



Form 56-1 One Report 2022

Thai Vegetable Oil Public Company Limited



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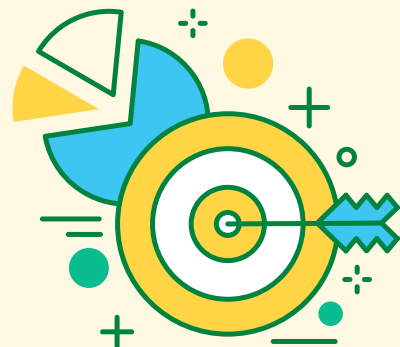
Philosophy

We will be a quality, sustainable and stable growth company
which produces high quality products for a better quality of life of the people and
will generate value added for shareholders, with responsibility to society and environment.



Vision

TVO will sustain its leadership in the vegetable oil
and animal feed ingredients business.



Mission

Strives to develop personal excellence

Improves production efficiency in order to
raise the quality of products and services that win
the hearts of consumers

Creates new products through innovative
initiation with objective to grow business and
reaffirm position as an industry leader that concern
about the community, society and environment



The Rewards of our Pride



The Company was evaluated from the corporate governance report of Thai listed companies 2022 at an excellent level (5 stars)



The Company was selected to be in the 2022 Thailand Sustainability Investment (THSI)



The Company was certified the 1st renewal of membership as a member of Thai Private Sector Collective Action Against Corruption (CAC)



The Company received the "ASEAN Asset Class Publicly Listed Companies" award from the 2021 ACGS ASEAN Corporate Governance Scorecard



The Company has been selected to be ranked in the ESG100



The Company received CSR-DIW Award for the year 2022 (Standard of Corporate Social Responsibility)



สมาคมส่งเสริมการลงทุน
THAI INVESTORS ASSOCIATION

The Company has been evaluated the quality of Annual General Meeting of Shareholders (AGM Checklist) with a score of 100 points categorized in the "excellent" level.



The Company received Thailand's Most Admired Brand 2022, as the most trusted vegetable oil brand





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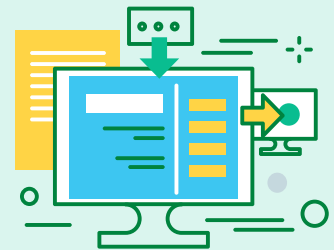


Message from the Chairman



2022 was another challenging year for TVO in many ways. While businesses may have adjusted to the “new normal” of COVID-19, the Russia-Ukraine war had created direct and indirect knock-on business impacts for several industries. Other factors which had to be closely monitored included the spread of the African swine flu, as well as the price of soybean and all types of vegetable oil which had gone up in line with the global market trend. These were issues of significance that TVO had to ready itself and be prepared to adjust its strategy accordingly, to keep up with the fast-changing situation.

At the same time, TVO was in the process of digital transformation, in response to the evolving consumption trends and customer needs. Work process had been streamlined, consuming less non-renewable resources and using more online work platforms. TVO is building a digital culture with a strong focus on cybersecurity to safeguard important operational data, personal data of employees, customers and all stakeholders in the entire supply chain.





TVO is committed to addressing the climate change problem by collecting data on the manufacturing process and all other operations, leading to the Carbon Footprint for Organization (CFO) certification. Such data are used to formulate a strategic plan to reduce carbon emissions, as well as achieving carbon neutrality by 2045 and net zero emission by 2050.

Besides, TVO is committed to achieving a balanced growth, generating decent returns while managing various risks with an appropriate budget, on the basis of sustainability and corporate governance. As a result, TVO was listed among 170 Stock Exchange of Thailand's Thailand Sustainability Investment (THIS) companies in 2022, for the 6th consecutive year. Its membership of the **Thai Private Sector Collective Action Against Corruption (CAC)** was renewed by the CAC Board. TVO's corporate governance score was evaluated as 5 stars or Excellent, and listed as 1 of 47 companies in the top quartile of listed companies for the 4th consecutive year, with market capitalization \geq 10,000 million Baht by the Thai Institute of Directors (IOD). This reflects the commitment to doing business transparently, being responsible to all stakeholders, as well as implementing policies and targets on environmental, social and governance (ESG), with a view to achieving sustainable growth and consistent returns for the shareholders.

“TVO is committed to achieving a balanced growth, generating decent returns while managing various risks with an appropriate budget, on the basis of sustainability and corporate governance”



On behalf of the Board of Directors, I would like to thank all who have supported TVO, the shareholders, customers, trading partners, financial institutions, business partners, government agencies, consumers, the public and the media, for placing your trust in TVO's Board of Directors and Executives. TVO pledges to you our commitment to always working to achieve decent returns for our shareholders and society in a continued and sustainable manner.

Dr. Suvit Maesincee

Chairman of the Board



Financial Highlights



Total Assets

18,417

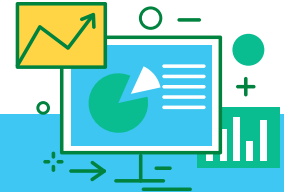
Million Baht



Total Revenue

39,322

Million Baht



Value Per Share

11.51

Baht

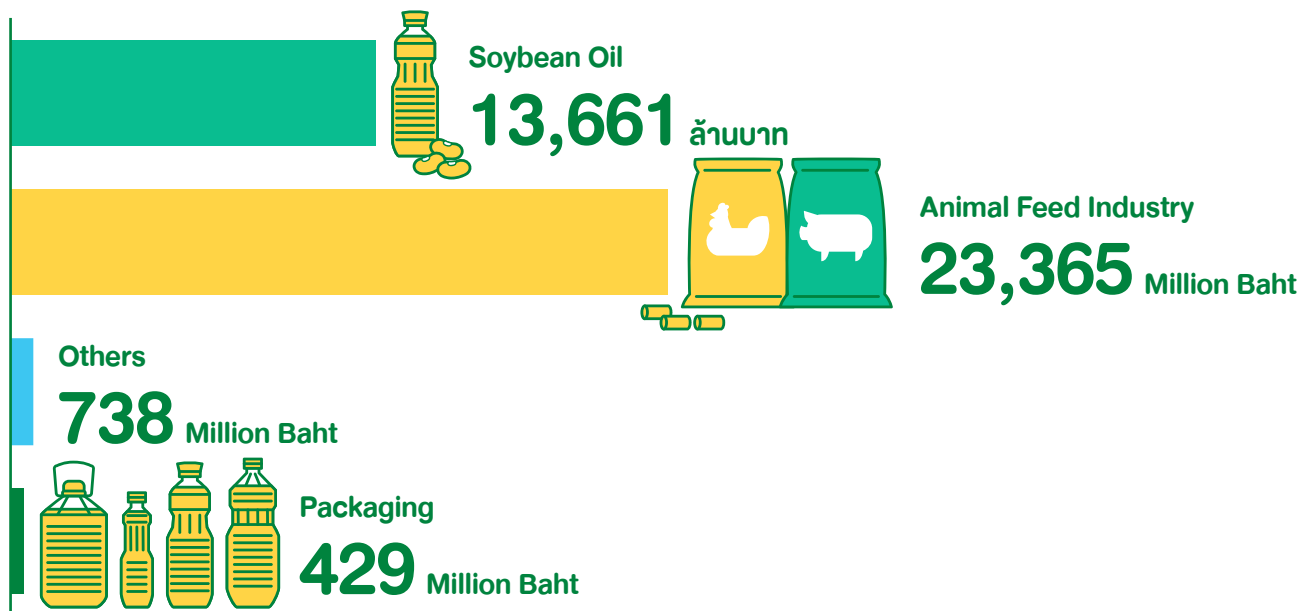
	2022	2021	2020	2019
Financial Status				
Total Assets	18,417.43	13,342.68	13,908.11	11,765.55
Total Liabilities	7,792.16	3,437.70	4,373.39	2,716.25
Shareholders' Equity	10,625.28	9,904.98	9,534.72	9,049.30
Operational Performance				
Total Revenue	39,322.17	31,800.04	25,064.76	23,800.04
Total Expense	37,281.81	29,170.58	22,925.87	21,989.70
Earnings before Income Tax	2,034.56	2,625.27	2,135.46	1,807.22
Net Earning	1,604.17	2,067.61	1,655.80	1,410.53
Per Share Data				
Earning Per Share (Baht)	1.80	2.56	2.05	1.74
Value Per Share (Baht)	11.51	11.76	11.28	10.72

Unit : Million Baht

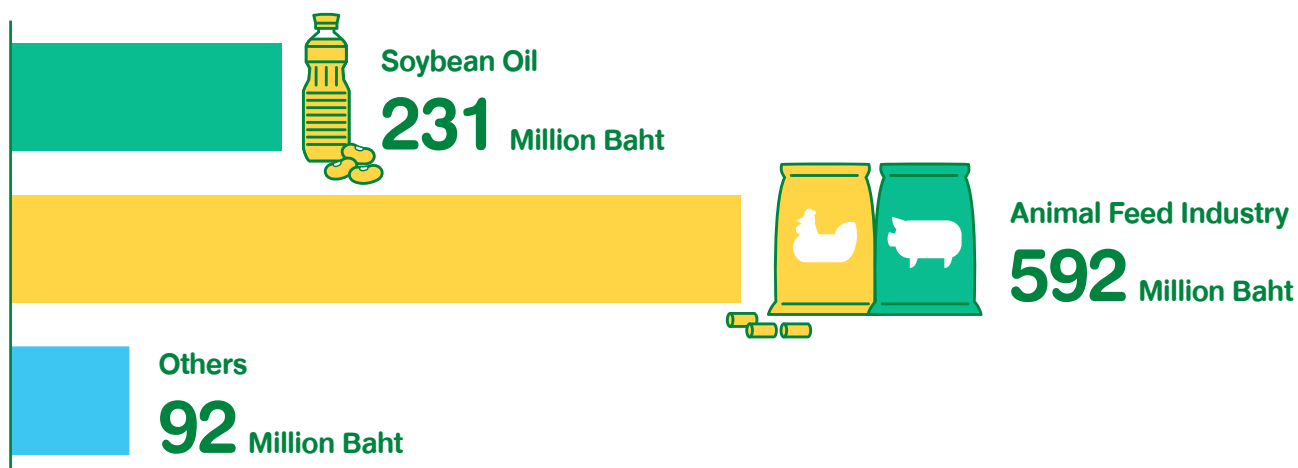


Revenue Structure

Revenue from Domestic Sales



Revenue from International Sales

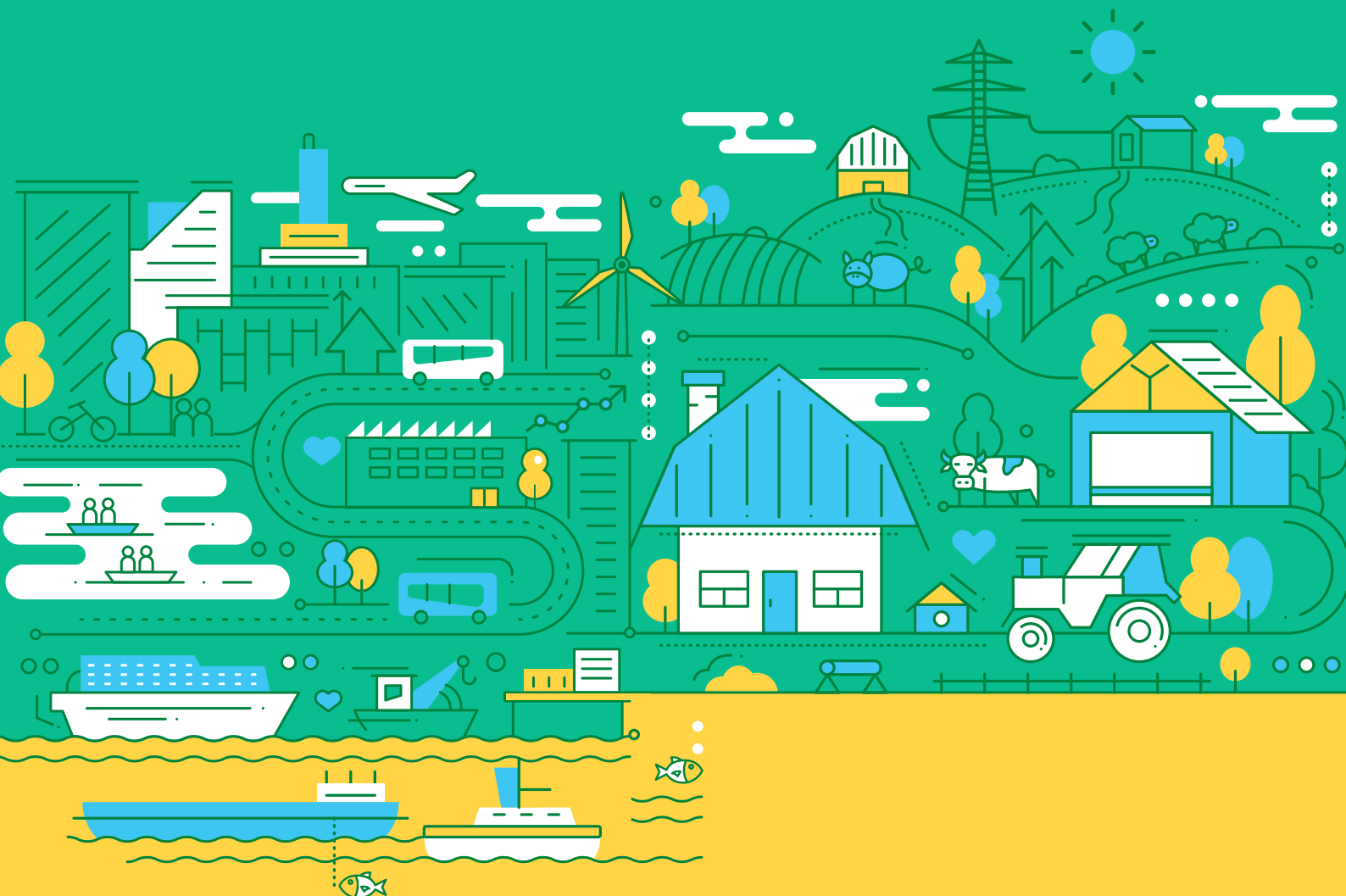




Thai Vegetable Oil Public Company Limited

Part 1

Business overview and performance





1

Business overview and performance

1.1 Business Structure and Operation

The Board of Directors values the importance of the Company's operations, therefore, The Board of Directors requires to review the vision, mission, middle – long-term goals and including operational strategy of the Company annually to define the directions of the business operations and adjust its strategy to be in accordance with the situation of the current business and the future business in all aspects in order to take into account leadership roles and create sustainability for all stakeholders along with determined ESG indicators such as

environment aspect: efficiency use of resources and reducing greenhouse gas emission

social aspect: create participation and engagement with employees and surrounding community

governance aspect: Raise awareness of code of conduct both in the organization and suppliers, including anti-corruption policy

During the year 2022, the Board of Directors considered and reviewed the vision, mission, middle – long-term goals and strategy with the Executives at the Board of Directors' Meeting No. 8/2022 on December 16, 2022 with a resolution to maintain the vision and mission because the Company has been considering operating guidelines to create shared sustainable value through the supply chain of the vegetable oil business and animal feed ingredient.

Vision, Objective and Long-Term Goal



Vision

TVO will sustain its leadership in the vegetable oil and animal feed ingredients business



Mission

Strives to develop personal excellence

Improves production efficiency in order to raise the quality of products and services that win the hearts of consumers

Creates new products through innovative initiation with objective to grow business and reaffirm position as an industry leader that concern about the community, society and environment



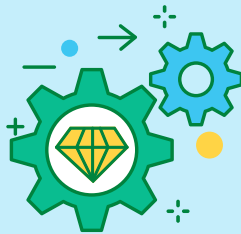
Corporate values: (TVO Way)



T

Trust & Teamwork

Self-improvement and team work to achieve business excellence



V

Value Creation

Value Creation Create corporate value to be leadership in the vegetable oil and animal feed ingredients business



O

Operational Excellence

Operational Excellence Increase efficiency through innovation in order to sustain TVO's leadership

Objective and Long-Term Goal

The Company is confident in the potential growth of the agricultural and food industry. The Company has expanded its business into regional markets in Southeast Asia, to strive our product quality improvement continually with modern technology in accordance with international standards based on the use of resources economically and environmentally friendly and to create innovation that creates value for the business and reduces environment impacts, and also to increase the potential of our employees at all levels in order to enhance our competitiveness along with caring for society and communities, and to generate appropriate return for shareholders. By conducting business that takes into account all interested parties, it will lead to the Company's sustainable growth. To ensure that the Company's operations are in line with the objectives and middle to long term goals, the Company adjusts the strategy to be in line with the changing situations along with extensive risk management and sufficient internal control in accordance with the principle of good corporate governance by determining middle-goal to improve and development the production process in 2025 and long-term goal to achieve a net profit of 6-8 percent in 2032.

In the year 2022, the Board of Directors together with the management reviewed the past year's performance coupled with changing internal and external environments to determine the strategies linked to the operation plan and annual budget by adjusting the main strategies in the 5 aspects of the operation as follows;



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1

Productivity strategy

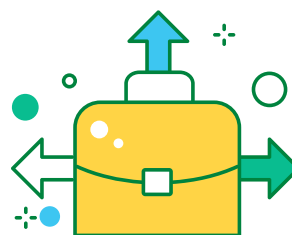
raising productivity in existing businesses and increase competitiveness in the midst of a highly competitive market.



2

ESG strategy

creates long term sustainability in the business operation.



3

New business strategy

the future business with potential and growth, because existing businesses are facing various challenges.



4

Digital strategy

focus on adaptation to keep up with business operations in the digital era of high technological advancement and rapid change.



5

HRMS (Human Resource Management System) strategy

focus on human resources as a main factor for driving the organization.



Major Development

- **Enterprise control in the previous year.**

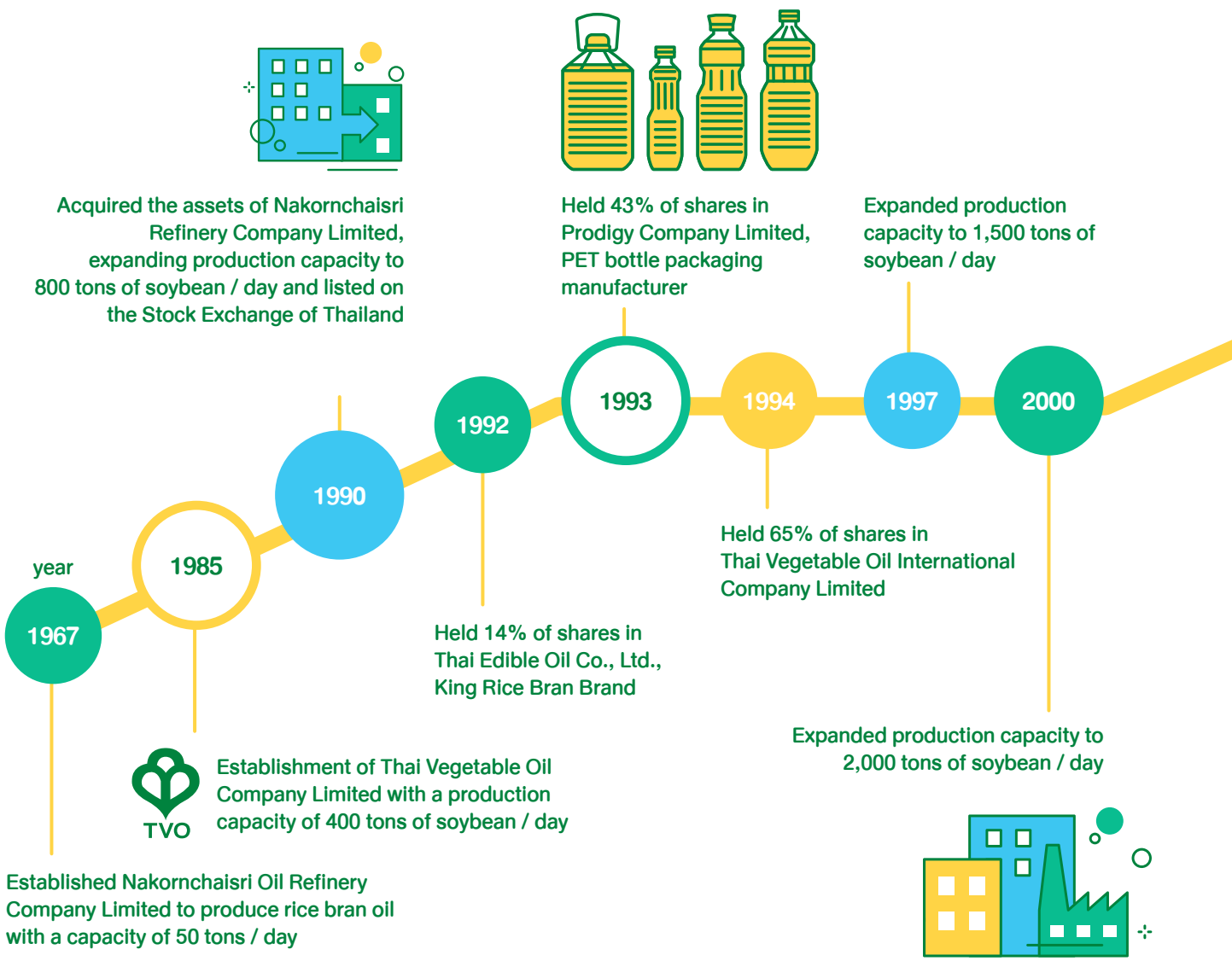
Detail shows in Topic 1.3.4 “Shareholder” on [page 35](#)

- **Nature of Business Operations in the previous year.**

The Company was established in 1967 under the name of Nakornchaisri Oil Refinery Company Limited, a manufacturer and distributor of rice bran oil. Then, in 1985, the Company was registered as Thai Vegetable Oil Company Limited to operate and produce cooking vegetable oil and animal feed ingredients and was listed on the Stock Exchange of Thailand on November 14, 1990 as a Thai Vegetable Oil Public Company Limited or TVO. From operating the business into the

56th years, the Company is committed to conduct business in accordance with the principles of corporate governance with regard to responsibility to all stakeholders to make the Company grow sustainably and maintain leadership in the vegetable oil industry as well as create appropriate returns for shareholders regularly. In the year 2022, in addition to the COVID-19 pandemic situation, climate change will also be an important issue that affects business operations if the strategy is not adjusted inline with current and future situations. Therefore, the business plan for the middle-long term that determines ESG strategy is one of the five corporate strategies to set transparent policies and guidelines that are fair to all stakeholders and achieve the setting goals.

There was no change in the shareholding structure managing and business operation in past 3 years.





Revamping the 1-liter-bottle design of vegetable oil bottles, using fewer plastic pellets to make by 4 grams per bottle (maintain the durability standard) resulting in a **saving of 350,000 kilograms per year** and developing cardboard boxes used for packaging vegetable oil are now made from recycled paper



Expanded production capacity to 3,500 tons of soybean / day

Prodigy Public Company Limited has increased capital causing the Company's shareholding was adjusted to be 31.85%

Adjusted the production technology of Full Fat Soy / Innovation Project - Nano Neutralization

2022 – the beginning of 2023

2001

2010

Expanded production capacity to 6,000 tons of soybean / day and withdrew investment in Thai Vegetable Oil International Company Limited

2014

2015

2017

Exported soybean meal to other countries

2018

2019

2020

Launched new oil bottle design to be more comfortable for holding, opening and pouring



Launched Healthy Chef and Queen products for the CLMV market



- Improving oil quality with ICE Condensing system
- Launching new product - Canola oil
- Expanding production capacity by installing Expander machine



General information

Name	Thai Vegetable Oil Public Company Limited.	
Head Office	149 Ratchadapisek Road (Thapra-Taksin) Bukkhalow Thonburi Bangkok 10600	
Factory	81/7 Moo 1, Thaiyawas Sub-district, Nakorn Chaisri District, Nakorn Pathom Province 73120	
Type of business	Producer and distributor of soybean meal and soybean oil.	
Registration number	0107537001536	
Authorized Capital	889,472,084 Baht Par value 1 Baht/share Totaling 889,472,084 Baht	
Paid-up Capital	Common Shares 889,471,248 Units Par value 1 Baht/share Totaling 889,471,248 Baht	
Telephone number	Head Office: 02 477 9020	Factory: 034 265 620-29
Fax number	Head Office: 02 477 8022	Factory : 034 265 610
Website	www.tvothai.com	
Securities Registrar	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400, Thailand Telephone: 02 009 9000 Fax: 02 009 9991	
Auditor	Mrs. Chonlaros Suntiasvaraporn CPA No.4523 EY OFFICE LIMITED 33 rd Floor, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110 Telephone: 02 264 0777 Fax : 02 264 0789	
Legal advisor	BAKER & MCKENZIE LTD. 990 Abdulrahim Place, 22 nd -25 th Floors, Rama IV Road, Silom, Bangrak, Bangkok 10500 Telephone: 02 636 2000 Fax : 02 636 2111	



1.2

Nature of Business

Revenue Structure

Products	Operated by	% Shares	2022	%	2021	%	2020	%	2019	%
Revenue from domestic sales										
Soybean Oil	TVO	100	13,661	34.93	8,366	26.72	6,830	27.36	5,646	23.94
Animal Feed Industry	TVO	100	23,365	59.75	17,862	57.05	14,811	59.34	14,425	61.16
Others	TVO	100	738	1.89	679	2.17	820	3.28	1,156	4.90
Packaging	Prodigy	31.85	429	1.10	341	1.09	254	1.02	362	1.53
Revenue from international sales										
Soybean Oil	TVO	100	231	0.59	2,554	8.16	1,376	5.51	1,178	4.99
Animal Feed Industry	TVO	100	592	1.51	1,236	3.95	714	2.86	721	3.06
Others	TVO	100	92	0.24	270	0.86	158	0.63	99	0.42
Total			39,108	100	31,308	100	24,963	100	23,587	100

Unit : Million Baht



Products

Characteristics of products and innovation development

Thai Vegetable Oil Public Company Limited is an agricultural food industry, manufacture and distributor of edible vegetable oil and raw material of animal feed. There are 20 products as follows;

Cooking Oil for Domestic Market

1



Soybean oil “A-NGOON” is a vegetable oil produced from 100% quality soybean, having unsaturated fat which is necessary for the body, used for household cooking. Soybean oil is a primary ingredient for other processed food manufacturing industries, such as the canned fish industry, the chili paste industry and other businesses. “A-NGOON” are trust by consumers and industry users alike, owing to its unsaturated and healthy nutritional value.

2



Corn Oil “A-NGOON” is extracted from 100% quality corn seeds with highly unsaturated oil containing high level of linoleic acid including high phytosterols which lower Low Density Lipoprotein Cholesterol (LDL) by inhabiting cholesterol absorption thus reduce the levels of LDL cholesterol.

3



Sunflower Oil “A-NGOON” is a 100% sunflower oil with high unsaturated fat and rich in linoleic acid which is scientifically proved to be safe for the human consumption and provides the great health benefit to the consumers. Sunflower Oil’s commonly used in the canned food export industry, e.g. canned tuna in sunflower oil.

4



Canola oil “A-NGOON” contains a lower level of the saturated fatty acids which is less than 10% and high level of the monounsaturated fat or oleic acid which is to reduce LDL cholesterol and does not cause accumulated fat in the blood, thereby, it reduces the risk of Cardiovascular disease and High Blood Pressure.

5



Classico Extra Virgin Olive Oil (MONINI) is the pure fresh olive oil extracted from olive without heat and chemicals. It contains high level of the monounsaturated fatty acids which lower LDL cholesterol and riches in vitamin E and high Antioxidants; Polyphenols, provides intense flavor and aroma of the olive oil. We are the only distributor in Thailand. This Classico Extra Virgin Olive Oil is the number 1 bestselling in Italy.



6



Anfora Olive oil (MONINI) is a blend of refined good quality Olive oil, obtaining the most advanced refined techniques, the light gold color oil is good for cooking in high temperature without any change of delicate taste, especially deep-frying and pan frying.

7



Mild & Light Olive Oil (MONINI) is obtained through the most advanced refining process with good quality of Olive oil. It has a special gentle and mild taste which makes it perfect for light taste cooking, baking and deep-frying and suitable for use as a substitute for butter and vegetable oil in high temperature cooking without any change of the delicate taste of food.

8



Seasoned Extra Virgin Olive Oil (MONINI) (White Truffle, Rosemary, Four Peppers) natural olive oil is flavorful and aromatic with the combination of rare ingredients such as white truffle, rosemary, and four types of pepper. That intend to add taste and aroma to a special meal.

9



Natural olive oil DOP/IGP (MONINI) extra virgin olive oil is selected from various olive varieties in each region of Italy. It has a unique taste and smell depending on the environment, weather, sunlight, and soil quality of each region.

10



BALSAMIC VINEGAR OF MODENA I.G.P (MONINI) premium vinegar that has been meticulously processed giving the wine the aroma of wine aged in oak barrels and a distinctive sweet and sour taste in authentic Italian style.



Cooking Oil for International Market

11



Soybean oil (Healthy Chef and Queen) are made from 100% soybeans. Used for frying, cooking, making dressings, or marinating food. It contains 0 grams of trans fat per serving and is a good source of omega3 and 6, which help in lowering blood pressure and preventing heart disease. It is also rich in vitamin K, which helps in the absorption of calcium from food and maintains strong bones.

12



Canola oil (Healthy Chef) has a high smoke point and high levels of omega 3, 6, and 9, has a low saturated fat content that is suitable for preventing high blood pressure.

13



Sunflower oil (Healthy Chef) has high levels of vitamin E to prevent the erosion of cells and acts as an antioxidant to improve the skin directly and create new cells from the damage of sunlight.

14



Corn oil (Healthy Chef) is a frying oil with omega 6, 9, and high phytosterols that reduce cholesterol absorption.



Animal feed ingredients

15



Soybean Meal is a key raw material for animal feed distributed under brand “TVO Hipro - Meal” and widely accepted by the livestock industries due to their consistently high quality and standard.

16



Dehulled Soymeal, under brand “**TVO Dehulled Soymeal**”, is produced from the husked soybean. It provides higher protein and nutritional benefits, appropriated for animal which requires high quality feed for growth and maximum yield.

17



Full Fat Soy, a high protein meal under brand “**TVO Full Fat Soy**”, is an ingredient mixed for animal feed used in piglet and poultry farming industries. It has the benefits of easy digestion, high protein and energy content, and rich in unsaturated fat essential for various types of raised livestock. It is particularly suited as a quality growth enhancer for younger livestock and especially for ensuring a higher proportion of lean meat.

18



Dehulled Full Fat Soy, the products under the “**TVO Dehulled Full Fat Soy**”, is the cooking of high quality of soybean, edible standard quality, extruded by thermal treatment process at proper heated to deactivate anti-nutrition factors without destroying its nutrient quality. It is for early stage animal such as wean pigs, egg laying hen, other poultry and aquatic animal such as shrimp and fish. It helps them absorb nutritional value, contribute its health and enhance its growth, including animal that needs high energy. TVO Dehulled Full Fat Soy is a best quality product that precisely response the demand of meal industry with high productivity at lowest cost.

19



Lecithin is an important ingredient for animal feed production such as shrimp, chicken and pig feed. It's containing phospholipids and a source of choline which is an important nutrient for the compound feed for shrimp and early-stage animal which helps to increase the fat utilization efficiently, resulting in better nutrients absorption.

20



TVO Soy Hull is product that produced from soybean hull. It's a good source of fiber particularly ruminant feed and animal feed needed high fiber in some stage of ages.



Market and its competitiveness

Products and service Marketing

Marketing Policy

To be a Southeast Asia leading soybean-processing company in the production and distribution of soybean oil and soybean meal, the Company has a marketing strategic plan as follows;

- Producing high quality products with high nutritional quality, due to soybean, the raw material is full of high protein with linoleic acid which helps reducing cholesterol and unsaturated fat that does not cause fat in the blood and good for heart. The difference of quality makes our products acceptable by consumers.
- Focus on researching and developing policy consistency to offer the best to our customers.
- Develop new products to expand new market.
- Established good and long relationship with customers with accountability policy to gain their trustworthy.
- Manage risk from raw material supply to control the cost in order to keep competitive edge and maintain profit ratio at good level.
- Improving technology and the production efficiency corresponding to market demand to obtain high quality product.
- Establish new brands for market expansion.
- High respond to customer satisfaction.
- On time delivery policy to provide customers fresh products.

Customers and Distribution Channels

The Company's sales revenue mainly comes from domestic sales, approximately 84% of total sales revenue while the remaining sales revenue comes from exporting to neighbor countries such as Cambodia, Laos, Myanmar, Vietnam, Singapore, Hong Kong, South Korea, Japan, Philippines, Indonesia and Malaysia. For all exports, the Company operates itself directly to all importers.

Customers and distribution channels can be divided as follows;

Animal feed ingredients

Soybean meal, dehulled soymeal, full fat soy, dehulled full fat soy, lecithin and TVO soy-hulled are directly sold to feed meal manufacturer and livestock farmer in domestic. The Company starts to expand the market into CLMV countries with the proportion of domestic and international sales at 90:10



Cooking oil

- **Brand “A-Ngoon”, a vegetable oil for health-conscious consumers,**

is distributed locally by the Company through wholesalers, discount stores, supermarkets, hypermarkets, convenience stores, and retail shops with 52%* of market share. (*Source: NielsenIQ)

- **Brand “Healthy Chef” and “Queen”, export brands,**

are vegetable oils that consumers in the international market who are interested in health choose. The Company has appointed an Exclusive Distributor in both Cambodia and Myanmar to distribute products through the channel of Sub-distributor, Wholesaler, Supermarket, Hypermarket, Convenience Store and general retail stores in the market.

- **Olive Oil – Brand “Monini”,**

the Company is the only sale distributor in Thailand importing Extra Virgin Olive Oil (Brand Monini) which is number 1 bestselling brand from Italy. The Company has a marketing plan and distribution plan through all distribution channels for target group.

Industrial oil

our customers are canned food industry, painting industry and others. The Company sells directly to clients and dealers.

In addition, the Company has built good relationship with customer. Therefore, customer satisfaction surveys annually in all business group getting to know their expectations and continuously monitoring their customer satisfaction levels which help to create an innovation. In 2022 customer satisfaction surveys through the company's customers survey questionnaire. The company got customer satisfaction score of 92.84%

Industrial conditions and outlook

Economic situation in 2022 and outlook in 2023

Global economic situation and outlook

In 2022, the worst of the negative impact of the COVID-19 pandemic seemed to be over. Nonetheless, there were new factors putting pressure on the global economy, especially the Russia-Ukraine war which had led to prolonged trade sanctions and an energy crisis, the slowdown of the Chinese economy, and the polarization of the world's economy into the US and Chinese camps. These factors no doubt impact the global supply chain and may intensify deglobalization further. Moreover, the adoption of a high interest rate policy to control rising inflation amid high energy prices will raise the costs and debts of the public and private sectors alike as well as causing low liquidity in the financial markets.

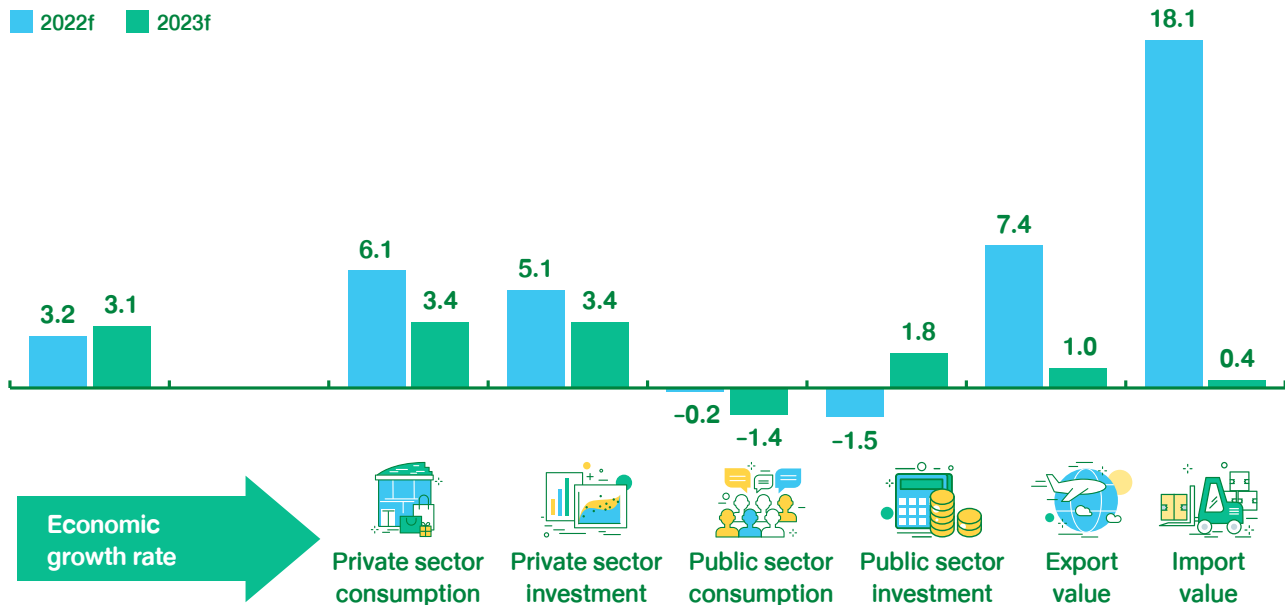
In October 2022, the International Monetary Fund (IMF) forecast that the global economy would grow by 3.2% and 2.7% in 2022 and 2023 respectively. These figures indicate the slowest growth since 2001, excluding the financial crisis of 2009 and the COVID-19 crisis of 2020.

Thai economic situation and outlook

The Bank of Thailand (BOT) had forecast that the Thai economy in 2022 would grow by 3.2%, a continued recovery from 2021. The growth would come from tourism and the service sector as well as increasing private consumption (Figure 1 and Figure 2). As for 2023, the BOT forecast that the Thai economy would continue its recovery trajectory by expanding 3.7%, despite signs of global economic slowdown and rising interest rates. The economy would be driven mainly by tourism and the service sector. Private consumption would also continue to recover, benefiting from recovery of the tourism industry and labor market.



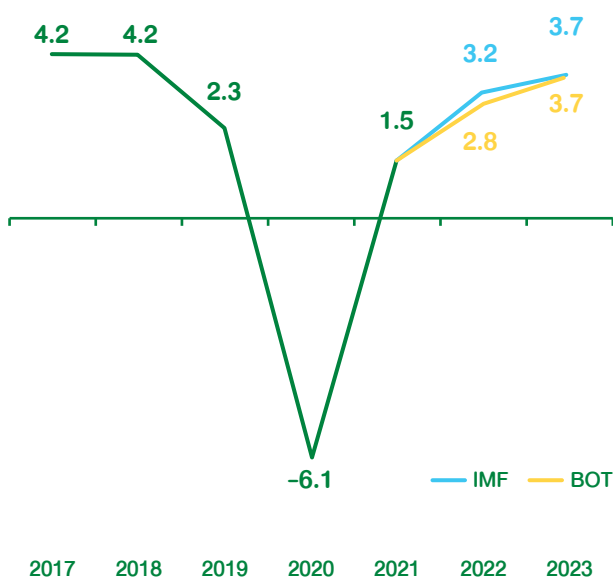
Figure 1
Rates of growth of the Thai economy between 2022-2023



Source: Bank of Thailand

unit: %Y/Y

Figure 2
Rates of growth of the global economy and Thai economy between 2017-2023



Source: 1. IMF, as of October 2022

2. Bank of Thailand, as of December 2022

The average exchange rate of USD to the Baht in 2022 was 35.04, representing a 9.5% depreciation compared to the 2021 average exchange rate. This was due to

- 1 Thailand's current account deficit for 2022 which is expected to rise to USD 16 billion, compared to the USD 10 billion deficit in 2021; and
- 2 8% appreciation of the USD index in line with the contractionary monetary policies of the US Federal Reserve, which had raised the interest rate 7 times in 2022 to the highest level in 15 years.



Soybeans and products

The average CBOT soybean price in 2022 was USD 15.5 per bushel, up from USD 13.7 per bushel in 2021 (Figure 3). This is mainly due to two reasons:

Figure 3:
CBOT soybean price movement
from 2020 to 2023

US cents/bushel

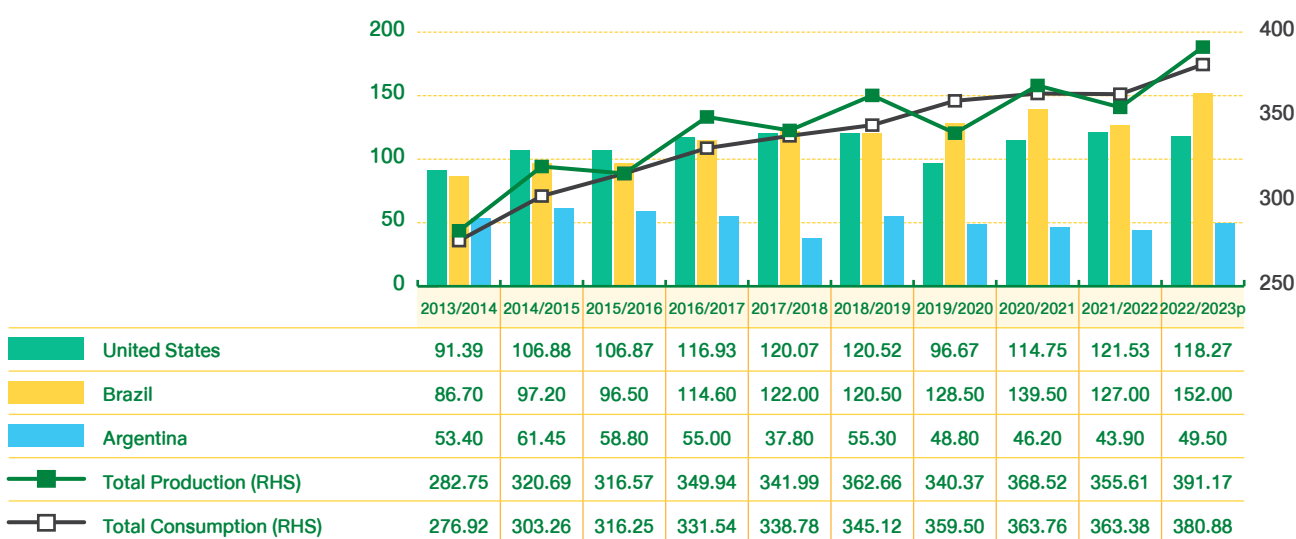


Source: Refinitiv

- 1 the La Nina phenomenon resulting in droughts across the soybean growing areas in southern Brazil, northern Argentina and Paraguay (Figure 4), leading to lower global soybean production by as much as 13 million tons or 3.5 percent compared to the previous year, while the demand for soybeans used for extracting soybean oil remained at a similar level as last year; and
- 2 the ongoing Russia-Ukraine conflict since February 2022 has unavoidably disrupted international trade. As Russia is a major exporter of commodities, e.g. crude oil (Russia supplies 7 percent of the global crude oil demand). Therefore, sanctions on Russia had caused the oil price in the global market to soar in 1H/2022. At the same time, the prices of vegetable oils (palm oil, soybean oil, sunflower oil and canola oil) in the global market were at record highs because Ukraine and Russia are major exporters of sunflower oil, with a combined share of 80 percent of the global export.

The United States Department of Agriculture (USDA) forecast that the global soybean production in 2022/23 would be at 391 million tons, up 35 million tons or 10 percent compared to the previous year, while the global soybean demand would be at 381 million tons, up 17 million tons or 5 percent compared to the previous year.

Figure 4:
Global soybean demands and supplies from 2013-2022



Source: United States Department of Agriculture (USDA)

Unit: Million Tons



Overview of Thailand's livestock industry

Based on the report on key agricultural product situations and outlook for 2023, produced by the Bureau of Agricultural Economic Research (Dec 2022).

Thailand's poultry industry

In 2022, Thailand produced 1,772 million broilers or 2.83 million tons, up 1 percent from 1,754 million broilers or 2.80 million tons in 2021. This is in line with the demand for chicken meat at 1.88 million tons, up 1 percent from 1.86 million tons in 2021. The increase came from the domestic and international markets, resulting from the lifting of COVID-19 prevention measures. The higher price of pork has also caused some consumers to switch to consuming more chicken meat. In 2022, Thailand exported a total of 0.95 million tons of chicken meat, up 1 percent from 0.94 million tons in the previous year. In 2022, the average farmgate price of broilers was 43.75 Baht per kilogram, up 25 percent from 34.87 Baht per kilogram in 2021.

For 2023, Thailand's export of broilers will likely increase in line with increased population and consumption demands from the domestic and international markets. Thailand is expected to produce 1,781 million broilers or 2.85 million tons, up 0.5 percent from 1,772 million broilers or 2.83 million tons in 2022. The consumption of Thai chicken meat is forecast at 1.89 million tons, up 0.2 percent from 1.88 million tons in 2022, in line with the economic recovery and that chicken meat is a cheap source of protein compared to other meats. Domestic consumption accounts for 66 percent of the total production.

Thailand's swine industry

Turning to the swine industry, the second biggest of Thailand's livestock business, in 2022, Thailand produced 15.5 million hogs, down 20 percent from 19.3 million hogs in 2021. The reduction was due to an outbreak of the African Swine Fever (ASF) affecting sows and small-scale raisers delaying production to mitigate their risks, resulting in an overall decrease of swine production. In 2022, Thailand's domestic consumption of pork was 1.15 million tons, down 12 percent from 1.31 million tons in 2021. This was due to the higher price of domestic pork causing consumers to switch to consuming other less expensive meats. The overall situation of Thailand's export in 2022 was down because of ASF. The industry is now recovering and developing a pig farming method with a biosafety system.

Swine production output in 2023 is forecast at 17.5 million hogs, up 12.7 percent from 15.5 million hogs in 2022 due to an increased number of sows. However, pig farmers are still worried about the risk of swine diseases and higher production costs in using the new biosafety system. These factors weigh heavily in the mind of pig farmers whether to resume pig farming. The domestic pork consumption in 2023 is forecast at 1.30 million tons, up 13 percent from 1.15 million tons in 2022. The increase can be attributed to the economic recovery, especially in the tourism and service sectors thereby lifting the demand for pork consumption compared to the previous year.



