization of resources, launch a campaign on energy saving in terms of water, electricity, paper, oil and other consumables to ensure the best of resource utilization in every activity.

The past three years have been presented significant challenges for the Thai society and many countries worldwide due to the Covid-19 outbreak, which affecting the economic system and lifestyle of our society. Despite these difficulties, the Company's employees and executives, have united our

dedication to overcome these challenges with support from all stakeholders and the implementation of our policy shifted to enhance resilience with varied situations. Recognizing that the economy, society and environment are fluctuated and change rapidly in the future, the Company has decided to restructure its business to accomplish a sustainable transformation while bringing positive change to the society, by announcing the capital increase via a private placement to our business partner which is the BTS Group Holding PCL at the value equivalent to THB 2,884 million. The issuance of new shares worth THB 3,051 million to existing shareholders according to the shareholding proportion as a fund raising for business growth. The funds have been used to acquire new businesses, including the secured credit business, asset management business and a joint venture which develops residential estate for sales. The aim is to generate long-term income and profit for the Company in the long term. The transaction has already been completed.

Under an endeavor to maintain and carry on being the decent organization with a long history of over 48 years, the Company would like to express our gratitude to all stakeholders for their support in our journey. Moving forward into 2023, TNL is dedicated to creating a sustainable transformation that will allow us to thrive and bring value to products and financial services and promote positive change to our society.

(Ms. Sutida Jongjenkit)

Managing Director

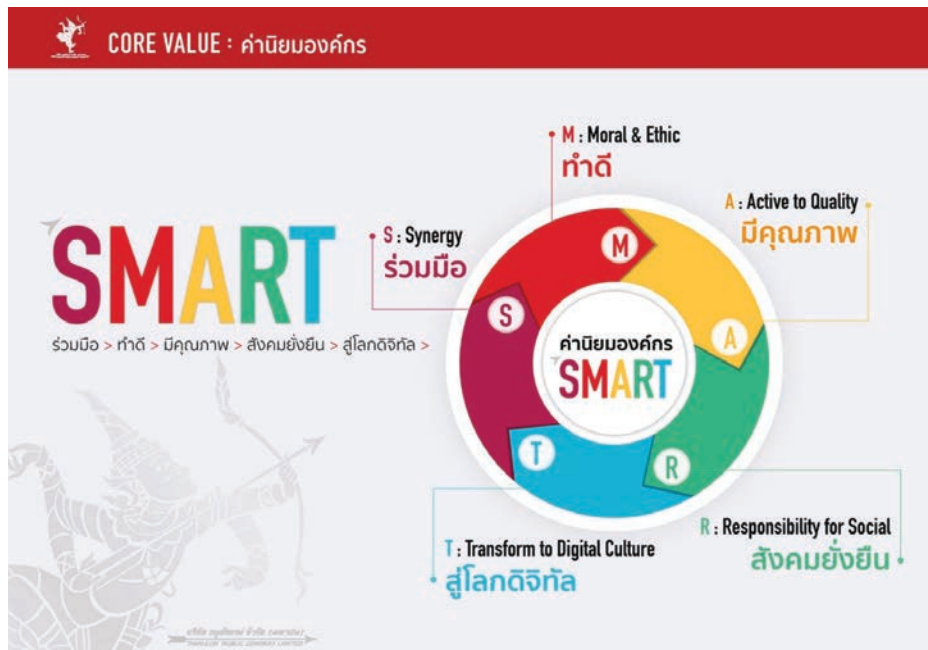
3. Business Driving for Sustainability

Guidance and Scope of Report

Thanulux Public Company Limited is committed to being a sustainable organization. Conducting business in conjunction with good corporate governance taking into the responsibility to stakeholders in all aspects, including economy, society and environment. by collecting issues and essences Including strategies and risk management of sustainability. and reference to the global Report Activities (GRI) G4 - the guidance for sustainability report recognized internationally.

This report's scope demonstrated operation result that covers all operation procedures of the Company, but not includes our subsidiaries and other related companies; the duration covers 1 January to 31 December 2022.

Sustainable management Policy and Goals



The Company has strong determination and support on implementing sustainable development policy consisting of 3 main elements

1. Human resource development and sustainable competency development.
2. Innovative management.
3. Reduction of direct and indirect impact to the environment.

With these factors being applied, organizational culture “SMART” will drive the economy, society and environment under good corporate governance principles. There are also including the anti-corruption in the context of responsibility to create a valuable organization for sustainable business, as well as supply chain management, appropriate and timely risk management, Customer relationship management, and community development

1. **In terms of economy**, the Company develop a product with continual innovation launch and leverages the use of modern IT system and technology to optimise performance.
2. **For society**, the Company commits to enhance human resource ability by educating and adding digital communication with an aim to cultivate digitalization corporate while caring for all stakeholders.
3. **For environment**, the Company recognizes the need to minimize impact to environment and effective use

The Goal for Sustainability Development



In terms of **Economy**

the Company develop a product with continual innovation launch and leverages the use of modern IT system and technology to optimise performance.

For **Society**

the Company commits to enhance human resource ability by educating and adding digital communication with an aim to cultivate digitalisation corporate while caring for all stakeholders.

For **Environment**

the Company recognizes the need to minimise impact to environment and effective use of resources under the good corporate governance

1. In terms of economy,

- The Company hosts the innovative product every year where at least 3 new products are launched to boost the sale and create satisfaction among customers for over 85%.

The system development covers designing process until product delivery to customers as an alternative approach to enhance production capacity, to stimulate sales volume and to minimize expenses.

2. Human Resources

- Encourage learning among employees, the use of digital tools in working which can be applied for over 70%.
- Arrange at least 50% of training.

3. Environment

- Reduce the use of electricity at least 3%
- Reduce volume of waste at least 3%
- Reduce the use of water at least 3%

The Assessment of Key Sustainability Issues



1. Identifying the Key Issues and Scope of the Report

The company analyzes the opportunities and risks both of indirect and direct that may happen as well as an impact on the business operation of the organization. Upon analysis of potential opportunities and risks that may affect the business operation, the Company has implemented significant matters into sustainable management and social responsibility, taking into awareness impacts on all stakeholders. The Company collects data, arranges meetings, discussions to gather information from all parties. And report quarterly directly to The Board of Director.

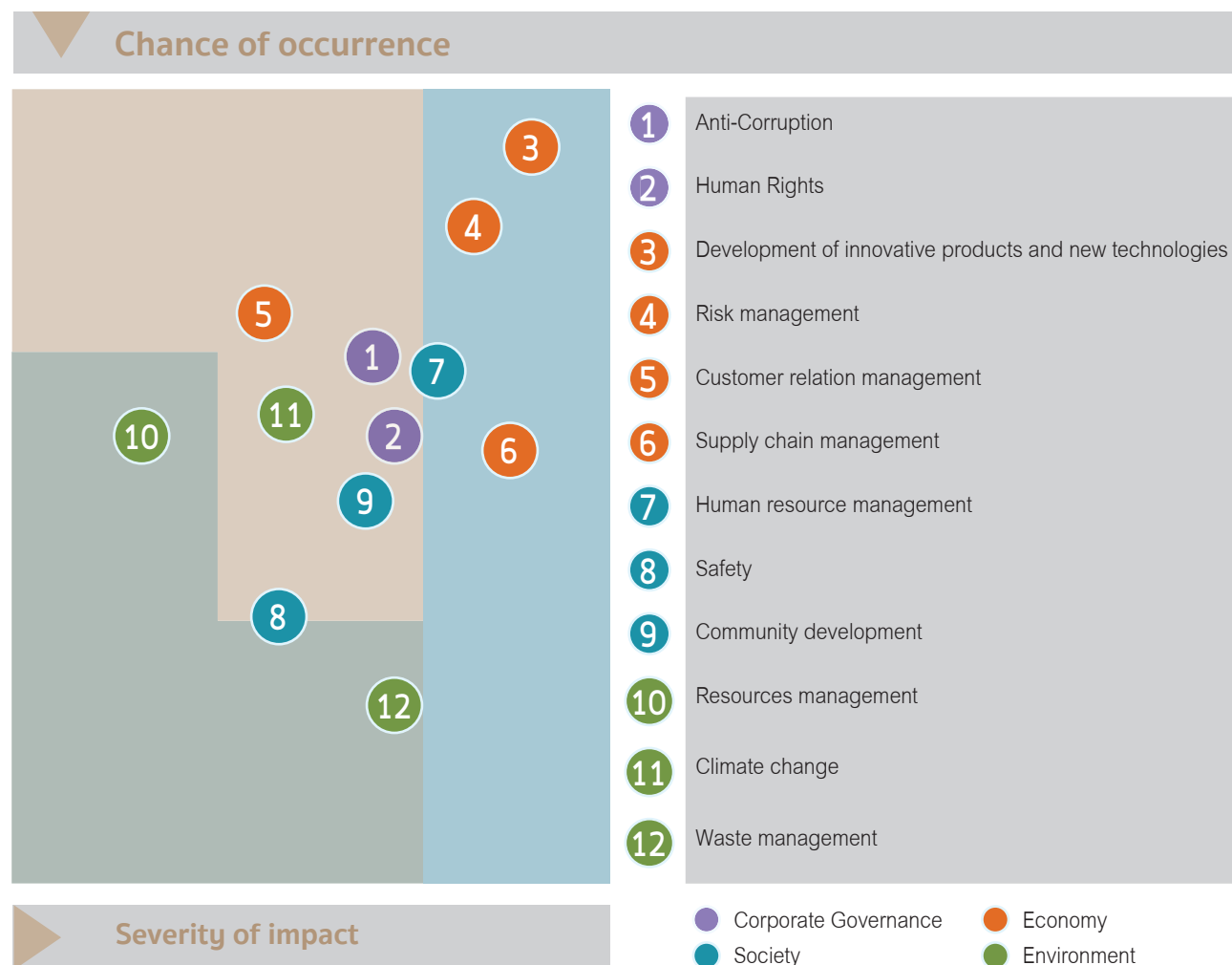
2. Prioritization

The Company assesses and analyzed those important matters to prioritize our business operation's impact and significant impacts on our stakeholders covering economic, social, and environmental aspects, including good corporate governance.

3. Continuity to Review and Development

The Company assigns a working group to collect information, accept suggestions from stakeholders and improve and develop sustainability within and outside the organization on a continual groundwork.

Selecting essential matters for the sustainability



The Assessment of Key Sustainability Issues Result 2022

Corporate Governance	Economy	Society	Environment
Anti-Corruption	Development of innovative products and new technologies	Human resource management	Resources management
Human rights	Risk management	Safety	Climate change
	Customer relation Management	Community development	Waste management
	Supply chain management		

Stakeholder Engagement

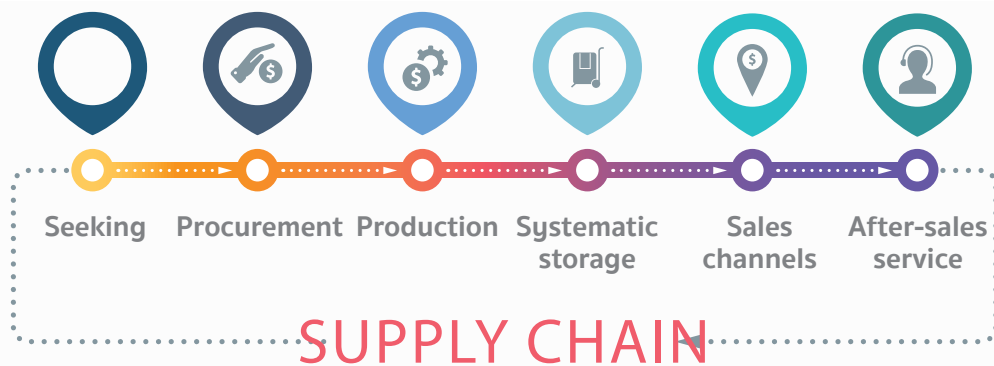
Stakeholder	Expectations	Strategy that responses	Results of activities
1. Shareholders	<ul style="list-style-type: none"> Return on investment Organization Growth Business operation with transparent accountability 	<ul style="list-style-type: none"> Right to attend shareholders' meetings in order to vote and freely express opinions including making inquiries and suggestions Right to receive a fair return on investment Commitment to business operations pursuant to good corporate governance principles and reliability Sufficient, reliable and timely disclosure of significant information 	<ul style="list-style-type: none"> Ability to make regular dividend payment Acquiring the "Very Good" assessment in part of corporate governance under the listed company by the 2021 Listed Companies Corporate Governance Survey Receiving an assessment rating "5 TIA" (Full of 100 points) for AGM quality of listed companies by the Thai Investors Association for 2021
2. Employees	<ul style="list-style-type: none"> Proper and fair for welfare benefits and remunerations Opportunities to advance in career Employee potential development Better Quality of life 	<ul style="list-style-type: none"> Reconsidering welfare benefits and remunerations Employee care during Covid-19 crisis Adjust working procedures to meet the New Normal and for safety purpose. Respect to human rights and fair labour treatment Granting scholarships to the children of employees Conduct personnel development programs for all levels 	<ul style="list-style-type: none"> Receiving the award as the outstanding workplace in terms of labour Relations and Welfare in 2021 Arrange training courses for employees to meet the standard set forth by the Department of labour Skill Development. Being able to accept employees who are scholarship recipients to intern or work upon completion of studies Employees' participation in recreations held by the Company
3. Government Sector	<ul style="list-style-type: none"> Fair and transparent liaison Consultancy and learning exchange Tax privileges 	<ul style="list-style-type: none"> Submitting the complete report on the date as per the law specifications Tax and fee payment in accordance with the rate specified by law 	<ul style="list-style-type: none"> Conducted the business transparently and legally. Ability to build good relationship with the government sector Acquisition of tax privileges
4. Customers	<ul style="list-style-type: none"> Quality of products and services Value for product and service received 	<ul style="list-style-type: none"> ISO9001:2015 Quality Management Satisfaction assessment Hotline for consumer protection division After-sales services throughout the product's expiration date 	<ul style="list-style-type: none"> The long-lasting trust from customers in new products The customers' satisfaction in products and services was more than 85% according to 2021 customers' satisfaction survey in ISO9001:2015 The innovation to create environmental-friendly product that meet consumer's need.

Stakeholder	Expectations	Strategy that responses	Results of activities
5. Business partners	<ul style="list-style-type: none"> Transparency and fair of business operations Counseling and knowledge exchange in innovation development and new products regularly 	<ul style="list-style-type: none"> Assessment and selection criteria The expansion of payment channel On time payment Promoting social and environment responsibility policies Promoting anti- corruption policies Research and development department Procurement Committee Host activities to encourage exchange of knowledge. Fair and transparency in supplier selection and evaluation 	<ul style="list-style-type: none"> Gain a partner with social responsibility and environment and also anti-corruption Business partners, service providers and distributors can apply the corporate social responsibility principle in their companies Thanulux and business partners can mutually develop and source for alternative materials with good value and quality
6. Community and Society	<ul style="list-style-type: none"> Occupation Encouragement and income generation for members in communities Social and environment sustainability around communities Community activity sponsorship 	<ul style="list-style-type: none"> Implement an environmental management system standard ISO14001:2015 Organize a dialogue with the surrounding communities to listen to the opinions and needs of the community Do and participate with the community in activities among children and the elderly regularly Create activities for promote the quality and environment of children's classroom encouraged the learning and studying, put young children to study close to home. 	<ul style="list-style-type: none"> Better environment around the company Provide facial masks, alcohol gels and educate communities about COVID-19 Supporting the supplies and donations for the elderly club Gather the financial donation from the Company and neighboring communities to Wat Phra Bat Nam Phu foundation Young children and juvenile within community schools attend development course and receive proper knowledge.

Supply Chain Management

Addressing the importance of supply chain management, the Company has determined a business operation policy that is transparent and effective to achieve the target and success. Emphasis on data analysis, research and new technologies to conform to customers' demands. We procure and provide a manufacturing process that yields effectiveness. Provide various distribution channels. Develop the systematic storage and delivery, including the after sales service.

Thanulux has the policy to manage a sustainable supply chain, treat vendors with fairness and equality, adhere to corporate governance and ethics, transparency, and traceability. We create a positive relation and collaboration to develop products and services to run our business sustainably.



Seeking toward for New Innovations

- Implement Data Analysis system to recognize customers' need.
- Raise awareness on innovation among employees by arranging the contest.
- Establish a research center to develop raw materials jointly with suppliers continually.
- Control and test quality of raw materials before feeding to manufacturing process.

A systematic storage: Monitored and tracked

- Implement sorter system in sorting and handling products.
- Apply barcode to enhance performance and reduce the resource consumption.
- Establish a system that connects to the logistics to check product status.

Procurement: Transparent and fair

- Establish explicit rules and requirement on the integrity and equality.
- Build relation on working together to exchange knowledge with suppliers for the sustainable development.
- Implement a system for screening suppliers, performance assessment to ensure the required quality and standard for register and classification in the vendor list.
- Prepare a purchase plan together with supply chain including major and minor suppliers continually.

Sales channels: Diversified

- Distribute products via dealers and market places.
- Direct distribution B to C to consumers, B to B to corporation.
- Develop sales channels to various online platforms.

Effective production procedures

- Implements quality management ISO 9001 and ISO 14000
- Establish the fast reacting merchandize system where the communication is made throughout the entire production line, enabling the efficient management, reducing cost and waste.
- Focus on utmost efficient use of resources, taking into account impact environment.

After-sales service

- Implement CRM system for customer relation management.
- Implement the Robot technology which can respond fast and conveniently.
- Provide different communication channels to allow easy and convenient complaint reporting.

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Customer relation management

Customer relation procedure is considered the primary strategy for successful business operation toward sustainability. Followings are our relation management promotion with customers.

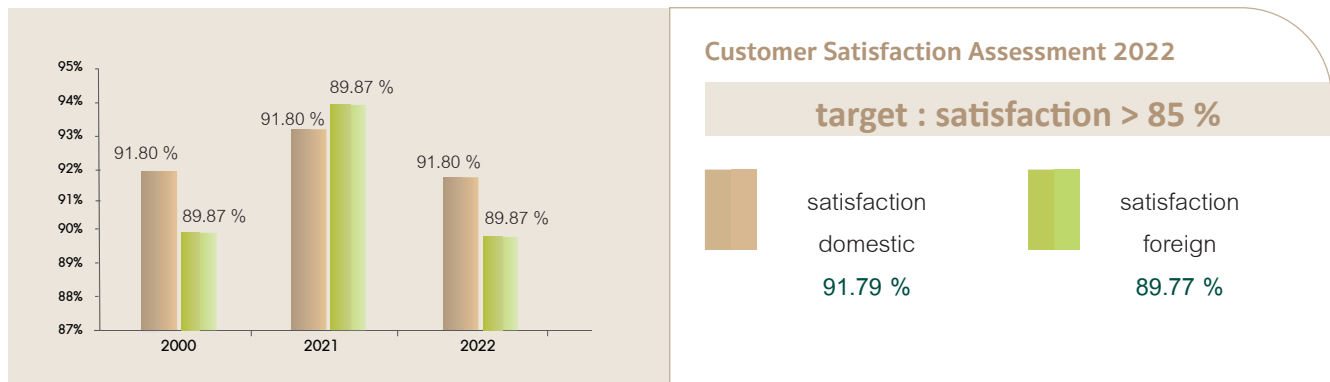
- Design the products to meet customers' expectation, driven by innovation
- Survey various customer groups, especially the consumers' behavior
- Constantly update news and arrange activities with customers to maintain active relation.

Customer Satisfaction Assessment

Feedback on the shirts and pants: overall, customers are satisfied with the product quality in terms of sewing, material quality and packing.

Feedback on services and information response: most of the customers are contented with our services, performance monitoring, the accurate and timely response to customers are on high level.

Feedback on product delivery: The customers are satisfied with our delivery and punctuality.



domestic customers ■ foreign customers ■

Analysis on Product Development or Improvement / Corporate Business Operation Procedures

Summary of future demand analysis

1. Quality of Products

Customer satisfaction on product quality and sewing is high. For fabric quality, it is suggested diversifying the source of raw materials to increase the variety and options for purchasing.

2. Others services

According to the survey result, customer satisfaction with service, follow-ups, data provision, turnaround time, and teamwork is reasonable.

3. Delivery

The survey result shows that the customers' satisfaction on delivery time is in a good range.

Analysis on Product Development or Improvement

The customer expects to have the product of standard, with punctual delivery and reasonable price, environmental-friendly products. With such awareness, the Company has developed products and services to meet their needs, innovate new items to add value to products and services continually. The Company also takes responsibility for the after-sales services, complies with the contract, agreements or conditions committed with customers with transparency and equity. Thanulux prioritizes keeping customers' confidentiality as to maintain the good and sustainable relation.

Creating trust and confidence in our products

1. Confidence in the quality management system and product safety. The Company is certified for various standards, i.e., ISO9001, ISO1400, and Green Industry Tier 3.

In 2020-2022, the Company was audited by ISO Auditor for 7 Man-day.

Year	Man- day of ex-audit
2020	7 times
2021	14 times
2022	13 times

Overall of External Audit 2022	
by Customer	-
by external certification organization	4 times
Total	4 times

2. Promotion of quality to raise brand awareness and corporate culture
3. We cultivate corporate culture to encourage personnel engagement in driving the organization toward a complete innovative entity.

Development of innovative products and new technologies

Innovation research and development

For the year 2022, our mission was to focus on the development of environmentally friendly products and production processes, using modern knowledge elements and technology with a purpose to create a green innovation that strives for better sustainability. Below are our mission achieved.

Men's Clothing Products

1. Non-Iron Shirt innovation, Arrow

The fabric for our apparel is labelled as Cool Mode, the standard accredited by the Thailand Greenhouse Gas Management Organization (Public Organization :TGO) for it 3 properties: quality and endurance is equivalent to international standard. For safety, the dye and chemicals we use is free of carcinogens and heavy metals. The third one is heat reduction. The fabric ventilates sweat fast, giving comfortable touch, cooling down body temperature by 1-2 Celsius. Moreover, with special technology, the fabric resumes its shape from wrinkles rapidly after washing. Therefore, there is no need for ironing or, the ironing can be as simple as pie, saving your time, saving energy for ironing.



ที่สุดของเสื้อเชิ้ต **ไม่ต้องรีด**



NON IRON
ไม่ต้องรีด



BREATHABILITY
ระบายอากาศได้ดี



EASY CARE
ดูแลรักษาง่าย



SIGNATURE LOCKSTITCH
BUTTONS
กระดุมเย็บแบบพิเศษ
เพื่อความแข็งแรง



เย็นสบาย
ลดอุณหภูมิร่างกาย
1-2 องศา

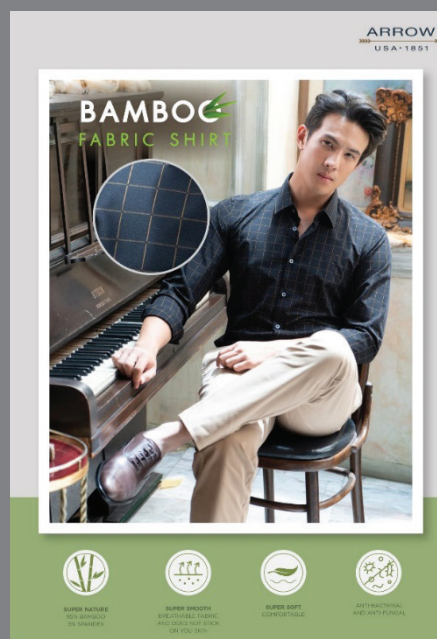


2. Spandex Anti Bacteria Shirt Innovation, Arrow

The product is developed with the purpose to meet lifestyle of working men nowadays who prefer slim fit clothes, allowing the freedom of movement. Our fabric is made of natural cotton and polyester which is light, breathable, and well-ventilated. Combining with the high-quality spandex, the textile is flexible and resumes to its shape fast. The clothes sustain number of washing. Moreover, with the anti-bacteria properties, no unpleasant odor caused by sweat will emerge, ensuring the cleanliness when wearing.

3. Bamboo Fiber Innovation, Arrow

The shirt made of bamboo fiber gives consumers a tendering, smooth and glossy, silk-like appearance with cool feeling. The unique properties of bamboo fiber suppress the bacteria growth, which causes unpleasant odor, protects against UV at excellent rate. Combining textile with polyester makes the fabric resistant to wrinkles, easy for ironing, and remains in proper form all day long.



Children's Clothing Products

1. Organic Cotton, Absorba

Children clothing of French standard made of 100% premium organic cotton without any genetic modification. Our cotton is grown without the use of chemicals, synthetic fertilizers, or pesticides. The fabric is considered to be environmentally friendly and is guaranteed to contain no hazardous chemicals and no irritation, ideal for sensitive skin of young children. The soft and light surface fabric circulates the air ideally.



Organic Cotton

ออร์แกนิก คอตตอน

- ผลิตจากผ้าคอตตอนแท้ 100% เป็นผ้าธรรมชาติ
ที่ไม่ได้ตัดต่อพันธุกรรม เพราะปลูกโดยไม่ใช้สารเคมี
- เนื้อผ้านุ่ม ดูดซับได้ดี น้ำหนักเบา ทนทาน
และระบายอากาศได้ดี
- ช่วยป้องกันการระคายเคืองต่อผิวสัมผัส ผิวที่แพ้ง่าย
- เป็นมิตรกับสิ่งแวดล้อม

Saha Group Innovation Contest “CHAIRMAN AWARDS 2022”

Saha Group Innovation Contest “CHAIRMAN AWARDS 2022” is arranged every year. In 2022, the Company has selected 8 innovations for contest. Below are our rewards



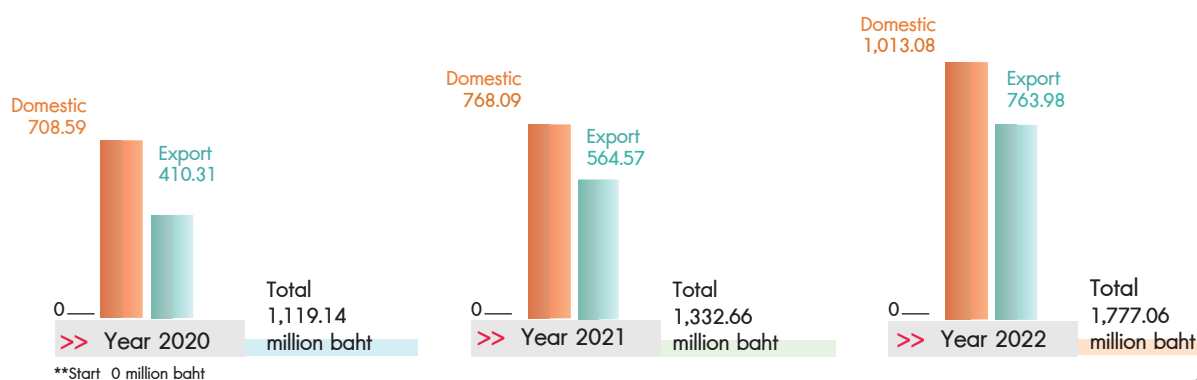
Product category, There are 3 innovations: 2nd Prize for 2 innovation - COOLYESTER, and Honorable Mention Award for Clean and Hygienic Underwear and the VR-Fresh VR-Cool.

In the System and Process category, there are 3 innovations: Honorable Mention Award, Workwear System Innovation, PSI (Purchase Sales Inventory) Innovation, and Pick Point Pack Innovation.

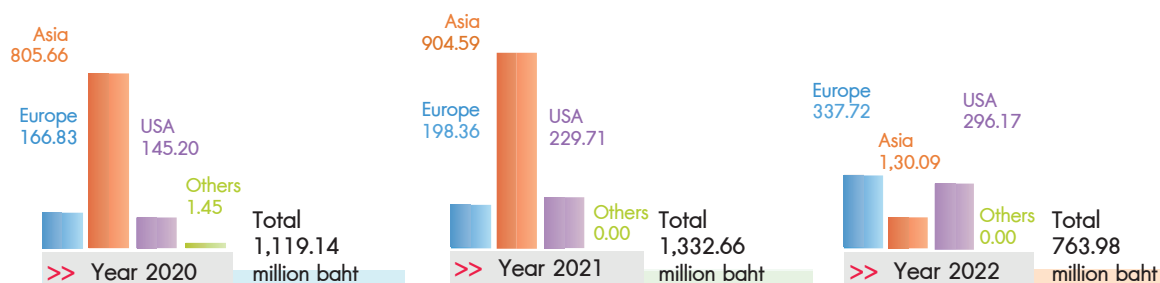
Two innovation receive Petty Awards which include, First Runner-Up for Intelligent Facility Control and Honorable Mention Award for the Safety Curve.

Economics Operation Performance

Revenue from Sales (Million Bath)

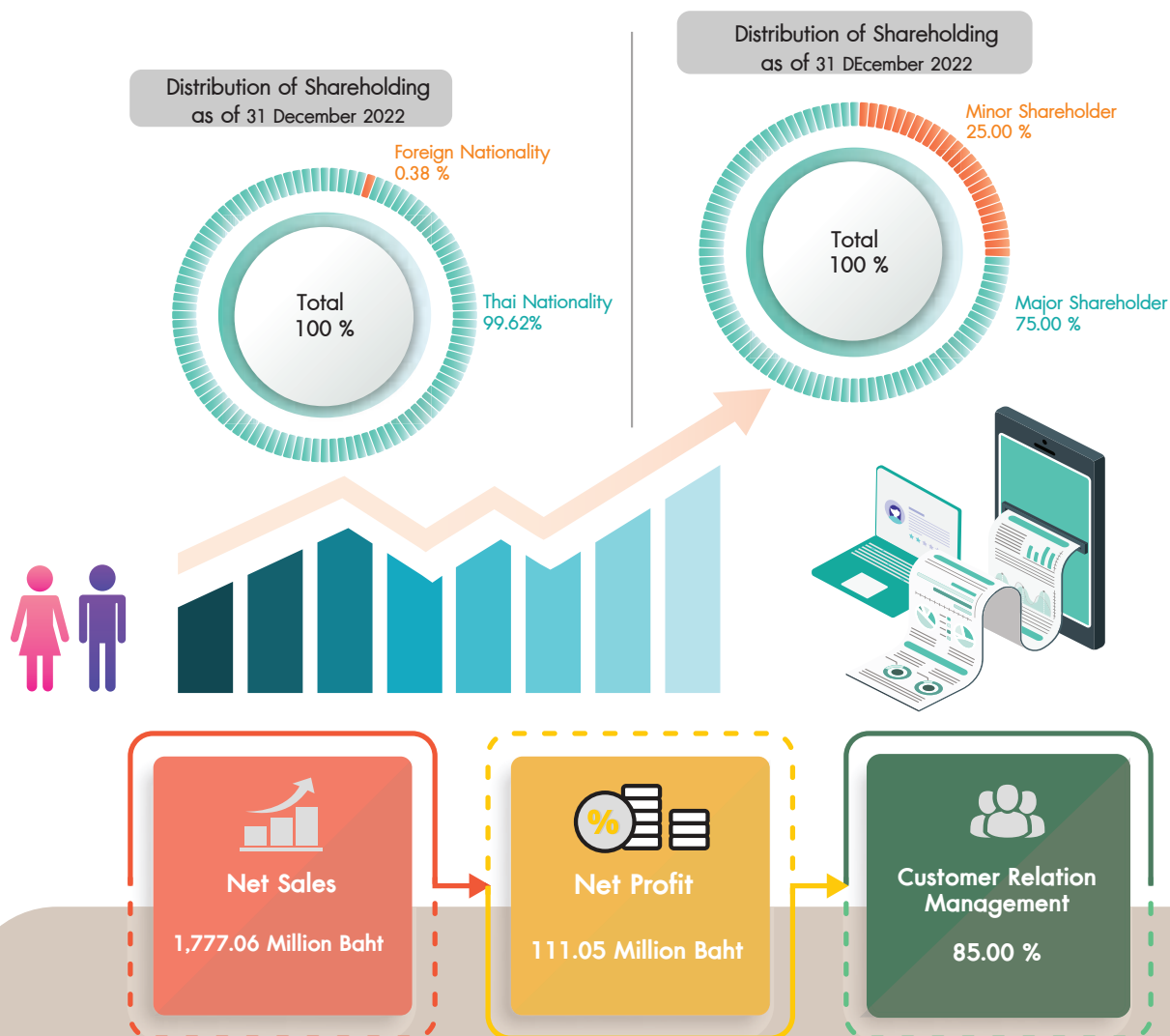
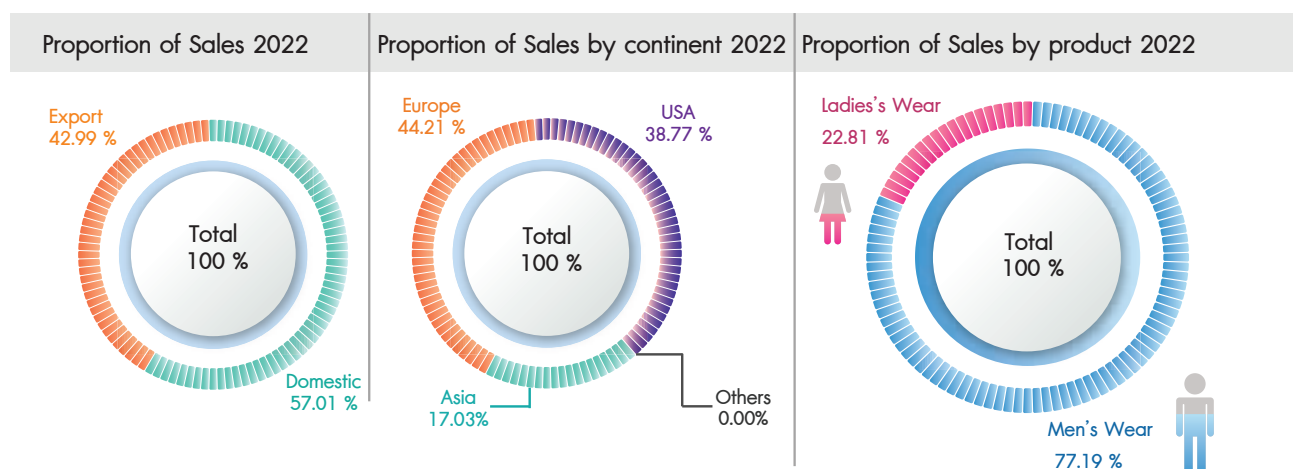


Sales by Continent (Million Bath)



Sales by Product (Million Bath)





Social Operation Performance

Determination and Goal

Thanulux believes that the sustainable growth and progress are contributed with various factors in order to accomplish the target set forth. Human resources are one of essential element and a base to accommodate the organization in adjusting and changing amid the volatility, uncertainty, complexity, and ambiguity world in terms of economic, social, politics and technology aspect.

Hence, the human resource that is potent to embrace the change can bring about the capability to encounter challenges and to seek for new possibilities or opportunities in business operation.

Thanulux, therefore, addresses the importance in human resource administration and development to keep up with the internal and external changes.

Human Resource Management Direction

The human resource strategy and management direction are set to conform with our business operation. Moreover, the human resource policy and administration are aligned to in under the good corporate governance according to the labor law, due respect to the human right and the well-being.

The Company emphasizes the attention from workforce planning procedures, adequate recruitment plan, training and development courses to encourage our employees to take responsibility and to grow together with the organization, fair compensation management, employee care and retention policy, and the cultivation of corporate norm and culture for an amicable approach.

1.1 Planning for workforce and nominating personnel

Management Direction

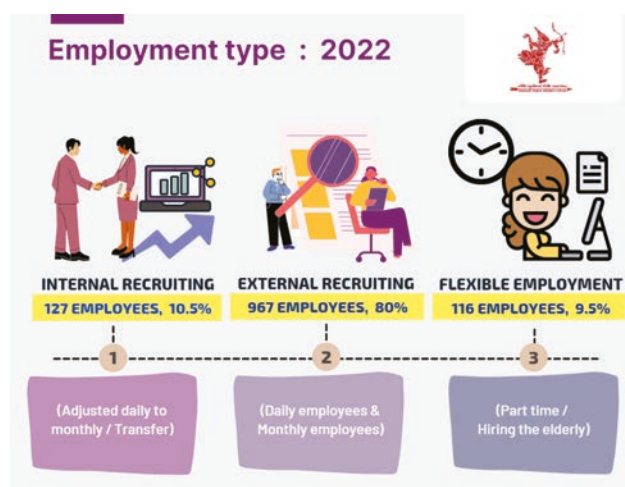
The organizational structure is reviewed and adjusted to be consistent with our business strategy and business growth. Manpower planning to meet business structure and main mission is the human resource management procedures in which the department executive and the Human Resource realize the importance, taking into account that the organizational restructuring and manpower planning to have an impact on our efficiency and cost management.

Moreover, the Company also recognizes the priority in personnel recruitment with due respect to the human rights, equality in employment opportunity without a discrimination on genders, races and religions. Knowledge, skills and experience that is consistent to the required position to ensure those personnel will apply such experience and utilize to successfully accomplish the mission together.

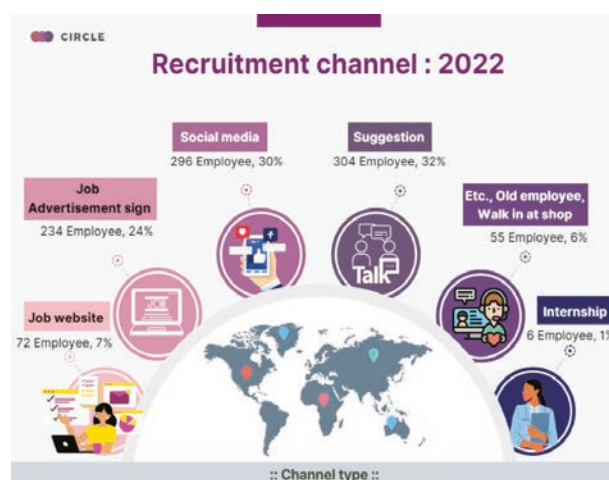
Operation result for the year 2022

In 2022, the organizational structure has been adjusted. Main business line is improved based on sales channels to boost the management efficiency. Production and Sourcing line have been reviewed and manpower has been increased to reinforce the productivity in al branches, in response to business demand. Business Development and Support Unit has highlighted enhancing operational performance to support more complexity of the business.

The employment consists of various forms which are consistent to current social life including full-time, part-time with certain period, employment of senior citizen, employment of the person with disabilities. All employment forms in 2022 included 1,210 persons, dividing into full-time employment for all branches. In total 1,094 employees have joined the Company, dividing in 871 Thai, which accounted 80%, 223 foreign employees (Burmese), which accounted 20% of total employment. Thanulux is determined to commit to non-discrimination among Thai and foreign employees. All of them receive equal rights and welfare.



Full-time employment is from 2 recruitments. First is an external recruitment consisting of 967 employees or 80% of all employment. The most effective external recruitment approach is personal recommendation 32%, social network such as popular Facebook, Line, OA accounting 30%, job board 24%, job website 7.4% and other 6.3%. The second is internal recruitment, consisting of 127 employees or 10.5% of total employment. The internal recruitment is based on the transfer within the company group, promotion of employees from daily wage to monthly wage payment.



The temporary employment has certain period set for 116 employees or 9.5%. Most of the temporary employment which consists of 88 persons is for part-time job to support the product sales during festive season or promotion. Another employment is for 28 senior citizens who completed their retirement to perform work, i.e., sales, production ad technical pattern and design including other supporting work which require experience and expertise.

Employing the disabled

The Company employs the disabled pursuant to the Disable Person Promotion and Life Quality Development Act B.E. 2550. In 2022, 20 disabled persons were employed for all branches, under the Section 33 to train their skill and improve the wellbeing in working with other persons, encouraging their positive thinking and providing them with wages and welfare like other employees. However, in 2022, the Company received the “Excellent” Award for being a model organization of sustainability in Thai capital market for support of person with disabilities from the Securities and Exchange Commission on 21 November 2022. The award mark our proud in participating for supporting and promoting life quality of the disabled person and for contributing to cultivating our employees in helping and sharing with the disabled and society.



1.2 Personnel Training and Development

Management Approach

The Company has established the Human Resource Development Framework based on an analysis of knowledge, skills and expected competency which is crucial and important to work in each level and to the success. Our Human Resource Development Framework is as shown below.

Moreover, the Company has arranged an annual personnel training and development plan which is consistent to the corporate direction and strategy set forth, to the knowledge and skills required for work. The Functional Knowledge and Skill, and Management Program of Soft Skill are based on personnel reskilling and upskilling to ensure effectiveness and success of the work under personnel responsibility. Another purpose of the training is to develop employee potentiality to achieve an acceptable outcome and a career advancement.



Operation result for the year 2022

The personnel training and development program in 2022 were carried on into the Hybrid Training (online and onsite), based on the necessity for the course according to business strategic plan. The program is also arranged in accordance with the training needs to be required for each position and the analysis result from employee performance assessment.

There are 175 training courses, consisting of 46 public training courses or 27% and 129 in-house training courses or 73% of total courses. Total training hours for employees from all branches reached 15,553 hours, representing 7.8 hour/person/year.

In 2022, the training courses arranged in accordance with the strategic plan consisted of 6 major courses as follows: Digital Tools for Ecommerce and Social marketing (Tiktok Marketing & advertising), Data driven for marketing and sales, Digital tools for efficiency up, Future for fashion trend, Sales Convincing Skill, Brand Building and Growth Mindset for Leader

Functional Knowledge and Skill consists of Crypto Currency, fabric and textile, techniques and fabrication with quality, Microsoft Office skill, English for Export, Accounting and Tax, Budget Planning, the courses related to initiating behaviors that conform to employee position (Management Program or soft skill) included Leadership Program. The aim is to encourage leadership and to motivate subordinates, service provision with professional manner. Moreover, the training courses according to law and securities requirement included First Aids, PDPA, Anti-Corruption, Basic Fire Fighting and Fire Evacuation.



หลักสูตร Data Driven for marketing and sales



หลักสูตร Sales Convincing Skill



หลักสูตร Growth Mindset for Leader



หลักสูตร Digital tools for efficiency up



หลักสูตร Cryptocurrency



หลักสูตร PDPA



หลักสูตร Anti -Corruption



หลักสูตร Budget Planning

Indicating training and development result

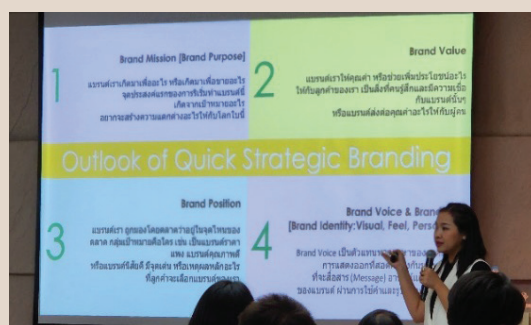
After the training and development courses, the Company has assessed and monitored the result and improved employees constantly. For example, TikTok Marketing & Advertising is the course that improves knowledge and skill for sales and marketing field on TikTok which is widely popular.



หลักสูตร TikTok Marketing & Advertising

After the training, most of the participants have improved their knowledge from little to moderate into moderate to highs. Our personnel have learned how to create or use TikTok as a tool, how to create content for marketing purpose, marketing and advertising techniques for TikTok, creating identities and ideas for content, dictating the words and sentences that draw people attention, including the precaution which should be noted before releasing the advertisement. Nonetheless, after the monitoring on the long-term training, we have successfully pushed forward one brand for adding sales channels and TikTok telemarketing.

The Brand Building Program is intended to develop business strategy that aims to create a house brand. The Company hired experts from Bunka Fashion School to teach how to create a brand, how to add value to the product, how to communicate to target groups of the brand. According to result assessment, the satisfaction rate reached over 90%. Participants can apply the knowledge and principles in developing product brands. Further program is requested in workshop style for more insightful and details. According to the survey, the Ozone is one of the brands being developed to reach a wider range of customers.



หลักสูตร Brand Building

The Quality Production Program is designed based on the necessity for workforce. Specialists from particular production line were invited to share techniques and production methodology of shirts, suites and pants to the target group which included 40 employees from production line, technique pattern. The pretest score is 89%, and the post-test score is 97.5%. The benefits from the program are summarized below.



1. Our personnel have learned and improved knowledge about shirt pattern techniques, how to align precise and aesthetics pockets, how to measure proper length between the stay and edges, precaution on wrinkles caused during sewing, washing or ironing, how to make a nice collar finishing.
2. Our personnel understand techniques required for sewing shorts, for example, adjustment of sewing machine for thick and thin fabric, precaution during tailoring process, all pieces must be cut before sewing, measure with model pattern, points to be cautious and problems found during sewing process.
3. Our personnel learned various knowledge and techniques which included shapes of trousers in different styles, raw materials suitable for trousers, main elements of trouser tailoring and how to reckon good and nice trousers.
4. Our personnel learned about techniques for suite tailoring, important adjustment which required attention, properties of the lining suitable for a suite, calculation of proper sizing, pros and cons and precaution of each fabric dedicated for suites.

Promotion

In 2022, the Company has considered and promoted 27 supervisors which comprised 6 males, 21 female employees. In this group, there were 22 Thai employees and 5 Burmese, receiving an opportunity to grow in their career path. The select was made based on qualifications, in terms of performance, knowledge, skills and abilities by the Personnel Committee who proceeded in accordance with established procedure. These promoted personnel have been selected and certified for their competency and skill in team work management, crucial experience and expertise to support and stimulate business goal and production success as aimed.

1.3 Succession plan for major position

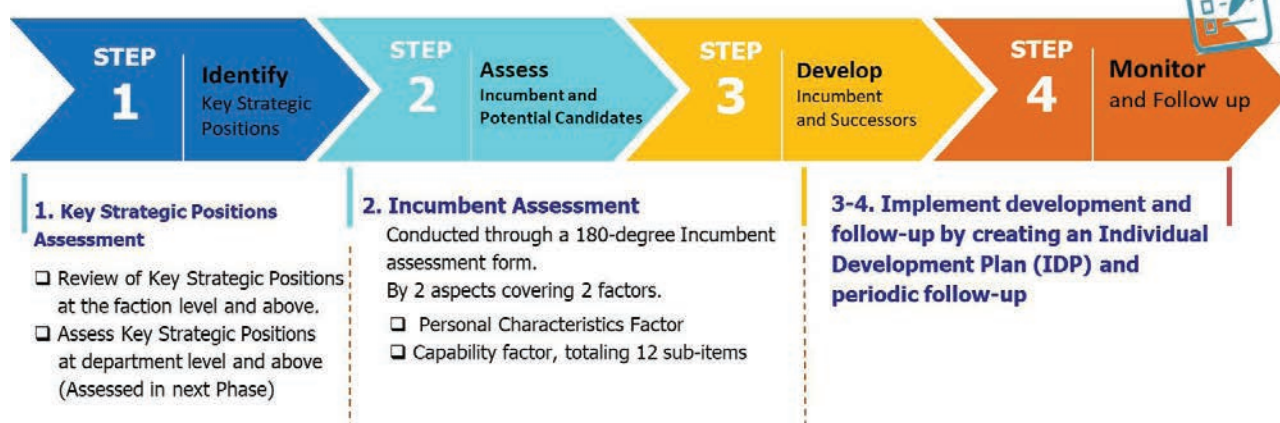
Management Direction

According to the Company's successor plan, and the approach established and the appointment of People Development Committee, the Company has prepared a policy and implemented in line with the successor nomination and development continuously. The objective is to consider important work system and policies in human resource management to ensure the same direction, to consider development plan and the executive training to keep up with the changes and to encourage business plan, and to consider the succession plan, the relocation, nomination, performance management, compensation management system and maintaining potential employees to carry on with the Company and grow together.

Operation result for the year 2022

In 2022, Personnel Committee meeting were held on a regular basis. The meetings were divided for different work lines in order to select a person whose previous performance reached Meet Expectation, passing the Focused Behavior: Competency. Then the list of selected personnel was proposed to the meeting of Personnel Committee for consideration. The successor list was later summarized to prepare Individual Development Plan (IDPs). However, the Company recruit a person to fill the vacant position or the position in need of a successor (Talent Acquisition) to support business operation.

Step of Key Strategic Management and Succession Planning



1.4 Employee Engagement

Management Approach

Employee engagement to the organization is one of the personnel outcome in which many organizations are seeking. To ensure employees happiness, satisfaction, Thanulux has arranged various activities, for instance Happy Workplace, personnel retention by providing opportunities for career advancement, compensation care, work shifting, personnel development program to enhance their career growth. The survey on employee engagement is considered as corporate health check up where the result demonstrates employees' opinion, confidence and the united perspective. Moreover, the employee engagement result will guide a direction for corporate development, to stimulate the working environment where employees are happy. Eventually, this positive outcome will be

Operation Result for 2022

According to the employee engagement survey conducted in 2022 through an annual survey on all 640 employees, from executive to operative level in 5 branches (head office - Bangkok branch, Kabinburi factory, Lamphun factory, Maesot factory). The assessment was divided into 6 agenda which were working environment, scope of responsibility, leadership and corporate culture, policy and communication, colleagues and work stability and balance. The result was summarized as follows.

EMPLOYEE ENGAGEMENT SURVEY 2022

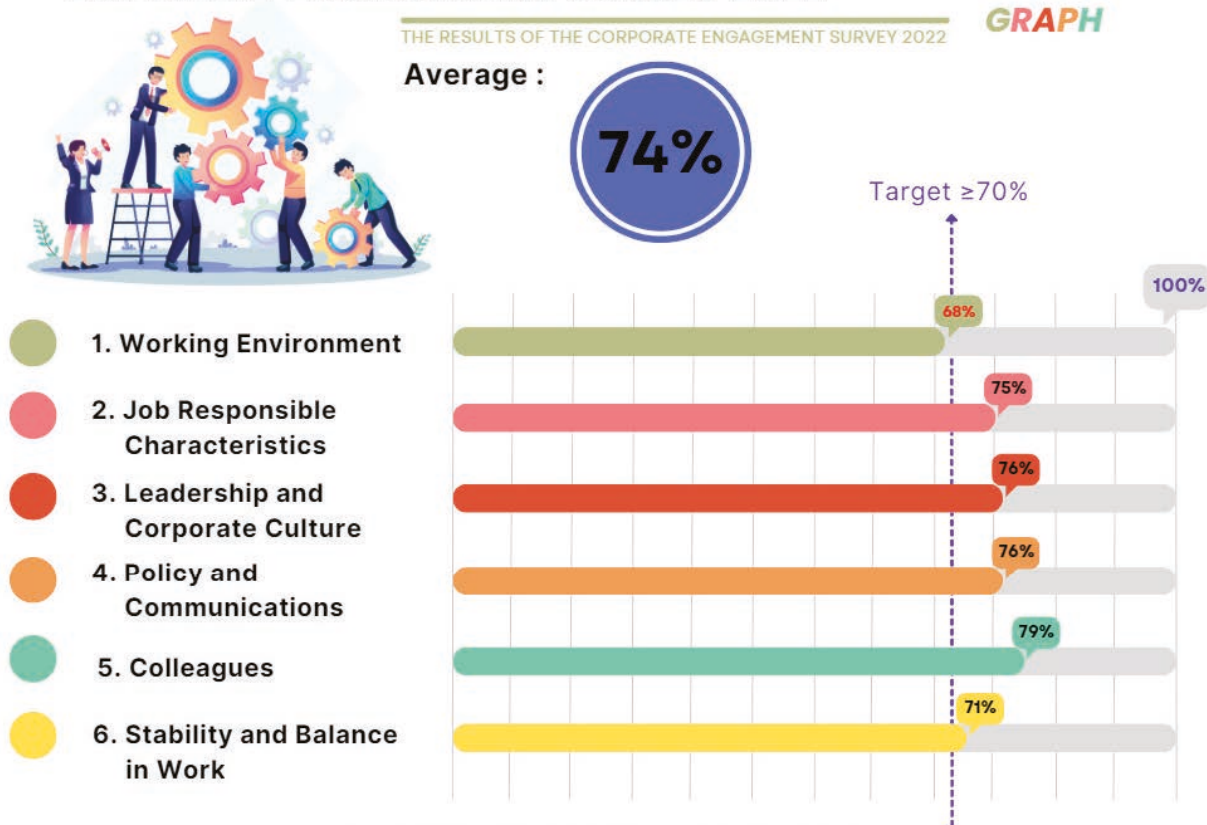
THE RESULTS OF THE CORPORATE ENGAGEMENT SURVEY 2022

GRAPH

Average :

74%

Target $\geq 70\%$



THANULUX PUBLIC COMPANY LIMITED.

For overall outcome in 2022, average employee engagement is 74% from the estimated rank of 70%. According to the survey, five out of six pass the benchmark, but one out of six indicates the need for improvement for working environment. However, the employee engagement survey result is eventually brought forward in the working environment improvement plan. Moreover, there are suggestions from employees which will be applied to our improvement plan as follows:

EMPLOYEE ENGAGEMENT

THE RESULTS OF THE CORPORATE ENGAGEMENT SURVEY 2022



ISSUES	IN CHARGE	GUIDLINES
1. Should be improve the environment and a campaign to cultivate employees to participate in taking care of the environment more good environment and atmosphere It will help employees to work more efficiently	HR & General affairs	Human Resources and General affair Department had a meeting to plan to improve the environment. The plan approved plans and budgets for improvement in 2023.
2. Ought to improve the parking and add CCTV for safety	General affairs	The general affairs department surveyed every area including parking and preparing to install more CCTV.
3. Would like to have more collaboration activities	Line Manager and HR	The results of the Employee Engagement Survey were summarized at the management meeting. Ask the management team support about collaboration activities in addition to training and development activities.
4. Should have more welfare such as diligence allowance, fuel cost, group health insurance	Management and HR	The company will continue to review and improve the welfare.
5. Would like to upskill English proficiency training for communication in work	HR	The company has a develop course in English skills in the job position that can be used in the job.
6. Should develop the information system to be better	IT	The information technology department has proposed a plan to improve and develop the information technology system so that the system increase efficiency.

THANULUX PUBLIC CO., LTD

Target and personnel outcome for the year 2022

Indicator	Target	Result
1 Number of training hours per year	6 hours/person	7.8 hours/person
2 Percentage of employees attending the training course (not repeated) compared to total employees	50%	52%
3 Percentage of engagement to organization	70%	74%

Promoting relationship and engagement among employees

1. Remuneration, welfare and benefits management

It is the Company policy to manage compensation, welfare and benefits with fairness, nondiscrimination and in conformity with the economic situation, cost of living and consistent to the Labor Protection Act. The compensation is considered based on duty, responsibility, scope of work, individual knowledge and skill and performance.

Operation Result of 2022

1. A minimum wage is raised. Employees who earn more than minimum wage also receive the wage raise based on wage ratio and working time.
2. Employee welfare and benefits are added up for each work group, for instance, Sales, Inventory.
3. The recreational activity (New Year event) is arranged for employees according to proposal of the Welfare Committee after a pause for 2-3 years during Covid-19 pandemic.

2. Maintaining balance between working and personal life

Employees are the heart of an organization. Making happy employees to live harmoniously will initiate a corporation of happiness, which means the working and personal life is well-balanced.

In 2022, the Company supported the well-being and hygiene of employees by emphasizing on Wealth and Health. Such activity not only brings about positive outcome to employees but also to corporate productivity, engagement to the organization. It was another year when Thanulux received Excellent Establishment for Labor Relations.

Wealth	Health
<ul style="list-style-type: none"> Improve provident fund Employees contribution are at 3, 5, 10 or 15% while the Company contribution is 3%. The employee will ear 100% of the counterpart fund regardless of their years of service. <p>**At present, 59% of employees are eligible.</p>	<ul style="list-style-type: none"> The Company coordinated with Lerdsin Hospital and the Public Health Service Center, arranging the booster vaccination to prevent Covid-19. <p>** Over 95% of employees received the booster vaccines.</p>
<ul style="list-style-type: none"> Promote the membership of saving cooperatives <p>**At present, 55% of employees are eligible.</p>	<ul style="list-style-type: none"> Collaborated with the Public Health Service Center 55 <ul style="list-style-type: none"> - arranging the diabetes screening - arranging a seminar on dengue prevention
<ul style="list-style-type: none"> collaborated with SAM (Sukhumvit Asset Management) <ul style="list-style-type: none"> - seminar on retirement plan - seminar on debt management by SAM - Host a booth to for consultation of "Debt Relief Clinic" <p>** At least 5 employees attended the Debt Relief Clinic.</p>	<ul style="list-style-type: none"> Arranged a training about health, as follows: <ol style="list-style-type: none"> 1. Office Syndrome by a team of doctors from Nawavej Hospital 2. Long Covid by a team of doctors and nurses from Lerdsin Hospital 3. Happy Retirement - for the employees who will reach retirement age, by a team of nurses from Lerdsin Hospital. 4. Cannabis and Drug Prevention by the Public Health from Yannawa District Office
<ul style="list-style-type: none"> collaborated with Dr. Thiam Chokewattana Foundation, giving in total 27 educational scholarships to employee children who are in primary education - higher education. 	<ul style="list-style-type: none"> Annual Health Check and health check for employees whose work is exposed to risks <p>** No employee is ill due to risk factors</p>
<ul style="list-style-type: none"> Awarded to 126 employees who have been working with the Company for 10 years (76 persons), 20 years (21 person) and 30 years (29 (person). 	<ul style="list-style-type: none"> Advised about health, illness by doctors and nurses of the Company

Furthermore, the Company has promoted employee engagement by "sharing" activities arranged, for instance, Healthy Community project launched under collaboration with Dr. Thiam Chokewattana Foundation, providing syringes or medical supplies to hospitals, Sanitary Pads for Girls project, arranged for Yannawa District Office, Metta Khma Jun Lok project launched for Phra Bat Namphu Temple, Blood Donation project for the Thai Red Cross, Mangrove Planting project at Bang Pu, Big Cleaning Day etc.



Employee Engagement



Human resource management

Employees are considered a significant partner that drives the organization toward the direction and strategy set forth. The Company emphasizes the importance of human resource management and development, which is considered a core of building competitiveness and sustainable growth.

Number of Employees at last 3 years

Details	2023	2022	2021
Classified by Gender			
Male	468	335	394
Female	1,787	1,483	1,416
	2,255	1,818	1,810
Classified by Position			
Executive level	23	13	10
Manager level	41	46	46
Supervisor level	41	54	59
Operation level	2,144	1,705	1,695
	2,255	1,818	1,810
Classified by Ageing			
18-35 years	901	616	612
36-50 years	1,027	930	958
> 50 years	327	272	240
	1,818	1,818	1,810
Classified by Location of work			
Bangkok	1,013	868	882
Lamphun	505	374	393
kabinburi	425	403	365
Mae sod	258	173	170
Bangplee	54	-	-
Total of Employees (as of year end)	2,255	1,818	1,810

Number of Turnovers Last 3 years

2022	2021	2020
733	447	716

Number of Female Employees on Maternity leave last 3 years

	2022	2021	2020
Number of maternity leave (person)	12	19	24
Number of Return after on maternity leave (person)	11	11	16

Employee data for the year 2022



1 Proportion by gender

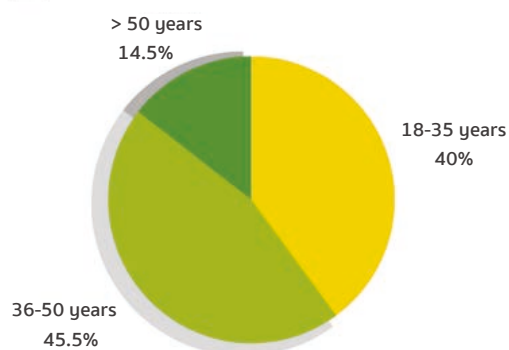


Female 1,787 people

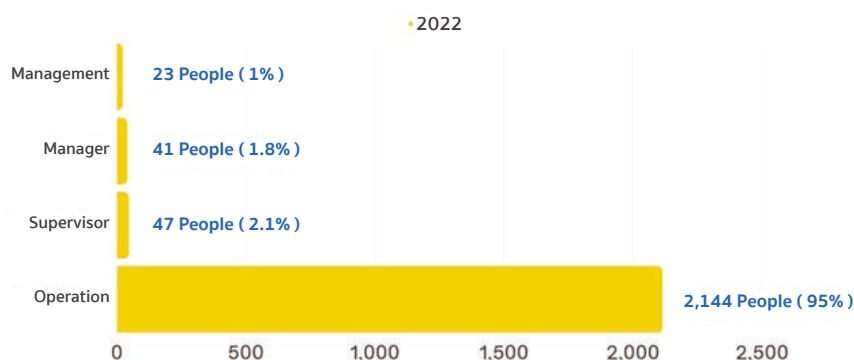


Male 468 people

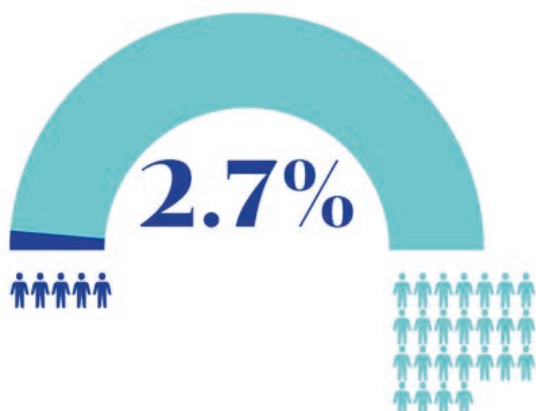
2 Proportion by age



3 Proportion by Job positions



4 Turnover rate



5 Number of female staff who got pregnant and returned to work



Safety, Occupational Health and Working Environment Policy

The Company stipulated Safety, Occupational Health and Working Environment Policy as guideline for employees, customers and visitors in order to prevent accidents, to ensure safety of life and property and to

Safety, Occupational Health and Working Environment Policy

The Company stipulated Safety, Occupational Health and Working Environment Policy as guideline for employees, customers and visitors in order to prevent accidents, to ensure safety of life and property and to preserve the environment. Manager in each working unit was responsible for constant and effective compliance of this policy.