Overview of the global vegetable oil industry

Production

The production output of palm oil in 2021/22 was 75.93 million tons, up 3.90 percent from 73.08 million tons in 2020/21. This was due to continuous permitting weather conditions in major palm oil producers, e.g. Indonesia, Malaysia and Thailand, as well as the easing of the COVID-19-induced labor shortage problem in Malaysia. Indonesia produced 45.30 million tons of palm oil, up 4.1 percent from 43.50 million tons in 2020/21. Malaysia produced 18.15 million tons of palm oil, up 1.7 percent from 17.85 million tons in 2020/21. The combined production of the two countries accounts for 83 percent of the global palm oil production. Thailand, the world's number 3 producer, produced 3.15 million tons of palm oil or 4.0 percent of the global palm oil production.

The global canola oil production in 2022/23 is forecast at 31.6 million tons, up from 29.1 million tons in 2021/22. The increase can be attributed to improved drought conditions in Canada, the world's biggest exporter of canola oil. The global sunflower oil production in 2022/23 is forecast at 20.1 million tons, up from 19.8 million tons in 2021/22.

Demand

Between 2017-2021, the global demand for palm oil had increased 2.4 percent annually. In 2021, the demand for palm oil was 73.27 million tons, a slight increase of 0.1 percent from 73.19 million tons in 2020/21. This increase can be attributed to increased demand in Indonesia, the world's biggest palm oil consumer, from 15.70 million tons in 2020 to 19.90 million tons or an increase of 26.7 percent as a result of Indonesia's Domestic Market Obligation policy obliging palm oil exporters to sell domestically first before they can export to the international markets, with a view to controlling the domestic price of palm oil, as well as the policy requiring the contents of diesel fuel must contain 30 percent palm oil.

While the consumption of palm oil in China and India, the second and third biggest palm oil consumers, was down 22.6 percent and 11.5 percent respectively from the previous year. China had maintained the Zero-COVID policy in certain cities resulting in reduced palm oil importation and consumption. Indonesia's palm oil export restriction in 2022 had prompted India to import more soybean oil and other alternative vegetable oils, thereby lowering domestic palm oil consumption.

In 2022, Thailand's demand for crude palm oil for consumption was 1.23 million tons, down 1.7 percent from 1.25 million tons in 2021. The demand for crude palm oil for alternative energy was 0.94 million tons, down 18.3 percent from 1.15 million tons in 2021. The reduction was caused by sluggish recovery of the domestic economy from the COVID-19 pandemic. This was further compounded by the Russia-Ukraine conflict which has disrupted the global supply chain of production and led to higher oil and gas prices. With rising prices of consumer goods and inflation, households' spending power has declined and resulted in lower demand of domestic palm oil consumption. In 2022, the export of crude palm oil and palm oil products was at 1,000,000 tons worth 42,000 million Baht, up 27 percent from 789,495 tons and 39 percent from 30,190 million Baht respectively. Therefore, Thailand has been able to export crude palm oil and palm oil products without any interruption. Moreover, depreciation of the Baht has positively benefited the export of palm oil. The Russia-Ukraine conflict has impacted the global supplies of vegetable oils, in particular sunflower oil of which Ukraine is a major producer. These factors mean that the demands of palm oil in the international markets have remained consistently high.



Overview of Thailand's soybean oil crushing industry

The overview of the production of products related to soybean meals, full-fat soy and soybean oil in 2022 is as follows. During the first half of 2022, the price of soybean oil went up, in line with the increased price of domestic palm oil. The Russia-Ukraine conflict had caused uncertainties for trade in sunflower seeds and products, driving up the prices of vegetable oils to record highs. Higher oil prices also meant higher logistics costs. In addition, the La Nina phenomenon had caused droughts in the soybean growing areas in southern Brazil, northern Argentina and Paraguay. The three countries have a combined share of 45 percent of the global soybean production. As for the second half of 2022, rising inflation and interest rates in several countries had dented households' spending power. The La Nina phenomenon affecting major palm oil producing countries, e.g. Indonesia and Malaysia, had led to increased palm oil production in the second half of 2022.

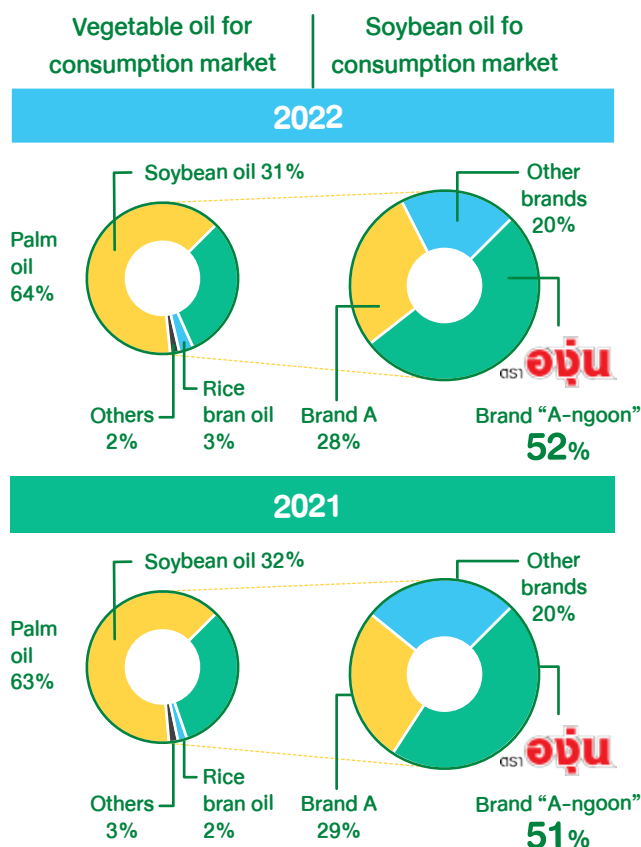
In 2023, there remain several risk factors to which close attention should be paid, including the prices of raw materials and products as well as the exchange rates. The industry faces such issues all the time and must constantly adapt itself, monitor them more closely, and be prepared to respond promptly. In order to compete with foreign competitors, TVO has closely monitored concerned situations and adopted a careful and cautious management approach to reduce our risk exposure. Moreover, TVO is constantly adapting to new contexts and creating new marketing opportunities by adjusting our strategies accordingly as well as developing new innovations to create additional value to our products. Furthermore, our products remain the market leaders in their respective segments due to the competitive advantage in terms of quality, product freshness, and satisfying the needs of customers, thus earning their trust and confidence. These are the strategies employed by TVO to prepare for all possible scenarios.

Market competition

Vegetable oil market in Thailand

The market share of palm oil for consumption increased from the previous year to 64 percent, while the market share of soybean oil for consumption decreased to 31 percent. This can be mainly attributed to Thailand's production output of palm oil for the first 10 months was at the highest level in 5 years and the domestic palm oil stocks bounced back to more than 300,000 tons, the highest level in 15 months. Although in 2022, Thailand's export of palm oil was at a record high, it has caused the price of domestic crude palm oil to go down since last May (from 60 Baht/kg. to below 30 Baht/kg. in October). Rising inflation had suppressed consumers' purchasing power, causing the demand for vegetable oil to begin falling in 2H/2022.

Figure 5:
Vegetable oil market in Thailand



Source: NielsenIQ



Domestic soybean meal market

Soybean meal is produced from soybean residue left after the process of oil extraction. It is a source of high-quality protein suitable for animal feed premixes. Soybean meal alternatives are limited, quantity-fluctuated, and high-priced.

In 2022, the Thai livestock industry continued to face multiple challenges because of the following factors:

- 1 Higher costs of raw materials and animal feed;
- 2 African Swine Fever (ASF) outbreak killing scores of porkers, boars and sows resulting in heavy losses for small-scale and large-scale raisers across the country;
- 3 Impact of the COVID-19 pandemic and economic downturn caused by rising inflation and interest rates, affecting domestic and international consumption.

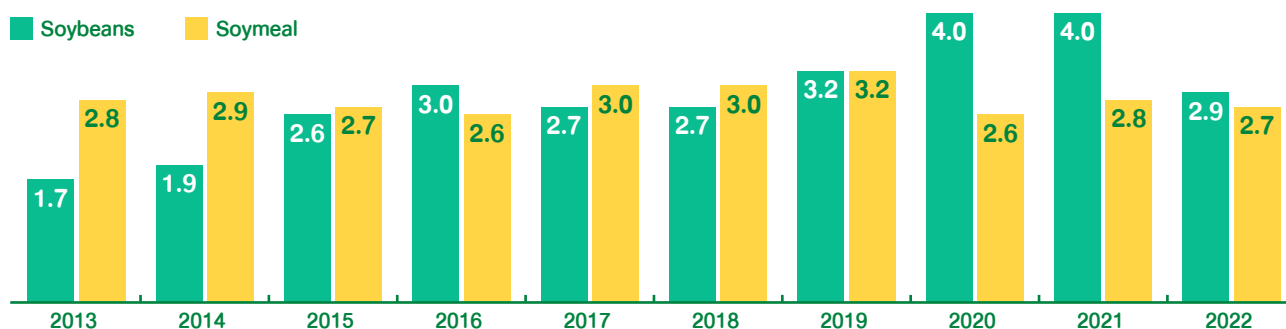
The foregoing impacts had suppressed Thailand's demand for animal feed in 2022 to 19.1 million tons or down 6 percent from the previous year. The total demand for soybean meals was 4.5 million tons. With the domestic production capacity of 2.0 million tons/year, Thailand must import soybean meals from abroad at approximately 2.7 million tons/year.

In 2023, Thailand's swine production is expected to recover, led by large-scale raisers with better disease-controlled capacity in conjunction with the Thai tourism industry which is expected to recover well from an accelerated return of international visitors. As such, the demand for soybean meals is forecast at 4.7 million tons, up 0.2 million tons or 4 percent from the previous year. (Source: Thai Feed Mill Association)

Sources of information

- Bank of Thailand
- Bureau of Agricultural Economics
- Thai Customs
- Department of Internal Trade
- Thai Feed Mill Association
- NielsenIQ
- United States Department of Agriculture (USDA)
- International Monetary Fund (IMF)
- Refinitiv
- Research Division, Thai Vegetable Oil PCL

Figure 6:
Thailand's soybean and soybean meal import quantity



Source: Thai Customs

Unit: Million Tons



Products Supply

Thai Vegetable Oil Public Company Limited

has a total production capacity of 6,000 tons per day with more than 90 percent capacity utilization.

Production Policy:

Made-to-Order in according to current market situation and trends.

Detail of factories and headquarter as follows;

Head Office	149 Ratchadapisek Road, (Thapra-Taksin) Bukkhalow Thonburi Bangkok 10600
Factory 1	101/2 Moo 1, Khunkaew Sub-district, Nakorn Chaisri District, Nakorn Pathom Province 73120
Factory 2	36 Moo 3, Nakorn Chaisri District, Nakorn Pathom Province 73120
Factory 3 (Zone 1)	81/7, 81/8, 82 Moo 1, Thaiyawas Sub-district, Nakorn Chaisri District, Nakorn Pathom Province 73120
Factory 3 (Zone 2)	89 Moo 1, Thaiyawas Sub-district, Nakorn Chaisri District, Nakorn Pathom Province 73120

Raw Material Supply

Soybean is our major raw material. The Company shall buy domestic soybeans as first priority. However, due to the inadequate supply of domestic soybean, the Company must therefore import more than 90% of total soybean from Brazil and the United State of America, which import price of soybean depends on soybean price in the world market with an exemption from import duty on soybean

import policy according to the agreement of World Trade Organization (WTO). For the purchase of domestic soybeans, the Company shall buy domestic soybeans from famers and traders. The major plantations are around Sukothai, Kampaengpetcn, Autaradit, Petchaboon, Chiangmai and Khonkaen. In addition, the Company also complies with government policy that stipulates the conditions for soybean importers to buy all domestic soybeans in proportion to the amount of imports among all importers at price and conditions specified in the contract determined by the Oil Vegetable and Vegetable Oil Committee. Moreover, the Company also supported a new soybean plantingexperimental project in various species of soybean to achieve higher productivity that would make the farmersmore profit and encourage them to grow more soybeans.

The World average soybean production over the past ten years tended to increase according to the demand of soybean consumptions. Soybean is a commodity product which is widely traded over the world market and can be easily provided and has never suffered from shortage of soybeans until unable to buy soybeans but there might be some periods when soybean price went higher than normal according to demand and supply of the World market in that year. The trade war between the United States of America and China are still key factor that have both positive and negative impacts on the World soybean prices continuously. However, the Company has closely always monitored the soybean price situation to take advantage of the opportunities to purchase soybeans at a competitive cost and to obtain good quality soybeans.

In general, the Company shall purchase soybeans approximately 3-4 months in advance according to sales and production plan by making forward contracts with various suppliers and agree to purchase from supplier offering the best condition to avoid risk of managements and delivery of raw material. The Company does not have a policy or obligation to buy from specified supplier. In addition, the price of soybean traded in the World market is in US dollars, in order to avoid risk of exchange rate, the Company therefore has a policy to make forward contract to manage the cost of raw materials in Thai Baht to be most effective.



Assets used in business operations

The Company and its subsidiary's assets

The main types of the Company and its subsidiary assets are land, building and machines

- Land and land improvements**

Total Value of Baht 686.41 Million as of 31 December 2022.

Location	Size Rai- Ngan- Square Wa	Proprietary Right
Office Building 149 Ratchadapisek Road, (Thapra-Taksin) Bukkhalow Thonburi Bangkok	3-1-49	Thai Vegetable Oil Public Company Limited is ownership.
Factory 1 101/2 Moo 1, Khunkaew Sub-district, Nakorn Chaisri District, Nakorn Pathom Province	47-1-30	Thai Vegetable Oil Public Company Limited is ownership.
Factory 2 36 Moo 3, Nakorn Chaisri District, Nakorn Pathom Province	14-2-82	Thai Vegetable Oil Public Company Limited is ownership.
Factory 3 Zone 1 81/7, 81/8, 82 Moo 1, Thaiyawas Sub-district, Nakorn Chaisri District, Nakorn Pathom Province Factory 3 Zone2 89 Moo 1, Thaiyawas Sub-district, Nakorn Pathom District, Nakorn Pathom Province	402-3-24	Thai Vegetable Oil Public Company Limited is ownership.
Land Pakjan Sub-district, Nakorn Luang District, Phra Nakhon Si Ayutthaya Province	19-3-24	Thai Vegetable Oil Public Company Limited is ownership.
Prodigy Public Company Limited 7/3 Moo 3 Bang Krabao Sub-district, Nakhon Chai Si District, Nakhon Pathom Province	17-0-93	Prodigy Public Company Limited is ownership.
Prodigy Public Company Limited Bu Ruesi Sub-district, Mueang Surin District, Surin Province	15-3-4	Prodigy Public Company Limited is ownership.



● Building and Factory

Total Value of Baht 906.68 Million as of 31 December 2022

Location	Size square metres	Proprietary Right
Head Office Building 149 Ratchadapisek Road, (Thapra-Taksin) Bukkhalow Thonburi Bangkok	4,553	Thai Vegetable Oil Public Company Limited is ownership.
Factory 1 101/2 Moo 1, Khunkaew Sub-district, Nakorn Chaisri District, Nakorn Pathom Province	35,132.63	Thai Vegetable Oil Public Company Limited is ownership.
Factory 2 36 Moo 3, Nakorn Chaisri District, Nakorn Pathom Province	8,571.50	Thai Vegetable Oil Public Company Limited is ownership.
Factory 3 Zone 1 81/7, 81/8, 82 Moo 1, Thaiyawas Sub-district, Nakorn Chaisri District, Nakorn Pathom Province Factory 3 Zone2 89 Moo 1, Thaiyawas Sub-district, Nakorn Pathom District, Nakorn Pathom Province	129,731.42	Thai Vegetable Oil Public Company Limited is ownership.
Prodigy Public Company Limited 7/3 Moo 3 Bang Krabao Sub-district, Nakhon Chai Si District, Nakhon Pathom Province	11,801	Prodigy Public Company Limited is ownership.
Prodigy Public Company Limited 55 Moo 1, Bu Ruesi Sub-district, Mueang Surin District, Surin Province	2,408	Prodigy Public Company Limited is ownership.

● Machinery and Factory

Total Value of Baht 980.41 Million as of 31 December 2022.

- Thai Vegetable Oil Public Company Limited
- Prodigy Public Company Limited

● The Company and its subsidy's assets

with no obligation guarantee

Intangible assets

The total financial value of the Company and its subsidy's intangible assets was Baht 25.71 Million as of 31 December 2022.



1.3 Group's Shareholding

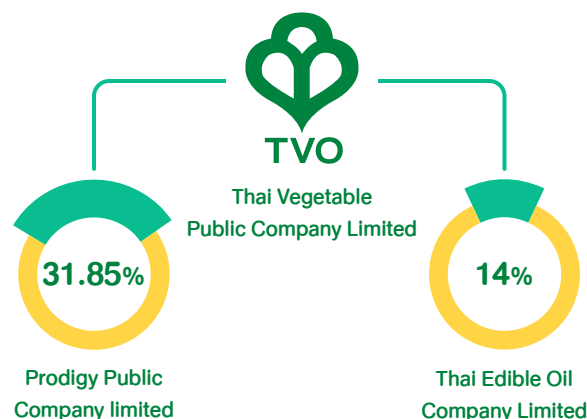
Operational Policy for subsidiary and associated company

The Company has a policy to invest in the related businesses that have potential to support both domestics and international earnings, which should be a business that has potential and can generate long-term profitability for the Company in order to increase share values for Shareholders. The Company invested in Prodigy Public Company Limited, a manufacturer of PET bottles, and also invested in Thai Edible Oil Company Limited, a manufacture of Rice bran oil, branded KING.

The subsidiary and its associated companies operate their business according to their management policy. Their management team adhere to the good governance principles. For the year 2022, the Board of Directors has to appoint the Chief Executive Officer (Mr. Pachai Chanpitaksa) as a representative of the Company to be a committee of Prodigy Public Company Limited in order to participate in the determination of important management policies.

Company Shareholding Structure

The Company holds 31.85% of shares in Prodigy Public Company Limited and 14% of shares in Thai Edible Oil Company Limited.



Prodigy Public Company Limited

produces and distributes PET plastic bottle for foods and beverages, including packaging for the Company's vegetable oil. Prodigy sells its products to both the Company and external customers. PET plastic bottle is durable, transparent, acid and base resistant and air-tight, making it suitable for preserving taste and quality of foods and beverages.

As the accounting period ending December 31, 2022, the Company's sales revenue was Baht 757.09 Million with net profit Baht 40.63 Million which increased from the previous year due to the number of new customers increased and the gradual adjustment of product prices in accordance with the increased cost of sales. The net profit was lower when compared to the previous year due to rising raw material costs since the end of 2021 and continuing into 2022, which was in line with an uptrend in the world crude oil price.

Thai Edible Oil Company Limited

Thai Edible Oil Company Limited is rice bran oil manufacturer and distributor under the "King" brand which is distributed to many countries worldwide.



The juristic person that the Company holding more than 10% of voting shares

	Prodigy Public Company Limited	Thai Edible Oil Company Limited
	Head Office 7/3 Soi Sukhaphiban, Bangkraboa Sub-district, Nakornchaisri Distric, Nakornpathom Province Tel. (034) 332-611-2 Fax. (034) 332-613	Head Office 3366/6-8 Soi Manorum, Rama 4 Road, Klongton, Klongtoey, Bangkok 10100 Tel. (02) 249-9351-2 Fax. (02) 249-4914
Type of Business	Production Industry	Manufacture and Distribution of Vegetable Oil
No. of Shares	Common Shares 296,999,929 Units	Common Shares 13,980,000 Units
No. of Shares Held	94,600,000 Shares	2,000,000 Shares
Ratio Shareholding	31.85%	14%



Shareholders

Top 10 Major Shareholders

(as of last Record date on March 27, 2023)

Name of Shareholders	Number of Shares	%
1. Vitayatanagorn's Family ¹	430,846,742	48.44
2. Mr.Taweelarp Jamsai	37,820,000	4.25
3. Thai NVDR Co., Ltd. ²	36,118,098	4.06
4. Cheer Group Holding Co., Ltd. ²	28,684,773	3.23
5. South East Asia UK (Type C) Nominees Limited ³	14,361,817	1.61
6. Mrs.Nalinee Wongjunpen	8,275,907	0.93
7. Ms.Suparat Sakwararat	8,184,825	0.92
8. Mr.Chaisith Vitiyametnakul	8,000,000	0.90
9. Mr. Chaipong Vechmamontien	6,219,400	0.70
10. Mr. Kriengkrai Wangwichit	5,106,750	0.57
Top Ten Major Shareholders	583,618,312	65.61
Other Shareholders	305,852,936	34.39
Total	889,471,248	100

Note : ¹ Listed Company in Thailand, contact address at 62 Ratchadapisek Road, Khlong Toei 10140 Bangkok. Thai NVDR Co.,Ltd is responsible for issuing and selling Non-Voting Depository Receipts (NVDRs) to investors.

² The Company invests in securities listed on the SET / invests in other companies and real estate. Contact address: 305 Ratchadapisek Road (Thapra-Taksin), Bukhalow, Thonburi, Bangkok.

³ Listed Company in Foreign country, contact address at Standard Chartered Bank (Thai) Public Company Limited, Securities Services, Zone B Sathorn nakorn tower 14th floor North Sathorn Rd., Silom Bangrak, Bangkok Thailand 10500



Vitayatanagorn's Family

Name of Shareholders			Number of Shares	%
1.	Miss Sudarath	Vitayatanagorn	67,681,790	7.61
2.	Mr.Vichai	Vitayathanagorn	64,643,950	7.27
3.	Mrs.Ratana	Chanpitaksa	51,277,160	5.76
4.	Nakornchaisri Oil Industrial Co., Ltd. ¹		21,752,214	2.45
5.	Miss Aranya	Vitayatanagorn	20,223,355	2.27
6.	Miss Voronud	Vitayatanagorn	15,211,911	1.71
7.	Mr.Vachara	Vitayatanagorn	15,000,000	1.48
8.	Mrs.Sararath	Vitayatanagorn	13,874,295	1.56
9.	Mr.Apisit	Vitayatanagorn	13,698,991	1.54
10.	Mr.Jakarin	Vitayatanagorn	13,470,902	1.51
11.	Mr.Ekarat	Wongsupbhasatigul	13,345,020	1.50
12.	Mr.Supachai	Vitayatanagorn	12,795,508	1.44
13.	Mr.Vichit	Vitayatanagorn	11,231,380	1.26
14.	Mrs.Benyapa	Vitayathanagorn	10,180,000	1.14
15.	Mrs.Pattama	Tangpiroonthum	9,598,348	1.08
16.	Mr.Vorravuth	Tangpiroonthum	9,000,000	1.01
17.	Mrs. Danuporn	Vitayatanagorn	8,605,000	0.97
18.	Miss Aticha	Vitayatanagorn	8,540,538	0.96
19.	Mr. Chanvit	Vitayatanagorn	7,664,835	0.86
20.	Miss Parinda	Tangpiroonthum	6,331,600	0.71
21.	Mr.Kuna	Vitayatanagorn	5,335,000	0.60
22.	Miss Patama	Vitayatanagorn	3,937,880	0.44
23.	Miss Sapinya	Vitayatanagorn	3,300,000	0.37
24.	Mr. Wich	Vitayatanagorn	3,300,000	0.37
25.	Mr.Pachai	Chanpitaksa	3,185,600	0.36
26.	Mr.Somroek	Tangpiroonthum	3,042,200	0.34
27.	Miss Pachun	Chanpitaksa	2,758,800	0.31
28.	Mr.Pachoke	Chanpitaksa	2,745,600	0.31
29.	Miss Vilai	Tangsin	2,488,034	0.28
30.	Miss Sitsiri	Vitayatanagorn	1,650,000	0.19
31.	Mr.Poompipat	Vitayatanagorn	1,408,000	0.16
32.	Miss Wasina	Vitayatanagorn	1,158,144	0.13
33.	Miss Sasiprapha	Vitayatanagorn	1,100,000	0.12
34.	Miss Variwan	Vitayathanagorn	909,070	0.10
35.	Miss Vichayasuda	Hemakul	336,332	0.04
36.	Miss Issara	Vitayathanagorn	65,285	0.01
Total			430,846,742	48.44

Remarks: ¹ The Company has long-term investments in other entities. All shares held by the Vitayatanagorn's family



Registered Capital and Paid-Up Capital

The Company registered capital is Baht 889,472,084 with paid up capital 889,471,248 shares, which is divided into 889,471,248 common shares with par value of Baht 1 per share.

Distribution of Shareholders by Nationality (as of March 27, 2023)	Number of Shares	%
Thai Shareholders		
Ordinary Person	726,722,675	81.70
Juristic Person	123,960,599	13.94
Foreign Shareholders		
Ordinary Person	787,179	0.09
Juristic Person	38,000,795	4.27

Free Float

(As of March 27, 2023)

จำนวนหุ้นที่ถือครอง	จำนวนผู้ถือหุ้น	%	จำนวนหุ้น	%
1-999	8,514	37.98	2,652,077	0.30
1,000-10,000	10,268	45.81	35,468,287	3.99
10,001-100,000	3,172	14.15	86,409,017	9.71
100,001-Less than 5 percent of paid-up stock	459	2.05	581,338,967	65.36
More than 5 percent of paid-up stock	3	0.01	183,602,900	20.64
Total	22,416	100	889,471,248	100

Other securities

-None-



Dividend Policy

The dividend policy is not less than 60% of net profit after income tax deduction if there is no necessary reason not to do so. The Company shall propose to the Annual General Meeting of Shareholders to consider and approve. The annual dividend payment which will depend on the investment plan, necessity and other appropriateness as the Board of Directors deems appropriate. For the year 2022, the Board of Directors resolved to propose to the Annual General Meeting of Shareholders on April 28, 2023 to approve the annual dividend payment at the rate of Baht 1.15 per share or equivalent to 62.25% of net profit after income tax deduction.

Dividend Payment	2020	2021	2022
Earnings per Share	2.05	2.56	1.80
Dividend per Share (Baht/Share)	1.70	2.20	1.15
Dividend Payout Ratio on net profit (%)	83.02	86.40	62.25

The subsidiary has a policy to pay dividend to Shareholders every year, depending on the Board of Directors of the subsidiary to consider and propose to the Shareholders' meeting of each subsidiary to consider and approve. The dividend payment is subject to the operating results, financial status and other key factors of each subsidiary without designated dividend payout ratio.

In 2022, the Company received dividend payment from its subsidiary in the amount of Baht 27,520,000.



2 Risk Management

2.1

Risk management policy and plan

Risk Management

TVO PCL recognizes the importance of managing the risks emanating from internal and external changes which may have both short-term and long-term impacts on the business. It is committed to integrated enterprise risk management and strategic management as well as identifying and revising the risk appetite to identify available options and select appropriate strategies. It promotes actions that lead to achieving the strategic targets in accordance with the business objective as well as fostering enterprise sustainability in accordance with the Enterprise Risk Management – Integrated Framework. In parallel, the company also applies the Internal Control – Integrated Framework of COSO, appropriately adapting it to our business operations.

Risk management structure

TVO PCL systematically manages its risks through various committees and in an integrated manner, to ensure that the risk management plan is efficient, effective, and consistent with the enterprise targets and strategies. Operational risks are under the supervision of the executive responsible for that operation. It is the responsibility of each work unit to manage and control the concerned risks to be below the acceptable level of risk. This responsibility is clearly specified in the job description of every work unit.

TVO PCL created the Environmental, Social, Risk Management and Compliance Policy Committee (ESRC) with the tasks of formulating policies and an operational framework and reviewing and improving various work systems to be in line with the policies, business plans, as well as providing relevant comments and recommendations. In addition, there is also the ESRC-E comprising the executives from various divisions. It is responsible for closely monitoring enterprise managerial risk management. Every person within the organization is constantly made aware of the risks and how to mitigate the impact of such risks until it becomes an organizational culture, in accordance with the policies and operational framework. The policies and framework are determined by the ESRC through the working group on risk management which gathers and produces risk management plans and supervises the implementation of the risk management plans both at the managerial and enterprise levels. The working group also monitors the process of identifying and assessing key risks across the organization and communicates risk management information to everyone in the organization, ensuring correct and uniform implementation, thus fostering integrated risk management both in terms of policy and practice. Continuous and comprehensive exchange of information throughout the organization will ensure efficient risk management as key risks are regularly reported to the company's board of directors.



Risk management tools

TVO PCL has studied and adopted different risk management tools, such as risk appetite, risk map, mitigation plan, and key risk indicator (KRI). Moreover, the company closely monitors key external changes, including emerging risks, to be in a position to proactively manage them before they could impact the company's business operations.

TVO PCL has analyzed both internal and external circumstances, including economic, social, political, technological and industrial trends, competitors, and other relevant factors, to identify enterprise risks which may significantly affect the company and/or the investors in 2023. According to the ESRC, such risks can be summarized as follows:

2.2 Business Risk Factors

Strategic risks

Risk associated with enterprise strategy implementation

Description and impact

Everchanging technological advancement has disrupted business models, and it has affected the existing needs of customers, business operations, and opportunities for future growth.

The company recognizes the importance of setting the direction of business strategy in response to dynamics of the economy, society, and consumer behavior.

Risk management

The company has revised its vision, direction and strategy for future business operations annually by having senior executives brainstorm their ideas. The direction and strategy are then used to formulate a risk management plan and a business plan, to developing products suitable for the fast-changing world. This is a challenge that must be urgently addressed to create new business opportunities.

Risk associated with competition and customer needs

Description and impact

Increasing competition in the industry, especially on production capacity, costs, and changing customer needs, all of which create uncertainty for the company's operating results.

Risk management

To manage this risk, TVO has undertaken the following: production cost improvement, especially improving the production process, ensuring that we remain competitive in terms of costs; maintaining the strength in being a leader in superior product quality; and managing customer relations at all levels to offer products and services that directly respond to and meet their needs, leading to maximum satisfaction and confidence in the company's products and services. Moreover, TVO recognizes the need to find and develop new products, in order to mitigate the abovementioned risk as well as ensuring the company's future growth.



Personnel development for business growth

Description and impact

Organizational structure and succession planning, especially for critical positions, may have a disrupting impact on business continuity.

Risk management

To be ready for new business opportunities, TVO needs to have suitable personnel and develop their expertise and experience in a timely manner as well as taking into consideration the company's strategy and direction and external risk factors. TVO adopted a successor plan and has worked towards ensuring that the successors are well-equipped in terms of skills and conduct suitable for taking up a critical position.

In addition, to implement the enterprise strategic direction, TVO has put in place a work support structure, including assigning personnel in accordance with the demand of each work division. TVO's human resource management focuses on developing professionals in different lines of work, consisting of manpower planning, identification of critical positions, and individual development plans. The approach aims to develop expertise for the personnel in each line of work, fostering leadership and a process of learning about the overview of the company, in preparation of becoming a future executive. This is to ensure that the company will have capable and enough executives and employees to effectively sustain the company's future business growth.

Operational risks

Risk associated with soybean procurement

Description and impact

Fluctuated weather conditions or natural disasters may result in soybean output not meeting the targeted volume, and the harvested soybeans arriving later at the beginning of the season due to domestic logistical issues in producing and exporting countries causing insufficient soybeans for TVO's production. Since soybeans are the main raw material for the company's production, the issue mentioned leads to delays in terms of transporting final products to customers. Therefore, the shortage of a crucial raw material in the production is one of the key risks of the company.

Risk management

In order to efficiently obtain raw materials, TVO works closely with trading partners in planning to procure raw materials to ensure business continuity. The balance between the demand and supply of raw materials is closely monitored by gathering information through surveys of actual soybean plantations in countries of origin and forecast of surrounding factors that may affect the procurement of raw materials. Such factors include seasonal change, harvest periods, volume, prices, and quality. Moreover, the company buys raw materials from trustworthy trading partners whose raw materials' origin are traceable. Thus, TVO has been able to plan its production activities in accordance with the circumstances and adjust the inventory volume in line with the trend and price levels as well as ensuring that there are sufficient raw materials for business operations to continue uninterrupted. At the same time, the government has promoted soybean production in Thailand by encouraging farmers to grow soybeans in the dry season instead of growing rice in order to improve the soil quality and enhance soybean quality in line with the market's demands. In addition, TVO is now undertaking a program to promote growing of a new soybean variety with a higher yield per Rai, to achieving sustainability for Thai farmers and improving the company's raw material security.



Risk associated with raw material price volatility

Description and impact

The volatility of soybean price affects TVO's production costs and profitability. Since raw materials contribute to approximately 90 percent of the company's cost of sales, the procurement of raw materials is therefore an important factor for the company's cost of sales and profits. The price of soybeans is affected by the global market price. Besides its use in food production, there are other factors that alter the demand for soybeans. Soybeans are also wanted for renewable energy generation and speculation in future commodity exchanges. It is also affected by the government's soybean promotion policy and intervention. The risk from fluctuated weather conditions or natural disasters may affect the soybean yields to fall below the forecast.

Risk management

To mitigate the impact of such volatility, TVO adopts price risk management to effectively address the impact of price fluctuation. A working group on raw material procurement was also established to closely monitor and analyze the price movement of raw materials and products, as well as managing the price risk by using derivatives. Data is carefully and thoroughly analyzed, using appropriate risk management tools in a timely manner and consistent with the business plan. A risk status summary report is regularly produced and submitted to the management, with a view to maintaining and monitoring the company's price risk within an acceptable level. It has been a longstanding policy of TVO that it does not buy raw materials for speculation. The raw material inventory is managed with care whereby the sale prices are accordingly adjusted, thus cushioning the impact of the abovementioned volatilities.

TVO also manages the risk through commodity futures whereby the added criterion in determining an acceptable loss limit that may occur throughout the year is reviewed in order to prevent the risks of raw material and product price volatilities affecting the company's returns and operating results.

Production and business continuity management

Description and impact

At present, a crisis or an emergency may occur at any time, be it damage caused by a natural disaster or an epidemic, human errors, machine malfunction, and the company's main information system failure. Such occurrences will likely disrupt TVO's production and business operations.

Risk management

To reduce the likelihood and mitigate the impact of such threats, TVO has adopted a response plan for risks that may affect business operations both in the short and long terms. To mitigate the impact of such risks, the company has prepared a business continuity management (BCM) plan or an emergency response plan in the event of a natural disaster and an epidemic. TVO continuously monitor news and information to be ready for such incidents should they occur while ensuring that activities or key operations of the company can continue uninterrupted. Such measures also increase the confidence among all relevant stakeholders.



Occupational safety and health risk

Description and impact

Occupational safety and health risk is the most important issue in operating a business. TVO has continuously adopted prevention measures to reduce workplace accidents.

Risk management

TVO has set a target on maintaining the number of accidents leading to injuries sustained by employees and contractors at zero. Measures have been introduced to reduce accidents and mitigate their impact. They consist of an awareness raising campaign for employees and contractors to make safety an integral aspect of work, a safety assessment to identify high-risk and dangerous spots. Once identified, preventive actions would be taken under various aspects of the safety management system, such as production safety and transport safety, which is fundamental to organization-wide implementation and is subject to regular revision.

Financial risks

Risk associated with foreign exchange rate volatility

Description and impact

The movement of the Baht-to-USD exchange rate has an impact on the company's operating results because the cost of soybeans, the main raw material in the production process, is denominated in US Dollar, while the company's revenue is primarily in Thai Baht.

Risk management

TVO has a clear policy on financial management and financial risk management, with an objective of managing all financial risks, including the foreign exchange rate risk that may affect business operations. The goal is not speculative profit making, but to determine and stabilize future operating results. The company has a dedicated team to closely monitor and analyze news and situations concerning foreign exchange rates. It also adopts a policy to prevent the risk associated with foreign exchange rates by concluding typically less-than-one-year forward contracts with domestic financial institutions to mitigate the risk associated with the volatility of foreign exchange rates. At the same time, it enables the company to know the exact costs and sale prices in Baht.



Regulatory and compliance risks

Risk associated with changes in the laws and regulations concerning the industrial sector and their enforcement

Description and impact

Several laws and regulations are relevant to TVO's business. Therefore, regulatory compliance failure could result in severe sanctions and enormous fines, causing negatively affecting the company's performance and reputation.

Risk management

At TVO, a verification work plan covering different topics of business operations, e.g. Acts, regulations of government or regulatory agencies, and certification standards, must be regularly revised or when there is a significant change. Policies are revised in accordance with regulatory changes, with responsible persons designated and specific working groups created as necessary.

In addition, the company has adopted anti-corruption policies and measures, an internal control system as well as monitoring their implementation, enforcement and strict adherence to the business ethics code. Regulations and operational procedures are in place to ensure that the company's dealings are in line with the law, in order to prevent corruption. For example, the weight of freight trucks is checked before leaving the production plants, to ensure that the freight threshold limit as stipulated by law is complied with. The company also ensures the implementation of anti-corruption policies and regulations, and establishes channels for whistleblowers to submit tips of wrongdoing and complaints. It has set up procedures to respond to complaints, protect whistleblowers, and inform whistleblowers of the next steps in a systematic and just manner, in line with the company's regulation on complaint handling.

Environmental, social and environmental (ESG)

Risk associated with climate change or natural disasters

Description and impact

The global warming crisis has caused fluctuations in the weather conditions and natural disasters, e.g. drought conditions caused by lack of rain during a rainy season or floods caused by sea level rising, which could lead to disruption and damage to the company's business operations.

Risk management

TVO manages this type of risk by preparing and revising its emergency or crisis response plan and business continuity plan (BCP), as well as designating responsible persons and carrying out regular drills.



PDPA risk

Description and impact

Personal data is a risk that must be properly managed as it may fall into the wrong hands. Failure to safeguard personal data also negatively affects the company's credibility. TVO recognizes the importance of safeguarding personal data of our employees, customers and stakeholders, which have been collected, used, disclosed, and transferred.

Risk management

TVO's personal data protection policy aims at enhancing the company's information technology system security and cybersecurity, including data security standard as so to comply with the Personal Data Protection Act (PDPA), e.g. designating a data protection officer (DPO), and setting up a cookie and consent management database.

Emerging Risks

Cybersecurity risk

Description and impact

Computer systems and networks as well as the internet have been as business tools for storing data, transferring data both within the organization and externally, and communicating with stakeholders for a number of purposes, e.g. customer communication, advertisement, sales channel, and communication with the society to inform the public of the company's business approaches. As such, Ill-intended individuals may attempt to attack the systems and networks for their own benefits. At present, we are facing cybercrime in various forms, including system disruption or reducing the system efficiency, phishing and scamming, theft, and fraud. Such threats may affect the company's business operations. The company is fully aware that cyber threats are on the rise and will affect business continuity as well as the company's confidence and image as perceived by the stakeholders.

Risk management

Steps have been taken to mitigate the impact starting from the implementation of policies and operational standards on information security among TVO personnel. In terms of work system, the company has installed a firewall system/equipment to prevent all external intrusions, a Solution Firewall backup, an anti-virus program on every computer to prevent data damage/loss as a result of computer virus attacks, and connected every computer to the central system to ensure that any affected computer can be dealt with correctly and promptly. Moreover, with these measures, it is possible to identify the causes of intrusion to ensure that the root causes are addressed, and any reoccurrence will be prevented. Regular review or inspection is carried out by the company's information technology personnel and external consultants. In addition, the information technology unit conducts a risk assessment, using key risk indicators, and submit the result to the risk management committee monthly. Supervision work on information security and cybersecurity is reported to ensure that such risks are effectively managed and any possible negative impact affecting the organization and business opportunities is mitigated.



3

Driving Business
for Sustainability

3.1

Sustainability Policies and
Sustainability Management Objectives

The company requires to review “Sustainable Development Policy” in line with the vision, mission, and main strategies of the Company’s business operations, which defined ESG as one of the key strategies covering all three dimensions: economy, society, and environment. The aim of to making important issues in sustainability (materiality) as a guideline for setting long - term operational goals and integrate sustainability into the work processes in each aspect, including being able to respond to the Sustainable Development Goals (SDGs) of the United Nations.

Sustainability Policies

TVO aims to conduct operation for the purpose of stable growths, deliver good quality of life to consumers, employees, communities along with taking care of the environment and creating share value for all stakeholders, starting from raw material procurement, production and deliver to consumers; adhere to good governance and look after the environment, leading to the joint sustainability.



Sustainability strategies in 3 areas

are as follows:

- 1 Establish strategic cooperation throughout the supply chain for sustainable product development.
- 2 Integrate green culture into the product life cycle and all process aspects.
- 3 Create balanced shared value for all groups of stakeholders.



2022 Sustainability Performance Summary

Economic Sustainability

Corporate Governance



complaints for violations of the Code of Conduct
0 case

corruption complaints of all kinds
0 case



Suppliers

New suppliers in 2022



passed selection by using ESG criteria and the new partner application form



responded to the self-declaration



acknowledged and signed acceptance of the Business Partner Code of Conduct



Target 2024

100% of the main suppliers to acknowledge and fully sign on to the Suppliers Code of Conduct

Customer



The **average satisfaction** assessment results for **all products** equal to **92.84%**



Target 2024

>80%

Environmental Sustainability



Reduce Carbon Footprint and Greenhouse Gas Emissions



Organization level:

TVO was certified by the Thailand Greenhouse Gas Management Organization (TGO) with a carbon footprint for the organization.

Product level:

TVO is pending requests for certification of carbon footprint labels



Target 2024

Reduce the carbon footprint of products by at least 2% or receiving a carbon footprint label for the main product '1-liter-bottle of Angoon oil'



Reduction of the electricity usage



Target 2027

Extraction Plant

Actual **29.5**
units / ton of beans

Extraction Plant

≤30

units / ton of beans

Refinery Plant

Actual **27.5**
units / ton of crude oil

Refinery Plant

≤30

units / ton of crude oil

The company discloses details of sustainability policy, strategy, and long-term sustainability management goals included in the Sustainability Report 2022 on the TVO Sustainability Operations Section, [page 10](#), and the company's website at <https://www.tvothai.com/en/sustainability/policy-strategy-goal>. In Addition, TVO has prepared The Sustainability Report 2022 under the GRI Standards: Reporting with reference to the GRI Standards level, along with reports on corporate performance that support the Sustainable Development Goals (SDGs), disclosed on the company's website at <https://www.tvothai.com/en/sustainability/report>



Reduction of the steam usage

Extraction Plant

Actual **312.4**
kg steam / ton of beans

Refinery Plant

Actual **186.5**
kg steam / ton of crude oil



Target
2027

Extraction Plant
≤294
kg steam / ton of beans

Refinery Plant
≤170
kg steam / ton of crude oil



Reduction of using fuel from the chaff

Actual **236**
kg of chaff / ton of steam



Target
2024

<255
kg of chaff / ton of steam



Reduction of the rate of water usage

Actual **0.73**
cubic meters / ton of beans



Target
2024

≤0.71
cubic meters / ton of beans

Waste from Production Processes



The proportion of waste utilization compared to total demolition increasing from 91% to **94%**



Target
2022

≥80%



Target
2027

≥90%

All of waste

Social Sustainability

Human Rights



human rights complaint
0 case

Employee Stewardship and Development



Overall employees training accounted for **85.82%**, with an average number of training hours was **14.54** hours / person / year



Target
2024

18
hours/person/year

Safety and Occupational Health

more than 70% or 963 people

of all factory workers were from Nakhon Pathom



Avoided accidents from the work process at **3,000,000** consecutive hours of work



Target
2024

3,000,000
hours of work

TRIR (Total Recordable Injuries Rate) of employees was **0.25**, lower than the average in Starch and Vegetable Fats and Oil manufacturing (NAICS 311220), recorded at 1.0



Participation in Community and Social Development



TVO contributed **65 projects** to the community



3.2

Managing stakeholder impacts in the business supply chain

Supply Chain Management

The Company emphasizes management throughout the supply chain from upstream to downstream to create value for products and services that meet the stakeholders' expectations from purchasing and sourcing raw material from domestic and international suppliers. The production process will consider the impact on the community and the environment along with the standardized marketing and distribution to respond to various needs of customers and consumers.

Moreover, the Company aims for suppliers to operate in an ethical manner, respect for human rights, social responsibility with good governance principles as well as a management on occupational health and safety. At the same time, the Company expects its suppliers to pay more attention to related environmental management in order to develop the mutual potential enhancement of the competitiveness in the future. The Company therefore determines "Supplier Code of Conduct" and communicate with suppliers both in the country and abroad, disclosed this policy on the Company's website for all stakeholders to acknowledge. In addition, the other related operations are also disclosed in The Sustainability Report 2022 on TVO Supply Chain [page 12-13](#) and Sustainable Procurement on [page 27-28](#)

Supplier Code of Conduct



Stakeholder Analysis in the Business Supply Chain

The company addresses the value of stakeholder engagement through communication and work procedures to receive any suggestion to meet stakeholder needs and expectations. The stakeholders can be classified into seven groups, namely 1) Employees, 2) Customers, 3) Suppliers, 4) Shareholders, 5) Community & Society, 6) Competitors, and 7) Government Agencies. The Company disclosed the analysis of expectations related to the Company's operations and guidelines for the participation of all groups of stakeholders listed in the Sustainability Report 2022 on the Stakeholder Engagement section [page 14-16](#)



3.3

Environmental Sustainability

Environmental Policies and Practices

The Company importantly realizes the prevention. TVO is responsible for the possible impacts from its operations' workplace both inside and outside. Therefore, TVO has established the "Environmental Policy" to encourage the development of environmentally friendly processes, create innovations that reduce the impact that may occur, as well as preparing measures for the most efficient usage of resources, responds to deal with climate change by using all resources: electricity, stream, water, and waste from the production process to support reducing carbon footprint at the product level and organization level goals.

In addition, the Company has established the "Energy Policy" to serve as an energy conservation guideline for efficiency and best benefits. This contributes to the continuous improvement of the efficiency of the organization's resource utilization and suitable for business growth. It is considered the duty and responsibility of executives and employees at all levels. In this regard, efficient use of all resources requires the cooperation of all parties in the organization and raises awareness among employees to recognize the importance of conservation and leads to concrete actions. The Company publishes these policies on its website.