Employees, customers and visitors were obligated to practice in the same manner, in accordance with regulations concerning safety and promulgated by relevant official and standards determined by the Company as follows:

In 2022, the Company conducted the following activities:

Safety

1. Fire prevention and basic firefighting course allows for at least 40% of employees able to promptly use fire extinguisher to prevent any loss of living and belongings from fire. Moreover, it is a platform to provide knowledge and better understanding about fire and its protective ways. In addition, the Company has held fire evacuation drill once a year.



2. Emergency drill for preparedness of emergency cases To enable employees to help themselves and others when encountering danger, by providing the training cause in first aid and basic resuscitation

such as hemostasis, defibrillation and resuscitation also Including first aid for all types of wounds as well as the movement of patients properly before being sent to the hospital.

3. Work safety education Employees has been started work. It allows employees to have more knowledge and betters their comprehension regarding safety at work. Furthermore, awareness on how to work without accident has been promoted.



Occupational Hygiene

1. Personal protective equipment (PPE) was supplied to all relevant employees for using during working hours i.e. ear cover, iron gloves or face mask, etc.

2. Health check-up following to risk factors will be held in a yearly basis or within 30 days for new employees in order to monitor and protect any diseases from work. The check-up has been done by occupational physician.



Working Environment

1. Measurement of safety, occupational health and Working environment monitoring is performed by inspecting light, noise, heat, dust, drain water and chemical substance. Information received from this annual inspection is used as a reference to monitor and specify protective way and solution on employees' health that might be affected from light, noise, hear, dust as well as chemical substance to ensure that employees work under the safe environment which will not lead to any working diseases.



Analyze Noise loudness level in



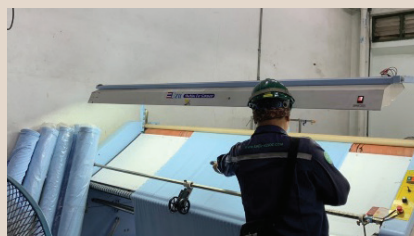
Analyze Heat stress in



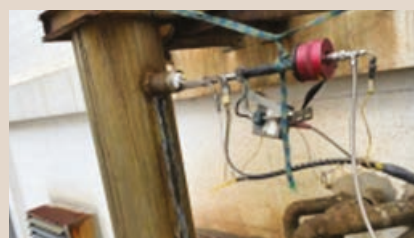
Analyze Chemical agents in airborne



Measurement of light concentration level



Analyze wastewater quality



Analyze opacity out from Boiler chimney

Accident Statistics

Statistics of work accidents (2017-2022)

Violence/Damage	Time / Year					
	2017	2018	2019	2020	2021	2022
Property Damage	0	0	0	0	0	0
Slightly injured (Non-stop work)	5	4	4	1	0	0
Serious injured (Absence)	0	0	0	0	0	0
Total number of work accident	5	4	4	1		
Total number of days off from work accidents (days)	0	0	0	10	0	0
Illness from work (Absence)	0	0	0	0	0	0

Environmental Operation Performance

Environmental Policies and Practices

Thanulux has a policy to create a product of fine quality and harmless to environment, reduces the cause of global warming. Our design, raw material sourcing, production process, storage and delivery process adhere to compliance with the law and customers' requirement, including international environmental standard. The Company's management concentrates on the reuse, reduction and recycle to bring about the utmost benefits, and the promotion and cultivation among employees for their awareness and engagement in preventing the problems that could pose environmental affects on a sustainable approach.

Determination and Goal

With a strong determination to take care of the environment, the Company prepares a resource management plan to ensure the highest benefits in the long-term. The Company arranged activities to conserve the environment in coupling with business procedures. We select vendors who realize the importance of the environment, including their production process providing accurate information to consumers, taking into account all stakeholders. The Company commits to environmental care, willing to help communities and develop communities toward the sustainability concept.

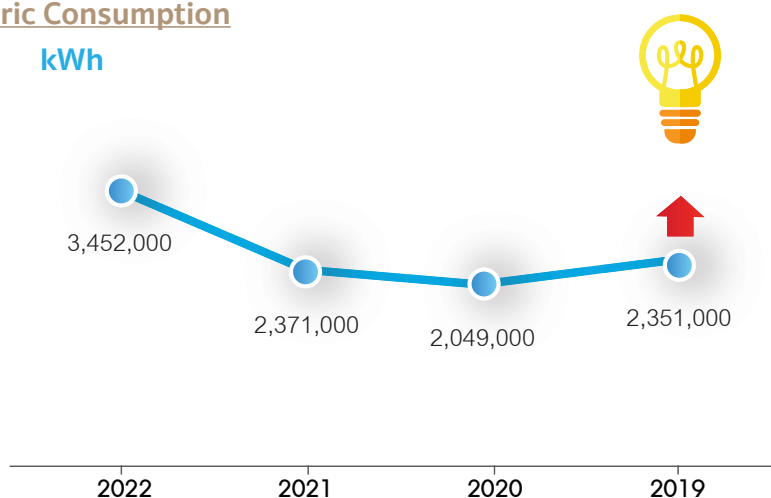
Resource and energy management covers the following dimensions:

Electricity Consumption

Seeing the importance of energy, the Company manages energy consumption continuously. Energy conservation is crucial, and it is the responsibility of every employee to help utilize the power to return the highest benefit. The Company set a power reduction goal every year. In 2022, we have an increase in electricity consumption from 2021, accounting for 14.73%. But when compared to the unit of use in the product Energy consumption per product unit decreased from the previous year 2021 was 3.12 and in 2022 was 2.44

Electric Consumption

kWh

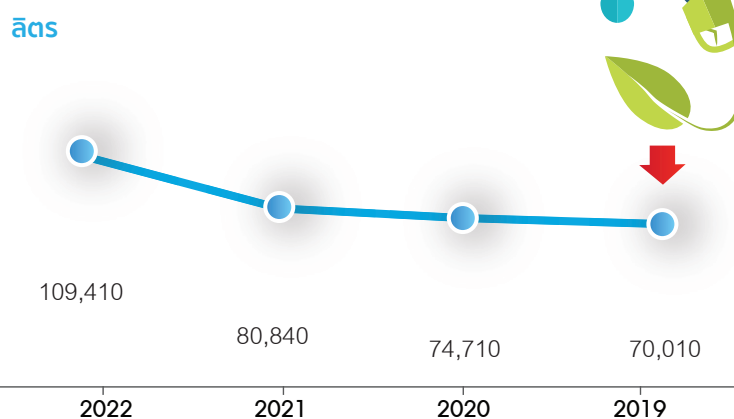


The Company arranged training and campaign on raising awareness in continual energy saving to raise awareness among all employees, adhering to resource utilization's best benefits. The campaign covers the use of power, oil, water, paper, and other consumables. The Company continued its compliance with the criteria as a model establishment for a practical personnel development project to improve energy utilization efficiency continually.

Furnace Oil Consumption

The Company reduced the use of fuel oils to 4,700 liters or by 6.29% in 2022 compared to 2021.

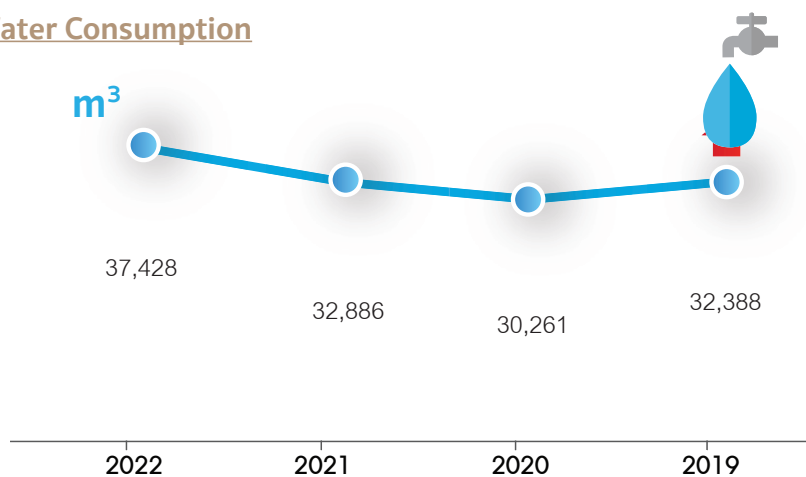
Furnace Oil Consumption



Water Consumption

According to the water consumption data during the past four years, the water consumption volume in 2022 was more than 2021. About 2,127 cubic meters of water, representing 7.02%.

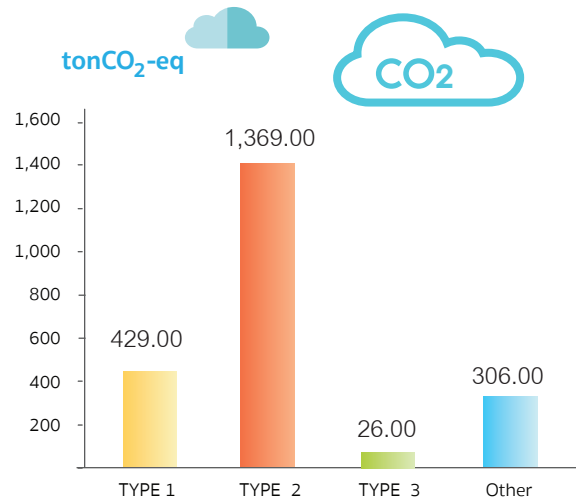
Water Consumption



Climate Change (Greenhouse Gas))

After studying the source of greenhouse gas emissions based on its activities, the Company has changed all bulbs into LED and solar lamps to reduce greenhouse gas emissions according to the energy conservation project - considered the main activity (type 2) that causes the greenhouse gas.

Scope	Carbon Footprint (tCO ₂ e/yr)	% Carbon Footprint
TYPE 1	429.00	23.52
TYPE 2	1,369.00	75.05
TYPE 3	26.00	1.43
Scope 1&2	1,798	



The target is to reduce greenhouse gas emissions by 5% from the previous year based on energy conservation and employee engagement.

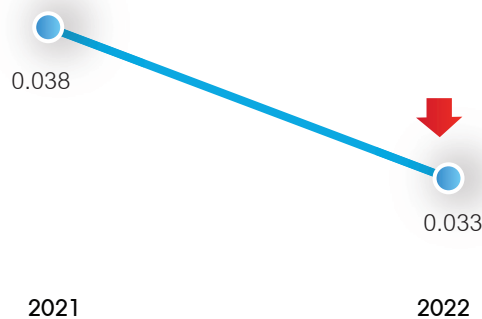
Waste Management

The Company also launched a campaign to sort waste continuously from 2020. As a result, our employees are aware, understand and adhere more to the discipline. In 2022, the Company can reduce waste, save expenses, and reduce waste for a government agency.

In 2022, the Company's waste quantity was reduced from 2020 by 13.15%

Volume of Garbage

Kg.



Result of effluent quality measurement from the company

PARAMETER	2022	2021	2020	2019	Assessment
Sound	74dBA	75 dBA	76 dBA	73 dBA	☑
Respirable Fraction	0.08 mg/m3	0.02 mg/m3	0.08 mg/m3	0.03 mg/m3	☑
Heat Stress	31.8WBGT	29.7 WBGT	25.5 WBGT	25.2 WBGT	☑
pH	7.8 at 25°C	8.1 at 25°C	8.2 at 25°C	8.2 at 25°C	☑
Biological oxygen demand	2 mg/l	13 mg/l	2 mg/l	2 mg/l	☑
Chemical oxygen demand	<40 mg/l	52 mg/l	<40 mg/l	<40 mg/l	☑
Total Suspended solids	<5 mg/l	10 mg/l	<5 mg/l	<5 mg/l	☑
Total dissolved solids	532 mg/l	325 mg/l	337 mg/l	337 mg/l	☑
Oil & Grease	<1.0 mg/l	2.5 mg/l	1.0 mg/l	1.0 mg/l	☑
Total Kjeldahl Nitrogen	15.0 mg/l	4.4 mg/l	<1.0 mg/l	<1.0 mg/l	☑
Temperature	29.8°C	32.4°C	30°C	30°C	☑
Color (Normal)	99 AXMI	82 Pt-Co	21 Pt-Co	21 Pt-Co	☑
Color (Adjust)	101 AXMI	74 Pt-Co	20 Pt-Co	20 Pt-Co	☑

standard ; Announcement of the Ministry of Industry on setting standards for controlling wastewater discharge from factories, B.E. 2017

4 Management's Discussion and Analysis

4.1 Performance of The Company and its subsidiaries (referred as the "Group")

4.1.1 Performance Analysis

For the year 2022, the Group generated Baht 1,960.48 million in total revenue, an increase of 36.30% from 2021. Total sales increased 33.35%, came from Domestic sales increased by 31.90% and Export Sales increased by 35.32%, as a result of the global economic recovery after the coronavirus (COVID-19) pandemic. In addition, foreign customers temporarily relocated their production bases to Thailand due to the original production base were affected by the COVID-19 pandemic and including receiving orders from new customers. It also received a positive effect from the exchange rate that the Baht depreciated against the US dollar.

Net profit was Baht 111.05 million, an increase of 77.30% from 2021, due to an increase in total revenue from the previous year. This results in full capacity utilization. In addition, the increasing of sales proportion of products which higher price. In 2022, the company booked the revenue from the transfer of assets from the land tenants without charge (One-time item) was Baht 43.79 million. The Company will continuously assess and monitor the business situation and will consider to various measures as necessary for cost control and resizing the production force to suit the situation.

4.1.2 Performance for the Completed Period

Total Revenue

The Group generated total revenue of Baht 1,960.48 million in 2022, an increase of Baht 522.08 million or 36.30% from 2021 due to an increase of sales revenue by Baht 444.40 million but other revenues decrease Baht 77.68 million.

Unit : million Baht

	2022		2021		2020		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2022/2021	%	2021/2020	%
Sale Revenue	1,777.06	90.64	1,332.66	92.65	1,119.14	89.46	444.40	33.35	213.52	19.08
Other Revenue	183.42	9.36	105.74	7.35	131.82	10.54	77.68	73.46	(26.08)	(19.78)
Total Revenue	1,960.48	100.00	1,438.40	100.00	1,250.96	100.00	522.08	36.30	187.44	14.98

Sales Revenue

During 2022, The Group generated sales revenue amounted to Baht 1,777.06 million, an increase of Baht 444.40 million or 33.35% from 2021, detail as below.

Unit : million Baht

Consolidated Financial Statement	2021		2020		2019		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2022/2021	%	2021/2020	%
Domestic	1,013.08	57.01	768.09	57.64	708.83	63.34	224.99	31.90	59.26	8.36
Oversea	763.98	42.99	564.57	42.36	410.31	36.66	199.41	35.32	154.26	37.60
Total Sales Revenue	1,777.06	100.00	1,332.66	100.00	1,119.14	100.00	444.40	33.35	213.52	19.08

- Domestic sales :** In 2022, sales revenue amounted to Baht 1,013.08 million, an increase of Baht 244.99 million or 31.90% from 2021. In 2022, the economic circumstance is recovering due to the Government lifted measures to control the spread of the coronavirus disease (COVID-19), consumers are more relaxed in daily life. There are travel trips across the province, resulting in increased consumption of goods.

- **Export Sales** : In 2022, a sales revenue amounted to Baht 763.98 million, an increase from 2021 of Baht 199.41 million or 35.32% due to
 - **Orders**: Existing customers increase their orders volume due to the economic recovery and some customers temporarily moved their production base to Thailand, because the original production base is still affected by the coronavirus situation that spread, including receiving orders from new customers.
 - **Exchange rate**: It also received a positive effect from the exchange rate that the Baht depreciated against the US dollar

The Group continues to focus on improving quality and services to meet the needs of customers and continually increase competitiveness. For exchange risks, the Group had used financial tools to manage them.

Other Revenue

In 2022, The Group generated other revenues amount Baht 183.42 million, a increase from 2021 of Baht 77.68 million or 73.46% due to the Company had received the dividends increase to Baht 8.45 million, interest income decrease to Baht 17.52 million and in 2022, the company booked the revenue from the transfer of assets from the land tenants without charge (One-time item) was Baht 43.79 million.

Costs of goods sold and Selling and Administrative Expenses

Unit : million Baht

Consolidated Financial Statement	2022		2021		2020		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2022 / 2021	%	2021 / 2020	%
Domestic	1,777.06	100.00	1,332.66	100.00	1,119.14	100.00	444.40	33.35	213.52	19.08
Oversea	1,242.78	69.93	950.88	71.35	827.83	73.97	291.90	30.70	123.05	14.86
Total Sales Revenue	534.28	30.07	381.78	28.65	291.31	26.03	152.50	39.94	90.47	31.06

Cost of Goods Sold

In 2022, The Group's proportion of cost of goods sold to sales revenue was 69.93% compared to 71.35% in 2021 due to increase in distribution volume and overall production. The capacity was used at full potential. In addition, The Group's will consider to various cost control measures to an appropriate level and resizing the capacity size to suit the situation.

Unit : million Baht

Consolidated Financial Statement	2022		2021		2020		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2022 / 2021	%	2021 / 2020	%
Sales Revenue	144.37	8.12	112.50	8.44	94.20	8.42	31.87	28.33	18.30	19.43
Costs of Goods Sold	412.62	23.22	296.19	22.23	324.09	28.96	116.43	39.31	(27.90)	(8.61)
Gross Profit	38.11	2.14	13.36	1.00	(9.51)	(0.85)	24.75	185.25	22.87	240.48

* Proportional to Sale Revenues

Selling and Administrative Expenses

In 2022, The Group had selling expenses of Baht 144.37 million, an increase of Baht 31.87 million or 28.33% from 2021 due to offline sales returned to normal operations after the government lifted the measures to control the spread of coronavirus disease (COVID-19), expenses related to various sales activities increased, including sales expenses that fluctuated with sales, such as royalties, export expenses, etc.

Administrative Expenses of Baht 412.62 million, an increase of Baht 116.43 million or 39.31% from 2021 due to the increase in employee expenses from 2021 of 31.83 million baht, and in 2022, there are special items as follows:

- The Company issues ESOP shares to the directors, executives, and employees of the Company at an exercise price that is lower than the average market price on the exercise date, forcing the Company to recognize such share-based payments (price difference) in the statement of comprehensive income of Baht 10.33 Million.
- The Company hired an Independent Financial Advisor (IFA) of Baht 25.49 million to provide opinions on the following matters:
 - Issuance of newly issues shares to (1) private placement and (2) right offering to existing shareholders in proportion to shareholding.
 - Change of major shareholder structure to have a shareholding in the Company Cross the mandatory tender offer point.
 - Investment in ordinary shares of Oxygen Asset Co., Ltd. from Saha Pattana Inter Holding Public Company Limited, a connected party.
 - Acquisition of assets by investing in ordinary shares of 7 companies engaged in real estate development business from U City Public Company Limited and U Global Hospitality Company Limited, a subsidiary of U City Public Company Limited, which is a connected party.
- The Company had a loss on foreign exchange of Baht 21.45 million due to the forward contract made earlier this year when the US dollar exchange rate has been steadily strengthening since March.

Income tax expense

The Group's corporate income tax for the year 2022 was Baht 38.11 million, an increase of Baht 24.75 million or 185.25% from 2021. The Group have corporate income tax expenses to be paid of Baht 34.26 million due to the Company had profit from disposal of finance assets (One-time item) was Baht 159.04 million, there is recording such transactions in the shareholder's equity. In 2021, the Group did not have any corporate income tax but had deferred income tax estimates, as a result, the income tax expense shown in the income statement of Baht 13.36 million, as detailed below

Unit : million Baht

Consolidated Financial Statement	2022	2021	2020	Change Increase (Decrease)			
	Amount	Amount	Amount	2022/2021	%	2021 / 2020	%
Corporate Income tax expense for the year	34.25	-	-	34.25	100	-	-
Reconciled with deferred income tax							
- Retirement benefits obligation	1.63	1.16	7.23	0.47	40.52	(6.07)	(83.96)
- Consignment goods (increase) decrease	1.67	(3.36)	(1.28)	5.03	149.70	(2.08)	(162.50)
- Depreciation of fixed assets	0.21	0.27	1.35	(0.06)	(22.22)	(1.08)	(80.00)
- Allowance for slow - moving stock	(0.26)	0.92	(1.68)	(1.18)	(128.26)	2.60	154.76
- Leases	0.41	(0.46)	(0.11)	0.87	189.13	(0.35)	(318.18)
- Tax loss carried forward	0.20	14.83	(15.02)	(14.63)	(98.65)	29.85	198.74
Total deferred income tax	3.86	13.36	(9.51)	(9.50)	(71.11)	22.87	240.48
Income Tax Expenses on Consolidated Financial Statement	38.11	13.36	(9.51)	24.75	185.25	22.87	240.48

Profit

Unit : million Baht

Consolidated Financial Statement	2022		2021		2020		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2022/2021	%	2021 / 2020	%
Sales Revenue	1777.06	90.64	1,332.66	92.65	1,119.14	89.46	444.40	33.35	213.52	19.08
Other Revenues	183.42	9.36	105.74	7.35	131.82	10.54	77.66	73.46	(26.08)	(19.78)
Total Revenues	1,960.48	100.00	1,438.40	100.00	1,250.96	100.00	522.08	36.30	187.44	14.98
Cost of Goods Sold	1,242.78	* 69.93	950.88	* 71.35	827.83	* 73.97	291.90	30.70	123.05	14.86
Gross Profit	534.28	* 30.07	381.78	* 28.65	291.31	* 26.03	152.50	39.94	90.47	31.06
Selling and Administrative Expenses	557.00	28.41	410.82	28.56	420.58	33.62	146.18	35.58	(9.76)	(2.32)
Share of loss from investments in associate	0.06	0.00	-	-	-	-	0.06	100.00	-	0.00
Share of loss from investment in jointventures	4.09	0.21					4.09	100.00	.-.	0.00
Finance Costs	6.76	0.34	0.73	0.05	1.03	0.08	6.03	826.03	(0.30)	(29.13)
Income Tax Expense	38.11	1.94	13.36	0.93	(9.51)	(0.76)	24.75	185.25	22.87	240.48
Net Profit for the Year	111.68	5.70	62.61	4.35	11.03	0.88	49.07	78.37	51.58	467.63
Owners of the parent company	111.05	5.66	62.64	4.35	10.76	0.86	48.41	77.28	51.88	482.16
Non-controlling interests	0.63	0.03	(0.03)	(0.00)	0.27	0.02	0.66	2,200.00	(0.30)	(111.11)
Return on Equity (ROE)	2.01%		1.61%		0.28%		0.40%		1.33%	
Return on Asset (ROA)	1.47%		1.42%		0.25%		0.05%		1.17%	

* Proportional to Sales Revenue

Gross Profit

The Group's gross profit margin for the year 2022 was Baht 534.28 million, an increase of Baht 152.50 million or an increase of 39.94% from 2021, due to an increase of sales and the management of costs and expenses is more efficient.

Profit attributable to equity holders of the Company

The Group's net profit attributable to equity holders of the Company in 2022 was Baht 111.05 million, an increase of Baht 48.41 million or 77.28% from 2021, due to the increasing of operating profit according to the reasons mentioned above. Net profit was 5.70%, previous year 4.35%. Return on assets was 1.47%, previous year 1.42%.

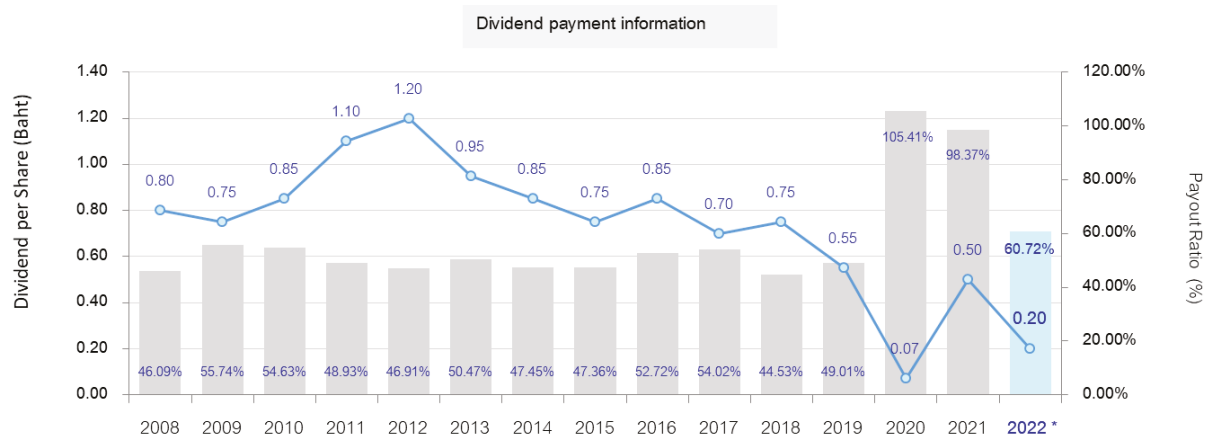
Return on Equity

Return on equity in 2022 was 2.01% while previous year was 1.61% due to the increasing of net profit.

The company has a policy of paying dividends to shareholders at the rate of Baht 0.20 per share, which is equivalent to 20 percent of the par value. However, payment is principally subject to the Company's operating results and economic conditions. Dividend payments would be made from net earnings and retained earnings.

In 2022, the Company earned net profits as evidenced by the Separate financial statements in the amount of Baht 100.33 million equaled to Baht 0.79 per share. The Board of Directors Meeting No.3/2023 on 10th March 2023 agree to propose the General Meeting of Shareholders on 25th April 2023 to approve dividend payments at Baht 0.20 per share, totaling Baht 60.92 million. Payout Ratio was 60.72% and will be paid on 24th May 2023.

Separate Financial Statements	Units	2022	2021	2020	Change Increase (Decrease)			
			Amount	Amount	2022 / 2021	%	2021 / 2020	%
Owners of the parent company	Million Baht	100.33	60.99	7.97	39.34	64.50	53.02	665.24
Total Shares	Million Share	304.62	120.00	120.00	184.62	153.85	0.00	0.00
Earning per Share	Baht / Share	0.79	0.51	0.07	0.28	54.90	0.44	665.24
Dividend per Share	Baht / Share	0.20	0.50	0.07	(0.30)	(60.00)	0.43	614.29
Total dividend Paid	Million Baht	60.92	60.00	8.40	0.92	1.53	51.60	614.29
Dividend Payout Ratio	%	60.72%	98.37%	105.41%	(37.65%)		(7.04%)	



Note: * The Board of Directors has resolved to pay a dividend of 0.20 Baht per share and propose to the Annual General Meeting of Shareholders for approval on April 25, 2023.

4.2 Financial Position

4.2.1 Assets

Components of Assets

Consolidated Statement of Financial Position as of December 31

Unit : million Baht

Consolidated Financial Statement	2022		2021		2020		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2022 / 2021	%	2021 / 2020	%
Cash and Cash equivalents	2,384.41	22.49	213.99	4.76	85.42	1.97	2,170.42	1,014.26	128.57	150.52
Trade and Other Accounts Receivables	238.71	2.25	201.16	4.48	197.34	4.55	37.55	18.67	3.82	1.94
Short - term loans	2,857.75	26.96	41	0.91	46	1.06	2,816.75	6,870.12	-5	-10.87
Inventories, net	433.81	4.09	389.17	8.66	331.1	7.63	44.64	11.47	58.07	17.54
Other current financial assets	99.47	0.94	484.2	10.77	648.97	14.96	-384.73	-79.46	-164.77	100
Other Current Assets	9.7	0.09	11.57	0.26	34.08	0.79	-1.87	-16.16	-22.51	-66.05
Total Current Assets	6,023.85	56.83	1,341.09	29.84	1,342.91	30.97	4,682.76	349.18	-1.82	-0.14
Other non - current financial assets	1,704.94	16.08	2,585.08	57.53	2,404.37	55.44	-880.14	-34.05	180.71	7.52
Investments in subsidiaries, joint ventures - net	527.83	4.98	-	-	-	-	527.83	100.00	-	-
Long - term loans	1,090.00	10.28	42.88	0.95	10.00	0.23	1,047.12	2,441.98	32.88	328.80
Excess of acquisition cost over estimated value of interest acquired in the net assets from acquisition of the subsidiary	703.36	6.64	-	-	-	-	703.36	100.00	-	-
Property, Plant and Equipment (net)	346.73	3.27	346.93	7.72	371.85	8.57	-0.2	-0.06	-24.92	-6.70
Investment property - net	139.27	1.31	106.49	2.37	109.31	2.52	32.78	30.78	-2.82	-2.58
Other Non-current Assets	64.22	0.61	71.32	1.59	98.37	2.27	-7.10	-9.96	-27.05	-27.50
Total Fixed Assets	4,576.35	43.17	3,152.70	70.16	2,993.90	69.03	1,423.65	45.16	158.80	5.30
Total Assets	10,600.20	100.00	4,493.79	100	4,336.81	100.00	6,106.41	135.89	156.98	3.62

Current Assets

As of 31st December 2022, The Group posted Baht 6,023.85 million in total current assets, increase from the previous year of Baht 4,682.76 million, mainly due to:

- **Cash and Cash equivalents** amount Baht 2,384.41 million increased Baht 213.99 million. In 2022, issuance of newly issued and paid-up ordinary shares 92.31 million shares and amounted to Baht 2,974.46 million and some financial assets were disposed.
- **Short-term loans** amount Baht 2,857.75 million increased Baht 2,816.75 million from having subsidiaries borrow money to repay debts.
- **Other current financial assets** amount Baht 99.47 million decreased Baht 384.73 million from the disposal of some short-term investments to manage the Group's liquidity.

Non-Current Assets

As of 3^{1st} December 2022, the Group posted Baht 4,576.35 million in non-current assets, increased by Baht 1,423.65 million from the previous year. This was mainly due to:

- **Investments in subsidiaries, joint ventures** - net amount Baht 527.83 million from transaction in which subsidiaries have investments in joint ventures of 7 companies. (Note 16 to the financial statements)
- **Long - term loans** amount Baht 1,090.00 million from the list of loans to unrelated businesses (Note 18 to the financial statements)
- **Excess of acquisition cost over estimated value of interest acquired in the net assets from acquisition of the subsidiary** amount Baht 703.36 million from the difference in the price from the purchase of investment in Oxygen Asset Co., Ltd. (Note 14 to the financial statements)

4.2.2 Assets Quality

Trade Accounts Receivable

In 2022, trade accounts receivable before deduction for allowance for doubtful accounts, and allowance for sales returns was Baht 138.22 million, an decrease by Baht 26.87 million. It comprised of Baht 87.92 million or 63.61% related trade accounts receivable and Baht 50.30 million or 36.39% other trade accounts receivable. (2021 related trade accounts receivable Baht 46.01 million or 27.87% and other trade accounts receivable Baht 119.08 million or 72.13%)

Aging of Trade Accounts Receivable

Unit : million Baht

	total amount	within credit term		overdue					
				less than 3 months		3 to 6 months		more than 6 months	
		amount	%	amount	%	amount	%	amount	%
Related trade accounts receivable									
2022	87.92	82.18	93.47	0.59	0.67	1.22	1.39	3.93	4.47
2021	46.01	42.29	91.91	1.82	3.96	1.90	4.13	-	-
2020	95.81	95.32	99.49	0.17	0.18	0.32	0.33	-	-
Other trade accounts receivable									
2022	50.30	31.49	62.60	7.14	14.20	5.68	11.29	5.99	11.91
2021	119.08	63.96	53.71	32.34	27.17	15.86	13.32	6.92	5.81
2020	62.82	51.74	82.36	2.44	3.89	8.01	12.75	0.63	1.00

The Group might have risk for uncollectible debts amounted to Baht 10.31 million same amount as allowance for doubtful accounts. (2021: Baht 6.91 million)

Inventory

The Group measured the ending balance of inventory in financial statement at the lower of cost (weighted average) or net realizable value.

Cost of inventories is comprised of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In case of finished goods and work in progress, cost includes an appropriate share of overheads.

Net realizable value is estimated selling price in the ordinary course of business less estimated costs to complete and to make the sale.

Allowance is made for all deteriorated, damaged, obsolete and certain slow-moving inventories.

Other Non - Current Financial Assets (see additional information from Notes to the Financial Statements No.13), as below

Investments in debt and equity instruments at fair value through other comprehensive income

Listed equity investments

Investments in listed securities were stated in the financial statements at fair value which was higher than the cost amounted to Baht 595.90 million. Dividend yield was 9.95%, previous year was 4.37%. (Dividend yield at fair value was 2.53%, previous year was 1.58%)

Debt securities

Investment in government bonds and debentures with rating over BBB and were stated in the financial statements at amortized cost.

Non - listed equity investments

Investment in unlisted equity securities were stated in the financial statements at cost net of allowance for impairment loss (if any) determined using Dividend Discount Model, Discounted Cash Flow and Book Value approaches determined by the Group's management and dividend yield was 3.56%. (Previous year was 3.67%)

Financial assets at amortization costs - debt securities held to maturity

Investment in debentures with rating over BBB and were stated in the financial statements at amortized cost.

The Group had received the return on long-term investments in pass year over the average of fixed deposit rates at 5 major commercial banks. Moreover, the Group benefited from the investment in supply chain companies, resulting in stability of raw material, which was in accordance with financial management policy of the Group.

Investments in subsidiaries and associate

Investment in associate in the consolidated financial statements is accounted for using the equity method.

Investments in subsidiaries and associate in the separate financial statements of the Company are accounted for using the cost method less allowance for impairment loss (if any). During 2022, the company has set up 2 new subsidiaries, TNLX Co., Ltd. and TNL Alliance Co., Ltd. and acquired 1 company, Oxygen Asset Co., Ltd.

At present, the Group is in the process of measuring the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date of Oxygen Asset Co., Ltd. Group. Such fair value measurement is being prepared and mainly involves in the identification and measurement of intangible assets and certain tangible assets. This measurement process will be completed within the 12 months from the acquisition date as defined in TFRS 3, Business Combinations. During the measurement period, the Company will make retrospective adjustments to the related estimates recognized as of the acquisition date once complete accounting information is obtained to report in the financial statements.

The Group recognised variances between purchase price and net assets in the portion held by the Group of Oxygen Asset Co., Ltd. of Baht 703.36 million as goodwill in the consolidated statement of financial. (Note 14 and 15 to the financial statements)

Investments in joint ventures

Investment in joint ventures in the consolidated financial statements is accounted for using the equity method.

During 2022, the subsidiary invested in joint ventures, totaling 7 companies, which engage in residential real estate development business. The Group has joint control over these joint ventures because the mutually agreed contract stipulates that decisions on important matters specified in the contract must be agreed upon by those who jointly control. The Company has recorded the share of profit (loss) from the joint venture in the statement of financial position in accordance with Note 16 to the financial statements.

At present, the Group is in the process of measuring the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date of the 7 Joints Ventures. Such fair value measurement is being prepared and mainly involves in the identification and measurement of intangible assets and certain tangible assets. This measurement process will be completed within the 12 months from the acquisition date as defined in TFRS 3, Business Combinations. During the measurement period, the Company will make retrospective adjustments to the related estimates recognized as of the acquisition date once complete accounting information is obtained to report in the financial statements.

Investment Properties

The Group has invested in land and building for aiming the benefits from rental and capital appreciation. The investment properties are stated at cost less accumulated depreciation and loss on impairment of assets (if any), there were regularly review of fair value in accordance with accounting standard mentioned in Notes 19.

Property, Plant and Equipment (see additional information from Noted to the Financial Statements No. 20)

Land disclosed in the financial statements at cost which had been acquired by the Group for over a long period. So the current market price of such land had overwhelmingly exceeded the cost stated in the financial statements. Factory and office building were had improvements and repairs to suit the applications. Machinery and equipment are efficient and technologically advanced as the Group continuously improved technologies in production to replace the old machinery and had regularly maintenance. Moreover, for unused assets, the Group had already disposed it.

4.2.3 Liquidity

Components of Cash Flows

In 2022, the Group had cash and cash equivalent of Baht 2,384.41 million, year 2021 had Baht 213.99 million, increased of Baht 2,170.42 million. The Group has increased excess liquidity due to the issuance of newly issued and paid-up shares 92.31 million shares amounted to Baht 2,974.46 million in 2022, disposal of certain financial assets and short-term loans from related parties. The Group manages excess liquidity by considering investing in short-term debt securities due to future investment projects. (Note 42 to the financial statements)

Details of net cash flows classified by type to operating, investments and financing activities are as follows:

Unit : million Baht

Consolidated Cashflow Statement	2022	2022	2020	Change Increase (Decrease)			
	Amount	Amount	Amount	2022 / 2021	%	2021 / 2020	%
Cash Received (Used) from Operating Activities	(547.17)	(9.54)	18.17	(27.71)	(152.50)	(27.71)	(152.50)
Cash Received (Used) from Investing Activities	(192.73)	151.96	108.53	43.44	40.03	43.42	40.00
Cash Received (Used) from Financing Activities	2,910.32	(13.86)	(71.11)	57.25	80.51	57.25	80.51
Net Cash Received (Used)	2,170.42	128.56	55.59	72.98	131.28	72.96	131.22
Net Cash Beginning of the year	213.99	85.43	29.83	55.59	186.36	55.60	189.39
Net Cash End of the year	2,384.41	213.99	85.42	128.57	150.52	128.56	150.49

The Group's net cash used in operating activities in 2022 amounted to Baht 547.17 million, while in 2021 net cash used in the amount of Baht 9.54 million mainly due to in 2022, the Group is an expansion of the secured loan investment business by acquiring business from connected persons By purchasing 90% of ordinary shares of Oxygen Asset Co., Ltd. at a price of Baht 835.70 million, there is goodwill from the difference between the cost of the acquisition of investment in a subsidiary and the net identifiable assets of the acquiree 703.36 million baht.

Net cash from investing activities in 2022 amounted to Baht 192.73 million, while in 2021 net cash receive in the amount of Baht 151.97 million, mainly due to

1. Net loans of Baht 3,401.71 million, while cash received from borrowings of Baht 2,403.28 million.
2. Expenses for investment in fixed assets and intangible assets (net) of Baht 26.43 million.
3. Financial assets in the category of debt and equity securities, net received of Baht 741.97 million.
4. Dividend income of Baht 45.56 million and interest income of Baht 44.60 million.

Net cash receive in financing activities in 2022 amounted to Baht 2,910.32 million, increased by Baht 2,924.18 million from year 2021. Since in 2022, the Company had cash received from the increase of ordinary capital of Baht 2,974.46 million but had paid dividends at Baht 0.50 per share totaling Baht 59.98 million.

As reason mentioned above, net cash flow of the Group's increased by Baht 2,170.42 million when combined with cash at the beginning of the period in amount of Baht 213.99 million resulting in cash at the end of the period in the amount of 2,384.41 million baht.

Adequacy of liquidity

		2022	2021	2020
Current Ratio	(times)	1.87	7.48	6.32
Quick Ratio	(times)	1.63	5.01	4.39
Cash Flow Liquidity Ratio	(times)	(0.32)	(0.05)	0.08
Net Increase in Cash Flows From Operating Activities	(million Baht)	(547.17)	(9.54)	18.17

According to financial ratio above, despite the decrease in cash from operations. The Group still had the appropriate liquidity for business operation, any investments and payment of dividend to the shareholders.

The Company has pursued the policy to manage its excessive liquidity through investment in securities, debt and equity instruments, and/or open-ended funds listed in the Stock Exchange of Thailand which were secure and offer preferable returns. The Company has also invested in businesses which were complementary to its principal business in order to improve competitiveness. In addition, the Company focused on shortening the payment period to obtain benefits from cash discounts.

Cash Cycle

		2022	2021	2020
Average inventory period	(days)	62	73	81
Average collection period		31	44	65
Average payment period		23	28	41
Cash cycle		70	89	105

Over the past, the Group had closely and continuously monitored on sales situation, marketing and economic circumstance including other factors which might had effect on sales and collection period.

4.2.4 Significant Investment Expenditures

In 2022, the Group has various investment expenditures as follows:

1. The company has set up two new subsidiaries, TNLX Co., Ltd., engaged in the manufacturing and distributing apparel, and TNL Alliance Co., Ltd., which operates real estate development for sale and the Company holds 99.98% of the shares. The company acquired 1 company, Oxygen Asset Co., Ltd. engaged in secured loan business by acquiring 90% of the ordinary.
2. Investment in infrastructure system installation of computer network intrusion prevention equipment to manage the company's information security and support the PDPA personal data protection law.
3. Investment in production technology to increase management efficiency and reduce lost costs in each process continuously.
4. Investment in electronic tax system development supports government tax measures such as e-Tax Invoice & e-Receipt, e-Withholding tax to reduce expenses and increase work efficiency. In addition, tax privileges are received according to tax measures to promote investment in the electronic tax system of the Revenue Department.
5. Investing together with the supply chain to develop innovative raw materials that meet the needs of customers, care about health and reduce global warming problems, such as

Arrow Non-Iron Shirt: Cool Mode fabric, which is a standard label certified by the Greenhouse Gas Management Organization (TGO), has 3 features are quality and durability in use equivalent to international standards. In terms of safety from the use of dyes and chemicals that are free from carcinogens, heavy metals, and in terms of reducing heat with fabrics that help wick away sweat quickly. It helps the wearer feel comfortable the body temperature is reduced by 1-2 degrees Celsius and with a special technology that helps the fabric quickly recover from wrinkles after washing and cleaning. It can be worn without ironing.

Arrow Spandex Anti Bacteria Shirt: The fabric is a blend of natural cotton fibers and polyester fibers that are lightweight and breathable. Weaved with high quality spandex fibers, it helps to stretch back to its original shape, without stretching retains its shape even after being used many times. It also adds a feature anti-bacteria helps to inhibit the growth of bacteria that cause unpleasant odor from sweat, always ensuring cleanliness when wearing.

Arrow Bamboo: Bamboo-infused fabric has a soft, smooth touch with a silky luster, cool to wear with the unique properties of bamboo fibers that helps inhibit the growth of bacteria that cause unpleasant odors, and protection against UV rays at an excellent level mixed with polyester fiber that is durable, good recovery from wrinkles make shirts easy to iron and look great all day long.

Absorba Organic Cotton: The fabric form 100% organic cotton, non-GMO, cultivation without the use of agricultural chemicals Synthetic fertilizers and pesticides through the fabric production process without the use of harmful chemicals. Therefore, environmentally friendly the fabric does not contain irritating chemicals. Gentle on the delicate skin of children, soft fabric, lightweight and comfortable, well ventilated.

6. Improve the factory environment so that employees have good quality of life, in accordance with the Occupational Health Act. Safety and Environment.

4.2.5 Sources of Fund

The Group's Fund for operation and investment had been mainly from capital and retain earning.

Statement of Financial Position as at 31 December

หน่วย : ล้านบาท

Consolidated Financial Statement	2022		2021		2020		Change Increase (Decrease)			
	Amount	%	Amount	%	Amount	%	2022 /2021	%	2021 /2020	%
Trade and Other Accounts Payables	308.01	2.91	143.87	3.20	135.28	3.12	164.14	114.09	8.59	6.35
Short - term loans	2,873.28	27.11					2,873.28	100.00	-	-
Total Current Liabilities	3,222.91	30.40	179.40	3.99	212.48	4.90	3,043.51	1,696.49	(33.08)	(15.57)
Provision for Employee Benefits	109.52	1.03	112.03	2.49	118.22	2.73	(2.51)	(2.24)	(6.19)	(5.24)
Deferred Tax Liabilities	182.18	1.72	211.20	4.70	194.06	4.47	(29.02)	(13.74)	17.14	8.83
Total Non-current Liabilities	304.54	2.87	336.25	7.48	330.28	7.62	(31.71)	(9.43)	5.97	1.81
Total Liabilities	3,527.45	33.28	515.65	11.47	542.76	12.52	3,011.80	584.08	(27.11)	(4.99)
Issued and Fully Paid-up Share Capital	212.31	2.00	120.00	2.67	120.00	2.77	92.31	76.93	-	-
Premium on Ordinary Shares	3,067.34	28.94	181.13	4.03	181.13	4.18	2,886.21	1,593.44	-	-
Capital reserve for share-based payments	6.27	0.06					6.27	100.00		
Other Components of Equity	730.77	6.89	844.60	18.79	777.11	17.92	(113.83)	(13.46)	67.49	8.68
Appropriated Retained Earnings	246.40	2.32	243.40	5.42	243.00	5.60	3.00	1.23	0.40	0.16
Unappropriated Retained Earnings	2,791.74	26.34	2,588.62	57.60	2,472.39	57.01	203.12	7.85	116.23	4.70
Total Shareholders' Equity	7,054.82	66.55	3,977.75	88.52	3,793.63	87.48	3,077.07	77.36	184.12	4.85
Non-controlling Interests	17.93	0.17	0.39	0.01	0.42	0.01	17.54	4,497.44	(0.03)	(7.14)
Total Liabilities and Shareholders' Equity	10,600.20	100.00	4,493.79	100.00	4,336.81	100.00	6,106.41	135.89	156.98	3.62

Capital Structure

Capital structure comprised of liabilities at Baht 3,527.45 million, equity at Baht 7,054.82 million, and non-controlling interest at Baht 17.93 million. The Group's debt to equity ratio was 0.50 higher than previous year due to the subsidiary has Short-term loans to business operate. The company' capital structure was still stable.

Liabilities

As of December 31, 2022, the Group's total liabilities amounted to Baht 3,527.45 million, increasing from 2021 by Baht 3,011.80 million. This was mainly due from the subsidiary has Short-term loans to business operate, including the increased list of liabilities from Trade and Other Accounts Payables from the normal business.๗

Shareholders' Equity

As of December 31, 2022, the Group's equity amounted to Baht 7,054.82 million, increase from year 2021. Due to in 2022, In 2022, the Company increased its registered and paid-up capital to 92.31 million shares at a par value of 1 Baht per share, Premium on Ordinary shares of Baht 2,886.21 million and Capital reserve for share-base payments of Baht 6.27 million, Net profit by Baht 111.05 million, Gain from selling other financial assets of Baht 155.06 million, Unrealized loss from valuation of current financial assets (net) by Baht 67.49 million, Gain from selling other financial assets Baht 63.68 million, Unrealized loss from valuation of current financial assets (net) decreased of Baht 116.94 million, Dividends payment for the year 2021 in amount of Baht 60.00 million. The book value per share as at December 31, 2022 equaled to Baht 55.21.

Commitments and Contingent Liabilities

Detail per Notes to the Financial Statements No. 34

4.3 Factors or situations that might affect toward the Company's financial position or business operation in the future

- 1) Inflation, an increase in interest rates High household debt makes consumers careful with their spending.
- 2) Exchange rate fluctuations of partner countries affecting sales and profits of the group of companies.
- 3) Business restructuring of the Company and its subsidiaries.
- 4) Key takeaways from the meeting of the Parties to the United Nations Framework Convention on Climate Change (United Nations Climate Change Conference of The Parties)

Synopsis of Operations of the Company and Subsidiaries

(Unit : thousand Baht)

Selected Data	2022	%	2021	%	2020	%
STATEMENTS OF COMPREHENSIVE INCOME						
Revenue from sales	1,777,058	90.64	1,332,663	92.65	1,119,138	89.47
Other incomes	183,423	9.36	105,734	7.35	131,815	10.53
Total revenues	1,960,481	100.00	1,438,397	100.00	1,250,954	100.00
Cost of sales	1,242,781	69.93	950,879	71.35	827,826	73.96
Selling and administrative expenses	556,992	28.41	408,698	28.41	418,292	33.44
Total expenses	1,810,683	92.36	1,362,430	94.72	1,249,442	99.88
EBITDA	204,078	10.41	129,394	9.00	60,577	4.84
Depreciation and amortization	43,370	2.21	52,697	3.66	58,037	4.64
Profit before finance costs and corporate income tax	156,557	7.99	76,697	5.33	2,540	0.20
Net profit for the year attributable to owners of the parent company	111,055	5.66	62,638	4.35	10,757	0.86
STATEMENTS OF CASH FLOWS						
Net cash received from operating activities	(547,167)	(27.91)	(9,545)	(0.66)	18,168	1.45
Net cash used in investing activities	(192,732)	(9.83)	151,973	10.57	108,535	8.68
Net cash used in financing activities	2,910,322	148.45	(13,862)	(0.96)	(71,109)	(5.68)
Cash and cash equivalent increase(decrease)-net	2,170,423	110.71	128,566	8.94	55,594	4.44
STATEMENTS OF FINANCIAL POSITION						
Cash and cash equivalents	2,384,414	22.49	213,991	4.76	85,425	1.97
Trade and other receivables	238,705	2.25	201,166	4.48	197,340	4.55
Short - term loans	2,857,746	26.96	-	-	-	-
Inventories - net	433,808	4.09	389,170	8.66	331,103	7.63
Other current financial assets	99,474	0.94	484,196	10.77	648,973	14.96
Total current assets	6,023,848	56.83	1,341,091	29.84	1,342,907	30.97
Other non - current financial assets	1,704,941	16.08	2,585,077	57.53	2,404,367	55.44
Investments in subsidiaries, joint ventures - net	527,830	4.98	-	-	-	-
Long - term loans	1,090,000	10.28	-	-	-	-
Excess of acquisition cost over estimated value of interest acquired in the net assets from acquisition of the subsidiary	703,358	6.64	-	-	-	-
Investment property - net	139,275	1.31	106,490	2.37	109,309	2.52
Property, plant and equipment - net	346,730	3.27	346,930	7.72	371,852	8.57
TOTAL ASSETS	10,600,198	100.00	4,493,792	100.00	4,336,805	100.00

Synopsis of Operations of the Company and Subsidiaries

(Unit : thousand Baht)

Selected Data	2022	%	2021	%	2020	%
Trade and other payables	308,012	2.91	143,866	3.20	135,284	3.12
Short - term loans	2,873,279	27.11	-	-	-	-
Total current liabilities	3,222,904	30.40	179,396	3.99	212,481	4.90
Retirement benefit obligation	109,516	1.03	112,031	2.49	118,220	2.73
Deferred tax liabilities	182,180	1.72	211,201	4.70	194,061	4.47
Total non - current liabilities	304,542	2.87	336,254	7.48	330,283	7.62
TOTAL LIABILITIES	3,527,446	33.28	515,650	11.47	542,764	12.52
Registered share capital	311,548	2.94	120,000	2.67	120,000	2.77
Issued and paid - up share capital	212,313	2.00	120,000	2.67	120,000	2.77
Premium on ordinary shares	3,067,335	28.94	181,125	4.03	181,125	4.18
Capital reserve for share-based payments	6,267	0.06	-	-	-	-
Other components of equity	730,770	6.89	844,603	18.79	777,113	17.92
Appropriated retained earnings	246,400	2.32	243,400	5.42	243,000	5.60
Unappropriated retained earnings	2,791,736	26.34	2,588,624	57.60	2,472,386	57.01
EQUITY ATTRIBUTABLE TO PARENT COMPANY	7,054,822	66.55	3,977,753	88.52	3,793,625	87.48
Non - controlling interests	17,930	0.17	389	0.01	417	0.01

Notes * cost of sales / sales

EBITDA = Earning before interest, corporate income tax, share of loss from investments in associate and joint ventures, depreciation and amortization

Financial Ratios of the Company and Subsidiaries

Description		2022	2021	2020
Liquidity Ratios				
Current Ratio	(times)	1.87	7.48	6.32
Quick Ratio (times)	(times)	1.63	5.01	4.39
Liquidity of Cash Flow from Operation	(times)	(0.32)	(0.05)	0.08
Account Receivable Turnover	(times)	11.72	8.23	5.56
Average Collection Period	(days)	31	44	65
Inventory Turnover	(times)	5.78	4.92	4.45
Average Inventory Turnover Period	(days)	62	73	81
Account Payable Turnover	(times)	15.33	13.06	8.85
Average Payment Period	(days)	23	28	41
Cash Cycle	(days)	70	89	105
Profitability Ratios (%)				
Gross Profit Margin	(%)	30.07	28.65	26.03
Net Profit Margin	(%)	5.66	4.35	0.86
Return on Equity	(%)	2.01	1.61	0.28
Efficiency Ratios				
Return on Total Assets	(%)	1.47	1.42	0.25
Return on Fix Assets	(%)	31.23	23.08	13.20
Total Assets Turnover	(times)	0.18	0.32	0.29
Financial Policy Ratios				
Debt-Equity Ratio	(times)	0.50	0.13	0.14
Time Interest Earned	(times)	(71.69)	(12.08)	18.67
Leverage Ratio (cash basis)	(times)	(0.04)	(0.01)	0.03
Dividend Payout	(%)	54.86	95.79	78.09

Remark * Meeting of the Board of Directors adopted a resolution to propose to the General Meeting of shareholders, which is to be held on 25th April 2023, the approval of dividend payment at the rate of Baht 0.20 per share.

5. General Information and Reference

5.1 General Information

References

Securities registrar

Thailand Securities Depository Company Limited

No.93 Rachadaphisek Road, Dindaeng, Bangkok 10400, Thailand

Tel : 0-2009-9000

Fax : 0-2009-9991

SET Contact Center : 0-2009-9999

Website : <http://www.set.or.th/tsd>

E-mail : SETContactCenter@set.or.th

Auditor

ASV & Associates Limited

47 Soi 53, Rama 3 Road, Bangpongpan, Yannawa, Bangkok 10120

Tel : 0-2294-8504, 0-2294-8587

Fax : 0-2294-2345

By	Mr. Anusorn Kiatgungwalgri	Licensed Auditor no. 2109, and/or
	Mrs. Kwunjai Kiatgungwalgri	Licensed Auditor no. 5875, and/or
	Mr. Satis Kiatgungwalgri	Licensed Auditor no. 9760, and/or
	Mr. Prasitporn Keasma	Licensed Auditor no. 9910

5.2 Other Information

- None of the information is significant -

5.3 Legal Dispute

- None -

5.4 Second market

- None -

6. Corporate Governance Policy

6.1 Overview of corporate governance policy and practices

The Board of Directors is confident that a proper, transparent, and accountable governance system has been put in place, along with checks and balances and an adequate and appropriate internal control. Alongside these mechanisms is due respect for shareholders' rights and equality, as well as accountability for all stakeholders. These key factors contribute to the enhancement of the Company's immunity and to the promotion of balanced and sustainable long-term growth.

6.1.1 Policy and practice of Director

Corporate governance policy

The Board of Directors has prescribed corporate governance policies as operational guidelines for Company Directors, Executive Officers and employees, as follows:

1. Company Directors, Executives and all employees are fully committed to the application of corporate governance principles, business ethics and Codes of Conduct for Company Directors, Executives and employees to Company operations.
2. Company Directors, Executives and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles and Notifications.
3. Actions shall be taken to ensure that the Company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committees and Executives.
4. An internal control system shall be installed and risks management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.
5. Information shall be disclosed in a sufficient, reliable and timely matter to the extent that the legitimate interests of the Company are not prejudiced.
6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.
7. Undertakings shall have regard to the responsibilities of shareholders, stakeholders, communities, society and the environment.
8. There shall be a determination to strive towards business excellence with commitment to the creation of customer satisfaction by receiving comments and self-assessments in order to enhance management capabilities and continually promote productive creativity.
9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance the capabilities of personnel.
10. Dishonest conduct, corruption and intellectual property violations shall be suppressed. Laws and human rights shall be respected.
11. Conflict of interests shall be dealt with prudently and reasonably with due regard for the Company's interests.

The Company has disseminated the corporate governance policies to employees, shareholders and the general public through the Company website www.thanulux.com under the heading Good Corporate Governance

	Managerial	Financial & Accounting	Production	Audit	Technology	Legal	Risk	International Business	Governance	Strategy
Chairman of the Board										
Director										
Director										
Director										
Director										
Director										
Independent Director										
Independent Director										
Independent Director										

6.1.2 Shareholders and Stakeholders Policies and Practices

Compliance with Good Corporate Governance Principles

The Board of Directors believes that compliance with the Good Corporate Governance Code, which is the foundation of sustainable development and business value creation, will bring about competitiveness and desirable profitability. To this end, the Board has considered long-term effects, ethical business practices, respect for and responsibility towards shareholders and stakeholders, benefits to society, eco-friendly developments, the minimization of environmental impact, and the ability to cope with change.

The Board of Directors has appointed Governance Committee to specify a criteria and guidelines for good governance, review and revise Company's strategic plan to comply with changes of business, rules, notices, regulations as well as relevant law. Moreover, the Company has established many channels of communication regarding good governance for Directors, Executives, and all employees. They are provided below.

- All new employees will receive job orientation on the Good Corporate Governance policy, the Business Ethics, The Code of Conduct for Directors, Executive and employees as well as the Anti-Corruption policy.
- The Company applies intranet system, Company group Line, and Company website www.thanulux.com as channels of internal communication in any case of ethic violation on business. The Company has monitored the ethic violation on business and annually reported to the Board of Directors. Not any violation was found in 2022.
- The Board of Directors specifies the assessment of the Board of Directors' and sub-committee's working performance at least once a year. In 2022, the result of assessment shows "very satisfied".

The Company has adopted good corporate governance principles since 2002 and The Board of Directors Meeting No.7/2018 held on December 18, 2018 reviews and approves the Good Corporate Governance principles, 2nd revision for listed companies 2017 (CG Code) to suit with the business operation with details as follows:

- The Good Corporate Governance Policy
- The Rights Principles of Good Corporate Governance

Principle 1 The Board of Directors shall be aware of its leadership roles and responsibilities in the creation of the Company's sustainable prosperity.

Principle 2 The Board of Directors shall define the Company's objectives to ensure sustainability.

Principle 3 The Board of Directors shall strengthen its effectiveness.

Principle 4 The Board of Directors shall nominate and develop senior executive officers and ensure good people management.

Principle 5 The Board of Directors shall nurture innovations and responsible business practices.

Principle 6 The Board of Directors shall provide an adequate system of risk management and internal control.

Principle 7 The Board of Directors shall ensure information disclosure and financial integrity.

Principle 8 The Board shall encourage engagement and communication with shareholders.

- The Business Ethics
- The Code of Conduct for Directors, Executive Officers, and Employees

In 2022, the Board of Director required the Eight Principles of Good Corporate Governance be adapted to the Company's business conduct, covering the following five aspects:

Section 1: Rights of Shareholders

The Board of Directors appreciates and respects the ownership rights of shareholders. As a consequence, corporate governance principles have incorporated safeguards for shareholder rights, including the non-violation or non-infringement thereof. The Board of Directors assumes the function of overseeing the equitable benefits of shareholders, as well as supporting and promoting all shareholder groups whether foreign or domestic, major, retail or institutional shareholders to enable the exercise of their respective rights, as follows:

1.1 Basic rights Referred to the right for shares transaction, the right to receive profits allocation in term of dividend payment based on outstanding shares, the right to access company information in sufficient, timely, and consistent manner, the right to nominate candidates to be elected as directors, the right to attend and cast votes at the shareholders' meeting, the right to elect individual company director and approve directors remuneration, the right to remove directors, the right to appoint company auditor and approve audit remuneration, and the right to appoint proxy to attend and cast vote on his/her behalf.

1.2 The right to significant information access Shareholders were entitled to access information on an equitable basis. In that regard, the company facilitated information distribution in both Thai and English languages, via the channels of The Stock Exchange of Thailand and company website, to provide shareholders with additional access channel. Such information included performance results, connected transactions, changes in the funding structure, and changes in supervisory control, transactions of significant company assets, and other information essential for decision-making by shareholders.

1.3 The right to attend the shareholders' meeting The Company held its annual shareholders' meeting regularly each year, within 4 months after completing its accounting year. Nevertheless, in the event of such emergency situations possible affecting the shareholders' interests, or involving amendments to the laws or company articles requiring approval by the shareholders, the company was authorized to convene the extraordinary shareholders' meeting on a case by case basis. The company held its meeting at such date, time, and venue, deemed convenient to the shareholders, to facilitate their meeting attendance. For 2022, the company

convened the shareholders' general meeting once, and convened 2 of shareholders' extraordinary meeting

During the 48th General Meeting of Shareholders for 2022, the Company treated the shareholders in the following chronological order.

Proceedings Prior to the Shareholders' Meeting Day

1. The Company informed the shareholders of the resolution to convene the shareholders' meeting 64 days prior to the meeting date, namely on February 22, 2022 to allow the shareholders sufficient time to plan their meeting attendance.