Environment Policy



Energy Policy



Environmental performance

Environmental management and operations are under the "Environmental and Social Working Group" or "ES Group" supervision. It consists of representatives from the relevant departments to integrate environmental information into the work process, including carbon footprint at organization and product levels, energy consumption, water management, and waste management. It leads to Carbon Neutrality and Net Zero Greenhouse Gas Emission organization. Including setting the goals to reduce resource consumption in the long term, which reduces the effect of the production process, and immediately solving problems and complaints. The Company disclosed the environmental performance consisting of the reduction of carbon footprint, green house gas emissions, energy, water, waste, and complaint management in the Sustainability Report 2022 on the Environmental Sustainability section, [page 35-44](#) and in the Appendix, Sustainability performance – Environmental information [page 59-61](#)

In terms of action to reduce Greenhouse Gas Emissions, the Company has performed towards the organization's sustainability level by collecting information related to the production process and all aspects of work entering the verification process until receiving carbon footprint organization level certification from Thailand Greenhouse Gas Management Organization (Public Organization) or TGO. These led to the preparation of action plans to reduce carbon emissions in the process of achieving the goals of "Carbon Neutrality" by 2045 and "Net Zero Greenhouse Gas Emission" by 2060 with a team of consultants from Kasetsart University and a team of verifiers from Thammasat University. The company is in the process of applying for carbon footprint certification for 19 products and setting goals to "Reduce carbon footprint at product level by not less than 2 percent" in the main product, soybean oil, Angoon brand, size 1 liter, within 2024.



Advisory team Kasetsart University

- Asst.Prof. Rattanawan Mungkung
- Mr. Supachok Tapananont

<http://thaicarbonlabel.tgo.or.th/index.php?lang=EN&mod=WTI5dWMzVnNkR0Z1ZEE9PQ&action=Y0hKdlpIVmpkSE09>

Verification team Thammasat University

- Asst.Prof. Dr. Hanphol Pungrassamee
- Mr. Monchai Jittipanyakul
- Ms. Nisha Sukhodonchoti

<http://thaicarbonlabel.tgo.or.th/index.php?lang=EN&mod=ZG1WeWFXWnBaWEk9&action=Y0hKdlpIVmpkSE09>

3.4 Social Sustainability

Social Policies and Practices

Sustainability operations in the social dimension, TVO focuses on engaging and listening to realize the needs of our stakeholders, employees, communities, society, customers, and business partners in the supply chain. The key policies related to social operations are set on the Company's website as follows:

Human Rights Policy



Personal Data Protection Policy



Quality, Occupational health, Safety and Working Environment Policy



Food & Feed Safety Policy



Social performance

Social operations are also under the “Environmental and Social Working Group” supervision by combining them into two main parts: firstly, the internal procedures that involve taking care of employees and the outside operations concerned with caring for the community and society. The social performance consists of Human Rights, taking care of employees and employee’s engagement, Employee recruitment policy that helps create jobs for people in the community, Safety and Occupational Health, participation in the community, and social development, which disclosed in the Sustainability Report 2022 on Social Sustainability section, [page 45-54](#) and Social performance under Sustainability Report under Global Reporting Initiative (GRI) in the Appendix, Personnel Information and Safety and Occupational Health [page 62-66](#)



4

Management Discussion and
Analysis (MD&A)

4.1

Analysis of Operating Performance

Operating results of the Company and its subsidiary for the year ended December 31, 2022 and 2021 were as follows;

Unit: Million Baht	2022	2021	Increase / (Decrease)	
			Amount	%
Sales	38,679	30,967	7,712	24.90
Sale of packing materials	429	341	88	25.81
Total sales	39,108	31,308	7,800	24.91
Cost of sales	35,986	28,349	7,637	26.94
Gross profit	3,122	2,959	163	5.51
Profit (loss) on exchange rate / derivatives	78	225	(147)	(65.33)
Other income	137	267	(130)	(48.69)
Selling expenses	614	532	82	15.41
Administrative expenses	281	263	18	6.84
Reversal of allowance for expected credit losses	(5)	9	(14)	(155.56)
Reduction of inventory to net realizable value	240	17	223	1,311.76
Loss on write-off of plant, machinery and equipment	77	0	77	100.00
Loss on impairment of plant, machinery and equipment	90	0	90	100.00
Financial cost	(6)	(4)	(2)	50.00
Profit before income tax expenses	2,035	2,625	(590)	(22.48)
Income tax expenses	(403)	(520)	117	(22.50)
Net profit attributable to equity holders of the Company	1,604	2,068	(464)	(22.44)
Non-controlling interests of the subsidiaries	28	37	(9)	(24.32)



In 2022, the Company and its subsidiary had a net profit Baht 1,604 million, decreased by Baht 464 million or 22.44% from Baht 2,068 million when compared to 2021. The Company and its subsidiary had total sales revenue of Baht 39,108 million, increased by Baht 7,800 million or 24.91% from Baht 31,308 million when compared to 2021. The revenue from sales of products was Baht 38,679 million, increased by Baht 7,712 million or 24.90% from Baht 30,967 million when compared to 2021, and the revenue from sales of packaging materials was Baht 429 million, increased by Baht 88 million or 25.81% from Baht 341 million when compared to 2021. The Company and its subsidiaries had a gross profit of Baht 3,122 million, an increase of Baht 163 million or 5.51% from 2,959 Baht when compared to 2021.

Analysis of Operating Performance

For management purposes, the Company and its subsidiary are organized into business unit based on its products and services and have three reportable segments as follows;

- 1 The manufacture and distribution of products from soybean segment; soybean meal and soybean oil.
- 2 The manufacture and distribution of packaging products.
- 3 Other segments, which is a distribution of other consumer products

Unit: Million Baht	2022	2021	Increase / (Decrease)	
			Amount	%
Revenue from sales of soy products and others	37,849	30,018	7,831	26.09
● Animal feed industry	23,957	19,098	4,859	25.44
● Refined Soybean Oil	13,892	10,920	2,972	27.22
Revenue from sales of other products	830	949	(119)	(12.57)
Total revenue from sales of the Company	38,679	30,967	7,712	24.90
Revenue from sales of packaging materials	429	341	88	25.81
Total revenue from sales of the Company and its subsidiary	39,108	31,308	7,800	24.91

Sales Revenues

The Company and its subsidiary had total sales revenue of Baht 39,108 million, increased by Baht 7,800 million or 24.91% from Baht 31,308 million when compared to 2021. The revenue from sales of products was Baht 38,679 million, increased by Baht 7,712 million or 24.90% from Baht 30,967 million when compared to 2021, and the revenue from sales of packaging materials was Baht 429 million, increased by Baht 88 million or 25.81% from Baht 341 million when compared to 2021. The details were as follows;



● Sales of soybean meal and other animal feed ingredients:

Sales volumes increased when compared to the year 2021 for both domestic and export customers, mainly due to the epidemic situation of African Swine Fever (ASF) in many countries, including Thailand has eased. As a result, the overall of livestock production is likely to improve, coupled with the recovery from the COVID-19 pandemic, major food manufacturers have expanded their food production capacity to support the recovery of consumption compared to 2021. Therefore, the Company increased sales volume to major food manufacturers and livestock farms due to increased demand for feed ingredients, which replaced the retail animal farmers who gradually decreased due to the impact of ASF, together with the pre-sale strategy to secure sales volumes and offered incentive prices compared to importing soybean meal directly. Revenue from sales of feed ingredients increased due to the selling price per unit in all product groups, both domestic and export, was increased, which was in line with the rising price of soybean meal and the price of all feed ingredients in the global market. In addition, the baht exchange rate is depreciating, which is a factor that supports the export price to be competitive in the market.

● Sales and selling price of refined soybean oil:

The domestic soybean oil market saw an overall increases in sales revenue due to high selling price throughout the year. However, the overall sales volume decreased compared to the year 2021 due to the sharp and rapid drop in palm oil prices during the second half of the year, which is a major market for vegetable oil consumption in the country. This led some consumers to switch to using palm oil as a substitute. In addition, the overall slow economic recovery after the COVID-19 pandemic caused some consumers to remain cautious in their spending, resulting in a delay in the return of consumer purchasing power. Furthermore, the country's tourism sector, which had just started to see signs of foreign tourists returning, has not yet fully supported the recovery of consumption. Nonetheless, in term of foreign customers, the soybean oil saw an increase in export sales and volumes due to the war between Russia and Ukraine, which limited the supply of vegetable oil in the global market. As both countries are major exporters of sun flower oil, the limited supply caused some foreign customers to switch to using soybean oil as a substitute. Additionally, the weakened Thai baht also played a factor in boosting the continuous growth of soybean oil export sales.

● Sales of packaging materials:

The Company's subsidiary revenue increased when compared to 2021, mainly due to the increase in the number of new customers, the gradual adjustment of product prices according to the increased cost of sales, and the increase in revenue from Surin branch.

Cost of Sales and Gross Profits

The Company and its subsidiary's cost of sales was Baht 35,986 million, increased by Baht 7,637 million or 26.94% from Baht 28,349 million when compared to 2021. The main reasons were;

● Cost of Sales and Gross Profits of the Company:

The Company's cost of sales has increased compared to 2021 mainly due to the increase in the price of soybeans which is the main raw material. This is consistent with the increase in the price of yellow beans in the global market, which has been continuously increasing since the beginning of 2022, due to Brazil and Argentina, the major producers of soybeans in the world, facing drought conditions from the La Niña phenomenon. This has resulted in a decrease of more than 10 million tons in global soybeans production compared to the previous year, and has led to the lowest soybeans stocks to usage ratio in 7 - 8 years. In addition, the Russia - Ukraine war has also affected the supply of other agricultural products such as wheat, causing overall agricultural prices to increase.

● Cost of Sales and Gross Profits of the Company's subsidiary:

The cost of sales of the Company's subsidiary increased when compared to 2021, mainly due to the rising price of plastic pellets in line with the global crude oil price, which has been in a continuous uptrend from the end of 2021 to 2022. As a result, the cost of plastic pellets which is the main raw material for packaging production has increased.



Profit (loss) on exchange rate / derivatives

The Company has managed to hedge foreign exchange risk with a forward exchange contract. Therefore, the Company had gain on the foreign exchange rate amounted to Baht 78 million decreased by Baht 147 million or 65.33% from Baht 225 million when compared to 2021.

Other Income

The Company and its subsidiary generated other incomes of Baht 135 million, decreased by Baht 132 million or 49.44% from Baht 267 million when compared to 2021 because in 2021 there was a revision of burden-free and high-value promotional expenses, which resulted from the company's successful negotiation with business partners. In addition, the Company received the increased dividend of Baht 26 million in 2022.

Selling and Administrative Expenses

The Company and its subsidiary's selling expenses was Baht 614 million, increased by Baht 82 million or 15.41% from Baht 532 million when compared to 2021 due to the increase of promotional expenses and the export expenses.

Administrative expenses were Baht 281 million, increased by Baht 18 million or 6.84% from Baht 263 million when compared to 2021, due to the increase of expenses of salaries, wages, and expenses ceased operations on certain goods.

Reversal of allowance for expected credit losses

In 2022, the Company and its subsidiaries reversed the recognition of allowance for expected credit losses value of Baht 5 million.

Reduction cost of inventories to net realisable value

In 2022, the Company and its subsidiaries recorded the reduction cost of inventories to net realisable value of Baht 240 million in some products.

Loss on write-off of plant, machinery and equipment

In 2022, the Company and its subsidiaries recorded a loss on write-off of plant, machinery and equipment value of Baht 77 million because the Company plans to renovate some parts of its factories, resulting in the demolition of factory buildings, the write-off of deteriorated machineries and equipment.

Loss on impairment of plant, machinery and equipment

In 2022, the Company and its subsidiaries recorded losses from impairment of buildings, machinery and equipment that were not in use, value of Baht 90 million.



Analysis of Financial Position

An analysis of the financial position of the Company and its subsidiary as of December 31, 2022 and 2021, were as follows;

Unit: Million Baht	Dec 31, 2022	Dec 31, 2021	Increase / (Decrease)	
			Amount	%
Assets				
Current Assets	14,878	9,852	5,026	51.02
Non-Current Assets	3,539	3,491	48	1.37
Total Assets	18,417	13,343	5,074	38.03
Liabilities				
Current Liabilities	7,595	3,252	4,343	133.55
Non-Current Liabilities	197	186	11	5.91
Total Liabilities	7,792	3,438	4,354	126.64
Shareholders' Equity				
Equity attributable to owner of the Company	10,236	9,512	724	7.61
Non-Controlling Interest	389	393	(4)	(1.02)
Total Shareholders' Equity	10,625	9,905	720	7.27
Total Liabilities and Shareholders' Equity	18,417	13,343	5,074	38.03

Assets

As of December 31, 2022, the Company and its subsidiary had total assets valued at Baht 18,417million, increased by Baht 5,074 million, or 38.03%, from Baht 13,343 million when compared to year end 2021. The major reasons for this decrease were;

- Current assets increased by Baht 5,026 million or 51.02% when compared to year end 2021. This was mainly due to an increase in inventories of Baht 5,067 million from higher purchases of raw materials. However, trade and other receivables decreased by Baht 191 million due to collecting payments faster.

Liabilities

As of December 31, 2022, the Company and its subsidiary has combined liabilities valued at Baht 7,792 million, increased by Baht 4,354 million, or 126.64 %, from Baht 3,438 million when compared to year end 2021. The primary reasons for this were:

- Current liabilities increased by Baht 4,343 million, or 133.55 % due to trade and other payables increased by Bath 5,100 million, which is related to purchase of raw materials. However, trust receipts decreased by Bath 992 million.



Shareholder Equity

As of December 31, 2022, shareholder equity in the Company and its subsidiary totaled Baht 10,625 million, increased by Baht 720 million, or 7.27%, from Baht 9,905 million when compared to year end 2021. This was the result of total net profit in 2022 of Baht 1,632 million. The Company and its subsidiary also paid interim dividends for the second half of 2021 and the first half of 2022 amounting to Baht 889 million.

Liquidity

Liquidity for the Company and its subsidiary for the years ending December 31, 2022 and 2021 were as follows

Unit: Million Baht	2022	2021	Increase / (Decrease)	
			Amount	%
Net cash flows from operating activities	2,414	814	1,600	196.56
Net cash flows from in investing activities	(564)	960	(1,524)	(158.75)
Net cash flows used in financing activities	(1,918)	(1,761)	(157)	8.92
Net increase (decrease) in cash and cash equivalent	(68)	13	(81)	(623.08)
Cash and cash equivalents at the beginning of year	403	390	13	3.33
Cash and cash equivalents at the end of year	335	403	(68)	(16.87)

In 2022, the Company and its subsidiary had cash and cash equivalents at the end of the year totaling Baht 335 million. When compared to year end 2021, there were changes as follows;

- Net cash flow from operating activities totaled Baht 2,414 million, increased by Baht 1,600 million, or 196.56% from Baht 814 million when compared to the year 2021. Net cash flow from operating activities was from earnings before income tax of Baht 2,034 million for both the Company and its subsidiary, which included the portion for non-controlling interest in the Company's subsidiary and adjustments in reconciliation of net profits as net cash receive (paid) from operating activities. The main items were depreciation and amortization totaling Baht 325 million, reduction of inventory to net realizable value in the amount of Baht 240 million, loss on write-off and loss on impairment of plant, machinery, and equipment in the

amount of 167 million baht, including an increase in inventories in the amount of Baht 5,307 million. An increase in trade and other receivables in the amount of Baht 5,137 million and cash paid for corporate income tax were Baht 481 million.

- Net cash spending in investment activities totaled Baht 564 million. The net cash paid for investment in mutual funds totaling Baht 220 million while the net payment of additional and replacement assets totaling Baht 81 million.
- Net cash flow used in financing activities totaled Baht 1,918 million due to the Company paid the trust receipt creditor and also payment of principal portion of lease liabilities in the amount of Baht 998 million. The Company and its subsidiary paid interim dividends for the second half of 2021 and the first half of 2022 in the amount of Baht 889 million.



4.2

Financial Ratios

Financial ratios for the Company and its subsidiary in the years ending December 31, 2022, 2021, and 2020 were as follows;

Key Financial Ratios	2022	2021	2020
Liquidity Ratio			
Current Ratio (time)	1.96	3.03	2.49
Quick Ratio (time)	0.35	0.84	0.84
Cash Flow Liquidity Ratio (time)	0.45	0.22	0.69
Accounts receivable turnover (time)	24.70	21.49	20.71
Collection period (days)	14.78	16.99	17.62
Finished Goods turnover (time)	16.65	20.80	17.93
Average Days Sales (days)	21.92	17.54	20.35
Account Payables Turnover (time)	7.71	9.63	8.67
Payment period (days)	47.33	37.89	42.11
Cash Cycle (days)	(10.63)	(3.36)	(4.13)
Profitability Ratio			
Gross Profit Margin (%)	7.98	9.45	11.44
Net Profit Margin (%)	4.08	6.50	6.61
Return on Equity (%)	16.25	22.19	18.62
Efficiency Ratio			
Return on Assets (%)	12.83	19.27	16.63
Return on Fixed Assets (%)	61.33	75.85	64.43
Assets Turnover (time)	2.48	2.33	1.95
Financial Policy Ratio			
Debt to Equity Ratio (time)	0.73	0.35	0.46
Interest coverage ratio (time)	920.84	3,706.93	12,909.06
Commitment Coverage Ratio (time)	0.94	0.98	0.72
Dividend Payout (%)	62.25	86.04	83.02



Liquidity Ratio

As of the December 31, 2022, the current ratio of the Company and its subsidiary stood at 1.96x, decreased by 1.07x from the ratio of 3.03x when compared to 2021. The liquidity ratio greater than 1 would imply that the Company still has good liquidity. The quick ratio was 0.35x, average debt collection was 14.78 days, the average days sales was 21.92 days and the cash cycle was -10.63 days. These figures imply that the Company has a strong financial position, appropriate liquidity ratio and good cash on hand from selling products, getting paid faster and have good cash management efficiency.

Profitability Ratio

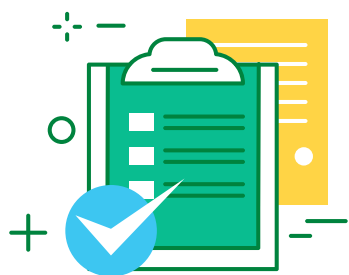
In 2022, the profitability ratios consisted of the gross profit margin, net profit margin, and return on equity, were at 7.98%, 4.08%, and 16.25%, respectively. All of these ratios decreased when compared to 2021 due to an increase in Company's raw material costs. However, the Company has adjusted product price to be in line with the rising global soybean price since the beginning of 2022, but the increase in cost of sales is higher than the increase in revenue from sales of products. Therefore the Company's gross profit margin decreased.

Operating Efficiency Ratio

In 2022, the return on assets and return on fixed assets stood at 12.83% and 61.33%, respectively which decreased from 2021. This was mainly due to decrease in net profits of the Company and its subsidiary. Meanwhile, the asset turnover ratio was 2.48x increased when compared to 2021 mainly due to an increase in total revenue in 2022.

Financial Policy

As of December 31, 2022, the Company and its subsidiary had a total liability of Baht 7,792 million and total shareholder's equity of Baht 10,625 million, represented a debt to equity ratio of 0.73x, decreased from the figure of 0.38x when compared to 2021. The dividend payout ratio in 2022 was 62.25%, decreased from the rate of 86.04% in 2021. Due to the first half of 2022, the Company had already made an interim dividend payment for the first six months of the 2022 by issuing the Company's new ordinary shares at an allocation ratio of 10 ordinary shares to 1 newly-issued share or equivalent to the dividend payment rate of Baht 0.10 per share and pay dividend in cash at the rate of Baht 0.20 per share. After combining the dividends from operating results for the last six months of 2022 at the rate of Baht 0.85 per share, total dividends from the operating results of the year 2022 were the rate of Baht 1.15 per share.



5

General Information and
Other Importance Information

5.1

General Information

Company's Name	Thai Vegetable Oil Public Company Limited
Type of Business:	Producer and distributor of soybean meal and soybean oil
Corporate Registration Number	0107537001536
Head Office Location	149 Ratchadapisek Road (Thapra-Taksin), Bukkhalow, Thonburi, Bangkok 10600
Factory Location	81/7 Moo 1, Thaiyawat, Nakornchaisri, Nakorn Pathom 73120
Tel (Head Office)	(02) 477-9020
Fax (Head Office)	(02) 477-8022
Tel (Factory)	(034) 265 620-29
Fax (Factory)	(034) 265 610
Website	www.tvothai.com
Authorized Capital	Common Shares 889,472,084 Units Par value 1 Baht/share Totaling 889,472,084 Baht
Paid-up Capital	Common Shares 889,471,248 Units Par value 1 Baht/share Totaling 889,471,248 Baht
Securities Registrar	Thailand Securities Depository Co., Ltd. (TSD) 93 Ratchadaphisek Road, Din Daeng, Bangkok 10400, Thailand Tel (02) 009-9000 Fax (02) 009-9991
Auditor	Mrs. Chonlaros Suntiasvaraporn EY OFFICE LIMITED 33 rd Floor, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110 Tel (02) 264-0777 Fax (02) 264-0789
Legal advisor	BAKER & MCKENZIE LTD. 990 Abdulrahim Place, 5th Floor, 22 nd -25 th Floors, Rama IV Road Silom, Bangrak, Bangkok 10500 Tel (02) 636-2000 Fax (02) 636-2111



5.2 Other Importance Information

The juristic person that the Company holding more than 10% of voting shares

Thai Edible Oil Company Limited	
Head Office	3366/6-8 Soi Manorum, Rama 4 Road, Klongton, Klongtoey, Bangkok 10100 Tel. (02) 249-9351-2 Fax. (02) 249-4914
Type of Business	Manufacture and Distribution of Vegetable Oil
No. of Shares	Common Shares 13,980,000 Units
No. of Shares Held	2,000,000 Shares
Ratio Shareholding	14%

Prodigy Public Company Limited	
Head Office	7/3 Soi Sukhaphiban, Bangkraboa Sub-district, Nakornchaisri District, Nakorn Pathom Province Tel. (034) 332-611-2 Fax. (034) 332-613
Type of Business	Production Industry
No. of Shares	Common Shares 296,999,929 Units
No. of Shares Held	94,600,000 Shares
Ratio Shareholding	31.85%

5.3 Legal dispute

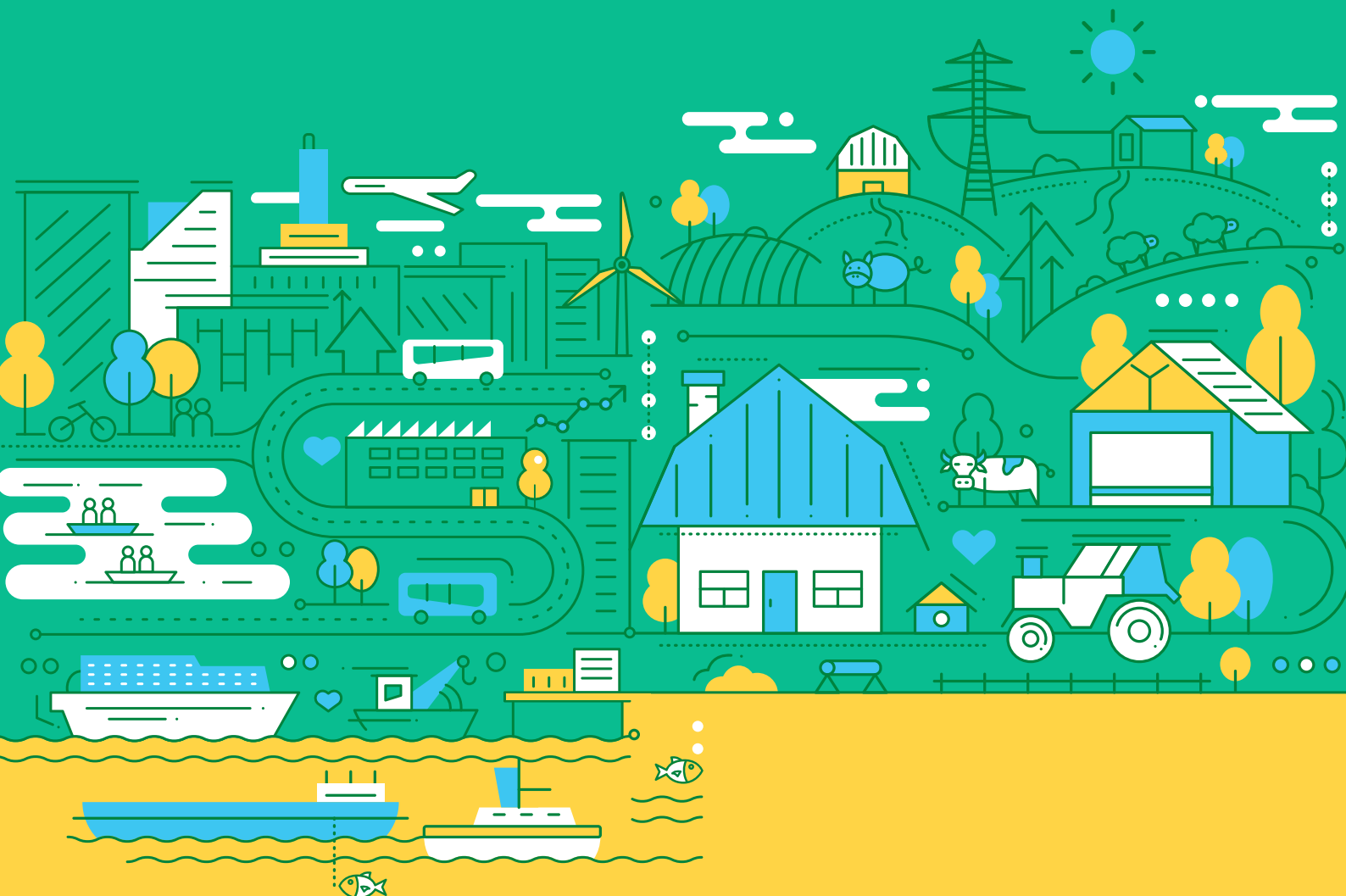
The Company has only legal disputes from normal business operations without a lawsuit in which the Company is a disputant or a litigant in the nature of a lawsuit filed as a defendant with capital value exceeding 5% of the shareholders' equity, as of December 31, 2022, the Company has no lawsuits that significantly affect business operations that cannot calculate the amount of money or a case that does not arise from normal business operations of the Company.



Thai Vegetable Oil Public Company Limited

Part 2

Corporate Governance





6

Corporate Governance Policy

6.1

Corporate Governance Policy and Practice Overview

Thai Vegetable Oil Public Company Limited conducts business by adhering to the principles of good corporate governance and the business code of conduct in order to ensure that the operations of the Company are efficient, transparent, fair, creating confidence for all Stakeholders, supporting and promoting the competitiveness of the Company which leads to creating value for sustainable business.

In order to ensure that the Company operates its business substantially in accordance with good corporate governance, the Board of Directors approved "Corporate Governance Policy" as proposed by the Corporate Governance, Nomination and Remuneration Committee. The Corporate Governance Policy is based on the principles of good corporate governance for listed companies in 2017 in accordance with the guidelines set by the Securities and Exchange Commission as a practice guideline for the Board of Directors, who is the most responsible person in the organization, to be applied in the business to have good performance results in the long-term operation and to build credibility for shareholders and all stakeholders as well as to raise up the Company's competitiveness in order to create value for the business to grow sustainably.

The Corporate Governance Policy covers the structure and guidelines for good corporate governance related to the Board of Directors, nomination, remuneration, roles and responsibilities of directors and independence of the Board of Directors from the Management, the Board of Directors' performance evaluation and development, the Company's subsidiary governance, including the Shareholder Policy covering rights and equality of Shareholders and Stakeholders, adequate disclosure of the information, internal control and risk management, prevention of insider trading and conflicts of interest,

effective internal audit, operating business with honesty and transparency, compliance with the relevant laws, rules and regulation as well as business ethic, compensation for human rights violations, anti-corruption as well as penalties against those who do not comply with the aforementioned policies and guidelines. These are all key factors that enable the business sustainable and be recognized by all concerned parties. The Corporate Governance Nomination and Remuneration Committee reviews policy once a year to be suitable for the current situation and to comply with good governance of the Stock Exchange of Thailand. There is a monitoring system to ensure that the implementation shall be done in accordance with the principle strictly and covered all 8 principles of practice in accordance with the CG Code set by the Securities and Exchange Commission. In addition, the Board of Directors has approved "Compliance Policy" as guidelines for the Executives and employees to comply with the laws, rules and regulations related to business operations in order to increase the efficiency of management and to level up the Company's corporate governance, which results in the Company achieving its goals and building confidence among shareholders, investors and all interested parties as well. The Board of Directors and management as well as employees at all levels must adhere to the Corporate Governance Policy and Compliance policy as their operational standards.

In 2022, the Board of Directors has governed the Company to comply with the principles of good corporate governance for listed companies 2017 (CG Code) set by the Securities and Exchange Commission as a guideline for the Board of Directors, who is the leader or the most responsible person of the organization, to apply with the Company appropriately and to practice along with the 5 main categories for good corporate governance guidelines as follows:



Chapter 1

Rights of Shareholders

The Board of Directors values and respects the rights of all Shareholders equally and encourage Shareholders to fully exercise their rights especially the fundamental rights of Shareholders namely; the right to sell, buy or transfer shares, the right to receive the profit sharing, the right to receive sufficient information, the right to propose agenda and nominate a person to be a director of the Company, the right to attend Shareholders' meeting to vote for appointing and removing directors, the right to freely express opinions in the Shareholders' meeting, the right to approve the remuneration of directors, the right to appoint the auditor and any other significant matters that may impact the Company such as dividend payment, the amendment of the Article of Association and the Memorandum of Association, capital reduction or capital increase including approval of any transactions that may impact the Company's business direction. The Company shall not involve in any activities that violate or deprive the Shareholders' rights. The Company sets the policy on Shareholders' rights as follows;

Right of sharing profit

The Company has a dividend payout policy to Shareholders not less than 60% of net profit after tax if there is no necessary reason not to do so. In 2022, the Company shall pay annual dividend at the combined rate of Baht 1.15 per share or 62.25% of net profit. In this regard, the interim dividend payment for the first-half-year of 2022 performance result was paid by stock dividend and cash on October 7, 2022, totaling Baht 0.30 per share or representing 15.02% of net profit of the first-half-year of 2022 with details as follows;

- 1 Dividend payment by issuing the Company's new ordinary shares with the total of newly-issued shares not exceeding 80,861,099 shares with a par value of Baht 1 each to the existing shareholders of the Company at an allocation ratio of 10 ordinary shares to 1 newly-issued share, total value not exceeding Baht 80,861,099 or equivalent to the dividend payment rate of Baht 0.10 per share. In the event that there was a fraction of the shares after allocation, the Company would pay in cash for such fractions of shares at the rate of Baht 0.10 per share instead of paying a stock dividend to shareholders.

- 2 Dividend payment by cash at the rate of Baht 0.20 per share, total value not exceeding Baht 161,722,197 (the fraction of share calculated for stock dividends as in No. 1 that would be paid by cash to the shareholders might result that the cash dividend might increase more than Baht 161,722,197)

In this regard, the remaining dividend payment at the rate of Baht 0.85 per share or must be approved by the 2023 Annual General Meeting of Shareholders.

Right to have information

In 2022, the Company disclosed essential, accurate, adequate, reliable information to Shareholders in timely manner and ignored any actions that limited the right of Shareholders to access the Company's information.

- 1 In 2022, the Company provided essential information to Shareholders and general investors according to the laws and regulations set by the Stock Exchange of Thailand through SET Portal. In addition, the Company also disclosed other important information on the Company's website (www.tvothai.com) which was a channel that shareholders could access easily and conveniently.
- 2 The Company regularly presented the performance results, financial and non-financial information to analysts, investors, and shareholders every quarter and also provided the opportunity to have a meeting with the Executives to ask questions related to the business to create better understanding and strengthen the relationship between the Company and analysts, investors and shareholders throughout the year. (Further details are in Chapter 4: Disclosure and Transparency)
- 3 The Company participated in the activities organized by the Stock Exchange of Thailand such as "SET Opportunity Day" to disseminate the Company's information and answer questions. (Further details are in Chapter 4: Disclosure and Transparency)



Shareholders and general investors can contact the Company for more information from the relevant department as follows;

Finance and Accounting Department :

Ms.Sunanta Tritapirak
Tel : 66 2 477 9020 Ext 266
email : sunanta@tvotai.com

Investor Relation Department :

Mr. Angkoon Imerbthum
Tel : 66 2 477 9020 Ext 530
email : ir@tvotai.com

Company Secretary:

Ms.Kanutsorn Bunditnate
Tel : 66 2 477 9020 Ext 122
email : kanutsorn@tvotai.com

Right to attend the meeting and vote

The Company has the policy for all shareholders, including institutional investors, to exercise their right to attend the meeting and vote in each agenda as conveniently as possible and strictly avoid any activities that restrict shareholders to attend the meeting. The Company has set the guideline for organizing and conducting the Shareholders' meeting as follows;

- 1 The Board of Directors oversees that the information of date, time, venue, agenda of the meeting including explanations with reasons of each agenda is indicated in the invitation letter completely and the meeting venue is convenient for shareholders.
- 2 The Board of Directors recognizes and respects the rights of Shareholders and shall not do anything that violates or deprive the rights of Shareholders by taking care of their interests fairly as well as supports and encourages all groups of Shareholders; Thai Shareholders, Foreign Shareholders, Individual Shareholders, Major Shareholders or Institutional investors, to exercise their rights; fundamental rights of Shareholders, the right to access to information sufficiently and timely and the right to attend the Shareholders' meeting to participate in determining the operational direction and to consider on significant matters that impact the Company.
- 3 The Board of Directors shall not add any additional agendas or change any significant information without prior notice, particularly, important agenda that Shareholders need to study carefully before making decision.
- 4 The Board of Directors invites Shareholders to propose agenda for Annual General Meeting, submit question in advance and nominate persons to be elected as the Company's directors before the meeting date through the Company's website and SET Portal.
- 5 Each shareholder has the right to vote in the meeting as 1 share per 1 vote. The resolution of the meeting on general matters is based on the majority vote of the Shareholders who attend the meeting and have the right to vote such as Approval of the annual financial statements, Annual dividend payment, Appointment of Directors, Directors' remuneration, Appointment of an auditor, etc. Some matters that may affect the rights of Shareholders will be subject to different votes, for example, the agenda of the Remuneration for directors must be supported by not less than two-thirds of the total number of votes of Shareholders who attend the meeting and have voting rights and the agenda of the Amendments to the Company's Articles of Association, Related Party Transaction, Capital increase / decrease, Acquisition and Disposition of Assets must be supported by not less than three-fourths of the total number of votes of Shareholders who attend the meeting and have voting rights.
- 6 During the Shareholders' meeting, Shareholders shall have the right to ask questions and express their opinions in the meeting freely. The Chairman of the meeting shall allocate time for questions and inquiries appropriately.
- 7 The Board of Directors promotes the implementation of technology in the Shareholders' meeting in order to ensure that the voting on each agenda is performed accurately, quickly and transparently. Shareholders shall have the right to vote by agenda separately. For the agenda of election of directors, Shareholders shall vote for election of directors individually.



- 8 The Board of Directors provides Shareholders the right to approve the remuneration of directors every year. Policy and criteria for remuneration of each committee are clearly defined by considering their responsibilities, revenue and profit of the Company including the number of directors as well as comparing the remuneration of directors in other companies, which are the same or similar size in the same industry.
- 9 The Board of Directors disclosed the resolutions of the 2022 Annual General Meeting of Shareholders for the public to be informed about the voting results in each agenda in both Thai and English through the SET Portal system of the Stock Exchange of Thailand and published on the Company website on the meeting date, after the meeting was over.

In 2022, the Company organized Annual General Meeting of Shareholder to allow Shareholders to exercise their rights as follows;

Annual General Meeting of Shareholders

The Board of Directors requires that the Annual General Meeting of Shareholders shall be held every year within 4 months from the end of the Company's fiscal year and if there is a need to consider the special agenda related to rights and benefits of Shareholders, the Board of Directors shall call an Extraordinary General Meeting of Shareholders as necessary and appropriate. In addition, the Company has strictly complied with the requirements and laws along with following the best practices according to the AGM Checklist of the Thai Investors Association as well as the rights of Shareholders and equitable treatment of Shareholders in accordance with Good Corporate Governance Principles.

Although the situation of the coronavirus disease (COVID-19) in early 2022 was likely to improve and the government has relaxed restrictions nationwide. However, in order to prevent and reduce the risk of virus spreading, the Board of Directors therefore considered convening the 2022 Annual General Meeting of Shareholders in the form of electronic meeting (e-AGM) only in accordance with the rules stipulated in the law relating to electronic conferencing with details as follows:

Before the date of Annual General Meeting

- The Company provided an opportunity to Shareholders to propose agenda of the meeting and nominate qualified persons to be considered as directors from October 26, 2021 – January 26, 2022 prior to the meeting date. The Company announced the criteria and procedures on the Company's website and informed via SET Portal of the Stock Exchange of Thailand. None of the Shareholders proposed any agenda in advance for consideration and nominated persons to be considered for election as the Company's director.
- The Company published the notice of the Annual General Meeting of Shareholders and the Proxy form A, B, C on the Company's website since March 22, 2022, 31 days prior to the meeting date so that Shareholders would have time to study information and submit inquiries to the Company in advance. In the event that Shareholders couldn't attend the meeting by themselves, they could appoint an independent director or other person to attend the meeting on their behalf. In this regard, the Company also announced the dissemination of such information via the SET Portal system of the Stock Exchange of Thailand for the Shareholders to acknowledge.
- The Company invited Shareholders to submit questions in advance before the meeting date to inquire information related to the meeting agenda or other important information of the Company during October 26, 2021 - March 31, 2022, the Company had clearly defined the criteria for sending questions in advance and published on the Company's website and announced via the SET Portal of the Stock Exchange of Thailand, none of Shareholder submitted questions in advance to the Company.



- The invitation letter and supporting documents were prepared in Thai for Thai Shareholders and English for foreign Shareholders. Thailand Securities Depository Co., Ltd., a Company's registrar, was responsible for sending the invitation letter by registered mail to Shareholders on March 31, 2022, 22 days prior to the meeting date. The invitation letter was enclosed with meeting details regarding; the meeting agenda, registration process, identity verification, documents and evidence, proxy method, proxy form and measures and documents submission. Each meeting agenda contained relevant information along with the Board of Directors' opinion on such matter as appropriate. The invitation letter was published on Kaohoon, daily newspaper, on March 30 - April 1, 2022, 3 consecutive days prior to the meeting date
- The Company invited Shareholders to pre-register for Username and Password from April 1, 2022. Details were specified in the meeting notice which was sent to Shareholders earlier.
- The Company facilitated Institutional investors and Custodian to submit the details of securities holdings for verification and to send proxy to the Company in advance. Institutional investors or Custodians who granted independent director as proxy, the Company would return a copy of the proxy form signed by the independent director, who had been appointed as a proxy, after the meeting.

On the date of Annual General Meeting

- The 2022 Annual General Meeting of Shareholders was held on April 22, 2022 at 10.00 a.m. – 12.00 p.m., by electronic meeting platform, through the DAP Shareholder Meeting system of Digital Access Platform Co., Ltd., a subsidiary of the Stock Exchange of Thailand, which was broadcast from meeting room on 3rd floor, TVO Building, at 149 Ratchadapisek Road (Thapra-Taksin), Bukkhalow, Thonburi, Bangkok, where was the headquarters of the Company. The Company's directors, executives and all staffs involved had to show a negative ATK test result, wear a medical mask and keep social distance throughout the meeting period in accordance with measures to prevent the spread of the COVID-19 virus.
- There were 197 Shareholders and proxies attended the meeting, representing a total of 445,892,045 shares or 55.14 % of total shares. Shareholders and proxies attending the meeting was be able to log-in to the DAP e-Shareholder Meeting system from 8:00 a.m., 2 hours prior to the meeting time.
- The Company facilitated Shareholders who were unable to attend the electronic meeting by themselves by sending the Proxy Form B together with the invitation letter. Shareholders could appoint any person to attend the meeting and vote on their behalf. The Company proposed a list of independent directors of the Company, at least one independent director, as an alternative for proxy. Shareholders were requested to grant an independent director as proxy instead of attending the electronic meeting in person by sending the proxy form in advance to the Company before the meeting date. In this regard, the Company proposed 2 independent directors, namely, Dr. Suvit Maesincee and Mr. Apichart Chirabandhu as proxies to attend the meeting and vote on behalf of Shareholders. The Company also attached the information of all 2 independent directors in the meeting invitation letter to the Shareholders.
- The Chairman of the Board, Chairman of the Audit Committee, Chairman of the Corporate Governance Nomination and Remuneration Committee, Acting Chief Executive Officer, Managing Director, Chief Financial Officer, Auditor and Independent Legal Consultant attended the meeting to answer various questions. At the 2022 Annual General Meeting of Shareholders, there were 12 directors from the total of 12 directors attending the Annual General Meeting (representing 100%).
- The Chairman of the Board acted as the Chairman of the meeting and conducted the meeting according to the Company's regulations. The 2022 Annual General Meeting of Shareholders considered various matters according to the agenda as specified in the invitation letter. There was no addition or amendment of the meeting agenda other than those specified in the meeting invitation.



- The Company Secretary notified the quorum, the number and proportion of Shareholders who attended the electronic meeting by themselves and proxies as well as informed the meeting attendees about voting method, vote counting method and vote processing via electronic meeting. Shareholder and proxy were required to vote in order of the meeting agenda.
- The Company invited the representative from an independent legal advisors, Baker & Mackenzie Company Limited to audit a vote counting for transparency according to good governance principles.
- The Chairman of the meeting provided opportunity for Shareholders to express their opinions, suggestions or ask questions in each agenda as well as allocated time for Shareholders appropriately and equally on each agenda before voting. The Company Secretary recorded issues, questions, answers, suggestions and comments in the meeting minutes.
- The voting results of each agenda was notified to the meeting after the voting process on each agenda completed except for the agenda on the election of directors, the voting results was announced individually. In the event that the vote counting took time longer than usual in any agenda, the Chairman of the meeting might ask the meeting to consider the next agenda in order to continue the meeting. When the vote counting was finished, the meeting secretary notified the meeting of the voting results immediately. The resolution of each agenda was divided into agreed, disagreed and abstained. This meeting was organized via electronic platform so there was no invalid ballot.
- The Company granted the rights to Shareholders, who attended the meeting after the Chairman of the meeting had started the meeting, to be able to vote on an agenda being considered which had not yet been resolved and would be counted as a quorum starting from the agenda being attended, therefore, it might resulted in unequal votes in each agenda.

After the date of Annual General Meeting

- The Company Secretary recorded and disclosed the resolution of the Shareholders' meeting together with voting results of each agenda in both Thai and English via the SET Portal system of the Stock Exchange of Thailand within the meeting date and published on the Company's website on the next business day. The Company recorded and stored logfile of the meeting attendees that happened during the electronic meeting that Shareholders could be able to verify.
- The Company provided VDO recording during the meeting and published on the Company's website.
- The Company Secretary prepared the minutes of the Shareholders' meeting correctly with complete details and important notes such as the list of directors who attended the meeting, voting procedures and voting methods, questions and answers or comments, details of each agenda in accordance with the facts that occurred at the meeting. The resolution of each agenda was divided into agreed, disagreed and abstained according to the principles of good corporate governance set by the Stock Exchange of Thailand. The aforementioned minutes was signed by the Chairman of the Board, who was the Chairman of the meeting, and submitted to the Stock Exchange of Thailand and the Ministry of Commerce on May 6, 2022 (14 days from the meeting date according to the time required by law). Meeting information and photos taken during the Shareholders' meeting were disclosed on the Company's website both in Thai and English for Shareholders to acknowledge and verify information without waiting for the next Shareholders' meeting.



Chapter 2

Equitable Treatment of Shareholders

The Board of Directors has a policy to ensure that all groups of Shareholders were treated equally and protected their fundamental rights and benefits equitably and fairly which the Company took action in such matters as follows;

- 1 At present, the Company has only ordinary shares, so the voting rights shall be in accordance with the rights of ordinary shares. Each shareholder has one vote per share.
- 2 The Company invited Shareholders to propose agenda for the 2022 Annual General Meeting, and nominate qualified person to be elected as the Company's director. The criteria and procedure was published on the Company's website as well as disclosed via SET Portal of the Stock Exchange of Thailand 3 months in advance. Shareholders could also submit any inquiry in advance via the Company's website.

The Company set the criteria for Shareholders who would like to nominate persons to be elected as the Company's directors in advance. The guideline was determined by granting the rights to one or several Shareholders who held shares of not less than 1 percent of the number of shares issued and paid up as well as held shares for not less than 1 year on the date of nominating persons to be elected as the Company's director.

For the 2022 Annual General Meeting of Shareholders, the Company published the criteria on the website, www.tvothai.com, under the topic "Shareholders Meeting" between October 26, 2021 to January 26, 2022 by notifying Shareholders through SET Portal of the Stock Exchange of Thailand on October 26, 2021.

It appeared during such period, no Shareholders proposed the meeting agenda and nominated person to be appointed as the Company's director as well as submitted questions in advance within March 31, 2022. The Company Secretary reported to the Board of Directors for acknowledgment.

- 3 To comply with good corporate governance principles, the Company published the invitation letter for the 2022 Annual General Meeting of Shareholders which contained supplementary information on each agenda on the Company's website, www.tvothai.com, in advance from March 22, 2022, 31 days before the meeting date, and sent the invitation letter both in Thai and English to Shareholders via registered mail on March 31, 2022, 22 days before the meeting date via registered mail. In addition, the Company announced in the newspaper for 3 consecutive days, 21 days before the meeting date.

- 4 The Company treated and facilitated all Shareholders equally. The Company allowed the Shareholders, who were unable to attend the 2022 Annual General Meeting of Shareholders, to be able to exercise their voting rights by granting other person as proxy to attend and vote on their behalf. The Company sent proxy form B along with the invitation letter and nominated 2 independent directors who had no interest in the meeting as an option for Shareholders to appoint proxy. There was clearly specified on the supporting documents required for granting the proxy to facilitate Shareholders who did not attend the meeting by themselves.

Shareholders could select any proxy form A, form B or form C (Form C was designed for foreign shareholders who appointed custodians in Thailand to act as a depository and trustee) which published on the Company's website, www.tvothai.com, for Shareholders to download. The Company also facilitated Shareholders by providing e-stamp duties for attaching the proxy form without any charge.

- 5 At the 2022 Annual General Meeting of Shareholders, the Company Secretary informed the meeting regarding the rules and procedures for voting clearly. The Chairman of the Board presided over the meeting and conducted the meeting according to the agenda specified in the meeting invitation. There was no addition or amendment of the agenda other than those specified in the meeting invitation for fairness to Shareholders who did not attend the meeting.



- 6 In 2022, there were 12 directors of the Board from the total of 12 directors attending the Shareholders' meetings (representing 100 percent of all directors). Directors and executives attending the meeting were the Board of Directors, Acting Chief Executive Officer, Managing Director and all executives from various departments including the sub-committee, namely the Audit Committee, the Corporate Governance Nomination and Remuneration Committee, the ESRC Policy Committee to announce performance results and answer questions raised by Shareholders. The Chairman of the meeting allocated appropriate time and encouraged Shareholders to freely express their opinions and ask questions on any matters related to the Company at the appropriate time.
- 7 The Company prepared the minutes of the 2022 Annual General Meeting of Shareholders within 14 days according to the time required by law and sent a copy of the minutes to the Stock Exchange of Thailand and the Ministry of Commerce and published via the Company's website. The minutes was recorded correctly and completely and was systematically stored for easy finding.
- 8 The Board of Directors established a rule and regulation regarding the acquisition or disposal of securities of the Company's directors, the Executives and Auditors. They were required to report their securities holdings and changes in the securities holding of the Company to the Securities and Exchange Commission within 30 days after the date of appointing or within 3 working days from the date of purchase, sale, transfer or accept the transfer of securities under Section 59 of the Securities and Exchange Act BE 2535 and with amendments. The Company Secretary reported the changes in securities holdings of directors and the executives to the Board of Directors' meeting every time before considering the meeting agenda in order to acknowledge as a regular agenda in the Board of Directors meeting. The policy / regulation regarding this matter was stated in the Business Code of Conduct. In 2022, there were 2 directors who have bought and accepted the transfer of the Company's securities. Anyhow, there was no the Company's directors or the Executives violating the rules and regulations.

The Company disclosed a report on the securities holding of Directors and the Executives for the year 2022 in an [Attachment 1](#).

- 9 The Company established the preventive measures and penalties for misuse of insider information (Insider Trading) by relevant persons, including the Company's directors, the Executives and employees, who were aware of material nonpublic information about the Company (including spouses and underage children of such persons) as well as prohibiting such persons from trading the Company's securities during the 1-month period (Blackout Period) before disclosing quarterly financial statements and annual financial statements or other information that might affect the stock price of the Company and until 24 hours after the disclosure of such information to the public. The Company declared this policy in the Code of Conduct. The Company Secretary notified the said period to all relevant persons via letter or email. The Company's directors and the Executives were required to notify the Company Secretary 1 day in advance before trading the Company's securities in order to report to the Board of Directors' meeting for acknowledgement. In 2022, the Company Secretary informed the relevant person regarding the Blackout Period in advance. However, the Company's directors, executives or relevant employees did not trade the Company's securities by using inside information during that period.
- 10 The Board of Directors established a policy on connected transactions between the Company, its subsidiary and related persons according to Section 89 of the Securities and Exchange Act BE 2535 and additional amendments. The Company's directors, the executives and those who involved were required to report their own interests within 30 days after the date of appointing or within 14 working days from the date of change. The Company Secretary summarized the transaction and report to the Board of Directors and the Audit Committee at least twice a year to verify and control the interest of Company's directors and the executives in order to achieve good corporate governance of the Company.



- 11** To prevent conflicts of interest, the Board of Directors established a policy on connected transactions and related party transaction for overseeing transactions that might cause conflicts of interest in the Code of Conduct by designating a written approval process for such transactions in Connected Transaction and Related Parties Transaction Policy which has been reviewed and approved by the Board of Directors Meeting No. 1/2023. The Office of Internal Audit provided opinions on the necessity and reasonableness of such transactions and proposed to the Audit Committee to consider that such transactions were done fairly according to the market price and in accordance with the normal business and to propose to the Board of Directors and/or the Shareholders' meeting (As the case may be) to consider approving those transactions. The Company's directors or the Executives who had conflicts of interest should not participate in the approval of such transactions. The Company disclosed the policy on the Company's website under the topic "Corporate Governance" and also disclosed details of the connected transactions and related party transaction occurred in 2022 in the Form 56-1 One Report under the topic Internal Control and Related Transaction" on [page 140](#) In the year 2022, the Company Secretary has followed up directors and executives to update their own conflict of interest reports. The Company did not violate the rules of connected transactions and related party transaction or the conflict of interest policy and there was no financial assistance to other companies that were not the Company's subsidiary.

In 2022, the Company organized training course for executives and employees on the topic "Update Business Ethics and Anti-Corruption" on December 12, 2022. There were 68 executives and employees participating in the training course. They acknowledged important issues regarding the Company's Securities Trading Policy, Insider Information Policy, Gifts and Entertainment Policy, Conflict of Interest Policy, Human Rights Respect Policy and Anti-corruption Policy, etc.

Chapter 3

Role of Stakeholders

The Board of Directors realizes that successfulness of business and its sustainable growth depends on all stakeholders. Therefore, the Board of Directors encourages the cooperation with all stakeholders and preserves their right and benefit fairly according to relevant laws and agreement as well as protects their rights from any infringement caused by the Company's business of which compensation will be considered not lower than the rate specified by law. The Company will not take any action to violate stakeholder's right and intellectual property but will treat stakeholders honestly. The Company has a guideline for anti-corruption which has been set as practice policy in Business Code of Conduct and announced to the Company's directors, the Executives and employees to adhere to the guideline for treating stakeholders to ensure that the Company is responsible for Stakeholders and treats them fairly. The Company has disclosed "Business Code of Conduct" under the "Corporate Governance" on the Company's website.

In 2022, the Company strictly followed the policy and did not violate the relevant laws such as Labor law, Employment law, Consumer Protection law, Competition law or Environmental law. The Company had done various activities related to Stakeholders, detail was summarized as follows;

Shareholders

The Company respects the fundamental rights of Shareholders, equitable treatment of Shareholders to maximize Shareholders' satisfaction such as the right to attend the Annual General Meeting of Shareholders, the right to vote, the right to propose the agenda and nominate persons to be elected as the Company's directors, the right to express their opinions and suggestions. The Company provides channels for Shareholders to contact via the website and email as disclosed in the section entitled Rights of Shareholders and Equitable Treatment of Shareholders.



The Company values Shareholders as business owners, therefore, the Board of Directors as the representative of the Shareholders including the Executives and employees are required to conduct business in accordance with the principle of good corporate governance to maximize the benefit and to add value for the business in the long-term. The Company respects the fundamental rights of the Shareholders as specified by laws, regulations, the Code of Conduct and relevant rules. All Shareholders are treated equally. The Company, as Shareholders' representative, aims to create the greatest satisfaction for Shareholders by taking into consideration the long-term sustainable growth with consistent and fair returns as well as provides a transparent management system and a reliable accounting system. The Company maintains its assets, controls related transactions, prevents the conflict of interest and misuse of internal information for personal benefit. The Company also ensures that Shareholders are provided with accurate information regarding Shareholders' rights as shown in Chapter 1; Rights of Shareholder and Chapter 2; Equitable Treatment of Shareholders.

In 2022, the Company approved to pay an annual dividend at the rate of Baht 1.15 per share, totaling Baht 998,633,856.30 or 62.25% dividend payout from the consolidated financial statement, in which the Company paid from its net profit. The Company had already paid an interim dividends for the first-half-year of 2022 Performance Result to Shareholders on October 7, 2022 at a rate of Baht 0.30 per share or representing 15.02% of net profit of the first-half-year of 2022 by divided into stock dividends at an allocation ratio of 10 ordinary shares to 1 newly-issued share and cash dividends at the rate of 0.20 baht per share. The remaining dividend at the rate of Baht 0.85 per share must be approved by the 2023 Annual General Meeting of Shareholders. (Meeting resolution will be disclosed at www.tvothai.com/en/investor/shareholders-meeting)

Throughout the year 2022, the Company reported the quarterly performance results accurately, completely and disclosed the transaction with the connected person in the same conditions as the third party through the SET Portal of the Stock Exchange and the Company's website.

Employees

The Company always realizes that personnel are invaluable assets of the Company and being a key factor driving the Company's success, therefore, the Board of Directors has established various policies to improve working environment, welfare and quality of their life based on the guidelines prescribed by law, human rights and in accordance with the corporate direction and strategy. The Company has a policy to encourage employees to have unity and solidarity among colleagues. The Board of Directors' Meeting no. 8/2022 considered approving strategy and operational plan related to human resources as well as considered approving the organizational restructure to be in line with the vision, mission and goals by focusing on human resource development along with business growth and caring about the environment, society and good governance in order to make the business sustainable with 3 key strategies: 1) Smart People Capability Building 2) TVO Engagement and 3) TVO Culture Driven

Remuneration Policy

The Company has a policy to compensate employees at all levels for both short-term and long-term appropriately and fairly. The short-term compensation is based on knowledge and competence as appropriate, labor market conditions and practices in the same industry together with the Company's yearly performance that is linked to the Key Performance Indicators according to the Balanced Scorecard principles, by considering four main aspects of a business consisting of finance, customer, internal process and learning and growth. The long-term compensation is based on annual performance evaluation and potential of each employee along with the Company's performance in accordance with the long-term business plan and career development path as stated in the Company's succession plan. In addition, the Company established and contributed a provident fund to ensures that employees receive welfare appropriately in order to motivate them and to retain talented employees. The Company evaluates performance once a year to consider compensation and bonuses.



Safety Policy

The Company has established Safety, Occupational Health and Working Environment Policy and announced on the Company's website under the heading "Corporate Governance" to encourage employees to work safely and to have good hygiene by providing the necessary facilities to perform the duties in order for all employees and workers get safe and have good health under good working environment conditions. The Company pays attention to the prevention of accidents and provides knowledge training for employees, therefore, the Safety, Occupational Health and Working Environment Committee was appointed with its policy as follows;

- 1 Occupational health and safety are the duty and responsibility for the operation of all employees
- 2 Strictly comply with laws and regulations related to quality, occupational health, safety and working environment
- 3 Create the corporate culture of safety for all concerned parties including employees, business partners, contractors and visitors
- 4 Develop a management system for safety, occupational health and working environment continuously
- 5 Allocate sufficient resources for quality, safety, occupational health and work environment operations such as personnel, budget, working time, necessary tools and equipment, and appropriate adequate training
- 6 Strive to prevent occupational loss and illness in all cases
- 7 Monitor and evaluate the implementation of the policy and determine into the annual work plan to achieve the best practice and efficiency. There is a risk management system throughout the organization including various operational control processes to reduce the causes that cause damage to the Company

- 8 Encourage employees to be conscious of the importance of safety, occupational health and good working environment. Support them to participate in safety activities or related projects. Including the right to offer opinions on improving working conditions and suggest the ways to work safely as well as disseminate the policy to all groups of stakeholders for acknowledgment
- 9 Continuously review the policy by taking into account the impact on stakeholders and appropriate to the current situation

The Company always adheres to the policy of Quality, Occupational Health, Safety and Work Environment and disclosed its policy on website under the topic "Corporate Governance". In 2022, Lost Time Injury Frequency Rate (LTIFR) of employees was 0. Moreover, the Company organized a Fire Evacuation Training on December 12, 2022, which was an activity that promoted safety for employees. There was not any violation of labor law or any labor dispute cases.

Welfare Policy

The Company attaches great importance to the welfare of employees by providing welfare and basic benefits by comparing with leading organizations such as working days and hours, holidays, annual vacation leave and other type of leave for employee including medical expenses, accident insurance, social security and compensation fund. The Company continually promotes benefits to employees and established the provident fund for employees' long-term benefits to encourage employees to save money for the future as well as motivate employees to have loyalty to the Company for a long time. Members of the Provident Fund will receive monthly contributions from the Company at different rate depending on years of membership and they must also pay the same amount deducting from their wages for their accumulated fund. When the employment is terminated, the employees will receive accumulated fund, contribution and the average net profit of the fund. In this regard, the Board of Directors' meeting on December 16, 2022 resolved to adjust the rate of contributions to the provident fund to 3, 5 and 7 percent, effective on January 1, 2023.



The Company provides welfare and basic benefits for employees as follows:

- Provident fund
- Funeral benefit for employees in case of death and the funeral of employee's family
- Gift basket in case of sickness
- Annual health checkup by leading hospital. The examination program is arranged individually to suit the job characteristics and the age of each employee with special price
- Travel insurance, accident insurance such as driver and factory workers
- Medical and dental expenses other than social security
- Uniform
- Annual Company Trip and New Year Party
- Special price on the Company's products
- ATK test kit

The Company has appointed a welfare committee in the workplace with a 2-year term as employee representative in liaising with the Company in providing assistance and relief to employees' troubles other than welfare benefits provided by the Company. The welfare committee also provides consult and listens to employees' opinion.

In 2022, the Board of Directors' Meeting No. 8/2022 considered and approved the adjustment of employee welfare to be comparable to leading companies and able to attract potential employees to work with as well as motivating current employees.

Human Resource Development Policy

The Company realizes that building a sustainable business growth requires the support from efficient personnel. Personnel is an invaluable resource and being success factor driving the business success, therefore, the Company has set the strategy and policy on human resources by focusing on the performance improvement and human resource development to be more suitable for the environment, technology, innovation and changing business models as well as in accordance with its strategy, goals, policies, short-term and long-term directions. The Company starts from analyzing manpower requirement to support business expansion, recruiting potential new generations, strengthening competitiveness and preparing an action plan including a succession plan as well as evaluating performance, potential and the ability of personnel at all levels continuously in order to promote and develop personnel to create qualified person through training and seminar. The Company has set an annual training plan for employees at all levels especially the skills required for each position to continually develop the capabilities of the Company's executives and employees in order to be ready for the future business challenges driven by both internal and external factors. (Details are disclosed in "Sustainability Report 2022" www.tvothai.com/en/sustainability/report)

In 2022, the Company conducted and reviewed to ensure that human resource management has been implemented in accordance with the policy, regulations regarding the work and the guidelines addressed in the welfare manual completely and regularly. There was 85.82% of employees who attended both in house training and other external courses.

In addition, the Company plans to upgrade employee knowledge management in 2023 by increasing work skills to be better (Upskill) or creating new skills necessary for work (Reskill), as well as learning about technology and digital to be applied to the work process by promoting through Knowledge Management and Learning Platform or job assignment or new tools introduction to improve work processes to be more efficiency, etc.



Financial Literacy Policy

The Company has a policy to encourage employees to develop their financial planning and investment skills. The objective is to provide financial knowledge and training to employees to be able to manage their own finances and investments to achieve financial goals effectively and gain stability for their life after retirement. At the end of 2022, the Company collaborated with the Federation of Thai Industries to create the “Happy Workplace Project” with the objective of building employee engagement and encouraging employee participation. The project focused on the importance of the working happily which would result in better performance. Currently, it was in the process of surveying the needs and opinions of employees in order to lead to further projects for employees in the future such as the relationship and unity, knowledge management, financial and retirement planning.

Human rights policy

The Board of Directors attaches great importance and fully respects Human Rights strictly and has established Human Right policy and disclosed on website under the topic “Corporate Governance” in order to be a guideline for treating labor fairly, equitably and promoting equality throughout organization without discrimination on reasons of nationality, religious, gender, skin color, language, and against child labor and sexual harassment. The Company realizes that human resource is a key factor for business in adding value and increasing productivity. Thus, the Company frequently provides environmental and working condition suitable for employees to improve their quality of life. Employees have the opportunity to prove their potential and been given training to enhance working skills and understand about human right and how to implement properly. In the past, the Company never violated human right. In 2022, the Company employed 13 handicap labor living in Nakhon Pathom province, which is approximately 1% of the total of 1,298 employees in the Company, in which the employment of those handicap reached as required by Empowerment of Persons With Disabilities Act, B.E. 2550 (2007), (2nd ed) B.E. 2556 (2013).

In this regard, the performance result of human resource management was shown in the content of Part 1, Topic 3, “Driving Business for Sustainability” on [page 46](#) in the 2022 sustainability report (separate report) together with

detail of projects and activities on social, community and environment. The 2022 sustainability report was also published on the Company's website. (www.tvothai.com/en/sustainability/report)

Customers and Consumers

The Company operates its business under the philosophy: We will be a quality, sustainable and stable growth Company who produces high quality products for better quality of life of people and will generate value added to shareholders, with responsibility to society and environment. The Company focuses on quality of product starting from purchase of raw material, production process until delivery to customers and consumers as well as having research and development to improve product quality. In addition, the Company is committed to maintain good relations with customers by organizing various activities such as meeting arrangement with customers to provide information about products and services and discuss on product development according to customer requirements including establishing whistleblowing and complaints channel through the Company's website. Currently, the Company was certified by international production standards, e.g., GMP, HACCP, ISO 9001, ISO 22000, ISO/TS 22002-1, FSSC 22000, ISO/IEC17025, ISO 50001, ISO 14001, Halal, Kosher, Carbon Footprint of Products, Carbon Footprint Reduction etc.

The Company treats our customers and consumers fairly by conducting business with integrity and focusing on the best interests of business partners, customers and consumers equitably so that they can get the best thing as deserved. The policy regarding customers and consumers as follows;

- 1 Commit itself to develop and delivery products with high quality produced by modern and high efficiency production technology in order to meet customers’ requirement and having quality control system at each step with fair conditions.
- 2 Provide product and services information accurately, sufficiently and timely manner in order for customers to have useful information to make decision. Ignore any actions that cause misunderstandings in product quality exaggeratedly.



- 3 Keep customer information confidentially including not using their information for own or other related parties' benefits.
- 4 Respond to customer's demand quickly and punctually to maximize customers satisfaction.
- 5 Provide a channel to receive problems and complaints from customers and solve problems quickly as best as possible including creating customer satisfaction evaluation form to further improve and develop products and services.
- 6 Do not pay any benefit to customers for the purpose of acquiring or hijacking such customer by corruption or violation of the law.

In 2022, there was no any case that the Company violated the interests of consumer and there was no significant complaints from customers. As for other complaints, the Company analyzed, improved, prevented, followed-up and applied through the entire organization so that such complaints will not occur again.

In addition, the Company has a process to build good relationships with customers by conducting annual customer satisfaction surveys in each product group in order to be aware of expectations and satisfaction of customers and to get the survey results analyzed to develop and create further new innovations. The satisfaction assessment criteria must not be less than 80% per product group. In 2022, the satisfaction survey result of all product groups was averaged at 92.84%, which was a customer satisfaction survey of products, transportation and sales department service.

Business Partners, Creditors and Competitors

The Company operates its business in accordance with the competitive framework transparently, fairly and honestly subject to legal requirements and other related conditions by adhering to business Code of Conduct, trade terms and business contracts strictly. In addition, the Company has established a policy on intellectual property to clearly specify preventive guidelines for non-infringement of intellectual property. The Executives and employees are responsible directly to comply with the

policy. Therefore, the Company has never violated any laws related to business partners, creditors and competitors with the following guidelines;

Business Partners Policy

The Board of Directors treats business partners equally and considers mutual benefits to maintain a long-lasting relationship and reliability. The policy and guideline for dealing with business partners are as follows;

- 1 Treat business partners equally, transparently, fairly and conduct business under the rules of good competition according to free trade policy based on fair returns to both parties.
- 2 Comply with business contracts, agreements or conditions with partners strictly by taking into account the reasonableness in term of price, quality and service. In the case that it is not possible to do so, the Company must notify the partners in advance to jointly consider finding solutions and prevent damage.
- 3 Establish Procurement Policy & Procedures and shall not claim or receive any offers and benefits that are unethical trade in business negotiations with business partners.
- 4 Comply with the procurement policy with clearly defined procedures along with the standards criteria for selecting partners such as having the business code of conduct, standard quality system certificate, financial liquidity. The Company will evaluate partners every 6 months in order to conduct business with partners efficiency, appropriateness and fairness in accordance with good corporate governance principles.
- 5 Support environmentally friendly sourcing, avoid buying products from suppliers who violate human rights.
- 6 Do not support any person or organization that do illegal business.
- 7 Announce Anti-corruption policy to partners for acknowledgement.



With awareness of the importance of sustainable business, the Board of Directors intends to encourage business partners to conduct their business in line with the Company's business direction. In 2022, the Company communicated the Supplier Code of Conduct covering human rights, labor, environment, and anti-corruption including legal and related regulation in order for business partners to sign for acknowledgment and adhere as guideline for being sustainable business partnership. In addition, the Company published the Supplier Code of Conduct on the Company's website.

Creditors Policy

The Company has a policy to treat all creditors equally and fairly by strictly complying with the contract and conditions made with the creditors as well as building a good relationship with creditors. The financial status is disclosed to the creditors accurately on time to create confidence and trust. Creditors Policy is as follows;

- 1 Follow the agreement, requirement, terms or conditions to creditors strictly especially regarding the conditions of guarantees and capital management to have an appropriate structure.
- 2 Repay the loan with interest to all creditors completely and in accordance with the agreed deadline. In the case that it is unable to comply or causes a default, the creditors will be informed in advance to work together to find solution and prevent damage
- 3 Shall not call or receive any benefits dishonestly in business negotiations with creditors
- 4 Report accuracy and completed financial information to the creditors regularly and shall not concealing any important information or facts that may cause damage to creditors

Competitor Policy

The Company has a policy to treat competitors fairly according to the competition law framework by adhering to business operations under ethics with transparency and without violating the confidentiality or knowing the competitor's trade secrets with dishonest way, therefore, the Company set competitor policy as follows;

- 1 Follow the rules of fair competition, support and promote free trade
- 2 Do not seek confidential information of competitor through dishonest or inappropriate manner
- 3 Do not ruin the reputation of competitor with malicious accusations without truth
- 4 Do not do anything to violate the intellectual property of competitor

In 2022, there was no any violation on the competition law and no any disputes or lawsuits from business partners, creditors and competitors.

Regulator

The Company commits to comply with the rules, regulations, and practices prescribed by law. The Company operates business with transparency and discloses complete and accurate information as prescribed by the regulators.

Regulator Policy is as follows

- 1 Practice and follow strictly in accordance with the intent of the laws and regulations issued by regulators
- 2 Refrain from any action that helps or supports to avoid laws or regulations
- 3 Collaborate with regulators and report information about violation or non-observance of any law or regulation

In 2022, the Company strictly complied with the requirements of the Regulator.



Society Community and Environment

The Company places great importance on social and community participation along with environmental stewardship. The Company established the "Environmental and Social Working Group" aspect or the ES working group acting as the main unit to drive efficient operations and achieve the goals by making an action plan on environment and social responsibility in line with its policy and business plan. Environmental operations focus on addressing carbon footprint reduction at both corporate and product levels to achieve the Net-Zero Greenhouse Gas Emissions. This must be achieved by improving the process and utilizing all aspects of resources including energy, electricity, water, and production waste to be the most cost-effective and efficient, as well as reducing the environmental impact in terms of odors, dust, and noise to the community. Meanwhile the social work focuses on both internal engagement with employees and external engagement with the community, cover with human rights, employee stewardship and developing skills, promoting careers and building self-reliant communities, and contributing to the well-being life for people in the community. The ES working group is also responsible for evaluating, reviewing and improving the action plan to suit the situation and reporting the performance results to the "Environmental, Social, Risk Management and Compliance - Enterprise (ESRC-E)".

The performance results on society, community and environment were shown in the content of Part 1, Topic 3, "Driving Business for Sustainability" on [page 46](#) and in the 2022 sustainability report (separated report) with project details and various activities on social, community and environment and published on the Company's website (www.tvothai.com/en/sustainability/report)

Innovation Management

The Board of Directors supports and promotes the innovative creation in order to create business value along with being responsible to all stakeholders. The Company has determined innovation strategy to be in line with the corporate direction and the rapidly-evolving digital age by initiating and developing innovation in both production processes and new products as well as applying technology systems in dairy work to upgrade the business competitiveness. The Company has a research and product development department responsible for researching and developing products in order to be in line with the changing consumer needs, with a focus on reducing the impacts on society and the environment as well as researching new innovations to increase the production efficiency and develop production processes with modern technology that helps to reduce work procedures and production costs. Meanwhile, the business development department is responsible for planning and determining corporate strategies in order to create a competitive advantage for the business. To enable the Company to adapt itself to industry change properly.

In 2022, the Company has further developed the packaging for vegetable oil by reducing the plastic resin per bottle, but the strength remained the same standard. The Company has also developed a corrugated box for packaging vegetable oil bottle with 100% recycled paper as well as constantly improving the production process with regard to environmental issues along with taking care of society and the surrounding community together. In addition, the Company has brought digital technology to change the working process in the organization, starting from the commercial business department to improve agility and be able to search for in-depth information to be analyzed for making business decisions quickly and accurately.

For the year 2023, the Company plans to apply digital technology to the workflow of the accounting department and the production department.



Non-infringement of Intellectual Property

The Company has a policy and practice on non-infringement of intellectual property. The policy and guidelines for this matter have been stated in the Business Code of Conduct for all executives and employees to abide as a working practice covering non-infringement, respect the rights of the intellectual property owners, legal compliance, non-copyright infringement, non-trademark infringement or non-infringement of other people's work for the Company's benefit and own benefit which may cause damage to the Company.

Fraud Prevention

The Board of Directors is committed to conducting business with transparency and fairness in accordance with the principles of good corporate governance and prioritize in all forms of anti-corruption with confidence that it will be supporting the business growth sustainably. Risk management process and audit are provided to prevent and suppress corruption and misconduct as well as supporting the creation of corporate culture that adheres to honesty and integrity.

Anti-corruption Policy

The Board of Directors approved and announced anti-corruption policy and its manual since 2016 for the Executives and employees to comply strictly in accordance with the business intent by prohibiting the Company's directors, the Executives and employees from demanding, executing or accepting corruption in any forms either directly and indirectly for the benefit of the Company, themselves, their family, friends and acquaintances which covers all business units and all related agencies. The Board regularly reviews the compliance with the anti-corruption policy, guidelines and operational requirements to be consistent with the changes of business, rules, regulations and legal requirements. All Executives and employees must sign and acknowledge in the anti-corruption measures manual. The Board of Directors has reviewed and approved the Anti-Corruption Policy and Measures Manual on February 25, 2022. The Company has published an Anti-corruption Policy under the topic "Corporate Governance" on the Company's website. (www.tvothai.com/en/corporate-governance)

No Gift Policy

The Board of Directors set guidelines for receiving - giving gifts, reception or any other benefits to comply with the anti-corruption policy and announced throughout the organization. All Executives and employees must strictly follow to avoid actions that may affect decisions making on duty and also communicated to outsiders who are involved in the business. No Gift Policy was published on the Company's website. (www.tvothai.com/en/corporate-governance)

Measures to take on those who do not comply with policies and guidelines

The Company has an appropriate and fair punishment measures for employees who fail to comply with Anti-Corruption Policy. In the case that the Company's directors, the Executives or employees violates the anti-corruption policy, disciplinary action will be taken according to the Company's regulations and legal punishment, as the case may be. The Company will appoint an investigation committee as appropriate.

Whistleblowing and Complaints

The Board of Directors attaches importance to good corporate governance and provides opportunity to stakeholders to provide information and complaints about illegal actions, ethics, financial reports, internal control system and anti-corruption policy. The complaint regulation is announced as guidelines for implementation and published on the Company's website by receiving complaints through the Office of Internal Audit or the Chairman of the Audit Committee via the following channel. The Company will appoint an investigation committee on a case-by-case basis.

Post: The Office of Internal Audit
Thai Vegetable Oil
Public Company Limited
149 Ratchadapisek road
(Thapra-Taksin), Bukkhalow,
Thonburi, Bangkok 10600
Telephone: 02-477-9020
E-mail : ac@tvothai.com



Or through the Audit Committee

Post : Chairman of the Audit Committee
Thai Vegetable Oil
Public Company Limited
149 Ratchadapisek road
(Thapra-Taksin), Bukkhalow,
Thonburi, Bangkok 10600
E-mail : acchairman.tvo@gmail.com

The actions upon receiving complaints

The Company has a process for handling complaints by considering whether such matter is considered an offense or in any level of offense in order that the Company can impose a penalty for such wrongdoing fairly and correctly.

1 Collecting facts and screening information:

Recipients of complaints and whistleblowers conducts factual gathering of the information received, processing and screening to consider the proper procedure and management in each matter which can be done by themselves or assign the Office of Internal Audit to process on behalf and report to the Managing Director.

After investigation, if it is found that the defendant is not guilty or that it is a misunderstanding or the complaint is unfounded, the complaint will be dropped. The complaint recipient shall submit the matter to the Managing Director for approval to close the investigation and inform the facts to the complainant.

In addition, if the complaint is alluded to any person in the Fact Investigation Committee, the person who is alluded to or involved will not be able to participate in any investigation process.

2 Investigation:

In case of the complaint recipient investigates and finds that the complaint is truthful and should be submitted to the Chief Executive Officer or the Audit Committee to consider and appoint an investigation committee to investigate facts and consider disciplinary action by requesting consultation from other relevant agencies such as the Legal Department or the Human Resources Department in order to ensure that the investigation process complies with the Company's laws and regulations.

3 Measures:

The investigation committee will propose measures to take action against those who violate or fail to comply with the Company's regulations, Code of Conduct, Supplier Code of Conduct, Anti-corruption Policy, Human rights policy including other related policies etc., and offer mitigation measures to all affected persons by considering the overall damage. Penalties are subject to the Company's regulations and/or may be subject to legal penalties if the action is illegal.

4 Reporting:

The complaint recipient is responsible for reporting the results to the complainant within 7 working days from the date of the investigation conclusion. In the case of critical matter, it should be reported to the Managing Director or Chief Executive Officer, as the case may be, and report to the Audit Committee and/or the Board of Directors on a quarterly or annual basis



Measures to protect complainants and informers

Complainant, whistleblower or those who cooperate in the investigation and those who reject corruption will be protected according to the following criteria;

- 1 Complainant, whistleblower or those who cooperate in the investigation will be protected fairly and appropriately. The Company will not disclose the name-surname, address, photo or any other information that can identify such person.
- 2 Complaint recipient and relevant parties who has been informed of the matter or information relating to the complaint must keep the information and documents provided confidential and will disclose as necessary by considering the safety and damage of the complainant, whistleblower or those who cooperate in the investigation without any request if it is deemed to be likely to cause damage or insecure. For information about the offense, record of phrasing, documentary evidence will be kept confidential and do not forward to another person unless it is a disclosure required by law.
- 3 Complainant, whistleblower, those who cooperate in the investigation or those who reject corruption or bribery will be protected from harassment, intimidation, punishment or any other act of unfair treatment or giving any negative results that affects work duties even if the wrongdoing will negatively affect business opportunities of the Company.
- 4 Those who have suffered damage will be mitigated by appropriate and fair procedures.

In 2022, the Company has not received any complaints about wrongdoings in the following matter; legal, ethics, code of conduct, financial report, internal control, anti-corruption policy and conflicts of interest of directors, executives or employees in any way

Chapter 4 Disclosure and Transparency

The Board of Directors shall disclose essential information of the Company such as financial and non-financial information and other significant information in both Thai and English accurately, adequately and transparency timely manner, and follow strictly in accordance with rules and regulations regarding disclosure of Securities and Exchange Commission and Stock Exchange of Thailand. Investors and all stakeholders, both domestically and internationally, can access information equally, which is reliable and sufficient, for making decisions through SET Portal of the Stock Exchange of Thailand and the Company's website under the investor relations section (www.tvothai.com/en/investor/at-a-glance). In 2022, the Company disclosed the significant information as follows;

- 1 Disclosure of Financial Statements and Form 56-1 One Report 2022, through SET Portal of the Stock Exchange of Thailand and on the Company's website in both Thai and English, the information always keeps updated.

The management is responsible for the financial statements, financial information and financial reports which was prepared in accordance with accounting standard including the internal control system and asset safeguard system. The Audit Committee is responsible for quality of financial report and suitability of the internal control environment managed by the Company's management which is an effective system. Hence, the Management ensured that its internal control environment and current internal control system was making the financial report and corporate property management as of December 31, 2022 reliable one.



The Board of Directors is responsible for the consolidated financial statement of the Company and its subsidiary and financial information disclosed in the annual report by providing financial report and the reports of the Board's Responsibility to financial reports so that the information presented in the financial statements is accurate and in accordance with accounting standards and is reviewed by independent auditor. In 2022, the Company submitted the Quarterly and Annual Financial Statements accurately, completely, and timely as required by laws and regulation.

- 2 Disclosure of Corporate Governance Policy, Compliance Policy, Business Code of Conduct Manual, Supplier Code of Conduct, the Company's Regulation, Board Charter, Sustainability Policy, Personal Data Protection Policy, Connected transactions and Related Parties transactions Policy, Human Right Policy, Disclosure Policy, Anti-Corruptions Manual, Complaints Regulation, Tax Policy, Environmental policy, Quality Safety Health and Environmental Policy. The Company also reported its implementation results including the reason for not being able to comply with said policy in Form 56-1 One Report 2022, Sustainability report on the corporate website (www.tvothai.com/en/corporate-governance).

- 3 Disclosure of Shareholding Structure and Report of Securities Holdings of Directors and Executives including spouses and underage children. The reports was arranged in accordance with laws relating to the Company's directors and the Executives, and reported to SEC as follows;

- Report of Holdings of the Company's Securities when being appointed as director or executive for the first time. The report (Form 59-1) must be submitted within 30 working days from holding the position.
- Report of Changes in the Holding of the Company's Securities every time when buying, selling, transferring or receiving transfers. The report (Form 59-2) must be submitted within 3 working days from transaction date.
- Information with Representation and Warranty of the Company's Director and Executive and their Consent. The report (35E-1) must be submitted within 7 working days from holding the position.

In 2022, the Directors and Executives including spouse and underage children are requested to report the Company's Securities Holdings before every meeting of the Board of Directors' meeting and summarizes reports to the Board of Directors twice a year for acknowledgement. The report was disclosed in Form 56-1 One Report 2022 in the appendix and on the Company's website (www.tvothai.com/en/investor/downloads).

- 4.4. Disclosure of Role and Responsibility of the Board of Directors and Subcommittee, number of meeting, the 2022 attendance record of each person including professional training and development for the Board is shown in the topic "Corporate Governance Report" on [page 97](#) in Form 56-1 One Report 2022.



- 5 The Board of Directors and Executives are required to submit the report on the interests of themselves and related persons who have interests in the Company's business with measures and policy to comply with the criteria defined as follows;

- Report when being appointed as director or executive for the first time
- Report every time when there is a change of interest
- Report every year-end
- In case of termination and reappointment as the Director in a consecutive way, the Director shall not submit new report if there is no change of interests.
- The Directors and Executives should present report of interests to the Company Secretary within 1 month after being elected/ appointed, changes and keep the information updated every year.

In 2022, the Directors and the Executives have not traded their securities and have completed their report of changes of interests.

- 6 Disclosure of Auditing fees and other services fee provided by the Auditor is in the Form 56-1 One Report 2022 on [page 117](#)

- 7 Directors Remuneration and the form or nature of the compensation has matched with the industry' standard and also reflect the responsibilities and responsibilities of each person. The amount of remuneration shall be approved by Shareholders and disclosed in the Form 56-1 One Report 2022 on [page 130](#)

- 8 Executives Remuneration and the form or nature of the compensation such as salary, bonus and others depends on responsibility and accountability according to corporate performance, and comparison with other companies in the same industry is disclosed in the Form 56-1 One Report 2022 on [page 114](#)

- 9 The Company has a policy on related party transactions as required for business efficiency and cost management, which has been done fairly according to the market price and in the normal business. Such transactions must be considered by the Audit Committee and approved by the Board of Directors to eliminate conflicts of interest carefully, reasonably and for the best interest of the Company and Shareholders. The approved transactions are disclosed in details in the annual report and form 56-1 which is in accordance with the rules of the Stock Exchange of Thailand and the Securities and Exchange Commission. The Company has disclosed the details in the Form 56-1 One Report 2022 on [page 143](#)

In 2022, all connected transactions were approved by the Board of Directors in compliance with the prescribed rules and all transactions did not exceed the approved credit line. Details are provided in "Connected Transaction" on [page 144](#)



- 10** The Board of Directors approves the disclosure policy as a guideline for disclosing the Company's information to the third parties, and determines the authorized executives to disclose information as well as ensures the Company to establish Investor Relations function to represent the Company in communicating information and activities according to the policy and guideline for information disclosure, which is useful in making decisions to Shareholders, Investor, Analysts and those interested in the Company to acknowledge and shall treat all investors equally and fairly. The Company discloses information in accordance with relevant laws and regulations accurately, adequately, timely, reliably and in accordance with the regulations of the Stock Exchange of Thailand to create confidence and correct understanding of the business operations of the Company for investors.

The top management who was authorized to be a spokesperson shall allocate time to participate in investor relations activities and meet with investors in order to announce policies and business directions, exchange comment and answer various questions usually. The Company organizes activities to promote relationship between investors, analysts such as Company visit, Management discussion panel, Analyst meeting to disclose Company's information as well as news and activities.

The Company has set a period to refrain from communicating with analyst and investors to provide information regarding the Company's performance (Silent Period) for 30 days before the date of the Company's Quarterly and Annual Operating Results Announcement to the Stock Exchange of Thailand to avoid giving unfair information which may affect the price of the Company's securities.

In 2022, the Executives had opportunity to meet Shareholders, Analysts, Investors and Media through various activities to present the operating results regularly which summarized as follows;

- Quarterly Analyst Meeting, 4 times on March 1, 2022 / May 18, 2022 / August 15, 2022 and November 14, 2022
- Opportunity Day: to report the 2021 performance results and Q2/2022 performance results organized by the Stock Exchange of Thailand on March 11, 2022 and August 19, 2022 respectively
- Provide information to investors, institutional investors and analysts totaling 17 times
- Participated 2 meetings at TISCO Exclusive Talk 2022 organized by Tisco Securities Co.,LTD on June 2, 2022 and September 16, 2022 to meet institutional investors
- Participated at UOBKH ASEAN Conference 2022 organized by UOB Kay Hian Securities (Thailand) Public Company Limited to meet institutional investors
- Participated in One on One Meeting (virtual meeting) organized by Thanachart Securities Public Company Limited on January 21, 2022
- Provided information and had meeting with media throughout the year, total 4 times (Bangkok Biz newspaper, Thunhoon newspaper, Kaohoon newspaper and ThaiPublica)

In addition to the information disclosure via the channel of the Stock Exchange of Thailand, the Board of Directors has encouraged to apply technology to disseminate information by preparing documents in both Thai and English for disclosure to the public via the Company's website. Shareholders and general investors can contact the Investor Relations Unit at;

Investor Relations:

149 Ratchadapisek road (Thapra-Taksin),
Bukhalow, Thonburi, Bangkok 10600
Telephone : 02-477-9020
Fax : 02-477-8022
E-mail : ir@tvotai.com



Information Technology Governance

The Company established the regulatory framework and corporate information technology management that is in line with the business requirement and ensured that information technology is used to increase business opportunities and to develop operations as well as risk management is provided by covering risks of information technology so that the business can achieve its objectives and main goals.

In order to use computers and computer networks appropriately and efficiently, the Company therefore has established a working regulation to be a guideline for all employees to follow in the same direction and to prevent problems that may occur from incorrect use. Guidelines for information technology governance are as follows;

- 1 Ensuring and inspecting the use of information technology in accordance with the law, regulations, related standards and term of use on computers and computer networks to ensure that computers and computer networks are used correctly, completely in accordance with the policy and procedure and within the authority and responsibility framework as specified.
- 2 Maintaining data security and information technology systems by having intrusion prevention system (Firewall) from external network, Authentication system, Authorization system, Audit Log system. The Company has set security measures in accordance with the security policy of the Company's information technology.
- 3 Backing up data on a daily basis and testing the accuracy and completeness of the information as well as formulating plans for emergency situations and testing the said plan to be confident that it can be implemented effectively.

- 4 Ensuring that the computer reporting and auditing system has clear procedures and can be audited.

In addition, the Company foresees the importance of the information technology control and governance, therefore, has established an audit plan and conducting audits in the area of information technology management and the information technology systems security management and specified in the annual audit plan. In 2022, the Company has installed a Cyber Security Operation Center system to protect from cyber-attacks and to prevent data breach. In this regards, the Company has tested the system to identify potential issues to take further action.

Chapter 5 Board of Director Responsibility

The Board of Directors should assume a leadership role in creating a good corporate governance for the Company, therefore, the appropriateness and clarity of the Board Structure and the authority and responsibility are essential to performance effectively. The person to be appointed as the Company's director must be visionary, competent, experienced, independent and must devote time to perform their duties completely for the best interest of the Company and shareholders as a whole. In addition, the Board of Directors should appoint the sub-committees to assist in supervising and screening the work as necessary in order to ensure that the Board Structure is suitable for business conditions and enhances the efficiency of the Board of Directors' performance. The Board of Directors has established policies and guidelines regarding the Board's responsibilities in various matters as follows;



Strategy, Policy and Business Directions

The Board of Directors is responsible for formulating policies, strategies, business plans, short-term and long-term goals and reviewing the vision and mission at least once a year in accordance with the business situation including promoting innovation and supporting the technology implementation in business operations to enhance the business's value. The Board of Directors should agree on the Key Performance Indicators (KPIs) proposed by the management and oversee their performance to achieve the goals and plans as specified. Details are disclosed in the topic "Business Structure and Operation" on [page 11](#)

Good Corporate Governance and Business Code of Conduct

The Board of Directors is responsible for governing the Company to have a good corporate governance policy, Code of Conduct, Compliance Policy in accordance with the laws and regulations in order for the directors, executives and employees to adhere to their works with standards, ethics, transparency and accountability and to maintain the rights of the Stakeholders according to their fundamental rights equally including prioritizing to anti-corruption throughout the business operations. The Corporate Governance Nomination and Remuneration Committee is assigned to govern the Company's operations in accordance with the aforementioned policies, laws, objectives, regulations and the resolution of the Shareholders' meeting strictly. Details are disclosed in the topic "Corporate Governance" on [page 63](#)

Internal Control and Internal Audit

In order to provide the Company and its subsidiary with an efficient and standardized internal control system and acceptable risk management by taking into account the appropriate control environment. The Board of Directors therefore assigns the Audit Committee and the Office of Internal Audit to regularly review and monitor the results of the internal control, communicate sufficient and reliable information both inside and outside as well as regularly monitor and evaluate so as to optimize operations, reporting and compliance with applicable laws and regulations and to build confidence among the executives, investors and stakeholders as disclosed in the topic "Internal control" on [page 140](#)

Risk Management

The Board of Directors oversees the Company to establish an effective and reliable risk management policy and system. The Board of Directors approved to appoint the Environmental, Social, Risk Management and Compliance Policy Committee (ESRC) to ensure that the supervision covers responsibilities to the community, society, environment, and relevant regulations.

The ESRC Policy Committee is responsible for formulating policy and risk management framework to be appropriate and consistent with the business plan policy as well as providing relevant comments and suggestions. The ESRC Policy Committee appointed the Management Committee (ESRC-E) consisting of executives from various departments responsible for overseeing the Company's risk management throughout the organization to enable risk management to be efficient and effective. The ESRC-E analyzes and assesses the surrounding risks both external and internal factors that may affect the business goals and prepares a risk management plan that specifies risk management measures with the acceptable risk levels as disclosed in the topic "Risk Management" on [page 39](#) and then reports to the ESRC Policy Committee. The Company has organized risk management meetings regularly. The ESRC Policy Committee shall report to the Board of Directors at least 2 times a year.



In this regard, the Board of Directors Meeting No. 8/2022 resolved to approve the change of the name of the ESRC Policy Committee to the Environment, Social and Governance Committee (ESG) to be responsible for setting policies and guidelines for Environmental, Social and Corporate Governance. For risk management, the Board of Directors has assigned the Audit Committee as a representative in setting policy and overseeing the Company's risk management through the risk management working group. The risk management was required to be reported to the Audit Committee and the Board of Directors respectively.

Conflict of interest

The Board of Directors has established a policy on related transactions and connected transactions as well as guidelines on such transactions for directors, executives and employees to comply with caution in order to prevent any transactions that violate the rules set by the SEC and the SET. The Directors and Executives as defined by the SEC are responsible to report their interests and personal interests to the Company. In addition, the Company has gathered all information and prepared as a database for other departments to be used as a guideline in considering the Company's transactions so as not to make an error. Details are disclosed in the topic "Corporate Governance Report" on [page 133](#)

Nomination of Directors and Top management

Nomination and Appointment of New Directors:

The Board of Directors has assigned the Corporate Governance Nomination and Remuneration Committee, which consists of only independent directors, to consider recruiting and screening persons to be appointed as directors and propose a qualified persons along with opinions to the Board of Directors and propose the list of the aforementioned persons to the Shareholders' meeting for election.

The policy and selection criteria are considered from the appropriateness of the number of directors and Board Diversity in accordance with the business strategy in order to specify the qualifications of the directors required by the Company and with consideration from the Director Pool Database from a credible institutions such as the Thai Institute of Directors (IOD) or consulting companies, as the case may be, by taking into account the missing skills of necessary experience, specialized knowledge and expertise that is beneficial to the Company in order for the Board Composition is complete absolutely and is in the best interest of the Company. Meanwhile, the appointment of retiring director, the Corporate Governance Nomination and Remuneration Committee will consider the past performance and dedication to the Company of each director as well.

Nomination and Appointment of Independent Directors:

The Corporate Governance Nomination and Remuneration Committee will consider the number of independent directors against the Board composition to be consistent and in accordance with the requirements of the SEC, whereby the number of independent directors must not be less than one-third of the total number of directors. An Independent director must be qualified and independent in accordance with the regulations set by the Capital Market Supervisory Board. Details are disclosed in the topic "Selection Criteria" on [page 120](#)

Appointment of an advisor to the Board of Directors:

The Board of Directors may appoint a qualified person with knowledge, capability and experience as advisor to the Board of Directors to provide advices in various areas related to the Company's business operations.



Nomination and Appointment of Top Executives:

The Board of Directors assigned the Corporate Governance Nomination and Remuneration Committee to be responsible for selecting qualified persons with knowledgeable and experiences that is beneficial to the Company's operation to be the Chief Executive Officer and senior executives from the level of the Assistant Managing Director upwards and proposing to the Board of Directors for approval. The Corporate Governance Nomination and Remuneration Committee has considered and screened qualified persons with suitable qualifications, knowledge and abilities, skills and experience that is beneficial to the Company's operation. However, such person must have good understanding of the business and the ability of management to achieve the objectives and goals set by the Board. The Corporate Governance Nomination and Remuneration Committee has also considered succession plans with Chief Executive Officer by considering the experts from inside and outside the organization in order to conduct business continuously and strengthen personnel to be ready according to succession plan.

Recruitment of top executives in other positions except from the level of the Assistant Managing Director upwards, the Chief Executive Officer is responsible for selecting and appointing persons who are qualified for the position and responsibilities including knowledge, ability, business understanding and experiences that are beneficial to the Company's operation. The selection is in accordance with the recruitment rules of the Human Resources Department.