2. The Company disseminated the meeting invitation letter via company website, carrying the same content as the letter sent to the shareholders, in both Thai and English, 30 days prior to the meeting, to provide the shareholders with necessary information in a swift, convenient, and sufficient manner in advance.

3. The Company sent out the meeting invitation letter to the shareholders 21 days prior to the meeting on March 28, 2022, exceeding the minimum time limit specified by law.

4. The Company also posted the announcement notifying said meeting invitation to the shareholders in the newspapers for 3 consecutive days, 25 days prior to the meeting namely during April 1, 4 and 5, 2022.

5. Shareholders could submit questions in advance 7 working days prior to the meeting day. The shareholders were informed of this right through the Company website and the notice of invitation to the shareholders' meeting.

6. The documents sent out to the shareholders (QR Code Downloading) were, the meeting invitation letter providing details on the rationale for each meeting agenda, together with related opinions by the Board of Directors and the documents in support of the voting decision by the shareholders for each meeting agenda. Furthermore, the documents also included the annual report publication, profile of the persons nominated as directors replacing those due to retire upon term completion, definition of independent director, profile of independent directors proposed as proxies by the shareholders, company regulations regarding the shareholders' meeting, the documents and evidences required for the shareholders to present for meeting attendance, meeting regulations, meeting procedures, the map of the meeting venue, and the registration form. Other documents were the proxy appointment letter form B for voting in line with the shareholders' decision, or the proxy appointment letter either form A and C which shareholders could download from company website, as well as procedures for shareholders to post advance questions prior to the shareholders meeting.

Day of Shareholders' Meeting

1. Determination of day, time and place of meeting that is convenient and suitable, and does not pose an obstacle for attendance. In 2022, the Company held the General Meeting of Shareholders on Tuesday, April 26, 2022, 11.00 hours, at Montien Riverside Hotel, which the transportation system is accessible and sufficient to facilitate the shareholders and the Institutional investors for easily to attend the meeting.

2. Registration of shareholders attending the meeting by barcode scanning was open 2 hours prior to the meeting and remained open until the conclusion of the meeting. Registration was open from 9.00 hours. Sufficient staff was provided for meeting registration. Duty stamps were also provided for shareholders granting proxies to others or Independent Directors to attend the meeting on their behalves. Voting placards and ballot papers were distributed to shareholders for casting votes.

3. The Board of Directors attaches significance to the meeting of shareholders. Attendance at all meetings is deemed a duty, save for important engagements or illness.

At the General Meeting of Shareholders for 2022, there were 9 Directors in attendance from a total of 9 Directors, including the Chairman, Chairman of the Audit Committee, Chairman of the Nominating Committee, Chairman of the Remuneration Committee, Chairman of the Governance Committee and Chairman of the Executive Committee. In addition, the Managing Director, Chief Financial Officer, and Company Auditor were also present and open to questions from shareholders on relevant issues.

4. Prior to the commencement of the meeting, the Company Secretary declared the number of shares and ratio attending the meeting as well as explained voting and vote counting procedures for voting of shareholders in each agenda pursuant to the law and Company Articles. In the event of a shareholder attending the meeting after the commencement of the meeting, the Company still granted the right to vote in the remaining agenda that had not yet been considered and voted upon. Such shareholder would be included in the quorum.

5. In order to ensure transparency of the meeting in accordance with laws and the Company Article, the Company invited a representative of the Company's audit office, namely ASV And Associates Company Limited, to act as a witness in the vote counting. A barcode system was used for processing of votes in each agenda, and the voting results were displayed instantly after the end of the agenda on a screen at the meeting room's anterior.

6. During the meeting, the Chairman proceeded with the meeting in accordance with the agenda stated in the notice of meeting without adding any new items in the agenda or changing any significant data without giving prior notice to shareholders and gave investors opportunity to question, comment and suggest equally and thoroughly in all agendas.

In the General Meeting of Shareholders for 2022, the questions and answers have been recorded in the minutes of the meeting, no shareholder requested for the addition of any new agenda.

Important agenda in the Meeting of Shareholders Consisted of the following:

- (1) Dividend Payout: The Company had provided details on the appropriation of earnings, dividend payout of 0.50 Baht per share which were in accordance with the payout policies of the Company, including comparison between the dividend payout of the current year and preceding year, also specified the record date for the shareholders who are entitled to receive dividends.
- (2) Appointment of Directors: The Company provided an opportunity for shareholders to elect directors individually. Preliminary information on each person nominated for election as director, together with a specification of positions held in other businesses of the nominees, clearly stating whether the nature of such companies' were identical to or in competition with the businesses of the Company, Shareholding in the Company, Meeting attendance record (In case reappointed at the expiration of term), Type of Directorial Position Nominated and Nominations were made after screening by the Nominating Committee.
- (3) Directors' Remuneration: The Company had provided details on the amount of remuneration proposed, which was in accordance with the policies and conditions relating to the remunerations of directors subsequent to review by the remuneration committee. The Company proposed remuneration limits for approval by the meeting of shareholders on an annual basis and disclosed remunerations of the Company Board of Directors and remuneration of other subcommittees in the Annual Report.
- (4) Appointment of Auditor and Determination of Audit Fee: The Company had provided details on the names of auditors, along with their audit office, independence, relationship with the Company, number of years of performing duties, reasons for change of auditor (if any), and comparative data on the audit fees for the current and preceding year. This information had been reviewed by the Audit Committee. Other fees for services rendered by the audit office to which the auditor was associated with respect to both the Company and its subsidiaries were also disclosed.

Voting Summary of Shareholders in Each Agenda

Agenda	No. of Shareholders (No.)	Approval			Disapproval			Abstention		
		No.	Shares	%	(No.)	Shares	%	(No.)	Shares	%
1	61	61	105,642,892	100	-	-	-	-	-	-
3	61	61	105,642,892	100	-	-	-	-	-	-
4	61	61	105,642,892	100	-	-	-	-	-	-
5.1	61	60	105,641,892	99.9991	-	-	-	1	1,000	0.0009
5.2	61	60	105,641,892	99.9991	-	-	-	1	1,000	0.0009
5.3	61	61	105,642,892	100	-	-	-	-	-	-
6	62	62	105,643,003	100	-	-	-	-	-	-
7	62	62	105,643,003	100	-	-	-	-	-	-

Proceedings after the Shareholders' Meeting Day

1. The company disclosed the resolutions adopted by the shareholders' meeting, together with the voting results for each meeting agenda, also declared the details of the dividend payment to all the shareholders at the same rate, as per their rights, in both Thai and English, via the news channel of the SET, and the company website, on the following day.

2. The company compiled the meeting minutes subsequent to the shareholders' meeting, by incorporating all essential details and summarizing voting results for each meeting agenda, classified as consent, dissent, and abstention votes, together with the record on the discussion and conclusion regarding significant topics. Said minutes was submitted to The Stock Exchange of Thailand and The Securities and Exchange Commission within 14 days subsequent to the meeting, and disseminated on the company website, in both Thai and English, so as to enable the shareholders to review said minutes content without having to wait until the next shareholders' meeting.

3. The company recorded the meeting on VDO, for further dissemination to the shareholders upon request.

Section 2: Equitable Treatment of Shareholders

2.1 The shareholders' meeting

(1) The Company granted an opportunity to shareholders to propose meeting agenda in advance, as well as to nominate suitable persons for election as Directors in the General Meeting of Shareholders for 2022. A proposal could be made between 1-30 December 2021 pursuant to the

rules and procedures stipulated and published on the Company website www.thanulux.com. Notice was also given to shareholders through the Stock Exchange of Thailand information system, as well as provided the opportunities for Shareholders to submit the questions in advance before the meeting. No shareholder made any proposal for an addition to the meeting agenda and did not sent any Question in advance.

- (2) The right to vote at the meeting was in accordance with the number of votes held by the shareholder. Each share carried one vote. There was no share which carried a preference or limitation on the voting rights of other shareholders.
- (3) In the case of foreign shareholders, the company sent out meeting invitation letter in English, to facilitate the understanding by foreign shareholders, as well as disseminating said information on company website made accessible at the same time as The Thai version.
- (4) In the case where shareholders could not attend the meeting in person, the company allowed said shareholders to appoint proxies from independent directors or other parties, to attend the meeting on own behalf. The company provided clear details pertaining to the proxy appointment letter, sent together with the proxy appointment letter (form B), allowing the shareholders to instruct own voting direction.

Number and nature of attendance of the Annual General Meeting of Shareholders No.48 on April 26, 2022.

	Person	No. of Shares	(%) Shares
Share owners as listed in share registration	671	120,000,000	100.00
Total number of attendants	61	105,642,892	88.04
Attended by oneself	17	11,681,098	9.74
Proxy	44	93,961,794	78.30

(5) The voting procedure for each meeting agenda was carried out in a transparent manner, with the voting ballot provided the shareholders for each agenda, whereas only disapproval and abstention votes were kept afterwards. Nevertheless, for the agenda related to directors' appointment, all voting ballots bearing the signature of each shareholder were collected and kept as evidence. Vote tallying was carried out using the barcode system and displayed on-screen in the meeting room after the end of the agenda, to facilitate convenience, transparency, and easy verification.

(6) Shareholders were given the right to pose questions in the meeting of shareholders. At the 48 General Meeting in 2022, there were questions that are not of the significant. There were recorded in the minutes of the meeting and disclosed.

2.2 Supervision over inside information The Company has laid down the policy safeguarding against inside information abuse, by stating in writing in the business ethics manual, and the code of conduct for company directors, the management and employees, not allowing Company Directors, the management, and employees, to exploit the information or assets belonging to the company, or accorded own position, in such manner seeking unjust gains for own self or for others. In relation to this, the Company handed out relevant manuals to Company Directors, the management, and the employees, to serve as guidelines for their business operations and assignments, while also disseminating those information on company website. Detail had been shown on the Item Supervision of inside information. Furthermore, the Company also incorporated above information into company regulations, together with the penalty provision.

2.3 Supervision over the transaction of Company securities The Board of Directors has prescribed measures to oversee securities trading and reporting of interests of directors and executives. The Company forbade the Directors, the management, and the employees working in those

departments accessible to inside information, to engage in the transaction of company securities, during the period of 1 month before the disclosure of such information to the public.

The company distributed said instructions in circular to all concerned parties each quarter, together with the penalties to be imposed in the case of violation or non-compliance with said regulation. In 2022, all the company directors and management members strictly followed accordingly, without engaging in such transactions during said period.

2.4 Treatment of conflict of interests The company treated the issue of conflict of interests with caution and reason, with the company's interests in mind, price setting is on fair trade terms, in the same condition as outsider. The Company laid down operations systems in a transparent manner, deemed as one major policy regarding good governance practice and business ethics for the company. The company controlled the implementation of connected transactions being conducted in the fair market price, in accordance with the normal business, so as to comply with the announcement by The Capital Market Supervisory Board. Before implementing each connected transaction requiring prior approval from The Board of Directors, the item was first proposed to The Audit Committee for endorsement prior to submitting to The Board of Directors for further approval. The directors with possible conflict of interests were not allowed to take part in the meeting. Afterwards, the company informed said meeting resolution to the shareholders via the news channel of the SET together with the company website. The information included the disclosure of names and relationship of connected parties, pricing policy, transaction value, and other related details, as well as the opinions of The Board of Directors pertaining to such transactions.

Furthermore, the company held The Board of Directors' meeting subsequent to the shareholders' meeting each year, to decide on the approval criteria for business transactions under normal business term, conducted between the company and the directors, management members, or connected persons. Such transaction items were to be concluded and reported to The Board of Directors on a quarterly basis.

2.5 Supervision over assets transaction the company supervised assets transaction in accordance with the announcement by The Capital Market Supervisory Board regarding the acquisition and disposal of assets, whereby directors with possible conflict of interests were not allowed to participate, so as to facilitate fairness and transparency.

Section 3: Role of Stakeholders

The Board of Directors appreciates and respects the rights of all stakeholders. Regard is given to the rights under the law or agreements executed by the Company. As a consequence, a policy has been determined as a guideline for treatment of each stakeholder group. Further regard is also given to communities, society and the environment. This policy aims to achieve sustainable development, combat wrongful and corrupt practices, prevent intellectual infringement, as well as respect human rights.

The Company has prepared a **Code of Business Ethics and Employee Conduct** for Company operations in order to secure confidence that all stakeholders will be protected and treated fairly and equally.

3.1 Shareholders The Company respects the rights of both major and minority shareholders as required various laws and regulations. All shareholders are treated equally. The Company strives to satisfactorily represent the shareholders in advancing the businesses as well as generating a fair return in accordance with the dividend policies of the Company. In addition, the Company has mechanisms for ensuring the trust of shareholders in obtaining accurate information, controlling connected transactions, and having measures for preventing conflicts of interests. Measures have also been in place to prevent the exploitation of insiders' information for personal benefits, including the use of such information for the trade of the Company's securities, especially in the 1 month period prior to the disclosure of financial statements to the public, which is stipulated in the code of conduct for employees.

The Company invited all shareholders to the annual general meeting. Shareholders were given the right to vote on all agenda. Shareholders also have the right to acquire important information, such as the Company's quarterly operating results, investment disclosures and connected transactions. The Company has disclosed these data through channels of the Stock Exchange of Thailand and the Company website (www.thanulux.com).

3.2 Employees The Company realizes that employees are the most valuable resources and constitute the heart and main driving force of the organization to success. The Company has therefore treated its employees in accordance with good governance principles. Human dignity, human rights and ethics are respected and promotion, support, practice, training and knowledge development of employees are provided comprehensively for employees. Employees are given opportunities to express their potential. They are also encouraged to participate in determining the development and operational directions of the Company. In order to secure career path security, the Company offers fair remuneration for employees as appropriate for the knowledge, skills, responsibilities and performances of each employee.

Moreover, the Company has looked after the working environment by having due regard to the safety of life, health and properties of employees. Security personnel are on duty 24 hours a day. Alarm systems have been installed in buildings. Safety equipment and fire engines have been provided. Basic firefighting training and drills have been held as well as evacuation drills and the use of personal protective equipment. These training and drills were held to promote the employees' understanding of the proper practices according to standard systems on safety and the environment. Various welfare benefits have also been provided for employees to raise the quality of lives and standard of living, e.g.

- Together with the Saha group set up cooperatives for employees
- Provision of a clinic attended by a medical doctor twice weekly and 2 nurses every day.
- Annual medical examination
- Employee uniforms
- Welfare sale of goods at special prices as sustenance aid for employees
- Collaboration with the Government Housing Bank in providing low-interest housing loans
- Accommodation for employees assigned to perform tasks in other provinces
- Provident fund for future savings
- Retirement benefits
- Financial assistance in the event of death of an employee, employee's parent and spouse
- Financial assistance in the event of an employee being a victim of fire or a natural disaster, such as flooding or storms
- Cash rewards for employees completing 10, 20, 30, 40 years of employment

In addition, the Company has established a Welfare Committee in order to offer an opportunity for employees to participate in the administration of welfare benefits and to act as a center for the comprehensive distribution of welfare aid to employees, as well as to act as a channel for communications, suggestions or voicing grievances on various matters pertaining to work.

3.3 Customers The Company operates its businesses by adhering to the principles of loyalty, justice and providing accurate information to customers. Customers' complaints are handled with priority and processed with all due fairness in order to promote an expeditious response to customers' needs as well as to develop products and services which meet the requirements of customers. Constant innovations are undertaken in order to add value to products and services according to the quality accreditation ISO9001 on design and manufacture of garments and leather goods. Customers' trade secrets are also protected. A survey of customer satisfaction on quality, services and delivery of goods for 2022, show that the Company enjoyed a satisfaction approval of 85%.

In this regard, the Company has a customer relations center which serves as a central medium for receiving comments and suggestions from customers. The center may be call at 0-2295-0911-9, 0-2295-4171-80

3.4 Competitors The Board of Directors placed much importance on fair and honest business competition under the framework specified by law. Accordingly, the company always implemented its business operations according to fair competition rules. In the year 2022, the company was not engaged in any trade dispute with other competitors.

3.5 Business partners

The Company has prescribed policies of fair and equitable treatment and responsibilities to business partners, which was based on the appropriate compensation for both parties as follows.

- (1)The Company has a system for screening trading partners in the value chain who operate businesses in compliance with the law, safety and occupational hygiene standards and friendliness to the environment.
- (2)The confidentiality of secrets or information of trading partners is maintained and not exploited for wrongful gains of oneself or of others.

(3)The Company adheres to trade agreements and makes proper representations of data. In the event that an agreement cannot be complied with, the Company will expeditiously engage in early negotiations with trading partners.

(4)Had criteria according to international standards ISO 9001 for evaluating, selecting, checking and monitoring the performance of business partners.

(5)Relationships, and good understandings are fostered. Knowledge is exchanged. Developments and value adding to goods and services are jointly undertaken to promote mutual growth

(6)The Company does not demand, receive or consent to the receipt of properties or any other benefits outside trading agreements.

In addition, the company had also formulated procurement regulations to serve as a guideline for efficient and ethical business conduct in accordance with good corporate governance.

In 2022, there was no case of non-compliance with the contract with partners.

3.6 Creditors The Company adhered to operating business with ethics to gain trust from creditors by:

- (1)Prescribe policy to treat every creditors with fairness justly.
- (2)Espouse responsibility and transparency through strict compliance to contractual terms and conditions.
- (3)Present financial statement with accuracy and punctuality.

In 2022, the company paid all creditors in accordance with agreed term, without causing any default.

3.7 Communities and Society The Company operates business with due regard to impact on communities and society. There is a continual instillation of conscience of responsibility amongst employees. One heading of the social responsibility policy is the importance attached to participation in community development. The Company would consider the needs of communities and participation in the development of community quality of lives. Attitudes and organizational cultures are fostered in order to enable employees to participate in volunteer works and socially beneficial activities with communities.

3.8 Environment

The Company has recognized responsibility towards environment by prescribing it as one of the company's missions, and also define in the corporate governance policy and business ethics towards. The company conducts business with due concern toward natural resources and the environment. Accordingly, the company paid due attention to ensure that all activities starting from manufacturing were eco-friendly:

- (1) Conduct business in compliance with applicable laws, regulations and policies on the environment with due regard for the impact on natural resources and the environment, the performance was reviewed and evaluated regularly.
- (2) Organizational culture and consciousness of Employees at all levels shall be promoted to encourage cooperation and responsibility for the efficient and sustainable management of the environment and utilization of resources.
- (3) Provide knowledge and training about environmental management.
- (4) An Environmental management system shall be promoted, from the economical use of resources to the sustainable treatment and rehabilitation, replacement, monitoring and prevention of impact on natural resources.
- (5) Environmentally friendly technology is developed and used whenever possible

Promotion of efficient use of resources

The Company realizes the importance of control on the use of resources for sustainable development. This can be achieved with the cooperation of all personnel in the organization. A value is promoted amongst employees that society advancement requires a balanced development in the economy, quality of life as well as natural resources and environmental conservation.

In 2022, the Company has activities were organized to encourage creativity by employees in the creation of value from leftover materials.

Knowledge Building and Training of Employees on the Environment

The Board of Directors has promoted employees' awareness of the importance of the environment. The Company disseminated knowledge on the environment to employees via the internet, information notice board and audio announcements, as well as continually promoted employees' training to build knowledge on the environment.

3.9 Promotion of Activities for Community Development

The Board of Directors has attached importance to community development by continually promoting activities which are beneficial to communities.

3.10 Public Sector The Company undertakes businesses in compliance with the laws and regulations enacted by the State. The company also give the cooperating in providing accurate information according to government requests, pay taxes correctly, completely, in time according to the requirements of the Revenue Tax Law and customs duties law.

3.11 Participation channels for the stakeholders

The Board of Directors provides channels and procedures for all stakeholder groups to report or file a complaint on any matter which poses a risk of loss to the Company, the accuracy of financial statements or an unfair treatment. Shareholders and other stakeholders may contact

- (1). Mr. Supachoke Sirichantaradilok,
Company Secretary and Investor Relations Officer
Telephone : 02-295-0911-19,
02-2954171-80 ext. 250
Facsimile : 0-2294-5101
Email : supachoke@thanulux.com
- (2). Mr. Woradej Puengsiricharoen,
President of Internal Audit Department
Telephone : 02-295-0911-9 ext. 168
Facsimile : 0-2294-5101
Email : audit@thanulux.com

Who also reports directly to the Audit Committee and investigation outcomes would be reported to the Board of Directors. Details on informants and complaints will be kept secret.

In 2022, there were no complaints filed by shareholders and stakeholders.

Section 4: Information Disclosure and Transparency

The Board of Directors oversees that there is proper, transparent and timely disclosure of significant information in accordance with the relevant laws and regulations. These disclosures include reports filed in accordance with accounting periods and reports of events having an impact on shareholders' interests, as well as the disclosure of other information pursuant to the principles of good corporate governance prescribed by the Stock Exchange of Thailand. Disclosure is made to the extent that the Company's legitimate interests are not prejudiced. Information is published in both Thai and English on the Company's website, disclosure channels of the Stock Exchange of Thailand and other channels which are comprehensively and equitably accessible.

The Company has transmitted such information through the information dissemination system of the Stock Exchange of Thailand within the time limit for dissemination to the investors and the general public. Moreover, the Company has added new dissemination channels by publishing the information on the Company's website (www.thanulux.com) in both Thai and English and regularly updating such information.

The information disclosed in the annual report (Form 56-1) include not only financial statements, but also information on various matters which are demonstrative of business transparency, as follows:

4.1 Good Governance The Company discloses good governance policies, good governance principles, business ethics and codes of conduct for Company Directors, Executive Officers and employees, as well as report performance results on compliance with such policies on the Company website.

4.2 Social and Environmental Policy The Company holds this as an important business policy, and thus prescribes therefor in its good governance policies. Regard shall be given to impact on natural resources and the environment.

4.3 Risk Management Policy The Company has disclosed risk factors affecting businesses, indicating the characteristics of the risks, causes, impact and approaches to preventing or mitigating those risks.

4.4 Shareholding Structure The Company has disclosed the list of top 10 shareholders of the Company as at the date of book closing prior to the general meeting of shareholders. This disclosure is made on the Company website (www.thanulux.com)

4.5 Report of Board of Directors' Responsibility for Financial Statements The Board of Directors is aware of the significance of Financial Statements that are accurate, complete and in accordance with accounting standards. The disclosure of such information has been audited by an independent auditor and approved by the Audit Committee and Board of Directors prior to dissemination to shareholders. Also, in order to secure confidence, the Board of Directors has prepared a Report of the Board of Directors' Responsibility for the Financial Statements, signed by the Company Chairman and Managing Director, disclosed in the Annual Report (Form 56-1) together with the Auditor's Report. In 2022, the Company's Financial Statements were approved unconditionally by the auditor. The Financial Statements have been submitted to the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission in a timely manner. No instructions were given to amend the Company's Financial Statements.

4.6 Performance of the Board of Directors and Subcommittees The roles and duties of the Board of Directors and Company Committees have been disclosed, along with the number of meetings, attendance of each Company Director in meetings during the past year, under the heading "Management Structure" and "Governance" in the part pertaining to the Board of Directors and Company Committees.

4.7 Securities Holding of Directors and Executive Officers The Company has disclosed shareholdings and changes in shareholdings in the Company during the year of Directors and Executive Officers, directly and indirectly, in the Annual Report. Details can be found under the heading "Shareholder" in the part pertaining to Report of Shareholdings of Directors and Executive Officers in Thanulux Public Company Limited as of December 31, 2022

4.8 Remuneration of Directors and Executives A disclosure of the policy on remuneration payments to directors and executives, including the forms, types and amount of remuneration received by director and sub-committees, these details have been disclosed in the annual report (Form 56-1) under the heading on management structure, sub heading "Remuneration of Directors and Executives".

4.9 Report of Directors' Interests Policy The Board of Directors has prescribed a policy for Company Directors and Executive Officers to report to the Company every occasion which gives rise to a personal interest or the interest of a connected person. In 2022, the Company Directors and

Executive Officers have strictly complied with the policy. In addition, during the meeting of the Board of Directors, an interested Director could not participate in deliberations on an important agenda, and the Company has disclosed the interests of such Company Directors and Executive Officers in the notice of resolution submit to the Stock Exchange of Thailand information system.

4.10 Development of Directors and Executives Officers

The Company has disclosed information on training and development of Directors and Executive Officers. As detailed in the topic of recruitment, development and evaluation of the performance of the Board of Directors and in Attachment 1.

4.11 Connected Transactions The Company has complied with the rules of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. There are clear, prudent and reasonable guidelines for the greatest benefit of the Company and shareholders. Details of such transactions are disclosed, with specifications of contractual parties, relationships, characteristics of transaction, price terms and value of transaction, to the Stock Exchange of Thailand, published on the Company website and summarized in the Annual Report (Form 56-1) under the heading "Connected Transactions".

4.12 Quarterly Performance Reports The Company has published quarterly performance reports on the Stock Exchange of Thailand and Company websites. In the event of a change in net earnings in the same quarter on a year-on-year basis by more than twenty percent, the Company would provide an additional explanation for the performance.

4.13 Whistle Blowing The Company has prescribed a policy and measures for the protection of employees or whistle blowers in the Code of Conduct of Company Directors, Executive Officers and Employees. Details can be found under the heading "Anti-Corruption in the Sustainability Report".

4.14 Investor Relations The Company has stressed the importance of disclosing transparent and comprehensive information. Various news have been disseminated to investors and related persons in a timely manner and on an equal basis through channels and media of the Stock Exchange of Thailand, and via the Company's website at www.thanulux.com. In addition, the Company has designated a person who can provide information and news as required by investors or related persons.

Mr. Supachoke Sirichantaradilok,
Company secretary and Investor relations
Telephone No. 0-2295-0911-9 ext. 250
Facsimile No. 0-2294-5101
Email: supachoke@thanulux.com

Section 5: Responsibilities of the Board of Directors

The Board of Directors plays an important role in governing the Company to ensure efficient operations. These duties must be performed responsibly, prudently, honestly, and must utilize knowledge and competencies in the determination of the Company vision and mission statement with a view to securing sustained growth. In addition, there must be oversight of Executive Officers and employees to ensure compliance with guidelines in order to achieve the set objectives, as follows:

1. The Board of Directors has prescribed a structure for the Board of Directors comprising of persons having a diverse range of knowledge, competencies and experiences, without limitation to gender, and having the qualifications required by law. At least one Company Directors is a Non-Executive Director who has experience in the Company's business undertaking. There are also Independent Directors as required under the Notification of the Office of the Securities and Exchange Commission.

2. The Board of Directors has provided a definition for an Independent Director which meets the minimum requirements of the Office of the Securities and Exchange Commission.

3. The Board of Directors has appointed Committees to screen key matters prior to submission to the Board of Directors.

4. The Board of Directors has issued a charter for each Company Committee by prescribing the tenure and scope of powers and duties to clearly demarcate the roles, duties and responsibilities of each Company Committee and the management.

5. The Board of Directors has a policy which requires Company Directors and Executives holding directorial positions in other companies to make a disclosure to the Company Chairman and Chairman of the Audit Committee.

6. The Board of Directors has provided for a Company Secretary to perform duties prescribed by law and as entrusted. The qualifications of a Company Secretary should be a person possessing knowledge of law or accounting, or who has completed training relating to the performance of company secretarial duties. Continual training and knowledge development are also continually provided.

7. The Board of Directors has prescribed policies for governance, business ethics and codes of conduct for Company Directors, Executives and employees to ensure a harmonized approach.

8. The Board of Directors has prescribed a Company vision and mission so that the Company Directors, Executives and employees would strive towards the same goal.

9. The Board of Directors has a policy of continually promoting and sponsoring the development of knowledge amongst Company Directors, Executives and employees.

10. The Board of Directors prescribes an annual meeting schedule in advance every year. The determination of agenda takes into account the fair interests of shareholders and all stakeholders. All Company Directors enjoy independence in the expression of opinions. A Company Director having an interest in an agenda shall not have the right to vote in such agenda.

11. The Board of Directors prescribes a duty for Company Directors to attend all Board Meetings unless there is a necessary cause.

12. The Board of Directors has a policy of encouraging senior Executives to attend Board Meetings.

13. The Board of Directors provides Non-Executive Directors with opportunities to meet among themselves in the absence of the management when necessary. The Managing Director shall be notified of the meeting outcome.

14. The Board of Directors has a policy of promoting the Company Directors' access to essential additional information from the Managing Director, Company Secretary or other assigned Executives within the scope of the set policies. In the event of necessity, the Board of Directors may obtain independent opinions from advisors or external professionals on the Company's expenses.

15. The Board of Directors has implemented measures pertaining to conflicts of interest which are prudent, rational and in compliance with the rules and regulations of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

16. The Board of Directors prohibits Company Directors and Executives from trading in Company shares in the 1-month period prior to the public disclosure of financial statements.

17. The Board of Directors has directed Company Directors and Executives as well as their spouses and children who have not attained legal age to have the duty to disclose shares holdings and changes in holdings of the Company shares to the Office of the Securities and Exchange Commission, and to submit a copy to the Company Secretary for reporting to the Board of Directors in the subsequent Board Meeting.

18. The Board of Directors has directed Company Directors and Executives to disclose personal interests and interests of connected persons in accordance with the prescribed rules.

19. The Board of Directors has established an internal audit unit as an internal agency accountable to the Audit Committee.

20. The Board of Directors requires an annual assessment of the Board of Directors' performance.

21. The Board of Directors prepares a report on the responsibilities of the Board of Directors pertaining to the financial statements submitted in the Annual Report.

22. The Board of Directors oversees and determines the payment of appropriate remuneration to each committee member pursuant to the powers, duties and responsibilities and draws comparison to the operation levels in the same business sector.

23. The Board of Directors has prescribed a succession plan for employees in various positions in view of their advancement to higher positions.

24. The Board of Directors provides an orientation for first term Company Directors.

25. The Board of Directors has established an internal control system and risk management system.

26. The Board of Directors has provided for the monitoring and assessment of corporate governance by establishing the Governance Committee.

6.2 The Business Ethics

It is the Board's policy to promote cooperation between the Company and its stakeholders to strengthen the Company's performance. To this end, the Board shall promote engagement and be vigilant of stakeholders' interests pursuant to their legal rights. The Company's stakeholders are, namely, its shareholders, customers, trade partners, competitors, debtors, employees, local communities and society, the environment, and the government.

Responsibility towards stakeholders

- 1) **Shareholders** The Board of Directors shall perform its duties responsibly, prudently, earnestly, and honestly to generate continuous, sustainable, and good returns on investment for shareholders.
- 2) **Customers** Understanding that customer satisfaction and confidence are critical factors that contribute to the Company's sustainable success.
- 3) **Partners** The Board of Directors shall treat trading partners equitably and take into account mutual interests.
- 4) **Competitors** The Board of Directors shall ensure that the Company operates its businesses in accordance with the legal provisions.
- 5) **Creditors** The Board of Directors shall make certain that the Company operates in a principled and disciplined manner in order to build trust among creditors.
- 6) **Employees** Regarding employees as a valuable resource and a key factor in the Company's success.
- 7) **Community and Society** The Board of Directors shall operate the Company's businesses with due regard to the duties and responsibilities owed to the nation, community, and society, as well as local traditions, in order to maintain social order.
- 8) **Environment** The Board of Directors shall undertake businesses with due regard to the Company's responsibilities towards the environment.
- 9) **State Sector** To make sure that the Company operates in conformity with the rules and regulations enacted by the State.

Conflict of Interest

To deal with conflicts of interest or connected transactions shall be administered prudently, fairly, and rationally. There shall be a transparent system for approving transactions that takes into account the Company's best interests. Directors and executive officers shall be required to disclose their and related persons' interests in accordance with the prescribed rules.

Receiving or Giving a Meal or Gift

the Board of Directors aspires to operate within the framework of fair competition, it understands that receiving or giving a meal or gift is sometimes a necessary customary practice that fosters good relations. In this regard, the Board shall adopt the following guidelines:

1. A gift, token, or meal that may influence a decision shall always be prohibited. If it is customary to give or to receive a gift, token, or meal whose value is in excess of normal practices, a report shall be filed to the respective supervisor.
2. In the case of an assignment or authorization by a supervisor to assist with an external agency, a sum of money, an object, or a gift may be received in accordance with the applicable rules or standards prescribed by that external agency, e.g. gifts, presents, and lucky draw prizes.
3. In the case where an agent, contractual party, partner, or any other person wishes to offer a gift, token, or meal in the name of the Company, prior authorization from the Company shall always be required.
4. Expenses pertaining to these matters shall be maintained within a reasonable budget.

Anti-Fraud and Anti-Corruption Efforts

It is the Board of Directors policy to comply with anti-corruption laws. In this regard, create consciousness, values, and attitudes for employees in performing their duties according to the law, rules with integrity. An efficient and effective internal control system shall be put in place. There shall be suitable supervision and a system of checks and balances to prevent employees from being involved in fraud and corruption. Directors, executive officers, and employees shall be prohibited from performing any act that amounts to a demand or acceptance of any property or any other benefit, whether for themselves or for others, as an inducement to wrongfully perform or refrain from performing a duty or to act in a way that could result in a loss to the Company's legitimate benefits. There shall be a transparent and accurate financial reporting system. There shall be a channel for employees and related persons to provide notices of causes for suspicion with confidence of protection.

Non-Infringement of Intellectual Property

Pursuant to the Non-Infringement of Intellectual Property Policy, Business undertakings shall be consistent with laws, regulations, and contractual obligations governing intellectual property rights. Intellectual property works of the Company shall be safeguarded. Such intellectual property shall not be used or allowed to be used by outsiders without authorization. The intellectual property rights of others shall be respected. The works of others shall not be infringed upon or applied to personal use except when a license has been obtained or a fee paid to the owner of the work.

Non-Violation of Human Rights

With a great deal of respect for human rights, there shall be no activities or support for activities that violate human rights. Employees shall be provided with knowledge and understanding of human rights, which shall be applied to their respective functions. There shall be no limitations to independence or differences in ideology, gender, race, religion, politics, or other matters. Nonetheless, expressing an opinion that could cause conflicts or divisions shall be best avoided. Channels shall be provided for employees or persons who believe that their personal rights have been violated or that they have been treated unfairly to file a complaint with to Company. Such complaints shall be heeded and processed fairly.

Occupational Safety and Health

Attaching importance to occupational safety and health, business undertakings shall comply with safe and healthy work environment laws, regulations, and policies with due regard to the safety of life and property, as well as to the impact on the health of employees, trading partners, and stakeholders. Regular monitoring and safety assessment shall be conducted. Occupational safety shall be promoted. Work regulations, procedures, and standards shall be prescribed according to the level of risk. The safety of the working condition, work environment, and work procedures shall be improved. Protective tools and equipment shall be provided to employees.

A safe workplace culture shall be fostered for the entire organization to ensure sustainable and safe operations.

6.3 Major Changes and Developments of Policy, Practice and Corporate Governance System in the past year

6.3.1 Significant Changes and Developments of Policy, Practice and Corporate Governance System

Upon due studies on criteria, rules, notifications and guideline for the corporate governance of the Office of Securities and Exchange Commission (SEC) including principles and assessment criteria of various regulating departments, the Company assigns the Board of Directors and related boards for the review on policy, principles and practice guideline on the whole corporate governance every year.

In 2022, due to the Company's restructuring of business operations in order to perform duties and responsibilities of the Board of Directors are in line with the Company's business context and current operational flexibility. To compliance with Corporate Governance Code and Chapter 3/1 of the Securities and Exchange Act B.E. 2535 as amended by the Securities and Exchange Act (No. 4) B.E. 2551 and the Securities and Exchange Act (No. 5) B.E. 2559 Therefore, improvements are considered Charter of the Board of Directors and Charter of Sub-Committees, Authority, duty, and responsibility scope of the Chairman, and Authority, duty, and responsibility scope of the Managing Director. The document comprises the following:

1. Charter of the Board of Directors
2. Charter of the Audit Committee
3. Charter of the Nomination and Remuneration Committee
4. Charter of the Governance and Risk Management Committee
5. Charter of the Executive Committee
6. Authority, duty, and responsibility scope of the Chairman
7. Authority, duty, and responsibility scope of the Managing Director

Effective from December 8, 2022 onwards

3 documents about policy, practice guideline and corporate governance system are reviewed and approved for the same content and/or amendment as follows:

1. Anti-Corruption Policy
 2. Risk Management Policy
 3. The Good Corporate Governance Principles
- The matter has passed discussion of the Board of Directors No. 9/2022, held on 9 November 2022.

6.3.2 Compliance with good corporate governance principles for listed Companies

The Company has determined appropriated code of practice to conform with the business operation approach, with an aim to develop the corporate governance supervision for the listed companies, to oversee the business operation with transparency and fair, taking into consideration benefits of stakeholders as a priority, refraining from giving benefit to particular person and supporting independent performance of the Board of Directors and independent directors.

Orientation and Director's manual

Newly appointed directors are introduced at the Board of Directors meeting. They are given the business policy, the director's manual and the annual report for the purpose of reference. The director's manual has been revised and distributed to all directors and executives for their use. It contains information on the followings:

1. Comparison of the company's regulations, The Public Company Act, Securities and Exchange Act and Good Principles of Good Corporate Governance on topics concerning the performance of directors and executives such as the Board of Directors meeting, the Board of Directors duties and responsibilities, validity of the Board of Directors actions, and directorial elections.
2. Charters of each subcommittee.
3. Good Principles of Good Corporate Governance Policies. The principles of Corporate Governance are divided into 5 categories, business ethics section and code of conduct for company directors, executives and employees

Issues that the company had not yet implemented as per the corporate governance principle in past year

Chairman of the Board of Directors was not an Independent Director, Because of his knowledgeable, experience and industry expertise. He also performed his duties with transparency, strictly abide by corporate governance principles and allows all directors to express their opinions freely.

The company did not determine the number of companies for each director to be assume his directorship because each director had devoted time to perform his duties for the company by attending meetings regularly.

The company did not determine a length of time for any independent director, due to the opinion that in any operation, It was necessary to spend time for studying the job for getting the good understanding.

The Chairman of The Nomination Committee and the Chairman of The Remuneration Committee were not independent directors. Because the meeting has complied with the good corporate governance principles, the Chairman is not in the meeting room and did not cast vote on the agenda in which he had interests.

6.3.3 Performing other matters in accordance with good corporate governance principles

In 2022, Annual General meeting, the Company was assessed by the Thai Investors Association. In the project to assess the quality of the shareholders' meeting. The Company received a full 100 scores (5TIA).

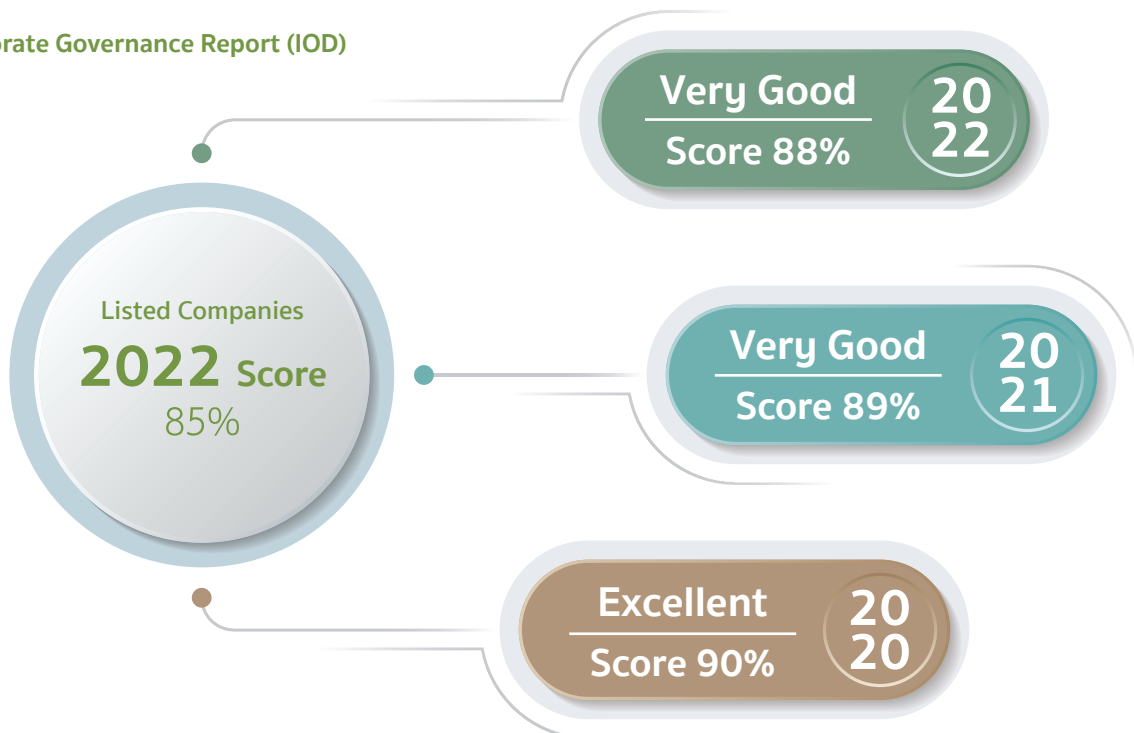
Annual General Meeting Checklist Result (100 Score)

5 TIA (100 score) in 2022



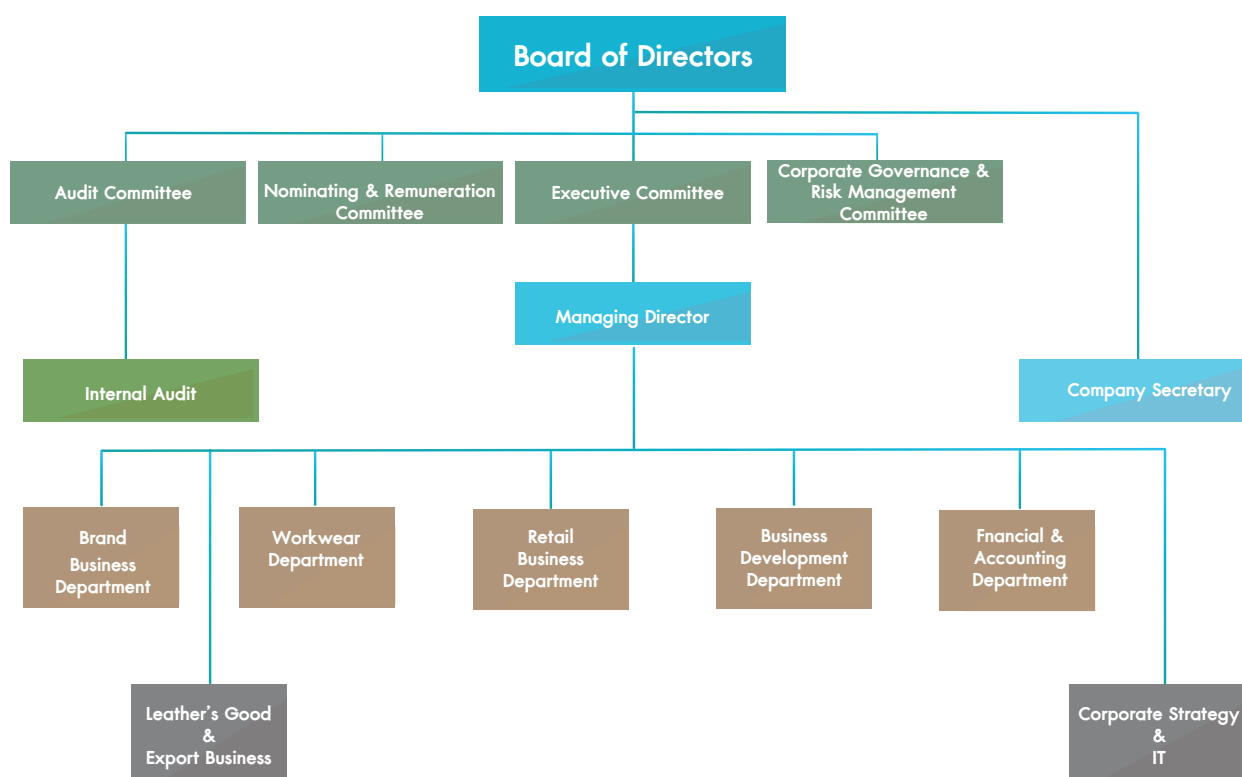
The Corporate Governance Report of Thai Listed Companies (CGR Checklist) 2022 was assessed by Thai Institute of Directors Association (IOD) under collaboration with the Stock Exchange of Thailand, Thanulux PCL has been ranked for 88 points, which is a very good range, exceeding the average score of overall listed companies.

Corporate Governance Report (IOD)



7. Corporate Governance Structure and Important Information about the Board, Sub-Committees, Management and Other Employees

7.1 Corporate Governance Structure



7.2 Board of Directors

7.2.1 Composition of the Board of Directors

The Company has a clear management structure which ensures accountability as well as sufficient checks and balances. The Board of Directors has appointed 4 company committees to scrutinize various aspects of the operation and has appointed executive officers to take charge of the company's operational management. The powers, duties and responsibilities of each company committee, chairman and managing director are clearly stated in writing in the charters. The company secretary performs functions prescribed by law and as assigned by the Board of Directors.

There are 9 members of the board of directors who named in the certificate letter of Ministry of Commerce as follows;

- 5 Non-Executive Directors constituting 55% which include 3 Independent Directors
- 4 Executive Directors constituting 45%

The Board of Directors oversees operations for the greatest benefit of the Company and shareholders and ensures compliance with law, objects, articles and shareholders' meeting resolutions. The Board of Directors is under an obligation to perform duties responsibly, prudently, honestly and in good faith as a reasonable operator of such business would perform under the same circumstances.

The Company has independent directors equal to one-third as required by law.

List of Board of Directors

Name-Surname			Position
1.	Mr. Thamarat	Chokwatana	Chairman
2.	Mr. Surayut	Thavikulwat	Director
3.	Mr. Kittichai	Treerachataphong	Director
4.	Mrs. Lapika	Sasanavin	Director
5.	Ms. Chawadee	Rungruang	Director
6.	Ms. Suthida	Jongjenkit	Director
7.	Prof. Dr. Suchatvee	Suwansawat	Independent Director
8.	Mr. Maris	Sangiampongsa	Independent Director
9.	Mr. Vittawat	Panpanich	Independent Director

Honorary Advisor of the Company's Board of Directors

- (1) Mr. Boonsithi Chokwatana Honorary Advisor
- (2) Mr. Keeree Kanjanapas Honorary Advisor
- (3) Mr. Manu Leelawatana Honorary Advisor

The Company management structure consists of the Board of Directors, sub-committee and executives with clear separate duties to ensure the transparent of operation and balanced of power. The Board of Directors appoints sub-committee, which comprises members who possess suitable knowledge and skills for each field to assure shareholders that the Company's operation and evaluating are prudent. The sub-committee are Audit Committee, Nomination & Remuneration Committee, Corporate Governance & Risk Management Committee and Executive Committee.

7.2.2 The Board of Directors and Individuals with controlling Power of the Company

Directors authorized to sign on behalf of the Company

Two of the six directors sign their names together and have the company's seal affixed, which are:

- 1. Mr. Thamarat Chokwatana or 2. Mr. Kittichai Treerachataphong or 3. Ms. Suthida Jongjenkit

Sign together with

- 4. Mr. Surayut Thavikulwat or 5. Mrs. Lapika Sasanavin or 6. Ms. Chawadee Rungruang

Total of two people, sign their names together and have the company's seal affixed,

Controlling persons

The Company does not have a controlling person who exercises a significant influence on the formulation of management or operational policies of the Company.

7.2.3 Duty and responsibility of the Board of Directors

The Board of Directors has determined scope of operation and duties of each committee clearly in the individual committee charter as described in Attachment 5.

During 2022, The Board of Directors convened total 13 meetings, there was a review of the vision, mission, core values, direction, goals, and business strategies. Moreover, in every quarter, the Board also monitored performance and progress of the strategic plan, whereby the meeting dates had been earlier decided throughout the entire year. Furthermore, additional meeting could also be summoned according to necessary circumstances.

7.3 Sub-Committees

The Board of Directors Meeting No.12/2022 on December 8, 2022 passed a resolution to a new restructuring of the Board of Directors, to appoint 4 sub-committees performed the duties of supporting the Board of Directors. The sub-committees hold office for a term of 1 year, in the period of June 2022 to May 2023. However, the sub-committees appointed later, there will be an agenda according to the remaining period only.

1. Audit Committee

Name-Surname			Position
1.	Prof. Dr. Suchatvee	Suwansawat	Chairman
2.	Mr. Maris	Sangiampongsa	Member
3.	Mr. Vittawat	Panpanich	Member

Mr. Woradej Puengsiricharoen to hold the position of Secretary to the Audit Committee

All members of the Audit Committee were not the company shareholders that more than 1% of the total number of shares with voting rights of the Company. not engages in business relationship or provided any professional service to the company, its parent company, subsidiary, associated company or juristic person who may have conflicts of interest. Furthermore, they also did not serve as audit committee in its parent company, subsidiary, or same-level subsidiary.

Authority, duty and responsibility of the Audit Committee, further details as described in Attachment 5.

In 2022, the Audit Committee holds monthly meetings Totally 12 times. A meeting schedule has been set in advance for the entire year. Joint meetings are also held with the management to discuss and exchange opinions relating to the Company's businesses. In addition, the joint meeting is held with the management and company auditor 1 time to inquire on issues identified by the audit of Company financial statements. The Audit Committee reports its performance results to the Board of Directors regularly every quarter.

2. Nomination & Remuneration Committee

Name-Surname			Position
1.	Mr. Vichai	Kulsompob	Chairman
2.	Mr. Kavin	Kanjanapas	Member
3.	Mr. Surayut	Thavikulwat	Member
4.	Ms. Suthida	Jongjenkit	Member

Ms. Suthida Jongjenkit to hold the position of Secretary to the Nomination & Remuneration Committee

Authority, duty and responsibility of the Nomination & Remuneration Committee, further details as described in Attachment 5.

In 2022, The Nomination Management Committee held its meeting 4 times and the Remuneration Committee held its meeting 2 times, on the dates which had been decided in advance throughout the entire year. The Nomination Committee and the Remuneration Committee subsequently reported the results to the Board of Directors.

3. Corporate Governance & Risk Management Committee

Name-Surname			Position
1.	Prof. Dr. Suchatvee	Suwansawat	Chairman
2.	Mr. Kittichai	Treerachataphong	Member
3.	Mrs. Lapika	Sasanavin	Member
4.	Ms. Suthida	Jongjenkit	Member

Mrs. Ratchanit Luepongpanich to hold the position of Secretary to the Corporate Governance & Risk Management Committee

Authority, duty and responsibility of the Corporate Governance & Risk Management Committee, further details as described in Attachment 5.

In 2022, The Corporate Governance Committee held its meeting 4 times and The Risk Management Committee held its meeting 4 times on the dates which had been decided in advance throughout the entire year. The Corporate Governance Committee and The Risk Management Committee subsequently reported the results to The Board of Directors.

4. Executive Committee

Name-Surname			Position
1.	Mr. Kavin	Kanjanapas	Chairman
2.	Mr. Vichai	Kulsomphob	Vice chairman
3.	Mr. Surayut	Thavikulwat	Member
4.	Mr. Kittichai	Treerachataphong	Member
5.	Mrs. Lapika	Sasanavin	Member
6.	Ms. Suthida	Jongjenkit	Member

Ms. Suthida Jongjenkit to hold the position of Secretary to the Executive Committee

Authority, duty and responsibility of the Executive Committee, further details as described in Attachment 5.

In 2022, The Executive Committee held its meeting 13 times, where by the meeting dates had been decided in advance throughout the entire year.

In addition, the Executive Committee has appointed several subcommittees to enable participation of employees in certain areas of management of the Company to ensure compliance, efficiency and effectiveness of Company operations. The following subcommittees have been appointed.

1. Safety Vocational Hygiene and Working Environment Committee
2. Workplace Welfare Committee
3. Provident fund Committee
4. Energy Management Working Group
5. Thai Labor Standard and Drug Prevention Working Group
6. The Innovation Competition Project Committee
7. The Customer Compliance Committee
8. Financial and Benefit Committee
9. Anti-Corruption Working Group
10. Corporate Social Responsibility Committee
11. ISO9001 Quality Management System Working Group
12. ISO14001 Environment System Working Group
13. Environmental Committee
14. CSR Committee
15. Green Plant Committee
16. Personal Data Protection Committee

7.4 Executive

7.4.1 Management

As December 31, 2022, the Company has total of Managements is 6 peoples with details as follows

Name-Surname			Position
1.	Ms. Suthida	Jongjenkit	Managing Director
2.	Ms. Marin	Leelanuwatana	Senior President of Business Development Department
3.	Mr. Suchart	Layluxsiri	Senior President of Apparel Department
4.	Dr. M.L. Sirapirom	Teeraprasert	Senior President of Organization Strategy and Information Technology Department
5.	Ms. Kochchakorn	Peungsiricharoen	Senior President of Leather's Good and Export Department
6.	Ms. Yupaporn	Jearrakul	Chief Finance Officer

Powers, Duties and Responsibility of the Managing Director

With due awareness on the importance of the Good Corporate Governance and to comply with Section 3/1 of the Securities and Exchange Act B.E. 2535, as per amendment by the Securities and Exchange Act (Volume 4) B.E. 2551, the Board of Directors has appointed Managing Director with the duties, authority and responsibility as follows:

1. To have the power to administer the operations of the Company pursuant to policies, law, objectives, Articles of the Company, resolutions of the meeting of shareholders, resolutions of the Board of Directors, resolutions of the Executive Committee, as well as relevant regulations and procedures.
2. To have the power to issue orders and carry out any act as necessary and appropriate in order to satisfactorily carry out the functions under article 1 and in the case of an important matter, a report shall be made and/or notice shall be given to the Board of Directors and/or the Executive Committee.
3. To have the power to issue regulations on the Company's operations, such regulations not being inconsistent with or contrary to the policies, articles, regulations, rules, orders and resolutions of the Board of Directors and/or Executive Committee.
4. Have the power to instruct, appoint, assign, dismiss, relocate, consider the performance, disciplinary measure as well as to determine employee compensation and welfare to the extent that these acts will not be in the contrary with the Executive Committee authority.
5. Have the power to provide and invest in fixed assets within the budget no more than 10 million baht for each investment.
6. Have the power to distribute, pay, transfer fixed assets within the budget no more than 10 million baht for each transaction.
7. Have the power to approve an investment budget, disposal of investment money in the ordinary shares and/or any other securities issued by other companies for no more than 10 million baht per each transaction.
8. Have the power to approve for an act in the law for all types of contracts, except the legal contract made for payment, in which the approval for each transaction shall not exceed 10 million baht.
9. Approve the compromise, settle a dispute by an arbitrator, grievance, filing a lawsuit and/or carrying out of proceedings for any lawsuit on behalf of the company regarding the case other than business course with the amount not exceeding 500,000 baht and/or the case under normal business course with the amount not exceeding 10 million baht.
10. All the power of authority of the Managing Director concerning the acquisition or disposal of assets and connected transactions shall be in compliance with the notification of the Capital Market Advisory Board.
11. To grant and/or delegate powers to other persons to perform specific tasks on behalf of the Managing Director.
12. The above powers of the Managing Director shall not be exercised in the event of the Managing Director's having a potential personal interest in or a conflict of interests of any character with the Company.
13. Any questions or doubt in such power or any ambiguous in exercising the power hereof shall be proposed to the Board of Directors for consideration.
14. To promote and develop adherence to good conduct, legal compliance, ethics and culture in the Company's business operations while observing good governance principles.
15. To carry out any other act as entrusted by the Board of Directors and/or Executive Committee.

7.4.2 Policy on Remuneration of Directors and Executives

Payment of remuneration to Executive Officers is made in accordance with the principles prescribed by the Company after having due regard to the Company's operating result, level of responsibility assigned and performance of the Executive Officer. For the performance of the Managing Director, the Board of Directors has assigned the Chief Executive Officer to evaluate.

7.4.3 Total remuneration of the Executive Committee and the Management

Compensation of the executive directors and executives means compensation provided for the executives as per definition of the Securities and Exchange Commission. The Company provides compensation to 6 executives (not include controller of accounting) in salary, supporting wages, allowance, retirement compensation provided as an employee and attendance fee paid according to the number of attendance.

1. Remuneration in money

Remunerations	Year 2022		Year 2021		Year 2020	
	Person	Amount (Baht)	Person	Amount (Baht)	Person	Amount (Baht)
Salaries and others	6	20,150,160	6	22,824,986	9	27,235,352
Meeting allowance	6	858,000	6	842,000	9	899,000
Total		21,008,160		23,666,986		28,294,352

2. Other Remuneration

Other remuneration of Executive Officers according to the definition of the SEC total of 6 persons (excluding the chief accountant) who are member of provident fund will received monthly contribution at the rate of 3 percent of the salary. In 2022, the Company made contributions to the provident fund for management of 6 people totaling 0.28 million baht.

7.5 Employees

Total employees of the Company as of 31 December 2022

TNL	2022			2021			2020		
	Administration (person)	Production (person)	Total (person)	Administration (person)	Production (person)	Total (person)	Administration (person)	Production (person)	Total (person)
Head office / Bangkok	432	581	1013	346	522	868	361	530	891
Lamphun	-	505	505	-	374	374	14	379	393
Kabinburi	-	425	425	-	403	403	13	352	365
Mae Sod	-	258	258	-	173	173	3	167	170
Sriracha	-	54	54	-	-	-	-	-	-
Total	432	1,823	2,255	346	1,472	1,818	391	1,428	1,819

Labour disputes over the previous 3 years period

-None-

Remuneration of all employees (Excluding Executives)

Remuneration consists of salaries, overtime pay, bonuses, provident fund contributions, retirement fees and other incomes.

Unit: million baht

Consolidated Returns	2022	2021	2020
	Amount	Amount	Amount
	438.93	438.93	460.16

Provident fund

The Company has established a provident fund according to the Provident Fund Act B.E. 2530 with corporate contribution 3% of employee salary. The employee can select to contribute to the fund at 3%, 5%, 10% and 15% based on their salary rate.

In 2022, total of 1,091 employees, or 59% of total employees, joined the provident fund.

7.6 Other important information

7.6.1 Information about Chief of Accountant, Head of Internal Audit, Head of Corporate Governance, Investor Relations and Company Secretary

Head of Accountant

The Company has assigned Ms.Somjit Sukkho, Accounting and Tax Section Manager, to act as Head of Accountant according to the rules of official agencies overseeing the company's business operations. Further details as described in Attachment 1.

Head of Internal Audit Office

The Audit Committee approved of Mr. Woradej Puengsiricharoen to take a position as head of Internal Audit Office, since the person has good quality of knowledge, abilities and experiences in such work and also received Internal Auditing Certificate Program (CIA No. 30825)

The Audit Committee agreed that the Head of Internal Audit's education, experience and training experience are adequate and suitable to perform duties as the Head of Internal Audit. Further details as described in Attachment 3.

Head of Compliance Office

The Company has not yet appointed the head of Compliance team, the Company has assigned the head of each department to be responsible for each line of work. So as to ensure that work performances shall comply with any related laws, rules, regulations, and provisions.

Company Secretary

The Board of Directors adopted a resolution to appoint Ms. Suthida Jongjenkit, whose qualifications are stated in "Details of directors, executives, controlling persons, and the Company's secretary" (Attachment 1), as the Company Secretary from December 8, 2022.

The roles, duties and responsibilities of Company Secretary

The Company Secretary is under an obligation to perform duties prescribed under section 89/15 and section 89/16 of the Securities and Exchange Act (No. 4) 2008, which came into force on August 31, 2008. Those duties must be performed responsibly, prudently and in good faith, and also in accordance with laws, objects, Company Articles, Board of Directors resolutions, including shareholders' meeting resolutions, as follows:

1. To provide preliminary advice to the directors on laws, regulations and articles of the Company, and to monitor proper and regular compliance, as well as to report substantive changes to the directors.
2. To coordinate between the Company directors and the management, to supervise and coordinate matters pertaining to the relevant laws and regulations, including proceedings to ensure compliance with resolutions of the Board of Directors.
3. To organize meetings of shareholders and meetings of the Board of Directors in accordance with laws, Company Articles and other directives.
4. To record minutes of meetings of shareholders and meetings of the Board of Directors as well as to monitor compliance with resolutions of meetings of shareholders and meetings of the Board of Directors.
5. To oversee the disclosure of information and file the relevant reports under the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand.
6. To prepare and archive the following documents:
 - (a) Directors' Register
 - (b) Notice of Board of Directors meeting, minutes of Board of Directors meeting and Annual Report of the Company
 - (c) Notice of shareholders meeting and minutes of shareholders meeting.
7. To maintain reports of interest reports filed by directors or executives
8. To carry out other proceedings as prescribed by the Capital Market Supervisory Board.

7.6.2 Investor Relations

The Board of Directors adopted a resolution to appoint Mr. Supachoke Sirichantaradilok, whose qualifications, as the Investor Relations from May 8, 2008. The Company prioritises the importance of information disclosure, which is transparent and thorough. News and information are shared to investors and related parties to acknowledge them without delay and in equal manner via SET channel and the Company's site: www.thanulux.com. In addition, the Company has assigned a person to provide information and news for investors and related person as per request through below channel.