Remuneration for Directors and Executives

The Company has a remuneration policy to pay for directors and executives at an appropriate level and consistent with the Company's strategy, short-term and long-term goal, operation results and comparable with the same business or industry and according to their duties and responsibility. The directors who are assigned to be sub-committees, which has increased duties and responsibilities, should receive appropriate remuneration according to the duties and responsibilities assigned to them. To comply with good corporate governance principles, the Company should have a clear policy and

remuneration criteria. The Board of Directors considered and approved the remuneration policy for Directors and the Chief Executive Officer to be a guideline in determining remuneration fairly and reasonably. Director remuneration should consist of monthly remuneration, meeting allowance and bonus. The Corporate Governance Nomination and Remuneration Committee will consider Directors' remuneration for the past year and present to the Shareholders' meeting for approval. The detail of Directors' remuneration is disclosed in the Form 56-1 One Report 2022 in the topic "Director Remuneration" on [page 131](#).

The remuneration for Chief Executive Officer and other executives is in accordance with the principles and policies set forth by the Corporate Governance Nomination and Remuneration Committee in the form of salary, provident funds and bonus which are considered based on the Company's performance in line with its vision, mission and strategy as well as guidelines and standards of other companies which has similar size of business by having an annual performance evaluation based on roles, duties and responsibilities of each executive. The Corporate Governance Nomination and Remuneration Committee is responsible for consideration the suitability of both short-term and long-term remuneration and annual salary adjustment for the Chief Executive Officer and present to the Board of Directors for approval whereas the Chief Executive Officer will consider the suitability of the remuneration and annual salary adjustment reflecting the individual performance of each executive. Remuneration for the Executive is disclosed in the Form 56-1 One Report 2022 in the topic "Remuneration Policy for the Executive" on [page 114](#).

Board Independence

The Board of Directors is independent from the management in setting policies and conducting overall business governance and providing opinions on the strategic direction to be used as a guideline for business plans and action plans as well as regularly monitoring the performance results of the Company and the sub-committees to ensure that the Company can achieve its goals. Details are disclosed in the topic "Roles and Duties of the Board" on [page 97](#).



Directors and Executives Development

In order to obtain the Board of Director's efficiency in the operation, the Board of Directors has a policy to encourage the Directors and Executives to have received training courses that are beneficial to the performance of duties continuously by inviting experts to share their knowledge and applying for training course with external training institute such as Thai Institute of Director (IOD) and overseas trainings by assigning the Corporate Governance Nomination and Remuneration Committee together with the Company Secretary to consider the necessary training courses for each director involved in the duties and responsibilities of each director continuously in order to bring knowledge and experience to develop the organization towards. For executive development, Human Resource Department has policies and development plans for the Executives individually to develop personnel in the organization to have potential and readiness for work in accordance with the Company's succession plan and expansion plan.

Performance Evaluation

The Board of Directors shall oversee the performance assessment of the Board of Directors and sub-committees and Chief Executive Officer annually at least once a year. The Board assessments is divided into 2 parts which are Board as a whole evaluation and Board self-assessment. The Corporate Governance Nomination and Remuneration Committee is assigned to be responsible for reviewing evaluation form of the Board, sub-committees and Chief Executive Officer. The Company Secretary is responsible for submitting all assessment forms to the Board in order to evaluate their own performance as the Board of Directors and as member in the sub-committees as well as evaluating the performance of Chief Executive Officer, then the Company Secretary will gather back to assess and propose to the Corporate Governance Nomination and Remuneration Committee for consideration to report the results to the Board of Directors, which the Board of Directors will analyze the results and find conclusions in order to determine measures to improve the performance of the Board of Directors, sub-committees and Chief Executive Officer.

For the evaluation criteria, the percentage is calculated from the full score of each item as follows;

Score	Meaning
equal to or greater than 90%	Excellent
equal to or greater than 80%	Very Good
equal to or greater than 70%	Good
equal to or greater than 60%	Fair
Less than 60 %	Need Improvement

Governance of Subsidiaries and Associate Companies

The Company has a policy to appoint a qualified director or the executive to be as a director in subsidiary company to enable the overall management to be in the same direction. This is an agreement between the Company, its subsidiary and associate companies to participate in formulating an important policy and supervise its subsidiaries to have proper internal control system and mechanisms of governance in various aspects under the same criteria as the Company. The subsidiary company is responsible for submitting financial statement to the Company for the consolidated financial statement.



6.2 Business Code of Conduct

The Board of Directors ensures that the executives and all employees understand the ethical standards that the Company adheres in conducting the business in order to achieve objectives, goals, vision and to create value for the organization. Manual of Business Code of Conduct has been made in writing and regularly reviewed every 2 years as well as announced and communicated to everyone for acknowledgement and adherence to business operation. It is in the Company's orientation program and published on website. The Company also organizes activities on this issue regularly to instill employees to have conscience in this regard.

The Board of Directors Meeting reviews the Business Code of Conduct regularly in order to be suitable for the current business situation and environment that may be changed. The Company organized a training for employees on Monday, December 12, 2022 in order for employees to be informed of the latest information and adhere to the same guidelines. In addition, the Company hopes that the business partners would operate their business in a sustainable manner and in line with the Company's operation practices, thus, the Company communicated the Supplier Code of Conduct; covering human rights, labor, environment and anti-corruption issues including



the related laws and regulations, as a way of conducting business together. In 2022, all directors, executives and employees did not commit any ethical violations. The Company has published Corporate Governance policy, Business Code of Conduct and Supplier Code of Conduct including the complaint channels through the Company's website in the topic "Corporate Governance" for the best benefit of all stakeholders.

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

The Board of Directors' Meeting No. 1/2022 on February 24, 2023, reviewed the Corporate Governance policy and considered the results of the CG Code implementation proposed by the Environment, Social and Governance Committee in order to ensure that the operations is in line with the said practice appropriately to the business. For practices that are not suitable for the current business context, the Board of Directors considered the appropriate

alternative measures which was recorded as a part of the Board's resolution in order for the Corporate Governance Nomination and Remuneration Committee to review and present to the Board of Directors for review annually. In the year 2022, there are issues that the Company has not implemented according to the principles of good corporate governance into business operations as follows:



Principles	The Company's Explanation
The Board should consider that shareholder agreements or other agreements are in place to enable the Company's performance monitoring and participation in the subsidiary's management.	The Board of Directors' Meeting No. 8/2022 held on December 16, 2022 resolved to nominate the Chief Executive Officer, Mr. Pachai Chanpitak, to be a director of the subsidiary company in order to manage and participate in formulating management policies that are important to the Company's business.
The Board should appoint an external consultant to assist in setting guidelines and providing recommendations for a board assessment at least once every three years.	The Board of Directors' Meeting No. 8/2022 held on December 16, 2022 reviewed the Board of Directors' assessment form both as a whole assessment and self-assessment by comparing with the evaluation guidelines of the Stock Exchange of Thailand and approved the current assessment form for evaluating the performance of the Board of Directors in 2022. The Board has assigned the management to conduct the study and consider as appropriate.
The Board should consist of more than 50% independent directors.	The Company is currently studying the reengineering of the Board Structure and considering the suitability for the Company's business. Currently, the Company has 5 independent directors out of a total of 12 directors, accounting for 41.67%.

In addition, the Board of Directors Meeting No. 7/2022, held on November 11, 2022, reviewed and improved the corporate governance policy presented by the Corporate Governance, Nomination and Remuneration Committee in order to update the policy to be in line with international standards, laws, rules, and regulations set by regulators. However, the Board of Directors has a plan to bring the principles of good corporate governance that have not yet been implemented to review and implement completely within the year 2023.



With strong determination to comply the principles of good corporate governance and the business code of conduct into the Company's operation continuously, the corporate governance has being always developed to be more efficient and suitable for the Company, therefore, the Company has been evaluated by organizations as follows;



The Company was evaluated from **the corporate governance report of Thai listed companies 2022 at an excellent level (5 stars)** and was ranked as one of the 47 Top Quartile Companies in the Listed Companies that have market capitalization (Market Cap.) Baht 10,000-30,000 million, which is the 4th consecutive year.



The Company received **CSR-DIW Award for the year 2022 (Standard of Corporate Social Responsibility)** from the Department of Industrial Works, Ministry of Industry, which is the 3rd consecutive year.



The Company was selected to be in **the 2022 Thailand Sustainability Investment (THSI)** organized by the Stock Exchange of Thailand for the 6th year.



สมาคมส่งเสริมลงทุนไทย
THAI INVESTORS ASSOCIATION

The Company has been evaluated the quality of **Annual General Meeting of Shareholders (AGM Checklist)** by the Thai Investors Association with a score of 100 points categorized in the "excellent" level.





The Company has been selected to be ranked in the **ESG100**, which is the 7th consecutive year and received the Sustainability Disclosure Award for the year 2022 from Thaipat Institute for the outstanding contribution to sustainable development and the disclosure of information to the public and relevant stakeholders transparently under the reporting framework according to the GRI Standard.



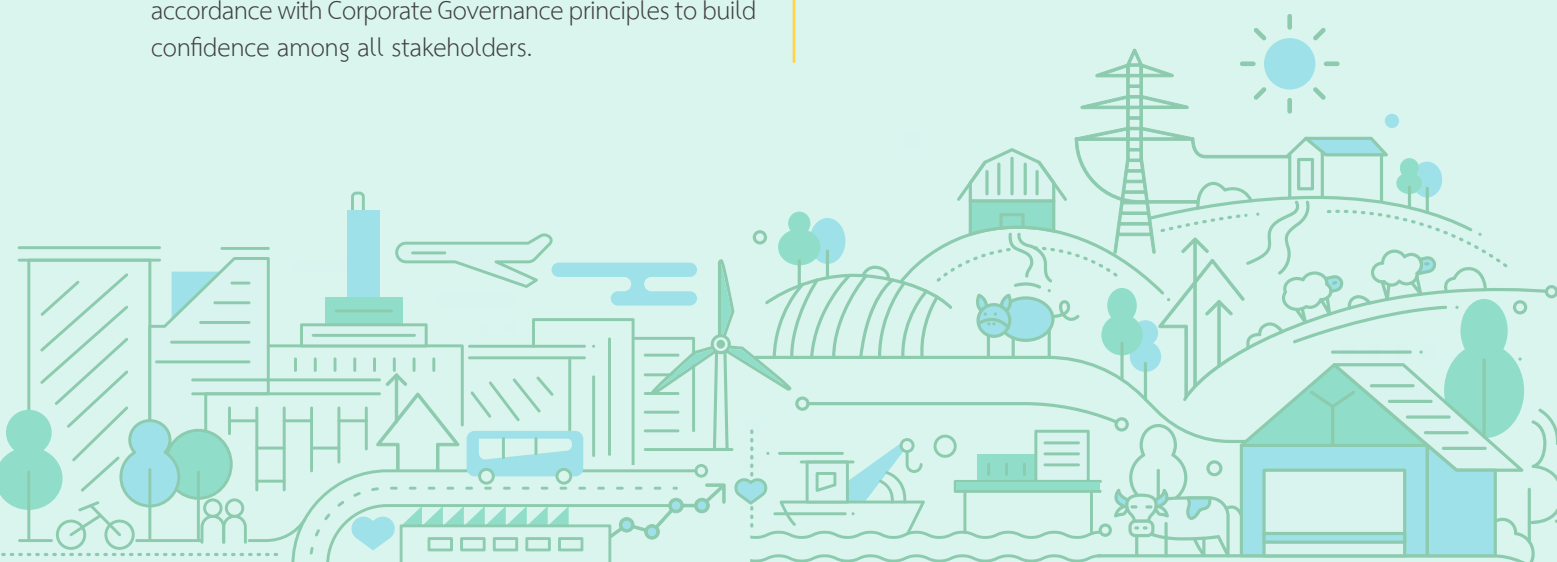
The Company was **certified the 1st renewal of membership as a member of Thai Private Sector Collective Action Against Corruption (CAC)**. The certification will be valid for 3 years (2022-2025), expressing our commitment to conducting business honestly in accordance with Corporate Governance principles to build confidence among all stakeholders.



The Company received **Thailand's Most Admired Brand 2022** from BrandAge magazine, as the most trusted vegetable oil brand which emphasized being the number one vegetable oil brand trusted by consumers.



The Company received the **"ASEAN Asset Class Publicly Listed Companies"** award from the 2021 ACGS ASEAN Corporate Governance Scorecard. The award was given to 234 listed companies in ASEAN with a score of 97.50 or more, of which 76 were Thai listed companies.





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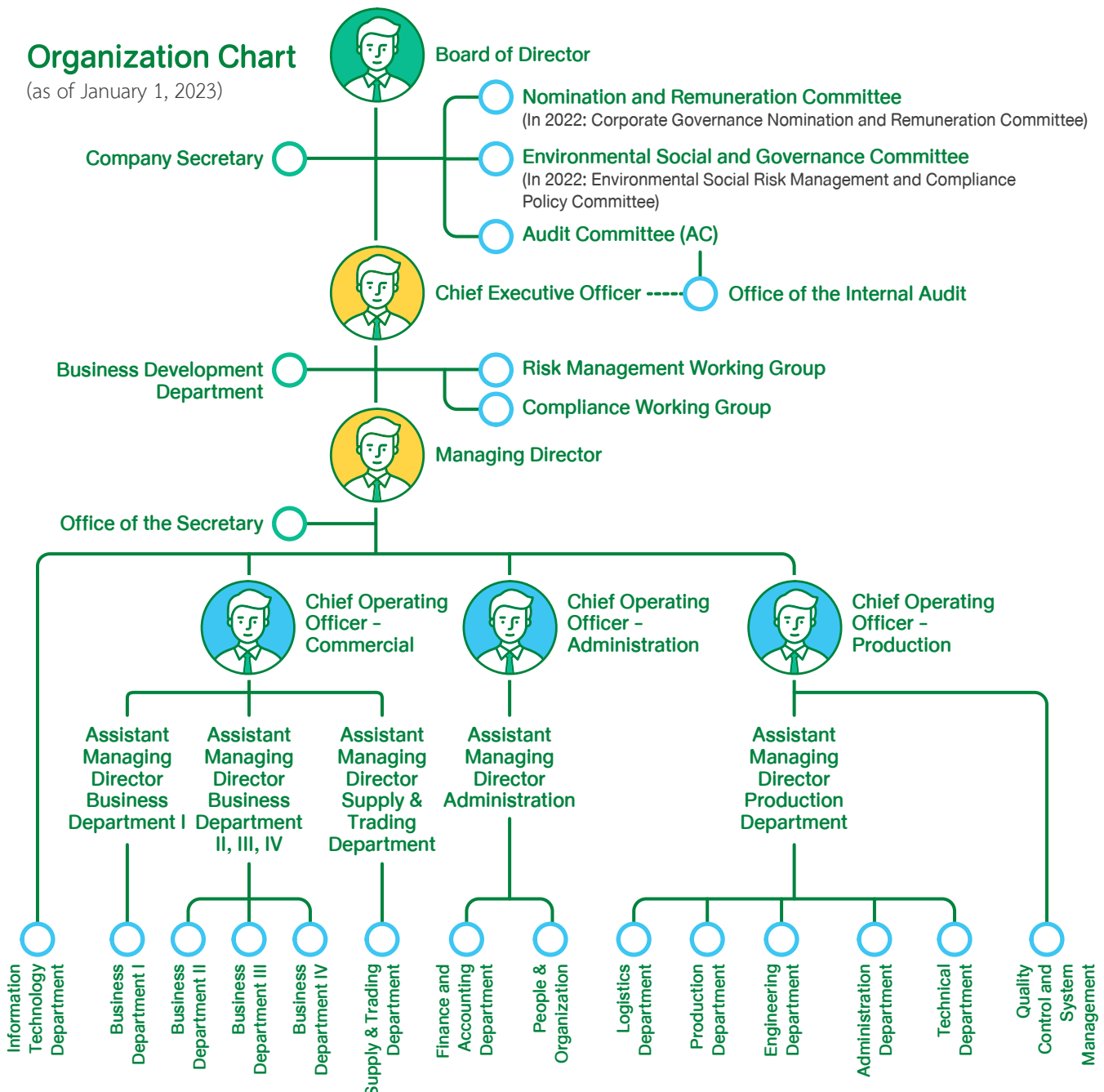
Corporate Governance Structure and Importance Information about the Board Structure, Sub-committee, Management Team, Human Resource and Other Information

7.1

Corporate Governance Structure

Organization Chart

(as of January 1, 2023)





7.2 The Board Structure

The Board Structure consists of the Board of Directors and Sub-Committee; the Audit Committee, the Corporate Governance Nomination and Remuneration (CGNR) Committee, the Environmental Social Risk Management and Compliance (ESRC) Policy Committee, which enhance the corporate governance to be appropriate, auditable and counterbalanced.

The Board of Directors resolved on December 16, 2022 to restructure the sub-committee as follows:

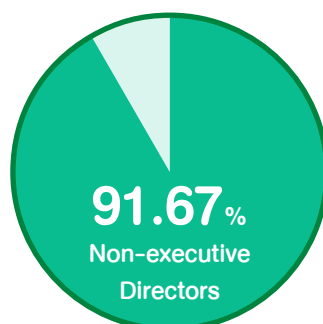
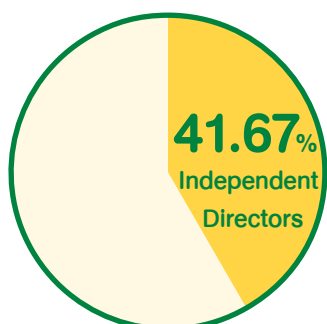
- 1 The Corporate Governance, Nomination and Remuneration Committee was changed to Nomination and Remuneration Committee
- 2 The Environmental Social Risk Management and Compliance (ESRC) Policy Committee was changed to the Environment Social and Governance (ESG) Committee.

This will be effective from January 1, 2023 (refer to the organizational structure on [page 94](#) and the Company's website under the heading "About us" subheading "Organization Chart" (<https://www.tvothai.com/en/about/organization-chart>))

The Board Composition

The Board of Directors consists of qualified members from professional fields with the skills, expertise and experience in vegetable oil industry and other areas which are helpful to the Board's function and beneficial to the business. They devote time and effort on their duties. The Board of Directors is responsible to set up policies and corporate overview both short-term and long-term with the Top Executives, and to monitor, supervise and evaluate corporate performance in order to achieve the corporate goal.

According to the Company's Articles of Association, at least 5 directors must be appointed, not less than half of which must reside in Thailand. As of December 31, 2022, there were 12 members of the Board of Directors consisting of 10 male directors, 2 female directors according to good corporate governance principles for listed companies which the number of directors is appropriate for the size, type and business complexity. In addition, the Board of Directors consisted of independent directors with a proportion of not less than one-third out of total number of directors in accordance with the regulations set by the Capital Market Supervisory Board and the Stock Exchange of Thailand. The independent directors were responsible for auditing the operation of management team, expressing the opinion, supporting policy that benefit to Shareholders or opposing the unfair or ambiguous that may effect to benefit of Shareholders and other Stakeholders. The independent directors also monitored on dissemination of related transaction to ensure that such transaction was performed in the best interest of the Company and Shareholders. For non-executive directors, they had experience in the Company's main business or business industry. All directors were qualified with skills and useful expertise in accordance with the Company's business. The current Board Composition is as follows;



2
Female Directors



10
Male Directors



1 11 Non-executive directors (representing 91.67% of the total number of directors)

- 5 independent directors (not less than one-third, representing 41.67%, of the total number of directors)
- 6 other directors who are not involved in the routine management of the Company (representing 50% of the total number of directors)

2 1 Executive directors (equivalent to 8.33% of the total number of directors)

As of December 31, 2022, the Board of Directors was composed of 12 persons, which were 5 independent directors (equivalent to 1/3 of the total number of directors), 1 executive director and 6 non-executive directors which was in accordance with the Company's regulations and in line with the principles of good corporate governance. The list of the Board of Directors was as follows:

Name	Surname	Position
1. Dr. Suvit	Maesincee	Chairman of the Board (Independent) / Chairman of the CGNR Committee ² / Chairman of the ESRC Policy Committee
2. Mr. Apichart	Chirabandhu	Vice Chairman of the Board (Independent) / Chairman of the Audit Committee / Member of the CGNR Committee ²
4. Assoc. Prof. Dr. Kitcha	Urairong	Director (Independent) / Member of the CGNR ² Committee ²
5. Mr. Vipoota	Trakulhoon	Director (Independent) / Member of the Audit Committee / Member of the ESRC Policy Committee ²
6. Ms. Patrawan	Manutsathit	Director (Independent) / Member of the Audit Committee
6. Miss Aranya	Vitayatanagorn ¹	Director / Member of the ESRC Policy Committee ²
7. Mr. Vichai	Vitayathanagorn	Director
8. Mr. Vachara	Vitayatanagorn ¹	Director
9. Mr. Pachai	Chanpitaksa ¹	Director
10. Mr. Ekarat	Wongsupbhasatigul	Director
11. Mr. Vorravuth	Tangpiroonthum ¹	Director
12. Mr. Kuna	Vitayatanagorn ¹	Director

Remark : ¹ Authorized Director by requiring two authorized directors to sign together and affix with the Company's seal

² On December 16, 2022, the Corporate Governance Nomination and Remuneration Committee was changed to the Nomination and Remuneration Committee and the Environmental Social Risk Management and Compliance (ESRC) Policy Committee was changed to the Environment Social and Governance (ESG) Committee.



Roles and Duties of the Board of Directors

The Board of Directors plays an important role in overseeing the setting of the corporate objectives and its main goals as well as supervising on strategies, policies, operational plans and monitoring the management's work for the best interest of the Company and fairness to stakeholders and society as a whole with consideration to good corporate governance principles.

In the year 2022, the following cases had never happened to the Company; Severe violation against stipulations of the Securities and Exchange Commission and the Stock Exchange of Thailand, Corruption action or violation of ethics, Resignation of a non-executive director due to the corporate governance issues, Loss of creditability due to the Board of Director's failure in monitoring the business.

Scope of Duties and Responsibilities of the Board of Directors

The Board of Directors is responsible for directing the Company's policy and direction and to monitoring and supervising the management to be in compliance with policy efficiently and effectively with care and honesty to achieve the maximize value of business and to generate good profit to Shareholders with responsibility and accountability in the business operation by taking into account the interests of all Shareholders equally to preserve benefit for Shareholders. The information was disclosed to the investors accurately, completely, standardized and transparent. The Board of Directors has approved the Board of Directors Charter as proposed by the Corporate Governance Nomination and Remuneration Committee and scheduled to be reviewed annually.

In 2022, the Corporate Governance Nomination and Remuneration Committee has reviewed the current Board of Directors Charter and considered that it is appropriate and consistent with the 2017 good corporate governance principles (CG Code) and the Securities and Exchange Act (No. 5 2016, Section 225). The Company publishes the Board of Directors Charter on the Company's website under the topic "Corporate Governance" (www.tvothai.com/en/corporate-governance).

The details of Duties and Responsibilities of the Board of Directors Important are covered below;

- 1 Members of the Board must perform their duties with responsibility, caution, honesty (Duty of Care and Duty of Loyalty) and ensure that the Company's operations in compliance with the law, objective, the Article of Associations of the Company, resolutions of the Board meeting, resolutions of Shareholders' meeting, mainly to protect the best interests of the Company and Shareholders carefully.
- 2 Member of the Board has authorization to consider and approve all matters about Company operation with major responsibilities as follows:

- Establishing business policies, vision, missions, strategies, long-term goals and reviewing every year in accordance with the business environment in order for the executives and employees to have the same direction.

At the Board of Directors Meeting no. 6/2022, the Board of Directors considered approving the budget and business plan for year 2023 and reviewed the vision, mission, strategies, goals and business directions of the Company to be suitable and in line with the current business environment. However, the Board of Directors was aware of the impact of doing business under the rapidly changing economic environment, therefore, assigned to consider reviewing the vision, strategy and strategic Direction in the Board of Directors Meeting No. 8/2022 in order to enable businesses to adapt to the changing world trends.



- Defining and reviewing the structure of the Board of Directors and approval authority to be suitable for the Company's business as well as supervising the process of nomination and election of directors in a transparent manner and determining the appropriate remuneration for directors.

In the Board of Directors Meeting no. 1/2022, the Board considered persons who had been approved by the Corporate Governance Nomination and Remuneration Committee in order to propose to the 2022 Annual General Meeting of Shareholders to consider appointing as a director of the Company in replacement of those who retired by rotation. In addition, the Board of Directors Meeting no. 4/2022 reviewed and approved the regulations on remuneration for directors, advisor, experts, top executives including the Company's representative in order for the Company to compensate clearly, transparently, suitable for roles and responsibilities in accordance with good corporate governance principles.

- Defining organizational structure or management structure suitable for business operations and ensuring that the Company's operations are in accordance with the law, manuals and business policies set by the Company of which are consistent with the good corporate governance principles. Corporate culture is encouraged to adhere to ethics and morality. Being a role model to ensure that the current structure and practices paves the way for appropriate corporate governance and good ethical operations.

The Board of Directors Meeting No. 8/2022 reviewed and revised the organizational structure to be in line with the direction and strategy to achieve its goals and be more efficient. In addition, the Board of Directors also considered and reviewed policies regarding good corporate governance to be appropriate and consistent with business operations in accordance with good corporate governance principles.

- Approving strategies, significant policies, operation plan and the annual budget of the Company as well as monitoring the implementation of the Company's strategy to comply with the plan and supervising the management to report the performance to the Board of Directors regularly.

In 2022, the Board of Directors assigned the management to report the Company's performance, operating results and work plans according to the approved strategy on a quarterly basis as well as ensured that the first half performance result was evaluated and the second half business plan was reviewed then presented to the Board of Directors Meeting No. 4/2022 accordingly. In addition, the Board of Directors Meeting No. 8/2022 approved the business plan, strategy and budget for the year 2023.



- Defining the structure of approval authority and the authority of the management appropriate to the responsibility.

The Board of Directors ensures that the current organization structure is suitable according to job and business type which is similar to other listed companies in the same industry group and enhances the leadership role of the Board as well as has clearly divided roles and responsibilities between the Board and management. The current Delegation of Authority (DOA) was approved by the Board of Directors' Meeting No. 11/2020. In this regard, the Board of Directors Meeting No. 7/2022 has reviewed the authority and duties of the Chief Executive Officer to be appropriate and consistent with the operations in the changing situation.

- Establishing investment policy for financial management including policy and credit limit for financial instrument trading (Options). As well as approving significant items such as credit limits from financial institutions, loan, guarantees, new investment projects in accordance with the rules and regulations of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand and related laws.

In 2022, the Board of Directors considered approving the credit facilities from financial institutions as working capital and preventing foreign exchange risk, approving the policy as a framework for trading financial instruments (Options) as well as tools for managing risk from price fluctuations in raw material in order to reduce the impact on the price which affected the Company's performance result, approving the Forward FX transaction policy to manage foreign exchange (FX) risk for forward selling products, and approving the adjustment criteria of the SWAP & Options transaction to be in line with the current market conditions where soybean prices, soybean meal and soybean oil had increased.



- Monitoring to ensure that accounting system, financial report and accounting audit are reliable, including disclosure of important information accurately, adequately, timely, in accordance with relevant rules and practices as well as ensuring that the assessment of internal control and internal audit are adequacy and monitoring the implementation to be effective.

In 2022, the Board of Directors agreed with the proposal from the Audit Committee to propose to the Annual General Meeting of Shareholders to consider the appointment of Certified Public Accountant of EY Office Limited as the Company's auditor for the year 2022 to oversee that the published financial information was completed accurately, transparently, beneficial to investors and in line with international standards.

- Ensuring that the management is responsible for monitoring and assessing the Company's financial status, financial liquidity and debt servicing ability, establishing a mechanism to support operations under tight financial constraints in the event that the business encounters financial problems and to report the Board of Directors regularly.

- Overseeing to ensure that the effective risk management policy is covering the entire organization with reviewing and assessing the system regularly.

The Board of Directors appointed the Environmental Social Risk Management and Compliance (ESRC) Policy Committee to ensure that the corporate governance covered responsibilities to the community, society, environment, and relevant rules. In 2022, the ESRC Policy Committee reported its performance on Environmental, Social, Risk management and Compliance to the Board of Directors Meeting No. 4/2022 and No. 8/2022 respectively

- Overseeing and promoting innovations that create value for the business together with benefits for all stakeholders.

The Board of Directors has promoted and supported innovation that creates value to the business and supervised the managements to conduct research and development in order to expand the product and improve production efficiency. In 2022, the Company has developed vegetable oil bottles by using fewer plastic resins per bottle, but the strength remained the same standard, saving 350,000 kilograms of plastic waste per year. In addition, the Company has also developed a packaging box for vegetable oil bottle which was made from 100% recycled paper.



- Ensuring that IT management, IT security policy and procedure are in place.

In 2022, the Board of Directors governed the management to use tools or information technology that was compatible with the business and flexible enough to implement under the changing situations. The Company has installed the Cyber Security Operation Center system to prevent cyber-attacks and to prevent data breach. In this regards, the Company has tested the system to identify potential issues to take further action.

- Approving the appointment of sub-committees and its charter such as the Audit Committee, the Corporate Governance Nomination and Remuneration Committee and the Environmental Social Risk Management and Compliance Policy Committee to consider specific issues, information verification and propose guidelines for consideration.

The Board of Directors Meeting No. 5/2022, the Board of Directors reviewed and approved the charter of the Board and the charter of sub-committees such as the Audit Committee, the Corporate Governance Nomination and Remuneration Committee and the Environmental Social Risk Management and Compliance Policy Committee in order to be appropriate and consistent with the duties and responsibilities according to the principles of good corporate governance.

- Appointing advisors, advisory board and senior management or as the Board of Directors deems necessary or appropriate.

At the Board of Directors Meeting No. 4/2022 appointed Mr. Pachai Chanpitaksa as Chief Executive Officer and appointed Dr. Chaipat Sahasakul as advisor to the Board of Directors to give advice, opinions and suggestions in business operation in accordance with the regulations of regulator. In addition, the Board of Directors' Meeting No. 5/2022 resolved to appoint Mr. Suchai Visesleela as Managing Director.

- Encouraging the Company to comply with all forms of anti-corruption to promote good governance principles and ensuring the Company to have a receiving complaints system and action plans in case of whistleblowing.

The Board of Directors governed the management to consider and review the complaints procedure in order for the complainants or whistleblowers to have more convenient access to the complaint channels. The complaints procedure was published on the website. In addition, the Company also invited business partners to join the Thai Private Sector Collective Action Against Corruption (CAC) and asked for cooperation from customers, business partners and related agencies to refrain from giving gifts to the Executives and staff of the Company during the New Year and any other occasions. In this regard, the Board of Directors Meeting No. 1/2022 resolved to approve the review of the Anti-Corruption Manual to be appropriate and in line with the current situation. In addition, in 2022, the Company was certified for the 1st renewal as a member of Thai Private Sector Collective Action Against Corruption.



- Monitoring and managing potential conflict of interest that may occur between the Company and the management, directors, and shareholders, including the improper use of assets and other transactions of connected person by focusing on the best interests for shareholders and stakeholders.

The Board of Directors governed the management to review the policy of connected transactions and related party transaction every 2 years in accordance with good corporate governance principles to be appropriate and in line with the changing business environment. The current policy on connected transactions and related party transactions was approved by the Board of Directors Meeting No. 1/2023.

- Evaluating the performance of the Board of Directors annually by performing as a whole assessment and self-assessment including overseeing to have the performance assessment of Sub-committee, the results of assessments and the review of the performance assessment form every year.

The Corporate Governance Nomination and Remuneration Committee reviewed the Board's evaluation form and presented to the Board of Directors' Meeting No. 8/2022 to consider evaluating the performance of the Board of Directors as a whole assessment and self-assessment including the evaluation of sub-committees and then reported the evaluation results to the Board of Directors' Meeting No. 1/2023.

- Ensuring that the Chief Executive Officer's performance is evaluated annually, and the remuneration of the Chief Executive Officer is in line with the Company's operating results.

The Corporate Governance Nomination and Remuneration Committee reviewed the evaluation form of the Chief Executive Officer's performance by adjusting the organization sustainability assessment and then presented to the Board of Directors' Meeting No. 8/2022 to consider evaluating the Chief Executive Officer's performance and reported the evaluation results to the Board of Directors Meeting No. 1/2023 to approve the annual remuneration for the Chief Executive Officer.

- Overseeing to ensure that top executives have been remunerated appropriately and consistent with the Company's performance to create motivation both in the short and long term.

The Board of Directors assigned the Corporate Governance Nomination and Remuneration Committee to consider and determine the remuneration policy and criteria for the senior executives as appropriate that linked to the Company's performance by assigning the Chief Executive Officer to consider the appropriateness that reflected the performance of each executive.



- Ensuring that the development program and the succession plans of senior managements has been established for continuity of management.

The Board of Directors assigned the Corporate Governance Nomination and Remuneration Committee to prepare succession plans for the Chief Executive Officer and senior executives from the Managing Director upwards and propose to the Board of Directors for consideration as well as monitoring the progress according to the action plan.

- Ensuring that the Company's governance framework and policy extend to its subsidiaries and considering the appropriateness of the representative from the Company to be a director in its subsidiary.

The Board of Directors' Meeting No. 8/2022 considered appointing the Chief Executive Officer as the Company's representative to be a director in Prodigy Public Company Limited, a subsidiary of the Company to help drive business in the same direction.

- Setting up framework for resource management together with development and budget.

- Supervising and encouraging employees to have knowledge and understanding of money management and provident funds.

- Considering the appointment of the Company Secretary to be responsible for the works relating to the Board and to manage the important tasks of the Company in accordance with relevant laws and regulations.

The Board of Directors' Authority

- Setting and approving vision, strategy, policies, short-term and long-term business plan
- Defining authorization structure
- Appointing advisory and management team from Executive Vice President and above
- Considering the meeting allowance and directors' remuneration in order to propose to the Shareholders
- Approving budget with credit limit of over Baht 25 million or more
- Approving annual budget plan including goals and criteria for finance and investment
- Approving the loan to other companies or other persons for corporate business objective
- Approving the loan and issued Bank of guarantee and its credit line
- Approving to open and close bank account with financial institution and setting credit line and authorizing person for account payment
- Approving the criteria for connected and related transactions
- Approving the interim dividend payment to Shareholders
- Performing any other duties according to laws and Company Articles of Association



Roles and Responsibilities between the Board of Directors and the Management

The Board of Directors and the management have clearly separated roles, duties and responsibilities in order to counterbalance and review the business management. The Board of Directors will consider and approve the overall policy, corporate governance strategy while the management is responsible for operating daily works in accordance with the policies set by the Board of Directors.

The Chairman of the Board

is not the same person of Chief Executive Officer. The authority and function are separated to counterbalance between the Board and the Management team. No one has absolute power. The Chairman of the Board shall be an independent director, non-executive director and shall not be associated with management and shall not hold any corporate shares. Role and Responsibility of the Chairman of the Board are as follows;

- 1 Advising on the Corporate policy and strategy.
- 2 Governing the structure of the Board of Directors to be suitable for business according to good corporate governance.
- 3 Overseeing the Board and Sub-committee to participate in creating an ethical corporate culture and good corporate governance to achieve the objectives and main goals of the organization according to the plan effectively and effectiveness.
- 4 Supervising all directors to participate in promoting a corporate culture with ethics and good corporate governance.

- 5 Being the leader of the Board and presiding over the meeting of Board of Directors including approving matters to be included in the agenda of the Board of Directors' meeting together with the Chief Executive Officer with measures to ensure that a) important matters are included in the meeting agenda and b) directors receive complete and sufficient information prior to the date of Board's meeting as well as allocating sufficient time for discussion of important issues and encouraging directors to exercise discretion carefully and express opinion independently.
- 6 Strengthening good relations between executive directors and non-executive directors and between the Board and management.
- 7 Being a casting vote at the Board of Directors' meeting in the case that the votes are equally.
- 8 Presiding over the Shareholders' meeting and conducting the meeting toward agendas, which is according to the Company's Article of Associations and relevant laws.

Chief Executive Officer

is responsible for day-to-day operation of the Company under the policies set forth by the Board of Director. The scope of authority of the Chief Executive Officer is clearly defined as follows;

- 1 Ensuring the Company's operation is in line with policies set forth by the Board of Directors, under the laws, conditions, the Company's rules and regulations
- 2 Setting the guideline for business operation, development and expansion according to the Board of Directors' policy
- 3 Appointing the executives as necessary and appropriate, except the position of Executive Vice President and above and setting the scope of duties and responsibilities to perform duties efficiently



4 Being authorized to approve the expenses related to investment and procurement within the limit not exceeding Baht 25 million per time except in the case of contracts as follows: packaging within the limit of not more than Baht 400 million per year and hexane within the limit of not more than Baht 100 million per year

5 Being authorized to approve the raw material procurement as follows:

- Raw material purchase budget – within USD 70 million per time or within the amount of not more than 100,000 tons per vessel per time, whichever is higher

- Loan or credit procurement – within Baht 3,000 million time

- Financial tools for risk management of foreign exchange rates – within the limit of no more than 5 vessels (USD 50 million per vessel)

6 Hiring talented personnel and preparing the executive development and succession plans for the Board of Directors' consideration

7 Ensuring that the organization has proper system and policies for on-time accurate information disclosure, as well as the financial report is prepared and presented correctly, with necessary information for investors

8 Being authorized to approve any action necessary to the Company's normal business operation, the details of which are as follows:

- Being authorized to approve the orders, rules, announcements and notes for the operation consistent to the Company's policy and interests and to maintain the organizational disciplines

- Approving the appointment of advisors as necessary to the operations

- Performing any other duties as assigned by the Board of Directors

Advisor to the Board of Directors

is responsible for attending the Board of Directors' meetings or other sub-committees meeting to provide advice, opinions and suggestions to the directors.

The management team

is responsible for managing the Company in various fields. The Chief Executive Officer is as the head and the leader of the management team to operate business according to the policy by covering the following matters;

- Controlling and managing the general work of the Company including having the authority to act as a boundary under the approved scope of authority in order to comply with the objectives, policies and regulations of the Company

- Considering investment plans and presenting to the Board of Directors for approval

- Performing any actions as assigned by the resolution of the Board of Directors' meeting and the resolution of the Shareholders' meeting



7.3

Sub-committee

In accordance with good corporate governance principles, the Board of Directors has appointed 3 sub-committees consisting of the Audit Committee, the Corporate Governance Nomination and Remuneration Committee and the Environmental Social Risk Management and Compliance (ESRC) Policy Committee in order to consider screening important operations specifically with discretion and efficiency and to provide opinions to the Board of Directors including disclosing operation performance in the annual report for Shareholders to acknowledge as well as having the authority to consider and decide on some important matters authorized by the Board of Directors as specified in the charter, which is to define the duties and responsibilities of each sub-committee. The Company has published the sub-committees' charter on the Company's website under the topic "Corporate Governance". In order to ensure that the Company's operations are in accordance with the principles of good corporate governance, the Board of Directors shall review the composition of the sub-committees annually. In addition, the Board of Directors resolved on December 16, 2022 to change the name of the sub-committees effective from January 1, 2023, details on the organizational structure on [page 94](#) and on the Company's website under the heading "About Us", sub-heading "Organization Chart" (<https://www.tvotai.com/en/about/organization-chart>). In this regard, the Board of Directors has considered the sub-committee charter on February 24, 2023. Names and roles of sub-committees as of December 31, 2022 are as follows;

Audit Committee

The Board of Directors appoints the Audit Committee, which consists of at least one-third of the total number of independent directors, but must not be less than 3 persons, with qualifications and duties in accordance with the rules prescribed by the Capital Market Supervisory Board by having at least 1 director with sufficient knowledge and experience to be able to perform the duty of reviewing the reliability of financial statements.

The Audit Committee has a 3-year term. The members who are due to retire by rotation may be re-appointed as the Board of Directors deems appropriate. The Audit Committee is responsible for overseeing the Company's

operations through the Office of Internal Audit by using the method of auditing and reviewing the management of the Company for the benefit of the shareholders as a whole. The Audit Committee Meeting is scheduled to be held at least 1 time per quarter. The written minutes of the meeting is recorded and the certified minutes is stored perfectly for verification.

As of December 31, 2022, the Audit Committee consists of 3 independent directors; who are knowledgeable, expertise and adequate experience in reviewing the reliability of financial statements, as follows:

	Name	Surname	Position
1.	Mr. Apichart	Chirabandhu ¹	Chairman (Independent)
2.	Mr. Vipoota	Trakulhoon ²	Member (Independent)
3.	Ms. Patrawan	Manutsathit	Member (Independent)

Remark: ¹ Audit Committee with legal knowledge and experience

² Audit Committee with financial accounting knowledge and experience



Scope and Authority of the Audit Committee

- 1 Verifying the accuracy and adequate disclosure of the financial statement in coordinate with external auditor and management who is responsible of financial report quarterly and yearly.
- 2 Verifying and governing the Company to have implemented internal control system effectively and to have an appropriate and effective internal audit system, as well as considering the independence of the internal audit department and approving the appointment, rotation and termination of the internal auditor and whom may be responsible for internal audit work.
- 3 Verifying the Company's operations to comply with laws regarding securities and stock exchange and regulation of Stock Exchange of Thailand and relevant laws related to the business.
- 4 Nominating, appointing, re-appointing and terminating the independent person who have qualified and approved by the SEC to act as the Company's auditor and setting their fees also attending the meeting with auditor without management team at least once a year.
- 5 Verifying the connected and related transactions to prevent a conflict of interest according to the rules and regulations of the Stock Exchange of Thailand to ensure that transactions are reasonable and for the best interest to the Company.
- 6 Preparing an Audit Committee Report, signed by Chairman of the Audit Committee, which is disclosed in annual report with following necessary contents;

- The accuracy, adequacy and reliability of corporate financial statements
- The adequacy of risk management and internal audit control system
- The compliance of rules and regulations of Stock Exchange of Thailand and relevant business laws
- The suitability of the Auditor
- The conflict of interest transactions
- Number of the audit committee meeting and attendance of each member of the Audit Committee
- Overall opinion and observations that audit committee has received from performing their duties according to the Audit Committee Charter
- Other transactions that shareholders and investors may acknowledge under responsibility assigned by the Board of Directors.



- 7 During performing duty, if there are any suspicious transactions which may significantly affect to financial status and operational performance, the Audit Committee shall have the authority to invite the relevant person to provide information and report to the Board of Directors to improve within proper time as deemed appropriate by the Audit Committee

- Conflict of interest transaction
- Fraud, corruption or any other essential flaw from internal audit system
- Violation against Securities and Exchange Act, regulations of the Stock Exchange of Thailand or other laws related to the business.

If any above-mentioned transaction is not rectified by the Board or Executives as scheduled, the Audit committee shall report to the Securities and Exchange Commission and Stock Exchange of Thailand in that case.

- 8 Supporting and monitoring the Efficiency and adequacy of Risk Management system,
- 9 Reviewing and updating Audit Committee Charter to propose to the Board of Directors for approval.
- 10 Audit committee shall consult any professional advisors if necessary, the Company is responsible for the costs incurred.

- 11 Reviewing to ensure that the Company has internal process of whistleblowing and complaint that has investigation system independently and properly pursuing by having confidentially concerns and guideline of whistleblower protection. In this regard, Compliance with anti-corruption policy is another important matter. In addition, performing any other duties assigned by the Board of Directors with consent of Audit Committee.

In this regard, the Audit Committee should consider issues related to operational continuity and new ideas to be discussed.

- 12 Verifying the accuracy of the reference documents and the self-assessment form of anti-corruption measures of the Company in accordance with the Thailand's Private Sector Collective Action Coalition Against Corruption.

Corporate Governance Nomination and Remuneration Committee

The Corporate Governance Nomination and Remuneration Committee is appointed by the Board of Directors, consisting of at least 3 independent directors and the Chairman is an independent director. The Corporate Governance Nomination and Remuneration Committee has a 3-year term. The retired directors may be re-appointed. The Corporate Governance Nomination and Remuneration Committee is responsible for proposing, reviewing and supervising on corporate governance, considering and nominating qualified person for the position of the Company's directors and top executives and performing other duties as assigned by the Board of Directors with the scope of duties and responsibilities as specified in the Corporate Governance Nomination and Remuneration Committee Charter.

The Corporate Governance Nomination and Remuneration Committee requires to hold a meeting at least once a quarter to get the good corporate governance policy improved up-to-date, to consider criteria and methods for recruiting people and to review the performance evaluation system of the Board of Directors and executives including recruiting top executives if necessary.



As of December 31, 2022, the Corporate Governance Nomination and Remuneration Committee consists of 3 independent directors and 1 honorary director as follows;

	Name	Surname	Position
1.	Dr.Suvit	Marsincee	Chairman (Independent)
2.	Mr.Apicahrt	Chirabandhu	Member (Independent)
3.	Assoc.Prof.Dr. Kitcha	Uairong	Member (Independent)
4.	Ms. Wiboonluck	Ruamraksa	Honorary Director

Scope and Authority of Corporate Governance Nomination and Remuneration Committee

Corporate Governance

- 1 Defining the scope and policy of Corporate Governance to propose to the Board of Directors as well as always consider improving it up-to-date continuously
- 2 Providing Corporate Governance guideline and supervising the Company to comply with the corporate governance policy including reviewing the Company's corporate governance policy annually
- 3 Formulating criteria and process of recruiting directors and executive
- 4 Reviewing and revising the Charter of the Corporate Governance Nomination and Remuneration Committee in accordance with the business situation in order to propose to the Board of Directors for approval

Nomination

- 1 Defining criteria, policies and procedures for recruiting directors and top executives from the level of managing director upwards and reviewing the criteria and methods of nomination of directors as well as considering the structure of the Board of Directors to propose to the Board of Directors prior to the nomination of directors whose term has expired including considering the results of the performance assessment of the directors who completed the term in the case that the retired director is nominated for re-election.
- 2 Determining qualification, considering the background and selecting the appropriate person to be a director of the Company in accordance with the business strategy by considering the Board Diversity in order to propose opinions to the Board of Directors and / or the Shareholders' meeting to approve the appointment.
- 3 Working with Chief Executive Officer to determine qualification and selection of person(s) who is suitable for senior management positions from Managing Director and above and approving the person(s) who is proposed by Chief Executive Officer.
- 4 Working with Chief Executive Officer to prepare a succession plan for the position of Chief Executive Officer and senior management in order to propose to the Board of Directors for consideration annually.