Mr. Supachoke Sirichantaradilok Position Company Secretary and Investor Relations
 Tel. 02-295-0911-9, ext. 250
 Fax. 02-294-5101
 E-mail: supachoke@thanulux.com

7.6.3 Auditor's remuneration

The Company and subsidiary companies have obtained approval from the meeting of shareholders to pay an audit fees to ASV and Associates Company Limited, the audit office of the auditor's affiliation. Details of the fees are as follows:

Unit : Baht

Audit Fee	2022	2021	2020
Thanulux Public Company Limited	1,177,000	1,100,000	1,100,000
Subsidiary (2 Companies)	100,000	100,000	175,000
Other Services			
Thanulux Public Company Limited	60,000	60,000	60,000
Subsidiary (2 Companies)	-	-	-
Total	1,337,000	1,260,000	1,335,000

Remark: The Company paid other services fee for reviewing of compliance with conditions under the Investment Promotion Certificate.

8. Importance Performance Reports on Corporate Governance

8.1 Summary of the performance of the Board of Directors in the past year

In 2022, the Board of Directors has carried out completely and appropriated of corporate governance activities and monitored the performance of the Sub-committees and other working teams closely.

8.1.1 Nomination, Development and Evaluation of the Board's Performance

1. Nominating and Appointment of Directors

1.1 Selection Procedure for Appointment of Company Directors

Criteria for the selection of directors

For nomination process of the persons to be appointed directors, the company has set the criteria as follows:

1. Qualifications of nominated directors to be diverse or what is called Board Diversity in terms of educational level, professional skills, specialization that is beneficial to the company's business, and ability to meet the requirements of the strategy of the company's business operation without discrimination such as sex, age, and race, etc.
2. Having leadership, vision, integrity and ethics, as well as transparent work experiences.
3. Being qualified and not be prohibited under the laws and regulations of the company.
4. In case of the nomination of the retiring directors to serve another term, they will be considered additionally in term of the performance as directors and various committees in the past.
5. In case of the selection of persons to be appointed independent directors, they must have the qualifications required for independent directors, in accordance with The Notification by The Capital Market Supervisory Board.

Process for the selection of Directors

1. The Nomination Committee has been assigned to select qualified persons having appropriate qualifications to be nominated as company directors for consideration by The Board of Directors, prior to submitting to the shareholders' meeting for approval by the majority votes of the shareholders present at said meeting.

In the case where the retirement took place prior to term completion with the remaining term being not less than 2 months, The Board of Directors' meeting shall then be authorized to select the persons from the candidates proposed by The Nominating Committee, for further appointment as company directors, by the majority votes of not less than 3/4 of the remaining directors. In such case, the newly-appointed directors shall serve out the remaining term of their predecessors.

2. The Nomination Committee will analyse the skills, experience, knowledge and expertise of the board (Skill Matrix) as the consideration information for selecting directors in accordance with the strategy of the company's business operation.

In addition, regarding the selection of new board members, The Nominating Committee has considered more in terms of knowledge, ability and experience that can be beneficial to the performance of directors and essential to the structure of the board that is still lacking.

3. The Nomination Committee has considered the person to be nominated to serve as directors, apart from professional directors of the Thai Institute of Directors Association (IOD). The company also has provided an opportunity for minor shareholders to participate in the nomination of persons to be elected as directors.

1.2 Independent Director

With regard to the selection of persons to be appointed independent director, The Nominating Committee shall select from those persons having qualifications required for independent directors, in accordance with The Notification by The Capital Market Supervisory Board, in addition to basic qualification requirements above.

Independent Director's qualifications

The Board of Directors resolved to adopt the definition for "Independent Director" having qualifications in accordance with the notification of The Capital Market Supervisory Board as follows:

1. Holding shares not exceeding 1 percent of the total number of voting rights of the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, including the shares being held by related persons of independent directors.
 2. Neither being nor having been an executive director, employee, staff, or advisor who received regular salaries, or being a controlling person of the company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholders or persons having supervision authority over the company, unless the foregoing status ended not less than two years prior to the date of their appointments as independent directors. Nevertheless, such prohibited nature would not apply in the case of these independent directors having earlier served as government officials, or advisors to government agency acting as major shareholder in the company or having supervision authority over the company.
 3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executive, major shareholder, controlling person, or person to be nominated as executive or as controlling person of the company or its subsidiary.
 4. Not having business relationship with the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, in such manner likely to interfere with own independent judgment and neither being nor having been a significant shareholder or person having supervision authority over the person who has business relationship with the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, unless the foregoing relationship ended not less than two years prior to the date of appointment as independent director.
- The term 'business relationship' aforementioned under paragraph one included any normal business transaction, rental or lease of immovable property, transaction relating to the assets or services or the granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action, resulting in the company or its counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the company or twenty million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for the value of connected transactions under The Notification of The Capital Market Supervisory Board regarding The Compromise Criteria for Connected Transactions. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences.
5. Neither being nor having been an auditor of the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.
 6. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority or partner of the professional advisor, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.
 7. Not being a director who has been appointed as the representative of the company's director, major shareholder, or being a shareholder who is related to the major shareholder.
 8. Not engaging in business operations of the same business nature or in competition against the business operations of the company or its subsidiaries, nor serving as a significant partner in a limited partnership or otherwise serving as a director participating in the management, or serving as employee or consultant receiving regular salary or holding over 1% shares out of total shares in other companies engaging in the same business nature or in competition against the company and its subsidiaries.
 9. Not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

After appointed to be independent director who qualifies as stated above, such independent director may be assigned by the Board of Directors for taking part in the business decisions of the company, its parent company, its subsidiaries, its associated companies, same level subsidiaries, major shareholder or controlling person of the company on the condition that such decision must be a collective one.

In the event of any announcement by The Capital Market Supervisory Board imposing the revision to the qualifications for independent director, the company's independent director would thereby be required to possess such qualifications well complying with such revision.

Additionally, in the past accounting period, the independent directors of the company had neither business relationship nor professional services. Also, the appointed independent directors never have or had business relationship or professional services exceeded than the rules stipulated in the notification of The Capital Market Supervisory Board regarding the Application for and Approval of Offer for Sale of Newly Issued Shares

Shareholders' rights to elect Company Directors

Minor shareholders' rights to propose candidates as Company Director

The company provided minor shareholders with the opportunity to nominate candidates to be appointed as company directors at the annual shareholders' general meeting in advance according to the criteria specified by the company, whose further details were displayed on the company website under the heading "Investor Relations à IR News".

Vote-casting method for director appointment

According to company articles of association no.20, the shareholders' meeting was authorized to appoint company directors according to the criteria and method as follows:

1. One shareholder shall have one vote per one share.
2. Each shareholder must exercise all of the votes he or she has under the first paragraph to elect one or several persons to be a director or directors and must not allot his or her votes to any person in any number.

3. The persons receiving the highest number of votes, followed by those with descending highest number of votes shall be elected as the directors fulfilling the number of directorship required to be elected by the shareholder's meeting. In case the number of votes for the candidates in descending order are equal and exceed the number of directors to be elected at said meeting, the Chairman shall cast the deciding vote.

2. The selection method for the person to be appointed as Chief Executive Officer

2.1 The nominating of the Management

The nominating process for the persons to further serve in management positions for the company begins with the nominating of the persons having good qualifications and sound morality and ethics to join the company. The company then trains and develops these people to be well-prepared to meet the challenges as future management members, through its consistent evaluation process of employees' potentials and capabilities.

2.2 The nominating of the Chief Executive Officer

With the regard of nominating methods for the company's Chief Executive Officer, The Nominating Committee shall consider and select from the current management or others, with qualified knowledge and abilities, who understand the company's business very well, as well as be able to manage to achieve the objectives and targets set by The Board of Directors, and also not be prohibited by laws. Accordingly, such person is then proposed to The Board of Directors for consideration of appointment.

Development of Directors and Executives,

All Directors and Executives are encouraged to enhance their knowledge by participating in relevant training courses and seminars by the Thai Institute of Directors Association (IOD), the office of Securities and Exchange Commission, the Stock Exchange of Thailand, and the Thai Listed Company Association. Moreover, our directors and executives meet regularly with their counterparts from other organizations, to exchange their views.

In 2022, the Directors and Executives of the Company had participated in these following courses as follows;

Name- Surname	Course
1 Ms. Chawadee Rungruang	Positive Business Strategist (The Master) 2022, The Institute for Positive Business Strategy (iSAB)
2 Ms. Suthida Jongjenkit	Company Secretary Program (CSP132/2022) Thai Institute of Directors Association (IOD)
3 Ms. Yupaporn Jearrakul	Digital Asset and Business Growth Opportunities (New S- Curve), the Thai Listed Company Association CFO Re fresher (3/2022)

Succession plan

The Board of Directors appreciates the importance of building executives to succeed the chief executive positions. The following principles are pursued:

- (1) A description of the chief executive positions, relevance to targets and strategies of the organization, as well as a specification of the qualifications, knowledge and skills required.
- (2) Nominating of executive officers who possess competence and abilities.
- (3) Analysis of individual qualifications in order to identify strengths and areas in need of further development.
- (4) Constructing an individual development plan to promote development of competence and potentials.

Assessment of the Board of Directors

The Board of Directors appreciates the significance of its roles, duties and responsibilities towards the performance of functions for the best interest of the Company and all stakeholders. Therefore, there is an annual assessment of the Board of Directors and Sub-committee.

The Company stipulates criteria for Assessment the performance of directors as follows:

The Board of Directors:

- (1) Role, duty and responsibility of the Board of Directors
- (2) Independence of the Company Director
- (3) Relationship with management and stakeholders

Individual:

- (1) Roles, duties and responsibilities of Director
- (2) Duty fulfillment of the Company Director
- (3) Self-development of the Company Director

Annual Assessment	2022		2021	2020
	%	Level Satisfaction	%	%
Company Directors				
Board of Directors	85.16	Very good	83.16	81.16
By Individual	89.63	Very good	89.03	87.00
Sub-committees				
Audit Committee	99.50	Excellent	97.33	98.00
Nominating Committee	83.33	Very good	86.67	79.58
Remuneration Committee	83.56	Very good	91.56	84.44
Risk Management Committee	76.75	Very good	74.75	81.56
Governance Committee	85.50	Very good	88.25	85.50
Executive Committee	81.93	Very good	82.78	73.42

Annual Evaluation of the Managing Director

The Board of Directors requested the Chairman of the Executive Committee to evaluate the performance of the Managing Director on an annual basis. The result is used to determine remuneration, based on the following factors:

(1) Performance of the company

(5) Integrity and loyalty to the organization.

(2) Vision and business strategy

The evaluation result is confidential personal data which cannot be disclosed.

(3) Leadership, teamwork and succession plan

(4) Flexibility and adaptability

8.1.2 Meeting Attendance and Remuneration for Individual Committees

In 2022, attendance in each Company Committee may be summarized as follows:

Unit : Time / Year

No.	List of Directors	AGM / EGM	Board of Directors	Audit Committee	Nomination Committee	Remuneration Committee	Risk Management Committee	Corporate Governance Committee
1	Mr. Manu Leelanuwatana ¹	3/3	11/11	-	4/4	-	-	-
2	Mr. Thamarat Chokwatana	3/3	12/12	-	4/4	2/2	-	-
3	Ms. Dusadee Soontorntrumong ²	3/3	11/11	-	-	2/2	-	4/4
4	Ms. Marin Leelanuwatana ³	3/3	13/13	-	4/4	2/2	-	4/4
5	Ms. Yupaporn Jearrakul ⁴	3/3	12/12	-	-	-	4/4	4/4
6	Mr. Suchart Layluxsiri ⁵	3/3	11/11	-	-	-	-	-
7	Mr. Wasin Teyateeti ⁶	2/3	9/11	11/11	-	-	-	-
8	Assoc. Prof. Dr. Nipon Poapongsakorn ⁷	1/1	4/4	5/5	-	-	-	4/4
9	Mr. Maris Sangiampongsa	3/3	13/13	12/12	-	-	-	-
10	Mr. Surayut Thavikulwat ⁸	-	1/2	-	-	-	-	-
11	Mr. Kittichai Treerachataphong ⁹	-	1/1	-	-	-	-	-
12	Mrs. Lapika Sasanavin ¹⁰	-	1/2	-	-	-	-	-
13	Ms. Chawadee Rungruang ¹¹	-	2/2	-	-	-	-	-
14	Ms. Suthida Jongjenkit ¹²	-	1/1	-	-	-	-	-
15	Prof. Dr. Suchatvee Suwansawat ¹³	2/2	5/6	1/4	-	-	-	-
16	Mr. Vittawat Panpanich ¹⁴	-	1/1	1/1	-	-	-	-

Notes: 1. Mr. Manu Leelanuwatana was resigned from a chairman of the Board of Directors and a chairman of the Nomination Committee on December 7, 2022

2. Ms. Dusadee Soontorntrumong was resigned from a Director, a member of the Remuneration Committee, and a member of the Corporate Governance Committee on December 8, 2022

3. Ms. Marin Leelanuwatana was resigned from a Director, a member of the Nomination Committee, a member of the Remuneration Committee, and a member of the Corporate Governance Committee on December 7, 2022

4. Ms. Yupaporn Jearrakul was resigned from a Director, a member of the Risk Management Committee, and a member of the Corporate Governance Committee on December 8, 2022

5. Mr. Suchart Layluxsiri was resigned from a Director on December 7, 2022

6. Mr. Wasin Teyateeti was resigned from a Director and a chairman of the Audit Committee on December 7, 2022

7. Assoc. Prof. Dr. Nipon Poapongsakorn was resigned from a Director and a member of the Audit Committee on June 9, 2022 and was resigned from a chairman of the Corporate Governance Committee on December 8, 2022

8. Mr. Surayut Thavikulwat was appointed as a Director on December 7, 2022 and was appointed as a member of the Nomination and Remuneration Committee on December 8, 2022

9. Mr. Kittichai Treerachataphong was appointed as a Director and a member of the Corporate Governance and Risk Management Committee on December 8, 2022

10. Mrs. Lapika Sasanavin was appointed as a Director on December 7, 2022 and a member of the Corporate Governance and Risk Management Committee on December 8, 2022

11. Ms. Chawadee Rungruang was appointed as a Director on December 7, 2022

12. Ms. Suthida Jongjenkit was appointed as a Director, a member of the Nomination and Remuneration Committee, and a member of the Corporate Governance and Risk Management Committee on December 8, 2022

13. Prof. Dr. Suchatvee Suwansawat was appointed as a Director and a member of the Audit Committee on August 10, 2022 and was appointed as a chairman of the Audit Committee and a chairman of Corporate Governance and Risk Management Committee on December 8, 2022

14. Mr. Vittawat Panpanich was appointed as the Director and member of the Audit Committee on December 8, 2022

The Board of Directors and subcommittees meetings

The Board of Directors and subcommittees have arranged meeting schedule one year in advance. Additional meetings may be called upon issued, as necessary. Each meeting is accompanied by clear agendas. The secretary of each committee shall send out invitation letters together with the agenda and supplemental meeting documents to the directors not less than 7 days in advance in order to enable the directors to carry out adequate studies of the information prior to the meeting. In the meeting, the chairman shall give opportunities to all directors to fully debate and express opinions, and to the executives to give explanations and responses to questions. Minutes are recorded in writing. Minutes which have been approved by the board are systematically archived as evidence for references and ready for inspection.

1. Monetary Remuneration

(A) Directors Remuneration

Shareholders' Meeting No. 48 on April 26, 2022 passed a resolution approving the remuneration limit in an amount not exceeding Baht 10 million per annum for Company Directors. This remuneration does not include compensation or welfare benefits payable to Company Directors in their capacities as officers or employees of the Company. The following compensation has been determined for performance of duties.

Remuneration for the Director of Committees		Meeting Allowance (Baht / meeting)
Board of Directors	- Chairman	10,000
	- Director	8,000
Audit Committee		
- Monthly	- Chairman	10,000
	- Member	8,000
- Quarterly	- Chairman	60,000
	- Member	30,000
Nominating Committee	- Chairman	10,000
	- Member	8,000
Remuneration Committee	- Chairman	10,000
	- Member	8,000
Risk Management Committee	- Chairman	10,000
	- Member	8,000
Governance Committee	- Chairman	10,000
	- Member	8,000

Remark: Meeting allowances are paid only to Members present at the meeting

Remuneration of Directors

Criteria for remuneration of Directors and Executives
Payment of remuneration to Company Directors is subject to the limits and rules set by the Remunerations Committee. Due regard is given to other companies in the same industry, the Company's expansion, growth of the Company's operating results, and the powers, duties, responsibilities and performance of Company Directors.

Remuneration is determined as meeting allowances and an annual fee

A proposal would be made to the Board of Directors for consideration before submission to the General Meeting of Shareholders for approval of the remuneration limit.

(B) Annual fee (remuneration)

Payable to all Company Directors. The Remuneration Committee considers allocation of this amount and proposes to the Board of Directors for approval.

Monetary Remuneration details for the Board of Directors and Subcommittees

No.	List of Directors		Position	Meeting Allowance (Baht)	Annual fee	Total Remuneration
1	Mr. Manu	Leelanuwatna	Chairman of the Board of Directors (resigned on Dec 7, 2022) Chairman of the Nomination Committee (resigned on Dec 7, 2022)	110,000 40,000	-	150,000
2	Mr. Thamarat	Chokwatana	Chairman of the Board of Directors (appointed on Dec 8, 2022) Vice Chairman of the Board of Directors Chairman of the Remuneration Committee (resigned on Dec 8, 2022) Nomination Committee Member (resigned on Dec 8, 2022)	10,000 98,000 20,000 32,000	400,000	560,000
3	Ms. Dusadee	Soontorntumraon	Director (resigned on Dec 8, 2022) Remuneration Committee Member (resigned on Dec 8, 2022) Corporate Governance Committee Member (resigned on Dec 8, 2022)	96,000 16,000 32,000	800,000	944,000
4	Ms. Marin	Leelanuwatna	Director (resigned on Dec 7, 2022) Nomination Committee Member (resigned on Dec 7, 2022) Remuneration Committee Member (resigned on Dec 7, 2022) Corporate Governance Committee Member (resigned on Dec 7, 2022)	88,000 32,000 16,000 32,000	400,000	568,000
5	Ms. Yupaporn	Jearrakul	Director (resigned on Dec 8, 2022) Risk Management Committee Member (resigned on Dec 8, 2022) Corporate Governance Committee Member (resigned on Dec 8, 2022)	96,000 32,000 32,000	300,000	460,000
6	Mr. Suchart	Layluxsiri	Director (resigned on Dec 7, 2022)	88,000	200,000	288,000
7	Mr. Wasin	Teyateeti	Director (resigned on Dec 7, 2022) Chairman of the Audit Committee (resigned on Dec 7, 2022)	64,000 310,000	300,000	674,000
8	Assoc. Prof. Dr. Nipon	Poapongsakorn	Director (resigned on Jun 9, 2022) Audit Committee Member (resigned on Jun 9, 2022) Chairman of the Corporate Governance Committee (resigned on Dec 8, 2022)	32,000 84,000 40,000	250,000	406,000
9	Mr. Maris	Sangiampongsa	Director Audit Committee Member	104,000 184,000	200,000	488,000
10	Mr. Surayut	Thavikulwat	Director (appointed on Dec 7, 2022) Nomination and Remuneration Committee Member (Appointed on Dec 8, 2022)	8,000 -	-	8,000
11	Mr. Kittichai	Treerachatapong	Director (appointed on Dec 8, 2022) Corporate Governance and Risk Management Committee Member (appointed on Dec 8, 2022)	8,000 -	-	8,000
12	Mrs. Lapika	Sasanavin	Director (appointed on Dec 7, 2022) Corporate Governance and Risk Management Committee Member (appointed on Dec 8, 2022)	8,000 -	-	8,000
13	Ms. Chawadee	Rungruang	Director (appointed on Dec 7, 2022)	16,000	-	16,000
14	Ms. Suthida	Jongjenkit	Director (appointed on Dec 8, 2022) Nomination and Remuneration Committee Member (appointed on Dec 8, 2022) Corporate Governance and Risk Management Committee Member (Appointed on Dec 8, 2022)	8,000 - -	-	8,000
15	Prof. Dr. Suchatvee	Suwansawat	Director (Appointed on Aug 10, 2022) Chairman of the Audit Committee (Appointed on Dec 8, 2022) Audit Committee Member Chairman of the Corporate Governance and Risk Management Committee (Appointed on Dec 8, 2022)	40,000 10,000 46,000 -	-	96,000
16	Mr. Vittawat	Panpanich	Director (Appointed on Dec 8, 2022) Audit Committee Member (Appointed on Dec 8, 2022)	8,000 8,000	-	16,000
Total				1,848,000	2,850,000	4,698,000

For the remuneration of other committee members appointed by the Board of Directors, the Remuneration Committee shall determine in appropriate circumstances and in accordance with the duties and responsibilities and presented to the Board for approval.

In 2022, The Company paid the meeting allowance of Baht 1,848,000 annual fee Baht 2,850,000 total Baht 4,698,000.

2. Other Remuneration

- None-

The Company does not have a policy of paying other remuneration apart from remuneration paid by the Company to Directors or employees in the ordinary course of business. There is no grant of shares, debentures or other securities.

The Company has a policy of ensuring that a subsidiary has a sufficient and appropriate internal control system. The Company's internal audit office would monitor the subsidiary company's internal control system every year.

In addition, the Company instructs the person appointed by the Company to oversee the subsidiary company's compliance and disclosure of significant information pursuant to the same applicable rules as the Company, such as connected transactions, acquisition or disposal of assets or other significant transactions, including supervision of data collection and financial accounting of the subsidiary company in order to facilitate inspections and consolidation of financial statements in a timely manner.

8.1.3 Supervision of Subsidiaries

The designated Company Directors will meet together to select a person which the Company would nominate and vote to appoint as a director of a subsidiary company. The number of persons voted by the Company for appointment would be in proportion to the Company's shareholding. The person appointed as a director of a subsidiary company would be under a duty to act in the best interest of that subsidiary company, except on matters pertaining to important policies having an impact on business operations for which the Company requires such appointed person to obtain the approval of the Board of Directors prior to voting on the resolution.

The Company does not have any agreement with other shareholders on the management of subsidiary companies. The Company also does not have any agreement with other shareholders on the allocation of returns other than normal returns pursuant to the proportion of shareholding in the subsidiary company.

In 2022, the Company has 5 subsidiaries, the directors of each subsidiaries are as follows:

1. S. Apparel Company Limited

Name-Surname		Position
1.	Mr. Supotch Pakaworawuth	Chairman
2.	Mr. Woradej Puengsiricharoen	Director
3.	Mr. Chayarop Mahamontri	Director

2. Celebrate Wealth Company Limited

Name-Surname		Position
1.	Miss Yupaporn Jearrakui	Director and Managing Director
2.	Miss Marin Leelanuwatana	Director
3.	Mr. Chairat Wattanachotiwat	Director
4.	Mr. Suchart Layluxsiri	Director

3. TNLX Co., Ltd.

	Name-Surname		Position
1.	Mr. Thamarat	Chokwatana	Chairman
2.	Ms. Dusadee	Soontornumraon	Director
3.	Ms. Marin	Leelanuwatna	Director
4.	Ms. Yupaporn	Jearrakul	Director
5.	Mr. Suchart	Layluxsiri	Director
6.	Mr. Vichai	Kulsomphob	Director
7.	Ms. Suthida	Jongjenkit	Director

4. TNL Alliance Co., Ltd.

	Name-Surname		Position
1.	Mr. Surayut	Thavikulwat	Director
2.	Mrs. Lapika	Sasanavin	Director

5. Oxygen Asset Co., Ltd.

	Name-Surname		Position
1.	Mr. Boonsithi	Chokwattana	Chairman
2.	Mr. Samrerng	Manoonpol	Director
3.	Mr. Manu	Leelanuwatna	Director
4.	Ms. Sirikul	Dhanasarnsilp	Director
5.	Mr. Pipope	Chokwattana	Director
6.	Mr. Vichai	Kulsomphob	Director
7.	Ms. Kesara	Sumkarnjanaruk	Director

8.1.4 Monitoring to ensure the implement of the corporate governance policy and practice

The Board of Directors believes that compliance with the Good Corporate Governance Code, which is the foundation of sustainable development and business value creation, will bring about competitiveness and desirable profitability. To this end, the Board has considered long-term effects, ethical business practices, respect for and responsibility towards shareholders and stakeholders, benefits to society, eco-friendly developments, the minimization of environmental impact, and the ability to cope with change.

In addition, the Company also follow up to ensure the compliances with good corporate governance in 4 important issues as follows:

1) Management of Conflicts of Interests

The Board of Directors attaches significance to the scrutiny of transactions which could potentially lead to a conflict of interests. This is to be carried out prudently, honestly and in good faith. Thus, policies relating to conflicts of interests have been prescribed as part of the corporate governance policies and business ethics. Further details are available on the Company website (www.thanulux.com). The Company disclosed details of transactions with potential conflicts of interests under the heading "Connected Transactions".

2) Supervision of inside

The company placed much emphasis on the protection and supervision over usage of inside information, as specified in the company's business ethics, prohibit directors, managements and employees who access to inside information, from any act in exploitation of such inside information, especially those information not yet disclosed to the public. Violation is considered as a disciplinary offence.

1. The company has in place a measure for the monitoring of its security trading transactions by prohibiting company directors, management members, and employees having access to inside information, from engaging in any act in exploitation of such information, particularly those information not yet disclosed to the general public. Any violation would be deemed as a disciplinary offence of company regulations. Furthermore, for the period of 1 month prior to the disclosure of financial statements to the public, the company sent out related circular to the directors, the management, and the employee having access to inside information, instructing them to refrain from any purchase or sales transaction of company shares during said period, together with the penalties to be imposed in the case of violation or non-compliance with said regulation.

In 2022, the company directors, management members, and employees were not found to have any abuses related to inside information.

2. The company informed company directors, management members to acknowledge of duty to report their shareholding status, as well as those by spouses and children not yet reaching legal maturity, within 30 days from the day of their appointments to become directors or management members. Furthermore, in the case of any change occurring to their shareholding status, they were required to report such change details within 3 days from the day of change to The Securities and Exchange Commission according to article 59 of The Securities and Exchange Act B.E. 2535.

Furthermore, the company has set a policy for company directors, management members including their spouse and underaged children having duty to inform of the company's securities trading to the Chairman of the Board at least 1 working day prior to trading and report their shareholding

and the changes in holding of the company's securities to The Board of Directors at the next Board of Directors' meeting. The company has to provide the agenda to report the securities holding status by the company directors and the management including their spouse and underaged children to the Board of Directors' meeting acknowledged on a quarterly basis.

In 2022, the company directors and the management did not have any trading of the company's securities.

3. The company had in place a measure for monitoring of the company director and the management's interest by requiring the interest report of company director, the management, and related persons which their interest are connected to the company's business operation.

In 2022, the company directors and the management strictly followed the above regulation.

3) Anti-Corruption

Anti-Corruption Policy

1. The company will not be a party to pay bribes. In case of charitable contributions, political contributions as well as offering gifts in a business manner, this must be transparent, explainable and audited.
2. Supporting enhancement of awareness and value for anti-corruption among the company directors, executives and employees to perform duties in accordance with relevant laws, notifications and regulations by preparing such manual for guidelines.
3. The company directors, executives and employees must not act as an intermediary in demanding and accepting gifts or benefits from government sectors or private sector, which induces to violate the laws. Moreover, it is illegal to use positions and/or duties to use the company's data to seek benefits for one or others.
4. Setting the system to report financial status transparently and accurately, providing and efficient and effective internal control system, and controlling check-and-balance system to be appropriate in order to prevent conducting any fraud or taking part in any fraud and corruption.
5. Monitoring and reviewing the anti-corruption policy, guidelines and regulations consistently for operation in order to adjust with business changes, laws and regulations.
6. Opening channel for reporting any suspected activity and ensuring that such reporters receive protection.

Anti-corruption procedure

Definition

“Corruption” means

1. Usage of power entrusted by position to obtain benefit for oneself or others.
2. Bribery, regardless of form, whether by offering, promising, giving, acceptance, or demanding for benefit, to persuade any person to act illegally, in contrary with good moral, or undermine trust.

Except those actions permitted or acceptable by law and regulations, rules, social tradition, or commercial practices

“Political support” means financial support, gift, lending or donation, supplies, advertisement to promote or support political party, event ticket purchasing for the purpose to donate funds or supplies to organization with close relationship with political party, including devotion of employee’s working period for benefit of political party or political candidate.

Forms of corruption

1. Political support

- 1.1 The company strongly adheres to the democratic regime of government with the King as Head of State with political neutrality. The company shall not support or conduct any act regarded as a bias to any political party.
- 1.2 In case of political support to promote democracy, such support shall not be in contrary with law, and shall not be made with expectation of preferential treatment in return. In such case, support shall be made in compliance with company’s regulations concerning withdrawal of funds by specifying name of receiver, purpose of support, transaction detail, amount, withdrawal date with related documents attached and send to person in charge with respect to approval authority.
- 1.3 Employees have freedom to participate in political activities under the provisions of law, but shall not use employment status or the company’s properties or equipment for political benefit. Employees should participate with awareness of any act which may lead to misunderstanding that the company is a political partisan or support any political party.

2. **Charity donation** whether in the form of financial support or other forms, as part of corporate social responsibility activities to promote and improve the company’s reputation and image, without expectation for business benefit in return, shall be in accordance with following guidelines;

2.1 The company shall be aware and ensure that the charity donation is not hidden transaction to avoid bribery. Moreover, it shall be made in transparent manner and in accordance with law.

2.2 Charity donation shall be made in compliance with company’s regulations concerning withdrawal of funds by specifying name of donate, purpose of donation with related documents attached, and deliver to HR department to verify and comment before sending to person in charge with respect to approval authority.

3. **Sponsorship** To promote the company’s business, brand or reputation can be made in many forms such as supporting educational activities, arts, cultures, etc. The guidelines are as described below:

3.1 The company shall be aware and ensure that the sponsorship is not hidden transaction to avoid bribery. Moreover, it shall be made in transparent manner and in accordance with law.

3.2 Sponsorship shall be made in compliance with company’s regulations concerning withdrawal of funds by specifying name of receiver, purpose and detail of transaction, amount, withdrawal date, with related documents attached and send for approval with respect to level of authority.

4. **Gift, gratuity, and entertainment** shall be made in accordance with the company’s business ethics.

4.1 Employees may offer / accept gift, gratuity, or entertainment to / from any person if such transaction:

1. is in accordance with company’s business ethics, regulations and applicable law.
2. is made openly in name of the company, not in name of directors, managements, and employees.
3. is not made in a form of cash or cash equivalent such as gift card or voucher.
4. is properly made due to time and place, such as occasional gift made during festival.

4.2 Employees can accept occasional gift and gratuity with a value not more than 3,000 Baht. Otherwise, such employees shall report to their supervisors accordingly.

5. **Conflict of Interest** The Company shall control transactions made with a person who has conflict of interest in accordance with the principles of good corporate governance, company's business ethics, and notification of the Capital Market Supervisory Board and the Stock Exchange of Thailand.

6. **Business relationships and procurement with government and private sectors** The Company's business operations and communication with government or private sectors shall be made in transparent and straightforward manner in accordance with company's regulations concerning procurement and applicable law, without any bribery in any business transactions.

Role and responsibilities

1. The Board of Directors are responsible for setting policies and establishing mechanisms that effectively support anti-corruption practices to ensure that working team appreciates the importance of anticorruption practices and to encourage these practices to become a part of organizational culture.
2. The Audit Committee has the duty of reviewing the financial and accounting reports, internal control, internal audit, risk management mechanisms, including potential corruption risks, as well as a duty to ensure that anti-corruption measures are in compliance with international standards, and that they remain appropriate and effective.
3. The Risk Management Committee has a duty to monitor and promote risk management practices by evaluate the company's risk and corruption risk, including review the sufficiency of risk management and anticorruption mechanisms, before report to the Board of Directors.
4. The Executive Committee and managements have the duty of establishing mechanisms for support and promotion of anti-corruption policy, and communicating those policies to employees and all relevant persons. These duties include the review of related mechanisms and measures to ensure that they are proper and in conformity with changes in business, law, company' s rules and regulations, notifications and other measures (if any)

5. The Corporate Governance Committee had a duty to determine, revise, improve the policies and guidelines for anti-corruption practices including promotion and support the Directors, Executives and Employees to comply with the principles of good corporate governance and anti-corruption policy.

Practice Guidelines

1. The Company shall not conduct any act regarded as bribery or corrupt practice, whether directly or indirectly. Directors, managements and employees shall not overlook or ignore any suspected corrupt practice related with the company that he has witnessed. The witness shall report to the supervisors or person in charge and shall cooperate with the investigation. Questions and enquiries if any shall be made with supervisors or designated person who are responsible for compliance with company's business ethics.
2. The Company shall cooperate and support both government and private sectors to combat corruption or misconduct.
3. The Company will not support or conduct any act regarded as being biased to any political party. In case of political support to promote democracy, such support shall not be in contrary with law, and shall not be given with expectation of preferential treatment in return.
4. Gift, gratuity, and entertainment shall be permitted only to the extent permitted by law, acceptable with respect to social tradition and commercial practices.
5. The Company requires all directors, managements, and employees to be aware of and comply with the Anti-corruption policy including applicable directives.
6. Reports and complaints employees or stakeholders who witness, possess evidence or suspect that an employee or a person acting on behalf of the company involve, whether directly or indirectly, with bribery or corruption, violation of law, non-compliance of the company's rules and regulations including policies or code of conduct for directors, managements, and employees, or unfair treatment in workplace, can report or complaint as detail below:

6.1 Complaint channels

1. Verbal or correspondence complaints to

- President of Internal Audit Department Tel: 0-2295-0911 ext. 168
- Chief Financial Officer Tel: 0-2295-0911 ext. 248
- HR Manager Tel: 0-2295-0911 ext. 286
- Company Secretary Tel: 0-2295-0911 ext. 250

2. E-mail address: anticorruption@thanulux.com

3. Suggestion Box

In case of anonymous whistle blower, detail of facts or sufficient evidence shall be provided to demonstrate that there is an involvement with bribery or corruption.

Relevant information will be strictly kept in confidential, taking into account safety of the whistleblower, unless required to be disclosed by law.

Complaints in bad faith

If any evidence, complaints, statements, or information is proven to be an act in bad faith, resulting in damages to any person or the company, if the bad faith whistleblower is an employee of the company, he shall be subject to disciplinary action in accordance with the company's regulations and/or legal action. If the bad faith whistleblower who causes damages to the company is a third party, the company reserves the right to take legal action against such person.

6.2 Conditions and procedures for complaints

1. Complaint or evidence of misconduct must be true, clear and contain sufficient details to initiate investigation.
2. The information received shall be kept strictly confidential. The identity of the whistleblower shall not be disclosed without consent.
3. The whistleblower who reports misconduct in good faith shall be treated properly and fairly whether he is the company's employee or outside third party.
4. Proceedings timeframe depends on the complexity of the case, sufficiency of the evidence and statement received from the whistleblower.
5. Report receiver and investigation participants shall keep relevant information confidential. Information shall be disclosed to the extent necessary with respect to safety of the whistleblower, collaborator, and related persons.

6.3 Related personnel

1. Whistleblower means a person who files a complaint or report of a suspected misconduct
2. Report receiver means the person described in clause 6.1 no.1

7. Investigation

7.1 Report receiver shall conduct investigation and examine the facts, or he may assign a reliable person or department to act on his behalf.

7.2 Report receiver or assigned personnel is authorized to summon an employee to make statement or demand from him documents necessary for investigation.

7.3 Report receiver shall report the examined case to top management in order to report to risk management committee, audit committee and Board of Directors respectively.

For the case concluded as misconduct with disciplinary or legal action to be imposed, HR department shall submit a summary report with recommendation to top management for final decision.

The Company shall propose proper and fair remedies to the injured person in order to relieve damages incurred as a result of complaints in bad faith.

8. Protection for whistleblower The Company shall protect the rights of the good faith whistleblower by maintaining the confidentiality of the name, address, or any information that could identify the whistleblower. Such information shall be treated as confidential and accessible only by the person responsible for the case investigation pursuant to the provisions concerning whistleblower protection as described in the code of conduct for directors, managements, and employees.

9. Protection for employees The Company shall treat and protect employees who comply with Anti-corruption policy and this Directive pursuant to the provisions concerning whistleblower protection as described in the code of conduct for directors, managements, and employees.

10. Human Resource The Company shall apply Anti-corruption policy as part of human resource management, not only for recruitment but also for training, evaluation, remuneration and promotion. It is mandatory for supervisors at all level to communicate with their subordinates in order to apply with the business activities and to ensure effective compliance.

11. Training and communication

11.1 The Company shall regularly provide education and training on anti-corruption through a variety channels such as orientation, seminar, public announcement etc. to raise awareness of Anti-corruption policy, form and risk of being involve in corruption, as well as how to report corruption witnessed or suspected, including penalty in case of violation.

11.2 The Company shall communicate the Anti-corruption policy to subsidiaries, associated companies, directors, managements, employees, shareholders, customers, business partners, all stakeholders, persons with business relationship and business representatives through appropriate channels.

12. Recording and storage of data The Company manages its data in compliance with governing policy of its group, with the objective to maintain the standards of work system, computer system, data communication system, as important fundamentals for the development of an effective control system. Actions shall be taken to ensure that information, work system and computer system are well-protected and ready for business operation at all time. In addition, structure and cost of all measures in the company's control are appropriate with risk of data, work system and computer system.

For achievement of the said objective, the following standards and practices shall be applied:

12.1 Determine scope of responsibility for user and administrator in all work system and computer system.

12.2 Evaluate risk and develop an appropriate risk controlling system to support changing of environment

12.3 Develop protection system for data, work system, computer system including responsible person.

12.4 Develop security system to protect data from illegal access, editing, or misuse regardless of accident or intention.

13. Process monitoring / Internal control The Company respects independent of the auditor and does not limit the scope of the auditor during performance of audit. The audit is also conducted by a certified public accountant quarterly and yearly in accordance with regulations of the relevant authorities.

The Audit Committee shall monitor internal control practices to ensure that business activities are operated within correct and appropriate scope, in compliance with company's policies, law and regulations, including applicable business standards.

14. Penalty The Company shall impose disciplinary action on violators or persons who ignore corrupted practices in accordance with Anti-corruption policy and this procedure. Also, such person is subject to punishment under provisions of law (if applicable).

The operation in year 2022

1. Internal audit department verified whether the reimbursement of some expenses that can be abused was according to the practice of anti-corruption policy. The expenses in the year 2022 were:

Category	Amount
1.1 Political support	-None-
1.2 Charity	1,359,752.92 THB
1.3 Sponsorship	-None-
1.4 Gift, souvenir and entertainment	172,215.14 THB

After verifying, all the reimbursement was done according to the company policy.

2. Anti-corruption course was included in the orientation of the new employees.

3. Anti-Corruption Working Group establish the anti-corruption policy and anti-corruption practices in the form of QR Code to communicate with executives and employees through convenient channels and easier access to information

4. Circular notices were sent to supplying vendors informing that the Company refrained from accepting the New Year 2023 presents

Human Right

The company pays attention to the fundamental rights of human beings. Business operations are in compliance with laws and human rights principles. There is no discrimination on the basis of gender, race, religion, political rights or other factors. Employees are also educated on human rights principles, if they feel that their rights have been violated or have been treated unfairly, can make a complaint through any communication channel to the company. The complaint deserves attention and treats fairly. The policy concerning human right management as below.

1. Employment and Labor Management Policy
2. Non-Discrimination Policy
3. Harassment Policy
4. Forced Labor Policy
5. Child Labor Policy
6. Freedom of Association Policy
7. Remuneration Policy
8. Working hours Policy
9. Environmental Policy
10. Health and Safety Policy

Performance in 2022

1. The company has established a personal data protection policy according to the Personal Data Protection Act B.E. one's and must be careful with the personal information of others involved as well as penalties for non-compliance with the privacy policy.

2. No complaints on human rights violations of employees or partners.

3. The customers of Brand products came to inspect labor employment and found no violations of the requirements.

4) Whistleblowing

Reports and complaints employees or stakeholders who witness, possess evidence or suspect that an employee or a person acting on behalf of the company involve, whether directly or indirectly, with bribery or corruption, violation of law, non-compliance of the company's rules and regulations including policies or code of conduct for directors, managements, and employees, or unfair treatment in workplace, can report or complaint.

8.2 Report on the performance of duties of the Audit Committee for the past year

In 2022, the Audit Committee holds monthly meetings Totally 12 times. A meeting schedule has been set in advance for the entire year. Joint meetings are also held with the management to discuss and exchange opinions relating to the Company's businesses. In addition, the joint meeting is held with the management and company auditor 1 time to inquire on issues identified by the audit of Company financial statements. The Audit Committee reports its performance results to the Board of Directors regularly every quarter and reports to the shareholders as stated in 56-1 One Report.

Meeting Attendance for Individual of the Audit Committee

No.	Name-Surname	Position	Number of attended /Number of meetings held
1	Mr. Wasin Teyateeti	Chairman of the Audit Committee	11/11 ¹
2	Assoc. Prof. Dr. Nipon Poapongsakorn	Member	5/5 ²
3	Mr. Maris Sangiampongsa	Member	12/12
4	Prof. Dr. Suchatvee Suwansawat	Chairman of the Audit Committee	1/4 ³
5	Mr. Vittawat Panpanich	Member	1/1 ⁴

Mr. Woradej Puengsiricharoen to hold the position of Secretary to the Audit Committee

Remark: 1. Mr. Wasin Teyateeti was resigned from the Chairman of the Audit Committee on December 7, 2022

2. Assoc. Prof. Dr. Nipon Poapongsakorn was resigned from the Audit Committee member on June 9, 2022

3. Prof. Dr. Suchatvee Suwansawat was appointed as the Audit Committee member on August 10, 2022 and was appointed as the Chairman of the Audit Committee on December 8, 2022

4. Mr. Vittawat Panpanich was appointed as the Audit Committee member on December 8, 2022

8.3 Report on the performance of duties of the Sub-Committees for the past year

Nomination Committee's Report

In the year 2022, the Nominating Committee held 4 meetings. The meetings had considered appointing the directors to replace their retired by rotation. In the consideration for the selection of qualified candidates, the committee took into account the knowledge, skills, experience and expertise from various professions. The Nomination Committee also consider their leaderships, visions, ethics, transparency, and must not be prohibited by laws and regulations of the company and not being sexual prejudice for their nominations.

The Nomination Committee conducts self-assessment to improve their performance for utmost result. The Nomination Committee Charter is reviewed to ensure the appropriateness and to be in conformity with the required criteria.

The Nominating Committee has performed its Duties as assigned by the Board of Directors in compliance with the Charter of the Nomination Committee discreetly and reasonably.

Meeting attendance of the Nomination Committee is shown in the Meeting Attendance and Compensation for Individual Director

Remuneration Committee's Report

In the year 2022, the Remuneration Committee held 2 meetings. The Committees had performed their duties to follow and consider important matters entrusted by the Board of Directors as assignment within the scope of the Remuneration Committee Charter, the Remuneration Committee has the duty of determining the remuneration limit and rules for allocating remuneration to Company Directors with a view to achieving an appropriate distribution capable of creating an incentive for working efficiency and to retain knowledgeable and proficient personnel in the Company. In addition, the Committee has reviewed the Charter of the Remuneration Committee and found that it is appropriate for the current situation and conducts self-assessment to improve their performance for utmost result.

The Remuneration Committee has determined the appropriate remuneration limit for Company Directors based on comparisons with other companies in the same industry, the remuneration limit approved by the shareholders' meeting in the preceding year and the amount of remuneration had been paid. As for the allocation of remuneration to Company Directors and members of sub committees, due consideration was given to the powers, duties, responsibilities, performance and the growth rate and performance of the Company, within the limit approved by the shareholders.

The Remunerations of Company Directors and members of sub committees have been disclosed in the Annual Report. The Remuneration Committee finds the remunerations appropriate and commensurate with duties, responsibilities and Company policies.

Meeting attendance of the Remuneration Committee is shown in the Meeting Attendance and Compensation for Individual Director.

Risk Management Committee's Report

The Company will assign the Risk Management Committee, which comprises the members who possess the knowledge and understanding of risk assessment on a corporate operating system effectively. The committee shall determine business operation direction to achieve the goals as set forth in the strategic target and sustainable growth to assure and create creditability among shareholders and stakeholders of all groups. In addition, the Risk Management Committee has determined the risk management framework to be consistent with the strategic target, prepared operation plan to support corporate goal and to comply with the risk management approach effective which include strategy, business operation, information technology, finance and operation.

In 2022, the Risk Management Committee held 4 meetings. All directors attend all meetings. Key points are summarized as follows:

Consider and review the Strategic Risk Management and Risk Action Plan, which must be acceptable. Review the Risk Management Committee Charter every year to ensure the comprehension of internal and external factors which may affect the organization, society, environment or stakeholders.

Monitor and give suggestions in preparing a risk management plan for each department and overall image of the company every year to be consistent with the business strategic plan and key risk indicators as set forth in the goal. Monitor the risk management outcome and report to the Board of Directors on a quarterly basis.

According to the operation result above, the Risk Management Committee is of the opinion that Thanulux Public Company Limited has managed the risk effectively in line with relevant requirement and law, creating trust among stakeholders for the sustainable business operation.

Meeting attendance of the Risk Management Committee is shown in the Meeting Attendance and Compensation for Individual Director

Corporate Governance Committee's Report

The Board of Directors of Thanulux Public Company Limited recognized the importance of good governance. Therefore, 5 members of the Governance Committee was appointed to perform duties as assigned by the Board of Directors which had been determined in the Governance Committee Charter, carried on the duties according to the governance code. The support regarding good governance was provided to the board of directors to raise value of the company, to bolster investors' and stakeholders' confidence and to conduct long-term sustainable business.

In 2022, the Corporate Governance Committee arranged 4 meetings to monitor assigned tasks. All 5 members attended completely. The outcomes can be summarized as follows:

1. Review the vision, mission, core values In accordance with the goal and the direction of the company.
2. Performed a review on Governance Charter to be in line with Good Corporate Governance Principles and to ensure it is up-to-date and suitable to current circumstance.
3. To review the Company's good corporate governance, support and monitor the compliance with the good corporate governance for the listed companies year 2017 issued by the Securities and Exchange Commission. The good corporate clauses are implemented to suit the Company's business context every year.
4. Overseen and encouraged the practice of the company according to corporate governance principles, result to the Company got certified as "very good" by CG Scorecard for listed company 2020.

5. Review practice guideline for the Anti-Corruption of the Company and consider for approval on the renewal application of the member certificate of the Private Sector Collective Action against Corruption (CAC). Thanulux has confirmed the 2nd renewal of membership for the Private Sector Collective Action against Corruption on 3 November 2022.
 6. To consider the criteria of self-assessment and collective assessment of the Board of Directors, sub-committee, and Managing Director to improve their performance based on the assessment result
 7. To supervise to have criteria and to allow shareholders proposing meeting agenda and/or list of candidates of the board members prior to the annual general meeting of shareholders 2023 between 1 -30 December 2022. After the prescribed duration, no shareholders propose the meeting agenda and/or propose the person for a directorship in the 2023 ordinary meeting of shareholders.
 8. To supervise to have the securities holding report among directors and executives according to the code of conduct established by the Securities and Exchange including the practice of insider trading. Directors, executives and parties in association with the information should avoid trading the Company's securities. In case of necessity, notify the Company Secretary in advance for transparency purposes. and report to The Board of Directors every quarter.
 9. Monitor to ensure the Company audit and assess business operations which support the business sustainability, Economic, Environment and Social Dimension according to the THSI Sustainability Assessment Form to initiate sustainability in business operation, to create opportunities and risk management in operation procedures for best efficiency and consistency to stakeholders' expectation.
 10. Monitored a progress of short-term strategic plan of 2022 on a quarterly basis to give advice and suggestion to the management in charge to make sure the strategic plan is adjusted appropriately. Monitor and advise in preparing medium strategic plan for the year 2023 to ensure the conformity with the situation fluctuated by external factors. Assess risks of a strategic plan in each aspect. Prepare emergency plan to accommodate performance indicator. Monitor and assess achievement of the strategic plan established.
 11. To report operation result to the Board of Directors on a quarterly basis.
- The Governance Committee believes that the Company conducts business adhering to good corporate governance, complies with the Anti-Corruption Policy, complies with the relevant laws and work standard and determined to carry on, prioritises and cares for the social and environmental responsibility. These are the facts contribute to the business sustainability in the long term, including the company's image, which builds confidences among stakeholders of all groups.

9. Internal Control and Connected Transactions

9.1 Internal Control

The Company realizes the importance of the internal control system which has been established based on the integrated internal control framework called “COSO” (The Committee Sponsoring Organizations of the Tread way Commission). The system consists of internal control of organization, risk assessment, implementation control, information and communication system and tracking system. The Company requires Internal Auditing Office to evaluate the internal control system according to assessment form of the Office of Securities and Exchange Commission, including a Control Self-Assessment (CSA) system. The key purposes are to increase the efficiency, effectiveness and save time in operations; to create an accurate, complete, reliable and timely financial report, financial statements as well as other related reports; and to ensure the strict compliance with the laws, rules and requirements related to business operation of the Company.

9.1.1 The Sufficiency and Appropriateness of the Internal Control System

In 2022, the Board of Directors and Audit Committee are of the opinion that the Company and subsidiaries had the effective and appropriate internal control system.

9.1.2 Defects in the Internal Control System

-None-

9.1.3 Opinion of the Audit Committee that is different from the opinion of the Board of Directors

-None-

9.1.4 Opinion of the Audit Committee to ensure that the person holding the position of Head of Internal Audit has education, experience, training

The Audit Committee has assigned Mr. Woradej Puengsiricharoen to take a position as head of Internal Audit Office, since the person has good quality of knowledge, abilities and experiences in such work / industry with the same characteristics as the company for 39 years. Training in courses related to operations internal audit and has an understanding of the activities and operations of the Company, therefore, that it is appropriate to perform such duties appropriately and adequately. The qualifications of the person holding the position of Head of Internal Audit are shown in Attachment 3 (details about the Head of the Internal Audit Office).

9.1.5 Appointment, removal, and transfer of the Company's Head of Internal Audit Office must be approved by the Audit Committee.

The Audit Committee considers the independence of the internal audit department. as well as to approve the assessment, appointment, transfer, termination of the head of the internal audit department. or any other agency responsible for internal auditing.

9.2 Connected Transactions

9.2.1 Characteristics of the transaction and relationship

In 2022, the Company executed accounting transactions with subsidiaries and related companies. The relationship may be by shareholding or the companies may have the same group of shareholders or directors, as stated in note of the financial statements. The notes provide details on the connections of connected companies, policies for determining prices for connected transactions and the connected transactions, as follows:

The transaction has operated according to the market price, which was normal trading business, in the absence of the underlying market price, fair prices will be agreed upon. all items were approved in accordance with the rules on connected transactions

Connected transaction 2022

No.	Person who may have a conflict	Relationship	Characteristics of the transaction	Value of related transactions (Million Baht)	Necessity/ Note
1	Saha Pathana Inter-Holding Plc. ("SPI")	Major shareholder, holds 41.09% of shares	SPI charges a royalties from the Company SPI collects rental and common expenses from the Company SPI charges a other expenses from the Company SPI pays dividends to the Company SPI has a security obligation on the company. The Company pays dividends to SPI The Company has SPI creditors.	25,776 2,906 1,937 4,261 0,251 14,960 5,373	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
2	BTS Group Holding Plc. ("BTS")	Major shareholder, holds 41.09% of shares			
3	I.D.F. Co., Ltd. ("IDF")	Major shareholder, holds 13.33% of shares	The Company lends money to IDF IDF pays the interest on the loan to the Company The Company pays dividends to IDF The Company has a IDF receivable	40,000 3,200 8,000 1,613	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
4	Ramasorn Thaveekarn Co., Ltd. ("RST")	Major shareholder, holds 11.68% of shares	RST pays the rental to the Company RST pays other expenses to the Company RST charges a other expenses from the Company The Company pays dividends to RST The Company has RST receivables. The Company has RST creditors.	0,541 1,397 0,223 7,551 0,009 0,009	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
5	S. Apparel Co., Ltd. ("SAP")	Subsidiary, The Company holds 100% of shares			
6	Celebrate Wealth Co., Ltd. ("CW")	Subsidiary, The Company holds 87.76% of shares			
7	TNL Alliance Co., Ltd. ("TNLA")	Subsidiary, The Company holds 99.97% of shares	The Company lends money to TNLA TNLA pays the interest on the loan to the Company	820,850 1,720	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
8	TNLX Co., Ltd. ("TNLX")	Subsidiary, The Company holds 99.97% of shares			
9	Oxygen Asset Co., Ltd. ("OXA")	Subsidiary, The Company holds 90.00% of shares	The Company lends money to OXA OXA pays the interest on the loan to the Company	563,870 1,182	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
10	Thai Wacoal Public Company Limited ("TWC")	SPI is a common major shareholder	TWC pays the products to the Company TWC pays other expenses to the Company TWC pays dividends to the Company TWC charges a products from the Company The Company pays dividends to TWC The Company has a TWC receivable The Company has TWC creditors	1,490 0,383 0,835 0,116 0,500 0,864 0,196	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company

No.	Person who may have a conflict	Relationship	Characteristics of the transaction	Value of related transactions (Million Baht)	Necessity/ Note
11	I.C.C. International Plc. ("ICC")	SPI is a common major shareholder	ICC pays the products to the Company ICC pays dividends to the Company ICC pays other expenses to the Company ICC charges a other expenses from the Company ICC charges a products from the Company The Company pays dividends to ICC The Company has a ICC receivable The Company has ICC creditors	637.640 3.502 2.501 9.929 0.060 6.654 77.958 0.803	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
12	PTK Multi Services Co.,Ltd. ("PTK")	SPI is a common major shareholder	PTK charges garden maintenance fees from the Company PTK charges cleaning fees from the Company	0.758 0.151	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
13	Pitakkij Security Gard Co.,Ltd. ("PSG")	Being a major shareholder indirectly through PSG	PSG charges security fees from the Company	2.816	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
14	World Saha Fashion Co.,Ltd ("WSF")	SPI is a common major shareholder	WSF pays the products to the Company WSF pays other expenses to the Company WSF pays the interest on the loan to the Company WSF charges a products from the Company The Company lends money to WSF The Company has a WSF receivable The Company has WSF creditors	6.941 4.470 0.400 0.548 10.000 3.272 0.587	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
15	T-Chamber Co.,Ltd ("TC")	RST is a common major shareholder	TC pays the products to the Company TC pays other expenses to the Company TC charges a other expenses from the Company The Company has a TC receivable The Company has TC creditors	4.222 1.865 0.093 0.425 0.060	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
16	Thai Monster Co., Ltd. ("TMT")	SPI, RST are a common major shareholders	TMT pays other expenses to the Company TMT charges a other expenses from the Company The Company has a TMT receivable The Company has TMT creditors	0.572 0.377 6.887 0.110	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
17	Saha Pathanapibul PLC. ("SPC")	SPI,ICC are a common major shareholders	SPC pays dividends to the Company SPC pays other expenses to the Company SPC charges a other expenses from the Company	0.633 0.015 0.010	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
18	Thai Gunze Co., Ltd. ("TGZ")	SPI,ICC are a common major shareholders	TGZ charges products and raw materials from the Company TGZ pays dividends to the Company TGZ pays other expenses to the Company TGZ pays the products to the Company The Company has TGZ creditors	2.428 1.699 0.140 0.005 0.492	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company

No.	Person who may have a conflict	Relationship	Characteristics of the transaction	Value of related transactions (Million Baht)	Necessity/ Note
19	Thai Secom Security Co., Ltd. ("TSC")	SPI, ICC are a common major shareholders	TSC charges a other expenses from the Company The Company has TSC creditors	0.673 0.355	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
20	Morgan De Toi (Thailand) Ltd. ("MDT")	SPI, ICC are a common major shareholders	MDT pays the products to the Company MDT pays other expenses to the Company MDT pays interest on loans to the Company MDT charges a other expenses from the Company The Company lends money to MDT The Company has a MDT receivable	2.167 2.299 0.406 0.292 9.900 2.275	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
21	Thai Itokin Co., Ltd. ("ITK")	SPI, ICC are a common major shareholders	ITK charges the products from the Company ITK pays the products to the Company ITK charges a other expenses from the Company The Company has a ITK receivable The Company has ITK creditors	4.477 0.004 0.193 0.170 0.216	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
22	SSDC (Tigerlex) Co., Ltd. ("SSDC")	SPI, ICC are a common major shareholders	SSDC charges a products from the Company SSDC pays dividends to the Company ITK charges a other expenses from the Company ITK pays the products to the Company The Company has SSDC creditors	5.430 0.614 0.010 0.160 0.451	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
23	Erawan Textile Co., Ltd. ("ERW")	SPI, ICC are a common major shareholders	ERW pays the products to the company. ERW pays the interest on the loan to the Company ERW charges products and raw materials from the Company ERW charges a other expenses from the Company The Company lends money to ERW The Company has ERW creditors	0.010 0.746 6.232 0.002 20.000 1.024	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
24	Total Way Image Co., Ltd. ("TWI")	SPI, ICC, RST are a common major shareholders	TWI pays the products to the Company TWI pays other expenses to the Company TWI charges products and raw materials from the Company TWI charges a other expenses from the Company TWI collects fixed assets from the Company The Company has a TWI receivable The Company has TWI creditors	0.476 0.258 0.184 1.900 0.024 0.030 0.016	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company
25	International Leather Fashion Corp., Ltd. ("ILF")	SPI, ICC, RST are a common major shareholders	ILF charges a products from the Company ILF pays other expenses to the Company ILF charges a other expenses from the Company The Company has a ILF receivable The Company has ILF creditors	0.629 1.631 0.045 0.170 0.121	The Audit Committee has reviewed and considered such connected transaction, have the opinion that the service fee rate is appropriate and brings the greatest benefit to the Company

Measures or Procedures for Approving Connected Transactions

1. Transactions in the ordinary and usual course of business between the Company or its subsidiary and a Director, executive officer or related person are executed under general commercial terms as would have been done by a reasonable person under similar circumstances. These agreements are negotiated at arm's length without any undue influence exerted by virtue of the status of a Director, executive officer or related person pursuant to section 89/12 of the Securities and Exchange Act (No. 4) B.E. 2551 (2008). The Management seeks the approval of the Board of Directors' Meeting on a yearly basis in the first Board of Directors' Meeting following the Annual General Meeting of Shareholders, to inform the new Board of Directors of such matter. As regards other transactions that are not executed under general commercial terms, done in the ordinary and usual course of business of the Company or subsidiaries with connected persons, the Management seeks the approval of the Board of Directors' Meeting on a regular basis in the 4th quarter of each year. In addition, the Management reports the transactions executed under the aforesaid conditions to the Board of Directors' Meeting every quarter.

2. Connected transactions which are not executed in the ordinary and usual course of business must be approved by the Company Executive Committee first. If the size of the transaction is within the Executive Committee's authority, the process would be concluded at this stage. However, if the size of the transaction exceeds the authority of the Executive Committee, the Executive Committee would submit a summary of the meeting's resolution to the Audit Committee for an opinion before submission to the Board of Directors for approval if the matter is within its authority. If the connected transaction has a value which exceeds the authority of the Board of Directors, the matter would be submitted to the shareholders' meeting for approval pursuant to regulations of the Stock Exchange of Thailand. At any stage of the deliberations, an interested person shall not be present at the meeting and shall not cast a vote.

Criteria for Consideration

1. Regard shall be given to the present and future benefits to the Company and Group, e.g.
 - Returns on investment, e.g. interests and dividends
 - Company's business opportunities
2. Security which should be received by the Company in connection with the transaction
3. Standing of the relevant company as well as managerial competency

9.2.2 Necessity and reasonableness

Doing business under highly competitive environment would require business alliance or networks, so as to increase the strength and potential in business operation which lead to sustainable development and growth. Although some business alliance or their networks may be related persons, but the Company still need to engage in business transaction with them for the benefit to the company itself and its shareholders.

9.2.3 Policies and Trends for Future Connected Transactions

The Company, as a public limited company, is aware of its responsibilities towards shareholders, employees and all stakeholders under the principles of good corporate governance. Connected transactions are only executed as necessary. Any increase or decrease will depend on economic conditions. In any event, there will be full compliance with the rules stated in all Notifications of the Stock Exchange of Thailand on "Rules Governing Connected Transactions."

The Board of Directors' Responsibility Report towards Financial Statements

The Board of Directors duly recognized their obligations and responsibilities in their status as the directors of SET listed company, with regard to the compilation of financial statements for Thanulux Public Company Limited and its subsidiary companies. Said financial statements were prepared in accordance with Thai Financial Reporting Standards (TFRS), based on the adoption of appropriate accounting policies on a consistent basis, accompanied by careful consideration and justifiable accounting estimates. Furthermore, adequate significant information was disclosed per the notes to the financial statements, together with necessary clarification and analysis regarding the financial positions and performances by the company and its subsidiaries, so as to contribute to the interests of the shareholders and general investors. Moreover, said financial statements were duly audited and unconditionally verified by independent certified public accountants.

The Board of Directors had exercised efforts to promote good governance practice, and to establish risk management system and internal control system in an efficient and effective manner. These practices were intended to ensure that the recording of accounting information was carried out in an accurate, complete, and sufficient manner, in order to safeguard the assets of the company and its subsidiaries, while also safeguarding against any significant fraud or abuse.

In the regard, The Board of Directors had appointed the Audit Committee whose members comprising independent directors had duly carried out audit work on the quality of the financial statements and the efficiency of internal control system. The opinions of The Audit Committee were displayed per the Audit Committee's report contained in the annual report 2022 (56-1 one Report)

Accordingly, The Board of Directors concluded that, the good corporate governance practice, the risk management system, as well as the internal control system already in place at the company, were well adequate and sufficient, reasonably providing sufficient confidence to all the concerned parties that, the financial statements of the company and its subsidiaries ending 31 December 2022 were prepared and presented in substantial context, in accordance with Thai Financial Standards and related regulation, in an accurate and reliable manner.

(Mr. Thamarat Chokwatana)

Chairman of the Board

(Ms. Suthida Jongjenkit)

Managing Director



INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS AND THE BOARD OF DIRECTORS

THANULUX PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated financial statements of Thanulux Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as of 31 December 2022, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Thanulux Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thanulux Public Company Limited and its subsidiaries and of Thanulux Public Company Limited as of 31 December 2022, their 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.

Emphasis of Matters

I draw attention to the following notes to consolidated financial statements.

- a) As described in Note 14 to consolidated financial statements relating to investment in subsidiary, on 15 December 2022, Thanulux Public Company Limited made payments in the amount of Baht 835.70 million to several sellers to acquire 90 per cent interest of Oxygen Assets Company Limited, a company engaging in the secured credit business. In this connection, the consolidated financial position as of 31 December 2022 shows excess of acquisition cost over estimated value of interest acquired in the book value net assets in the amount of Baht 703.36 million.

Presently, the Company is in the process of assessing the fair values of the identified assets acquired, liabilities assumed at the acquisition date. The Company expects to complete the evaluation within 12 months from acquisition date, in accordance with the Thai Financial Reporting Standard No. 3, (revised 2021) “Business Combination.” The Company will then finalize the adjustment transaction of the business acquisition within 15 December 2023. As a result, the amounts associated with this business acquisition transaction that have been recorded as at 31 December 2022 may change.

- b) As described in Note 16 to consolidated financial statements relating to investment in joint ventures, on 15 December 2022, The Company's subsidiary made payments in the amount of Baht 531.92 million to acquire 50 per cent interest in 7 joint ventures, operating in real estate business.

Presently, the Company is in the process of assessing the fair values of the identified assets acquired, liabilities assumed at the acquisition date. The Company expects to complete the evaluation within 12 months from acquisition date, in accordance with the Thai Financial Reporting Standard No. 3, (revised 2021) “Business Combination.” The Company will then finalize the adjustment transaction of the business acquisition within 15 December 2023. As a result, the amounts associated with these business acquisition transactions that have been recorded as of 31 December 2022 may change.

My opinion is not modified in respect of this matters.

Key Audit Matters

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

1. Related Party Transactions

The Company has a commercial agreement with a related company (having co-director/shareholder with the Company) to manufacture and distribute the Company's products in several department stores and other channels. The agreement stipulates that the related company may have goods return rights within specified period after the sales date.

For the year ended 31 December 2022, the Company has sales transactions with the related company in the amount of Baht 637.65 million, approximately 37 per cent of the Group's total sales, which include reversal of goods returns deducted from revenue from sales in the statement of comprehensive income, in the consolidated and separate statements during the year ended 31 December 2022, amounting to Baht 0.20 million. The management also made estimates for the right of return goods of Baht 9.70 million and the provision of goods return of Baht 15.40 million, as reflected in the consolidated and separate statement of financial position as of 31 December 2022.

I considered the related party transaction a key audit matter because generally transactions with related companies contain management overriding control risk which may affect sales transaction not in ordinary

course of business. This matter also requires the use of judgment by management to estimate the right of return goods (asset) and the provision for goods returned (liabilities) in connection with goods return.

Therefore, my audit procedures included the review of the policies and compliance of the control relating to sales recognition with the related party when goods were delivered to department stores and pricing policy under the agreed-upon structure. We also reviewed the sales transactions with other related parties whether they represents the same arrangement as well as compared the prices charged to the related company to those charged to third parties.

Furthermore, we also reviewed key assumptions used by management to estimate the right of return goods and the provision for goods returned which consists of historical goods return data, management forecast of future trend and gross profit margin ratio. We then compared such information to the actual goods returned to date.

2. Net Realizable Value of Inventories

The Group's inventories as of 31 December 2022 included garments and leather goods in fashionable product group shown in the consolidated and separate financial statements amounting to Baht 433.81 million. The Group has a devaluation policy during the year to reduce inventory costs as soon as there is a potential indication, such as product ages, inventory conditions and goods returned, etc. Such policy requires management to use judgment for the product obsolescence and the likely sales prices.

I considered the net realizable value of inventory a key audit matter because of the significant inventory value to the financial statements, the probability that the inventories would be obsolete or out of fashion, and significant use of judgment by the management for the stock devaluation policies.

My audit included the review the policy and compliance of price reduction policies, including frequencies of inventory devaluation, identification of potentially devalued stock, such as stock ages, number of events which the items were displayed under sales promotion events, product conditions, devalued amount and the situation when it is necessary to devalue more than once, and assessed if they were appropriate to the circumstances. I also reviewed sales documents of the devalued stocks during the year till the date of this report and noted that the sales of the devalued inventories are at the price higher the devalued cost.

Furthermore, I also reviewed the calculation of lower of inventory cost and net realizable value, including the major assumptions used by the management consisting of sales prices and selling expenses.

3. Impairment of investments in subsidiary companies, investments in associate company, and general investments

As discussed in Notes to the financial statements no. 14 and 15 of the separate financial statements, as of 31 December 2022, the Company had net investments in subsidiary companies and in associated company totalling Baht 848.75 million. As discussed in note to the financial statements, No. 13 of the consolidated financial statements and the separate financial statements, as of 31 December 2022 the Company had non-listed equity securities-net totalling to Baht 753.42 million. The Company had recorded the allowances for impairment of investments in subsidiary companies, associated company totalling Baht 78.77 million and Baht 9.50 million respectively and unrealized gain on revaluation of non-listed equity securities in the consolidated financial statements and the separate financial statements totalling to Baht 268.13 million and Baht 227.88 million, respectively.

I considered the above issue a key audit matter due to the impairment in investments test in accordance with Thai Financial Reporting Standard No. 36 and measuring the fair value of investments in accordance with Financial Reporting Standard No. 9 Financial Instruments is significant to audit because the investment amount is material to the financial statements. The consideration of impairment in investments and fair value determination depends on the Group's management judgements and significant assumption to consider whether recoverable amount and fair value is appropriate.

My audit procedures include understanding consideration process and internal control procedures related to the impairment assessment, I also reviewed the design and implementation of the internal control procedures, recalculate and examine the supporting documents in relation to the management consideration of impairment indicators for investments and assessing the appropriateness of the methodology applied by the Group's management in calculating the impairment charges, and various judgments applied in determining recoverable amount and measuring the fair value of investments.

4. Business combination

As discussed in Note 14 and 16 to the consolidated financial statements, on 15 December 2022, Thanulux Public Company Limited paid the consideration in the amount of Baht 835.70 million to seller to acquire 90 per cent interest of Oxygen Assets Company Limited and The Company's subsidiary paid the consideration in the amount of Baht 531.92 million to several sellers to acquire 50 per cent interest in 7 joint ventures, operating in real estate business.

In this connection, the consolidated financial position as of 31 December 2022 shows excess of acquisition cost over estimated value of interest acquired in the book value net assets in the amount of Baht 703.36 million.

The Company is currently in the process of assessing the fair value of the identified assets acquired, liabilities assumed at the acquisition date. The management needs to exercise substantial judgement when appraising the fair value of the assets acquired, and liabilities assumed. I therefore considered the business combination a key audit matter.

I examined the business combination by reviewing the terms and conditions of the share purchase agreement and inquired the management as to the nature and objectives of the acquisition to assess whether such transactions are properly determined in accordance with business combination definition under Thai Financial Reporting Standards No. 3 (revised 2021) "Business Combination". In addition, I verified the investment acquisition with acquisition-related supporting documents as well as payments made to assess whether related accounts reflected the fair value of the consideration transferred. I also reviewed the disclosures related to the business combination in the note to consolidated financial statements.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group 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 Group, 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 Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

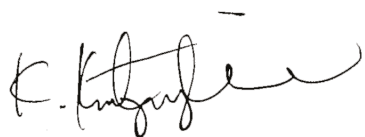
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude 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 Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with 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 matter. I describe this matter 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.

The engagement partner on the audit resulting in this independent auditor's report is Ms. Kwunjai Kiatgungwalgri



Ms. Kwunjai Kiatgungwalgri
Certified Public Accountant No. 5875
ASV & ASSOCIATES LIMITED

Bangkok
24 February 2023

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS OF 31 DECEMBER 2022

(UNIT : BAHT)

		Consolidated Financial Statements		Separate Financial Statements	
	Notes	31 December 2022	31 December 2021	31 December 2022	31 December 2021
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	6	2,384,414,365	213,990,743	2,356,072,349	210,641,306
Trade and other current receivables - net	7	238,705,088	201,165,646	178,488,692	193,220,597
Short - term loans to related companies	8	318,746,372	41,000,000	1,416,719,613	41,000,000
Short - term loans to non-related companies	9	2,539,000,000	-	-	-
Inventories - net	10	433,808,240	389,170,172	433,808,240	389,170,172
Right to returned goods	11	9,700,000	10,100,000	9,700,000	10,100,000
Current tax assets		-	1,468,019	-	1,468,019
Other current financial assets	12	99,474,426	484,196,426	99,474,426	484,196,426
TOTAL CURRENT ASSETS		6,023,848,491	1,341,091,006	4,494,263,320	1,329,796,520
NON - CURRENT ASSETS					
Other non - current financial assets	13	1,704,940,935	2,585,077,481	1,704,940,935	2,585,077,481
Investments in subsidiaries - net	14	-	-	848,749,853	11,227,517
Investments in associate - net	15	-	-	-	-
Investments in joint ventures - net	16	527,829,953	-	-	-
Long - term loans to related company	17	40,000,000	42,876,832	40,000,000	45,000,000
Long - term loans to non-related companies	18	1,050,000,000	-	-	-
Investment property - net	19	139,274,900	106,489,674	200,366,342	173,671,283
Property, plant and equipment - net	20	346,729,902	346,930,035	323,855,611	325,759,947
Right-of-use assets - net	21	10,985,960	14,568,736	10,985,960	14,568,736
Intangible assets - net	22	12,140,265	11,807,247	12,140,265	11,807,247
Excess of acquisition cost over estimated value of interest acquired in the net assets from acquisition of the subsidiary	14	703,358,420	-	-	-
Deferred tax assets	38	32,765,512	37,185,083	32,765,512	37,185,083
Other non - current assets		8,323,872	7,766,186	8,218,872	7,606,186
TOTAL NON - CURRENT ASSETS		4,576,349,719	3,152,701,274	3,182,023,350	3,211,903,480
TOTAL ASSETS		10,600,198,210	4,493,792,280	7,676,286,670	4,541,700,000

The accompanying notes are an integral part of the financial statements.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS OF 31 DECEMBER 2022

(UNIT : BAHT)

		Consolidated Financial Statements		Separate Financial Statements	
	Notes	31 December 2022	31 December 2021	31 December 2022	31 December 2021
LIABILITIES AND					
SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Trade and other current payables	23	308,012,151	143,865,833	250,787,506	143,831,678
Current portion of lease liabilities	25	3,093,086	4,515,842	3,093,086	4,515,842
Accrued corporate income tax		12,688,264	-	-	-
Current provisions for employee benefit	26	10,193,760	15,414,533	10,193,760	15,414,533
Short - term loans from related companies	24	2,873,279,460	-	-	-
Other current liabilities		236,959	-	236,959	-
Provision for goods returned		15,400,000	15,600,000	15,400,000	15,600,000
TOTAL CURRENT LIABILITIES		3,222,903,680	179,396,208	279,711,311	179,362,053
NON - CURRENT LIABILITIES					
Long - term lease liabilities - net of current portion	25	8,229,966	9,910,308	8,229,966	9,910,308
Deferred tax liabilities	38	182,180,426	211,201,152	182,980,426	212,001,152
Non - current provisions for employee benefit	26	109,515,680	112,030,907	109,120,497	112,030,907
Other non - current liabilities		4,616,022	3,111,542	4,616,022	3,111,542
TOTAL NON - CURRENT LIABILITIES		304,542,094	336,253,909	304,946,911	337,053,909
TOTAL LIABILITIES		3,527,445,774	515,650,117	584,658,222	516,415,962

The accompanying notes are an integral part of the financial statements.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS OF 31 DECEMBER 2022

(UNIT : BAHT)

Notes	Consolidated Financial Statements		Separate Financial Statements	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
SHAREHOLDERS' EQUITY				
Share capital				
Registered share capital				
311,547,664 ordinary shares of Baht 1 each	311,547,664	120,000,000	311,547,664	120,000,000
(2021 : 120,000,000 ordinary shares of Baht 1 each)				
Issued and paid-up share capital				
212,312,766 ordinary shares of Baht 1 each	212,312,766	120,000,000	212,312,766	120,000,000
(2021 : 120,000,000 ordinary shares of Baht 1 each)				
Premium on ordinary shares	3,067,335,278	181,125,000	3,067,335,278	181,125,000
Capital reserve for share-based payments	6,267,300	-	6,267,300	-
Retained earnings				
Appropriated				
Legal reserve 29	12,000,000	12,000,000	12,000,000	12,000,000
General reserve 30,31	234,400,000	231,400,000	234,400,000	231,400,000
Unappropriated	2,791,736,482	2,588,624,421	2,822,828,179	2,630,441,167
Other components of equity	730,770,428	844,603,374	736,484,925	850,317,871
EQUITY ATTRIBUTABLE TO PARENT COMPANY	7,054,822,254	3,977,752,795	7,091,628,448	4,025,284,038
Non - controlling interests	17,930,182	389,368	-	-
TOTAL SHAREHOLDERS' EQUITY	7,072,752,436	3,978,142,163	7,091,628,448	4,025,284,038
TOTAL LIABILITIES AND				
SHAREHOLDERS' EQUITY	10,600,198,210	4,493,792,280	7,676,286,670	4,541,700,000

The accompanying notes are an integral part of the financial statements.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

(UNIT : BAHT)

	Notes	Consolidated Financial Statements		Separate Financial Statements	
		2022	2021	2022	2021
Revenue from sales		1,716,479,229	1,289,863,844	1,716,479,229	1,289,767,229
Revenue from rendering of services		60,578,519	42,798,822	60,578,519	42,798,822
Net sales	35	1,777,057,748	1,332,662,666	1,777,057,748	1,332,566,051
Cost of sales		(1,203,511,599)	(925,832,977)	(1,203,511,599)	(925,832,977)
Cost of rendering of services		(39,269,523)	(25,045,674)	(39,269,523)	(25,045,674)
GROSS PROFIT		534,276,626	381,784,015	534,276,626	381,687,400
Other incomes					
Dividend income		45,564,716	37,111,639	45,564,716	37,111,639
Interest income		46,213,007	28,697,706	30,687,659	28,749,768
Rental income from investment property		8,909,353	9,421,384	8,909,353	9,421,384
Rental income		4,097,911	3,865,827	4,097,911	3,865,827
Others		78,637,928	26,637,437	69,186,137	25,972,227
PROFIT BEFORE EXPENSES		717,699,541	487,518,008	692,722,402	486,808,245
Distribution costs		(111,268,046)	(89,007,085)	(112,168,479)	(94,541,375)
Administrative expenses		(412,618,810)	(296,194,855)	(411,256,726)	(293,245,643)
Royalty expenses		(33,105,149)	(23,496,176)	(33,105,149)	(23,496,176)
Allowance for impairment loss of investments		-	-	(179,907)	(536,490)
Gain from operating activities		160,707,536	78,819,892	136,012,141	74,988,561
Finance costs		(6,759,348)	(729,981)	(597,898)	(639,667)
Share of loss from investments in associate	15	(55,488)	(2,123,168)	-	-
Share of loss from investment in joint ventures	16	(4,094,837)	-	-	-
PROFIT BEFORE INCOME TAX		149,797,863	75,966,743	135,414,243	74,348,894
Income tax expense	38	(38,113,682)	(13,356,247)	(35,084,611)	(13,356,247)
NET PROFIT FOR THE YEAR		111,684,181	62,610,496	100,329,632	60,992,647

The accompanying notes are an integral part of the financial statements.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022

(UNIT : BAHT)

Note	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
NET PROFIT FOR THE YEAR	111,684,181	62,610,496	100,329,632	60,992,647
Other comprehensive income :-				
Component of other comprehensive income				
that will be reclassified to profit or loss :				
Loss on measuring financial assets	(710,167)	(1,384,124)	(710,167)	(1,384,124)
<u>Less</u> income tax effect	142,033	276,825	142,033	276,825
Component of other comprehensive income				
that will be reclassified to profit or loss - net income tax	(568,134)	(1,107,299)	(568,134)	(1,107,299)
Component of other comprehensive income				
that will be not reclassified to profit or loss :				
Profit (loss) on investment in equity designated at fair value				
through other comprehensive income	(145,464,345)	85,746,490	(145,464,345)	86,010,076
<u>Less</u> income tax effect	29,092,869	(17,149,298)	29,092,869	(17,202,015)
Component of other comprehensive income				
that will be not reclassified to profit or loss - net income tax	(116,371,476)	68,597,192	(116,371,476)	68,808,061
OTHER COMPREHENSIVE INCOME FOR THE YEAR	(116,939,610)	67,489,893	(116,939,610)	67,700,762
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	(5,255,429)	130,100,389	(16,609,978)	128,693,409
PROFIT (LOSS) ATTRIBUTABLE TO :-				
Owners of the parent company	111,054,681	62,637,995	100,329,632	60,992,647
Non-controlling interests	629,500	(27,499)	-	-
	111,684,181	62,610,496	100,329,632	60,992,647
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO :-				
Owners of the parent company	(5,884,929)	130,127,888	(16,609,978)	128,693,409
Non-controlling interests	629,500	(27,499)	-	-
	(5,255,429)	130,100,389	(16,609,978)	128,693,409
EARNINGS PER SHARE	39			
Profit for the year	0.87	0.52	0.79	0.51

The accompanying notes are an integral part of the financial statements.

THANALUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

CONSOLIDATED FINANCIAL STATEMENTS													(UNIT : BAHT)	
	Notes	Retained earnings				Other components of equity								
		Issued and paid-up share capital	Premium on ordinary shares	Capital reserve for share-based payments	Appropriated		Gain on financial assets designated at fair value through other comprehensive income	Difference from change in shareholding ratio in subsidiary company	Actuarial gain	Total other components of shareholders' equity	Total equity of parent company	Non-controlling interests	Total shareholders' equity	
					Legal Reserve	General Reserve								
Ending Balance as of 1 January 2021		120,000,000	181,125,000	-	12,000,000	231,000,000	2,472,386,053	736,273,433	(2,514,496)	43,354,544	777,113,481	3,793,624,534	416,867	3,794,041,401
General reserve	30,31	-	-	-	-	400,000	(400,000)	-	-	-	-	-	-	-
Dividend payment	31	-	-	-	-	-	(8,400,000)	-	-	-	-	(8,400,000)	-	(8,400,000)
Gain on disposal other financial assets		-	-	-	-	-	63,678,381	-	-	-	-	63,678,381	-	63,678,381
Loss from capital distribution of investment		-	-	-	-	-	(1,278,008)	-	-	-	-	(1,278,008)	-	(1,278,008)
Total comprehensive income for the year		-	-	-	-	-	62,637,995	67,489,893	-	-	67,489,893	130,127,888	(27,499)	130,100,389
Ending Balance as of 31 December 2021		120,000,000	181,125,000	-	12,000,000	231,400,000	2,588,624,421	803,763,326	(2,514,496)	43,354,544	844,603,374	3,977,752,795	389,368	3,978,142,163
Balance as of 1 January 2022		120,000,000	181,125,000	-	12,000,000	231,400,000	2,588,624,421	803,763,326	(2,514,496)	43,354,544	844,603,374	3,977,752,795	389,368	3,978,142,163
General reserve	30,31	-	-	-	-	3,000,000	(3,000,000)	-	-	-	-	-	-	-
Dividend payment	31	-	-	-	-	-	(59,999,950)	-	-	-	-	(59,999,950)	-	(59,999,950)
Share-based payments	28	-	-	6,267,300	-	-	-	-	-	-	-	6,267,300	-	6,267,300
Increase in share capital TNL-ESOP 2022	27	5,075,000	106,067,500	-	-	-	-	-	-	-	-	111,142,500	-	111,142,500
Increase in share capital	27	87,237,766	2,780,142,778	-	-	-	-	-	-	-	-	2,867,380,544	-	2,867,380,544
Write-off the dissolution from investment		-	-	-	-	-	(3,317,590)	-	-	-	-	(3,317,590)	-	(3,317,590)
Gain on disposal other financial assets		-	-	-	-	-	159,041,819	-	-	-	-	159,041,819	-	159,041,819
Loss from capital distribution of investment		-	-	-	-	-	(666,899)	-	-	-	-	(666,899)	-	(666,899)
Total comprehensive income for the year		-	-	-	-	-	111,054,681	(116,939,610)	-	3,106,664	(113,832,946)	(2,778,265)	17,540,814	14,762,549
Ending Balance as of 31 December 2022		212,312,766	3,067,335,278	6,267,300	12,000,000	234,400,000	2,791,736,482	686,823,716	(2,514,496)	46,461,208	730,779,428	7,054,822,254	17,930,182	7,072,752,436

The accompanying notes are an integral part of the financial statements.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

SEPARATE FINANCIAL STATEMENTS											(UNIT : BAHT)
	Retained earnings					Other components of equity					
	Notes	Issued and paid-up share capital	Premium on ordinary shares	Capital reserve for share-payments	Appropriated		Unappropriated	Gain on financial assets designated at fair value through other comprehensive income	Actuarial gain	Total other components of shareholders' equity	
					Legal Reserve	General Reserve					
Ending Balance as of 1 January 2021		120,000,000	181,125,000	-	12,000,000	231,000,000	2,515,848,147	739,262,564	43,354,545	782,617,109	
General reserve	30,31	-	-	-	-	400,000	(400,000)	-	-	-	
Dividend payment	31	-	-	-	-	-	(8,400,000)	-	-	(8,400,000)	
Gain on disposal other financial assets		-	-	-	-	-	63,678,381	-	-	63,678,381	
Loss from capital distribution of investment		-	-	-	-	-	(1,278,008)	-	-	(1,278,008)	
Total comprehensive income for the year		-	-	-	-	-	60,992,647	67,700,762	-	67,700,762	
Ending Balance as of 31 December 2021		120,000,000	181,125,000	-	12,000,000	231,400,000	2,630,441,167	806,963,326	43,354,545	850,317,871	
Balance as of 1 January 2022		120,000,000	181,125,000	-	12,000,000	231,400,000	2,630,441,167	806,963,326	43,354,545	850,317,871	
General reserve	30,31	-	-	-	-	3,000,000	(3,000,000)	-	-	-	
Dividend payment	31	-	-	-	-	-	(59,999,950)	-	-	(59,999,950)	
Share-based payments	28	-	-	6,267,300	-	-	-	-	-	6,267,300	
Increase in share capital TNL-ESOP 2022	27	5,075,000	106,067,500	-	-	-	-	-	-	111,142,500	
Increase in share capital	27	87,237,766	2,780,142,778	-	-	-	-	-	-	2,867,380,544	
Write-off the dissolution from investment		-	-	-	-	-	(3,317,590)	-	-	(3,317,590)	
Gain on disposal other financial assets		-	-	-	-	-	159,041,819	-	-	159,041,819	
Loss from capital distribution of investment		-	-	-	-	-	(666,899)	-	-	(666,899)	
Total comprehensive income for the year		-	-	-	-	-	100,329,632	(116,939,610)	3,106,664	(13,503,314)	
Ending Balance as of 31 December 2022		212,312,766	3,067,335,278	6,267,300	12,000,000	234,400,000	2,822,828,179	690,023,716	46,461,209	736,484,925	

The accompanying notes are an integral part of the financial statements.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2022

(UNIT : BAHT)

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES				
Net profit for the year	111,684,181	62,610,496	100,329,632	60,992,647
Adjustments				
Income tax revenue	38,113,682	13,356,247	35,084,611	13,356,247
Increase in allowance for doubtful accounts	13,283,681	6,287,096	13,911,115	6,287,096
Increase (decrease) in allowance for decline in value and slow-moving of inventories	1,290,247	(4,611,337)	1,290,247	(4,611,337)
Increase in allowance for impairment loss of investments	-	-	179,908	536,490
Dividend income	(45,564,716)	(37,111,639)	(45,564,716)	(37,111,639)
Retirement	2,756,888	-	1,790,895	-
Depreciation and amortization	43,370,285	52,697,313	46,067,512	54,519,102
Expenses in relation to share-based payments	10,327,300	-	10,327,300	-
Share of loss from investments in associated company	-	2,123,167	-	-
Realized (gain) loss on disposal of other financial assets - debt securities	4,050,632	(294,259)	4,050,632	(294,259)
Gain on disposal of other financial assets - equity securities	5,189,056	-	5,189,056	-
Unrealized (gain) loss on revaluation of other financial assets - debt securities	649,059	(126,881)	649,059	(126,881)
Unrealized (gain) loss from derivatives	186,884	(606,656)	186,884	(606,656)
Loss from retirement of fixed assets	456,962	1,216,200	456,962	1,216,200
Gain on disposal of fixed assets	(1,440,740)	(137,228)	(1,440,740)	(137,228)
Gain on disposal of associated company	(1,548,800)	-	(1,548,800)	-
Gain from the transfer to investment property	(32,030,000)	-	(32,030,000)	-
Gain from transfer to fixed assets	(11,760,000)	-	(11,760,000)	-
(Gain) loss on exchanges	(171,042)	275,947	(171,042)	275,947
Excess of acquisition cost over estimate value of interest acquired				
in the net assets from acquisition of the subsidiary	(703,358,419)	-	-	-
Non-controlling Interest	16,911,313	-	-	-
Finance costs	6,759,349	729,981	597,898	639,667
Interest income	(46,406,515)	(28,697,706)	(30,687,659)	(28,749,768)
PROFIT (LOSS) FROM OPERATION BEFORE CHANGES				
IN OPERATING ASSETS AND LIABILITIES	(587,250,713)	67,710,741	96,908,754	66,185,628
Operating assets (increase) decrease				
Trade and other current receivables	(37,172,278)	(19,443,301)	20,892,820	(21,125,831)
Inventories	(45,928,315)	(53,455,619)	(45,928,315)	(53,455,619)
Current tax assets	1,468,019	97,042	1,468,019	96,291
Right to returned goods	400,000	22,400,000	400,000	22,400,000
Other current assets	-	-	(19,697,032)	-
Other non - current assets	(557,686)	1,913,628	(612,686)	(1,862,404)
Operating liabilities increase (decrease)				
Trade and other current payables	176,418,385	8,446,780	116,346,068	8,196,536
Retirement benefit obligations	(7,736,000)	(5,785,258)	(8,131,183)	(5,785,258)
Provision for goods returned	(200,000)	(38,100,000)	(200,000)	(38,100,000)
Other non - current liabilities	1,474,548	(769,627)	1,474,548	(769,627)
CASH PROVIDED FROM (USED IN) OPERATING ACTIVITIES	(499,084,040)	(16,985,614)	162,920,993	(24,220,284)
Cash paid for financial costs	(737,269)	(729,981)	(597,898)	(639,667)
Cash paid for corporate income tax	(55,812,767)	-	(46,153,116)	-
Cash received from vat refunds	8,467,083	8,170,685	8,467,083	8,170,685
NET CASH RECEIVED FROM (USED IN) OPERATING ACTIVITIES	(547,166,993)	(9,544,910)	124,637,062	(16,689,266)

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

(UNIT : BAHT)

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
CASH FLOW FROM INVESTING ACTIVITIES				
Cash received from dividend	45,564,716	37,116,696	45,564,716	37,116,696
Cash received from interest	44,598,263	31,507,561	32,955,307	31,570,917
Decrease in fixed deposits, bill of exchange and certificate of deposits	5,439,672	106,999,133	5,439,672	106,999,133
Cash paid for investment in subsidiary company	-	-	(837,702,244)	-
Cash paid for investment in associate company	(647,829,953)	-	(120,000,000)	-
Cash received from sale of investments in associated company	121,548,800	-	121,548,800	-
Cash received from long - term loans to related company	9,773,999,074	-	-	-
Cash paid for short - term loans to related company	(7,370,719,614)	-	-	-
Cash received from short - term loans to other company	800,000,000	-	-	-
Cash paid for long - term loans to related company	(1,050,000,000)	-	-	-
Cash received from redemption of other financial assets measured at fair value through profit or loss - debt securities	508,401,151	484,494,108	508,401,151	484,494,108
Cash paid for other financial assets measured at fair value through profit or loss - debt securities	(202,911,283)	(469,922,804)	(202,911,283)	(469,922,804)
Cash paid for short - term loans to other company	(2,869,000,000)	(40,000,000)	-	(40,000,000)
Cash received from short - term loans to related companies	6,100,000	10,000,000	6,100,000	13,800,000
Cash paid for loans to related parties	(288,814,052)	-	(1,384,719,614)	-
(Increase) decrease of other financial assets measured at fair value through other comprehensive income - listed equity securities	155,698,193	(21,837,901)	155,698,193	(21,837,901)
(Increase) decrease of other financial assets measured at fair value through other comprehensive income - debt securities	15,612,524	(90,216,572)	15,612,524	(90,216,572)
Cash paid for other financial assets measured at amortisation costs - debt securities held to maturity	(1,046,763,548)	(684,052,177)	(1,046,957,056)	(684,052,177)
Cash received from redemption of other financial assets measured - debt securities held to maturity	1,439,764,862	758,450,323	1,439,764,862	758,450,323
Cash paid for other financial assets measured at fair value through other comprehensive income - non listed equity securities	-	(59,520,000)	-	(59,520,000)
Proceeds from decrease in share capital of other financial assets measured at fair value through other comprehensive income - listed equity securities	356,574	250,177	356,574	250,177
Proceeds from decrease in share capital of other financial assets measured at fair value through other comprehensive income - non listed equity securities	817,784	2,021,993	814,032	2,021,993
Cash received from disposal of other financial assets measured at fair value through other comprehensive income - non listed equity securities	9,000	-	12,752	-
Cash received from disposal of other financial assets measured at fair value through other comprehensive income - listed equity securities	391,828,499	102,999,177	391,828,499	102,999,177
Cash paid for advance in fixed assets	-	-	(2,784,000)	-
Acquisition of investment property	(3,748,543)	-	-	-
Acquisition of fixed assets	(21,132,410)	(15,136,227)	(19,783,810)	(15,136,227)
Acquisition of intangible assets	(2,999,200)	(1,318,000)	(215,200)	(1,318,000)
Proceeds from disposal of fixed assets	1,447,771	137,252	1,447,771	137,252
NET CASH RECEIVED FROM (USED IN) INVESTING ACTIVITIES	(192,731,720)	151,972,739	(889,528,354)	155,836,095

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

(UNIT : BAHT)

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
CASH FLOW FROM FINANCING ACTIVITIES				
Cash paid for lease liabilities	(4,159,646)	(5,468,029)	(4,159,646)	(3,503,799)
Dividend payment	(59,981,062)	(8,393,789)	(59,981,062)	(8,393,789)
Proceeds from increase in share capital	2,974,463,043	-	2,974,463,043	-
NET CASH RECEIVED FROM (USED IN) FINANCING ACTIVITIES	2,910,322,335	(13,861,818)	2,910,322,335	(11,897,588)
CASH AND CASH EQUIVALENT INCREASE - NET	2,170,423,622	128,566,011	2,145,431,043	127,249,241
Cash and cash equivalents as at 1 January	213,990,743	85,424,732	210,641,306	83,392,065
CASH AND CASH EQUIVALENTS AS AT 31 DECEMBER	2,384,414,365	213,990,743	2,356,072,349	210,641,306

ADDITIONAL DISCLOSURE ITEM TO CASH FLOWS STATEMENT : -

Significant non-cash items consist of

- Gain (loss) on measuring financial assets (net income tax)	(116,939,610)	67,489,893	(116,939,610)	67,700,762
- Lease liabilities	11,323,052	14,426,150	11,323,052	14,426,150

The accompanying notes are an integral part of the financial statements.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1. GENERAL INFORMATION

- 1.1 Registration** Thanulux Public Company Limited (“The Company”) is incorporated in Thailand. The Company was listed on the Stock Exchange of Thailand on 21 July 1987.
- 1.2 Office location** Head office and its factory is located at 129/1, Chongnonthri Road, Chongnonthri, Yannawa, Bangkok, Thailand.
- Factory branch (Saha Group Industrial Park - Lamphun Project) is located at 99/3 Moo 5, Paa-Sak, Muang Lamphun, Lamphun, Thailand.
- Factory branch (Saha Group Industrial Park - Kabinburi Project) is located at 125 Moo 5, Nonthri, Kabinburi, Prachinburi, Thailand.
- Factory branch (Mae Sot) is located at 269/1 Moo 15, Mae kasa, Mae Sot, Tak, Thailand.
- Factory branch (Chonburi) is located at 687 Moo 11, Sukhaphiban 8, Nong Kham, Sriracha, Chonburi, Thailand.
- 1.3 Main activities** Manufacturing and distributing apparel. The subsidiaries’ main activities are discussed in Note 2.4
- 1.4** The first two major shareholders ranged by their shareholding as of 31 December 2022 and 2021 are as follows :-

	% of issued and paid-up share capital	
	31 December 2022	31 December 2021
Saha Pathana Inter-Holding Plc.	41.09	23.52
BTS Group Holding Public Co., Ltd.	41.09	-
I.D.F. Co., Ltd.	-	13.33

- 1.5** On 20 July 2022, the shareholders’ extraordinary meeting No. 1/2022 of the subsidiary (Celebrate Wealth Co., Ltd.), had approved the liquidation of the company and appointed liquidators to take care of remaining business, dispose off assets and pay off liabilities including payment of the liquidators’ fees. The subsidiary had registered the liquidation with the Departments of Business Development on 21 July 2022.

2. BASIS OF FINANCIAL STATEMENTS PREPARATION

- 2.1** The financial statements are prepared in accordance with Thai Accounting Standards (“TAS”) and Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) and the presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 26 December 2019 under the Accounting Act B.E. 2543 and the financial reporting requirements of the Securities and Exchange Commission (SEC).

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

2.2 The financial statements have been prepared on the historical cost basis except where otherwise disclosed in the accounting policies.

2.3 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.

2.4 Basis of the consolidation of financial statements

The consolidated financial statements include the financial statements of Thanulux Public Company Limited “the Company” and the following subsidiary companies “the subsidiaries”

	% of Shareholding / Voting right		Incorporated in	Location	Main activities
	31 Dec 22	31 Dec 21			
Subsidiaries					
S. Apparel Co., Ltd.	99.99	99.99	Thailand	4/2 Moo 8, Bangna-Trad Road, KM. 18 Bangchalong, Bangplee, Samutprakam.	Manufacturing, Subcontracting and distributing apparel
Celebrate Wealth Co., Ltd.	87.76	87.76	Thailand	129/1, Chongnonthri Road, Chongnonthri, Yannawa, Bangkok.	Distributing apparel
Oxygen Asset Co., Ltd.	90.00	-	Thailand	530 Soi Sathupradit 58, Bangpongpan, Yannawa, Bangkok.	Secured credit business
TNL Alliance Co., Ltd.	99.97	-	Thailand	129/1, Chongnonthri Road, Chongnonthri, Yannawa, Bangkok.	Real estate development for sale
TNLX Co., Ltd.	99.97	-	Thailand	129/1, Chongnonthri Road, Chongnonthri, Yannawa, Bangkok.	Manufacturing and distributing apparel
Subsidiaries held by Oxygen Asset Co., Ltd.					
Oxygen Asset Management Co., Ltd.	100.00	-	Thailand	530 Soi Sathupradit 58, Bangpongpan, Yannawa, Bangkok.	Financial management consultancy activities
Oxygen 1 Co., Ltd.	100.00	-	Thailand	530 Soi Sathupradit 58, Bangpongpan, Yannawa, Bangkok.	Buying and selling real estate development for service

- The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

- Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.
- Subsidiaries' financial statements are fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- The subsidiaries' financial statements are prepared on the same reporting period as the Company's using consistent significant accounting policies.
- Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements. Book value of investments and shareholder's equity of its subsidiaries have also been eliminated from the consolidated financial statements.
- Non - controlling interest represents the portion of net income or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated statements of comprehensive income and in the shareholders' equity in the consolidated statements of financial position.

2.5 The separate financial statements present investments in subsidiaries and associates presented under the cost method.

2.6 Using of accounting estimates

The preparation of financial statements in conformity with TAS and TFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

3. NEW FINANCIAL REPORTING STANDARDS

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

3.1 Financial reporting standards that became effective in the current year

New and amended Thai Financial Reporting Standards issued by the Federation of Accounting Professions which become effective for fiscal periods beginning on or after 1 January 2022 do not have any significant impact on the Group's financial statements.

However, the Group has adopted the temporary reliefs in accordance with TFRS 9 Financial

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2022**

Instruments and TFRS 7 Disclosure of Financial Instruments, which apply to transactions directly affected by interest rate benchmark reform, including changes to contractual cash flows or hedging relationships arising from the replacement of the referenced interest rate benchmark with an alternative benchmark rate. The adoption of these temporary reliefs does not have any significant impact on the Group's financial statements.

3.2 New financial reporting standards issued and not yet effective

In addition to financial reporting standards issued and revised as mentioned above the TFAC has also issued and revised the other number of financial reporting standards which will become effective for annual financial periods beginning on or after 1 January 2023. The Group's management has assessed the effect of the above financial reporting standards and believes that these standards will not have significant impact on the financial statements for the year in which they are effective.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**4.1 Revenue recognition and expenses*****Sales 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 on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, after deducting allowance for returns of goods supplied and discounts excluding value added tax.

Revenue from rendering of services

Revenue from rendering of services is recognised when service have been rendered taking into account the stage of completion.

Dividend income

Dividend income is recognised when the right to receive the dividend is established.

Interest income

Interest income is recognised on an effective interest method.

Other revenues and expenses

Other revenues and expenses are recognised on an accrual basis.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4.2 Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short - term investments with an original maturity of three months or less and not subject to restrictions.

4.3 Inventories

Inventories are valued at the lower of cost (weighted average) or net realizable value.

Cost of inventories is comprised of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. In case of finished goods and work in progress, cost includes an appropriate share of overheads.

Net realizable value is estimated selling price in the ordinary course of business less estimated costs to complete and to make the sale.

Allowance is made for all deteriorated, damaged, obsolete and certain slow-moving inventories.

4.4 Right to returned goods and provision for goods returned

The Company has provided a provision for goods returned from customers who are allowed to return the goods within the period agreed between both parties. The provision is estimated based upon historical information of goods returned and forecast future trends.

When a customer has a right to return products bought within a given period, the Company recognizes a refund liability for the amount of consideration received for which the entity does not expect to be entitled. The Company adjusts the valuation measurement of the refund liability as at the end of the reporting period for changing in the estimated amount of the refund amount and a corresponding adjustment to revenues from sale of goods. At the same time, the Company will recognize as right to returned goods the product and a corresponding adjustment to cost of sale of goods.

4.5 Investments in subsidiaries and associate

- Investment in associate in the consolidated financial statements is accounted for using the equity method.
- Investments in subsidiaries and associate in the separate financial statements of the Company are accounted for using the cost method less allowance for impairment loss (if any).

4.6 Investments

- Investments in securities held for trading are stated at fair value. Gains or losses arising from changes in the carrying amounts of the securities are included in the statements of comprehensive income.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

- Investments in available-for-sale securities mean investments in listed securities stated at fair value, with the objective for long-term investments. Changes in the carrying amounts of securities are recorded as separate item in the other comprehensive income until the securities are sold, and the changes are then included in the statements of comprehensive income.
- Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised by the effective rate method with the amortised amount presented as an adjustment to interest income.
- Investments in non-marketable equity securities, which the Company classifies as general investments, are stated at cost net of allowance for impairment loss (if any).

Investments in related companies mean those companies in which the Group has holding interest less than 20% and/or the companies which directly or indirectly have some common management, major shareholders or such related persons.

Investments in other companies are those companies in which the Group has holding interest but has no power to govern or participate in any policy.

The fair value of marketable securities is based on the latest close price of the last working day of the year quoted on the Stock Exchange of Thailand. The fair value of unit trusts is determined from their net asset value.

Weighted average method is used for the computation of cost of investments.

4.7 Investment property

Investment property is stated at cost less accumulated depreciation and loss on impairment of assets (if any).

Cost of investment property includes purchase price and other direct costs relating to the acquisition of such asset item.

Depreciation is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of assets which are as follows :-

Land improvement	5 years
Building	20 years
Land	Not depreciated

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4.8 Property, plant and equipment

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Cost of property, plant and equipment include purchase price and other direct costs relating to the acquisition of such asset item.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred.

Depreciation is charged to the statements of comprehensive income on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment which are as follows :-

Land improvement	5	years
Building and structures	20, 25, 35 and 40	years
Machinery	5 - 10	years
Office equipment	3 - 5	years
Furniture and fixtures	5	years
Vehicles	5	years

Land and assets under construction and installation are not depreciated.

The Group has reviewed useful life and residual value at least at each financial year-end. In case that the residual value or estimated useful lives differs from those originally estimated, such changes are considered changes in accounting estimates.

4.9 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life.

The amortisation expense is charged to the comprehensive income statements.

Intangible assets with finite useful lives comprise of computer software having useful lives of 3 - 10 years.

4.10 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2022**

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of cash generating units that are expected to benefit from the synergies of the combination. The Company and its subsidiaries estimates the recoverable amount of each cash-generating unit to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.11 Impairment of non-financial assets

Impairment of assets, the Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Group makes an estimate of the asset's recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment loss is recognized in the comprehensive income statements. (An asset's recoverable amount is the higher of fair value less costs to sell and value in use).

4.12 Leases**● Right-of-use assets**

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Group is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The cost of right-of-use assets also includes an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

● **Lease liabilities**

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Group'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 modification or reassessment.

● **Short - term leases and Leases of low-value assets**

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

4.13 Provision

A provision is recognised in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Group expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

Presentation for a provision in statement of comprehensive income is the net amount which can be reimbursed.

4.14 Related party transactions

Related parties and related companies with the Group means the parties or the companies that have the controlling power to the Group, controlled by the Group either directly or indirectly, or under the same control with the Group. Furthermore, the related parties and related companies also means the associated companies and the parties who have holding interest with voting rights, either directly or indirectly, and have significant influence to the Group, important management, being directors or employees of the Group who have the power to manage and control the Group's operations including the family members close to the said persons which could persuade or to act in compliance with the said persons and businesses that the said persons have controlling power or significant influence, either directly or indirectly.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

4.15 Foreign currency transactions

Foreign currency transactions are translated into Baht at the rates ruling on the occurrence dates. Assets and liabilities in foreign currency outstanding on the statement of financial position date are translated into Baht at the reference exchange rates as determined by the Bank of Thailand on the statement of financial position date, except the transactions of forward exchange contracted with the banks will be recognised at fair value.

Exchange gains or losses are included as incomes or expenses in the statements of comprehensive income.

4.16 Employee benefits

- **Short - term employee benefits**

Short - term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

- **Defined contribution plans**

The Group operate a provident fund, being a defined contribution plan, the assets for which are held in a separate trust fund and managed by a fund manager. The provident fund is contributed by payments from employees and by the Group. The Group's contributions to the provident fund are charged to the statement of comprehensive income in the years to which they relate.

- **Defined benefit plans**

- Termination and retirement benefits

Under Labor Laws applicable in Thailand and Group's employment policy, all employees completing 119 days of service are entitled to severance pay on termination or retrenchment without cause or upon retirement age of 55 and 58. The severance pay will be at the rate according to number of years of service as stipulated in the Labor Law which is currently at a maximum rate of 400 days of final salary. And employees who have provided the services to the Group more than 20 years, the special severance pay on termination or retrenchment without cause will be compensated at the rate specified.

- Other long - term benefits

The Group has a policy to reward employees upon 10, 20 and 30 years of services at specified lump-sum amounts.

The Company also has a policy to provide compensation to retired directors by reference to service years as the Company's director multiplied by a specified rate.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

The Group provides provision regarding the employee benefits under defined benefits plan by using the actuarial technique. The present value of the defined benefits obligation is determined by discounting estimated future cash flows using yields on the government bonds which have terms to maturity approximating the terms of related liability. The estimated future cash flows shall reflect employee salaries, turnover rate, length of service and other. The costs associated with providing these benefits are charged to the statement of comprehensive income so as to spread the cost over the employment period during which the entitlement to benefits is earned.

Actuarial gains and losses arising from post-employment benefits are recognised in the statement of other comprehensive income.

4.17 Corporate income tax

Income tax expense

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax

Deferred 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 the reporting period.

The Group recognizes deferred tax liabilities for all taxable temporary differences while they recognize 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 such deductible temporary differences and tax losses carried forward that can be utilized.

At each reporting date, the Group reviewed and reduced 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 utilized.

The Group recorded deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.18 Fundamental earnings per share

Fundamental earnings per share are calculated by dividing net income by the number of ordinary shares outstanding at the end of the year. In case of a capital increase, the number of ordinary shares is weighted according to time of subscription received.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

4.19 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 Group applies a quoted market price in an active market to measure their 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 Group measures fair value using valuation technique 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 categorise 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 Group 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.

4.20 Financial instruments

The Group 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 Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group 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.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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 recognised in profit or loss.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group'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 Group 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.

The Group may elect to measure financial liabilities at FVTPL if doing so eliminates, or significantly reduces a recognition inconsistency (sometimes referred to as an accounting mismatch).

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 Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but 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 the statement of profit or loss.

Impairment of financial assets

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is 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.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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.

Share-based payments

The Company recognized share-based payment transactions when services from employees are rendered, based on the fair value of the share options, on the grant date. The expenses are recorded over the vesting periods, per the years of service conditions stipulated in the share-based payment plan, and an increase in shareholders' equity is recognized under the caption "Capital reserve for share-based payment transactions".

Estimating fair value for share-based payment transactions requires management to exercise judgement and apply assumptions, including other assumption such as the term of the share options, share price volatility and dividend yield.

5. TRANSACTIONS BETWEEN THE COMPANY AND RELATED PARTIES

The Company had transactions with its subsidiaries and related companies, given that those companies having the same group of shareholders or mutual directors. Significant inter-company transactions and outstanding balances as of 31 December 2022 and 2021 are summarized below :-

5.1 NATURE OF RELATIONSHIPS

RELATED PARTIES	TYPES OF BUSINESS	RELATIONSHIP
1. S. Apparel Co., Ltd.	Manufacturing, subcontracting and distributing apparel	Co-directors, Co-shareholders and being subsidiary
2. Celebrate Wealth Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders and being subsidiary
3. Oxygen Asset Co., Ltd.	Financial Services	Co-directors, Co-shareholders and being subsidiary
4. TNL Alliance Co., Ltd.	Real estate	Co-directors, Co-shareholders and being subsidiary
5. TNLX Co., Ltd.	Textile and garment	Co-directors, Co-shareholders and being subsidiary
6. Oxygen Asset Management Co., Ltd.	Financial Services	Co-directors, Co-shareholders and being subsidiary
7. Oxygen 1 Co., Ltd.	Financial Services	Co-directors, Co-shareholders and being subsidiary
8. World Saha Fashion Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders and being associate

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

RELATED PARTIES	TYPES OF BUSINESS	RELATIONSHIP
9. Future Domain Co., Ltd.	Real estate	Co-directors, Co-shareholders and being joint venture
10. Khu Khot Station Alliance Co., Ltd.	Real estate	Co-directors, Co-shareholders and being joint venture
11. Majestic Park Co., Ltd.	Real estate	Co-directors, Co-shareholders and being joint venture
12. Phraram 9 Alliance Co., Ltd.	Real estate	Co-directors, Co-shareholders and being joint venture
13. Ratburana Alliance Co., Ltd.	Real estate	Co-directors, Co-shareholders and being joint venture
14. Ratchada Alliance Co., Ltd.	Real estate	Co-directors, Co-shareholders and being joint venture
15. Suksawat Alliance Co., Ltd.	Real estate	Co-directors, Co-shareholders and being joint venture
16. T- Chamber Co., Ltd.	Distributing apparel	Co-management
17. People's Garment Plc.	Garment manufacturing	Co-shareholders
18. I.C.C. International Plc.	Consumer goods distributing	Co-directors, Co-shareholders
19. Sahacogen (Chonburi) Plc.	Electricity generating and distributing	Co-shareholders
20. Thai Wacoal Plc.	Ladies' lingerie manufacturing	Co-directors, Co-shareholders
21. TPCS Plc. (Formerly known as Textile Prestige Plc.)	Manufacture of other textiles, not elsewhere classified	Co-directors, Co-shareholders
22. Saha Pathana Inter - Holding Plc.	Holding company	Majority shareholders
23. Far East Fame Line DDB Plc.	Advertising	Co-shareholders
24. O C C Plc.	Distributing cosmetics and apparel	Co-shareholders
25. Saha Pathanapibul Plc.	Consumer goods distributing	Co-shareholders
26. Thai Monster Co., Ltd.	Garment manufacturing	Co-directors, Co-shareholders
27. Total Way Image Co., Ltd.	Leatherware manufacturing	Co-directors, Co-shareholders
28. Thai Naxis Co., Ltd.	Label manufacturing	Co-shareholders
29. SSDC (Tigertex) Co., Ltd.	Bleaching, dyeing fabric and yarn	Co-directors, Co-shareholders
30. International Commercial Coordination (Hong Kong) Ltd.	Distributing apparel	Co-shareholders
31. International Leather Fashion Co., Ltd.	Leatherware manufacturing	Co-directors, Co-shareholders
32. Wise Winner Co., Ltd.	Distributing garment and sport equipment	Co-shareholders
33. Morgan De Toi (Thailand) Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders

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RELATED PARTIES	TYPES OF BUSINESS	RELATIONSHIP
34. Champ Ace Co., Ltd.	Real estate development	Co-directors, Co-shareholders
35. Pak Numpo Wattana Co., Ltd.	Distributing apparel	Co-management, Co-shareholders
36. Intanin Chiangmai Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders
37. Koraj Wattana Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders
38. Sun & Sand Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders
39. Eastern I.C.C. Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders
40. Maharachapreuk Co., Ltd.	Distributing apparel	Co-directors, Co-shareholders
41. Thai Gunze Co., Ltd.	Garment manufacturing	Co-shareholders
42. Waseda Education (Thailand) Co., Ltd.	Education institution	Co-shareholders
43. Thai Bunka Fashion Co., Ltd.	Fashion institution	Co-directors, Co-shareholders
44. Sriracha Aviation Co., Ltd.	Retail sale of automotive fuel in specialized stores	Co-directors
45. K.Commercial and Construction Co., Ltd.	Construction contractor	Co-shareholders
46. H & B Intertext Co., Ltd.	Fabric doll manufacturing	Co-shareholders
47. Thai Staflex Co., Ltd.	Fabric products	Co-shareholders
48. Treasure Hill Co., Ltd.	Golf course	Co-directors, Co-shareholders
49. Thai Asahi Kazei Spandex Co., Ltd.	Manufacturing and distributing spandex	Co-shareholders
50. Panland Co., Ltd.	Property development	Co-shareholders
51. Wien International Co., Ltd.	Direct sale	Co-shareholders
52. Sahapat Real Estate Co., Ltd.	Real estate development	Co-directors, Co-shareholders
53. Janome (Thailand) Co., Ltd.	Sewing machines	Co-shareholders
54. Sahapat Properties Co., Ltd.	Property development	Co-directors, Co-shareholders
55. Thai Itokin Co., Ltd.	Garment manufacturing	Co-shareholders
56. Racha Uchino Co., Ltd.	Household textile	Co-shareholders
57. Erawan Textile Co., Ltd.	Spun yarn and fabrics manufacturing	Co-shareholders
58. Pattaya Manufacturing Co., Ltd.	Garment manufacturing	Co-shareholders
59. Ramasorn Thaveekarn Co., Ltd.	Investment	Majority shareholders
60. PTK Multi Services Co., Ltd.	Garden maintenance and cleaning service	Co-shareholders
61. I.D.F. Co., Ltd.	Investment	Majority shareholders
62. Bangkok Tokyo Socks Co., Ltd.	Manufacturing and distributing socks	Co-shareholders
63. Fujix International Co., Ltd.	String distributing	Co-shareholders
64. PT. TRINITY LUXTRO APPAREL	Distributing apparel	Co-management, Co-shareholders
65. Pitakkit Security Guard Co., Ltd.	Service of security	Co-shareholders

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RELATED PARTIES	TYPES OF BUSINESS	RELATIONSHIP
66. President Bakery Plc.	The food and beverage	Co-shareholders
67. Eastern Thai Consulting 1992 Co., Ltd.	Wholesale of industrial chemicals	Co-majority shareholders
68. Pitakkij Co., Ltd.	Constuctions of non-residential building	Co-majority shareholders
69. Thai Secom Security Co., Ltd.	Service of security	Co-majority shareholders
70. Saha Komehyo Co., Ltd	Buy and sell of luxury used products	Co-shareholders
71. Saha Capital Tower Co., Ltd	Property development	Co-directors, Co-shareholders
72. BTS Group Holdings Plc.	Property development, Advertising, Service and Mass transportation	Co-directors, Co-shareholders
73. Bangkok Mass Transit System Plc.	Mass transit system provision of advertising services and the rental of space and others	Co-directors, Co-shareholders

Pricing policies of related party transactions are as follows :-

Transactions	Pricing policies
Revenue from sales	Agreed-upon price by referring to market price
Royalty expenses	Agreed-upon price
Purchase of goods and rendering of services	Agreed-upon price/market price
Distribution costs and administrative expenses	Contractually - agreed prices
Interest income	At 3.00% - 8.00% per annum.
Directors' remunerations (Meeting allowance, annual compensation)	Rates approved by shareholders
Purchase of marketable equity securities	Market price
Purchase of general investment	Agreed-upon price
Purchase of fixed assets	Agreed-upon price

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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5.2 RELATED PARTY REVENUE AND EXPENSES

The revenue, expenses and other transaction for the years ended 31 December 2022 and 2021 are as follows :-

	(UNIT : THOUSAND BAHT)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Transactions with subsidiaries				
Interest income	-	-	2,902	55
Other income	-	-	633	-
Distribution costs and administrative expenses	-	-	-	3,045
Transactions with related parties				
Revenue from sales and services				
- I.C.C. International Plc.	637,647	427,529	637,647	427,529
- Others	20,020	27,182	20,020	27,182
Total	657,667	454,711	657,667	454,711
Revenue from rendering of service	2,829	2,589	2,829	2,589
Dividend income (Notes 13)	37,084	29,308	37,084	29,308
Interest income	4,771	3,496	4,771	3,496
Other income	15,161	19,063	15,161	19,063
Purchase of goods and raw materials	37,218	60,512	37,218	60,512
Rendering of service	4,860	19	4,860	19
Distribution costs and administrative expenses	46,623	48,254	46,623	48,254
Purchase of fixed assets	43,834	1,102	43,834	1,102
Purchase of general investment	120,000	81,890	957,702	81,890
Sale of general investment	492,612	82,577	492,612	42,577
Gain on disposal of investments	191,302	62,442	191,302	62,442

Management benefit expenses

Management benefit expenses represent benefits paid to the Company's management such as salaries and related benefits including benefits paid by other means. The Company's management is the persons defined under the Securities and Exchange Act.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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Management benefit expenses for the years ended 31 December 2022 and 2021 are as follows :-

	(UNIT : BAHT)	
	Consolidated and separate financial statements	
	2022	2021
Remuneration to Executive Board	1,022,000	842,000
Short - term employee benefits	26,403,818	21,484,961
Post - employment benefits	1,163,395	1,340,025
Total	28,589,213	23,666,986

5.3 INTER - COMPANY BALANCES OF ASSETS AND LIABILITIES

As of 31 December 2022 and 2021, inter - company balances are as follows :-

	(UNIT : THOUSAND BAHT)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Accounts receivable - trade				
Other related companies				
- I.C.C. International Plc.	77,728	37,823	77,728	37,823
- Others	5,867	8,192	5,867	8,192
Total (Note 7)	83,595	46,015	83,595	46,015
Short - term loans				
Subsidiaries	-	-	-	-
Other related companies	318,746	41,000	1,416,720	41,000
Total (Note 8)	318,746	41,000	1,416,720	41,000
Accrued income				
Subsidiaries	-	-	2,931	272
Other related companies	4,798	4,080	4,798	4,075
Total	4,798	4,080	7,729	4,347
Investments - net				
Subsidiaries (Note 14)	-	-	848,750	11,228
Associate (Note 15)	-	-	-	-
Joint ventures (Note 16)	527,830	-	-	-
Other related companies (Note 13)	1,494,334	1,846,263	1,494,334	1,846,263
Total	2,022,164	1,846,263	2,343,084	1,857,491

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

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(UNIT : THOUSAND BAHT)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Long - term loans				
Associate	40,000	42,877	40,000	45,000
Total (Note 17)	40,000	42,877	40,000	45,000
Accounts payable - trade				
Subsidiaries	-	-	-	-
Other related companies	5,051	4,945	5,051	4,945
Total (Note 23)	5,051	4,945	5,051	4,945
Accrued expenses				
Subsidiaries	-	-	-	-
Other related companies	6,697	6,206	6,697	6,206
Total	6,697	6,206	6,697	6,206

Movements of loans to related parties for the years ended 31 December 2022 and 2021 are as follows :-

(UNIT : THOUSAND BAHT)

	Consolidated financial statements		Separate financial statements		Interest per annum (percent)	
	2022	2021	2022	2021	2022	2021
Celebrate Wealth Co., Ltd.						
Beginning balance	-	-	-	3,800		
<u>Less</u> repayment during the period	-	-	-	(3,800)		
Ending balance	-	-	-	-	-	3.00
World Saha Fashion Co., Ltd.						
Beginning balance	10,000	10,000	10,000	10,000		
<u>Add</u> increase during the period	-	-	-	-		
<u>Less</u> allowance for expected credit losses	(2,178)	(2,123)	-	-		
Ending balance	7,822	7,877	10,000	10,000	4.00	4.00
Erawan Textile Co., Ltd.						
Beginning balance	20,000	30,000	20,000	30,000		
<u>Less</u> repayment during the period	-	(10,000)	-	(10,000)		
Ending balance	20,000	20,000	20,000	20,000	3.73	3.73

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(UNIT : THOUSAND BAHT)

	Consolidated financial statements		Separate financial statements		Interest per annum (percent)	
	2022	2021	2022	2021	2022	2021
Morgan De Toi (Thailand) Co., Ltd.						
Beginning balance	16,000	16,000	16,000	16,000		
<u>Less</u> repayment during the period	(6,100)	-	(6,100)	-		
<u>Less</u> allowance for expected credit losses	(7,900)	-	(7,900)	-		
Ending balance	2,000	16,000	2,000	16,000	3.00	3.00
I.D.F. Co., Ltd.						
Beginning balance	40,000	-	40,000	-		
<u>Add</u> increase during the period	-	40,000	-	40,000		
Ending balance	40,000	40,000	40,000	40,000	8.00	8.00
TNL Alliance Co., Ltd.						
Beginning balance	-	-	-	-		
<u>Add</u> increase during the period	-	-	820,850	-		
Ending balance	-	-	820,850	-	4.50	-
Oxygen Asset Co., Ltd.						
Beginning balance	-	-	-	-		
<u>Add</u> increase during the period	-	-	563,870	-		
Ending balance	-	-	563,870	-	4.50	-
Ratchada Alliance Co., Ltd.						
Beginning balance	-	-	-	-		
<u>Add</u> increase during the period	84,582	-	-	-		
Ending balance	84,582	-	-	-	4.80	-
Suksawat Alliance Co., Ltd.						
Beginning balance	-	-	-	-		
<u>Add</u> increase during the period	50,718	-	-	-		
Ending balance	50,718	-	-	-	4.80	-

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(UNIT : THOUSAND BAHT)

	Consolidated financial statements		Separate financial statements		Interest per annum (percent)	
	2022	2021	2022	2021	2022	2021
Ratburana Alliance Co., Ltd.						
Beginning balance	-	-	-	-		
Add increase during the period	153,624	-	-	-		
Ending balance	153,624	-	-	-	4.80	-
Oxygen 1 Co., Ltd.						
Beginning balance	-	-	-	-		
Add increase during the period	-	-	-	-		
Ending balance	-	-	-	-	4.80	-
Total loans	358,746	83,877	1,456,720	86,000		

6. CASH AND CASH EQUIVALENTS

(UNIT : BAHT)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash on hand	103,591	25,844	18,394	23,950
Deposits - saving accounts	2,384,310,774	181,276,267	2,356,053,955	177,928,725
Fixed deposits and bill of exchanges	-	32,688,632	-	32,688,631
Total	2,384,414,365	213,990,743	2,356,072,349	210,641,306

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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7. TRADE AND OTHER CURRENT RECEIVABLES - NET

	(UNIT : BAHT)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Account receivables - trade				
Related companies (Note 5.3)	83,594,737	46,014,876	83,594,737	46,014,876
Others	54,626,006	119,078,087	54,626,006	118,430,172
Total	138,220,743	165,092,963	138,220,743	164,445,048
Less Allowance for expected credit loss	(10,314,544)	(6,914,530)	(10,314,544)	(6,287,096)
Account receivables - trade - net	127,906,199	158,178,433	127,906,199	158,157,952
Other receivables				
Accrued income	10,955,224	3,644,423	2,045,565	3,911,080
Accrued interest	7,977,843	5,606,855	6,393,563	5,606,855
Advance payment for goods	4,423,798	3,528,758	4,423,798	3,528,758
Revenue Department receivables	31,757,951	20,577,198	23,615,958	12,386,008
Others	55,684,073	9,629,979	14,103,609	9,629,944
Total trade and other current receivables	238,705,088	201,165,646	178,488,692	193,220,597

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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The aging of trade accounts receivable are as follows :-

	(UNIT : BAHT)			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Account receivables - related companies				
Current	82,184,878	42,288,008	82,184,878	42,288,008
Overdue within 3 months	588,734	1,823,723	588,734	1,823,723
Over 3 to 6 months	1,223,226	1,903,145	1,223,226	1,903,145
Over 6 to 12 months	2,973,158	-	2,973,158	-
Over 12 months	953,050	-	953,050	-
Total	87,923,046	46,014,876	87,923,046	46,014,876
<u>Less</u> Expected Credit Loss	(4,328,309)	-	(4,328,309)	-
Net	83,594,737	46,014,876	83,594,737	46,014,876
Account receivables - other companies				
Current	31,489,100	63,959,778	31,489,100	63,939,297
Overdue within 3 months	7,140,688	32,341,905	7,140,688	32,341,905
Over 3 to 6 months	5,681,674	15,861,874	5,681,674	15,861,874
Over 12 months	5,986,236	6,914,530	5,986,236	6,287,096
Total	50,297,698	119,078,087	50,297,698	118,430,172
<u>Less</u> Allowance for expected credit loss	(5,986,236)	(6,914,530)	(5,986,236)	(6,287,096)
Net	44,311,462	112,163,557	44,311,462	112,143,076
Total	127,906,199	158,178,433	127,906,199	158,157,952

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8. SHORT - TERM LOANS TO RELATED COMPANIES

As of 31 December 2022 and 2021, short-term loans to related companies represent unsecured promissory notes with the following terms and interest rates as follows :- (Note 5.3)

(UNIT : THOUSAND BAHT)

Due date	Interest rate (%)	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
At Call	3.00	9,900	16,000	9,900	16,000
At Call	3.73	20,000	20,000	20,000	20,000
At Call	4.50	-	-	820,850	-
At Call	4.50	-	-	563,870	-
September 2022	4.00	5,000	5,000	5,000	5,000
April 2023 (*)	4.00	5,000	-	5,000	-
At Call	4.80	84,582	-	-	-
At Call	4.80	50,718	-	-	-
At Call	4.80	153,624	-	-	-
Total		328,824	41,000	1,424,620	41,000
<u>Less</u> allowance for expected credit losses		(10,078)	-	(7,900)	-
Net		318,746	41,000	1,416,720	41,000

(*) The short - term loans are guaranteed by the borrower's parent company at 60 percent of the loan balance.