Remuneration

- 1 Defining criteria and policies for monetary and non-monetary compensation of the Board of Directors and Sub-Committees to be suitable for their responsibilities and in accordance with the Company's strategy and long-term goals as well as considering compensation for the Company's Directors by comparing with the compensation rates of other companies in the same industry in order to propose to the Board of Directors and / or the Shareholders' meeting for approval
- 2 Formulating policies and criteria for consideration of remuneration to be in line with the operating results of the Company and the performance of individual executives
- 3 Considering the performance assessment in order to determine compensation, annual bonus and annual salary adjustment of senior executives from the level of the Managing Director and above.

In this regard, the Board of Directors Meeting No. 8/2022 resolved to restructure the sub-committee. by changing the Corporate Governance Nomination and Remuneration Committee to be the Nomination and Remuneration Committee with effect from January 1, 2023 onwards.

Environmental Social Risk Management and Compliance Policy Committee (ESRC)

The Board of Directors realizes the importance of corporate management towards sustainability, beginning with corporate governance, regulatory compliance, and risk management including supply chain management that integrates environmental, social and governance issues

into the business operations to enhance the business sustainable in the long term and create a positive impact on society, environment and stakeholders systematically and continuously.

The Board of Directors appoints the ESRC Policy Committee with the objective of assisting the Board of Directors in formulating governance policy regarding environment, social responsibility, risk management and regulatory compliance as well as monitoring the implementation, evaluation, review and improvement of working systems to be suitable in accordance with the policy, business plan and good corporate governance which is the basis of sustainable development.

The ESRC Policy Committee is responsible for establishing risk management policies and procedures that are in line with the objectives, goals, business plans and acceptable risk to be a framework for risk management for everyone in the organization. Compliance with risk management processes is under control and monitor in accordance with laws and relevant standards. The process is reviewed and improved regularly to be suitable for business operations with the scope of authority, duties and responsibilities specified in the ESRC Policy Committee Charter.

The ESRC Policy Committee consists of at least 3 directors with a 3-years term. The directors who are retired by rotation may be re-appointed to the position. The meeting shall be called at least twice a year. In 2022, the ESRC Policy Committee conducted 2 meetings.

As of December 31, 2022, the ESRC Policy Committee consists of 3 directors as follows:

	Name	Surname	Position
1.	Dr.Suvit	Marsincee	Chairman (Independent)
2.	Mr. Vipoota	Trakulhoon	Member (Independent)
3.	Ms.Aranya	Vitayatanagorn	Member



Scope and Authority of the ESRC Policy Committee

- 1 Inviting the management team or related employees to join the Board of Directors' meeting and/or request any of its unit to explain and/or clarify the information in written to the ESRC Policy Committee, regarding Environmental and Social responsibility, Business Risk, Compliance and their own duties and responsibilities and other matters that the Committee deems necessary and appropriate to perform their duties.
- 2 Assigning any units of the Company to action or operate as the Committee deems necessary in order for its targets, strategies and procedures according to the ESRC Committee Charter are always reached or to allow the Committee to be able to accomplish any other duties assigned by the Board of Directors.
- 3 Considering and providing opinions on the draft policy and the scope of work on environmental and social responsibility, organizational risk management and compliance.
- 4 Being acknowledged, considering and providing opinions on the operational results of environmental and social responsibility, regulatory compliance, risk assessment, risk management guideline and measures and action plan for the residual risk management, in order to ensure that the Company has adequate and appropriate operations regarding environment and social responsibility, regulatory compliance and risk management.
- 5 Considering and providing opinions on the determination of the organization's risk appetite and risk tolerance.
- 6 Providing suggestions and supporting the ESRC-E Committee and top management regarding environment and social responsibility, organizational risk management and regulatory compliance along with encouraging and supporting the improvement and development of the related operations continuously and consistently.

- 7 Communicating and reporting the operational results to the Board of Directors and the related parties.

- 8 Performing other duties as assigned by the Board of Directors.

In the case of necessity and appropriateness in order to accomplish the duties and responsibilities successfully, the ESRC Policy Committee may request opinions from independent consultants and receive trainings and educations concerning the environmental and social responsibility, risk management and compliance

In addition, the ESRC Policy Committee has appointed the ESRC-E Management Committee, consisting of the management team from many departments, whether from the headquarter or plants, to support the performance of the ESRC Committee and closely monitor the procedures of environment and social responsibility, organizational risk management and regulatory compliance.

Scope of Duties and Responsibilities of the ESRC Management Committee

- 1 Being responsible for establishing policy regarding Environment, Society, Risk management and Compliance in order to present to the ESRC Committee.
- 2 Monitoring operations in environment, social responsibility, risk management and regulatory compliance aspects as well as following up on evaluating, reviewing, and improving a working systems to be in accordance with the policies, business plans and good corporate governance, which serve as the foundation of sustainable development.



- 3 Being in charge of risk assessment, and preparing and monitoring the execution of functional risk management and corporate risk management plan to ascertain that appropriate risk management measures are put in place and consistent with the strategies and business plans of the Company.
- 4 Following up the identification process and company-wide critical risk assessment. Identifying external and internal risks factors that may derail operations. Evaluating the aftermaths and opportunities of identified risks and analyzing key risk factors that could affect the Company to ensure that a risk management plan and risk management measure are active so that the Company is able to respond to changes and several uncertainties properly and in line with the strategies and business plans of the organization.
- 5 Promoting, supporting and dispensing necessary resources for operations on environmental, social, risk management and compliance aspects sufficiently.
- 6 Communicating and advocating for policy on environmental, social, risk management and compliance to be applied on a company-wide scale and to become a part of the corporate culture.
- 7 Preparing a meeting to review and monitor performances and proposing corporate risk management plans including reporting performance regarding environment, society and compliance matters to the ESRC Policy Committee for acknowledgment and consideration regularly and consistently.
- 8 Performing other duties as assigned by the ESRC Policy Committee.

To reinforce the commitment to create sustainable business growth along with continuous responsibility to stakeholders and society, the Board of Directors' Meeting No. 8/2022 resolved to restructure the sub-committee by changing the Environment Social, Risk Management and Compliance (ESRC) Policy Committee to be the Environment Social and Governance (ESG) Committee and resolved to appoint one additional director, effective from January 1, 2023 onwards. The current ESG Committee Consists of 4 company directors as follows;

	Name	Surname	Position
1.	Dr.Suvit	Marsincee	Chairman (Independent)
2.	Mr. Vipoota	Trakulhoon	Member (Independent)
3.	Ms.Aranya	Vitayatanagorn	Member
4.	Mr. Pachai	Chanpitaksa ¹	Member

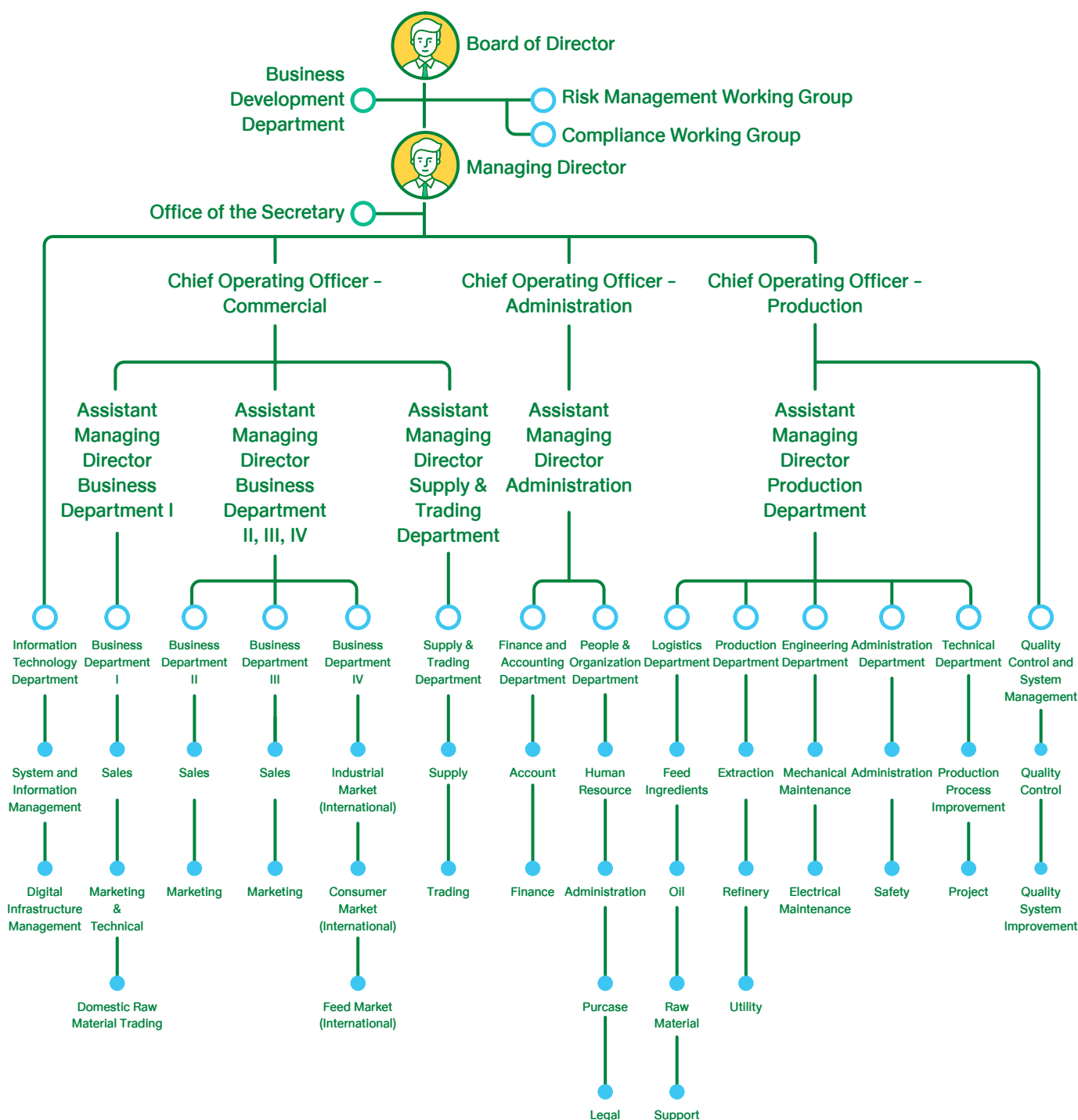
Remark: ¹ Appointed according to the resolution of the Board of Directors Meeting No. 8/2022 held on December 16, 2022.

In addition, the risk management and the compliance aspect have been transformed into working group to report performance directly to the Chief Executive Officer to be able to oversee the overall governance of the organization effectively.



7.4 Management Team

According to the resolution of the Board of Directors Meeting No. 8/2022 held on December 16, 2022, the Company has restructured the organization as follows:





As of December 31, 2022, there are 6 top executives according to the definition of the SEC Office as follows;

	Name	Surname	Position
1.	Mr. Pachai	Chanpitaksa	Chief Executive Officer
2.	Mr. Suchai	Visesleela	Managing Director
3.	Miss Sunanta	Tritepapirok ¹	Chief Operating Officer – Administration
4.	Miss Teerada	Korsrilabutr	Assistant Managing Director, Business Department II III IV
5.	Mr. Suranat	Khemadham	Assistant Managing Director, Business Department I
6.	Mr. Surat	Jewpraditkul	Assistant Managing Director, Production Department

Remark: Details on the expertise, skills and experience of management are shown in [Attachment 1](#).

¹ Be responsible for accounting and finance, hence, she is considered as the chief executive of the accounting and finance department.

Remuneration Policy for Top Executives

The Company has a policy and criteria for determining remuneration which is relevant to the Company's performance in the form of Key Performance Indicators as well as evaluating the performance of the executives every year. The Chief Executive Officer and President shall consider the appropriateness in determining the remuneration and annual wage adjustment that reflects the performance management of each executive according to the work which is in line with the vision, mission and strategy of the Company as well as the guidelines and standards of other listed companies with similar size of business.

The remuneration of Chief Executive Officer has been defined appropriately. The guidelines are clear, transparent, fair and reasonable, taking into account the responsibilities and performance. The remuneration is considered on both short-term and long-term basis by considering the operating results of the Company compared to the business plan in each year for the short-term evaluation. The long-term consideration will be based on the ability

to formulate strategies and operational direction to achieve the goal and mission according to the vision of the organization including the results of the performance evaluation of the Chief Executive Officer. The Board of Directors has assigned the Corporate Governance Nomination and Remuneration Committee to determine the annual remuneration of the Chief Executive Officer and present to the Board of Directors for consideration. The Chief Executive Officer also receives remuneration and benefits as the highest top management of the Company besides receiving as a director.

In 2022, 6 top executives, including the Chief Executive Officer and top executives, according to the criteria of the SEC Office were paid in the form of salary, provident fund and bonus in the total amount of Baht 39.29 million (Representing 6.15% of the total compensation of the business). In addition to the monetary remuneration as aforementioned, the Company does not pay any other non-monetary remuneration to top executives.



7.5 Human Resource

Personnel

The Company has a recruitment policy that focuses on equality, no restrictions or discrimination based on sex, race, religion, culture, and realize that employees are valuable resources in driving the Company's business. As of December 31, 2022, there were 1,298 employees working for TVO, a decrease of 20 employees from 2021 or decreased by 1.52%, which was divided into 153 employees working at Head office while 1,145 employees were working at the product plants with variety of the age, gender and education level, classified by work field as follows;

Work Field	Number of employees
Work directly to the Chief Executive Officer	10
Internal Audit	4
Finance and Accounting	41
Marketing and Commerce	61
Centralized Management (Human Resources, Administrative, Purchasing, Law)	37
Production	1,145
SOU	1,298

Remuneration for employees

The Company has a remuneration policy for employees that is in line with the short-term and long-term performance of the Company to provide remuneration to employees fairly. The remuneration structure for each position is determined appropriately by considering from the performance and the level of responsibility responsible for the knowledge, ability and individual performance of each employee. Employees shall receive remuneration equally and fairly when compared within the organization, parallelly, the remuneration payment is also in accordance with the economic conditions, inflation, consumer price index and remuneration guideline of other companies in the same industry, however, remuneration for employees must be suitable for business expansion and the Company's growth rate. Employees shall receive remuneration in the form of salary, wages, bonuses and provident fund etc.

Provident Fund

The Company has set up a provident fund to provide benefits to employees and to promote savings in another way as well as being a motivation for employees to work with the Company for a long time. Employees who are members of the provident fund will receive monthly contribution to the fund from the Company at different rates depending on years of membership, concurrently, employees must accumulate money to the fund at the same rate. In case of the termination, employees will receive contributions including the average net benefit of the fund. In this regard, the Board of Directors' Meeting No. 8/2022 has reviewed the new provident fund contribution rates as follows:

Membership	Contribution Rate
From 1 Year to 5 Years	3%
From 5 Years to 10 Years	5%
From 10 Years onward	7%



The Company has a policy to select Low-Risk Fund in order to secure members' money. In 2022, there were 951 employees who joined the provident fund, representing 73.27% of total number of employees.

In 2022, the Company paid remuneration to employee as follows:

- **Short-term remuneration that is consistent with the Company's performance** such as salary, which is increased once a year and annual bonus based on the Company's performance and individual assessment totaling Baht 606 Million.
- **Long-term remuneration** such as provident fund and retirement benefits, which the Company paid contributions to the provident fund totaling Baht 12 Million and reserved a provision for long-term employee benefits of Baht 21.5 Million.

7.6 Other Information

The person supervising in finance and accounting

The Company assigned Miss Sunanta Tritapiruk, Chief Operating Officer – Administration as the person with the highest responsibility in accounting and finance to be responsible for overseeing the preparation of financial reports to be credible and quality in accordance with accounting standards and the guidelines of the SEC. Details of the person supervising in finance and accounting appear in [Attachment 1](#).

Company Secretary

The Board of Directors is responsible for the appointment of knowledgeable persons with ability and appropriateness to be a Company Secretary to help and support the Board to perform their duties efficiently and effectively as required by law. The Board of Directors appointed Miss Kanatsorn Bunditnate to be the Company Secretary since August 14, 2018 to perform duties under the Securities and Exchange Act B.E. 2535 and the announcement of the Capital Market Supervisory Board.

Details of the roles, duties and responsibilities of the person holding the position of Company Secretary appear in [Attachment 1](#).

Internal Audit Supervisor

The Audit Committee appointed Mr. Krit Kongkaew, Manager of the Internal Audit Office as the head of the internal audit department to be responsible for internal auditing and evaluating the Company's activities, reviewing the quality of operations to be in accordance with the audit plan and consistent with the objectives and goals of the Company as well as performing other duties as assigned by the Audit Committee. Details of the person holding the position of Internal Audit Supervisor appear in [Attachment 3](#).



Internal Audit Company

The Audit Committee considered and selected an internal auditor company and then appointed Ascent Advisory Company Limited as an independent internal auditor for the year 2022, effective from February 25, 2022. They were responsible for auditing compliance with policies, organizational regulations and procedures to ensure that the Company has an appropriate and adequate internal control systems to achieve the objectives and goals.

Head of Compliance

The Company established an Environmental, Social, Risk management and Compliance (ESRC) Policy Committee to help monitor operations, process, review and improve work systems. In addition, the ESRC Policy Committee also appointed a working group to oversee the performance by assigning Mr. Surat Jewpraditkul to be responsible for compliance with laws, rules, regulations, policies and requirements of the Stock Exchange of Thailand, the Securities and Exchange Commission of Thailand and Public Law. Details of the roles, duties and responsibilities of the person holding the position of Head of Compliance appear in [Attachment 3](#).

Investor Relations

The Company established an investor relations unit by assigning Mr. Angkoon Imerbthum as the Company's representative to be responsible for disclosing the Company's information and news to Shareholders, investors, analysts and the general public. Investors can contact the Investor Relations Department according to information as provided below;

Investor Relations:

Thai Vegetable Oil PCL,
149 Ratchadapisek Road (Thapra - Taksin)
Bukhalow, Thonburi, Bangkok 10600
Telephone: 02-477-9020
Fax: 02-477-8022
Email: ir@tvothai.com

Auditor

The auditor of the Company and its subsidiary for the year 2022 are Mrs. Chonlaros Suntiasvaraporn, Certified Public Accountant No. 4523 from EY Office Company Limited. The audit fees paid by the Company and its subsidiary to EY Office Company Limited are as follows;

1 Audit Fee

	Baht
The Company	1,900,000
The subsidiary	1,160,000

2 Non-Audit Fee

For the year 2022, the Company has an expense for a non-assurance service fee totaling Baht 20,000. It's a service fee for attending to observe the destruction of buildings, machinery, equipment and other fixed assets, that are not in use and must be demolished for the TVO 1 project.



8

Corporate Governance
Report

8.1

Summary of the Board's
Performance in the Past YearNomination and Appointment of
the Directors

The Corporate Governance Nomination and Remuneration Committee has determined the criteria of directors selection by considering the nature of the business and the strategy of the Company, therefore, has defined the qualifications of the directors to be appropriate and consistent with the business strategy of the Company by considering the necessary skills that are still lacking and the Board Diversity in professional skills, gender, specialized expertise, knowledge including work experience to determine the appropriate person with experience, knowledge and ability that will benefit the Company to become a director or executive.

The Company has established a Board Skill Matrix and reviewed the Board Diversity annually and considered the performance evaluation of the current committee in order to review the structure of the Board which is used as information for consideration of nomination of directors to ensure that the Board of Directors is qualified in accordance with the Company's business direction. However, the person who is appointed to be the director or executive must be fully qualified according to Section 68 of the Public Company Act B.E. 2535 (including the amendments) and the SEC's announcement and must not have prohibited characteristics as Securities Act (Including additional amendments), other laws and related regulations.

In this regard, the Board of Directors Meeting No. 8/2022 reviewed and approved the revision of Board Skill Matrix proposed by the Corporate Governance Nomination and Remuneration Committee by adjusting knowledge and expertise in ESG management and digital transformation in order to be in line with the current business situation and direction.



Board Skill Matrix

Knowledge/Experience	Dr. Suvit	Mr. Apichart	Assoc. Prof. Dr. Kittha	Mr. Vipoota	Ms. Patrawan	Miss Aranya	Mr. Vichai	Mr. Vachara	Mr. Pachai	Mr. Ekarat	Mr. Voravuth	Mr. Kuna	Number of director with knowledge/experience	%
Knowledge and experience in animal feed and vegetable oil industry	●	●	●			●	●	●	●	●	●		9	75%
Vision, mission, policy, strategic planning of the organization	●	●	●	●	●	●	●				●		8	67%
Business administration or work related to the main business of the Company	●	●	●		●	●	●	●	●	●	●		10	83%
Expertise in domestic and/or international marketing		●				●	●			●	●		5	42%
Knowledge and experience in reviewing the credibility of financial statement		●		●	●			●			●		5	42%
Risk Management and work management in normal situation				●		●	●	●	●		●	●	7	58%
ESG Management	●		●	●					●	●		●	6	50%
Human Resource Management			●	●	●			●			●	●	6	50%
Knowledge of Digital Transformation					●					●			2	17%

The Board of Directors currently consists of 12 members, which is suitable for the business. All directors have work experience or have ever worked as the top management positions of government agencies and business sectors. Most of directors have experience in the vegetable oil industry and animal feed ingredients that are beneficial to the Company. Most of directors graduated in business administration or have work experience related to the Company's main business and in corporate strategic planning as well as risk management and ESG management. The current Board of Directors is composed of qualified persons with experience and expertise from a variety of professions.

The Company invites minority Shareholders through website to nominate qualified person who was not possessing any prohibited characteristics as prescribed by the laws on public limited company, the laws on securities and the stock exchange and according to the criteria set by the Company every year to be selected as the Company's director. The Corporate Governance Nomination and Remuneration committee will consider and propose to the Board of Directors or Shareholders' meeting, as the case may be.



Selection criteria

Directors Qualifications

- Not being prohibited by the Public Limited Companies Act B.E. 2535 or other related laws as well as the requirements of the SET, the SEC and the Company's regulations.
- Being a qualified person with leadership, visionary, morality and ethics, knowledge, ability, useful experience and understanding of the nature of business and industry in which the Company operates to be consistent with the Company's strategy and the Board Skill Matrix.
- Being responsible and able to fully devote time to perform the duties as the Company's directors. The director can hold a directorship in other businesses, but it must not be an obstacle to perform the duties as the Company's director. In order to encourage the directors to devote sufficient time to perform their duties efficiently, the director is limited to serve as a director in the listed companies in the Stock Exchange of Thailand not more than 5 companies.

Independent Directors Qualifications

The number of independent directors is not less than one-third of the total number of directors.

At present, the Board of Directors consists of 5 independent directors who are fully qualified according to the criteria set by the Capital Market Supervisory Board as follows;

- 1 Shall not hold shares exceeding of one percent of the total number of voting shares of the Company, or the parent company, subsidiary company, associated company, major shareholder, or controlling person, whilst the number of shares held by any related person of such independent director must also be counted.

- 2 Shall not a director participating in management role, or an employee, an officer, an advisor who receives regular salary, or a person having controlling power, of the Company or the parent company, subsidiary company, associated company, a subsidiary company in the same level, major shareholder, or controlling person, unless such an independent director has not possessed the characteristics referred to above for at least two years, provided always that such prohibited characteristics shall not apply to an independent director who used to be a government officer or an advisor to a government authority, which is a major shareholder or the controlling person of the Company.
- 3 Shall not a person related by blood or legal registration as a father, mother, spouse, sibling, and child, including as a spouse of a child of other directors, management person, major shareholder, controlling person, or the person being nominated to be a director, management person or a controlling person of the Company or the subsidiary company.
- 4 Shall neither have and have ever had any business relationship with the Company or the parent company, subsidiary company, associated company, major shareholder, or controlling person in the manner in which his/her independent discretion might be affected, and is not and has not been a significant shareholder or a controlling person of the person that has business relationship with the Company, or the parent company, subsidiary company, associated company, major shareholder, or controlling person, unless such an independent director has not possessed the characteristics referred to above for at least two years.



- 5 Shall not be nor have ever been an auditor of the Company or the parent company, subsidiary company, associated company, major shareholder, or controlling person, and is not a significant shareholder, a controlling person, or a partner of any auditing firm of which the auditor of the Company, or the parent company, subsidiary company, associated company, major shareholder, or controlling person is working, unless such an independent director has not possessed the characteristics referred to above for at least two years.
- 6 Shall not be nor have ever been any professional service provider, including legal or financial advisor who obtains fee of more than Baht two million per year from the Company or the parent company, subsidiary company, associated company, major shareholder, or controlling person, and not be a significant shareholder, or a controlling person, or a partner of any of such professional service provider, unless such an independent director has not possessed the characteristics referred to above for at least two years.
- 7 Shall not be a director appointed as a representative of the Board of Directors, major shareholder, or shareholder who is a related to major shareholder of the Company.
- 8 Shall not undertake any business in the same nature and in competition with the business of the Company or its subsidiary, nor be a significant partner in a partnership or director with management authority, employee, staff member or advisor who receives salary or holds shares exceeding 1% of the total number of shares with voting rights of another company which undertakes business in the same nature and in competition with the business of the Company or its subsidiary.
- 9 Shall not have any other characteristics which may restrict such person from offering independent opinions regarding the Company's operations.

Director's Term of Office

The Company's Articles of Association stipulates the director's term of office in accordance with the Public Limited Companies Act B.E. 2535 that at the Annual General Meeting of Shareholders each year, one-third of directors shall vacate office. If the number of directors cannot be divided exactly into three parts, directors in a number closest to one-third shall vacate office. In the first and the second year, directors to vacate office shall draw lots. In subsequent years, the directors who remained in office for the longest time shall vacate office. However, the Board of Directors has a 3-year term of office and may be re-elected as the Board of Directors deems appropriate. The director vacating office may be re-elected. The Company established the terms of independent director not to exceed 3 consecutive terms, as indicated in the Charter of the Board of Directors.



Directors Appointment

In every Annual General Meeting of Shareholders, one-third of members of the Board shall vacate office, if the number of directors cannot be divided exactly by three, the directors in a number closest to one-third shall vacate office, and then new members shall be elected by Shareholders based on following criterion:

- 1 One shareholder has votes in a number equal to number of shares.
- 2 Each shareholder may use all his/her votes to elect one or more than one director but may not distribute his/her vote varied for persons.
- 3 In voting for the director election, the Company allows Shareholders to elect directors individually. In this regard, the Shareholders are required to cast all their votes to elect nominated persons as directors one by one.
- 4 Voting result, the Company uses a simple majority votes of the Shareholders who attend the meeting and cast their votes. Persons equaled to number of directors to be appointed with highest subsequent votes shall be elected as members of the Board of Directors. In cases where the persons elected in descending order are equal vote, exceeding number of directors to be elected at that time, Chairperson shall cast a deciding vote.

In the case of a vacancy of directorship for reason other than expiration of term of office, the Corporate Governance Nomination and Remuneration Committee shall elect a person possessed of qualifications and not possessed of disqualifications according to the law as the replacement director in the Board of Directors' meeting within the period specified by law unless the remaining term of office of the vacating director is less than 2 months. The replacement director may hold only for the remainder of term of office of the director who be replaced. In this regard, the resolution must be supported by votes not less than three-fourths of the number of the remaining directors.

The 2022 Annual General Meeting of Shareholders considered and approved the appointment of 3 directors who retired by rotation, namely: Mr. Vachara Vitayatanagorn (Director), Mr. Pachai Chanpitaksa (Director) and Mr. Ekarat Wongsupbhasatigul (Director), to be re-elected as the Company's directors for another term, and also considered and approved the appointment of Ms. Patrawan Manutsathit as the independent director in place of the director who retired by rotation. All 4 directors had passed the screening process by the Corporate Governance Nomination and Remuneration Committee and been approved by the Board of Directors that their qualifications were suitable for the business and their past performance had been satisfactory throughout the term of directorship.

Appointment of Advisors to the Board of Directors

In 2022, the Board of Directors appointed an expert as an advisor to the Board of Directors. The Board of Directors Meeting No. 4/2022 on July 22, 2022 resolved to appoint Dr. Chaipat Sahasakul, who had expertise in commodity and agricultural futures markets as well as risk management and corporate governance in line with the guidelines of the SEC and the Stock Exchange of Thailand, as an advisor to the Board of Directors.

Nomination and Appointment of Top Executives

Nomination Committee for the position of Chief Executive Officer ("CEO Nomination Committee") led by Mr. Apichart Chirabandhu (Chairman of the Audit Committee) as the chairman of CEO Nomination Committee along with 2 other qualified members has been working on recruiting qualified people with expertise and experience in the food industry, animal feed including vegetable oil industry with a combination of recruitment methods since 2021 continued into 2022. Finally, the Board of Directors Meeting No. 4/2022 resolved to approve the appointment of Mr. Pachai Chanpitaksa as Chief Executive Officer with effect from August 1, 2022 onwards.



Limitation of Director's positions in other Companies

The Board of Directors has a definite policy on a limitation of number of Companies that a director should be holding as a director in other listed companies not exceeding than 5 companies in order for the director to have adequate time to do their own duties. In 2022, there was no director holding any position as a director in more than 5 listed companies.

The Position of Chief Executive Office in other Companies

The Board of Directors has a definite policy on other positions of Chief Executive Officer in other companies by considering that the business must be supported by the business of the Company for example; position in the Company's subsidiary in order to control them.

However, being a director in other listed companies of the Chief Executive Officer must not be an obstacle to the performance of the Chief Executive Officer of the Company and that business must not be the same nature as the Company and not in competition with the Company and also bring knowledge and experience from being a director in other companies to help enhance the Company.

In 2022, Chief Executive Officer of the Company was not a director in any other listed companies.

Directors and Executives Development

Current Directors and Executives

The Company is aware of the importance of knowledge development for current directors and supports the directors to attend training courses related to the roles and responsibilities of directors organized by the Thai Institute of Directors (IOD). Presently, 12 directors have passed the preliminary training program with the IOD or out of a total of 12 directors, representing 100% including other courses related to directors' roles and the Company's business. The Company also encourages managements to gain knowledge about the legal, relevant regulations related to executive function as well as seminars that are beneficial to the organization and participants.

In 2022, all 12 directors of the Company participated in an online seminar on the topic of "CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption" on March 4, 2022 to realize their leadership role in corporate governance to create sustainable value for the business and the topic of "Potential risks in a business amidst the current situation and significant for 2022" on May 27, 2022, to be aware of the current issues that were the highest risks for the organization organized by Dr. Mongkon Laoworapong, Internal Auditor from Ascent Advisory Company Limited. Moreover, the Company's director also participated in an online seminar organized by Baker & McKenzie Ltd. on the topic of "Things to know about Personal Data Protection Act (PDPA)" on December 16, 2022, to realize the importance of personal information and how to manage such information properly.

In addition, the Company's directors and the executives passed the training courses organized by the Thai Institute of Directors Association (IOD) and other courses organized by various institutions as follows;



Training Development of Directors and Executives in 2022

Name		Program	Organization / Lecturer
1. Ms. Patrawan	Manutsathit	Advanced Audit Committee Program (AAPC 46/2022)	Thai Institute of Directors Association (IOD)
2. Mr.Kuna	Vitayatanagorn	What Directors Need to Know about Digital Asset (3/2022)	Thai Institute of Directors Association (IOD)
3. Mr.Pachai	Chanpitaksa	Carbon Footprint for Organization	Faculty of Environment Kasetsart University by Mr. Supachok Tapananon, senior researcher, VGREEN
4. Mr. Suchai	Visesleela	Carbon Footprint for Organization	Faculty of Environment Kasetsart University by Mr. Supachok Tapananon, senior researcher, VGREEN
5. Ms.Sunanta	Tritepaperuk	Carbon Footprint for Organization	Faculty of Environment Kasetsart University by Mr. Supachok Tapananon, senior researcher, VGREEN
		Financial reporting standards and required accounting standards for accountants (TFRS15, TAS16, TAS38, TAS40)	Dharmniti Seminar and Training Co., Ltd
		Professional tax accounting	
6. Ms.Teerada	Korsrilabutr	Carbon Footprint for Organization	Faculty of Environment Kasetsart University by Mr. Supachok Tapananon, senior researcher, VGREEN
7. Mr. Suranut	Khemadham	Carbon Footprint for Organization	Faculty of Environment Kasetsart University by Mr. Supachok Tapananon, senior researcher, VGREEN
		Feed Crises 2023	Faculty of lecturers, Kasetsart University, Bangkok
8. Mr. Surat	Jewpraditkul	Carbon Footprint for Organization	Faculty of Environment Kasetsart University by Mr. Supachok Tapananon, senior researcher, VGREEN
		CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption	Dr. Mongkon Laoworapong, Internal Auditor from Ascent Advisory Company Limited
9. Ms.Kanutsorn	Bunditnate	Preparing for PDPA Enforcement for Company Secretary	Thai Listed Companies Association (TLCA)
		Reinventing HR to thrive in the “Never Normal”	
		Nomination and Appointment of Directors	
		ESG Risk Matter to Supply Chain Management	The Stock Exchange of Thailand (SET)
		Investor Right Guideline	Thai Investors Association (TIA)
		CGR 2023 Coaching	Thai Institute of Directors Association (IOD)
		Challenge in Building Trust in the Board	



New Directors

The Company has specified guidelines for preparing the duties of the directors for newly elected directors by organizing the orientation program for a new director in order to prepare in performing duties as a director. The Company Secretary is responsible to organize program to visit the plants and its production process, prepare Director's handbook as an introduction to the Company such as vision, goal of the Company, industry overview as well as the Company's regulations, related laws including operation framework, scope of duties and responsibility of the committees including matters under consideration by the Board as references for a new director to be able to search initially. In addition, the Board has assigned the Company Secretary to arrange a meeting with the Chairman of the Company, other directors or managements to inquire and receive in-depth information about the Company's business operations.

In 2022, the Company Secretary prepared a director manual which was useful for new directors to perform their duties, which consisted of business overview (the Company's history, nature of business, organizational chart), laws and regulations and corporate governance (Corporate Governance Policy, Code of Conduct, Work Culture, Sustainability, Charter of the Board of Directors and Sub-Committees) including a summary of issues that were being monitored by the Board of Directors. In this regard, the Chairman and the Chief Executive Officer had a meeting with new directors before the Board of Directors' meeting.

Relevant parties in corporate governance

The Company has a policy to encourage those supporting the Board of Directors work, such as Company Secretary, the secretary to the Audit Committee, and those doing relevant jobs, to be developed consistently and continuously by receiving training and seminars in courses related to their duties organized by the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), Thai Listed Companies Association, Thai Institute of Directors (IOD) and other institutions continuously.

Succession Plan

In order to be prepared for a continuation of the business, the Board of Directors, therefore, requires the management to have a succession plan of the Chief Executive Officer and senior executives by assigning the Corporate Governance Nomination and Remuneration Committee to be responsible for succession plan for important positions together with Chief Executive Officer and to present to the Board of Directors for consideration including determining the knowledge, ability and experience of positions that are important and affecting the business as well as to prepare assessment plans of knowledge, capabilities, weakness, strengths and readiness of Managing Director and above especially the Chief Executive Officer position in order to find qualified people to participate in individual development programs, which is to develop the knowledge of potential executives to be ready for business management, business expansion and organization restructuring including retirement in the future. The Chief Executive Officer is responsible for reporting the succession plan to the Corporate Governance Nomination and Remuneration Committee to summarize and report to the Board of Directors at least once a year.

In 2022, the Board of Directors assigned the management to implement the succession plan by developing personnel potential and working rotation to prepare them to adapt to the changing situation and business. The Nomination and Remuneration Committee Meeting No. 1/2023 reviewed the criteria and succession process for the top executive level to be in line with the new organizational structure.



Performance Evaluation

Board of Directors

The Corporate Governance Nomination and Remuneration Committee is responsible for assessment process of the Board of Directors by applying the assessment form of the Stock Exchange of Thailand to be adapted to suit the nature and structure of the Board of Directors in which the assessment forms will be reviewed annually in order to be used as a framework for monitoring the performance of the Board of Directors. The assessment results will be further considered for the suitability of the Board composition and will be used to further improve the effectiveness of work. In this regard, the performance assessment of the Board of Directors has the following topics as follows;

Topic of the entire Board Assessment

- Structure and Qualification of the Board of Directors
- Role and Responsibility of the Board
- Board Meeting
- Directors' Duties
- Relation with management
- Self-development of directors and executive

Topic of Individual Assessment

- Structure and Qualifications of the Board of Directors
- Meeting
- Roles, duties and responsibilities of the Board of Directors

v

Sub-committee

The Board of Directors requires that the sub-committees, consisting of the Audit Committee, the Corporate Governance Nomination and Remuneration Committee (CGNR) and the Environmental Social Risk Management Compliance (ESRC) Policy Committee shall have a self-assessment of their performance and shall report the assessment results to the Board of Directors meeting every year to review the performance of the sub-committee. The evaluation form of the sub-committee is prepared in accordance with the scope of authority, duties and responsibilities in accordance with the charter of each sub-committee and reference to the form from the Stock Exchange of Thailand, which has topics about the structure, and qualifications of sub-committees, roles, duties and responsibilities of sub-committees. In this regard, the assessment results shall be reported to the Board of Directors' meeting to review the performance of sub-committees annually.

In 2022, the Board of Directors and all sub-committees have performed their duties with knowledge, ability, according to the scope of authority and responsibility assigned by the Charter and in accordance with the best practices of the regulatory authorities. The Company Secretary has summarized the evaluation results of the Board of Directors both the entire Board and individual including the evaluation results of each sub-committee and reported to the Corporate Governance Nomination and Remuneration Committee to present to the Board of Directors Meeting No. 1/2023 on February 24, 2023. The assessment results of the Board of Directors were in excellent level with the following details:

Board of Directors	Score (%)
As a whole assessment	91.4
Individual assessment	92.7
Sub-committee	Score (%)
The Audit Committee	99.0
The Corporate Governance Nomination and Remuneration Committee	99.0
The Risk Management Policy Committee	94.0



Chief Executive Officer

The Board of Director shall evaluate the performance of the Chief Executive Officer every year by adapting the guidelines from the Stock Exchange of Thailand to suit the environment and the Company's business including adjusting the sustainability assessment and ESG drives. Assessment criteria were divided into leadership, formulation and implementation of strategic plans, financial planning and performance, relationship with the Board, external relations, administration and personnel relations, succession plan, knowledge of products and services and personal characteristics. The said evaluation criteria have been approved by the Corporate Governance Nomination and Remuneration Committee including non-executive directors.

The Company Secretary is responsible for submitting the assessment form to all directors including non-executive directors to evaluate the performance of the Chief Executive Officer and compiling the assessment results, reporting to the Corporate Governance Nomination and Remuneration Committee to present to the Board of Directors for determining the annual remuneration of the Chief Executive Officer. A discussion session is provided to give comments on performance improvement. The assessment result of the performance of the Chief Executive Officer for the year 2022 was at a good level.

Board Meeting

The Board of Directors requires that the meeting shall be not less than 6 meetings per year, with the meeting dates set in advance for the whole year and assigns the Company Secretary to submit the schedule and agenda of each Board meeting in advance. However, the date of the meeting may be changed as appropriate depending on the importance of the agenda to be considered. In 2022, the Board of Directors held totally 8 meetings with the proportion of meeting attendance of the entire Board of Directors was 100%.

For the Board of Directors' meeting in 2023, the Board of Directors has scheduled the meeting date in advance throughout the year and notified the said schedule to each director so that the directors can arrange the time and attend the meeting. If there is no Board meeting in any month, the management will report the operational results to the Board of Directors through electronic channels (e-mail) so that the Board is able to monitor, control and supervise the managements' operations continuously and in a timely manner.

The Chairman of the Board and Chief Executive Officer jointly consider the matters into the meeting and set the meeting agenda. Each director is allowed to propose his own agenda to be considered as the meeting agenda. In addition, the Executives who are involved in important matters may be assigned to attend the Board meetings to provide additional necessary information.

The Company Secretary is responsible for sending the meeting invitation together with supporting documents for the meeting agenda to the directors at least 7 days prior to the meeting in order for the directors to have sufficient time to study the information, unless there is an urgent matter.



Board Meeting Quorum

In a meeting of the Board of Directors, the presence of not less than one-half of the total number of directors is required to constitute a quorum. The meeting is conducted in the form of a presentation, and discussion suitable for consideration. The Chairman of the Board, as Chairperson of the meeting, will give an opportunity for the Committee to freely express opinions. Management team will join the meeting in some agenda to present an important information as related persons and acknowledge policy directly from the Board of Directors by themselves in order to have it implemented efficiently.

In the Board meeting with important agenda to be approved, the quorum must consist of not less than two-thirds of the total number of directors presenting at the time of voting to jointly consider important agenda.

The resolution of the Board of Directors' meeting shall be by a majority votes, each director shall have one vote, except the director having interests in any matter who shall have no right to vote in such matter. In the case of an equality of votes, the Chairman of the meeting shall give the casting vote.

The Company Secretary shall attend the meeting to take minutes of meeting which will be certified correctly by the Chairman of the Board and proposed to the next meeting for approval. The Company Secretary is also a data collector regarding certified documents or other all meeting documents for easy reference in searching.

The Board of Directors encourages non-executive directors to convene meeting among themselves without management team attending the meeting. The meeting is independently to discuss business issues, including improvements of the Company. The meeting results shall be reported to the Board of Directors. In 2022, there was 1 meeting of independent directors on February 25, 2022, to discuss about the roles and responsibilities of directors and independent directors. In addition, non-executive directors hold meeting among themselves without the management attending on December 16, 2022 to discuss about the Company's operating guidelines under changing condition and future business direction that the Company must focus on as well as ESG direction for the corporate sustainability.



Name	Position	Board of Directors' Meeting		Audit Committee	Corporate Governance Nomination and Remuneration Committee	Environmental Social Risk Management and Compliance Policy Committee	Annual General Meeting of Shareholders	Independent Directors' Meeting	Non-Executive Directors' Meeting
		Onsite	Online						
1. Dr.Suvit Maesincee	Chairman of the Board (Independent)	5/5 (100%)	3/3 (100%)	-	6/6	2/2	1/1	1/1	1/1
2. Mr.Apichart Chirabandhu	Vice Chairman (Independent)	5/5 (100%)	3/3 (100%)	4/4	5/6	-	1/1	1/1	1/1
3. Dr.Chaipat Sahasakul	Director (Independent)	-	1/1 ¹ (100%)	1/1 ¹	-	-	1/1	1/1	-
4. Assoc.Prof. Dr.Kitcha Urairong	Director (Independent)	5/5 (100%)	3/3 (100%)	-	6/6	-	1/1	1/1	1/1
5. Mr. Vipoota Trakulhoon	Director (Independent)	5/5 (100%)	3/3 (100%)	4/4	-	2/2	1/1	1/1	1/1
6. Ms. Patrawan Manutsathit	Director (Independent)	5/5 (100%)	2/2 ² (100%)	3/3 ³	-	-	-		1/1
7. Miss Aranya Vitayatanagorn	Director	5/5 (100%)	3/3 (100%)	-	-	2/2	1/1		1/1
8. Mr.Vichai Vitayathanagorn	Director	5/5 (100%)	3/3 (100%)	-	-	-	1/1		1/1
9. Mr.Vachara Vitayatanagorn	Director	5/5 (100%)	3/3 (100%)	-	-	-	1/1		1/1
10. Mr.Pachai Chanpitaksa	Director	5/5 (100%)	3/3 (100%)	-	-	-	1/1		-
11. Mr.Eakarat Wongsupbhasatigul	Executive Director	5/5 (100%)	3/3 (100%)	-	-	-	1/1		1/1
12. Mr.Vorravuth Tangpiroonthum	Director	5/5 (100%)	3/3 (100%)	-	-	-	1/1		1/1
13. Mr.Kuna Vitayatanagorn	Director	5/5 (100%)	3/3 (100%)	-	-	-	1/1		1/1
Total		Director	100%						

Remark: ¹ Completed the director term at the 2022 Annual General Meeting of Shareholders held on April 22, 2022.
² Appointed as an independent director by the 2022 Annual General Meeting of Shareholders, on April 22, 2022.
³ Appointed as a member of the Audit Committee by the Board of Directors' Meeting No. 2/2022 on April 29, 2022.



Director Remuneration

The Board of Directors has established the remuneration policy for directors fairly and reasonably according to the principles of good corporate governance. The Corporate Governance Nomination and Remuneration Committee is assigned to be responsible for determining the remuneration to be reasonable and in accordance with the business strategy, long-term goals, the Company's performance and other duties as assigned. To determine the remuneration appropriate and sufficient to motivate and retain qualified directors, the Company uses the Director Compensation Survey Report of the Thai Institute of Directors and the Stock Exchange of Thailand for consideration including comparing with other listed companies in the Stock Exchange that are in the same industry group and similar size. Directors who are assigned to be members of sub-committees will receive additional remuneration based on responsibilities increased and executive directors will receive remuneration from working as employees of the Company. Annual remuneration shall be presented to the Board of Directors' meeting for consideration before proposing for approval from the Shareholders' meeting every year in order to adhere to the principles of good corporate governance. In this regard, the remuneration of directors is determined in the form of monthly remuneration, meeting allowance and special remuneration as follows;

● Directors' Remuneration

The directors are entitled to receive remuneration per meeting allowance and / or receive monthly remuneration in an average of not more than Baht 600,000 per month by considering allocating at the discretion of the Board of Directors.

● Sub-committee's Remuneration

with details as follows;

Sub-Committee	Position	Meeting Allowance (Baht/Person/Time)
The Audit Committee	Chairman	50,000
	Member	40,000
The Corporate Governance Numeration and Remuneration Committee	Chairman	40,000
	Member	30,000
The Environmental Social Risk Management and Compliance Policy Committee	Chairman	40,000
	Member	30,000

● Special Remuneration

The directors are entitled to receive an annual special remuneration at the rate of not more than 1% of the net profit according to the consolidated financial statements in the amount not exceeding Baht 20 million by considering allocating at the discretion of the Board of Directors. In the year 2022, the Board of Directors considered determining the annual special remuneration in the amount of Baht 16 million.