9. SHORT - TERM LOANS TO OTHER COMPANIES

As of 31 December 2022, the subsidiary has entered into a short-term loan agreement with an unrelated party in the amount of Baht 2,539 million with an interest rate of 9 - 15% per annum and repayment term within one year. Such short-term loans are secured by the borrower's land.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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10. INVENTORIES - NET

(UNIT : BAHT)

	Consolidated and separate financial statements	
	2022	2021
Finished goods	231,303,259	197,799,728
Work in process	103,737,669	70,226,935
Raw materials	84,509,617	114,221,352
Supplies	1,421,899	1,603,284
Goods in transit	19,760,513	10,953,343
Total	440,732,957	394,804,642
<u>Less</u> Allowance for decline in value and slow-moving of inventories	(6,924,717)	(5,634,470)
Net	433,808,240	389,170,172

11. RIGHT TO RETURNED GOODS

Right to returned goods as at 31 December 2022 and 2021 consist of the following :-

(UNIT : BAHT)

	Consolidated and separate financial statements	
	2022	2021
Right to returned goods	9,700,000	10,100,000

The right to returned goods represents the Company's right to recover products from customers where customers exercise their right of return under the Company's return policy. The provision is estimated based upon historical information of goods returned and forecast future trends.

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12. OTHER CURRENT FINANCIAL ASSETS

As of 31 December 2022 and 2021, details of other current financial assets are as follows :-

(UNIT : BAHT)

	Consolidated and separate financial statements	
	2022	2021
Fixed deposits and certificate of deposits (*)	-	5,439,672
Investments in debt and equity instruments at fair value through profit or loss		
- Mutual funds	2,010	215,072,867
- Government bond	-	64,943,254
- Debentures	-	27,221,850
Financial assets at amortisation costs		
- Debentures under repurchase agreement (**)	-	101,289,950
- Held-to-maturity debt securities due within 1 year - Debentures (Note 13)	99,193,508	70,000,000
- Foreign currency forward contracts receivables	278,908	228,833
Total	99,474,426	484,196,426

(*) Fixed deposit and certificate of deposits as at 31 December 2021 are subject to the interest at 0.15 - 0.70 percent per annum. (31 December 2022: nil).

(**) Fair value of debentures under repurchase agreement as at 31 December 2021 is Baht 101.20 million (31 December 2022: nil).

Level of fair value and valuation techniques

- The fair value measurement of investments in mutual funds has been categorised as a Level 2, the fair value determined from their net asset value (NAV) at the measurement date of investment.
- The fair value measurement of investments in government bond has been categorized as a Level 2, the fair value determined by using the yield curve as announced by the Thai Bond Market Association at the measurement date of investment.
- The fair value measurement of investments in debt securities has been categorized as a Level 2, the fair value determined by using the yield curve as announced by the Thai Bond Market Association at the measurement date of investment.

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13. OTHER NON - CURRENT FINANCIAL ASSETS

As at 31 December 2022 and 2021, details of other non-current financial assets are as follows :-

(UNIT : BAHT)						
	Consolidated financial statements		Separate financial statements		Dividend for The years ended	
	2022	2021	2022	2021	2022	2021
Investments in debt and equity instruments						
at fair value through other						
comprehensive income						
Listed equity investments :						
Related companies	759,106,849	1,141,036,138	759,106,849	1,141,036,138	18,222,274	17,317,288
Others	40,437,364	79,317,527	40,437,364	79,317,527	2,035,912	1,924,469
Total fair value	799,544,213	1,220,353,665	799,544,213	1,220,353,665	20,258,186	19,241,757
Debt securities :						
Government bonds	-	57,234,173	-	57,234,173		
Debentures	-	99,174,186	-	99,174,186		
Total fair value	-	156,408,359	-	156,408,359		
Total	799,544,213	1,376,762,024	799,544,213	1,376,762,024		
Non - listed equity investments :						
Related companies	735,227,163	705,227,381	735,227,163	705,227,381	18,861,840	11,990,640
Others	18,197,376	24,396,576	18,197,376	24,396,576	6,444,690	5,879,242
Total	753,424,539	729,623,957	753,424,539	729,623,957	25,306,530	17,869,882
Financial assets at amortisation costs - debt						
securities held to maturity - net						
Debentures (*)	251,165,691	548,691,500	251,165,691	548,691,500		
Less current portion of debentures with						
redemption within 1 year (Note 12)	(99,193,508)	(70,000,000)	(99,193,508)	(70,000,000)		
Net (Redemption within 2 - 8 years)	151,972,183	478,691,500	151,972,183	478,691,500		
Other non - current financial assets	1,704,940,935	2,585,077,481	1,704,940,935	2,585,077,481	45,564,716	37,111,639

(*) As of 31 December 2022, Fair value of debentures is Baht 251.06 million (31 December 2021 : Baht 555.87 million).

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Level of fair value and valuation techniques

- The fair value measurement of investments in marketable equity securities has been categorized as a Level 1.
- The fair value measurement of investments in debt securities has been categorized as a Level 2, the fair value determined using the yield curve as announced by the Thai Bond Market Association at the measurement date of investment.
- The fair value measurement of non - listed investments has been categorized as a Level 3, the fair value determined using Dividend Discount Model, Discounted Cash Flow and Book Value approaches determined by the Group's management.

14. INVESTMENTS IN SUBSIDIARIES - NET

(UNIT : THOUSAND BAHT)

Subsidiary companies	Paid-up share capital		Percentage of shareholding (%)		Separate financial statements			
					Cost method		Dividend for the years ended	
	2022	2021	2022	2021	2022	2021	2022	2021
<u>Subsidiaries held by the Company</u>								
S. Apparel Co., Ltd.	8,100	8,100	99.99	99.99	20,583	20,583	-	-
Celebrate Wealth Co., Ltd.	85,000	85,000	87.76	87.76	69,235	69,236	-	-
TNL Alliance Co., Ltd	1,000	-	99.97	-	1,000	-	-	-
Oxygen Asset Co., Ltd.	100,000	-	90.00	-	835,703	-	-	-
TNLX Co., Ltd.	1,000	-	99.97	-	1,000	-	-	-
<u>Subsidiaries held by Oxygen Asset Co., Ltd.</u>								
<u>Oxygen Asset Management Co., Ltd.</u>								
Co., Ltd.	26,000	-	100.00	-	-	-	-	-
Oxygen One Co., Ltd.	1,000	-	100.00	-	-	-	-	-
					927,521	89,819	-	-
<u>Less Allowance for impairment loss</u>					(78,771)	(78,591)	-	-
Net					848,750	11,228	-	-

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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Movements of allowance for impairment for the years ended 31 December 2022 and 2021 are as follows :-

	(UNIT : THOUSAND BAHT)	
	Separate financial statements	
	2022	2021
Beginning balance	78,591	78,055
Increase (included in loss on impairment of investment)	180	536
Ending balance	78,771	78,591

In 2022, the company has set up a new subsidiaries and acquired as follows :-

TNL Alliance Co., Ltd. and TNLX Co., Ltd.

On September 30, 2022, the meeting of the Board of Directors of the Company resolved to approve the incorporation of TNL Alliance Co., Ltd. and TNLX Co., Ltd. (“subsidiaries”), each of with has registered capital of Baht 1 million, equivalent to 10,000 ordinary shares of Baht 100 each, in which the Company holds 99.97% of the shares. The share capital has been fully paid up.

Acquisition of Oxygen Asset Co., Ltd.

On September 30, 2022, the company has entered into a share purchase agreement whereby the Company will acquire 90 percent of the ordinary shares of Oxygen Asset Co., Ltd. representing 900,000 ordinary shares at a price of Baht 100 per share. The company is incorporated in Thailand and engages in financial services in providing secured loan business. On December 15, 2022, the company made to payment to existing shareholders in the amount of Baht 835.70 million.

Revenue and profit before tax from continuing operations of the Oxygen Asset Co., Ltd. Group for the period from 15 December 2022 to 31 December 2022 are included in the consolidated statement of comprehensive income for the year ended December 31, 2022 in the amount of Baht 6.55 million.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
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Book value of assets and liabilities identifiable of the Oxygen Asset Co., Ltd. as of the acquisition date as follows :-

(UNIT : THOUSAND BAHT)

	15 December 2022
Cash and cash equivalents	298,823
Trade and other current receivables	54,977
Short-term loans to unrelated companies	1,837,000
Long-term loans to unrelated companies	1,615,000
* The difference between the acquisition cost of an investment in a subsidiary and the acquiree's net identifiable assets.	19,852
Equipment	126
Other non - current assets	50
Total Assets	3,825,828
Short - term loans from unrelated companies	3,581,000
Trade and other current payables	31,626
Accrued corporate income tax	9,972
Other current liabilities	34,123
Total Liabilities	3,656,721
Total assets as of the purchase date	169,107
Percentage of shareholding	90
Net assets according to investment proportion of subsidiaries	152,196
Excess of purchase price over net assets acquired	683,507
Purchase price	835,703
Cash and cash equivalents of subsidiaries	(298,823)
Cash paid for acquisition of subsidiaries	536,880

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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Purchase price of the subsidiary can be summarized below :-

(UNIT : THOUSAND BAHT)

Purchase price

Cash paid	835,703
Net book value of net assets received	(152,196)
	<hr/>
* Excess of acquisition cost over estimated value of interest acquired in net assets from acquisition of the subsidiaries	683,507
	<hr/>

At present, the Group is in the process of measuring the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date of Oxygen Asset Co., Ltd. Group. Such fair value measurement is being prepared and mainly involves in the identification and measurement of intangible assets and certain tangible assets. This measurement process will be completed within the 12 months from the acquisition date as defined in TFRS 3, Business Combinations. During the measurement period, the Company will make retrospective adjustments to the related estimates recognized as of the acquisition date once complete accounting information is obtained to report in the financial statements.

The Group recognised variances between purchase price and net assets in the portion held by the Group of Oxygen Asset Co., Ltd. of Baht 703.36 million as goodwill in the consolidated statement of financial position as at 31 December 2022.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
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15. INVESTMENTS IN ASSOCIATE - NET

(UNIT : THOUSAND BAHT)

Associate company	Incorporated in	Percentage of shareholding (%)		Consolidated financial statements		Separate financial statements	
		2022	2021	Equity method		Cost method	
				2022	2021	2022	2021
World Saha Fashion Co., Ltd.	Thailand	19.14	19.14	-	-	9,500	9,500
<u>Less</u> Allowance for impairment loss				-	-	(9,500)	(9,500)
Net				-	-	-	-

(UNIT : THOUSAND BAHT)

Associate company	Main activities	Paid-up share capital		Share of loss from investment in associated company for year ended	
		2022	2021	2022	2021
World Saha Fashion Co., Ltd.	Distributing apparel	50,000	50,000	(55)	(2,123)
Net				(55)	(2,123)

Summary of financial statements of investment in associate and statement of income for as follows :-

(UNIT : THOUSAND BAHT)

	As of 31 December	
	2022	2021
Current assets	35,301	23,914
Non - current assets	787	207
Current liabilities	45,959	33,693

(UNIT : THOUSAND BAHT)

	For the year ended 31 December	
	2022	2021
Total revenue	45,273	19,790
Total expense	(45,563)	(29,282)
Net loss for the year	(290)	(9,492)

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
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16. INVESTMENTS IN JOINT VENTURES

The Company's subsidiary has an investment in joint ventures as of 31 December 2022 as follows:-

(UNIT: THOUSAND BAHT)

Company's name	Country of incorporation	Nature of business	Paid-up share capital	Shareholding Percentage (%)	Consolidated financial statements	Separate financial statements of the Company's subsidiary
					(Equity method)	(Cost method)
Ratchada Alliance Co., Ltd.	Thailand	Real estate	50,000	50.00	22,345	24,100
Phraram 9 Alliance Co., Ltd.	Thailand	Real estate	768,000	50.00	4,736	6,750
Khu Khot Station Alliance Co., Ltd.	Thailand	Real estate	300,000	50.00	113,769	113,666
Majestic Park Co., Ltd.	Thailand	Real estate	300,000	50.00	156,849	156,272
Future Domain Co., Ltd.	Thailand	Real estate	200,000	50.00	150,955	148,634
Suksawat Alliance Co., Ltd.	Thailand	Real estate	50,000	50.00	26,725	27,000
Ratburana Alliance Co., Ltd.	Thailand	Real estate	10,000	50.00	52,451	55,503
					<u>527,830</u>	<u>531,925</u>

The Group has joint control over these joint ventures because the mutually agreed contract stipulates that decisions on important matters specified in the contract must be agreed upon by those who jointly control.

Movements of investments in joint ventures - net for the year ended 31 December 2022 are summarized below:-

(UNIT: BAHT)

	Consolidated financial statements	Separate financial statements of the Company's subsidiary
Net book value - 1 January	-	-
Increase during the year	531,924,790	531,924,790
Share of loss from investment in joint ventures	(4,094,837)	-
Net book value - 31 December	<u>527,829,953</u>	<u>531,927,790</u>

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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Investments in joint ventures

The Extraordinary General Meeting of Shareholders No. 2/2022 on 30 November 2022 passed a resolution approving the Company to purchase 50 percent of ordinary shares in 7 companies, which engage in residential real estate development business, from U City Public Company Limited and U Global Hospitality Company Limited, a subsidiary of U City Public Company Limited. The details of such acquisition are summarized below: -

(UNIT: MILLION BAHT)

Company's name	Nature of business	Shareholding percentage		value of consideration
		number of shares	number of shares	
Ratchada Alliance Co., Ltd.	Real estate	250,000	50.00	24.10
Phraram 9 Alliance Co., Ltd.	Real estate	3,840,000	50.00	6.75
Khu Khot Station Alliance Co., Ltd.	Real estate	1,500,000	50.00	113.67
Future Domain Company Limited	Real estate	1,000,000	50.00	148.63
Majestic Park Co., Ltd.	Real estate	1,500,000	50.00	156.27
Suksawat Alliance Co., Ltd.	Real estate	250,000	50.00	27.00
Ratburana Alliance Co., Ltd.	Real estate	50,000	50.00	55.50
Total consideration paid for joint ventures				531.92

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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The book value of identifiable assets acquired and liabilities assumed of the 7 joint ventures as of the acquisition date. Details are as follows :-

	(UNIT: MILLION BAHT)						
	Ratchada Alliance Co., Ltd.	Pharam 9 Alliance Co., Ltd.	Khu Khot Station Alliance Co., Ltd.	Majestic Park Co., Ltd.	Future Domain Co., Ltd.	Suksawat Alliance Co., Ltd.	Ratburana Alliance Co., Ltd.
Cash and cash equivalents	10.26	116.73	19.37	10.58	19.24	14.63	10.53
Current assets	4.34	67.50	12.55	0.07	3.41	-	15.44
Land and Project devlopment	766.67	2,251.09	1,211.88	2,048.35	2,737.76	607.24	737.32
Non - current assets	40.16	137.78	93.47	91.28	53.28	2.41	79.81
Total assets	821.43	2,573.10	1,337.27	2,150.28	2,813.69	624.28	843.10
Current liabilities	(331.56)	(769.61)	(259.93)	(121.55)	(647.01)	(122.45)	(206.55)
Long - term loans	(528.06)	(1,438.03)	(990.60)	(1,957.83)	(2,179.80)	(460.57)	(825.85)
Other non - current assets	(57.62)	(76.82)	-	-	-	-	-
Total liabilities	(917.24)	(2,284.46)	(1,250.53)	(2,079.38)	(2,826.81)	(583.02)	(1,032.40)
Total net assets at the date of purchase	(95.81)	288.64	86.74	70.90	(13.12)	41.26	(189.30)
Percentage of investment (per annum)	50.00	50.00	50.00	50.00	50.00	50.00	50.00
Net assets held by the subsidiary company	(47.91)	144.32	43.37	35.45	(6.56)	20.63	(94.65)
Cash paid for a joint venture	24.10	6.75	113.67	156.27	148.63	27.00	55.50
Fair value of net assets from joint venture	72.01	(137.57)	70.30	120.82	155.19	6.37	150.15

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At present, the Group is in the process of measuring the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date of the 7 Joints Ventures. Such fair value measurement is being prepared and mainly involves in the identification and measurement of intangible assets and certain tangible assets. This measurement process will be completed within the 12 months from the acquisition date as defined in TFRS 3, Business Combinations. During the measurement period, the Company will make retrospective adjustments to the related estimates recognized as of the acquisition date once complete accounting information is obtained to report in the financial statements.

Financial information of investments in joint ventures

Financial information as presented in the financial statements of the joint ventures for the year ended 31 December 2022 as following :-

	Ratchada Alliance Co., Ltd.	Pharam 9 Alliance Co., Ltd.	Khu Khot Station Alliance Co., Ltd.	Majestic Park Co., Ltd.	Future Domain Co., Ltd.	Suksawat Alliance Co., Ltd.	Ratburana Alliance Co., Ltd.
paid-up share capital	50.00	768.00	300.00	300.00	200.00	50.00	10.00
Total asset	855.93	2,608.91	1,355.11	2,809.96	2,159.79	674.67	884.13
Total liabilities	958.76	2,328.33	1,267.96	2,813.80	2,086.57	634.50	1,085.63
Net asset value	(102.83)	280.58	87.15	(3.84)	73.22	40.17	(201.50)
Loss for the year	(40.98)	(155.39)	(91.21)	(58.85)	(72.86)	(9.83)	(55.18)

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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17. LONG - TERM LOANS TO RELATED COMPANY

As of 31 December 2022 and 2021, loans to a related company represent unsecured promissory notes with interest rates and maturity dates as follows :- (Note 5.3)

		(UNIT : THOUSAND BAHT)			
		Consolidated financial statements		Separate financial statements	
Due date	Interest rate (%)	2022	2021	2022	2021
April 2023 (*)	4.00	-	5,000	-	5,000
June 2024	8.00	40,000	40,000	40,000	40,000
Total		40,000	45,000	40,000	45,000
<u>Less allowance for expected credit losses</u>		-	(2,123)	-	-
Net		40,000	42,877	40,000	45,000

(*) The long - term loans are guaranteed by the borrower's parent company at 60 percent of the loan balance.

18. LONG - TERM LOANS TO NON-RELATED COMPANIES

As of 31 December 2022, the subsidiaries have entered into long - term loan agreements with non-related parties in the amount of Baht 1,050 million with interest rates of 11.00 - 15.00 per cent per annum and due within March - April 2024. Such long - term loans are guaranteed by the borrower's land. (2021 : Nil)

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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19. INVESTMENT PROPERTY - NET

(UNIT : BAHT)

	Consolidated financial statements			
	Land	Land improvement	Building	Total
Cost :-				
1 January 2021	65,128,255	9,372,870	71,438,033	145,939,158
31 December 2021	65,128,255	9,372,870	71,438,033	145,939,158
Transfers from related company	-	-	32,030,000	32,030,000
Acquisition	3,748,543	-	-	3,748,543
31 December 2022	68,876,798	9,372,870	103,468,033	181,717,701
Accumulated depreciation :-				
1 January 2021	-	9,372,841	27,257,485	36,630,326
Depreciation for the year	-	-	2,819,158	2,819,158
31 December 2021	-	9,372,841	30,076,643	39,449,484
Depreciation for the year	-	-	2,993,317	2,993,317
31 December 2022	-	9,372,841	33,069,960	42,442,801
Net book value :-				
31 December 2022	68,876,798	29	70,398,073	139,274,900
31 December 2021	65,128,255	29	41,361,390	106,489,674
Appraised value (*)	-	-	32,030,000	32,030,000
Appraised value (**)	147,354,050	5,275,916	59,748,577	212,378,543
Total appraised value	147,354,050	5,275,916	91,778,577	244,408,543

(*) The appraised value was determined by an independent appraiser during the year 2021.

The Company received transferred assets from a related company in 2022.

(**) The appraised value was determined by an independent appraiser during the year 2022.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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(UNIT : BAHT)

	Separate financial statements			
	Land			Total
	Land	improvement	Building	
Cost :-				
1 January 2021	87,128,255	9,372,870	121,438,033	217,939,158
31 December 2021	87,128,255	9,372,870	121,438,033	217,939,158
Transfers from related company	-	-	32,030,000	32,030,000
31 December 2022	87,128,255	9,372,870	153,468,033	249,969,158
Accumulated depreciation :-				
1 January 2021	-	9,372,841	29,734,251	39,107,092
Depreciation for the year	-	-	5,160,783	5,160,783
31 December 2021	-	9,372,841	34,895,034	44,267,875
Depreciation for the year	-	-	5,334,941	5,334,941
31 December 2022	-	9,372,841	40,229,975	49,602,816
Net book value :-				
31 December 2022	87,128,255	29	113,238,058	200,366,342
31 December 2021	87,128,255	29	86,542,999	173,671,283
Appraised value (*)	-	-	32,030,000	32,030,000
Appraised value (**)	179,415,507	5,275,916	87,878,577	272,570,000
Total appraised value	179,415,507	5,275,916	119,908,577	304,600,000

(*) The appraised value was determined by an independent appraiser during the year 2021.

The Company received transferred assets from a related company in 2022.

(**) The appraised value was determined by an independent appraiser during the year 2022.

Level of fair value and valuation techniques

The fair value measurement of land and building has been categorized as a Level 2, the fair value is based on the comparison approach, and cost approach to the valuation technique used.

On January 9, 2023, the Company sold land and buildings. Title Deed Number 56969, Laundry Plant, Samut Prakan Province at Baht 71 million. The cost and related accumulated depreciation at the disposal date are Baht 52.12 million and Baht 17.60 million, respectively, resulting in the net book value of Baht 34.52 million. Gain on sales of the assets is Baht 36.48 million.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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20. PROPERTY, PLANT AND EQUIPMENT - NET

(UNIT : BAHT)

Consolidated financial statements									
	Land	Land improvement	Building	Machinery	Office equipment	Vehicles	Furniture and fixtures	Assets under installation	Total
Cost :-									
1 January 2021	175,129,886	24,116,604	398,078,035	350,533,194	158,367,113	38,863,723	252,752,768	-	1,397,841,323
Acquisition	-	-	-	319,900	2,302,195	650,000	535,000	11,329,132	15,136,227
Transfers in	-	-	-	4,789,882	233,645	-	6,302,255	-	11,325,782
Disposal	-	-	-	(1,659,093)	(770,367)	-	-	-	(2,429,460)
Writes off	-	-	-	(2,731,206)	(5,122,117)	-	(819,000)	-	(8,672,323)
Transfers out	-	-	-	-	-	-	-	(11,325,782)	(11,325,782)
31 December 2021	175,129,886	24,116,604	398,078,035	351,252,677	155,010,469	39,513,723	258,771,023	3,350	1,401,875,767
Acquisition	-	-	-	-	4,180,291	-	-	15,758,812	19,939,103
Transfers in	-	-	11,760,000	10,514,702	2,746,460	-	2,334,500	-	27,355,662
Disposal	-	-	-	(377,655)	(11,692,363)	(1,510,000)	-	-	(13,580,018)
Writes off	-	-	-	-	(3,557,022)	(9,600)	(2,400,902)	-	(5,967,524)
Transfers out	-	-	-	-	-	-	-	(15,595,662)	(15,595,662)
31 December 2022	175,129,886	24,116,604	409,838,035	361,389,724	146,687,835	37,994,123	258,704,621	166,500	1,414,027,328

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

(UNIT : BAHT)

Consolidated financial statements									
	Land	Land improvement	Building	Machinery	Office equipment	Vehicles	Furniture and fixtures	Assets under installation	Total
Accumulated depreciation :-									
1 January 2021	-	22,729,085	288,054,159	325,002,444	148,424,994	24,137,333	217,640,872	-	1,025,988,887
Depreciation for the year	-	310,098	4,578,642	9,785,904	4,844,122	3,927,977	15,652,566	-	39,099,309
Disposal	-	-	-	(1,659,073)	(770,363)	-	-	-	(2,429,436)
Writes off	-	-	-	(2,731,200)	(4,490,146)	-	(491,682)	-	(7,713,028)
31 December 2021	-	23,039,183	292,632,801	330,398,075	148,008,607	28,065,310	232,801,756	-	1,054,945,732
Depreciation for the year	-	310,098	4,748,399	8,566,914	3,475,269	3,149,383	11,431,579	-	31,681,642
Disposal	-	-	-	(375,846)	(11,687,141)	(1,509,999)	-	-	(13,572,986)
Writes off	-	-	-	-	(3,411,263)	(9,596)	(2,336,103)	-	(5,756,962)
31 December 2022	-	23,349,281	297,381,200	338,589,143	136,385,472	29,695,098	241,897,232	-	1,067,297,426
Net book value :-									
31 December 2022	175,129,886	767,323	112,456,835	22,800,581	10,302,363	8,299,025	16,807,389	166,500	346,729,902
31 December 2021	175,129,886	1,077,421	105,445,234	20,854,602	7,001,862	11,448,413	25,969,267	3,350	346,930,035

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NOTES TO THE FINANCIAL STATEMENTS

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Consolidated financial statements									(UNIT : BAHT)
	Land	Land improvement	Building	Machinery	Office equipment	Vehicles	Furniture and fixtures	Assets under installation	Total
	159,199,941	24,116,604	351,416,405	339,693,226	153,071,449	38,413,442	252,422,186	-	1,318,333,253
Acquisition	-	-	-	319,900	2,302,195	650,000	535,000	11,329,132	15,136,227
Transfers in	-	-	-	4,789,882	233,645	-	6,302,255	-	11,325,782
Disposal	-	-	-	(1,659,093)	(770,367)	-	-	-	(2,429,460)
Writes off	-	-	-	(2,731,206)	(3,544,508)	-	(1,957,650)	-	(8,233,364)
Transfers out	-	-	-	-	-	-	-	(11,325,782)	(11,325,782)
31 December 2021	159,199,941	24,116,604	351,416,405	340,412,709	151,292,414	39,063,442	257,301,791	3,350	1,322,806,656
Acquisition	-	-	-	-	4,024,998	-	-	15,758,812	19,783,810

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

(UNIT : BAHT)

Separate financial statements

	Land	Land improvement	Building	Machinery	Office equipment	Vehicles	Furniture and fixtures	Assets under installation	Total
Transfers in	-	-	11,760,000	10,514,702	2,746,460	-	2,334,500	-	27,355,662
Disposal	-	-	-	(377,655)	(11,692,363)	(1,510,000)	-	-	(13,580,018)
Writes off	-	-	-	-	(3,557,022)	(9,600)	(2,342,452)	-	(5,909,074)
Transfers out	-	-	-	-	-	-	-	(15,595,662)	(15,595,662)
31 December 2022	159,199,941	24,116,604	363,176,405	350,549,756	142,814,487	37,543,842	257,293,839	166,500	1,334,861,374

Accumulated depreciation :-

1 January 2021	-	22,729,085	246,266,909	314,052,159	144,217,541	23,687,052	215,703,948	-	966,656,694
Depreciation for the year	-	310,098	4,578,642	9,785,904	5,246,133	3,927,977	15,987,860	-	39,836,614
Disposal	-	-	-	(1,659,073)	(770,363)	-	-	-	(2,429,436)
Writes off	-	-	-	(2,731,200)	(3,537,930)	-	(748,033)	-	(7,017,163)
31 December 2021	-	23,039,183	250,845,551	319,447,790	145,155,381	27,615,029	230,943,775	-	997,046,709

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

(UNIT : BAHT)

Separate financial statements

	Land	Land improvement	Building	Machinery	Office equipment	Vehicles	Furniture and fixtures	Assets under installation	Total
Depreciation for the year	-	310,098	4,748,399	8,557,509	3,448,931	2,699,022	12,769,439	-	32,533,398
Disposal	-	-	-	(366,442)	(11,686,505)	(1,068,186)	-	-	(13,121,133)
Writes off	-	-	-	-	(3,555,811)	(9,596)	(1,887,804)	-	(5,453,211)
31 December 2022	-	23,349,281	255,593,950	327,638,857	133,361,996	29,236,269	241,825,410	-	1,011,005,763
Net book value :-									
31 December 2022	159,199,941	767,323	107,582,455	22,910,899	9,452,491	8,307,573	15,468,429	166,500	323,855,611
31 December 2021	159,199,941	1,077,421	100,570,854	20,964,919	6,137,033	11,448,413	26,358,016	3,350	325,759,947

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21. RIGHT-OF-USE ASSETS - NET

Movements of right-of-use assets for the year ended 31 December 2022 and 2021 are as follows :-

	(UNIT : BAHT)	
	Consolidated financial statements	Separate financial statements
Cost :-		
1 January 2021	33,880,228	26,786,278
Increase during the year	1,715,390	1,715,390
Decrease during the year	(9,703,135)	(2,609,185)
31 December 2021	25,892,483	25,892,483
Increase during the year	1,925,431	1,925,431
Decrease during the year	(5,761,654)	(5,761,654)
31 December 2022	22,056,260	22,056,260
Accumulated amortization :-		
1 January 2021	8,988,010	5,717,402
Amortization expenses for the year	10,666,577	8,215,530
Decrease during the year	(8,330,840)	(2,609,185)
31 December 2021	11,323,747	11,323,747
Amortization expenses for the year	5,508,207	5,508,207
Decrease during the year	(5,761,654)	(5,761,654)
31 December 2022	11,070,300	11,070,300
Net book value - 31 December 2022	10,985,960	10,985,960
Net book value - 31 December 2021	14,568,736	14,568,736

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22. INTANGIBLE ASSETS - NET

As of 31 December 2022 and 2021, computer software consist of :-

(UNIT : BAHT)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cost :-				
1 January	57,703,846	56,385,847	57,503,846	56,185,846
Acquisition	2,999,200	1,318,000	2,999,200	1,318,000
Transfer in	-	-	-	-
Transfer out	-	-	-	-
Writes Off	-	-	-	-
31 December	60,703,046	57,703,847	60,503,046	57,503,846
Accumulated amortization :-				
1 January	45,896,599	42,861,567	45,696,599	42,661,566
Amortization expenses for the year	2,666,182	3,035,033	2,666,182	3,035,033
Writes Off	-	-	-	-
31 December	48,562,781	45,896,600	48,362,781	45,696,599
Net book value - 31 December	12,140,265	11,807,247	12,140,265	11,807,247

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23. TRADE AND OTHER CURRENT PAYABLES

(UNIT : BAHT)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Accounts payables - trade				
Subsidiaries and related companies				
(Note 5.3)	5,051,190	4,945,486	5,051,190	4,945,486
Others	90,487,572	61,623,875	90,487,572	61,623,875
Total accounts payables - trade	95,538,762	66,569,361	95,538,762	66,569,361
Other payables				
Accrued bonus	35,977,473	22,289,054	35,977,473	22,289,054
Accrued expenses	42,825,975	26,903,570	44,400,104	26,869,603
Accrued royalties	6,142,251	4,007,782	6,142,251	4,007,782
Revenue Department payables	7,940,071	3,588,376	5,756,010	3,588,188
Property deposit	14,200,000	-	14,200,000	-
Others	105,387,619	20,507,690	48,772,906	20,507,690
Total trade and other current payables	308,012,151	143,865,833	250,787,506	143,831,678

24. SHORT - TERM LOANS FROM RELATED COMPANIES

As of 31 December 2022, the subsidiaries have entered into short - term loan agreements with related companies the amount of Baht 2,873.28 million represent promissory notes and subject to interest at the rates of 4.50 per cent per annum. The loans are repayable at call (2021 : nil).

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25. LEASE LIABILITIES

As of 31 December 2022 and 2021, lease liabilities consist of :-

(UNIT : BAHT)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Lease liabilities	12,514,718	16,053,770	12,514,718	16,053,770
<u>Less</u> Deferred interest expense	<u>(1,191,666)</u>	<u>(1,627,620)</u>	<u>(1,191,666)</u>	<u>(1,627,620)</u>
Total	11,323,052	14,426,150	11,323,052	14,426,150
<u>Less</u> Current portion of long - term				
lease liabilities	<u>(3,093,086)</u>	<u>(4,515,842)</u>	<u>(3,093,086)</u>	<u>(4,515,842)</u>
Long - term lease liabilities - net of				
current portion	<u>8,229,966</u>	<u>9,910,308</u>	<u>8,229,966</u>	<u>9,910,308</u>

Future minimum lease payments required under the lease agreements were as follows :-

(UNIT : BAHT)

	Consolidated and separate financial statements			
	31 December 2022			
	Less than	More than		Total
	1 year	2 - 5 years	5 years	
Future minimum lease payments	3,513,172	8,581,546	420,000	12,514,718
Deferred interest expenses	(420,085)	(756,556)	(15,025)	(1,191,666)
Present value of future minimum lease payment	<u>3,093,087</u>	<u>7,824,990</u>	<u>404,975</u>	<u>11,323,052</u>

(UNIT : BAHT)

	Consolidated and separate financial statements			
	31 December 2021			
	Less than	More than		Total
	1 year	2 - 5 years	5 years	
Future minimum lease payments	5,051,052	8,746,065	2,256,653	16,053,770
Deferred interest expenses	(535,210)	(997,196)	(95,214)	(1,627,620)
Present value of future minimum lease payment	<u>4,515,842</u>	<u>7,748,869</u>	<u>2,161,439</u>	<u>14,426,150</u>

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26. RETIREMENT BENEFIT OBLIGATION

(UNIT : BAHT)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Current provisions for				
employee benefit	10,193,760	15,414,533	10,193,760	15,414,533
Non-current provisions for				
employee benefit	109,515,680	112,030,907	109,120,497	112,030,907
Total	119,709,440	127,445,440	119,314,257	127,445,440

Movement of retirement benefit obligation for the years ended 31 December 2022 and 2021 are as follows :-

(UNIT : BAHT)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Retirement benefit obligation				
- beginning balance - 1 January	127,445,440	133,230,698	127,445,440	133,230,698
Employee benefit expenses for the year	7,855,592	9,225,119	7,460,409	9,225,119
Employee benefit paid during the year	(15,591,592)	(15,010,377)	(15,591,592)	(15,010,377)
Retirement benefit obligation				
- ending balance - 31 December	119,709,440	127,445,440	119,314,257	127,445,440

Employee benefit expenses were recognized in statements of income for the years ended 31 December 2022 and 2021 are as follows :-

(UNIT : BAHT)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Current service costs	6,748,669	8,119,759	6,353,486	8,119,759
Interest costs	1,106,923	1,105,360	1,106,923	1,105,360
Total	7,855,592	9,225,119	7,460,409	9,225,119

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The principle of actuarial assumption used to calculate the defined benefit obligations for the years ended 31 December 2022 and 2021 are as follows :-

	Consolidated and separate financial statements	
	2022	2021
Discount rate	0.70% - 0.88%	0.70% - 0.88%
Mortality rate	100%(TMO 2017)	100%(TMO 2017)
Salary increase rate	2.50% - 4.00%	2.50% - 3.00%
Turnover rate	Age-related scale	Age-related scale

The sensitivity analysis for significant assumptions used in actuarial valuation can be analyzed as follow :-

		(UNIT : BAHT)	
		Effect to retirement benefit obligation increase (decrease)	
	Change in assumptions	Consolidated and separate financial statements	
		2022	2021
Discount rate	Increase 0.5%	(2,721,976)	(3,096,625)
Discount rate	Decrease 0.5%	2,840,184	3,236,040
Salary increase rate	Increase 0.5%	4,185,573	4,016,479
Salary increase rate	Decrease 0.5%	(4,023,574)	(3,867,038)
Turnover rate	Increase 10%	(6,525,754)	(6,093,055)
Turnover rate	Decrease 10%	7,270,034	6,765,161

27. SHARE CAPITAL

On 30 November 2022, the Extraordinary General Meeting of the Company's shareholders No 2/2022 approved an increase the Company's registered share capital from Baht 132,000,000 (132.00 million ordinary shares with a par value of Baht 1 each) to Baht 311,547,664 (311.55 million ordinary shares with a par value of Baht 1 each) to Baht 179,547,664 (179.55 million ordinary shares with a par value of Baht 1 each) The Company registered the increase in its registered capital with the Ministry of Commerce on 1 December 2022 to support :-

- 1) Offering to private placement BTS Group Holdings Public Company Limited and/or related company of BTS Group Holdings Company Limited, which is a connected person of the Company in the amount of less than 87,237,766 shares. The offering price is Baht 33.06 per share. The Company has received full payment for such ordinary shares.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2022**

- 2) Offering to the current shareholders of the Company in proportion to their shareholding (Right Offering) in the amount of not more than 92,309,898 shares at the par value of Baht 1 each in the ratio of 2.3 current ordinary shares to 1 new ordinary share. The offering price is set at Baht 33.06 per share. The Company will proceed with the allocation of newly issued ordinary shares to the currently ordinary shareholders of the Company in proportion to their shareholding (Right Offering) after BTS Group Holdings Public Company Limited has been allocated the ordinary shares through private placement. The Company expects that the right offering will be completed within the first quarter of 2023.

On 23 August 2022, the Extraordinary General Meeting of the Company's shareholders No. 1/2022 passed a resolution to increase the registered capital from Baht 120,000,000 (Consisting of 120.00 million ordinary shares with a par value of Baht 1 each) to Baht 132,000,000 (Consisting of 132.00 million ordinary shares with a par value of Baht 1 each), through the issuance of new ordinary shares in the amount of Baht 12,000,000 (Consisting of 12 million ordinary shares with a par value of Baht 1 each). The share capital increase was registered with the Ministry of Commerce on 24 August 2022 to support :-

- 1) The offering of the Company's newly issued ordinary shares (TNL-ESOP 2022) to the directors, executives, and employees of the Company in the amount of 5,075,000 shares at the offer price of Baht 21.10 per share, by reference to the market price as of the date of the Extraordinary General Meeting of Shareholders to approve the ESOP on 23 August 2022, at Baht 21.90 per share. The payment of such ESOP shares was fully paid.

For the year ended 31 December 2022, The Group recognizes such share-based payments in the statement of comprehensive income of Baht 10.33 million. (31 December 2021 : Nil).

- 2) 6,925,000 additional ordinary shares are to be reserved to support the exercise of the ESOP warrants. The exercise ratio is 1 warrant (TNL-ESOP W 2022) to 1 ordinary share, offering to the Company's employees, with the exercising conditions as described in Note 28 to the financial statements.

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Reconciliation of share capital

(UNIT : BAHT)

	Consolidated and separate financial statements	
	(Number of shares)	(Baht)
Registered share capital		
As at 1 January 2022	120,000,000	120,000,000
Increase registered capital to support the offering ESOP (TNL-ESOP 2022)	5,075,000	5,075,000
Increase registered capital to support the exercise of rights ESOP (TNL-ESOP W 2022)	6,925,000	6,925,000
Increase registered capital to support Private Placement and current shareholders (Right Offering)	179,547,664	179,547,664
As at 31 December 2022	311,547,664	311,547,664
Issued and fully paid-up share capital		
As at 1 January 2022	120,000,000	120,000,000
Increase from offering ESOP (TNL-ESOP 2022)	5,075,000	5,075,000
Increase from offering private placement	87,237,766	87,237,766
As at 31 December 2022	212,312,766	212,312,766

Reconciliation of Share premium

(UNIT : BAHT)

	Consolidated and separate financial statements	
	2022	2022
As at 1 January	181,125,000	181,125,000
Increase registered capital to support ESOP offering (TNL-ESOP 2022)	106,067,500	-
Increase registered capital to support Private Placement and current shareholders (Right Offering)	2,780,142,778	-
As at 31 December	3,067,335,278	181,125,000

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28. WARRANTS

TNL-ESOP W 2022

On 23 August 2022, the Extraordinary General Meeting of the Company's shareholders No. 1/2022 passed a resolution for the allotment of warrants under the Employee Stock Option Plan to the employees of the Company for 6,925,000 units. The details of the warrants are as follows :-

Number of warrants issued	:	6,925,000 Unit, Exercise ratio 1:1 equivalent to 6,925,000 Shares
Number of shares reserved for exercise	:	6,925,000 shares
Offering price	:	0 Baht
Exercise price	:	21.10 Baht per share (not considered an offer lower than the market price.)
Issuance date/warrants allotment date	:	Within 1 year from the date of approval from the shareholders' meeting (within 23 August 2023)
Term of the warrant	:	5 years from the issuance date of warrants
Allotment method	:	The Company allocates warrants to employees of the Company based on the service period, the position, knowledge, and experience by authorizing the Executive Committee or the Chairman of the Executive Committee or a person who is the Executive Board or the chairman of the executive committee assign the authority to consider allocating under the rules, conditions, and procedures prescribed. No directors, executives, are employees of the Company are offered more than 5% of the warrants issued.

The period from the date of issuance of warrants	Exercise Criteria	Exercise periods
At the expiration of 24 months	No more than 25%	On 3 business days before 25 August 2024 and March 2025
At the expiration of 36 months	Increased by no more than 25%	On 3 business days before 25 August 2025 and March 2026
At the expiration of 48 months	Increased by no more than 25%	On 3 business days before 25 August 2026 and March 2027
At the expiration of 60 months	All	On 10 business days before 24 August 2027

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During the year periods ended 31 December 2022, the Company recorded expenses related to the warrants schemes as employee benefits expenses and recognized a corresponding increase in shareholders' equity under the caption "Capital reserve for share-based payments", in the amount of Baht 6.27 million (31 December 2021: Nil).

29. LEGAL RESERVE

Under the Public Limited Companies Act B.E. 2535 the Company is required to allocate not less than 5 percent of its annual net profit, less any accumulated losses brought forward (if any), as legal reserve until this account reaches an amount not less than 10 per cent of the registered capital. The legal reserve is not available for dividend distribution.

30. GENERAL RESERVE

The Company has appropriated part of its net profit for general reserves with no specific objective.

31. DIVIDEND PAYMENT, GENERAL RESERVE AND DIRECTORS' REMUNERATION

31.1 On 26 April 2022, the Company's Annual General Meeting of shareholders approved the following resolutions :-

- To pay dividends of Baht 0.50 per share totaling Baht 60.00 million, to the existing shareholders of 120 million shares which will be paid on 25 May 2022. The Company will pay dividends from business operations as follows :-
 - To pay dividends from corporate income tax exempted business operations of Baht 0.42 per share totaling Baht 50.40 million, to the existing shareholders of 120 million shares.
 - To pay dividends from corporate income tax non-exempted business operations of Baht 0.08 per share totaling Baht 9.60 million, to the existing shareholders of 120 million shares.
- To pay the directors' remuneration not more than Baht 10 million.
- To appropriate net profit for general reserve in the amount of Baht 3.00 million.

31.2 On 27 April 2021, the Company's Annual General Meeting of shareholders approved the following resolutions :-

- To pay dividends of Baht 0.07 per share totaling Baht 8.40 million, to the existing shareholders of 120 million shares which will be paid on 25 May 2021. The Company will pay dividends from corporate income tax exempted business operations.
- To pay the directors' remuneration not more than Baht 10 million.
- To appropriate net profit for general reserve in the amount of Baht 0.40 million.

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32. PROVIDENT FUND

The Company and its subsidiaries have set up a provident fund for their employees under the Provident Fund Act B.E. 2530 (1987) for the staff's welfare as well as security upon their resignation or retirement as defined by the Company's regulations, which is contributed by its employees and by the Company at the rate of 3 - 5% of salary. The Company has appointed the CIMB-Principal Asset Management Company Limited to act as the fund manager.

The Company and subsidiaries' contributions to the employee provident fund were recorded as expenses in the statements of comprehensive income for the years ended 31 December 2022 and 2021, amounting to Baht 6.52 million and Baht 6.51 million, respectively.

33. DERIVATIVES IN FOREIGN CURRENCY TRANSACTIONS

The Group has entered into selling forward exchange contracts with a local commercial bank to hedge against risk in exchange rate fluctuation which might affect Baht to be received or Baht payable.

33.1 Selling forward exchange contracts

The Group has entered into exchange forward contracts with a local commercial bank to hedge against risk in exchange rate fluctuation which might affect the Baht currency receivable from export trade accounts receivable which having the term not over one year which can be summarized as follows :-

Consolidated and separate financial statements						
Foreign currency	31 December 2022			31 December 2021		
	Amount (Million)	Delivery will be made during	Exchange rates on delivery date (Currencies exchange to Baht)	Amount (Million)	Delivery will be made during	Exchange rates on delivery date (Currencies exchange to Baht)
USD	1.53	May 23 - Jun 23	34.09 - 35.55	1.48	May 22 - Jun 22	33.47 - 33.94
JPY	30.00	Mar 23 - Jun 23	0.25 - 0.26	10.00	Jun 22	0.29 - 0.30
EUR	0.17	May 23 - Jun 23	36.50 - 37.27	0.17	Apr 22 - May 22	38.04 - 38.84

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33.2 Uncovered transactions

As of 31 December 2022 and 2021, the Group has outstanding assets and liabilities denominated in foreign currencies which are not covered by any hedging transaction as follows :-

(UNIT : MILLION BAHT)

	Consolidated and separate financial statements			
	Foreign currencies		Converted to Baht	
	2022	2021	2022	2021
Assets				
USD	0.28	0.85	9.60	28.34
EUR	0.30	0.19	10.83	7.21
HKD	0.36	0.36	1.58	1.53
Total			22.01	37.08
Liabilities				
USD	1.22	0.50	42.26	16.94
EUR	0.22	0.09	8.02	3.30
HKD	0.03	-	0.13	-
JPY	11.94	5.88	3.16	1.73
Total			53.57	21.97

34. COMMITMENT AND CONTINGENT LIABILITIES

34.1 As of 31 December 2022 and 2021, the Group has commitments and contingent liabilities as follows :-

(UNIT : MILLION BAHT)

Commitments and contingent liabilities	Consolidated and separate financial statements	
	2022	2021
Bank guarantee with Customs Department	22.02	16.10
Bank guarantee for electricity	3.99	3.99
Bank guarantee for business operations	0.97	0.75
Loan guarantee for related companies	2,923.00	18.31

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34.2 As of 31 December 2022 and 2021, The Company has contracts with respective owners for the manufacturing and distribution apparel products under their contracts. Both parties have mutual obligations to fulfill under these contracts into 5 trademark whereby the Company is obliged to pay the royalty fees at the rate of 3.5% - 7.5% of total sales and 1 trademark whereby the Company is obliged to pay the royalty fees at the rate of 6.5% of net sales (31 December 2021 : The Company has 5 trademark whereby the Company is obliged to pay the royalty fees at the rate of 3.5% - 7.5% of total sales and 1 trademark whereby the Company is obliged to pay the royalty fees at the rate of 6.5% of net sales).

34.3 As of 31 December 2022 and 2021, The Group has commitment relating to building lease agreement and service agreements, whereby the Group must pay the rentals as follows :-

(UNIT : MILLION BAHT)

Description	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Within 1 year	5.19	4.11	5.19	4.11
More than 1 year not over 5 year	5.19	2.07	5.19	2.07

34.4 As of 31 December 2022 and 2021, the Company has commitment relating to store lease and service agreement for 3 years, the Company must pay the rentals and other service fees as follows :-

(UNIT : BAHT)

	Store lease and service agreement	Common area service agreement
First year	4% - 6% of total sales	42,372
Second year	4% - 6% of total sales	44,491
Third year	4% - 6% of total sales	46,715

34.5 As of 31 December 2022, the Company has commitment relating to computer software installation and implementation agreement of Baht 1.28 million (31 December 2021 : Baht 1.03 million).

34.6 As of 31 December 2022 and 2021, the Company has commitment to invest in newly-issued ordinary shares of Saha Capital Tower Company Limited in proportion to the Company's shareholding in total balance of Baht 67.50 million.

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35. PROMOTIONAL PRIVILEGES

By virtue of the Investment Promotion Act, B.E. 2520, the Company has been granted some promotional privileges from the Board of Investment (BOI) as follows :-

1. Promotional certificates No.	60-1470-1-03-1-0	60-0122-0-00-1-0	1627(2)/2554	1628(2)/2554
2. Dates of promotional certificates	26/12/2017	31/1/2017	31/5/2011	31/5/2011
3. The first receiving revenues dates	1/3/2018	2/8/2018	4/5/2011	2/9/2011
4. The type of business promoted	Leather products or artificial leather	Leather products or artificial leather	Textile or fragment	Leather products or artificial leather
5. Important privileges which are granted :-				
5.1 Exemption from corporate income tax on net profit from promotional operations, commencing from the first receiving revenue date.	8 years (Expired on 28/02/26)	8 years (Expired on 31/01/22)	8 years (Expired on 30/11/18)	8 years (Expired on 30/10/17)
5.2 Exemption from income tax on dividends from promoted business which was exempted from income tax in 5.1.	8 years (Expired on 28/02/26)	8 years (Expired on 31/01/22)	8 years (Expired on 30/11/18)	8 years (Expired on 30/10/17)
5.3 Reduction of the corporate income tax on net profit from promoted business at 50% of normal rate after the end of exemption period.	5 years (Expired on 28/02/31)	5 years (Expired on 31/01/27)	5 years (Expired on 31/01/27)	5 years (Expired on 30/09/22)
5.4 Double deduction of expenses for utilities (electricity, water and transportation) for the year.	10 years (Expired on 28/02/28)	10 years (Expired on 01/08/28)	10 years (Expired on 03/05/21)	10 years (Expired on 01/09/21)
5.5 Exemption from corporate income tax for amounts not exceeding (Adjustable to capital investment amount excluding cost of land and working capital).	Baht 60.00 million	Baht 15.12 million	Baht 46.13 million	Baht 76.27 million

As a promoted entity, the Company must strictly comply with certain terms and conditions stipulated in the promotional certificates.

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Income derived from BOI and Non - BOI activities are summarized as follows :-

(UNIT : MILLION BAHT)

	Consolidated financial statements					
	2022			2021		
	Local	Export	Total	Local	Export	Total
BOI promoted business	313.12	498.60	811.72	286.01	329.35	615.36
Non - BOI promoted business	699.95	265.38	965.33	481.21	236.09	717.30
Total	1,013.07	763.98	1,777.05	767.22	565.44	1,332.66

(UNIT : MILLION BAHT)

	Separate financial statements					
	2022			2021		
	Local	Export	Total	Local	Export	Total
BOI promoted business	313.12	498.60	811.72	286.01	329.35	615.36
Non - BOI promoted business	699.95	265.38	965.33	481.11	236.09	717.20
Total	1,013.07	763.98	1,777.05	767.12	565.44	1,332.56

36. EXPENSES CLASSIFIED BY NATURE OF EXPENSES

For the years ended 31 December 2022 and 2021 expenses classified by their nature are as follows :-

(UNIT : BAHT)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Changes in finished goods and work-				
in process increase	(67,014,263)	(21,238,236)	(67,014,263)	(21,238,236)
Purchases of finished goods	184,823,786	145,676,415	184,823,786	145,676,415
Loss on diminution in inventories	19,054,439	9,412,318	19,054,439	9,412,318
Raw materials and supplies used	654,418,902	436,238,446	654,418,902	436,238,446
Management benefit expenses	28,589,213	23,666,986	28,589,213	23,666,986
Employee benefit expenses	551,469,472	438,934,247	548,361,135	438,934,247
Depreciation and amortization expenses	43,274,032	52,697,314	45,616,759	54,519,102
Royalty expenses	33,105,149	23,496,176	33,105,149	23,496,176

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

37. FINANCIAL INFORMATION BY SEGMENT

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 Group's business operation involves 3 principal segments: (1) textiles and apparels industries, (2) financial business and (3) real estate. Segment performance is considered by revenue and gross profit, and is also measured based on the group operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. Revenue and gross profit of operating segments for the year ended 31 December 2022 and 2021 are as follows :-

(UNIT : THOUSAND BAHT)

	For the year ended 31 December 2022			Consolidated financial statements
	Textiles and apparels industries	Business finance	Real estate	
Revenue				
Revenue from sales	1,716,479	-	-	1,716,479
Revenue from rendering of services	60,579	-	-	60,579
Gross profit by segment	534,276	-	-	534,276
Consultant fees	1,875	-	9,451	11,326
Dividend income	45,565	-	-	45,565
Interest incomes	28,971	16,677	565	46,213
Gain on disposal of fixed assets	1,441	-	-	1,441
Other incomes	74,033	-	1	74,034
Distribution costs	(144,373)	-	-	(144,373)
Administrative expenses	(404,907)	(1,672)	(1,196)	(407,775)
Finance costs	(598)	(5,032)	(1,129)	(6,759)
Share of loss from investment in associates	(55)	-	(4,095)	(4,150)
Profit before income tax	136,228	9,973	3,597	149,798
Income tax expense				(38,114)
Net profit for the year				111,684
Additional information :-				
Depreciation and amortization expenses				43,370

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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(UNIT : THOUSAND BAHT)

	For the year ended 31 December 2021			Consolidated financial statements
	Textiles and apparels industries	Business finance	Real estate	
Revenue				
Revenue from sales	1,289,863	-	-	1,289,863
Revenue from rendering of services	42,799	-	-	42,799
Gross profit by segment	381,784	-	-	381,784
Consultant fees	2,617	-	-	2,617
Dividend income	37,112	-	-	37,112
Interest income	28,698	-	-	28,698
Gain on disposal of fixed assets	137	-	-	137
Other income	37,170	-	-	37,170
Distribution costs	(112,503)	-	-	(112,503)
Administrative expenses	(296,195)	-	-	(296,195)
Finance costs	(730)	-	-	(730)
Share of loss from investment in associate	(2,123)	-	-	(2,123)
Profit before income tax	75,967	-	-	75,967
Income tax expense				(13,356)
Net profit for the year				62,611
Additional information :-				
Depreciation and amortization expenses				52,697

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As of 31 December 2022 and 2021, segment assets and liabilities of the Group are as follows :-

(UNIT : THOUSAND BAHT)

	As of 31 December 2022			
	Textiles and apparels industries	Business finance	Real estate	Consolidated financial statements
Segment assets	7,637,523	8,404	2,954,271	10,600,198
Segment liabilities	582,741	2,035	2,942,670	3,527,446

(UNIT : THOUSAND BAHT)

	As of 31 December 2021			
	Textiles and apparels industries	Business finance	Real estate	Consolidated financial statements
Segment assets	4,493,792	-	-	4,493,792
Segment liabilities	515,651	-	-	515,651

(UNIT : THOUSAND BAHT)

For the year ended 31 December

	2022	2021
GEOGRAPHICAL AREAS		
Domestic sales	1,013,078	768,095
Export sales		
- EUROPE	337,720	198,364
- ASIA	130,094	136,498
- AMERICA	296,166	229,706

Information of major customers

The Company has one major customer from segment of Textiles and apparel industries for the years ended 31 December 2022 and 2021, in the amount of Baht 637.65 million and Baht 427.53 million, respectively.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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38. INCOME TAX

As of 31 December 2022 and 2021, the components of deferred tax assets and deferred tax liabilities are as follows :-

(UNIT : THOUSAND BAHT)

	For the year ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Deferred tax assets				
- Consignment sales	9,359	11,069	9,359	11,069
- Allowance for decline in value of inventories	1,385	1,127	1,385	1,127
- Leases	164	571	164	571
- Provision for goods returned	1,140	1,100	1,140	1,100
- Retirement benefit obligation	20,717	23,120	20,717	23,120
- Tax loss carried forward	-	198	-	198
Total deferred tax assets	32,765	37,185	32,765	37,185
Deferred tax liabilities				
- Depreciation	10,474	10,260	10,474	10,260
- Other non - current financial assets	171,706	200,941	172,506	201,741
Total deferred tax liabilities	182,180	211,201	182,980	212,001

Income tax expense for the year ended 31 December 2022 and 2021 are as follows :-

(UNIT : THOUSAND BAHT)

	For the year ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Current income tax				
Corporate income tax for the year	34,257	-	31,228	-
Deferred tax				
Relating to origination and reversal of temporary differences	3,857	13,356	3,857	13,356
Income tax expense reported in the - statements of comprehensive income	38,114	13,356	35,085	13,356

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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Reconciliation between income tax (revenue) expense and the product of accounting profit (loss) multiplied by the applicable tax rates for the years ended 31 December 2022 and 2021 are as follows :-

(UNIT : THOUSAND BAHT)

	For the year ended 31 December			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Accounting profit before corporate income tax	149,798	75,967	135,414	74,349
Applicable tax rate	15% - 20%	20%	10% - 20%	20%
Accounting profit before corporate income tax multiplied by applicable tax rate	9,521	15,193	6,599	14,870
Effects of :				
Promotional privileges (Note 35)	94	(16,882)	94	(16,882)
Non - deductible expenses	32,445	16,190	32,338	16,093
Additional expense deductions allowed	(891)	(1,687)	(891)	(1,687)
Exemption of income	(6,640)	(6,182)	(6,640)	(6,182)
Deferred tax assets of tax loss	3,585	7,144	3,585	7,144
Effect from un - recording of deferred tax assets	-	16	-	-
Effect of elimination entry on the consolidated financial statements	-	(436)	-	-
Total	28,593	(1,837)	28,486	(1,514)
Income tax expense reported in the statement of comprehensive income	38,114	13,356	35,085	13,356

Corporate income tax of the Group for the year ended 31 December 2022 and 2021 are calculated from the accounting profit and adjusted with revenues and expenses which are exempted from income tax or expenses not allowed by income tax law.

Non - BOI business operations are subjected to corporate income tax at the rate of 20 percent.

BOI business operation, the corporate income tax is calculated according to the privileges which are granted (Note 35).

Corporate income tax of the subsidiaries is calculated at the rate of 15 - 20 per cent of taxable profit.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES
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39. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period after adjusting the number of ordinary shares to reflect the impact of the change in the par value of the ordinary shares, as discussed in Note 27 to the interim consolidated financial information, as if the change in the par value of the ordinary shares had been occurred at the beginning of the earliest period reported.

	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Profit for the period (Thousand Baht)	111,684	62,610	100,330	60,992
Weighted average number of ordinary shares (Thousand shares)	127,783	120,000	127,783	120,000
Basic earnings per share (Baht)	0.87	0.52	0.79	0.51

40. FINANCIAL INSTRUMENTS

The Group is exposed to normal business risks from changes in market interest rates and currency exchange rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

40.1 Accounting policies and procedure

See Note 4.

40.2 Credit risk

Credit risk refers to the risk that accounts receivable will default on its contractual obligations resulting in a financial loss to the Company.

The Company has concentration of risks as most of trade accounts receivable are related companies (Note 5). However, the said customers have been associated continuously for many years and maintained good payment capability.

For other customers, the management has credit policies in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

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As at the statements of financial position date there was no other significant credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

40.3 Interest rate risk

Interest rate risk arises from the potential of a change in interest rates to have an effect on the operation of the Company in the current reporting period and in future years. The Group is confident that the risk can be managed because the Group has maintained plans and monitor the market situation closely.

Furthermore the Group has invested in debt securities, interest risk are depended on the fluctuation of prices of the debt securities due to the changes of interest rates. If the interest rate increased, the price of debt securities will be decreased and if the market interest rate decreased, the price of debt securities will increase.

40.4 Risk from currency exchange

The Group's risk from the fluctuation of foreign exchange rates, from debtors and creditors from the trading in foreign currencies. The Group will make forward exchange contract, in case the Baht currency is highly fluctuated and it is considered appropriate (Note 33).

40.5 Fair values of financial instruments

The Group uses the market approach to measure its assets and liabilities that are required to be measured at fair value. However, if some financial assets and financial liabilities are classified as short-term or have interest rates close to market rates. Company's management The fair value of these financial assets and financial liabilities approximates the carrying values shown in the statement of financial position.

The following methods and assumptions were used by the Group in estimating fair value of financial instruments as disclosed here in :

- Investments in mutual funds have been categorized as a Level 2, the fair value is determined from their net asset value (NAV) at the measurement date of investment.
- The fair value measurement of investments in government bond has been categorized as a Level 2, the fair value determined using the yield curve as announced by the Thai Bond Market Association at the measurement date of investment.
- Investments in marketable securities have been categorized as a Level 1, the fair value is based on quoted market price.
- The fair value measurement of non - listed investments has been categorized as a Level 3, the fair value determined using Dividend Discount Model, Discounted Cash Flow and Book Value approaches determined by the Group's management.

THANULUX PUBLIC COMPANY LIMITED AND SUBSIDIARIES**NOTES TO THE FINANCIAL STATEMENTS****FOR THE YEAR ENDED 31 DECEMBER 2022**

- Investments in debt securities have been categorized as a Level 2, the fair value is determined by using the yield curve as announced by the Thai Bond Market Association at the measurement date of investment.
- The fair value measurement of land and building has been categorized as a Level 2, the fair value is based on the comparison approach, and cost approach to the valuation technique used.

41. CAPITAL MANAGEMENT

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the businesses. The Board monitors the return on capital, which the Group defines as result from operating activities divided by total equity, excluding non-controlling interests and also monitors the level of dividends paid to ordinary shareholders.

42. EVENTS AFTER THE REPORTING PERIOD

On 3 February 2023, The Board meeting no. 1/2023 approved the date for determining the list of shareholders who are entitled to receive the allocation of newly issued ordinary shares in proportion to their shareholding on 17 February 2023. The subscription date for the newly issued ordinary shares of the Company is on 7 - 13 March 2023 (total of 5 working days)

On 18 January 2023, The Company purchased ordinary shares of Oxygen Asset Management Co., Ltd. amount 259,998 shares, representing 99.99% of the registered capital at an average price of 91.36 baht per share, totaling 23.75 million baht from Oxygen Asset Co., Ltd.

On 27 January 2023, The related company registered the a new company, namely Oxygen Two Co., Ltd. registered capital of 1,000,000 baht, consisting of 10,000 ordinary shares, par value of 100 baht per share.

43. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved for issuance by the Company's board of directors on 24 February 2023.

Attachment 1

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



Board of Directors



Mr. Thammarat Chokwatana
Chairman



Mr. Kittichai Treerachataphong
Director



Mr. Surayut Thavikulwat
Director



Mrs. Lapika Sasanavin
Director



Ms. Suthida Jongjenkit
Director



Ms. Chawadee Rungruang
Director



Prof. Dr. Suchatvee Suwansawat
Independent Director



Mr. Maris Sangiampongsa
Independent Director



Mr. Vittawat Panpanich
Independent Director

Executive Managements



Ms.Suthida Jongjenkit
Managing Director



Ms.Marin Leelanuwatana
Senior Director of
Business Development



Mr.Suchart Layluxsiri
Senior Director of
Apparel Business



Dr. M.L. Sirapirom Teeraprasert
Senior President of
Organization Strategy and Information
Technology Department



Ms.Kochakorn Puengsiricharoen
Senior President of
Leather's Good and
Export Department



Ms.Yupaporn Jearrakul
Chief Financial Officer



Mr. Thamarat Chokwatana

Chairman of the Board of Directors

Age: 53 Years

Appointment date:

December 8, 2022

2016 – Dec 2022

Vice Chairman of the Board of Directors

Chairman of the Remuneration Committee

Nominating Committee Member

Education:

Bachelor's Degree of Arts, Assumption University

Training course:

- Company Secretary Program (CSP 31/2009)

- Director Certification Program (DCP 68/2005)

- Director Accreditation Program (DAP 3/2003)

- Thai Institute of Directors Association (IOD)

Past 5 years of working experiences:

Others listed company:

2017 – Present

Director, Saha Phatanapibul Public Company Limited

2018 – Present

Executive Director, Chairman of Executive Committee

2016 – 2021

Executive Director, Vice Chairman of Executive Committee,
President of G Department, I.C.C. International
Public Company Limited

2001 – Present

Director, Thai Wacoal Public Company Limited

Others non-listed companies:

44 Companies

Competitive business related to company's business:

2008 – Present

Director, Champ Kabin Company Limited

Share hold %:

252,747 shares (0.12%)

Family relationship among executives:

- None-

Any position in others business or other

has an impact the time devoted significant:

- None-



Mr. Surayut Thavikulwat

**Director, Executive Director, and
Nomination and Remuneration Committee Member**

Age: 50 Years

Appointment date:

December 7, 2022

Education:

- MBA, Ross School of Business, University of Michigan–Ann Arbor, USA
- Bachelor's Degree of Faculty of Commerce and Accountancy, Chulalongkorn University

Training course:

- TLCA Executive Development Program (Batch 7th) 2012, Thai Listed Companies Association
- Bhumipalung Phadin Course (Batch 1st) 2013, Chulalongkorn University
- Certificate of How to Develop a Risk Management Plan (HRP) 2015, Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP) 2017 Thai Institute of Directors Association (IOD)
- Positive Business Strategic Management Program (The Master) 2018 (Batch 4th), Institute of Strategic and Appreciative Business Thailand (ISAB)

Past 5 years of working experiences:

Others listed company:

2020 – Present

Member of Risk Management Committee, BTS Group Holdings Public Company Limited

2011 – Present

Chief Financial Officer, BTS Group Holdings Public Company Limited

2015 – 2017

Director, Rabbit Holdings Public Company Limited

Others non-listed companies:

2022 – Present

Director, TNL Alliance Company Limited

Competitive business related to company's business:

- None-

Share hold %:

- None-

Family relationship among executives:

- None-

Any position in others business or other

has an impact the time devoted significant:

- None-



Mr. Kittichai Treerachataphong

Director, Executive Director, Corporate Governance and Risk Management Committee Member

Age: 43 Years

Appointment date:	December 8, 2022
Education:	<ul style="list-style-type: none"> - Young – Executive MBA), Chulalongkorn University - Bachelor's Degree of Faculty of Commerce and Accountancy, Department of Finance and Banking, Chulalongkorn University
Training course:	<ul style="list-style-type: none"> - TLCA Executive Development Program (Batch 7th) The Stock Exchange of Thailand (SET) - Intermediate Certificate course of Young Leadership in Democratic Governance (Batch 3rd) (Por Nor Por 3), King Prajadhipok's Institute - Ultra Wealth Group Certificate (Batch 2nd) (Invest like a Master) - Top Executive Program in Commerce and Trade (TEPCoT) (Batch 14th)
Past 5 years of working experiences:	
Others listed company:	
2021 – Present	Real Estate Investment Business Consultant, Saha Pathana Inter-Holding Public Company Limited
2009 - 2020	Managing Director, RHB OSK Securities (Thailand) Public Company Limited
Others non-listed companies:	
2022 – Present	Director, TNLX Co., Ltd.
2020 – Present	Founder, Director, Oxygen Asset Management Co., Ltd.
2018 - 2019	Founder, Director, ECL Asset Co., Ltd.
Competitive business related to company's business:	- None-
Share hold %:	600,000 shares (0.28%)
Family relationship among executives:	- None-
Any position in others business or other	
has an impact the time devoted significant:	- None-



Mrs. Lapika Sasanavin

**Director, Executive Committee, and
Corporate Governance and Risk Management
Committee Member**

Age: 44 Years

Appointment date:

December 7, 2022

Education:

- MBA Sasin School of Management Chulalongkorn University
- Master of Science in Facilities Management Pratt Institute, USA
- Advance Graduate Certificate in Real Estate New York University, USA
- B. Arch in Architecture (International Program)
King Mongkut's University of Technology Thonburi

Training course:

- The International Investment Forum Taylor Bennett Partner, UK
- E3 Leader: Engage, Empower and Execute Year 2022
South East Asia Center (SEAC)

Past 5 years of working experiences:

Others listed company:

2020 – Present

Senior Vice President – Business Development
U City Public Company Limited

2020 – 2020

Senior Vice President Investment Department
Rabbit Holdings Public Company Limited

2017 - 2020

Vice President, Investment Department
Singha Estate Public Company Limited

Others non-listed companies:

2022 – Present

Director, TNL Alliance Company Limited

Competitive business related to company's business:

- None-

Share hold %:

Family relationship among executives:

- None-

Any position in others business or other

has an impact the time devoted significant:

- None-



Ms. Chawadee Rungruang

Director

Age: 45 Years

Appointment date:	December 7, 2022
Education:	<ul style="list-style-type: none"> - Master of Business Administration, Chulalongkorn University - Bachelor's Degree of Accounting, Chulalongkorn University
Training course:	<ul style="list-style-type: none"> - TLCA Executive Development Program, Year 2013 (EDP12), Thai Listed Companies Association - Strategic CFO in Capital Markets Program, Year 2018, Thailand Securities Institute (TSI), The Stock Exchange of Thailand - Strategic and Appreciative Business Development Program (The Master), Year 2022, Institute of Strategic and Appreciative Business Thailand (ISAB)
Past 5 years of working experiences:	
Others listed company:	
2011 – Present	Financial Controller, BTS Group Holdings Public Company Limited
Others non-listed companies:	- None-
Competitive business related to company's business:	- None-
Share hold %:	- None-
Family relationship among executives:	- None-
Any position in others business or other	
has an impact the time devoted significant:	- None-



Ms. Suthida Jongjenkit

Director, Executive Director, Nomination and Remuneration Committee Member, Corporate Governance and Risk Management Committee Member, and Company Secretary

Age: 37 Years

Appointment date:

December 8, 2022

Education:

- Master of Science in Finance, University of Texas at Dallas, USA GPA: 4.00 (Dean's Excellence Scholarship Award)
- Bachelor's degree Faculty of Commerce and Accountancy Department of Accounting, Thammasat University GPA: 3.63 (1st class honors)

Training course:

- Boardroom Success through Financing & Investment (BFI No. 6/2019) Thai Institute of Directors
- Director Certification Program (DCP 297/2020), Thai Institute of Directors Association (IOD)
- Company Secretary Program (CSP132/2022), Thai Institute of Directors Association (IOD)

Past 5 years of working experiences:

Others listed company:

2014 – Present

Manager, Finance & Investment Department
Saha Pathana Inter-Holding Public Company Limited

Others non-listed companies:

2022 – Present

Director, TNLX Co., Ltd.

2022 – Present

Director, Oxygen Asset Management Co., Ltd.

2022 – Present

Director Kingbridge Asset Co., Ltd.

2022 – Present

Director, Saha Charoensin Estate Co., Ltd.

2022 – Present

Executive Director, King Square Development Co., Ltd.

2020 – Present

Director, Saha Advance Network Co., Ltd.

Competitive business related to company's business:

- None-

Share hold %:

300,000 shares (0.14%)

Family relationship among executives:

- None-

Any position in others business or other

has an impact the time devoted significant:

- None-



Prof. Dr. Suchatvee Suwansawat

**Independent Director, Chairman of Audit Committee, and
Chairman of Corporate Governance and**

Risk Management Committee

Age: 50 Years

Appointment date:

August 10, 2022

Education:

- Honorary Doctorate Degree in Science and Technology
Tokai University, Japan
- Doctor of Science (Sc.D.) in Civil and Environmental Engineering
(Massachusetts Institute of Technology (MIT), USA
- Master of Science (MS.) in Technology and Policy
(Massachusetts Institute of Technology (MIT), USA
- Master of Science (MS.) in Civil and Environmental Engineering
(University of Wisconsin-Madison, USA
- Bachelor of Engineering (B.Eng.) in Civil Engineering,
King Mongkut's Institute of Technology Ladkrabang (KMITL)

Training course:

- Senior budget management course Bureau of the Budget
(Nor NGor Sor. 1)
- The Executive Program in Energy Literacy for a Sustainable
Future, TEA (Wor Por Nor.5) Thailand Energy Academy
- Senior Executive Program in Urban Development Administration
"Mahanakorn" (Mahanakorn Batch 5th)
- Executive Program on the Rule Of Law and Sustainable
Development (RoLD Program)
- Corporate Governance for Directors and Senior Executives of
Regulator, State Enterprises and Public Organizations,
King Prajadhipok's Institute and the Office of the Commission
State Enterprise Policy and the Office of the Public Sector
Development Commission (Batch 3rd)
- Oxford Programme on Negotiation in Bangkok
- Director Certification Program (DCP 105/2008) Thai Institute of
Directors Association (IOD) of Directors
- Audit Committee Audit Committee Program (ACP 27/2009)
Thai Institute of Directors Association (IOD)
- Monitoring Fraud Risk Management Program (MFM 1/2009)
Thai Institute of Directors Association (IOD)

Past 5 years of working experiences:

Others listed company: - None-

Others non-listed companies:

2019 – Present	President of the Thai Government Scholarship Student Association
2020 – 2021	Chairman of the Executive Board of University Sports of Thailand
2020 – 2021	President, King Mongkut's Institute of Technology Ladkrabang
2018 – 2021	President of the Council of Engineers
2017 – 2020	Chairperson of the Council of Presidents of Thailand
2019 – 2020	Acting President King Mongkut's Institute of Technology Ladkrabang soldier

Competitive business related to company's business: - None-

Share hold %: - None-

Family relationship among executives: - None-

Any position in others business or other

has an impact the time devoted significant: - None-



Mr. Maris Sangiampongsa

Independent Director and Audit Committee Member

Age: 64 Years

Appointment date:	August 4, 2020
Education:	<ul style="list-style-type: none"> - Master of Arts (International Relations, Ohio University, USA) - Bachelor of Arts (Political and Government) Ramkhamhaeng University
Training course:	<ul style="list-style-type: none"> - Director Certification Program (DCP/2022) Thai Institute of Directors Association (IOD)
Past 5 years of working experiences:	
Others listed company:	- None-
Others non-listed companies:	
2016 – 2018	Ambassador of Thailand to Ottawa, Canada The Ministry of Foreign Affairs
2013 – 2016	Ambassador of Thailand to Wellington, New Zealand The Ministry of Foreign Affairs
Competitive business related to company's business:	- None-
Share hold %:	- None-
Family relationship among executives:	- None-
Any position in others business or other	
has an impact the time devoted significant:	- None-



Mr. Vittawat Panpanich

Independent Director, and Audit Committee Member

Age: 40 Years

Appointment date:	December 8, 2022
Education:	<ul style="list-style-type: none"> - Master of Business Administration (MBA), Judge Business School, University of Cambridge, UK - Bachelor of Business Administration, Chulalongkorn Business School, Chulalongkorn University
Training course:	<ul style="list-style-type: none"> - Director Accreditation Program (DAP138/2017) Thai Institute of Directors Association (IOD)
Past 5 years of working experiences:	
Others listed company:	- None-
Others non-listed companies:	
2020 – Present	Executive Vice President, King's College International School Bangkok
2012 – Present	Executive Vice President of International Relations, Executive Vice President of Marketing, Chanapatana International Design Institute
2019	Partner and Country Head, LiB Consulting Co., Ltd.
2010 – 2018	Director, Prime Street Advisory Co., Ltd.
Competitive business related to company's business:	- None-
Share hold %:	11,400 shares (0.01%)
Family relationship among executives:	- None-
Any position in others business or other has an impact the time devoted significant:	- None-



Ms. Marin Leelanuwatana
Vice General Manager,
Business Development Department

Age: 49 Years

Appointment date:	December 8, 2022
2013 - December 2022	Director, Nominating Committee Member, Remuneration Committee Member, Corporate Governance Committee Member, Vice Chairman of Executive Committee
Education:	- Master's Degree in Business Administration, Loyola University, Chicago, USA - Bachelor's Degree in Commerce and Accounting, Thammasat University
Training course:	- Director Certification Program (DCP 180/2013), Thai Institute of Directors Association (IOD)
Past 5 years of working experiences:	
Others listed company:	- None-
Others non-listed companies:	
2022 – Present	Director, TNLX Co., Ltd.
2018 – Present	Director, Thai Bunko Fashion Co., Ltd.
2018 – Present	Director, World Saha Fashion Co., Ltd.
2016 – Present	Vice Chairman, Morgan De Toi (Thailand) Ltd.
Competitive business related to company's business:	- None-
Share hold %:	1,217,960 shares (0.57%)
Family relationship among executives:	- None-
Any position in others business or other	
has an impact the time devoted significant:	- None-



Mr. Suchart Layluxsiri

Vice General Manager

Age: 57 Years

Appointment date:

December 8, 2022

2020- December 2022

Director, Executive Committee Member,
Deputy Managing Director

Education:

- Master's Degree in Business Administration, Bangkok University
- Bachelor's Degree in Economics and Business Administration, Kasetsart University

Training course:

- Director Certification Program (DCP 154/2011)
Thai Institute of Directors Association (IOD)

Past 5 years of working experiences:

Others listed company:

- None-

Others non-listed companies:

2022 – Present

Director, TNLX Co., Ltd.

2015 – Present

Director, World Saha Fashion Co., Ltd.

Competitive business related to company's business:

- None-

Share hold %:

105,000 shares (0.05%)

Family relationship among executives:

- None-

Any position in others business or other

has an impact the time devoted significant:

- None-



Dr. M.L. Sirapirom Teeraprasert

Senior President of Organization Strategy and Information Technology Department

Age: 59 Years

Appointment date:

May 12, 2011

2011-December 2022

Senior President of Organization Strategy
Governance Committee Member,
Executive Committee Member

Education:

- Doctoral Degree of Business Administration, Ramkhamhaeng University
- Master's Degree in Public and Private Management, National Institute of Development Administration
- Bachelor's Degree in Science (Statistics) Khon Kaen University

Training course:

- Successful Formulation & Execution of Strategy (SFE 34/2021) Thai Institute of Directors Association (IOD)
- Digital Transformation towards Sustaining Digital Leadership (DUGA)
- Director Certification Program (DCP 150/2011) Thai Institute of Directors Association (IOD)

Past 5 years of working experiences:

Others listed company:

- None-

Others non-listed companies:

2007 – Present

Director, Tchamber co.,Ltd

Competitive business related to company's business:

- None-

Share hold %:

58,000 Shares (0.03%)

Family relationship among executives:

- None-

Any position in others business or other

has an impact the time devoted significant:

- None-



Ms.Kochakorn Puengsiricharoen

Senior President of Export and Leather's Good Department

Age: 70 Years

Appointment date:	January 1, 2020
2020-December 2022	Executive Committee Member
Education:	- Bachelor's degree, Faculty of Education, Ramkhamhaeng University
Training course:	-
Past 5 years of working experiences:	
Others listed company:	- None-
Others non-listed companies:	- None-
Competitive business related to company's business:	- None-
Share hold %:	4,000 Shares (0.002%)
Family relationship among executives:	- None-
Any position in others business or other has an impact the time devoted significant:	- None-



Ms. Yupaporn Jearrakul

Chief Financial Officer

Age: 63 Years

Appointment date:

August 4, 2020

2020 – December, 2022

Director, Executive Committee Member, Risk Management Committee Member, Corporate Governance Committee Member

Education:

- Master's Degree in Business Administration, Ramkhamhaeng University
- Bachelor's Degree in Finance and Banking, Ramkhamhaeng University
- Bachelor's Degree in Accounting, Sukhothai Thammathirat Open University

Training course:

- Director Certification Program (DCP 150/2011), Thai Institute of Directors Association (IOD)
- Insight Financial Management
- Financial and Risk Management during Times of Crisis
- Digital Assets and Business Growth Opportunities (New S- Curve) of Listed Company
- CFO Re fresher (Batch 3/2565)

Past 5 years of working experiences:

Others listed company:

- None-

Others non-listed companies:

2022 – Present

Director, TNLX Co., Ltd.

2001 - Present

Director, Thai Monster Company Limited

2010 – Present

Director, Celebrate Wealth Company Limited

2519 – Present

Director, Morgan De Toi (Thailand) Limited

Competitive business related to company's business:

2001 – Present

Director, Thai Monster Company Limited

Share hold %:

105,000 shares (0.05%)

Family relationship among executives:

- None-

Any position in others business or other

has an impact the time devoted significant:

- None-



Ms. Somjit Sukkho
**Chief Accountant, Accounting and
 Tax Section Manager**

Age: 57 Years

Appointment date:

May 11, 2018

Education:

- Bachelor's Degree in Accounting, Srinakharinwirot University
- Preparation of financial statements and submission of financial statements Via DBD-e Filing system

Training course:

- VAT in the Whole system
- Intangible asset (According to the Accounting Standard No.38)
- Reading and Analyzing Financial Statements with Financial Ratio
- Update Taxation 2022
- Personal Data Protection Act
- Digital Asset and Business growth Opportunities of Listed Company

Past 5 years of working experiences:

Others listed company:

- None-

Others non-listed companies:

2022 – Present

Director, Ramasorn Thaveekarn Co., Ltd.

Competitive business related to company's business:

- None-

Share hold %:

10,000 shares (0.0047%)

Family relationship among executives:

- None-

Any position in others business or other

has an impact the time devoted significant:

- None-

Details of the Directors of Subsidiaries

Subsidiary means any significant subsidiary with characteristics such as earnings more than 10 percent of the total income in the consolidated profit and loss statement of the most recent financial year.

Details of the Head of the Internal Audit

1. **Name:** Mr. Woradej Puengsiricharoen
2. **Age:** 65 years
3. **Position:** Head of Internal Audit Department
4. **Education:**
 - Master's Degree in Management, Mahidol University
 - Bachelor's Degree in Faculty of Commerce and Accountancy, Chulalongkorn University
 - Certified Internal Auditor (CIA No 30825) The Institute of Internal Auditors (IIA USA)
5. **Experience:** 39 years
6. **Training Course / Seminar:**
 - Risk Management
 - Revenue Code
 - Auditing Information System
 - Control - Self Assessment
 - Accounting Standards
 - Effective Audit Committee (IOD)
 - Good Corporate Governance (IOD)
 - Balanced Scorecard
 - COSO Internal Audit
 - SAP Audit
 - Resources for Lean Manufacturing
 - Exchange Rate and Risk Management Tools
 - Change Management

7. Responsibility:

To determine targets and prepare audit plan to be in conformity with the Company's policy. To develop work system to be effective, efficient and cost-saving. To oversee the operation to ensure the work plan set forth. To enhance and develop skills of subordinates to meet international audit standard including the audit and corporate risk management. To give advice to reinforce the good internal control and management system.

Assets used in Business and Details of Property Appraisal Items

Characteristics of the main fixed assets that the Company used in business of 31 December 2022

1. Land used for business operations which is the ownership of the Company

Land location with ownership rights	Amount	Total area			Account Price (Unit : Million Baht)
Bangkok	11 plots	20 rais	1 ngan	17.00 sq m.	101.82
Kabinburi District, Prachinburi Province	6 plots	28 rais	3 ngans	53.00 sq m.	23.70
Mueang Lamphun District, Lamphun Province	7 plots	27 rais	3 ngans	85.60 sq m.	31.84
Pak Chong District, Nakhon Ratchasima Province	1 plots			29.00 sq m.	1.83
Total		77 rais	- ngans	84.60 sq m.	159.19

2. Buildings used in business operations which is the ownership of the Company

Building location	Account Price (Unit : Million Baht)
Office Building, Bangkok	17.04
Office Building, Lamphun Province	-
Factory, Bangkok	-
Factory, Prachinburi Province	7.02
Factory, Lamphun Province	22.72
Factory, Tak Province	28.00
Dormitory Building, Bangkok	1 place -
Dormitory Building, Chonburi Province	1 place -
Dormitory Building, Prachinburi Province	1 place 1.29
Dormitory Building, Lamphun Province	1 place 2.53
Dormitory Building, Phetchaburi Province	1 place 6.12
Dormitory Building, China	1 place 0.86
Dormitory Building, Tak Province	1 place 2.72
Dormitory Building, Nakhon Ratchasima Province	1 place 7.68
Factory, Chonburi Province	11.59
Total	107.57

3. Machine

Machine	Number (Machine)	Account Price (Unit : Million Baht)
Service life is not more than 5 years.	339	23.04
Service life of more than 5 years	2,344	-
Total	2,683	23.04

4. Investment Property of the Company

location	Amount	Total Area			Account Price (Unit : Million Baht)
Land, Sriracha District, Chonburi Province	5 plots	7 rais		56 sq w.	31.90
Land, Khao Chamao District, Rayong Province	1 plot	17 rais	1 ngans	87 sq w.	5.48
Land, Bang Phli District, Samutprakan Province	2 plots	6 rais	2 ngans	55 sq w.	44.76
Land, Cha-am District, Phetchaburi Province	1 plot	1 rai	2 ngans	- sq w.	4.99
Pom Yam Building, Chonburi Province					
Factory Building, Chonburi Province					16.67
Factory Building, Rayong Province					8.61
Factory Building, Samutprakan Province					54.59
Factory, Lamphun Province					31.86
Dormitory Building, Chonburi Province	2 places				-
Dormitory Building, Rayong Province	1 place				0.34
Dormitory Building, Phetchaburi Province	1 place				-
Dormitory Building, Chiang Mai Province	1 place				1.16
Total		32 rais	2 ngans	98 sq w.	200.36

Note: As of December 31, 2022, the Subsidiaries do not have any fixed assets used in its business operations.

5. Intangible asset for business operations

Trademark

Trademark	Amount of Contract	Contract Period
DAKS	10 years	2018 - 2028
Olymp	6 years	2016 - 2022

Trademark	The term of the contract between the trademark owner and the licensee	Amount of Contract between the grantor and TNL	Contract period between the grantor and TNL
Guy Laroche, Guy Guy Laroche	10 years	2 years	2021- 2022
Absorba	5 years	5 years	2021 - 2025
ELLE HOMME	5 years	5 years	2022 – 2026

Policy and Practice of Corporate Governance

1. The Good Corporate Governance Principles
2. The Good Corporate Governance Policy
3. 8 Good Corporate Governance Principles
4. The Business Ethics
5. The Code of Conduct for Directors, Executive Officers, and Employees

Charter of the Board of Directors and Charter of Sub-Committees

1. Charter of the Board of Directors
2. Charter of the Audit Committee
3. Charter of the Nomination and Remuneration Committee
4. Charter of the Corporate Governance and Risk Management Committee
5. Charter of the Executive Committee

The Good Corporate Governance Principles

1. The Good Corporate Governance Principles

The Board of Directors had recognized the importance of the Good Corporate Governance principles which was a key foundation to the sustainable development and raised value to the Company in order to lead a competitive business with good operating results. Taking into account the long-term impact, the Company ethically runs business by paying respect to the rights of shareholders and stakeholders. The business also contributes to the society's benefit, reduces negative impact to the environment and is adaptive to any different circumstances.

Hence, the Board of Directors has established the revised version of the "Good Corporate Governance Principle" Manual, to be consistent with the good corporate governance for the listed companies year 2017 for acknowledgement and adherence as practice guideline among the directors, executives and all employees, as follows:

- The Good Corporate Governance Policy
- The 8 Good Corporate Governance Principles
- The Business Ethics
- The Code of Conduct for Directors, Executive Officers, and Employees

And determine to review the Company's Good Corporate Governance Principle every year, at least once a year to improve and conform with the new criteria imposed and to keep up with business operation situation.

2. Good Corporate Governance Policy

The Board of Directors is confident that a proper, transparent, and accountable governance system has been put in place, along with checks and balances and an adequate and appropriate internal control. Alongside these mechanisms is due respect for shareholders' rights and equality, as well as accountability for all stakeholders. These key factors contribute to the enhancement of the Company's immunity and to the promotion of balanced and sustainable long-term growth.

The Board of Directors has prescribed corporate governance policies as operational guidelines for Company Directors, Executive Officers and employees, as follows:

1. Company Directors, Executives and all employees are fully committed to the application of corporate governance principles, business ethics and Codes of Conduct for Company Directors, Executives and employees to Company operations.

2. Company Directors, Executives and all employees must perform their duties responsibly, prudently, earnestly and honestly in accordance with the relevant laws, Company Articles and Notifications.

3. Actions shall be taken to ensure that the Company management structure contains clear prescriptions of powers, duties and responsibilities of each Company Committees and Executives.

4. An internal control system shall be installed and risks management shall be managed at suitable levels, including an accounting system and financial statement which are accurate and reliable.

5. Information shall be disclosed in a sufficient, reliable and timely matter to the extent that the legitimate interests of the Company are not prejudiced.

6. The ownership rights of shareholders shall be appreciated and respected. Shareholders shall be treated equitably.

7. Undertakings shall have regard to the responsibilities of shareholders, stakeholders, communities, society and the environment.

8. There shall be a determination to strive towards business excellence with commitment to the creation of customer satisfaction by receiving comments and self-assessments in order to enhance management capabilities and continually promote productive creativity.

9. Virtue, ethics and good values shall be instilled. Employees shall be treated fairly with a commitment to develop and enhance the capabilities of personnel.

10. Dishonest conduct, corruption and intellectual property violations shall be suppressed. Laws and human rights shall be respected.

11. Conflict of interests shall be dealt with prudently and reasonably with due regard for the Company's interests.

3. The 8 Good Corporate Governance Principles

Principle 1 The Board of Directors shall be aware of its leadership roles and responsibilities in the creation of the Company's sustainable prosperity.

The Board shall place a great deal of importance on its awareness of its roles and responsibilities as leaders of the Company and as caretakers of shareholders' and stakeholders' interests. To this end, the Board shall establish both present and long-term business strategies and directions. The Board shall also ensure the transparency of the Company's operations as added value on the road towards sustainability.

Principle 1.1

The Board shall determine the Company's vision and mission statements, which steer directors, executive officers, and employees towards the same goals. The vision and mission statements shall be annually reviewed.

Guidelines

1. The Board shall determine the Company's vision and mission statements, objectives, targets, strategies, operational policies, and budgets. Board members shall freely express their opinions while conducting an annual workshop with senior management to establish directions for the Company.

2. The Board shall review company objectives and targets annually to ensure that executive officers are able to execute their plans according to the Company's directions and strategies.

3. The Board shall grant executive officers the freedom to express their opinions and hold discussions to establish the framework of the Company's directions and prepare for events of economic significance.

4. The Board shall offer management-related advice, suggestions, and guidelines, which will be used to establish clear plans and in the allocation of major resources to ensure the achievement of objectives.

5. The Board shall communicate company policies, goals, and directions to everyone in the Company in the following manners:

- To executive officers via meetings, and
- To employees via meetings and internal communication.

6. The Board shall monitor and assess the Company's performance. In this regard, management shall be tasked with preparing and presenting a performance report to the Board at least once every quarter.

Principle 1.2

The Board plays an important role in driving forward all aspects of the Company's organizational culture by supporting and encouraging good corporate governance, competitiveness, and desirable profitability. To this end, the Board shall consider long-term effects, ethical business practices, respect for and responsibility towards shareholders and stakeholders, benefits to society, eco-friendly developments, the minimization of environmental impact, and the ability to cope with change, all of which creates long-term value for the Company.

Guidelines

1. While evaluating the Company's performance, the Board shall consider not only its financial results but also other factors, such as the Company's ethical conduct and environmental impact, by reviewing and approving the proposed environmental management and corporate social responsibility policies.

2. The Board shall play a leading role in creating and driving forward a steadfast organizational culture of ethical conduct. As leaders, board members shall serve as role models and set an example of compliance with good corporate governance principles.

3. The Board shall provide in writing policies and guidelines of good corporate governance, business ethics, and code of conduct, applicable to all directors, executive officers, and employees.

4. The Board shall oversee communication to all directors, executive officers, and employees to ensure their understanding of good corporate governance. The Board shall also make certain that adequate mechanisms have been put in place for regular monitoring, reviewing, and reporting of their compliance with the Company's policies and guidelines.

5. Due to constantly changing factors, the Board shall always monitor current news and events, especially economic conditions and other crises that may affect the Company's performance. Strategies and revenue targets shall be established in accordance with the Company's risk appetites and tolerances. The Board shall promote risk management as an integral aspect of the Company's organizational culture and supports the adequate management of risks that may hinder the achievement of the Company's objectives and strategies. The Risk Management Committee shall oversee matters of risk management.

Principle 1.3

The Board shall oversee that all directors, executive officers, and employees perform their fiduciary duties responsibly and prudently, and that the Company operates in accordance with applicable laws, Articles of Association, related notifications, and resolutions passed at general meetings of shareholders.

Guidelines

1. The Board shall ensure that all directors and executive officers perform their fiduciary duties responsibly and prudently, pursuant to applicable laws, rules, and regulations.

2. The Board shall provide adequate systems and mechanisms to ensure that the Company complies with applicable laws, Articles of Association, related notifications, and resolutions passed at general meetings of shareholders, as well as established policies and guidelines. In addition, any major transaction shall be approved through a due process pursuant to the rules of law.

Principle 1.4

The Board shall demonstrate a thorough understanding of the scope of its powers, duties, and responsibilities. The Board shall clearly define the roles and responsibilities of the President and management, as well as ensure that the President and management properly perform their duties.

Guidelines

1. The Board shall appoint committees to oversee specific matters and report back to the Board.

2. The Board shall provide charters for itself and for each of the committees, by which the roles and responsibilities of directors are defined. These charters shall serve as points of reference for every director. Each charter shall be reviewed at least annually.

3. The Board shall assign duties and responsibilities to management, as well as monitor its performance, including

- 1) reports on operating results and assigned tasks;
- 2) the scope of powers, duties, and responsibilities of the President; and
- 3) annual review of the executive authority or approval process handbook.

Principle 2: The Board of Directors shall define the Company's objectives to ensure sustainability.**Principle 2.1**

The Board shall define or oversee that the Company's long-term objectives promote sustainability by creating value for the Company itself, in extension to its customers, stakeholders, and society at large.

Guidelines

1. The Board shall oversee that the Company has clearly defined and suitable long-term objectives that support its business model. The Board shall ensure company-wide communication of these objectives to drive everyone in the same direction by establishing the vision and mission statements, as well as organizational values that reflect good corporate governance.

2. The Board shall develop a business model for sustainable value creation for the Company itself, its stakeholders, and society, taking into consideration the following factors:

- 1) The Company's ecosystem, including changes to business conditions and opportunities, and the Company's effective use of innovation and technology;
- 2) The needs of its customers and stakeholders; and
- 3) Its available competitiveness, skillfulness, and opportunity / risk of business.

3. The Board shall oversee that the Company's long-term objectives are communicated to and instilled in the mind of all levels of personnel, engraining them as part of the organizational culture.

Principle 2.2

The Board shall ensure that the Company's annual and/or medium-term objectives, targets, and strategies are consistent with its long-term objectives, and that the Company uses innovation and technology safely and effectively.

Guidelines

1. The Board shall ensure that the Company's annual objectives and plans are aligned with its long-term objectives with due regard to its business environment, opportunities, and risk appetite. The Board shall arrange the Company's objectives and strategies to be annually reviewed.

2. The Board shall make certain that the Company's strategies and plans take into account the business environment and risk factors that may affect its stakeholders throughout the supply chain, including factors that may affect the achievement of the Company's long-term objectives. To this end, the Board shall

- 1) clearly define the method, process, and channel by which stakeholders may engage or communicate with the Company, enabling the Company to identify the interests of each stakeholder group accurately or as close as possible;
- 2) identify internal and external stakeholders; and
- 3) identify stakeholders' expectations in order to analyze potential impacts on the Company and on the stakeholders themselves. These shall be ranked in order of importance and dealt with accordingly.

3. The Board shall encourage innovation and promote the use of innovation and technology to enhance competitiveness and to respond to stakeholders' expectations without compromising its social and environmental responsibilities.

4. While in the process of approving financial and non-financial targets, the Board shall take into account the Company's business environment and potential while ensuring compliance with good corporate governance.

5. The Board shall make certain that the Company's annual objectives, targets, and plans are thoroughly communicated to everyone throughout the organization.

6. The Board shall ensure the proper allocation of resources and see to the effective control of operations, as well as monitor the progress of operations according to the annual plan.

Principle 3 The Board of Directors shall strengthen its effectiveness.

Principle 3.1

The Board of Directors shall be responsible for determining and reviewing its own structure, in terms of the size, composition, and number of independent directors that is suitable and needed to bring about the achievement of the Company's long-term objectives.

Guidelines

1. The Board of Directors shall be diverse in terms of qualifications, such as skills, professional experiences, and specialized traits that will benefit the Company. Directors may be of any gender as long as they possess all the legally required qualifications. In addition, there shall be at least one non-executive director with experience and competence in the Company's main business or industry.

2. The appropriate number of directors shall be determined by the Board itself, provided that the Board is able to function effectively. It shall comprise at least five (5) directors, depending on the Company's size, type, and business complexity.

3. The ratio between executive and non-executive directors shall support proper checks and balances. The majority of the Board shall be non-executive directors, who shall exercise objective and independent judgement on the work of management. The number and qualifications of independent directors shall meet the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Board shall afford independent directors the ability to work efficiently with the rest of the directors and to exercise objective and independent judgement.

4. The Board shall explicitly disclose its board diversity policy and details of its members, including directors' age, gender, education, experiences, shareholding percentage, years of service as directors, and directorships at other listed companies in annual reports and on the Company's website.

Principle 3.2

The Board shall select a suitable member as its Chairman, as well as oversee that its composition and exercise of power allow the Board to objectively and independently exercise judgement on corporate affairs.

Guidelines

1. The Board shall not require that the Chairman be an independent director.

2. The Chairman's roles and responsibilities shall be distinct and separate from those of the President to establish effective checks and balances of power:

- 1) The Chairman shall be responsible for leading the Board of Directors. The Chairman's duties shall at least include the following matters:
 - (1) Chairing any general meeting of shareholders;
 - (2) Chairing any board meeting;
 - (3) Casting the deciding vote to break a tie;
 - (4) Calling board meetings and establishing meeting agenda in tandem with the President, in which important matters shall be included;
 - (5) Overseeing, monitoring, and ensuring that the Board efficiently carries out its duties;
 - (6) Ensuring that all directors contribute to the Company's ethical culture and good corporate governance;
 - (7) Allocating sufficient time for management to propose topics and for directors to debate important matters thoroughly; Encouraging directors to exercise prudence and express their opinions freely;
 - (8) Promoting constructive relations between executive and non-executive directors, and between the Board and management.
- 2) The President's roles and responsibilities shall be determined by the Board.

3. Should the Chairman and the President be the same person, the following measures shall apply:

- 1) In the event of a conflict of interest, the Chairman or President shall be barred from the meeting and have no right to vote on that particular agenda item.
- 2) The Vice Chairman shall chair the meeting in his or her stead. If the post is vacant or the Vice Chairman is unable to serve in this capacity, the Board shall elect a director to chair the meeting for the time being.
4. There shall be no term limit for independent directors; however, if an independent director has already served nine (9) consecutive years since his or her first appointment to the post, the Board shall reasonably evaluate the necessity of his or her continued directorship.
5. The Board shall appoint committees to oversee specific matters, to filter information, and to recommend action for board approval.
6. The Board shall disclose the roles and responsibilities of the Board itself and of its committees, the number of meetings, and the number of directors in attendance over the course of the year. The Board shall also report the performance of each committee.

Principle 3.3

The Board of Directors shall ensure that the selection and nomination of directors be transparent, resulting in the desired board composition.

Guidelines

1. The Board shall establish a Nomination Committee.
2. The Nomination Committee shall meet to determine the nomination criteria and process to ensure that elected board members possess the appropriate qualifications, knowledge, and expertise.
3. The Board shall afford shareholders the opportunity to nominate directorial candidates.

Principle 3.4

When proposing directors' remuneration to a shareholder meeting for approval, the Board shall consider whether the remuneration structure is appropriate for the directors' respective roles and responsibilities, reflects their individual and company performance, and provide incentives for the Board to lead the Company to achieve its short- and long-term objectives.

Guidelines

1. The Board shall appoint a Remuneration Committee.
2. The remuneration of the Board shall reflect each member's accountability and responsibilities, in addition to being comparable to the practice of other companies in the industry.
3. The structure and rate of the Board's remuneration, as well as other benefits, shall require shareholders' approval.
4. The Board shall disclose its remuneration policy and criteria that reflect the duties and responsibilities of each individual.

Principle 3.5

The Board shall ensure that all directors serve responsibly and that they allocate sufficient time for their role as board members.

Guidelines

1. The Board shall provide a director handbook to empower its members with an understanding of their roles and responsibilities.
2. The Board shall publicly disclose its members' posts at other companies.
3. In the event that a director of the Company serves as a director or executive officer at or have a direct or indirect stake in another entity that creates a conflict of interest with the Company, or is able to use insider information or take advantage of the Company's opportunity for his or her own benefit, it shall be reported to the Chairman of the Board and the Chairman of Audit Committee for acknowledgement.
4. Each director shall attend no less than 75 percent of all board meetings in any given fiscal year, unless necessity demands otherwise.
5. Believing that each director's business expertise and capabilities are not restricted by the number of companies in which he or she currently serves, the Company shall not establish any regulation on board members' directorships at other listed companies.

Principle 3.6

The Board shall ensure that the Company's governance framework and policies appropriately extend to and are accepted by subsidiaries and other businesses in which it has a significant investment.

Guidelines

1. The Board shall consider and establish a subsidiary's governance policies, including:
 - 1) The appointment of a director, executive officer, or another authoritative post to a subsidiary. The senior executive team of the investing Company shall consider a director or an executive officer from within the group who possess the knowledge, ability, and expertise in the subsidiary's business to represent the Company as an investor or in compliance with the joint-venture agreement.
 - 2) The scope of duties and responsibilities of the position in 1). The Board shall also have the representative to oversee that the subsidiary's operations comply with its own policies. If the subsidiary has other investors, the Board shall require the Company's appointed representative to perform his or her role in the subsidiary's in the best interest of the subsidiary while maintaining compliance with the Company's policies.
 - 3) The suitability and adequacy of the subsidiary's internal control, along with the conformity with relevant laws and regulations of all transactions.
 - 4) The disclosure of the subsidiary's financial information, operating results, related party transactions, acquisition and disposition of assets, other important transactions, capital increases or decreases, termination, etc.
2. For any significant investment in a business, the Board shall make certain that the shareholders' agreement or another agreement in place clearly defines the Company's ability to manage the subsidiary's affairs, partake in major decisions, and monitor the subsidiary's performance, which will enable the Company to prepare its financial statements in a timely manner and in conformity with relevant standards.

Principle 3.7

The Board shall conduct a formal annual performance evaluation of itself and its committees. The evaluation results shall be used to strengthen their future performance.

Guidelines

1. The performance of the Board and its committees shall be evaluated at least once a year.
2. The Board shall disclose performance evaluation results, whether as a whole or as individuals, in the corresponding annual report.
3. The Board shall use evaluation results to improve its and its committees' performance.

Principle 3.8

The Board shall ensure that each of its member understand his or her roles and responsibilities, the nature of the business, the Company's operations, and relevant laws. The Board shall encourage all directors to regularly bolster any skills and knowledge necessary for their posts.

Guidelines

1. A newly appointed director shall undergo orientation, which includes the following:
 - Any information that may benefit his or her directorial role;
 - Business directions (objectives, target, vision, mission, and organizational values); and
 - Roles and responsibilities, as well as directorial remunerations and other benefits.
2. Directors shall regularly receive the necessary training, any of which shall be disclosed in the corresponding annual report.
3. The Board shall possess the knowledge and understanding of relevant laws, regulations, standards, risks, and business-related environment. The Board shall always stay up to date on such information.

Principle 3.9

The Board shall ensure the effectiveness of its performance and have access the necessary information. The Board shall appoint a person with the desired qualifications, knowledge, skills, and experience to support the Board as "Company Secretary".

Guidelines

1. Board meetings shall be scheduled in advance to afford each director sufficient time to arrange to attend.
2. The Board shall meet at least six (6) times per fiscal year.
3. The Board shall provide a mechanism that allows each board member and management to propose relevant topics to be included on the meeting agenda.
4. The Board shall oversee that relevant meeting documents be sent to each director at least seven (7) business days before the meeting.
5. The Board shall encourage the President and other executive officers to attend board meetings to present additional information and details on matters for which they are directly responsible.
6. The Board shall be able to request additional information from the President, Company Secretary, or a designated executive officer within the framework of the established policy. If necessary, the Board shall be able to seek independent professional advice, the expenses for which shall be absorbed by the Company.
7. Non-executive directors shall be able to meet, as many times as necessary, among themselves without management to debate their concerns and report the outcome of their meeting to the President.
8. The Board shall appoint a Company Secretary with duties pursuant to the Securities and Exchange Act and provide any training and education relevant to his or her ability to serve in this capacity.

Principle 4 The Board of Directors shall nominate and develop senior executive officers and ensure good people management.

Principle 4.1

The Board shall afford a proper mechanism for the nomination and development of president and senior executive officers, making certain that they possess the knowledge, skills, experience, and characteristics necessary for the Company to achieve its objectives.

Guidelines

1. The Board shall nominate or assign the Nomination Committee to nominate a candidate with the desired qualifications for the post of the President.
2. The Board shall task the President with overseeing the suitability of senior executive officers.
3. The Board shall ensure business continuity. To this end, succession plans shall be developed for the posts of the President and other senior executive officers. The implementation of these plans shall be reported to the Board at least once a year.
4. The Board shall encourage the President and other senior executive officers to continuously undergo any training relevant to their roles.
5. The Board shall require the President and other senior executive officers to report their directorships or executive posts at any other company to the Chairman of the Board and the Chairman of Audit Committee through the Company Secretary.

Principle 4.2

The Board shall ensure that an appropriate compensation structure and performance evaluation are in place.

Guidelines

1. The Board shall establish the President's compensation structure:
 - Short-term benefits, such as monthly salaries, bonus, and pension, based on the Company's performance and the President's performance evaluation.
 - Long-term benefits, such as contribution to the Provident Fund, retirement compensation, and ESOP.

2. The Board shall assign the Chairman or the Chairman of Executive Board to communicate the following evaluation results to the President:

- The year's performance evaluated against the year's objectives and the previous year's performance
- The Company's financial liquidity and economic condition in comparison with other businesses in the same sector.

3. The Board shall task the President with evaluating senior executive officers and other personnel in accordance with the predetermined performance evaluation criteria.

Principle 4.3

The Board shall consider the Company's shareholding structure and relationships with its shareholders, which may affect its management and operation.

Guidelines

The Company shall not have a shareholders' agreement that hinders the duties of the Board.

Principle 4.4

The Board shall monitor the management and development of the Company's human resources to ensure that the Company has adequate staffing and appropriately knowledgeable, skilled, experienced, and motivated employees.

Guidelines

1. The Board shall task the Executive Board with the supervision of human-resource management. The following matters shall be reported to the Board at least once a year:
 - Company structure and appropriate remunerations; and
 - Talent development and retention plans.
2. The Board shall see to the establishment of a provident fund to make certain that the Company's employees will have sufficient savings to support their retirement.

Principle 5 The Board of Directors shall nurture innovations and responsible business practices.

Principle 5.1

The Board shall prize and encourage innovations that create value for the business together with benefits for its customers, other stakeholders, society, and the environment.

Guidelines

1. The Board shall attach importance to an organizational culture of innovation that creates value or sets a standard for products, services, or work processes. Innovations of this nature shall be incorporated into the Company's strategies and guidelines.

2. The Board shall encourage further development of a business innovation, subject to the current business environment. The Board shall also endeavor to improve the production and work process, in addition to jointly developing innovations with the Company's partners, to increase the Company's competitiveness.

Principle 5.2

The Board shall ensure that management operates the Company's business with due regard to corporate social and environmental responsibility and without infringing upon the rights of any stakeholder. These efforts will allow every department to contribute to the achievement of objectives and targets in a sustainable manner, which is reflected in the operational plan.

Guidelines

1. The Board shall recognize and respect the rights of its various groups of stakeholders. Pursuant to the rules of law or to any agreements made with the Company, the Board shall ensure the protection of stakeholders' rights and that all stakeholders be treated equitably. In this regard, the Board shall devise policies to serve as guidelines for the treatment towards each group of stakeholders and shall take into account the interests of communities and society, benefits to the environment, sustainable development, anti-corruption efforts, intellectual property protection, and respect for fundamental human rights.

2. The Board shall support the preparation of the corporate social responsibility report, which shall be included in the annual report.

3. The Board shall afford all groups of stakeholders a channel and process by which they may submit a report or complaint about a matter that may result in damage to the Company, the accuracy of financial reports, or unequitable treatment.

4. The Board shall devise a whistleblower protection policy or set of guidelines, its matters that may cause damage to the company or unfair, which shall appear in the Business Ethics and the Code of Conduct for Directors, Executive Officers, and Employees.

Principle 5.3

To bring about sustainability, the Board shall monitor that resources are efficiently and effectively managed with due regard to the impact of such management and to resource development throughout the supply chain.

Guidelines

1. The Company's operations shall conform to the rules of law, regulations, and environmental policies, taking into consideration its impact on natural resources and the environment. Operations shall have its performance reviewed and evaluated regularly.

2. Participation in environmental management, environmental accountability, and efficient and sustainable use of resources shall become part of the organizational culture. An awareness of these topics shall be instilled in the mind of all employees.

3. Environmental education and training shall be provided to all employees.

4. A comprehensive environmental management system shall be encouraged, including economical use of resources, treatment and rehabilitation of resources exploited, replenishment of resources, and sustainable environmental watch and impact prevention.

5. A mechanism shall be put in place to allow the Company to select eco-friendly trading partners in the supply chain.

6. The Company shall support the development and distribution of eco-friendly technology.

Principle 5.4

The Board shall make use of information technology to augment business opportunities and to further develop the Company's operations, which will bring about the achievement of the Company's objectives and targets.

Guidelines

1. The Board shall ensure sufficient information technology resources for operations.

2. The Board shall develop an information technology security policy and measures.

Principle 6 The Board of Directors shall provide an adequate system of risk management and internal control.

Principle 6.1

The Board shall ensure that the Company has effective and appropriate risk management and internal control systems that comply with applicable laws and standards.

Guidelines

1. The Board shall educate its members about major risks to the business.
2. The Board shall task the Risk Management Committee with the following:
 - Establishing the Company's risk management policy and system;
 - Promoting risk management as an integral part of the Company's organizational culture;
 - Providing the appropriate level of risk management with a particular emphasis on early warning signs; and
 - Overseeing, monitoring, and evaluating risk management performance.
3. The Board shall establish Internal Audit as an internal department. Internal Audit shall report to the Audit Committee on the following matters:
 - The adequacy of the Company's internal control; and
 - Reviewing and devising internal control measures with a particular emphasis on any significant anomalies

Principle 6.2

The Board shall establish an Audit Committee, who shall perform its tasks effectively and independently.

Guidelines

1. The Board shall establish an Audit Committee that comprises at least three (3) directors, all of whom shall be independent directors with required qualifications pursuant to applicable legal requirements promulgated by the Securities and Exchange Commission and the Stock Exchange of Thailand.
2. The Board shall provide a charter for the Audit Committee, in which the directors' term in office and scope of duties and responsibilities are clearly defined.

Principle 6.3

The Board shall establish a policy to manage and monitor conflicts of interest that might occur among the Company, directors, management, and shareholders. The policy shall include measures to prevent the inappropriate use of corporate assets, information, and opportunities, as well as inappropriate transactions by related parties.

Guidelines

1. The Board shall provide an information security system, which includes policies and procedures on the confidentiality, integrity, and availability of such information, as well as market-sensitive information. The Board shall oversee compliance by any directors, senior executive officers, employees, and outsiders with access to such information.
2. The Board shall manage and monitor any transaction with a potential conflict of interest, as well as provide guidelines and procedures to make certain that such a transaction will be made in conformity with the legally prescribed procedure and information disclosure requirements in the best interest of the Company and the majority of the shareholders. Any party with a vested interest in a particular transaction shall be excluded from the decision.
3. The Board shall require all directors to report their personal stake in a particular agenda item that will constitute a conflict of interest before the commencing the consideration of the item. Such a report shall be recorded in the minutes. The director(s) in question shall be excused from the meeting for the time being and shall cast no vote on that agenda item.

Principle 6.4

The Board shall adhere to anti-corruption laws and devise its own anti-corruption policy and procedures. The policy shall be made known to all within the Company and to outsiders as well.

Guidelines

1. The Board shall provide in writing an anti-corruption handbook and anti-corruption regulations. All directors, executive officers, and employees shall abide by the handbook and regulations. The Board shall also support activities that promote and instill an awareness of the relevant laws, rules, and regulations in the mind of all directors, executive officers, and employees.
2. The Board shall disclose to the public its anti-corruption policy and whistleblower channel on the Company's website and annual report.

Principle 6.5

The Board shall provide a mechanism for handling complaints and whistleblowing.

Guidelines

1. Instructions on how to handle complaint submissions shall be included in the Code of Conduct for Directors, Executive Officers, and Employees.
2. In the event that a submission entails matters of corruption, it shall be subject to the procedures in the Anti-Corruption Policy.

Principle 7 The Board of Directors shall ensure information disclosure and financial integrity.

Principle 7.1

The Board shall ensure the integrity of the Company's financial reporting system and that timely and accurate disclosure of all material information regarding the Company is made consistent with applicable requirements.

Guidelines

1. The Board shall ensure that any person involved in the preparation and disclosure of any information of the Company, including the President, the Chief Financial Officer, accountants, internal auditors, Company Secretary, Investor Relations Officers, including related relevant staffing, has relevant knowledge, skills and experience, and that sufficient resources, are allocated.
2. Regarding information disclosures, the Board shall include a report on its financial reporting accountability.
3. The Board shall oversee that information disclosures, including financial statements, annual reports, and Form 56-1, sufficiently reflect the Company's financial status and performance. The Board shall promote the inclusion of Management Discussion and Analysis (MD&A) in quarterly or annual financial reports.
4. Any disclosure of information about the Company's directors and executive officers shall be in conformity with the regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, as well as other relevant laws.

Principle 7.2

The Board shall monitor the Company's financial liquidity and solvency.

Guidelines

1. The Board shall ensure that management regularly monitors, evaluates, and reports on the Company's financial status. Upon the earliest signs of problems, the Board and management shall work together to find solutions as quickly as possible.
2. The Board shall ensure that it does not consciously approve any transactions or propose any transactions for shareholders' approval that could negatively affect business continuity, financial liquidity, and solvency.

Principle 7.3

In the event of financial difficulties, the Board shall ensure that the Company has a mitigation plan or mechanism in place. Stakeholders' rights shall always be taken into consideration.

Guidelines

1. The Company operates prudently and in conformity with information disclosure requirements. In the event of financial difficulties, the Board shall monitor the situation closely.
2. The Board shall ensure that the Company has sound financial mitigation plans that consider stakeholders' and creditors' rights. The Board shall diligently monitor the mitigation process through regular reports from management.
3. The Board shall ensure that any migratory action taken is reasonable.

Principle 7.4

The Board of Directors shall make certain of appropriate sustainability reporting.

Guidelines

1. The Board shall consider the appropriateness of the Company's information disclosure on its legal compliance; ethical business practices; code of conduct for directors, executive officers, and employees; anti-corruption policy; treatment of employees and other stakeholders, including equitable treatment and respect for human rights; and social and environmental responsibilities. Such disclosure shall be aligned with national or international reporting standards. For instance, the Company may disclose these types of information in the annual report.
2. The Board shall ensure that the information disclosed is important and reflects corporate practices that will bring about sustainable value creation.

Principle 7.5

The Board shall oversee management's establishment of a dedicated Investor Relations department or officer, who shall be responsible for suitable, equitable, and timely communication with shareholders, stakeholders, investors, analysts, and the media.

Guidelines

1. The Board shall assign the President or a related person, who thoroughly understands the Company's business, to disclose information to and communicate with external entities via appropriate channels.

2. The Board shall oversee that management establishes a dedicated Investor Relations department or officer.

Principle 7.6

The Board shall encourage the use of information technology to disseminate information.

Guidelines

1. The Board shall afford information disclosures in Thai and English via the Stock Exchange of Thailand and on the Company's website.

Principle 8 The Board shall encourage engagement and communication with shareholders.

Principle 8.1

The Board shall afford shareholders the opportunity to participate in the decision-making process involving significant corporate matters.

Guidelines

1. The Board shall recognize and respect the ownership rights of shareholders and shall not act in any manner to violate or deprive shareholders of these rights. The Board shall justly serve as caretakers of shareholders' interests and shall encourage shareholders, whether they be majority or minority or institutional shareholders from Thailand or overseas, to exercise their rights, including their basic rights as shareholders, their right to access sufficient information in a timely manner, and their right to attend any shareholder meeting during which corporate directions and major decisions are made.

2. The Board shall ensure that the agenda of any general meeting of shareholders comply with the Company's Articles of Association and relevant laws. Explanations and reasons shall accompany each agenda item in the meeting notice.

3. The Board shall afford minority shareholders an opportunity to propose an agenda item and/or nominate a directorial candidate to be elected at a general meeting of shareholders.

4. The Board shall allow shareholders to submit questions prior to the meeting.

5. The Board shall ensure that the notice of a general meeting of shareholders and related documents contain complete and correct information and be made available in both Thai and English on the Company's website at least 30 days before the meeting.

6. The Board shall encourage all shareholders to exercise their rights. The notice of a general meeting of shareholders and related documents in both Thai and English shall be delivered to them in advance to afford them sufficient time for consideration.

7. The Board shall treat every shareholder equitably. Every share of the same type has the same voting right, which is one share per vote.

8. The Board shall allow shareholders who are unable to attend a shareholder meeting in person to assign a proxy to attend and vote on their behalf. The Board shall facilitate the process by using a proxy statement form that allows shareholders to specify their votes in advance and by nominating at least one independent director as a proxy choice for shareholders.

Principle 8.2

The Board shall ensure that shareholder meetings are held properly, transparently, and efficiently, and that all shareholders are able to exercise their rights.

Guidelines

1. The Board shall consider shareholders' interests before setting a meeting's date, time, and place.

2. The Board shall ensure that no action is taken to limit shareholders' attendance.

3. The Board shall use information technology to facilitate shareholder meetings

4. The Board shall adhere to the following shareholder meeting regulations:

1) The Chairman of the Board shall preside over a shareholder meeting.

2) No agenda items shall be added without prior notice.

3) Directors, committee chairpersons, the Chief Financial Officer, and other relevant executive officers are required to attend shareholder meetings.

4) The number and ratio of shareholders attending in person to shareholders attending via proxies, meeting procedures, voting instructions, and vote-counting process shall be made known to the meeting before its commencement.

5) Each director shall be individually elected by shareholder votes.

6) The authority to approve directors' remuneration shall lie with shareholders

7) Ballots shall be used for voting, and there shall be independent witnesses during the vote counting process.

Principle 8.3

The Board shall ensure accurate and complete disclosure of shareholder resolutions and preparation of the minutes of any shareholder meeting.

Guidelines

1. The Board shall disclose shareholder resolutions and voting results of each agenda through the designated channel of the Stock Exchange of Thailand and on the Company's website by the next business day.

2. The Board shall oversee that the minutes of a shareholder meeting include the following: meeting and voting instructions; names of directors, committee members, and executive officers present and absent; each agenda item's voting result; and every question and answer. The minutes shall be made available on the Company's website.