● Other

Directors' & Officers' liability insurance (limit of liability: 100 million Baht)

In the year 2022, the monetary remuneration for 13 directors equals to Baht 7.42 Million, consisting of monthly remuneration of Baht 3,615,000, meeting allowance of Baht 2,520,000, remuneration for the Audit Committee of Baht 520,000, remuneration for the Corporate Governance Nomination and Remuneration Committee of Baht 570,000 and remuneration for the Environmental Social Risk Management and Compliance Policy Committee of Baht 200,000. The Company does not provide any other benefits to the directors in addition to monetary compensation. The Board of Directors will present the directors' remuneration for the year 2022 to the 2023 Annual General Meeting of Shareholders on Friday, April 28, 2023 with the following details:



Director Remuneration 2022

Name		Monthly Remuneration (12 months)	Board of Directors meeting allowance	Audit Committee Remuneration	Corporate Governance Nomination and Remuneration Committee Remuneration	Environmental Social Risk Management and Compliance Policy Committee Remuneration	Total
1.	Dr.Suvit Maesincee	1,200,000	680,000	-	240,000	80,000	2,200,000
2.	Mr.Apichart Chirabandhu	600,000	320,000	200,000	150,000	-	1,270,000
3.	Dr.Chaipat Sahasakul	200,000	40,000	40,000	-	-	280,000
4.	Assoc.Prof. Dr.Kitcha Urairong	600,000	320,000	-	180,000	-	1,100,000
5.	Mr. Vipoota Trakulhoon	600,000	320,000	160,000	-	60,000	1,140,000
6.	Ms. Patrawan Manutsathit	415,000	280,000	120,000	-	-	815,000
7.	Miss Aranya Vitayatanagorn		80,000	-	-	60,000	140,000
8.	Mr.Vichai Vitayathanagorn		80,000	-	-	-	80,000
9.	Mr.Vachara Vitayatanagorn		80,000	-	-	-	80,000
10.	Mr.Pachai Chanpitaksa		80,000	-	-	-	80,000
11.	Mr.Eakarat Wongsupbhasatigul		80,000	-	-	-	80,000
12.	Mr.Vorravuth Tangpiroonthum		80,000	-	-	-	80,000
13.	Mr.Kuna Vitayatanagorn		80,000	-	-	-	80,000
SOJ		3,615,000	2,520,000	520,000	570,000	200,000	7,425,000



Governance of its Subsidiary and Associated Company

The Company has a policy to assign qualified directors or managements to be as a director in subsidiary company to enable the overall management to be in the same direction. This is an agreement between the Company, its subsidiary and associated company to participate in formulating an important policy and governing its subsidiary to have proper internal control system and corporate governance in various aspects same as the Company. The Board of Directors shall assign the management to consider the suitable person as the Company's representative to be a director or an executive in its subsidiary according to the shareholding proportion in accordance with the term of directorship. Its subsidiary is responsible for submitting financial statement to the Company to make consolidated financial statement.

The Board of Directors Meeting No. 8/2022 has considered appointing the Chief Executive Officer as the Company's representative to be a director in Prodigy Public Company Limited, a subsidiary of the Company in order to participate in important management policies and help drive business in the same direction.

Compliance with Corporate Governance policy and practices

The Board of Directors attaches great importance to the good corporate governance principles by prescribing related policies and practices in the Corporate Governance policy and business Code of Conduct and promoting practicality to build confidence among all stakeholders. In 2022, the Company has organized training for executives and employees under the topic of "Code of Conduct and Anti-Corruption Update" on December 12, 2022, covering important issues regarding the Company's securities trading policy and insider information, Policy on Receiving/Giving Gifts or Entertainment, Conflict of Interest policy, Human Rights Respect policy and Anti-corruption policy. In addition, the Company has followed up on compliance with the good corporate governance principles covering the following matters: Shareholder rights protection, Equitable treatment of Shareholders, Responsibility to all stakeholders covering in these areas; Employment, Human Rights, Competition, Health, Safety and Environment, Social Responsibility, Community, and Compliance with the rules and regulations of the governing bodies. The results showed that the Company had completely followed the guidelines for each issue. In addition, the Company has followed to achieve the good corporate governance in the following main areas;



Conflicts of Interest Prevention

The Board of Directors has set the policy regarding conflicts of interest and related transactions between the Company and its subsidiary. Considerations of any transactions including the approval of such transaction must comply with regulations of the Office of the Securities and Exchange Commission according to the announcement of the Capital Market Supervisory Board and are subject to normal business conditions with the best interest of the Company and Shareholders. The Company must avoid any actions that cause conflicts of interest. The Company requires those who have a conflict of interest or connected with the considering transaction to report the Company regarding their relationship or connected person before considering the agenda of the Board of Directors' Meeting and record those transaction in the minutes. Those who have a conflict of interest are not allowed to participate in any meeting of such approval and have no authority to approve such transaction. The Audit Committee is responsible for overseeing any conflicts of interests to be corresponding with the policy by concerning requirements, procedures and disclosure of transactions that may cause conflict of interest properly.

In 2022, the Board of Directors ensured that the Company's directors and the Executives reported their conflict of interests and submit to the Company Secretary every year in order to get the information updated in accordance with good corporate governance principles. In this regard, the Company has no violation of the rules for conducting related transactions and connected transactions or the conflict of interest policy.

Insider Trading Control

The Board of Directors has established the Insider Trading policy in the Corporate Governance Policy and Business Code of Conduct in order to comply with the securities laws and transparency in the business. The directors, executives and employees are prohibited from using the Company's internal information for personal benefit or disclosing information to the third parties for securities trading. The Company has disclosed the aforementioned policy on the website for Shareholders' reference. Details are summarized as follows;

- Directors and executives, as defined by the SEC, are responsible to report changes in the Company's securities holding to the SEC within 3 working days as required by the SEC. In this regards, the Company requires directors and top executives to notify the Company Secretary 1 day in advance of securities trading in order to inform the Board of Directors meeting.
- Directors, Executives and Employees related to information. (Including spouses and underage children of such persons) are prohibited from securities trading the during the 1-month period (Blackout Period) before disclosing quarterly financial statements and annual financial statements or other information that may affect the stock price of the Company and until 24 hours after the disclosure of such information to the public. The Company Secretary is responsible to notify the concerned person by letter or e-mail during the said period in advance.
- The Company Secretary is responsible to prepare a report on the change in securities holding for the directors to certify and endorse before the Board's meeting on a monthly basis and disclose such report along with details of changes during the year in Appendix in Form 56-1 One 2022.

In 2022, there were 2 directors who have bought and accepted the transfer of the Company's securities which has been audited and found that the directors have fully complied with the Company's policy without using inside information. At the Board of Directors Meeting No. 1/2023, the Company Secretary reported the changes in securities holdings of directors and the executives to the meeting for acknowledgement.



Anti-Corruption

In order to be in line with the business intention and as a guideline for Directors, Executives and Employees to strictly adhere to their operations. In 2022, the Company communicated to its business partners and invited them to join the Thai Private Sector Collective Action Against Corruption to jointly create good norms for working together and supported them in implementing or applying in sustainable business operations. In addition, the Company also asked for cooperation from business partners to refrain from giving gifts to the executives and staffs of the Company in every festival. In addition, the Company reviewed and revised the complaints procedures to be appropriate and consistent with current business. The Company published an Anti-Corruption policy and complaints procedures on the topic "Corporate Governance" in Form 56-1 One Report 2022 on [page 79](#) and on the Company's website (www.tvothai.com/en/corporate-governance)

The Company declared its intention to become a member of Thai Private Sector Collective Action Against Corruption with a commitment to against all forms of corruption both directly and indirectly. The Company has been certified as a member on Friday, October 18, 2019 and in the year of 2022, the Company has also certified the 1st renewal of membership from the Thai Private Sector Collective Action Against Corruption. In order to comply with the Anti-Corruption policy, the Company took action as follows;

1 Business Risk Assessment

In 2022, Enterprise Risk Management Committee (ESRC-E) assessed the potential risk of corruption according to risk management plan and overseen the operation to be in line with risk assessment, then, reported to the Environmental Social Risk Management and Compliance Policy Committee (ESRC) to formulate policies, govern and control risk management and report to the Board of Directors respectively.

In 2023, the Company has restructured the organization and has set up a risk management working group in accordance with the policy and operating framework from the Chief Executive Officer. The working group, which consists of executives from various departments, is responsible for driving risk management in order to formulate a risk management plan and oversee the implementation at the operational and organizational levels, as well as monitoring the risk identification and key risks assessment of the entire organization and communicating risk information to everyone to be implemented in the same direction correctly.

2 Practices on governance, prevention and monitoring risk from corruption

The Company prescribes anti-corruption practices regarding governance and monitor risk from corruption as follows;

- process, the internal control system assessment, risk management covering important work system such as procurement system, sales system, accounting system, payment system etc. These are to prevent and monitor risk from corruption including provide appropriate opinion on solving guidelines.
- Provide channels for receiving information on clues, complaints, offenses, violations of laws, regulations, or anti-corruption policies. The policy is to protect the whistleblower and keep the information of the whistleblower as confidential including having measure to investigate. The Company also imposes disciplinary action and relevant legal penalties.
- The head of the relevant department is responsible for monitoring the implementation or improvement of defects (if any) and report to the supervisor.



3 Training and Communication

The Company has planned an annual training program to educate employees on anti-corruption policy as well as related policies such as business code of conduct, receiving gifts or customer reception. In 2022, the Company arranged training for executives and employees to provide better understanding of the implementation according to anti-corruption policy on December 12, 2022. Every employee can reach such policy via intranet system and communication board. The Company also communicated anti-corruption policy to its business partners and those who related, and as well as business representatives via appropriate channel for having same practices and acknowledgement.

4 Guidelines for the anti-corruption measures implementation

In 2022, the Company did not receive any clues or complaints of wrongdoing or corruption. In this regard, the Company prepared a summary report on the implementation of anti-corruption measures and reported to the Audit Committee and the Corporate Governance Nomination and Remuneration Committee and disclosed to Shareholders in the annual report as well.

5 Review the completeness and sufficiency of the process

The Audit Committee reviewed all information and agreed on the completeness and sufficiency of the process and endorsed by the Chairman of the Audit Committee.

Whistleblowing

The Company provides a channel for stakeholders to report whistleblowing and complaints through post, e-mail and telephone. The Internal Audit Office is responsible to screen clues and such complaints and the Audit Committee, who is independent from the management, will consider the case.

In 2022, the Company reviewed and revised the complaints procedures to be appropriate and consistent with current business. However, none of whistleblowing and complaints, related to fraud or violations of the Company's corporate governance policy, was found.

Personal Data Protection

The Board of Directors realizes the importance of Data Privacy in order to comply with the Personal Data Protection Act 2019, the Board of Directors' Meeting no. 14/2020 on November 13, 2020 approved the Personal Data Protection Policy to establish personal data security measures in accordance with the laws, regulations, rules and practices on the personal data protection. In 2022, Cyber Elite Co., Ltd. was a consultant to prepare and improve internal processes in accordance with the law. Relevant employees have been trained on policy and practices, including documents related to PDPA, and how to use the PDPA Management Platform in order to prepare the organization to be ready to comply with the law to prevent personal data breaches. In addition, the Company has organized training for directors on the topic "What to know about Personal Data Protection Act (PDPA)" on December 16, 2022 organized by Baker & McKenzie Company Limited for directors to recognize the importance of personal data and to govern such information in accordance with the Personal Data Protection Act.





8.2

Audit Committee Performance

In 2022, the Audit Committee, consisting of 3 independent directors, convened 4 meetings and held a meeting with the auditor without the management to request opinions from the auditor on various matters.

Name		Position	Meeting Attendance in 2022
1.	Mr.Apichart Chirabandhu	Chairman (Independent)	4/4
2.	Dr.Chaipat Sahasakul ¹	Member (Independent)	1/1
3.	Mr. Vipoota Trakulhoon	Member (Independent)	4/4
4.	Ms. Patrawan Manutsathit ²	Member (Independent)	3/3

Remarks : ¹ Completed the director term at the 2022 Annual General Meeting of Shareholders held on April 22, 2022.

² Appointed as a member of the Audit Committee by the Board of Directors Meeting No. 2/2022, on April 29, 2022.

The main aspects of the Audit Committee's performance in 2022 were summarized as follows;

- 1 Considered the Company's financial reports to be accurate, complete, and reliable
- 2 Provided opinions on the Company's risk management system and internal control system
- 3 Considered the Company's operations to be compliance with the Securities and Exchange Law, requirements of the Securities and Exchange Commission or laws relating to the Company's business
- 4 Considered selecting and appointing an auditor and audit fees by considering the past performance, independence and reputation including the appropriateness of the auditor and the audit fee. The Audit Committee agreed to appoint Ms. Isaraporn Wisutthiyan and/or Mr. Chatchai Kasemsrithanawat and/or Mr.Vacharin Pasarapongun of EY Office Limited to be the Company's auditors for the year 2023 and propose to the Board of Directors for consideration and proposing to the Shareholders' meeting to consider appointing auditors and approving audit fees
- 5 Considered the connected transaction or transaction that might have conflicts of interest to comply with the regulations of the Securities and Exchange Commission
- 6 Performed duties and responsibilities as specified in the Audit Committee Charter approved by the Board of Directors



8.3

Sub-committees Performance

Corporate Governance Nomination and Remuneration Committee

The Corporate Governance Nomination and Remuneration Committee (CGNR) consists of at least 3 independent directors and holds a meeting at least once a quarter. In 2022, the CGNR Committee held 6 meetings.

As of December 31, 2022, the CGNR Committee consisted of 3 independent directors and 1 honorary member as follows;

Committee		Position	Meeting Attendance in 2022
1.	Dr.Suvit Maesincee	Chairman (Independent)	6/6
2.	Mr.Apichart Chirabandhu	Member (Independent)	5/6
3.	Assoc. Prof. Dr.Kitcha Urairong	Member (Independent)	6/6
4.	Ms. Wiboonluck Ruamraksa	Honorary Member	6/6

The CGNR Committee considered the significant matters in 2022 as follows;

Corporate Governance

- 1 Reviewed charter of the Board and the sub-committee such as the Audit Committee, Corporate Governance Nomination and Remuneration Committee and the ESRC Policy Committee including reviewing the Corporate Governance Policy, Personal Data Protection Policy, Code of Conduct, Anti-Corruption Manual and other working regulations such as the appointment of consultants and experts regulations, compensation regulations to be suitable for business operations and comply with the laws and practices of the Stock Exchange of Thailand Office of the Securities and Exchange Commission, Capital Market Board as well as relevant regulators.
- 2 Reviewed the performance evaluation forms of the Board of Directors and sub-committees and the Chief Executive Officer as well as reviewed the Board Skill Matrix to be aware of the composition, knowledge and expertise to determine which components of the directors were still lacking and used it for further consideration of the nomination of directors.
- 3 Acknowledged the report on compliance with the good corporate governance principles (CG Code) for 2022 and CGR assessment criteria for 2023 to be presented to the Board of Directors.



Nomination

- 1 In the consideration of the Company's directors to replace the 4 directors who were due to retired by rotation, namely Dr.Chaipat Sahasakul, Mr.Vachara Vitayatanagorn, Mr.Pachai Chanpitaksa and Mr.Ekarat Wongsuubphasatigul, which Dr. Chaipat Sahasakul, an independent director, has expressed his intention not to be nominated for selection as the Company's director.
- 2 The Company invited the Shareholders to nominate qualified persons to be directors via the Company's website and also notified via the SET Portal between October 26, 2021 and January 26, 2022, there was no proposal from Shareholders.
- 3 Ms.Patrawan Manutsathit was nominated by directors to be elected as an independent director. The Corporate Governance Nomination and Remuneration Committee considered her profile, knowledge, ability and experience including the expertise according to Board Skills Matrix and Board diversity, therefore, deemed appropriate to propose Ms.Patrawan Manutsathit to the Board of Directors for consideration to propose to the Shareholders' meeting to consider and appoint as the Company's director.
- 4 Considered proposing the restructure of duties and responsibilities of sub-committees with recommendation to the Board of Directors for consideration as follows;

- The Environmental, Social, Risk Management and Compliance Policy Committee ("ESRC Policy Committee") has been changed to the Environment, Social and Governance Committee ("ESG Committee") to align with the Company's sustainability policy

- The Corporate Governance Nomination and Remuneration Committee has been changed to Nomination and Remuneration Committee, due to governance functions has been merged with the ESG Committee.

- 5 Considered proposing the appointment an advisor to the Board, Chief Executive Officer, Managing Director and presented to the Board of Directors' Meeting for approval as follows:

- Proposed Ms.Patrawan Manutsathit to be appointed as independent director and a member of the Audit Committee in replacement of Dr. Chaipat Sahasakul

- Proposed Dr. Chaipat Sahasakul to be appointed as Advisor to the Board of Directors

- Proposed Mr.Pachai Chanpitaksa to be appointed as Chief Executive Officer, a member of the ESG Committee and the Company's representative to serve as director of Prodigy Public Company Limited

- Proposed Mr.Suchai Visleela to be appointed as Managing Director

Remuneration

- 1 Considered the directors' remuneration for the year 2022, consisting of monthly remuneration, bonus and remuneration for sub-committee which consisted of the Audit Committee, the CGNR Committee and the ESRC Policy Committee to present to the Board of Directors' meeting and the Annual General Meeting of Shareholders to consider and approve
- 2 Considered remuneration for Chief Executive Officer
- 3 Considered remuneration for Advisors and Honorary Member in sub-committee



Environmental Social Risk Management and Compliance Policy Committee (ESRC)

The ESRC Policy Committee consists of at least 3 members and holds at least two board meetings a year. In 2022, the ESRC Policy Committee held 2 meetings.

As of December 31, 2022, the ESRC Policy Committee consisted of 3 directors as follows;

Name		Position	Meeting Attendance in 2022
1.	Dr. Suvit Maesincee	Chairman	2/2
2.	Mr. Vipoota Trakulhoon	Member (Independent)	2/2
3.	Miss Aranya Vitayatanagorn	Member	2/2

In 2022, the Company maintained a standard of business operations that generated good operating results along with being responsible for the society, communities and environment as well as has complied with the relevant law and developed the operations to be in the same direction efficiently.

The ESRC Policy Committee considered significant matters in 2022 as follows.

- 1 Considered and provided opinions on the draft policy and operational framework for environmental, social responsibility, risk management and compliance.
- 2 Considered and provided opinions on the performance results on environmental, social responsibility, compliance, risk assessment, risk management measures and guidelines, residual risk management action plan.
- 3 Provided advice and supports to the ESRC management team and senior management on environmental issues, social responsibility, risk management and compliance as well as promoted and supported the improvement and development of related work continuously and regularly.
- 4 Performed duties as assigned by the Board of Directors.



9

Internal Control and Related Transaction

9.1

Internal Control

The Board of Directors recognizes the importance of internal control systems according to the international standards - The Committee of Sponsoring Organizations of the Tread way Commission (COSO) in order to achieve the objectives of internal control in all 3 areas, namely operation, reporting, and compliance with the rules and regulations relevant to the Company's business operations. The management is encouraged to establish operational procedures and working structure divided by duties to counterbalance between each other, to set clear written operational authority and to provide a performance tracking system. The Audit Committee has been assigned to monitor and review the internal control system to be effective according to international standards. The internal control system has been reviewed by independent internal auditors, Ascent Advisory Company Limited, together with the internal audit department.

The internal audit office is independent and directly reports to the Audit Committee. The Audit Committee is responsible for approving the appointment, rotation or termination and evaluation the performance of the head of the internal audit department. In this regard, independent internal auditors and the internal audit department are able to freely access the information necessary for the audit, perform inspection and assess the adequacy, appropriateness and efficiency of the internal control systems of various processes and work systems according to the internal audit plan which is prepared according to the risk-based approach approved by the Audit Committee and report the audit results and progress of the management directly to the Audit Committee on a regular basis.

In 2022, the adequacy of the Company's internal control system was assessed by independent internal auditors from Ascent Advisory Company Limited, according to the assessment form of the Office of the Securities and Exchange Commission (SEC). As the management has prepared and the review result of the internal control system assessment, the Audit Committee has considered that the Company's internal control system is sufficient and appropriate without any fault detected. The Company ensures that there are sufficient personnel to operate and manage internal control system. The Company's internal control system consists of 5 components as follows;



- 1 The Board of Directors and executives support an organizational culture that focuses on honesty and ethics, monitor the Company's business operations in accordance with the vision and mission, provide a good internal control environment and facilitate operations, establish an appropriate organizational structure in order to make the management more efficient and operate in the same direction, segregate duties in significant areas in order to create counterbalances between each other as well as assign duties and responsibility, delegate appropriate authority according to the organizational structure, encourage all employees to be aware of their roles, authority and responsibilities, establish policies and procedures covering all operational activities and establish a good Corporate Governance policy, Compliance Policy, Anti-Corruption Guidelines and business Cond of Conduct manual for the Board of Directors, Executives and employees of the Company to adhere as operational guidelines. All personnel are responsible for internal control and maintaining a good internal control system. The Company regularly communicates and publicizes the said policy with all Executives and employees.
- 2 The Board of Directors and Executives attach importance to risk management in order to increase the business value, to build confidence to achieve the Corporate's short and long term goal and to build confidence for all stakeholders and to create value for the organization in the long term. The Board therefore has appointed an Environmental, Social, Risk Management and Compliance Policy Committee (ESRC) to set policies, appropriate risk management framework in accordance with the business plan and policy, and provide related comments and suggestions and propose the ESRC-E management team to be appointed by the Chief Executive Officer to oversee the Company's risk management throughout the organization to be effective and effective. Management guidelines are as follows;

- Conducting risk management throughout the organization according to the COSO-ERM framework and establishing a risk management policy in order to manage risks that may affect the achievement of the organization's objectives.
- Managing risks throughout the organization by analyzing and assessing various risks from both internal and external factors including the possibility of fraud and corruption that may affect business goals. Preparing a risk matrix and mitigation management plan that specify measures to cover all processes throughout the organization, in which all departments are responsible for managing risks to an acceptable level. Providing a process of review, follow up the implementation of risk management measures on a regular basis which is considered a part of work that all Executives and employees must be aware of and pay attention to.
- Applying the Key Risk Indicator (KRI) and systematically recording the statistics of actual risk cases for analysis and monitoring of changes in various risk factors in order to define and review risk management measures to respond to changes effectively and timely manner.
- Providing a risk communication channel throughout the organization by announcing a communication channel through the Company's network



- 3** The Company has specified controlling activities with due regard to good internal control principles such as separation of duties, determination of approval and operational authorization in order to inspect and counterbalance, policies and guidelines relating to transactions that may have conflicts of interest, transactions and approvals that is transparently, fairly and auditable by taking into account the best interests of the company, etc. The Company's regulations, policies, requirements, operation manual are in written by clearly defining the scope of authority of personnel at each level and procedures to be an operational guide. The operation review is conducted in accordance with the rules, policies, requirements and various operation manual regularly. In addition, the information control is also specified such as Access Control to determine the operational rights in the SAP system in accordance with the principles of good segregation of duties, Firewall systems to prevent an access from external threats from all channels, Solution Firewall backup to install all Anti-Virus programs to prevent data loss or data loss from being infected with viruses, etc.
- 4** Information and Data Communication, the Company has implemented the SAP program in collecting and processing business data in both core and supporting activities in order to reduce data redundancy in the use of many information systems and can summarize the report to the management quickly. The Board of Directors, Executives, employees and stakeholders are provided with appropriate communication. During the COVID-19 situation, the Company has increased internal communication channels to support Work From Home to prevent COVID-19 infection. For other communication channels such as internal communication through the organization's intranet, communication via electronic mail, communication for external stakeholders via website, electronic mail, Facebook. In addition, there are guidelines for complaints management and channels for receiving complaints (Whistleblower System) clearly so employees and outsiders can be confident that complaints will be considered transparently, fairly and confidentially within a timely manner.

- 5** The Company has a process for monitoring and evaluating the adequacy of the internal control system, as well as determining the development guidelines to ensure that the Company's internal control systems are efficient and effective. In 2022, the Company has assessed the adequacy of the internal control system by an independent internal auditor. An independent internal auditor together with an internal audit department are responsible for reviewing the audit results to ensure that the existing internal control is sufficient and appropriate and consistent. Various activities were audited in accordance with the internal audit plan approved by the audit committee. The management acknowledged and implemented internal control improvements based on the recommendations received. The audit results will be reported to the Audit Committee on a quarterly basis as well as ongoing compliance monitoring in order to improve the operations in accordance with the rules and regulations related to the Company's business operations. In addition, the Company was certified as a member of the Thai Private Sector Collective Action Coalition Against Corruption (CAC) through a self-assessment process every 3 years, reviewed and signed by the Company's Audit Committee to confirm that the Company has established policy, guidelines, and measures to prevent corruption in accordance with the criteria specified by CAC.

From the 2022 assessment, the Company found no significant defects in the internal control system that may affect the achievement of the Corporate's main objectives, Anti-corruption or violation of laws related to the Company's business operations.

The Board of Directors ensures that the Company has an internal audit unit under the Office of Internal Audit, Mr. Krit Kongkaew was appointed to be an Internal Audit Manager, as he has experience in internal auditing and has attended training courses related to the internal audit practice and has understanding of the Company's business that is able to perform his duties properly. The Internal Audit manager is responsible for preparing the internal audit plan and conducting the internal audits and presenting to the Audit Committee including coordinating and monitoring activities regarding environmental, social, risk management and regulatory compliance. The qualification of the Internal Audit manager is shown in **Attachment 3**.



9.2 Related Transaction

Related Transaction Policy between the Company, Subsidiary and its Related Parties

The Company has set Related Transactions Policy that it shall be based on necessity in order to achieve business efficiency goal, cost and expense management which will specify the pricing policy between them clearly. The management can approve related transactions in the normal course of business or supports normal business with general trading conditions that are appropriate and fair, taking into account the best interests of the Company and Shareholders as a whole. Transactions between the Company and / or its subsidiary with their connected persons and related parties must be done with prices and conditions that are not inferior to the market price and trade terms in the nature that any man shall made with his partner in the same situation without asserting influence from one's position as a director, executive, or related person. The Board of Directors Meeting No. 1/2023 reviewed and approved the policy on connected transactions and related party transactions to be appropriate and in accordance with good corporate governance principles.

Approval Procedures of Related Transactions

The Board of Directors recognizes the importance of preventing related party transactions or connected transactions that may have a conflict of interest, and determines the criteria for considering the size of the transaction and conditions as specified in the Notification of Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions of the Board of Governors of the Stock Exchange of Thailand.

Whenever, there is a connected transaction in a business that may cause a conflict of interest, Directors and Executives and all concerned parties must consider the necessity, the reasonableness of the transaction by comparing the prices of products or services with external prices under market price conditions and must inform the Company Secretary to inform the Chief Executive Officer. The Audit Committee will advise on the necessity and reasonableness of such transactions to the Board of Directors and/or Shareholders meeting (as the case may be according to the criteria for calculating the size of transactions as specified by the SEC) so they can consider approving the transactions.

Reviewing connected transactions by providing a summary transactions report between the Company and the connected persons, which shall be reported in the Board meeting every quarter. In the case that the Audit Committee is not qualified to advise on the related transactions, the independent experts or the Company's auditors will advise on those transactions for the decision-making of the Board of Directors or the Shareholders, as the case may be. Anyhow, the conflict of interest person will not partake in the approval process.

During the year 2022, the Company and its subsidiary had significant transactions with related parties, which were in accordance with commercial trade terms and conditions as agreed between the Company and those related parties, which were in the normal business. The Independent Directors did not have different opinions from the directors' resolution and the transactions were disclosed in the notes to the financial statements (No. 6), Form 56-1 One Report 2022.

Policy and Future Trend of Related Transactions

The Company has a policy to enter into related party transactions that are in accordance with normal business operations or to support regular businesses that occur regularly in the future. The Company has a policy to manage such related transactions to be in the best interest of the Company by setting conditions to be in accordance with the normal business operation.



Details of Related Transactions occurred in 2020 and 2021 and 2022

Related Company	Relation	Transaction	Size of Transaction (Million Baht)			Conditions and price policy
			December 31, 2020	December 31, 2021	December 31, 2022	
Prodigy PCL.	<ul style="list-style-type: none"> The Company holds 31.85% of shares Directors of the Company and their connected persons hold 12.34% of shares in Prodigy PCL. There are two common directors. The two directors of the Company are authorized persons of Prodigy PCL. 	<ul style="list-style-type: none"> Purchase of packing material, PET bottle and Pre-Form, to contain vegetable oil for sale. 	Purchase 372.98 Trade Payable 67.98 Sales 0.01 Other Receivable -	Purchase 343.38 Trade Payable 59.72 Sales - Other Receivable -	Purchase 328.26 Trade Payable 40.59 Sales 0.01 Other Receivable - Service Charge 0.30 Trade Payable 0.02	<ul style="list-style-type: none"> No long-term contract. One-time order. <p>Opinion from the Board of Directors / Opinion from the Audit Committee</p> <ul style="list-style-type: none"> In 2020, The transactions were general trade terms in accordance with the Company's policy on related party transactions whereby the purchasing department compared price with other suppliers.
		<ul style="list-style-type: none"> The Company hired Rodigy PCL to modify the mold for vegetable oil bottles. 	Purchase 372.98 Trade Payable 67.98 Sales 0.01 Other Receivable -	Purchase 343.38 Trade Payable 59.72 Sales - Other Receivable -	Purchase 328.26 Trade Payable 40.59 Sales 0.01 Other Receivable - Service Charge 0.30 Trade Payable 0.02	
		<ul style="list-style-type: none"> Sell vegetable oil to Prodigy PCL to donate in a similar price with wholesale customers. 	Purchase 372.98 Trade Payable 67.98 Sales 0.01 Other Receivable -	Purchase 343.38 Trade Payable 59.72 Sales - Other Receivable -	Purchase 328.26 Trade Payable 40.59 Sales 0.01 Other Receivable - Service Charge 0.30 Trade Payable 0.02	



Details of Related Transactions occurred in 2020 and 2021 and 2022

Related Company	Relation	Transaction	Size of Transaction (Million Baht)			Conditions and price policy
			December 31, 2020	December 31, 2021	December 31, 2022	
Thai Ha PCL.	<ul style="list-style-type: none"> Directors of the Company and their connected persons hold 4.20% of shares in Thai Ha PCL. There are one common director The one director of the Company is the authorized persons of Thai Ha PCL. 	<ul style="list-style-type: none"> Sell vegetable oil for Thai Ha PCL to resell 	Sales 11.79 Trade Receivable 1.69 Other Receivable 0.38	Sales 13.69 Trade Receivable 3.84 Other Receivable -	Sales 15.67 Trade Receivable 1.36 Other Receivable -	<ul style="list-style-type: none"> The Company always treats Thai Ha PCL as a business partner, like other distributors. The Company therefore has defined trade terms with Thai Ha PCL, which is similar to other distributors. No long-term contract. One-time order <p>Opinion from the Board of Directors / Opinion from the Audit Committee</p> <ul style="list-style-type: none"> The transactions were general trade terms. The selling price was similar to normal trading price in accordance with the Company's policy on related party transactions.



Details of Related Transactions occurred in 2020 and 2021 and 2022

Related Company	Relation	Transaction	Size of Transaction (Million Baht)			Conditions and price policy
			December 31, 2020	December 31, 2021	December 31, 2022	
Golden Thread Co., Ltd.	<ul style="list-style-type: none"> Director and management of the Company and their connected persons hold 30.03% of shares. The director of the Company is the authorized persons of Golden Thread Co., Ltd. 	<ul style="list-style-type: none"> Sell vegetable oil to Gloden Thread Co., Ltd. as a staff's welfare. Purchase thread from Golden Thread Co., Ltd for sewing sack for sale. 	Sales 0.25 Trade Receivable	Sales 0.27 Trade Receivable	Sales 0.34 Trade Receivable	<ul style="list-style-type: none"> The selling price to Gloden Thread Co.,Ltd, for staff's welfare, is similar to the price offered to wholesale customers. No long-term contract. One-time order In each purchase, the Company has process to review the price and conditions of other threads manufacturers. The Company will buy threads from Golden Thread Co., Ltd. when price and trade conditions that the Company receives are better and more suitable than other manufacturers. <p>Opinion from the Board of Directors / Opinion from the Audit Committee</p> <ul style="list-style-type: none"> Sales: The transactions were general trade terms in accordance with the Company's policy on related party transactions. The selling price was not lower than the price sold to other customers during the same period. Purchase: The transactions were in accordance with general trade term and price comparison with other suppliers.
			Purchase 0.06	Purchase 0.09	Purchase 0.09	
			Trade Receivable 0.31	Trade Receivable -	Trade Receivable -	
			Trade Receivable -	Trade Receivable -	Trade Receivable -	



Details of Related Transactions occurred in 2020 and 2021 and 2022

Related Company	Relation	Transaction	Size of Transaction (Million Baht)			Conditions and price policy
			December 31, 2020	December 31, 2021	December 31, 2022	
Thai Edible Oil Co., Ltd.	<ul style="list-style-type: none"> The Company holds 14% of shares. 	<ul style="list-style-type: none"> Prodigy PCL, a subsidiary of the Company, sells PET bottle to Thai Edible Oil Co., Ltd for vegetable oil packing Thai Vegetable Oil PCL bought machines from Thai Edible Oil Co., Ltd. for soybean production process 	Sales 36.53 Trade Receivable 4.13	Sales 45.39 Trade Receivable 4.66 Purchase 5.36	Sales 49.40 Trade Receivable 4.35 Purchase 1.34	<ul style="list-style-type: none"> No contract for this transaction. Price and trade conditions are according to the market standard. <p>Opinion from the Board of Directors / Opinion from the Audit Committee</p> <ul style="list-style-type: none"> Prodigy PCL has confirmed that transaction was normal trading conditions according to the Company's policy on related party transactions as they sold to other customers.



Details of Related Transactions occurred in 2020 and 2021 and 2022

Related Company	Relation	Transaction	Size of Transaction (Million Baht)			Conditions and price policy
			December 31, 2020	December 31, 2021	December 31, 2022	
Cheer Group Holdings Co., Ltd.	<ul style="list-style-type: none"> Director and management of the Company and their connected persons hold 27.86 % of shares There is one common director The one director of the Company is the authorized person of Cheer Group Holdings Co., Ltd. 	<ul style="list-style-type: none"> Sell vegetable oil to Cheer Group Holdings Co., Ltd. to distribute as a gift 	Sales 0.01 Trade Receivable 0.01	Sales 0.02 Trade Receivable -	Sales 0.01 Trade Receivable -	<ul style="list-style-type: none"> The Company always treats Cheer Group Holdings Co., Ltd. as distributor. The Company therefore has defined trade terms with Cheer Group Holdings Co., Ltd., which is similar to other distributors. No long-term contract. One-time order <p>Opinion from the Board of Directors / Opinion from the Audit Committee</p> <ul style="list-style-type: none"> The transactions were general trade terms according to the Company's policy on related party transactions. The selling price was not lower than the price sold to other customers during the same period.



Details of Related Transactions occurred in 2020 and 2021 and 2022

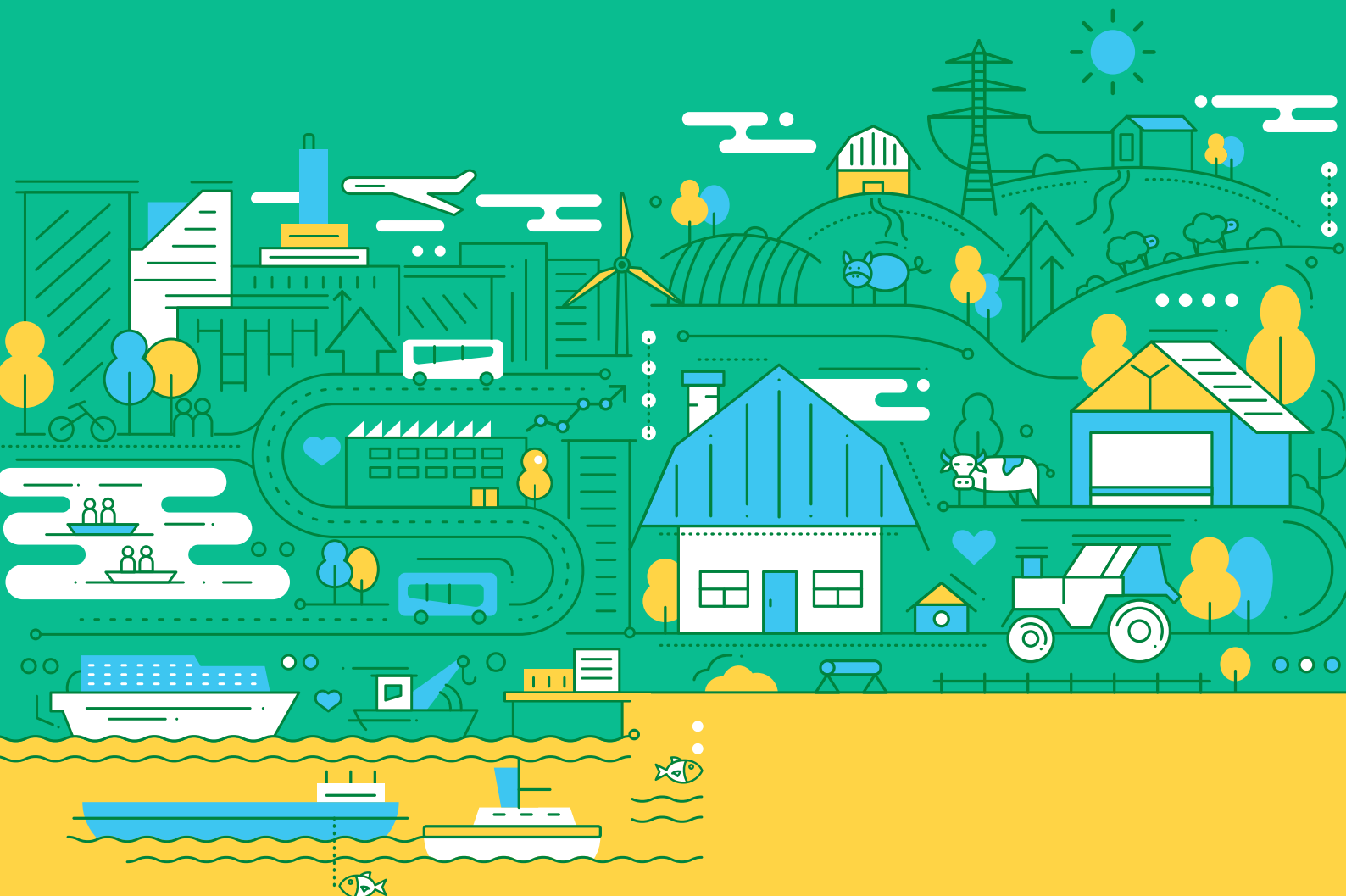
Related Company	Relation	Transaction	Size of Transaction (Million Baht)			Conditions and price policy
			December 31, 2020	December 31, 2021	December 31, 2022	
Fila Plus Co., Ltd	<ul style="list-style-type: none"> Director and their connected person hold 92.50% of shares in Fila Plus Co., Ltd There is one common director The one director of the Company is the authorized person of Fila Plus Co., Ltd. 	<ul style="list-style-type: none"> Sell vegetable oil to Fila Plus Co., Ltd to be resold to employees as welfare. 	Sales - Trade Receivable -	Sales - Trade Receivable -	Sales - Trade Receivable -	<ul style="list-style-type: none"> The selling price to Fila Plus Co., Ltd is similar to the price offered to wholesale customers for welfare, therefore, no long-term contract and one-time order.



Thai Vegetable Oil Public Company Limited

Part 3

Financial Statements



Thai Vegetable Oil Public Company Limited
and its subsidiary
Report and consolidated financial statements
31 December 2022

Independent Auditor's Report

To the Shareholders of Thai Vegetable Oil Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Thai Vegetable Oil Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31 December 2022, and the related consolidated statements of income, 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 Thai Vegetable Oil 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 Thai Vegetable Oil Public Company Limited and its subsidiary and of Thai Vegetable Oil Public Company Limited as at 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 Group in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond for the matter are describe below.

Revenue recognition from sales of goods

Revenue from sales is considered to be a significant account because the amounts recorded directly impact the Company's annual profit and loss. Moreover, the Company has numerous customers in various industries which have different commercial terms and there are sales promotions and discounts to boost sales. I therefore focused on the Company's recognition of sales revenue.

I have examined the revenue recognition of the Company by assessing and testing the Company's IT system and its internal controls with respect to revenue cycle by making enquiry of responsible executive, gaining an understanding of the controls and selecting representative sample to test the operation of the designed control, and with special consideration given to expanding the scope of the testing of the internal controls which respond to the risk of revenue recognition. On a sampling basis, I also examined supporting documents for sales transactions occurring during the year and near the end of the accounting period to assess whether revenue recognition was consistent with the conditions of commercial terms, and whether it was in compliance with the Company's policy. I reviewed credit notes issued to customers after the reporting period. In addition, I performed analytical review procedures on revenue from sales and reviewed journal vouchers to detect possible irregularities in sales transactions throughout the period.

Other Information

Management is responsible for the other information. The other information comprises 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 matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Chonlaros Suntiasvaraporn
Certified Public Accountant (Thailand) No. 4523

EY Office Limited
Bangkok: 24 February 2023

Thai Vegetable Oil Public Company Limited and its subsidiary

Statement of financial position

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Assets					
Current assets					
Cash and cash equivalents	7	334,421,120	402,876,393	68,950,393	108,517,837
Trade and other receivables	8	1,491,386,298	1,682,857,565	1,436,311,039	1,638,205,516
Inventories	9	12,163,248,302	7,096,434,279	12,044,273,429	7,007,211,829
Other current financial assets	10	864,278,274	645,041,557	864,278,274	645,041,557
Derivative assets	28	1,879,850	6,380,796	1,879,850	6,380,796
Other current assets		23,461,094	18,429,343	20,282,457	17,216,350
Total current assets		14,878,674,938	9,852,019,933	14,435,975,442	9,422,573,885
Non-current assets					
Other non-current financial assets	10	306,484,993	295,450,982	306,484,993	295,450,982
Investment in subsidiary	11	-	-	21,500,000	21,500,000
Property, plant and equipment	12	3,087,340,989	3,145,149,325	2,876,566,166	2,894,432,464
Intangible assets	13	25,711,213	31,947,999	25,679,216	31,902,255
Deferred tax assets	21	116,137,309	15,256,389	106,942,742	7,281,686
Other non-current assets		3,082,692	2,852,195	2,142,528	2,145,528
Total non-current assets		3,538,757,196	3,490,656,890	3,339,315,645	3,252,712,915
Total assets		18,417,432,134	13,342,676,823	17,775,291,087	12,675,286,800

The accompanying notes are an integral part of the financial statements.

Thai Vegetable Oil Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Trust receipts	14	-	992,334,266	-	992,334,266
Trade and other payables	15	7,118,664,066	2,019,571,194	7,051,751,354	1,930,128,618
Current portion of lease liabilities	16	5,169,434	4,939,611	5,169,434	4,939,611
Income tax payable		122,287,188	97,258,355	118,314,228	91,137,174
Derivative liabilities	28	210,118,763	9,450,680	210,118,763	9,450,680
Other current liabilities		138,709,088	127,878,189	136,971,741	126,795,965
Total current liabilities		7,594,948,539	3,251,432,295	7,522,325,520	3,154,786,314
Non-current liabilities					
Lease liabilities, net of current portion	16	10,540,966	15,019,914	10,540,966	15,019,914
Provision for long-term employee benefits	17	186,667,329	171,247,568	163,874,393	151,618,312
Total non-current liabilities		197,208,295	186,267,482	174,415,359	166,638,226
Total liabilities		7,792,156,834	3,437,699,777	7,696,740,879	3,321,424,540
Shareholders' equity					
Share capital	18				
Registered					
889,472,084 ordinary shares of Baht 1 each					
(2021: 808,610,985 ordinary shares of Baht 1 each)		889,472,084	808,610,985	889,472,084	808,610,985
Issued and fully paid up					
889,471,248 ordinary shares of Baht 1 each					
(2021: 808,610,985 ordinary shares of Baht 1 each)		889,471,248	808,610,985	889,471,248	808,610,985
Share premium		2,475,091,096	2,475,091,096	2,475,091,096	2,475,091,096
Surplus on changes in the Company's					
shareholding in the subsidiary		28,377,618	28,377,618	-	-
Retained earnings					
Appropriated-statutory reserve	19	103,797,205	94,441,124	88,947,208	80,941,124
Unappropriated		6,542,366,378	5,917,887,059	6,428,150,607	5,801,156,216
Other components of shareholders' equity		196,890,049	188,062,839	196,890,049	188,062,839
Equity attributable to owners of the Company		10,235,993,594	9,512,470,721	10,078,550,208	9,353,862,260
Non-controlling interests of the subsidiary		389,281,706	392,506,325	-	-
Total shareholders' equity		10,625,275,300	9,904,977,046	10,078,550,208	9,353,862,260
Total liabilities and shareholders' equity		18,417,432,134	13,342,676,823	17,775,291,087	12,675,286,800

The accompanying notes are an integral part of the financial statements.

Thai Vegetable Oil Public Company Limited and its subsidiary

Income statement

For the year ended 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Revenues					
Sales		38,678,531,431	30,966,727,557	38,678,531,431	30,966,727,557
Sales of packing material		428,827,103	340,720,023	-	-
Total sales		39,107,358,534	31,307,447,580	38,678,531,431	30,966,727,557
Other income					
Dividend income	10, 11	49,491,765	23,445,432	63,939,765	50,965,432
Gain on exchange		40,723,316	168,811,870	40,723,316	168,811,870
Gain on derivative		37,455,904	55,553,508	37,455,904	55,553,508
Others		86,443,718	244,070,254	84,456,965	242,917,884
Total other income		214,114,703	491,881,064	226,575,950	518,248,694
Total revenues		39,321,473,237	31,799,328,644	38,905,107,381	31,484,976,251
Expenses					
Cost of sales		35,985,773,147	28,348,704,318	35,673,538,285	28,137,485,670
Selling and distribution expenses		613,744,473	532,234,311	590,295,858	508,965,350
Administrative expenses		280,651,303	263,536,434	239,634,653	226,299,779
Allowance for expected credit losses (reversal)	8	(5,476,560)	9,002,085	(8,050,142)	7,370,194
Reduction cost of inventories to net realisable value	9	240,045,794	17,107,763	239,623,027	18,101,709
Loss on write-off of plant, machinery and equipment	12	77,290,926	-	77,290,926	-
Impairment loss on plant, machinery and equipment	12	89,776,288	-	89,776,288	-
Total expenses		37,281,805,371	29,170,584,911	36,902,108,895	28,898,222,702
Operating profit		2,039,667,866	2,628,743,733	2,002,998,486	2,586,753,549
Finance income		700,006	711,289	223,348	313,267
Finance cost		(5,811,378)	(4,189,363)	(5,457,314)	(3,876,204)
Profit before income tax expenses		2,034,556,494	2,625,265,659	1,997,764,520	2,583,190,612
Income tax expenses	21	(402,701,498)	(520,007,381)	(392,431,834)	(506,189,504)
Profit for the year		1,631,854,996	2,105,258,278	1,605,332,686	2,077,001,108
Profit attributable to:					
Equity holders of the Company		1,604,167,611	2,067,610,942	1,605,332,686	2,077,001,108
Non-controlling interests of the subsidiary		27,687,385	37,647,336		
		1,631,854,996	2,105,258,278		
Earnings per share					
23					
Basic earnings per share					
Profit attributable to equity holders of the Company		1.80	2.32	1.80	2.34

The accompanying notes are an integral part of the financial statements.