3. The Board shall ensure that the minutes of every shareholder meeting is submitted to the Stock Exchange of Thailand within 14 days from the meeting date and to the Department of Business Development, Ministry of Commerce, within the legally required period.

4. Business Ethics

1. Responsibility towards Stakeholders

It is the Board's policy to promote cooperation between the Company and its stakeholders to strengthen the Company's performance. To this end, the Board shall promote engagement and be vigilant of stakeholders' interests pursuant to their legal rights. The Company's stakeholders are, namely, its shareholders, customers, trade partners, competitors, debtors, employees, local communities and society, the environment, and the government.

1) Shareholders

The Board of Directors shall perform its duties responsibly, prudently, earnestly, and honestly to generate continuous, sustainable, and good returns on investment for shareholders. In this regard, the Board shall adopt the following policies and practical guidelines:

1. The Board shall respect shareholders' ownership rights and shall treat shareholders equitably.

2. Operations shall be undertaken in accordance with the principles of good corporate governance, which will foster the trust and confidence of shareholders and lead to sustainable growth.

3. The Board shall see to the advancement of the Company's businesses to ensure proper returns on investment for shareholders.

4. Significant information that affects or may affect shareholders' interests shall be disclosed, whether in periodic accounting reports or ad-hoc reports, pursuant to the relevant laws and notifications. No action shall be taken to restrict shareholders' access to the Company's information.

5. A report on the Board's accountability for financial statements shall be included in each year's annual report.

6. Minority shareholders shall be given an opportunity to propose matters for inclusion in the meeting agenda and/or to nominate directorial candidates to be elected at an annual general meeting of shareholders.

7. Shareholders shall be granted an opportunity to submit questions relevant to the meeting in advance.

8. Shareholder meeting notices in both Thai and English shall be published on the Company's website at least 30 days prior to the meeting date to enable shareholders to arrange to be in attendance and to study the information.

9. Shareholders' convenience shall be ensured. The meeting's date, time, venue, and procedure shall not limit shareholders' attendance. Shareholders unable to attend in person shall be able to assign a proxy to attend and vote on their behalf.

10. Conflicts of interest shall be dealt with prudently and rationally. Information about any conflict of interest shall be fully disclosed.

11. The Company's interests and assets shall be safeguarded as a reasonable person would safeguard his or her property. Wrongful interests, whether obtained by direct or indirect means, shall be eliminated.

2) Customers

Understanding that customer satisfaction and confidence are critical factors that contribute to the Company's sustainable success, the Board of Directors shall adopt the following policies and guidelines:

1. The Company shall manufacture and distribute products and services that are environmentally friendly and safe for consumers.
2. The Company's businesses shall be operated with commitment to developing goods and services, introducing innovations, and adding value to goods and services in order to continuously meet customer demand, along with the disclosure of critical information needed for decision-making without concealment or distortion of facts.
3. The Company's businesses shall be operated in an honest, earnest, and just manner. No action shall be taken to violate customers' rights. Moreover, consumer data shall be treated with confidentiality and shall not be wrongfully exploited for personal gain or the benefit of a related person.
4. The Company shall never demand, receive, or consent to the direct or indirect receipt of any property or other dishonest benefit from a customer.
5. The Company shall adhere to trade agreements. Whenever adherence is not possible, customers shall promptly be notified in order to jointly find a remedial measure and to prevent losses.
6. The Company shall provide communication channels by which customers are able to file complaints to the Company. Complaints shall be processed with care and dealt with fairly.

3) Partners

The Board of Directors shall treat trading partners equitably and take into account mutual interests. In this regard, the Board shall adopt the following policies and practical guidelines:

1. The Company shall put a system in place to select environmentally friendly trading partners in the supply chain whose operations comply with relevant laws, as well as safety and occupational hygiene standards. Business partners shall be treated on the basis of fair competition, equality, and mutual respect.

2. Trading partners' secrets or information shall be treated with confidentiality and shall not be wrongfully exploited for personal gain or the benefit of a related person.
3. The Company shall build good relations and understanding with trade partners, which will serve as the basis for knowledge exchange. The development and creation of value added to goods and services shall be jointly undertaken to promote mutual growth.
4. The Company shall adhere to trade agreements and provide accurate information. In the event that a violation is inevitable, the Company shall expeditiously engage in negotiations with trading partners in order to reach a mutual solution and prevent losses.
5. The Company shall not demand, receive, or consent to the receipt of any property or other benefit outside trade agreements.

4) Competitors

The Board of Directors shall ensure that the Company operates its businesses in accordance with the legal provisions. In this regard, the Board shall adopt the following policies and practical guidelines:

1. The Company shall conduct its businesses within the rules of fair competition with due regard to business ethics and trade competition laws of various countries in which the Company operates.
2. The Company shall not damage the reputation of its business competitors.

5) Creditors

The Board of Directors shall make certain that the Company operates in a principled and disciplined manner in order to build trust among creditors. In this regard, the Board shall adopt the following policies and practical guidelines:

1. All creditors shall be treated equitably.
2. Contracts and terms shall be strictly adhered to.
3. Operations shall be administered to ensure creditors' confidence in the Company's financial standing and credit rating.
4. Financial standing shall be accurately and timely disclosed.
5. In the event of an inability to comply with a particular term, the creditor shall be forthwith notified in order to reach a mutual solution and prevent losses.

6) Employees

Regarding employees as a valuable resource and a key factor in the Company's success, the Board of Directors shall adopt the following policies and guidelines:

1. Employees' human dignity and fundamental rights shall be respected at work. Employee data or confidential information shall not be disclosed or transmitted to third parties or unrelated persons.
2. Employees shall be treated in accordance with the provisions of law, regulations, and articles governing the Company's operations
3. Employment equality shall be promoted. There shall be no discrimination on the basis of gender, skin color, race, religion, age, disability, or any other status that is not directly related to work.
4. Training and knowledge exchange shall be sponsored and promoted to encourage learning and skill development throughout employment; The Company shall seek to strengthen employees' career security and offer opportunities for advancement pursuant to each person's potential.
5. Employees' participation in the determination of the Company's direction and development shall be promoted.
6. Fair compensation shall be offered, subject to employees' knowledge, skills, duties, responsibilities, and performance.
7. Appropriate welfare and benefits shall be given to employees, e.g. medical expenses, provident fund contribution, and a savings cooperative.
8. Channels shall be provided for employees to communicate suggestions and complaints pertaining to work. All suggestions shall be considered, and remedies shall be determined in the best interest of all parties and with regard to good professional relations.
9. Facilities necessary for operations shall be provided. Working conditions shall be maintained with due regard to health, safety, and occupational hygiene as a means to promote and raise employees' quality of life.
10. Employees of all levels shall be encouraged to participate in corporate social responsibility activities.

7) Community and Society

The Board of Directors shall operate the Company's businesses with due regard to the duties and responsibilities owed to the nation, community, and society, as well as local traditions, in order to maintain social order. In this regard, the Board shall adopt the following policies and practical guidelines:

1. A business that could lead to social degradation shall not be undertaken, and the rights of any person in the community and society shall not be violated.
2. The consciousness of responsibilities towards the community and society as a whole shall always be instilled for the benefit of the Company and all of its employees.
3. Measures shall be provided for the prevention and remedy of any negative impact on the community and society caused by the Company's operations.
4. The preservation of local culture and traditions shall be promoted.
5. The Company shall cooperate with various agencies for community development.
6. Activities that benefit the public shall be sponsored.
7. Income shall be locally distributed through the employment of community members and the use of community products.
8. Good relations shall be fostered between the Company and the community and society on the basis of propriety, transparency, and fairness.

8) Environment

The Board of Directors shall undertake businesses with due regard to the Company's responsibilities towards the environment. In this regard, the Board shall adopt the following policies and practical guidelines:

1. Businesses shall be undertaken in accordance with laws, regulations, and policies on the environment with due regard to the impact on natural resources and the environment. Regular revision and assessment of the Company's environmental performance shall be performed.
2. Organizational culture and consciousness of all employees shall be promoted to encourage cooperation and responsibility for the efficient and sustainable management of the environment and utilization of resources.

3. Knowledge promotion and environmental training shall be extended to employees.
4. An environmental management system shall be promoted, including economical use of resources, treatment and rehabilitation of resources exploited, replenishment of resources, and sustainable environmental watch and impact prevention.
5. There shall be a system in place for selecting trade partners in the supply chain who operate in an environmentally friendly manner.
6. Environmentally friendly technology shall be developed and applied whenever possible.

9) State Sector

To make sure that the Company operates in conformity with the rules and regulations enacted by the State, the Board of Directors shall adopt the following policies and guidelines.

1. The laws governing operations shall be studied and understood. Meanwhile, no activities that would violate the letters of the law shall be undergone.
2. Legal compliance shall be assured when conducting a transaction with any state official or agency.
3. Good relations between the Company and the state sector shall be fostered so long as they are within proper boundaries.
4. The Board shall comply with the relevant laws and business traditions in a particular country or locality.

2. Conflict of Interest

To deal with conflicts of interest, the Board shall adopt the following guidelines:

1. Conflicts of interest or connected transactions shall be administered prudently, fairly, and rationally. There shall be a transparent system for approving transactions that takes into account the Company's best interests. Directors with a vested interest in a particular matter shall not have the right to vote on it and shall be required to make a full disclosure in accordance with the rules of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

2. The Company's interests shall be upheld, subject to legality. No action that would constitute a conflict of interest with the Company shall be taken. In addition, no special benefits or privileges shall be given to any person.
3. Directors and executive officers shall be required to disclose their and related persons' interests in accordance with the prescribed rules.
4. Directors, executive officers, and employees with insider information shall be prohibited from trading Company's securities during the 1-month period prior to public disclosure of the Company's financial statements and 24 hours, after the Company's financial statements disclosure.
5. Directors, executive officers, as well as their spouses and underage children, shall have the duty to report their holding of the Company's securities and any changes to their holding to the Board of Directors in the subsequent board meeting.
6. Company information or secrets acquired or acknowledged shall not be disclosed or transmitted to third parties or unrelated persons.
7. Any information disclosure shall be made by authorized employees. Classes of confidentiality may be prescribed in accordance with the significance of the information. Disclosure shall be made within the assigned scope of duties and responsibilities.
8. Directors and senior executive officers shall be required to inform the Chairman about their trading of the Company's securities at least one (1) day before the trading date.

3. Receiving or Giving a Meal or Gift

While the Board of Directors aspires to operate within the framework of fair competition, it understands that receiving or giving a meal or gift is sometimes a necessary customary practice that fosters good relations. In this regard, the Board shall adopt the following guidelines:

1. A gift, token, or meal that may influence a decision shall always be prohibited. If it is customary to give or to receive a gift, token, or meal whose value is in excess of normal practices, a report shall be filed to the respective supervisor.

2. In the case of an assignment or authorization by a supervisor to assist with an external agency, a sum of money, an object, or a gift may be received in accordance with the applicable rules or standards prescribed by that external agency, e.g. gifts, presents, and lucky draw prizes.
3. In the case where an agent, contractual party, partner, or any other person wishes to offer a gift, token, or meal in the name of the Company, prior authorization from the Company shall always be required.
4. Expenses pertaining to these matters shall be maintained within a reasonable budget.

4. Anti-Fraud and Anti-Corruption Efforts

It is the Board of Directors' policy to comply with anti-corruption laws. In this regard, the Board shall adopt the following guidelines:

1. Create consciousness, values, attitudes for employees in performing their duties according to the law, rules with integrity.
2. An efficient and effective internal control system shall be put in place. There shall be suitable supervision and a system of checks and balances to prevent employees from being involved in fraud and corruption.
3. Directors, executive officers, and employees shall be prohibited from performing any act that amounts to a demand or acceptance of any property or any other benefit, whether for themselves or for others, as an inducement to wrongfully perform or refrain from performing a duty or to act in a way that could result in a loss to the Company's legitimate benefits.
4. Directors, executive officers, and employees shall be prohibited from giving or offering to give any property or any other benefits to third parties to induce such persons to unlawfully or wrongfully perform or refrain from an act.
5. There shall be a transparent and accurate financial reporting system.
6. There shall be a channel for employees and related persons to provide notices of causes for suspicion with confidence of protection. Personnel shall be appointed to examine all notices of suspicion given.

5. Non-Infringement of Intellectual Property

Pursuant to the Non-Infringement of Intellectual Property Policy, the Board shall adopt the following guidelines.

1. Business undertakings shall be consistent with laws, regulations, and contractual obligations governing intellectual property rights.
2. Intellectual property works of the Company shall be safeguarded. Such intellectual property shall not be used or allowed to be used by outsiders without authorization.
3. The intellectual property rights of others shall be respected. The works of others shall not be infringed upon or applied to personal use except when a license has been obtained or a fee paid to the owner of the work.
4. Intellectual property of creative works produced by employees shall belong to the Company. Upon termination of employment, such intellectual property works must be returned to the Company regardless of the form in which it is stored.

6. Non-Violation of Human Rights

With a great deal of respect for human rights, the Board of Directors shall adopt the following policies and guidelines:

1. There shall be no activities or support for activities that violate human rights.
2. Employees shall be provided with knowledge and understanding of human rights, which shall be applied to their respective functions.
3. There shall be no limitations to independence or differences in ideology, gender, race, religion, politics, or other matters. Nonetheless, expressing an opinion that could cause conflicts or divisions shall be best avoided.
4. Channels shall be provided for employees or persons who believe that their personal rights have been violated or that they have been treated unfairly to file a complaint with to Company. Such complaints shall be heeded and processed fairly.

7. Occupational Safety and Health

Attaching importance to occupational safety and health, the Board of Directors shall adopt the following guidelines:

1. Business undertakings shall comply with safe and healthy work environment laws, regulations, and policies with due regard to the safety of life and property, as well as to the impact on the health of employees, trading partners, and stakeholders. Regular monitoring and safety assessment shall be conducted.

2. Occupational safety shall be promoted. Work regulations, procedures, and standards shall be prescribed according to the level of risk. The safety of the working condition, work environment, and work procedures shall be improved. Protective tools and equipment shall be provided to employees.

3. Preparations shall be made for emergency events. An emergency plan shall be devised. Regular drills and improvements shall be carried out to prevent and minimize any loss of life or property of the Company, employees, trading partners, and related persons.

4. A safe workplace culture shall be fostered for the entire organization to ensure sustainable and safe operations.

5. The Code of Conduct for Directors, Executives, and Employees

1. Formal Responsibilities

Recognizing the importance of good governance, the Board of Directors has continuously ensured that directors, executive officers, and employees are aware of and comply with its principles under the framework of the Code of Conduct, and that they act in an honest, cautious, and prudent manner in the best interest of the Company and all related parties. Therefore, the following Code of Conduct shall be implemented:

Directors and Executive Officers

1. Directors and executive officers shall perform their duties responsibly, prudently, honestly, in good faith, and in compliance with the law, Articles of Association, relevant notifications, and shareholders meeting resolution;
2. Directors and executive officers shall perform their duties to the best of their ability in the best interest of the Company, including attending at all meetings, except when necessity demands otherwise;
3. Directors and executive officers shall serve in their capacity impartially, and shall not vote on matters in which they have a vested interest during a meeting;

4. Directors and executive officers shall mitigate conflicts of interests prudently and reasonably in the Company's best interest, ensuring transparent management;
5. Directors and executive officers, including their spouses and underage children, shall comply with the relevant rules on the acquisition or disposal of the Company's assets and disclose the matter to the Board of Director at the subsequent board meeting;
6. Directors and executive officers shall be prohibited from trading the Company's securities within the 1-month period before and the 24-hour period after the public disclosure of financial statements.
7. Directors and executive officers shall disclose their and related persons' interests in accordance with the prescribed rules.
8. Directors and senior executive officers shall be required to inform the Chairman about their trading of the Company's securities at least one (1) day before the trading date.
9. The Board of Directors' performance shall be assessed every year.

Employees

1. Employees shall support and participate in the Company's operations on a regular basis. They shall perform their duties to the best of their ability to bring about prosperity and advancements to the Company and fellow employees.
2. Employees shall comply with relevant laws, policies, working regulation, relevant regulations, and notifications.
3. Employees shall offer courteousness, hospitality, and excellent service to any of the Company visitors in order to maintain the Company's image and reputation.
4. Employees shall keep trade secrets confidential and not disclose insider information to outsiders.
5. Employees shall not obtain any loan from the Company's customers, persons connected to customers, or business counterparts, except for loans obtained from a bank or financial institution.
6. Employees shall comply with lawful commands of their supervisors.
7. Employees shall be committed to teamwork, mutual assistance, harmony, and mutual respect for the benefit of the Company and fellow employees.
8. Employees shall treat co-workers with generosity and good human relations. No groundless allegations shall be made against others. Credit shall not be claimed for the works of others.

9. Employees shall perform their duties with determination, in earnest, and honestly, and shall not abuse their roles and responsibilities in the Company for wrongful personal gain or unlawful benefits to others.
10. Employees shall perform their duties responsibly, cautiously, and without neglect in such a manner that could cause a loss to the work or property of the Company.
11. Employees shall conduct themselves as good citizens who comply with the Constitution and relevant laws. Political rights shall be exercised appropriately. Employees shall also avoid any involvement in an activity that is unlawful or inconsistent with public order or the good morals of the people.

2. Maintenance of Company Assets

Directors, executive officers, and employees are accountable for efficiently maintaining the Company's assets and assets under its care. In this regard, the following guidelines shall be adopted:

1. Assets shall be used for business operations and not for personal gain or for the benefit of outsiders.
2. Interests and assets shall be safeguarded to prevent losses, damage, or wrongful use pursuant to the standards of a reasonable person caring for his or her property. Direct and indirect wrongful exploitation of benefits shall be eliminated.
3. Sufficient insurance protection from losses shall be obtained for assets.
4. The use of computers to access another person's protected system or data, including to spy on, damage, destroy, modify, change, or corrupt another person's data in any manner that could be consider a violation of computer-crime laws, shall be prohibited. An information security system consistent with international standards shall be installed.
5. Email and internet access provided shall be used cautiously for business purposes as to not prejudice the Company's reputation.
6. Passwords for access to the Company's data shall be kept secret and shall not be disclosed to unauthorized persons.
7. The Company's intellectual property works shall not be reproduced, adapted, or used for personal benefit or for the benefit of others without authorization from the Company.
8. Supervisors shall be notified of any finding of any rights infringement or any act that could lead to a rights infringement or any act that could potentially lead to a dispute relating to the Company's intellectual property.

9. The safekeeping of important documents of the Company shall be overseen to ensure full compliance with relevant laws and regulations. Upon the lapse of the safekeeping period, the relevant employee must oversee that the documents are destroyed by appropriate means.

3. Informants and Complaints

The Board of Directors shall afford employees and stakeholders an opportunity to give information or file a complaint on a matter that could constitute a violation of the law, or a dishonest or wrongful act of an employee, including irregular behavior that could cause a problem or loss to the Company. The Company shall also accept complaints on cases where the rights of an employee or stakeholder has been infringed upon or where they have been treated unfairly. Suitable channels and procedures shall be provided by the Company in this regard.

The Company shall hear and process all complaints impartially, transparently, and fairly. Systematic and just measures for the protection of complainants shall be afforded. Information provided by the complainant shall be kept confidential in the Company.

Measures for the Protection of Complainants

1. A complainant may choose to remain anonymous if he/she deems that disclosure could lead to insecurity or loss.
2. The Company shall keep relevant information a secret and take into account the safety of the complainant. Measures shall be prescribed for the protection of complainants who are employees, including those who cooperate in the investigation of facts. These persons shall be protected from unfair treatment as a consequence of the complaint, e.g. disturbances during work, reassignment, or termination of employment.

4. Interpretations

Supervisors shall take responsibility for and give advice to their subordinates to ensure knowledge and understanding of, as well as compliance with, the prescribed Code of Conduct. If the Code of Conduct does not provide a definitive answer for a particular scenario, or if there remains a question that renders action impossible, or if a decision cannot be made based on the existing provisions, the respectively higher-level superior shall be consulted. In the case of a conflict, the decision of the President, Executive Board, and/or Board of Directors shall be final.

Charter of the Board of Directors and Charter of Sub-Committees

1. Charter of the Board of Directors

1. Objectives

The Board of Directors is appointed to supervise business operation, taking into discretion the utmost benefits to the Company and shareholders, to ensure compliance with the policy, law, objectives, articles of association, resolution of the Board and shareholders' meeting, with adherence to responsibility, caution, integrity as the reasonable diligence of business operator will conduct under the same situation, with the trading bargaining power free of influence of the directorship.

2. Composition and Qualifications

The shareholders' meeting determines the number of the Board members, which must not be less than 5 people. The director must not possess the prohibited characteristics as stipulated by the law and articles of association, including the characteristics that demonstrate the disqualifications to manage a business of the public company for shareholders as announced by the SEC. Not less than half of the Board of Directors must have a domicile in the Kingdom and the number of Independent Directors must be as announced by the Capital Market Advisory Board and operate as a set of committee.

Selection of the Board members is subject to the articles of association, and requirement of relevant laws which must be transparent and explicit. The nomination of the Board member must proceed via Nomination Committee and base on education background and professional experience of each person. The information provided must be adequate to support the decision of the Board of Directors and/or shareholders.

3. Independent Director

Qualifications of the Board of Directors must be in accordance with the requirement of the Capital Market Advisory Board, as follows:

- 1.1 Holding shares not exceeding 1 percent of the total number of voting rights of the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, including the shares being held by related persons of independent directors.

- 1.2 Neither being nor having been an executive director, employee, staff, or advisor who received regular salaries, or being a controlling person of the company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholders or persons having supervision authority over the company, unless the foregoing status ended not less than two years prior to the date of their appointments as independent directors. However, such prohibited characteristics do not include the case where independent directors used to be government officials. or an advisor to a government agency who is a major shareholder or controlling person of the Company

- 1.3 Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, executive, major shareholder, controlling person, or person to be nominated as executive or as controlling person of the company or its subsidiary.

- 1.4 Not having business relationship with the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, in such manner likely to interfere with own independent judgment and neither being nor having been a significant shareholder or person having supervision authority over the person who has business relationship with the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, unless the foregoing relationship ended not less than two years prior to the date of appointment as independent director.

The term 'business relationship' aforementioned under paragraph one included any normal business transaction, rental or lease of immovable property, transaction relating to the assets or services or the granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar action, resulting in the company or its counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the company or twenty million Baht or more, whichever is lower. The amount of such indebtedness

shall be calculated according to the calculation method for the value of connected transactions under The Notification of The Capital Market Supervisory Board regarding The Compromise Criteria for Connected Transactions. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences.

- 1.5 Neither being nor having been an auditor of the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.
- 1.6 Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million Baht from the company, its parent company, subsidiary, associated company, major shareholders or controlling person of the company, and not being a significant shareholder or person having supervision authority or partner of the professional advisor, unless the foregoing relationship has ended not less than two years prior to the date of appointment as independent director.
- 1.7 Not being a director who has been appointed as the representative of the company's director, major shareholder, or being a shareholder who is related to the major shareholder.

In the event of any announcement by The Capital Market Supervisory Board imposing the revision to the qualifications for independent director, the company's independent director would thereby be required to possess such qualifications well complying with such revision.

After appointed to be independent director who qualifies as stated above, such independent director may be assigned by the Board of Directors for taking part in the business decisions of the company, its parent company, its subsidiaries, its associated companies, same level subsidiaries, major shareholder or controlling person of the company on the condition that such decision must be a collective one.

4. Term of Office

- 4.1 At the Annual General Meeting of Shareholders, one-third (1/3) of all directors shall resign by rotation. In case the number of resigned directors cannot be proceeded, the similar amount to one third of the directors to resign during the first year. The director holding longest term of office shall resign. The resigning directors may be re-elected. The resignation from directorship, as described in paragraph one, is called retirement by rotation.
- 4.2 In the event that the positions on the Board becomes vacant for some other reason than the normal expiration of a director's term, in the next Board of Directors' meeting, the Board may elect a person to fill that position only for the remaining term, unless the remaining period is less than two months.
- 4.3 The director shall vacate the office when:
 - (a) due to rotation
 - (b) resignation
 - (c) deceased
 - (d) Unqualified or having prohibited character as stipulated by law or the regulations of the Company.
 - (e) possess the character which disqualifies the trust to manage business operation where the public is a shareholder, as announced by the Securities and Exchange Commission
 - (f) Resigned by resolution of the shareholders' meeting
 - (g) Resigned by virtue of the court order
- 4.4 The director resigned before a due term of office must submit the resignation letter. The resignation shall be effective from the date when the letter reaches the Company and the director may also notify the registrar for his resignation as per public company law.

5. Meeting

5.1 Meeting Agenda

In calling for the Board of Directors' meeting, Chairman of the Board or a person assigned by Chairman shall set the date, time, place and meeting agenda and sent the invitation letter to the meeting as well as supporting document to the directors for no less than 7 days prior to the meeting date unless it is an urgent case. To preserve the right or benefit of the Company, the meeting invitation can be proceed in alternative approach where the meeting date may be earlier. The minutes of the meeting must be in a written form. The meeting place, as mentioned in paragraph one, must be within the area where the head office or branch office is located or any other venue as determined by the Board of Directors.

5.2 Number of the meeting

The Board of Directors must hold a meeting for at least every 3 months, and more as deemed necessary.

5.3 Meeting attendants

At the Board of Directors meetings, at least half of the members must be present in order to constitute a quorum. In case Chairman of the Board is not present in the meeting, or unable to perform his duty, the vice chairman of the Board of Directors shall act as chairman of the shareholders' meeting. If there is no vice Chairman of the Board or he is unable to perform the duty, directors attending the meeting shall elect one of the members present to act as chairman of the meeting.

5.4 Casting votes

A majority vote in the meeting determines a resolution unless specified otherwise by the law. Each member of the Board shall have one vote. Board Members that may have interest on a particular issue must leave the room during discussion and do not have the right to vote on the particular issue. If the votes on both side is equal, the chairman of the meeting shall cast the vote.

6. Authority of the Board of Directors

6.1 Appoint, remove, and assign authority to advisors to The Board of Directors, various committees, and The Managing Director, to carry out the assigned duties.

6.2 Approve the entering into guarantee for credit facility, for companies having business connection with the company, either as the shareholder or the company engaging in business transaction, or other companies, for such portion exceeding the authority of The Executive Board.

6.3 Approve loan extension to companies having business connection with the company, either as the shareholder or the company engaging in business transaction, or other companies, for such portion exceeding the authority of The Executive Board.

6.4 Approve the entering into such transaction not considered as normal business practice, for such portion exceeding the authority of The Executive Board

6.5 Approve the acceptance or cancellation of the credit lines, for such portion exceeding the authority of The Executive Board.

6.6 Approve the investment for the purchase or sales of common shares, and/or debt securities, for such portion exceeding the authority of The Executive Board.

6.7 Approve the procurement and investment in fixed asset, for such portion exceeding the authority of The Executive Board.

6.8 Approve the sales, disposal, transfer for fixed asset, for such portion exceeding the authority of The Executive Board

6.9 Approve the adjustment, disposal, and write-off for fixed assets, and/or intangible assets no longer in use, or being subject to damage, loss, destruction, deterioration, out-of-date, or no longer functional for such book value exceeding the authority of The Executive Board.

6.10 Approve the adjustment, disposal, and write-off for deteriorate or out-of-date raw material and/or inventory which its book value become lower, for such book value exceeding the authority of The Executive Board.

6.11 Approve the settlement of conflicts by reconciliation or by the resolution through arbitration, petition, lawsuit, and/or court proceedings on the company's behalf, for such case not considered as normal business practice, and/or such case considered as normal business practice, for such portion exceeding the authority of The Executive Board.

If that it is necessary to take action as an urgent matter Authorize to the Managing Director approved in such matters and presented to the Board of Directors' meeting next time.

6.12 The authority scope for The Board of Directors pertaining to the acquisition and disposal of assets and connected transactions, shall comply with the Notification of The Capital Market Supervisory Board.

6.13 Propose the capital increase or capital decrease, or the change in par value, change or amendment to memorandum of association, articles of association, and/or objectives of the company to the shareholders for consideration.

- 6.14 Approve the set-up, merger, or dissolution of subsidiary company.
- 6.15 Authorize the Chairman of Executive Board or Executive Board to stipulate guideline for authorization and relevant operations as appropriate.
- 6.16 Authorize the Executive Board members, management members, managers or other persons, to act on their behalf.
- 6.17 Authorize to summon management members or employees concerned to provide explanation or opinion, to join the meeting, and to submit those documents deemed necessary.
- 6.18 Seek advices from specialists or company consultants (if any), or solicit the services of outside specialists or consultants at the company's expenses.
- 6.19 Appoint and remove Company Secretary

7. Duty and responsibility of The Board of Directors

- 7.1 Set the direction, target, and business policy for the company.
- 7.2 Approve the annual business plan and annual budget, as well as supervising the operations by the management to well comply with the laws, policies, and plans in an efficient and effective manner.
- 7.3 Promote the establishment of corporate governance policy, business ethics, and business morality in writing, to serve as guidelines for the directors, the management, and the employees, in carrying out their business practices, while regularly following up to ensure their strict adherence and compliance accordingly.
- 7.4 Ensure that careful consideration is given to the issue of conflict of interests, and that clear practice guidelines are in place to safeguard the interests of the shareholders and the company. Also ensure that the persons having interests at stake do not take part in adopting the decision, and that all concerned parties strictly follow the procedures and regulations to disclose relevant information in a proper manner.
- 7.5 Set up adequate internal control systems, so as to ensure that all transactions receive proper approval from the authorized persons, and that proper accounting review and bookkeeping practice are carried out, while proper checking systems are in place to safeguard against unauthorized exploitation of company assets.

- 7.6 Transactions that may have conflicts of interest requires careful consideration. There are clear guidelines that are in line with the interests of the Company and its shareholders. where stakeholders do not participate in decision-making and comply with the requirements regarding the procedure and accurate disclosure of information about transactions that may have conflicts of interest.
- 7.7 Grant approval to financial statements already audited and verified by the certified public accountant and earlier approved by The Audit Committee.
- 7.8 Being accountable to all shareholders on an equal basis, while ensuring that information are disclosed to the shareholders and investors in an accurate, reliable, and transparent manner.
- 7.9 Acknowledge the corporate management report prepared by the Executive Board.
- 7.10 Set the date, time, place and agenda for the annual shareholders' general meeting, and convene said meeting accordingly. Also set the rate for dividend payments (if any), and provide comments relating to the meeting agenda to the shareholders.
In that regard, the company may suspend shares transfer registration for the period of 21 days leading up to the meeting, whereby the company is required to post such announcement to the shareholders at the company's head office and its branches for the period of no less than 14 days prior to such suspension. Otherwise, the company may set the date to finalize the shareholders' list (Record Date) no longer than 2 months prior to the meeting, to entitle the shareholders to attend the meeting, and to be eligible for dividend payments.
- 7.11 Prepare the Board of Directors' responsibility report toward financial statements compilation, and disclose said report in the company's annual report (form 56-1 One Report).
- 7.12 Supervise the compilation of the documents required to be submitted to concerned regulating agencies, to ensure that all information contained therein are true and accurate in accordance with the information appearing in the accounting books, the registration book, and other official documents of the company.
- 7.13 Grant approval to the charter for The Board of Directors, and/or other committees.
- 7.14 Engage in those acts lying beyond The Executive Board's authority, or as deemed necessary by The Board of Directors.

8. Good Practice of Directors

Since Thanulux Public Company Limited, as a public company and has been registered as a listed company in the Stock Exchange of Thailand, the directors shall adhere to the followings practices.

- 8.1 Perform duty with responsibility, caution, integrity as the reasonable diligence will conduct in the same situation, with the trading bargain power free of influence of directorship. Comply with the policy, law, objectives, articles of association, Board's resolution and shareholders' meeting resolution.
- 8.2 Intended to conduct business continually and dedicate time to attend the meeting to consider and give opinions regularly.
- 8.3 Have a leadership, vision, ethics and independence in making a decision for the highest benefits of the Company and shareholders as a whole. Apply knowledge, skill and experience which is beneficial to business operation and truly keen on the Company's business.
- 8.4 Supervise and monitor operations to ensure compliance with the policy set forth efficiently and effectively.
- 8.5 Care for stakeholders as per related legal right. Encourage the coordination between the Company and stakeholders in building wealth and financial security, as well as business sustainability.
- 8.6 Report security holding, changes of security holding of oneself, spouse, child(ren) and minor child to the Securities and Exchange Commission and the Board of Directors' meeting.
- 8.7 Report to the Company of one's interest or of related person where such interest involves business management of the Company or subsidiary according to criteria, conditions and procedures announced by the Capital Market Advisory Board.
- 8.8 In case the Board of Directors including related person or close relative enter the transaction with the Company or a subsidiary company, which is considered as a related transaction and/or acquisition or disposal of assets, such matter must comply with criteria of the Office of Securities and Exchange Commission and Capital Market Advisory Board.

8.9 When offering the Company's securities, the Board of Directors shall monitor to ensure that the financial status and the Company's operation result are disclosed truly without concealing the statement of which the public should know.

2. Charter of the Audit Committee

1. Objectives

The Audit Committee is appointed to support the duty of the Board of Directors in the good corporate governance, especially financial report procedures, internal control system, audit procedure and compliance with relevant law and requirement.

2. Composition and Qualifications

The Audit Committee must comprise not less than 3 members, namely, Chairman of the Audit Committee and member of the Audit Committee. Every member must be a director of and have qualifications for the Audit Committee members as established by the Office of Securities and Exchange Commission below.

- 2.1 Appointed by the Board of Directors or meeting of shareholders
- 2.2 Being an independent director.
- 2.3 Has never been assigned by the Board to make a decision in business operation of the Company, holding company, subsidiaries, joint ventures, subsidiaries on the same level, or a juristic person which may have a conflict.
- 2.4 Not holding directorship in the holding company, subsidiaries or subsidiaries at the same level, only the listed company.
- 2.5 Have the duty as determined by the Stock Exchange of Thailand and the Company.
- 2.6 Have sufficient knowledge and skill to perform duties as a member of the Audit Committee. However, at least one member should have competent knowledge to review the accountability of the financial statement. Upon any changes in qualifications of the Audit Committee member announced by the Office of Securities and Exchange Commission and/or the Capital Market Advisory Board, the member of the Audit Committee must have the qualifications as announced thereof in all aspects.

3. Term of Office

- 3.1 The Audit Committee's term of office is for 1 year, from the date of appointment. Upon due term, if there is no resolution for appointment of the new committee by the Board of Directors or shareholders' meeting, the existing Audit Committee shall carry on duty until the new committee is appointed to replace. The appointment of the new set of Audit Committee must be within 2 months from the due date. The retired member of the Audit Committee may be re-elected.
- 3.2 In the event that the positions on the board become vacant for some other reason than rotation, in the next meeting of the Board of Directors or shareholders may elect a qualified person as a replacement to fill that position only for the remaining term without delay. The new director will remain in his/her position only for the remaining term of the independent directors/he replaces.
- 3.3 The Audit Committee shall vacate the office when:
- due to rotation
 - relieved from directorship
 - resignation
 - deceased
 - The Board of Directors' resolution to remove from directorship before due term.
 - disqualified as a member of the Audit Committee, as determined by the Office of the Securities and Exchange Commission.
- 3.4 The member of the Audit Committee resigned before due term, must notify the Company 1 month in advance together with reason of such resignation. The Company must disclose the information about the member of the Audit Committee resignations before due term and the reason to the Stock Exchange of Thailand immediately for acknowledgement of shareholders or investors. The member of the Audit Committee who resigns before due term may explain the reason to the Office of Securities and Exchange Commission and the Stock Exchange of Thailand.
- 3.5 Removal of the member of the Audit Committee before due term must be notified to the Stock Exchange of Thailand immediately for acknowledgement of shareholders or investors. The member of the Audit Committee who is removed before due term may explain the reason to the Office of Securities and Exchange Commission and the Stock Exchange of Thailand.

4. Meeting

- 4.1 meeting agenda
Set the date, time, place and meeting agenda for no less than 7 days in advance, including adequate supporting document. The minutes of the meeting must be written in a written form.
- 4.2 Number of the meeting
The Audit Committee must hold a meeting for at least every 3 month, and more as deemed necessary.
- 4.3 Meeting attendants
In the meeting of the Audit Committee, no less than half of total members of the Audit Committee must attend the meeting to constitute a quorum. The Audit Committee may invite Internal Auditor, Auditor, executives, management or related person to attend the meeting and to provide the relevant information.
If the Chairman of the Audit Committee is unable to attend the meeting or is unable to execute his duties, the remaining members of the Board shall elect one director to chair the meeting.
- 4.4 Casting votes
A majority vote in the meeting determines a resolution. Each member of the Board shall have one vote. Board members that may have interest on a particular issue must leave the room during discussion and does not have the right to vote on the particular issue. If the votes on both side is equal, the chairman of the meeting shall cast the vote.

5. Authority of the Audit Committee

- 5.1 To lay down collaborative measures with a view to achieving a harmonized understanding between the auditors, board of directors and internal audit units.
- 5.2 To have the power to call upon executive officers, the management or relevant employees of the Company to give statements or opinions as well as to attend meetings or send documents which are deemed as relevant, and also to have access to data at every organizational level.
- 5.3 To have the power to conduct an examination of relevant persons or relevant matters within the scope of powers and duties of the Audit Committee.
- 5.4 To consult specialists or advisors of the Company (if any), or to hire external advisors or specialists where necessary at the expense of the Company.

6. Duty and responsibility of The Audit Committee

- 6.1 Review the company's financial statements to ensure that they are accurate and adequate by reviewing the company's major accounting policies, and supervising information disclosure in such manner complying with Thai Financial Reporting Standards.
- 6.2 Review the company's internal control system to ensure that it is suitable and internal audit system to ensure that they are effective.
- 6.3 Review the company's fraud and corruption prevention to ensure that they are effective.
- 6.4 Review operational independence of the internal audit office; approve, appraise, appoint, transfer, or dismiss the chief of internal audit office or any other office responsible for internal audit operations. Supervise to ensure that chief of internal audit office has sufficient education, experiences, and training, adequate to such internal audit operations.
- 6.5 Grant approval to the Internal Audit Charter.
- 6.6 Grant approval and monitor the progress made in relation to the internal audit plan.
- 6.7 Review to ensure that the company duly follows the laws on securities and stock exchange, the regulations of The Stock Exchange of Thailand, and the laws concerning the company's business operations.
- 6.8 Review, select, nominate and/or dismiss independent persons to serve as the company auditor, and propose related remuneration. Also take part in joint meeting with the company auditor, in the absence of the management for at least once a year.
- 6.9 Review connected transactions or transactions with possible conflict of interests, to ensure that they follow the laws, the regulations of The Stock Exchange of Thailand, and the notification of The Capital Market Supervisory Board and that they are justified and are of maximum benefits to the company.
- 6.10 Prepare the report by The Audit Committee and disclose it in the company's annual report. Said report requires the signature of the Audit Committee Chairman, and needs to contain at least the following information:

- a. Opinion regarding the accuracy, complete coverage and reliability of the company's financial statements.
 - b. Opinion regarding the adequacy of the company's internal control, fraud and corruption and the risk management system.
 - c. Opinion regarding the practices in compliance with the laws on securities and stock exchange, the regulations of The Stock Exchange of Thailand, or other laws concerning the company's business operations.
 - d. Opinion regarding the suitability of the company auditor and the chief of internal audit office.
 - e. Opinion regarding the transaction with possible conflict of interests.
 - f. The number of The Audit Committee's meeting and the attendance record of each member.
 - g. Overall opinion or comment provided by The Audit Committee out of its practices in accordance with the charter.
 - h. Other items deemed to benefit the shareholders and general investors, in accordance with the authority and duty scope assigned by The Board of Directors.
- 6.11 During the course of its duty, should The Audit Committee come across or have any doubt relating to below transactions that they may significantly affect the company's financial position or performances, they are then required to report the matter to The Board of Directors, in order for necessary remedial actions to be taken within the timeframe decided upon by The Audit Committee.
- a. Transaction incurring conflict of interests.
 - b. Significant fraud and corruption, irregularity or deficiency within the internal control system.
 - c. Breach of laws concerning securities and stock exchange, the regulations of The Stock Exchange of Thailand, and other laws concerning the company's business operations.
- In the case where The Board of Directors or the management fail to rectify the items within the timeframe assigned by The Audit Committee, any member of The Audit Committee may report said problems to The Securities and Exchange Commission or The Stock Exchange of Thailand.

- 6.12 Encourage and follow-up to ensure that the company has effective risk management system.
- 6.13 Supervise to ensure that the company has adequate channel to take care of complaints or tips relating to suspicious or improper items contained in the financial statements or fraud and corruption. At the same time, ensure that the company has protective confidential measurement for whistleblower, transparency and independence investigation process, and appropriate follow up.
- 6.14 Supervise to ensure that the company implements adequate management system in accordance with the good corporate governance practice.
- 6.15 Review, revise and amend the Audit Committee Charter for further submission to The Board of Directors for approval.
- 6.16 Implement self-appraisal review at least once a year.
- 6.17 Engage in other acts as assigned by The Board of Directors and deemed justified by The Audit committee in accordance with company regulations and the law.

In carrying out its above duties, The Audit Committee is directly responsible to The Board of Directors, who in turn is responsible to the shareholders and general investors.

3. Charter of the Nomination and Remuneration Committee

1. Objectives

The Nomination and Remuneration Committee is appointed to support operation of the Board of Directors for the good corporate governance,

The Nomination

To nominate and screen the person with suitable qualifications to undertake the directorship to ensure that the Company's nomination process is transparent.

The Remuneration

To consider compensation criteria and aspects to ensure that the Company's compensation process is transparent.

2. Composition and Qualifications

The Nomination and Remuneration Committee shall comprise no less than 3 members, which include Chairman of the Nomination Committee and member of the Nomination and Remuneration Committee. The Board of Directors shall appoint the member of the Nomination and Remuneration Committee from the Board members and/or other person who have due knowledge and experience to perform the nomination process.

3. Term of Office

3.1 The Nomination and Remuneration Committee's term of office is for 1 year, from the date of appointment. Upon due term, if there is no resolution for appointment of the new committee by the Board of Directors or shareholders' meeting, the existing Nomination and Remuneration Committee shall carry on duty until the new committee is appointed to replace. The appointment of the new set of Nomination and Remuneration Committee must be within 2 months from the due date. The retired member of the Nomination and Remuneration Committee may be re-elected.

3.2 In the event that the positions on the Nomination and Remuneration Committee becomes vacant for some other reason than the normal expiration of a director's term, in the next Board of Directors' meeting, the Nomination and Remuneration Committee may elect a person to fill that position only for the remaining term, unless the remaining period is less than two months.

3.3 The director shall vacate the office when:

- (a) due to rotation
- (b) resignation
- (c) deceased
- (d) Resigned by resolution of the shareholders' meeting

3.4 The member of the Nomination and Remuneration Committee who resigns before a due term of office must notify the Company 1 month in advance together with the reason of resignation.

4. Meeting

4.1 Meeting agenda

Set the date, time, place and meeting agenda for no less than 7 days in advance, including adequate supporting document. The minutes of the meeting must be in a written form.

4.2 Number of the meeting

The Nomination and Remuneration Committee must hold a meeting at least two a year, and more as deemed necessary.

4.3 Meeting attendants

In the meeting of Nomination and Remuneration Committee, at least half of the members must attend to meeting to constitute a quorum. In case the Chairman of the Nomination and Remuneration Committee is not in the meeting or unable to perform duty, the Nomination and Remuneration Committee may select one member to chair the meeting.

4.4 Casting votes

A majority vote in the meeting determines a resolution. Each member of the board shall have one vote. Nomination and Remuneration Committee members that may have interest on a particular issue does not have the right to vote on the particular issue. If the votes on both side is equal, the chairman of the meeting shall make casting vote.

5. Authority of the Nomination and Remuneration Committee

5.1 To have the power to summon executive officers and relevant employees of the Company for an explanation, opinion, participation in a meeting, or the submission of documents deemed as relevant and necessary.

5.2 To consult specialists or advisors of the Company (if any), or to hire external advisors or specialists where necessary at the expense of the Company.

6. Duties and Responsibilities of Nomination and Remuneration Committee

The Nomination

1. To determine rules and procedures for the Nominating of Company Directors.
2. To examine the biography and other information of persons nominated for appointment as Company Directors, taking into consideration such persons' knowledge, skills, experience and diversity of professional expertise, in order to obtaining the most qualified persons in accordance with the Nominating rules, Articles of the Company and relevant laws.
3. To prepare opinions or suggestions on various matters for consideration.
4. To consider the Nominating of persons having suitable qualifications for a Company Director for nomination to the meeting of the Board of Directors for approval,
5. To revise and amend the Charter of the Nominating Committee and to submit such revisions or amendments to the Board of Directors for approval.
6. To carry out any other acts as assigned by the Board of Directors.

The Remuneration

1. To evaluate the performance of the Board of Directors each year.
2. To consider setting the amount of remuneration for company directors. by considering the performance of the company The amount of remuneration approved by the shareholders' meeting and the amount of compensation paid in the past year To present to the Board of Directors for consideration and to propose to the shareholders' meeting for approval.
3. To consider the allocation of remuneration for company directors. By considering the performance, authority and amount of responsibility. Within the amount approved by the shareholders and presented to the Board of Directors for approval.
4. To consider the allocation of remuneration for various sub-committees. (who is not a director of the Company) by considering from performance, authority and amount of responsibility and presented to the Board of Directors for approval.
5. To revise and amend the Charter of the Nominating Committee and to submit such revisions or amendments to the Board of Directors for approval.
6. To carry out any other acts as assigned by the Board of Directors.

4. Charter of the Corporate Governance and Risk Management Committee

1. Objectives

The Corporate Governance and Risk Management Committee is appointed to support the operation of the Board of Directors in duties and responsibilities of good governance and risk management, which will help support various business operations to achieve the objectives and goals. To create confidence, add value to shareholders and stakeholders in all sectors.

2. Composition and Qualifications

The Corporate Governance and Risk Management Committee comprises no less than 3 members, which include Chairman of the Corporate Governance and Risk Management Committee and members of the Corporate Governance and Risk Management Committee. The Board of Directors shall appoint the member of the Corporate Governance and Risk Management Committee from the Board members and/or other person who have due knowledge and experience to perform the corporate governance and risk management duties.

3. Term of Office

3.1 The Corporate Governance and Risk Management Committee's term of office is for 1 year, from the date of appointment. Upon due term, if there is no resolution for appointment of the new committee by the Board of Directors or shareholders' meeting, the existing Corporate Governance and Risk Management Committee shall carry on duty until the new committee is appointed to replace. The appointment of the new set of Corporate Governance and Risk Management Committee must be within 2 months of the due date. The retired member of the Corporate Governance Committee may be re-elected.

3.2 In the event that the positions on the Corporate Governance and Risk Management Committee becomes vacant for some other reason than the normal expiration of a director's term, in the next Board of Directors' meeting, the Board may elect a person to fill that position only for the remaining term, unless the remaining period is less than two months.

3.3 The member of Corporate Governance and Risk Management Committee shall vacate the office when:

- (a) due to rotation
- (b) resignation
- (c) deceased
- (d) Resigned by resolution of the shareholders' meeting

3.4 The member of Corporate Governance and Risk Management Committee who resigns before a due term of office must notify the Company 30 days in advance together with the reason of resignation.

4. Meeting

4.1 Meeting agenda

Set the date, time, place and meeting agenda for no less than 7 days in advance, including adequate supporting document. The minutes of the meeting must be in a written form.

4.2 Number of the meeting

The Corporate Governance and Risk Management Committee must hold a meeting at least twice a year, and more as deemed necessary.

4.3 Meeting attendants

In the meeting of Corporate Governance and Risk Management Committee, at least half of the members must attend to meeting to constitute a quorum. In case the Chairman of the Corporate Governance Committee is not in the meeting or unable to perform duty, the Corporate Governance Committee may select one member to chair the meeting.

4.4 Casting votes

A majority vote in the meeting determines a resolution. Each member of the board shall have one vote. Corporate Governance and Risk Management Committee members that may have interest on a particular issue do not have the right to vote on the particular issue. If the votes on both side is equal, the chairman of the meeting shall make a casting vote.

5. Authority of the Governance Committee

- 5.1 The power to invite relevant employees of the Company to provide an explanation, present an opinion, participate in a meeting or submit documents deemed as necessary and relevant.
- 5.2 To consult experts or advisors of the Company (if any) or hire external advisors or experts where necessary under the Company's expense.
- 5.3 To have the power to appoint a working group to assess and monitor governances in the entire organization.

6. Duties and Responsibilities the Corporate Governance and Risk Management Committee

Corporate Governance

- 6.1 Stipulate, review and improve Corporate Governance policy and principles, Business Ethics, Code of Conduct for Company's directors, managements and employees, including Anti-Corruption policy and rules and regulations to conform with changes in business, related rules, announcements, regulations and law, on a continual basis.
- 6.2 Promote and support Company directors, managements and employees to comply with Good Corporate Governance principles and Anti-Corruption policy.
- 6.3 Stipulate Corporate Governance guidelines including Anti-Corruption policy as well as follow up, provide advice and suggestion in order to develop good corporate governance system of the Company.
- 6.4 Review, improve and amend the Charter of Corporate Governance Committee and present to the Company Board of Directors for approval.
- 6.5 Other duties as assigned by the Board of Directors.

Risk Management

- 6.1 Set forth the policies, plans, and targets in relation to the implementation of the risk management plans, in a clear-cut and continuous manner, to effectively cope with significant risk factors. Consequently, compile and present achievement progress report to The Board of Directors' meeting on a quarterly basis.
- 6.2 Encourage and promote mutual cooperation among various departments within the company, to implement the risk management plans at all operational levels.

- 6.3 Supervise to ensure that the company has adequate and efficient risk management system in place, which also cover against such risks resulting from fraudulent practices, while providing attention and priorities to early warning signals and items showing irregularities.
- 6.4 Develop and upgrade the risk management system throughout the organization, so as to remain effective on a consistent basis.
- 6.5 Review and revise the charter for The Risk Management Committee, and submit to The Board of Directors for approval.
- 6.6 To carry out any other acts as assigned by the Board of Directors.

5. Charter of the Executive Committee

1. Objectives

The Executive Committee is appointed to supervise business operation, as assigned by the Board of Directors with responsibility, caution, integrity as the reasonable diligence of the business operator will conduct under the same situation, with the trading bargaining power free of influence of the directorship.

2. Composition and Qualifications

The Executive Committee comprises no less than 5 members, which include Chairman of the Executive Committee and members. The Board of Directors select the Board members and/or other person which must have competent knowledge and experience to perform the Company's administration duties.

3. Term of Office

- 3.1 The Executive Committee's term of office is for 1 year, from the date of appointment. Upon due term, if there is no resolution for appointment of the new committee by the Board of Directors or shareholders' meeting, the existing Executive Committee shall carry on duty until the new committee is appointed to replace. The appointment of the new set of Executive Committee must be within 2 months from the due date. The retired member of the Executive Committee may be re-elected.

3.2 In the event that the positions on the Executive Committee becomes vacant for some other reason than the normal expiration of a director's term, in the next Board of Directors' meeting, the Board may elect a person to fill that position only for the remaining term, unless the remaining period is less than two months.

3.3 The director shall vacate the office when:

- (a) due to rotation
- (b) resignation
- (c) deceased
- (d) possess the character which disqualifies the trust to manage business operation where the public is a shareholder, as announced by the Securities and Exchange Commission
- (e) The Board of Directors' resolution to remove from directorship before due term.

3.4 The Board of Directors' resolution to remove from directorship before due term.

4. Meeting

4.1 meeting agenda

Set the date, time, place, and meeting agenda for no less than 7 days in advance, including adequate supporting document. The minutes of the meeting must be in a written form.

4.2 Number of the meeting.

The Corporate Governance Committee must hold a meeting at least every 3 months, and more as deemed necessary.

4.3 Meeting attendants

In the meeting of Executive Committee, at least half of the members must attend to meeting to constitute a quorum. In case the Chairman of the Executive Committee is not in the meeting or unable to perform duty, the Executive Committee may select one member to chair the meeting.

4.4 Casting votes

A majority vote in the meeting determines a resolution. Each member of the board shall have one vote. Executive Committee members that may have interest in a particular issue do not have the right to vote on the particular issue. If the votes on both side is equal, the chairman of the meeting shall make a casting vote.

5. Powers of the Executive Committee

5.1 To appoint, remove, transfer, evaluate as well as to determine the remuneration and welfare benefits of employees at every levels.

5.2 To appoint and remove any other working committee to carry out any activity with respect to the management of the Company.

5.3 To issue rules and notifications on the performance of work, and to have the ability to delegate powers to an Executive Committee member and/or an executive-level employee as the authorized signatory for giving approval to disposals of the Company's assets.

5.4 To approve the grant of loans to companies having business relationships with the Company as shareholders or companies engaged in trade with the Company or other companies in the amount not exceeding Baht 50 million per company.

5.5 To approve the guarantees of credit lines for companies having business relationships with the Company as shareholders or companies engaged in trade with the Company or other companies in the amount not exceeding Baht 50 million per company.

5.6 To approve transactions not part of the normal business in an amount not exceeding Baht 50 million each time.

5.7 To approve the acceptance or cancellation of the credit lines in an amount not exceeding Baht 50 million each time.

5.8 To approve investments and sales of investments in capital instruments and/or debt instruments in an amount not exceeding Baht 50 million each time.

5.9 To approve procurements and investments in fixed assets in an amount not exceeding Baht 50 million each time.

5.10 To approve distribution, payment, transfer of fixed assets in an amount not exceeding Baht 50 million each time.

5.11 To approve the modification, demolition and writing off of fixed assets and/or intangible assets which are decommissioned, out of order, lost, damaged, deteriorated or outdated and no longer usable with book value not exceeding Baht 50 million per time.

- 5.12 To approve the adjustment of price and destruction of raw materials and/or outstanding stocks that have deteriorated or become outdated, which could have an effect in reducing the book value as actually occurred.
- 5.13 To approve a settlement, dispute settlement by arbitration, filing of complaint, lawsuit and/or to participate in any legal proceedings on behalf of the Company for the non-normal business of the company amounting not exceed Baht 2 million per episode and/or the normal business of the company with amounting not exceed Baht 20 million per episode.
- 5.14 To approve the dispatch of employees to foreign countries for work or study visits in an amount not exceeding Baht 1 million each time.
- 5.15 All powers of the Executive Committee stated above which involve the acquisition or disposal of assets and connected transactions shall be exercised in accordance with Notifications of the Capital Market Supervisory board.
- 5.16 To delegate authority to the executive-level employees of the Company or any other person to act on its behalf.
- 5.17 To have the power to summon executive officers and relevant employees of the Company for an explanation, opinion, participation in a meeting, or the submission of documents deemed as relevant and necessary.
- 5.18 To consult specialists or advisors of the Company (if any), or to hire external advisors or specialists where necessary at the expense of the Company.
- 5.19 To issue any other work regulations as deemed appropriate.

6. Duties and Responsibilities of the Executive Committee

- 6.1 To propose the goals, policies, plan and annual budget to the Board of Directors.
- 6.2 To take responsibility for the management of the Company in accordance with the direction, goals and business policies of the Company.
- 6.3 To take charge in enhancing the competitiveness of the Company and to promote continual innovations.
- 6.4 To supervise the operations of the Company in accordance with the laws, objects, Articles of the Company, resolutions of the meeting of shareholders, resolutions of the Board of Directors, as well as relevant rules and regulations.
- 6.5 Executive Committee members may divide the works and responsibilities amongst themselves, in which case reports on the activities within each member's supervision must be submitted to the meeting of the Executive Committee for acknowledgement.
- 6.6 To supervise the preparation of financial statements, this shall be submitted to the auditor for audit and/or review prior to submission to the Audit Committee and Board of Directors respectively.
- 6.7 To consider matters submitted to the Board of Directors for approval or endorsement.
- 6.8 To revise and amend the Charter of the Executive Committee and to submit such revision or amendment to the Board of Directors for approval.
- 6.9 To carry out any other acts as assigned by the Board of Directors.

Audit Committee's Report

The Audit Committee has performed their duties independently within the scope specified in the Audit Committee Charter, which is consistent with the requirements and best practices of the Securities and Exchange Commission (SEC) and The Stock Exchange of Thailand (SET).

In 2022, the Audit Committee held 12 meetings, the directors attended the meeting as follows:

				<u>Number of attended /</u> <u>Number of meetings held</u>
1)	Prof. Dr. Suchatvee Suwansawat*	Chairman		1/4
2)	Mr. Maris Sangiampongsa	Member		12/12
3)	Mr. Vittawat Panpanich **	Member		1/1
4)	Mr. Wasin Teyateeti ***	Chairman		11/11
5)	Assoc. Prof. Dr. Nipon Poapongsakorn ****	Member		5/5

Remark * Prof. Dr. Suchatvee Suwansawat was appointed as the Audit Committee member on August 10, 2022 and appointed as the Chairman of the Audit Committee on December 8, 2022.

** Mr. Vittawat Panpanich was appointed as the Audit Committee member on December 8, 2022.

*** Mr. Wasin Teyateeti was resigned from the Chairman of the Audit Committee on December 7, 2022.

**** Assoc. Prof. Dr. Nipon Poapongsakorn was resigned from the Audit Committee member on June 9, 2022.

The Audit Committee held four meetings with the Management to discuss the Company's business operation. The report of the Audit Committee's performance has been reported to the Board of Directors for acknowledgment and consideration every quarter with summarized as follows:

1. Financial Statement Audit:

The Audit Committee has reviewed the quarterly and annual financial statements, including consolidated financial statement of the Company and subsidiary in collaboration with the auditor, the management and the Internal Audit Office to ensure that the control system for preparation of the Company's financial statement is accurate and reliable, the information disclosure is adequate and made in a timely manner for financial statement users and in conformity with the laws and relevant notifications, criteria of the Stock Exchange of Thailand and the Securities and Exchange Commission, in consistency with the financial report standard. The Audit Committee also held a meeting with the auditor by without the management's attendance to enable the independent discussion on the audit work and financial statement review.

2. Internal Control and Internal Audit

The Audit Committee has reviewed the assessment result of the internal control, which include the operation system and information system reported from the Internal Audit Office on a monthly and quarterly basis. The assessment result shows that the performance is adequate and appropriate for the current business operation and in line with the Auditor's opinion, which states that there is no material error in the internal control. The Audit Committee has approved the annual internal audit plan.

3. Audit of the related transactions or the transaction that may have a conflict of interest

The Audit Committee has reviewed the related transaction or the transaction that may have a conflict of interest between the Company and subsidiary in 2022, under the prudent, logical principles, taking into account the stakeholders' benefits. The information is disclosed adequately in accordance with the law and the requirements established by the Stock Exchange of Thailand and the Capital Market Supervisory Board.

4. Risk Management

The Company has appointed the Risk Management Committee to supervise and prepare the comprehensive risk management plan, which covers internal and external risks. The risks that pose impacts on the corporate goal are assessed from time to time with the measure to mitigate risk at an acceptable level. The performance report is proposed to the Board of Directors for acknowledgement and consideration every on a quarterly basis.

5. Compliance to the laws and government requirements

The Audit Committee has requested the Internal Audit Office to conduct a compliance audit on the laws related to securities and stock exchange, including the requirement of the SET and SEC as well as other law which is in connection with the Company's business operation. The result shows that the Company's compliance with the laws and regulations has no impact on the business operation, being

6. Good Corporate Governance

The Company has the Corporate Governance Committee by reviewing the compliance with the aforementioned items, compliance with the laws, regulations and the Company's code of conduct to acknowledge compliance report on the Anti-Corruption measures, receipt of complaint and whistleblowing via different channels. The performance is reported to the Board of Directors every quarter.

7. Performance assessment of the Audit Committee

After reviewing the Audit Committee Charter, performance assessment of the audit Committee which consists of individual and collective assessment consistent with the code of practice and the Audit Committee Charter. The assessment result indicates that the Audit Committee has performed their duty efficiently and effectively to the scope of duty and responsibility as described in the Audit Committee Charter.

8. Appointing the Auditor

The Audit Committee has considered, selected and proposed the appointment of the company's auditor and its subsidiaries with EY Company Limited as the auditor of the Company and its subsidiaries for the year 2023 by considering qualifications as specified by the SEC.

The Audit Committee proposed to the Board of Directors for approval in the shareholders' meeting regarding the appointment of Mr. Wichart Lokatekrawee, the certified public accountant, license no. 4451 and/or Mrs. Saifon Inkaew, the certified public accountant, license no. 4434 and/or Miss Kamontip Lertwitworatep, the certified public accountant, license no. 4377 of EY Company Limited as the Company and its subsidiaries' auditor for the year 2023 and approve the financial statement audit fee, quarterly review financial statement fee and the consolidated financial statements of the company for the year 2023 in the amount of 1,585,000 baht, including acknowledgment of the audit fee for the annual financial statements and quarterly review of the subsidiaries' financial statements for the year 2023 in the total amount of 1,515,000 baht.

(Prof. Dr. Suchatvee Suwansawat)
Chairman of the Audit Committee

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