Thai Vegetable Oil Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
Profit for the year		<u>1,631,854,996</u>	<u>2,105,258,278</u>	<u>1,605,332,686</u>	<u>2,077,001,108</u>
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Gain on changes in value of investments in equity instruments designated at fair value through other comprehensive income		11,034,011	31,559,689	11,034,011	31,559,689
Actuarial loss	17	-	(4,105,655)	-	(7,933,506)
Less: Income tax effect	21	<u>(2,206,801)</u>	<u>(5,490,807)</u>	<u>(2,206,801)</u>	<u>(4,725,237)</u>
Other comprehensive income for the year		<u>8,827,210</u>	<u>21,963,227</u>	<u>8,827,210</u>	<u>18,900,946</u>
Total comprehensive income for the year		<u><u>1,640,682,206</u></u>	<u><u>2,127,221,505</u></u>	<u><u>1,614,159,896</u></u>	<u><u>2,095,902,054</u></u>
		-	-		
Total comprehensive income attributable to:					
Equity holders of the Company		1,612,994,821	2,087,487,224	<u>1,614,159,896</u>	<u>2,095,902,054</u>
Non-controlling interests of the subsidiary		<u>27,687,385</u>	<u>39,734,281</u>		
		<u><u>1,640,682,206</u></u>	<u><u>2,127,221,505</u></u>		

The accompanying notes are an integral part of the financial statements.

Thai Vegetable Oil Public Company Limited and its subsidiary

Cash flow statement

For the year ended 31 December 2022

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash flows from operating activities				
Profit before tax	2,034,556,494	2,625,265,659	1,997,764,520	2,583,190,612
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Dividend income	(49,491,765)	(23,445,432)	(63,939,765)	(50,965,432)
Gain on investments in fixed income of open-end funds	(4,822,273)	(5,366,938)	(4,822,273)	(5,366,938)
Allowance for expected credit losses (reversal)	(8,127,872)	9,002,086	(10,640,745)	7,370,194
Write-off bad debts	2,651,312	-	2,590,603	-
Reduction cost of inventories to net realisable value	240,045,794	17,107,763	239,623,027	18,101,709
Depreciation and amortisation	324,652,040	343,562,664	278,689,614	290,698,863
Gain on sales of plant, machinery and equipment	(5,040,585)	(5,733,660)	(4,970,493)	(5,705,626)
Loss on write-off of plant, machinery and equipment	77,290,917	-	77,290,917	-
Impairment loss on plant, machinery and equipment	89,776,288	-	89,776,288	-
Provision for long-term employee benefits	24,816,628	20,548,756	21,490,548	17,118,989
Unrealised gain on exchange	(60,129,266)	(5,370,372)	(60,129,266)	(5,370,372)
Unrealised loss from change in fair value of derivatives	205,169,029	1,303,918	205,169,029	1,303,918
Income from operating activities before changes in operating assets and liabilities	2,871,346,741	2,976,874,444	2,767,892,004	2,850,375,917
Operating assets decrease (increase)				
Trade and other receivables	196,947,827	(453,477,847)	209,944,619	(436,055,939)
Inventories	(5,306,859,817)	(240,188,017)	(5,276,684,627)	(210,210,814)
Other current assets	(5,031,751)	13,107,844	(3,066,107)	13,243,884
Other non-current assets	(230,497)	3,360,477	3,000	1,065,559
Operating liabilities increase (decrease)				
Trade and other payables	5,136,686,329	(809,296,954)	5,159,216,193	(895,431,607)
Other current liabilities	10,850,899	(28,582,629)	10,195,775	(26,023,503)
Provision for long-term employee benefits	(9,396,867)	(11,085,506)	(9,234,467)	(10,918,706)
Cash flows from operating activities	2,894,312,864	1,450,711,812	2,858,266,390	1,286,044,791
Cash paid for corporate income tax	(480,760,387)	(636,439,842)	(467,122,637)	(618,620,665)
Net cash flows from operating activities	2,413,552,477	814,271,970	2,391,143,753	667,424,126

The accompanying notes are an integral part of the financial statements.

Thai Vegetable Oil Public Company Limited and its subsidiary

Cash flow statement (continued)

For the year ended 31 December 2022

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Cash flows from investing activities				
Cash paid for investment in fixed income open-end funds	(7,527,000,000)	(15,107,100,000)	(7,527,000,000)	(15,107,100,000)
Cash received from sales of investments				
in fixed income open-end funds	7,307,585,556	16,371,908,402	7,307,585,556	16,371,908,402
Cash received from sales of investment in private debt instrument	5,000,000	5,000,000	5,000,000	5,000,000
Dividend received	49,491,765	23,445,432	63,939,765	50,965,432
Acquisition of property, plant and equipment	(420,808,591)	(340,170,907)	(414,801,950)	(322,538,169)
Proceeds from disposal of plant, machinery and equipment	23,044,384	7,176,644	22,974,292	7,148,607
Increase in intangible assets	(1,392,163)	(645,129)	(1,392,163)	(645,129)
Net cash flows from (used in) investing activities	(564,079,049)	959,614,442	(543,694,500)	1,004,739,143
Cash flows from financing activities				
Increase (decrease) in trust receipts	(992,334,266)	208,622	(992,334,266)	208,622
Dividend paid	(889,317,549)	(1,697,361,655)	(889,317,549)	(1,697,361,655)
Dividend paid to non-controlling interests of the subsidiary	(30,912,004)	(58,880,000)	-	-
Payment of principal portion of lease liabilities	(5,364,882)	(4,769,022)	(5,364,882)	(4,769,022)
Net cash flows used in financing activities	(1,917,928,701)	(1,760,802,055)	(1,887,016,697)	(1,701,922,055)
Net increase (decrease) in cash and cash equivalents	(68,455,273)	13,084,357	(39,567,444)	(29,758,786)
Cash and cash equivalents at beginning of year	402,876,393	389,792,036	108,517,837	138,276,623
Cash and cash equivalents at end of year	334,421,120	402,876,393	68,950,393	108,517,837
	-	-	-	-
Supplemental cash flow information				
Non-cash items				
Increase in right-of-use assets from entering into lease agreements	1,115,757	1,099,606	1,115,757	1,099,606
Accounts payable for purchasing of fixed assets	31,155,994	8,794,583	31,155,994	8,794,583
Transfer of property, plant and equipment to intangible assets	-	233,418	-	233,418
Stock dividend paid	80,860,263	-	80,860,263	-

The accompanying notes are an integral part of the financial statements.

Thai Vegetable Oil Public Company Limited and its subsidiary
Statement of changes in shareholders' equity
For the year ended 31 December 2022

	Consolidated financial statements										(Unit: Baht)	
	Equity attributable to owners of the Company											
	Surplus on changes in the Company's shareholding in the subsidiary			Retained earnings		Other components of shareholders' equity		Total equity attributable to owners of the Company		Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity	
	Issued and fully paid-up share capital	Share premium		Appropriated	Unappropriated	Fair value reserve	Income	Other comprehensive income	Total other components of shareholders' equity			
Balance as at 1 January 2021	808,610,985	2,475,091,096	28,377,618	94,441,124	5,553,730,655	162,815,088			162,815,088	9,123,066,566	411,652,044	9,534,718,610
	-	-	-	-	2,067,610,942	-			-	2,067,610,942	37,647,336	2,105,258,278
	-	-	-	-	(5,371,469)	25,247,751			25,247,751	19,876,282	2,086,945	21,963,227
	-	-	-	-	2,062,239,473	25,247,751			25,247,751	2,087,487,224	39,734,281	2,127,221,505
Dividend paid (Note 26)	-	-	-	-	(1,698,083,069)	-			-	(1,698,083,069)	-	(1,698,083,069)
Decrease in equity attributable to non-controlling interests of the subsidiary due to dividend payment	-	-	-	-	-	-			-	-	(58,880,000)	(58,880,000)
Balance as at 31 December 2021	808,610,985	2,475,091,096	28,377,618	94,441,124	5,917,887,059	188,062,839			188,062,839	9,512,470,721	392,506,325	9,904,977,046
-	-	-	-	-	-	-			-	-	-	-
Balance as at 1 January 2022	808,610,985	2,475,091,096	28,377,618	94,441,124	5,917,887,059	188,062,839			188,062,839	9,512,470,721	392,506,325	9,904,977,046
Profit for the year	-	-	-	-	1,604,167,611	-			-	1,604,167,611	27,687,385	1,631,854,996
Other comprehensive income for the year	-	-	-	-	-	8,827,210			8,827,210	8,827,210	-	8,827,210
Total comprehensive income for the year	-	-	-	-	1,604,167,611	8,827,210			8,827,210	1,612,994,821	27,687,385	1,640,682,206
Increase in ordinary share (Note 18)	80,860,263	-	-	-	-	-			-	80,860,263	-	80,860,263
Dividend paid (Note 26)	-	-	-	-	(80,860,263)	-			-	(80,860,263)	-	(80,860,263)
Stock dividend	-	-	-	-	(889,471,948)	-			-	(889,471,948)	-	(889,471,948)
Cash dividend	-	-	-	-	(9,356,081)	-			-	-	-	-
Appropriation of retained earnings to statutory reserve	-	-	-	-	-	-			-	-	-	-
Decrease in equity attributable to non-controlling interests of the subsidiary due to dividend payment	-	-	-	-	-	-			-	(30,912,004)	-	(30,912,004)
Balance as at 31 December 2022	889,471,248	2,475,091,096	28,377,618	103,797,205	6,542,366,378	196,890,049			196,890,049	10,235,993,594	389,281,706	10,625,275,300

The accompanying notes are an integral part of the financial statements.

Thai Vegetable Oil Public Company Limited and its subsidiary

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

Separate financial statements											(Unit: Baht)
Other components of shareholders' equity											
Issued and fully paid-up share capital	Share premium	Retained earnings		Fair value reserve	Other comprehensive income	Total other components of shareholders' equity	Total shareholders' equity				
		Appropriated	Unappropriated								
808,610,985	2,475,091,096	80,941,124	5,428,584,982	162,815,088		162,815,088	8,956,043,275				
-	-	-	2,077,001,108	-		-	2,077,001,108				
-	-	-	(6,346,805)	25,247,751		25,247,751	18,900,946				
-	-	-	2,070,654,303	25,247,751		25,247,751	2,095,902,054				
-	-	-	(1,698,083,069)	-		-	(1,698,083,069)				
808,610,985	2,475,091,096	80,941,124	5,801,156,216	188,062,839		188,062,839	9,353,862,260				
808,610,985	2,475,091,096	80,941,124	5,801,156,216	188,062,839		188,062,839	9,353,862,260				
-	-	-	1,605,332,686	-		-	1,605,332,686				
-	-	-	-	8,827,210		8,827,210	8,827,210				
-	-	-	1,605,332,686	8,827,210		8,827,210	1,614,159,896				
80,860,263	-	-	-	-		-	80,860,263				
-	-	-	(80,860,263)	-		-	(80,860,263)				
-	-	-	(889,471,948)	-		-	(889,471,948)				
-	-	8,006,084	(8,006,084)	-		-	-				
889,471,248	2,475,091,096	88,947,208	6,428,150,607	196,890,049		196,890,049	10,078,550,208				

The accompanying notes are an integral part of the financial statements.

Thai Vegetable Oil Public Company Limited and its subsidiary
Notes to consolidated financial statements
For the year ended 31 December 2022

1. General information

Thai Vegetable Oil Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of soy meal and soybean oil. The registered office of the Company is at 149 Ratchadapisek Road (Thapra-Taksin), Bukkhalow, Thonburi, Bangkok and its factory is located in Nakhon Pathom Province.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Thai Vegetable Oil Public Company Limited (“the Company”) and the following subsidiary company (“the subsidiary”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			<u>2022</u>	<u>2021</u>
Prodigy Public Company Limited	Manufacture and distribution of packaging products	Thailand	32	32

- b) The Company is deemed to have control over an investee or subsidiary 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.
- c) Subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiary are prepared using the same significant policies as the Company.

- e) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.
- f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiary under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

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, excluding value added tax, of goods supplied after deducting returns and discounts to customers.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset net of the allowance for expected credit loss (if any).

Dividend income

Dividend income is recognised when the right to receive the dividends is established.

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Inventories

Finished goods are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of inventories includes all production costs of raw materials, wages and attributable factory overheads.

Raw materials and other material supplies are valued at the lower of average cost and net realisable value and are charged to production costs whenever consumed.

4.4 Investment in subsidiary

Investment in subsidiary is accounted for in the separate financial statements using the cost method.

4.5 Property, plant and equipment/Depreciation

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).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings	- 20 years
Building improvement	- 5 years and 20 years
Machinery and equipment	- 2 - 10 years
Factory tools and equipment	- 5 years
Furniture and fixtures	- 3 years and 5 years
Motor vehicles	- 5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.6 Intangible assets

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	3, 5, 10 years

4.7 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group as a lessee

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Motor vehicles	5	years
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Right-of-use assets are presented as part of property, plant and equipment in the statement of financial position.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term, which 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 and is remeasured if there is a change in the lease contracts.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.8 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the operations of the Company.

4.9 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.10 Impairment of assets non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of their property, plant and equipment, right-of-use asset and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.11 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and the subsidiary and their employees have jointly established provident funds. The funds are monthly contributed by employees and by the Company and the subsidiary. The funds' assets are held in separate trust funds and the Company and the subsidiary contributions are recognised as expenses when incurred.

Defined benefit plans

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the Projected Unit Credit Method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.12 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.13 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current income tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.14 Financial instruments

The 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.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

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.

Classification and measurement of financial liabilities

The Group's financial liabilities (except for derivative liabilities) are initially 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 discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

Regular way purchases and sales of financial assets

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.15 Derivatives

The Company's derivatives consist of forward exchange contracts and commodity swap agreements.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets or financial liabilities by considering the fair value of derivatives.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.16 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The 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 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.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Consolidation of subsidiary that the Company holds less than half of shares

The management of the Company determined that the Company has control over Prodigy Public Company Limited, even though the Company holds 32% of shares and voting rights that is less than half of shares and voting rights. This is because the Company is a major shareholder and has the ability to direct the significant activities, while other shareholders are only minor shareholders. As a result, Prodigy Public Company Limited is deemed to be a subsidiary of the Company and has to be included in the consolidated financial statements from the date on which the Company assumed control.

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Allowance for diminution in value of inventory

The determination of allowances for diminution in the value of inventory, requires management to make judgements and estimates. The allowance for decline in net realisable value is estimated based on the selling price expected in the ordinary course of business less the estimated costs to complete the sales.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Property, plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses and fair value less cost to sell relating to the assets subject to the review.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Million Baht)

	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2022	2021	2022	2021	
<u>Transactions with subsidiary</u>					
(eliminated from the consolidated financial statements)					
Purchases of packing materials	-	-	328	343	Normal prices charged to ordinary customers
Service expense	-	-	0.3	-	Reference to market price
<u>Transactions with related companies</u>					
Sales of goods by the Company	16	14	16	14	Normal prices charged to ordinary customers
Sales of goods by subsidiary	49	46	-	-	Normal prices charged to ordinary customers
Purchase of machinery	1	5	1	5	Reference to market price

The balances of the accounts as at 31 December 2022 and 2021 between the Group and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade receivables - related parties (Note 8)</u>				
Related companies (related by common directors or shareholders)	5,798	8,586	1,447	3,928
Total trade receivables - related parties	<u>5,798</u>	<u>8,586</u>	<u>1,447</u>	<u>3,928</u>
<u>Trade payables - related parties (Note 15)</u>				
Subsidiary	-	-	40,607	59,724
Total trade payables - related parties	<u>-</u>	<u>-</u>	<u>40,607</u>	<u>59,724</u>

Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Short-term employee benefits	88	90	71	75
Post-employment benefits	6	3	6	3
Total	<u>94</u>	<u>93</u>	<u>77</u>	<u>78</u>

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cash	482	425	412	355
Bank deposits	333,939	402,451	68,538	108,163
Total	<u>334,421</u>	<u>402,876</u>	<u>68,950</u>	<u>108,518</u>

As at 31 December 2022, bank deposits in saving accounts and fixed account carried interests between 0.10 and 1.00 percent per annum (2021: between 0.05 and 0.40 percent per annum).

8. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	5,798	8,586	1,447	3,928
Total trade receivables - related parties (Note 6)	5,798	8,586	1,447	3,928
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	1,260,494	1,423,452	1,239,392	1,410,218
Past due				
Not over 3 months	236,922	266,995	209,218	240,918
3 - 6 months	1,760	1,509	-	1,281
6 - 12 months	9	1,479	-	464
Over 12 months	83,169	88,711	67,438	72,587
Returned cheques	6,710	3,099	-	-
Total	1,589,064	1,785,245	1,516,048	1,725,468
Less: Allowance for expected credit losses	(106,836)	(114,964)	(84,541)	(95,181)
Total trade receivables - unrelated parties, net	1,482,228	1,670,281	1,431,507	1,630,287
Total trade receivables - net	1,488,026	1,678,867	1,432,954	1,634,215
<u>Other receivables</u>				
Other receivables	148	283	145	283
Accrued income	3,212	3,708	3,212	3,708
Total other receivables	3,360	3,991	3,357	3,991
Trade and other receivables - net	1,491,386	1,682,858	1,436,311	1,638,206

Set out below is the movement in the allowance for expected credit losses of trade receivables.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Beginning balance	114,964	105,962	95,181	87,811
Provision for expected credit losses increase (decrease)	3,961	12,487	(5,575)	9,622
Amount written off	(2,651)	-	(2,590)	-
Amount recovered	(9,438)	(3,485)	(2,475)	(2,252)
Ending balance	<u>106,836</u>	<u>114,964</u>	<u>84,541</u>	<u>95,181</u>

9. Inventories

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Raw materials	2,818,952	2,610,729	-	-	2,818,952	2,610,729
Finished goods	2,827,843	1,495,171	(280,751)	(44,550)	2,547,092	1,450,621
Material supplies	212,129	233,158	(12,851)	(9,006)	199,278	224,152
Raw materials in transit	6,597,926	2,810,932	-	-	6,597,926	2,810,932
Total	<u>12,456,850</u>	<u>7,149,990</u>	<u>(293,602)</u>	<u>(53,556)</u>	<u>12,163,248</u>	<u>7,096,434</u>

	(Unit: Thousand Baht)					
	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Raw materials	2,751,526	2,558,904	-	-	2,751,526	2,558,904
Finished goods	2,790,203	1,469,811	(279,867)	(44,089)	2,510,336	1,425,722
Material supplies	197,336	220,661	(12,851)	(9,007)	184,485	211,654
Raw materials in transit	6,597,926	2,810,932	-	-	6,597,926	2,810,932
Total	<u>12,336,991</u>	<u>7,060,308</u>	<u>(292,718)</u>	<u>(53,096)</u>	<u>12,044,273</u>	<u>7,007,212</u>

During the current year, the Group reduced cost of inventories by Baht 294 million (2021: Baht 24 million) (The Company only: Baht 293 million, 2021: Baht 24 million), and reversed the write-down of cost of inventories by Baht 54 million (2021: Baht 7 million) (The Company only: Baht 53 million, 2021: Baht 6 million).

10. Other financial assets

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	<u>2022</u>	<u>2021</u>
<u>Other current financial assets</u>		
Debt instruments at FVTPL (Note 28)		
Investment in fixed income open-end funds	864,278	640,042
	<u>864,278</u>	<u>640,042</u>
Debt instruments at amortised cost		
Private debt instruments	-	5,000
	<u>-</u>	<u>5,000</u>
Total other current financial assets	<u>864,278</u>	<u>645,042</u>
<u>Other non-current financial assets</u>		
Equity instruments designated at FVOCI (Note 28)		
Equity instruments of listed companies	14,007	15,953
Equity instruments of non-listed companies		
Thai Edible Oil Company Limited	292,378	279,398
Others	100	100
Total other non-current financial assets	<u>306,485</u>	<u>295,451</u>

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Group considers these investments to be strategic in nature.

During 2022, the Company received dividends from Thai Edible Oil Company Limited amount of Baht 49 million (2021: Baht 23 million).

11. Investment in subsidiary

11.1 Details of investment in subsidiary, which is investment in ordinary shares, as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the year	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
			(%)	(%)				
Prodigy Public Company Limited	148,500	135,000	32	32	21,500	21,500	14,448	27,520

During the current year, the Company received stock dividend from its subsidiary in form of ordinary shares at the rate of 1 dividend share for every 10 existing shares, consisting of 8.6 ordinary shares with a par value of Baht 0.50 per share, totaling of Baht 4.3 million.

11.2 Details of investment in subsidiary that has material non-controlling interests

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year		(Unit: Million Baht) Dividend paid to non- controlling interests during the year	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(%)	(%)						
Prodigy Public Company Limited	68	68	389	393	28	38	31	59

In addition, during the current year, the subsidiary paid stock dividend to non-controlling interests in form of ordinary shares at the rate of 1 dividend share for every 10 existing shares, consisting of 18.4 ordinary shares with a par value of Baht 0.50 per share, totaling of Baht 9.2 million.

11.3 Summarised financial information that based on amounts before inter-company elimination about subsidiary that has material non-controlling.

Summarised information about financial position of Prodigy Public Company Limited

	(Unit: Million Baht)	
	<u>2022</u>	<u>2021</u>
Current assets	484	490
Non-current assets	236	274
Current liabilities	113	156
Non-current liabilities	23	20

Summarised information about comprehensive income of Prodigy Public Company Limited

(Unit: Million Baht)

	For the years ended 31 December	
	<u>2022</u>	<u>2021</u>
Revenue	760	686
Profit	41	55
Other comprehensive income	-	3
Total comprehensive income	41	58

Summarised information about cash flow of Prodigy Public Company Limited

(Unit: Million Baht)

	For the years ended 31 December	
	<u>2022</u>	<u>2021</u>
Cash flow from operating activities	22	146
Cash flow used in investing activities	(6)	(18)
Cash flow used in financing activities	(45)	(85)
Net increase (decrease) in cash and cash equivalents	(29)	43

12. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Net book value:				
Property, plant and equipment	3,072,101	3,125,934	2,861,326	2,875,217
Right-of-use assets (Note 16)	15,240	19,215	15,240	19,215
Total	3,087,341	3,145,149	2,876,566	2,894,432

Movements of property, plant and equipment for the years ended 31 December 2022 and 2021 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements							
	Land and land improvement	Factory and improvement	Machinery and equipment	Factory tools and equipment	Furniture and Fixtures	Motor vehicles	Assets under construction	Total
Cost:								
1 January 2021	564,229	1,785,873	4,557,652	571,239	147,360	147,666	320,207	8,094,226
Additions	113,992	6,442	55,330	20,461	4,979	19,570	119,398	340,172
Disposals/written off	-	(1,916)	(48,407)	(25,887)	(1,625)	(17,377)	-	(95,212)
Transfers in (out)	-	48,043	46,830	8,008	7,165	-	(110,279)	(233)
31 December 2021	678,221	1,838,442	4,611,405	573,821	157,879	149,859	329,326	8,338,953
Additions	-	2,350	66,660	39,509	3,360	9,239	322,052	443,170
Disposals/written off	-	(57,363)	(377,680)	(21,149)	(6,384)	(22,411)	-	(484,987)
Transfers in (out)	8,190	173,913	109,465	12,374	15,491	6	(319,439)	-
31 December 2022	686,411	1,957,342	4,409,850	604,555	170,346	136,693	331,939	8,297,136
Accumulated depreciation:								
1 January 2021	-	951,124	3,313,424	463,399	122,472	125,324	-	4,975,743
Depreciation for the year	-	74,861	188,628	43,471	10,491	12,759	-	330,210
Depreciation on disposals/written off	-	(1,306)	(47,859)	(25,701)	(1,525)	(17,377)	-	(93,768)
31 December 2021	-	1,024,679	3,454,193	481,169	131,438	120,706	-	5,212,185
Depreciation for the year	-	77,187	175,378	38,889	10,092	10,386	-	311,932
Depreciation on disposals/written off	-	(51,203)	(288,923)	(21,131)	(6,333)	(21,268)	-	(388,858)
31 December 2022	-	1,050,663	3,340,648	498,927	135,197	109,824	-	5,135,259

(Unit: Thousand Baht)

	Consolidated financial statements						
	Land and land improvement	Factory and improvement	Machinery and equipment	Factory tools and equipment	Furniture and Fixtures	Motor vehicles	Assets under construction
							Total
Allowance for impairment loss:							
1 January 2021	-	681	-	55	98	-	834
31 December 2021	-	681	-	55	98	-	834
Written off	-	(681)	-	(55)	(98)	-	(834)
Impairment loss for the year	-	-	88,790	748	238	-	89,776
31 December 2022	-	-	88,790	748	238	-	89,776
Net book value:							
31 December 2021	678,221	813,082	1,157,212	92,597	26,343	29,153	3,125,934
31 December 2022	686,411	906,679	980,412	104,880	34,911	26,869	3,072,101
Depreciation for the year							
2021 (Baht 310 million included in manufacturing cost, and the balance in selling and administrative expenses)							330,210
2022 (Baht 292 million included in manufacturing cost, and the balance in selling and administrative expenses)							311,932

(Unit: Thousand Baht)

	Separate financial statements						Total
	Land and land improvement	Factory and improvement	Machinery and equipment	Factory tools and equipment	Furniture and fixtures	Motor vehicles	
Cost:							
1 January 2021	518,923	1,647,549	3,812,460	364,601	140,634	136,403	6,940,486
Additions	113,992	6,320	54,057	13,322	4,876	18,370	322,538
Disposals/written off	-	(1,916)	(48,407)	(25,887)	(1,625)	(16,792)	(94,627)
Transfers in (out)	-	48,043	42,713	4,330	7,165	-	(233)
31 December 2021	632,915	1,699,996	3,860,823	356,366	151,050	137,981	7,168,164
Additions	-	2,349	66,660	36,724	3,293	6,470	437,163
Disposals/written off	-	(57,363)	(377,680)	(20,962)	(6,384)	(22,412)	(484,801)
Transfers in (out)	8,189	173,913	109,465	12,374	15,492	6	-
31 December 2022	641,104	1,818,895	3,659,268	384,502	163,451	122,045	7,120,526
Accumulated depreciation:							
1 January 2021	-	886,842	2,691,541	293,423	117,792	118,337	4,107,935
Depreciation for the year	-	69,015	157,783	29,562	10,007	10,995	277,362
Depreciation on disposals/written off	-	(1,307)	(47,859)	(25,701)	(1,525)	(16,792)	(93,184)
31 December 2021	-	954,550	2,801,465	297,284	126,274	112,540	4,292,113
Depreciation for the year	-	71,346	151,059	25,280	9,619	8,679	265,983
Depreciation on disposals/written off	-	(51,203)	(288,923)	(20,944)	(6,333)	(21,269)	(388,672)
31 December 2022	-	974,693	2,663,601	301,620	129,560	99,950	4,169,424

(Unit: Thousand Baht)

	Separate financial statements						
	Land and land improvement	Factory and improvement	Machinery and equipment	Factory tools and equipment	Furniture and fixtures	Motor vehicles	Assets under construction
							Total
Allowance for impairment loss:							
1 January 2021	-	681	-	55	98	-	834
31 December 2021	-	681	-	55	98	-	834
Written off	-	(681)	-	(55)	(98)	-	(834)
Impairment loss for the year	-	-	88,790	748	238	-	89,776
31 December 2022	-	-	88,790	748	238	-	89,776
Net book value:							
31 December 2021	632,915	744,765	1,059,358	59,027	24,678	25,441	2,875,217
31 December 2022	641,104	844,202	906,877	82,134	33,653	22,095	2,861,326
Depreciation for the year							
2021 (Baht 266 million included in manufacturing cost, and the balance in selling and administrative expenses)							277,362
2022 (Baht 254 million included in manufacturing cost, and the balance in selling and administrative expenses)							265,983

As at 31 December 2022, certain plant, machinery and equipment items of the Group has been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation) of those assets amounted to approximately Baht 3,625 million (2021: Baht 3,697 million) (The Company only: Baht 2,906 million, 2021: Baht 3,038 million)

During the current year, the Company's Board of Directors approved a partial improvement on factories. Therefore, the Company wrote-off the factory buildings that were demolished and unusable machinery and equipment with net book value of Baht 92 million and recognised loss on write-off plant, machinery and equipment of Baht 77 million in the income statement, and set aside an allowance for impairment loss on machinery and equipment that were granted promotional privileges by the Board of Investment as described in Note 22 of Baht 90 million due to stop using them.

13. Intangible assets - computer software

The net book value of intangible assets as at 31 December 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Cost	91,233	90,011	90,605	89,384
Less: Accumulated amortisation	(65,522)	(58,063)	(64,926)	(57,482)
Net book value	<u>25,711</u>	<u>31,948</u>	<u>25,679</u>	<u>31,902</u>

A reconciliation of the net book value of intangible assets for the years 2022 and 2021 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Net book value at beginning of year	31,948	39,530	31,902	39,469
Acquisition of computer software	1,392	645	1,392	645
Transfers from property, plant and equipment	-	233	-	233
Amortisation	(7,629)	(8,460)	(7,615)	(8,445)
Net book value at end of year	<u>25,711</u>	<u>31,948</u>	<u>25,679</u>	<u>31,902</u>

14. Credit facilities of bank overdrafts, short-term loans from financial institutions and trust receipts

Trust receipts of the Company were charged interest at the rate of THOR plus with incremental interest rate per annum.

The agreements for the credit facilities obtained from banks and financial institutions contain covenants with which the Group must comply. These relate to, among other things, the maintenance of certain financial ratios, and restrictions on the creation of lien or encumbrance over their assets.

15. Trade and other payables

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
	<u>2022</u>	<u>2021</u>
Trade payables - related party (Note 6)	-	-
Trade payables - unrelated parties	6,707,145	1,633,205
Other payables - unrelated parties	221,081	181,897
Accrued expenses	190,438	204,469
Total trade and other payables	<u>7,118,664</u>	<u>2,019,571</u>

16. Leases**The Company as a lessee**

The Company has lease contracts for assets used in its operations such as motor vehicles. Leases generally have lease terms of 5 years.

16.1 Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand)	
	Consolidated/Separate financial statements	
	Motor vehicles	
	<u>2022</u>	<u>2021</u>
Net book value at beginning of year	19,215	23,717
Additions	1,116	1,100
Disposal during the year - net book value	-	(710)
Depreciation for the year	(5,091)	(4,892)
Net book value at end of year	<u>15,240</u>	<u>19,215</u>

16.2 Lease liabilities

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	<u>2022</u>	<u>2021</u>
Lease payments	16,413	21,065
Less: Deferred interest expenses	(703)	(1,105)
Total	15,710	19,960
Less: Portion due within one year	(5,169)	(4,940)
Lease liabilities - net of current portion	<u>10,541</u>	<u>15,020</u>

16.3 Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	<u>2022</u>	<u>2021</u>
Depreciation expense of right-of-use assets	5,091	4,892
Interest expense on lease liabilities	497	598

17. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire from the Group, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Provisions for long-term employee				
benefits at beginning of year	171,248	157,679	151,618	137,485
Included in profit or loss:				
Current service cost	21,563	16,474	18,713	13,668
Interest cost	3,253	4,074	2,777	3,451
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	(1,130)	-	-
Financial assumptions changes	-	7,220	-	7,538
Experience adjustments	-	(1,983)	-	395
Benefits paid during the year	(9,397)	(11,086)	(9,234)	(10,919)
Provisions for long-term employee				
benefits at end of year	<u>186,667</u>	<u>171,248</u>	<u>163,874</u>	<u>151,618</u>

The Group expects to pay Baht 17.9 million of long-term employee benefits during the next year (2021: Baht 11.8 million) (The Company only: Baht 16.6 million, 2021: Baht 11.6 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit of the Company is 14 years (2021: 14 years) and of its subsidiary is 14 years (2021: 14 years).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.3, 2.4	2.3, 2.4	2.3	2.3
Salary increase rate	3.7 - 6.0	3.7 - 6.0	4.0 - 6.0	4.0 - 6.0
Turnover rate	0 - 20	0 - 20	0 - 20	0 - 20

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

(Unit: Million Baht)

As at 31 December 2022				
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(16.1)	18.5	(13.8)	15.8
Salary increase rate	19.8	(17.5)	16.9	(14.9)
	<u>Increase 10 - 20%</u>	<u>Decrease 10 - 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(7.6)	8.5	(7.0)	7.8

(Unit: Million Baht)

As at 31 December 2021				
	Consolidated financial statements		Separate financial statements	
	<u>Increase 1%</u>	<u>Decrease 1%</u>	<u>Increase 1%</u>	<u>Decrease 1%</u>
Discount rate	(15.4)	17.7	(13.4)	15.3
Salary increase rate	17.2	(15.2)	14.8	(13.1)
	<u>Increase 10 - 20%</u>	<u>Decrease 10 - 20%</u>	<u>Increase 20%</u>	<u>Decrease 20%</u>
Turnover rate	(6.5)	7.2	(5.9)	6.6

18. Share capital

On 23 September 2022, the Extraordinary General Meeting of the Company's shareholders approved an increase in the Company's registered share capital of Baht 81 million, consisting of 81 million shares with the par value of Baht 1 per share, to support the stock dividend payment as described in Note 26 to the financial statements. The Company registered the increase in its registered share capital with the Ministry of Commerce in September 2022. After the capital increase, the Company's registered share capital is Baht 889 million, consisting of 889 million shares with the par value of Baht 1 per share.

On 7 October 2022, the Company registered the increase in its paid-up share capital of Baht 81 million with the Ministry of Commerce. These additional shares of the Company were traded in The Stock Exchange of Thailand (SET) from 11 October 2022.

19. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

20. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Salaries and wages and other employee benefits	734,295	758,119	639,441	666,420
Depreciation and amortisation	324,652	343,560	278,690	290,699
Promotion expenses	38,286	33,679	38,286	33,679
Transportation expenses	198,073	193,322	185,394	184,858
Raw materials and consumables used	35,863,144	27,264,317	35,483,272	26,976,190
Purchase of finished goods	402,431	379,015	315,264	287,825
Changes in inventories of finished goods	(1,332,672)	(264,292)	(1,320,392)	(262,102)

21. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Current income tax:				
Current income tax charge	505,789	511,777	494,300	497,179
Adjustment in respect of income tax of previous year	-	14,414	-	14,414
Deferred tax:				
Relating to origination and reversal of temporary differences	(103,088)	(6,184)	(101,868)	(5,404)
Income tax expenses reported in profit or loss	<u>402,701</u>	<u>520,007</u>	<u>392,432</u>	<u>506,189</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax on actuarial losses	-	(821)	-	(1,587)
Deferred tax on gain on changes in fair value of investment measured at FVOCI	2,207	6,312	2,207	6,312
Total	<u>2,207</u>	<u>5,491</u>	<u>2,207</u>	<u>4,725</u>

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Accounting profit before tax	<u>2,034,556</u>	<u>2,625,266</u>	<u>1,997,765</u>	<u>2,583,191</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	406,911	525,053	399,553	516,638
Adjustment in respect of income tax of previous year	-	14,414	-	14,414
Unrecognised deferred tax assets on unused tax losses from promotional operation (Note 22)	-	6,266	-	6,266
Recognised deferred tax assets of previous year	(7,137)	-	(7,137)	-
Effects of:				
Eliminate of related transactions	(69)	(107)	-	-
Non-taxable income and expenses	17,114	(13,064)	16,907	(13,184)
Additional expense deductions allowed	(4,440)	(7,720)	(4,323)	(7,606)
Exemption of income	(9,898)	(4,689)	(12,788)	(10,193)
Others	220	(146)	220	(146)
Total	<u>2,927</u>	<u>(25,726)</u>	<u>16</u>	<u>(31,129)</u>
Income tax expenses reported in profit or loss	<u>402,701</u>	<u>520,007</u>	<u>392,432</u>	<u>506,189</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Deferred tax assets				
Allowance for diminution in value of inventories	58,721	10,711	58,544	10,619
Reserve for sales promotion	5,780	5,780	5,780	5,780
Unrealised loss from change in fair value of derivatives	41,648	614	41,648	614
Provision for long-term employee benefits	37,333	34,249	32,775	30,324
Allowance for expected credit losses on trade receivables	9,962	10,856	5,503	6,899
Loss from promotional operation	12,182	-	12,182	-
Others	-	146	-	146
Total deferred tax assets	165,626	62,356	156,432	54,382
Deferred tax liabilities				
Unrealised fair value gain on investments	(49,415)	(47,100)	(49,415)	(47,100)
Others	(74)	-	(74)	-
Total deferred tax liabilities	(49,489)	(47,100)	(49,489)	(47,100)
Net deferred tax assets	116,137	15,256	106,943	7,282

22. Promotional privileges

The Company has been granted promotional privileges by the Board of Investment for the production of an ingredient mix for animal feed, pursuant to the promotion certificate No. 63-1042-1-00-1-0, issued on 26 May 2020. Subject to certain imposed conditions, the privileges include exemptions from import duty on approved machinery in group of ingredient mix for animal feed and exemption from corporate income tax on profits from the promoted activities of the production of ingredient mix for animal feed for a period of 3 years commencing from the date of the first sales.

Currently, the Company temporarily stops its promotional operation.

23. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares to reflect the impact of the stock dividend as described in Note 26 to the financial statements. The prior year's basic earnings per share have been recalculated as if the stock dividend had been distributed at the beginning of the earliest period reported.

The following table sets forth the computation of basic earnings per share:

	For the year ended 31 December			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2022</u>	<u>2021</u> (Restated)	<u>2022</u>	<u>2021</u> (Restated)
Profit for the year (Thousand Baht)	1,604,168	2,067,611	1,605,333	2,077,001
Weighted average number of ordinary shares (Thousand shares)	889,471	889,471	889,471	889,471
Earnings per share (Baht per share)	1.80	2.32	1.80	2.34

24. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have three reportable segments as follows:

- The manufacture and distribution of products from soybean segment, which is a manufacture and distribution of soy meal and soybean oil.
- The manufacture and distribution of packaging products.
- Other segment, which is a distribution of consumer products

No operating segments have been aggregated to form the above reportable operating segments

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Geographic information

The Group operates in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2022, the Company has 25.3 percent (2021: 22.4 percent) of total sales from one major customer, arising from sales by the manufacture and distribution of products from soybean segment.

Revenue, profit and total assets information

The following table present revenue, profit and total assets information regarding the Group's operating segments for the years ended 31 December 2022 and 2021.

(Unit: Million Baht)													
For the year ended 31 December													
Manufacture and distribution of products from soybean		Manufacture and distribution of packaging products		Others		Total reportable segments		Adjustments and eliminations		Consolidated			
		2022	2021	2022	2021	2022	2021	2022	2021	2022	2021		
Revenue													
Revenue from external customers		38,476	30,719	429	341	202	247	39,107	31,307	-	-	39,107	31,307
Inter-segment		-	-	328	343	-	-	328	343	(328)	(343)	-	-
Total sales		38,476	30,719	757	684	202	247	39,435	31,650	(328)	(343)	39,107	31,307
Segment profit													
Unallocated income (expenses):		2,953	2,791	117	130	52	37	3,122	2,958	-	-	3,122	2,958
Other income													
Finance income												136	268
Selling and administrative expenses												1	1
Reversal of allowance for expected credit losses (loss)												(894)	(796)
Reduction cost of inventories to net realisable value												5	(9)
Gain on exchange												(240)	(17)
Gain on derivatives												41	169
Loss on write-off of plant, machinery and equipment												37	55
Impairment loss on plant, machinery and equipment												(77)	-
Finance cost												(90)	-
Profit before income tax expenses												(6)	(4)
Income tax expenses												2,035	2,625
Profit for the year												(403)	(520)
												1,632	2,105
Segment total assets		17,684	12,501	720	765	90	173	18,494	13,439	(77)	(96)	18,417	13,343

25. Provident fund

The Company and its employees and the subsidiary and its employees have jointly established provident funds in accordance with the Provident Fund Act B.E. 2530. The employees, the Company and its subsidiary contributed to the funds monthly at the rate of 3 - 5 percent of basic salary. The Company's fund managed by MFC Asset Management Public Company Limited and the subsidiary's fund is managed BBL Asset Management Company Limited. The Funds will be paid to employees upon termination in accordance with the funds' rules. For the year 2022, the contributions of the Company amounting to approximately Baht 12 million (2021: Baht 12 million) and the contributions of the subsidiary amounting to Baht 1 million (2021: Baht 1 million) were recognised as expenses.

26. Dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Dividends for 2021	The Annual General Meeting of the Company's shareholders on 22 April 2022	727,750	0.90
Interim dividends for 2022	The Extraordinary General Meeting of the Company's shareholders on 23 September 2022		
Stock dividend*		80,860	0.10
Cash dividend		161,722	0.20
Total dividends for the year 2022		970,332	1.20
Dividends for 2020	The Annual General Meeting of the Company's shareholders on 23 April 2021	646,889	0.80
Interim dividends for 2021	Board of Directors' meeting on 13 August 2021	1,051,194	1.30
Total dividends for the year 2021		1,698,083	2.10

* Stock dividend was paid in form of ordinary share at the rate of 1 dividend share for every 10 existing shares, consisting of 81 million ordinary shares with a par value of Baht 1 per share, totaling of Baht 81 million which could be converted for dividend payment at Baht 0.10 per share.

27. Commitments and contingent liabilities**27.1 Capital commitments**

As at 31 December 2022, the Group had capital commitments of approximately Baht 550 million (2021: Baht 144 million and CNY 0.7 million) relating to the construction of factory, acquisition of machinery and factory tools and equipment (The Company only: Baht 548 million, 2021: Baht 143 million).

27.2 Guarantees

- a) As at 31 December 2022, there were outstanding bank guarantees of approximately Baht 36 million (2021: Baht 46 million) issued by banks on behalf of the Company and its subsidiary in respect of certain performance bonds as required in the normal course of business of the Company and the subsidiary (The Company only: Baht 26 million, 2021: Baht 36 million). The bank guarantees are related to guarantee electricity use.
- b) As at 31 December 2022, the subsidiary had outstanding standby-letters of credit of Yen 3.4 million or approximately Baht 0.9 million, relating to purchase of machinery (2021: Nil).

27.3 Long-term Service commitments

As at 31 December 2022, the Company had commitments to pay in the future totaling Baht 8 million (2021: Baht 8 million) under various service agreements. The terms of service agreements are generally between 1 - 5 years.

28. Fair value hierarchy

As at 31 December 2022 and 2021, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	As at 31 December 2022			
	Consolidated/Separate financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
<i>Financial assets measured at FVTPL</i>				
Investments in fixed income open-end funds	-	864	-	864
<i>Financial assets measured at FVOCI</i>				
Investments in equity instruments of listed companies	14	-	-	14
Investments in equity instruments of non-listed companies	-	-	292	292

(Unit: Million Baht)

As at 31 December 2022

	Consolidated/Separate financial statements			
	Level 1	Level 2	Level 3	Total
<i>Derivatives</i>				
Commodity swap contracts	-	2	-	2

Liabilities measured at fair value*Derivatives*

Foreign currency forward contracts	-	210	-	210
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(Unit: Million Baht)

As at 31 December 2021

	Consolidated/Separate financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
<i>Financial assets measured at FVTPL</i>				
Investments in fixed income open-end funds	-	640	-	640
<i>Financial assets measured at FVOCI</i>				
Investments in equity instruments of listed companies	16	-	-	16
Investments in equity instruments of non-listed companies	-	-	279	279
<i>Derivatives</i>				
Foreign currency forward contracts	-	6	-	6
Liabilities measured at fair value				
<i>Derivatives</i>				
Foreign currency forward contracts	-	9	-	9

Valuation techniques and inputs to Level 2 valuation

Investments in fixed income open-end funds are stated at fair value using inputs of Level 2 which is use of other observable inputs for such assets or liabilities, whether directly or indirectly. Such fair value of investments in fixed income open-end funds has been determined by using the net asset value as published by the Asset Management.

The fair value of derivatives has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies, interest rate yield curves and commodity price yield curves.

Valuation techniques and inputs to Level 3 valuation

The fair value of investment in equity instruments of non-listed companies has been determined by analysis and considering change in the invested companies' financial position and operation performance, including other several factors.

During the current year, there were no transfers within the fair value hierarchy.

Reconciliation of recurring fair value measurements categorised within Level 3 of the fair value hierarchy

	(Unit: Thousand Baht)
	Consolidated / Separate financial statements
	Investments in equity instruments of non-listed companies
Balance as at 1 January 2022	279,498
Gain recognised into other comprehensive income	12,980
Balance as at 31 December 2022	292,478

29. Financial instruments

29.1 Derivatives

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 12 months.

29.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade receivables, investments, trade payables and trust receipts. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade receivables, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the outstanding trade receivables are regularly monitored and the Company does not have high concentrations of credit risk since it has a large customer base in various businesses and the majority of customers are credit worthy customers.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by product type and customer rating. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

The Group manages the credit risk from balances with banks and financial institutions in accordance with the Group policy by making investments only with approved counterparties and within limits assigned to each counterparty. Counterparty limits are reviewed by the Company's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivatives is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Market risk

There are three types of market risk comprising interest rate risk, commodity price risk and foreign currency risk.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to their cash at banks and trust receipts. However, most of the Group's financial assets and liabilities are short-term and bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal. The detail of cash at banks and trust receipts are set out in the Note 7 and 14 to the financial statements.

Commodity price risk

The Company is exposed to the price volatility of soybean which is major raw material of the Company's production and the fluctuation in soybean meal and soy oil price which are major products of the Company. In order to manage risk on the fluctuation in gross profit margin, the Company has entered into short-term commodity swap agreement and commodity option agreement with banks and counterparties to hedge such risk. Gain or loss is recognised in the statement of income when the contracts are settled or expired.

The Company had outstanding of commodity swap agreements as at 31 December 2022 as listed below.

Separate financial statements			
Commodity swap contracts	Maturity	Notional amount	Net fair value
		(Million USD)	gain (loss)
			(Million Baht)
Received Fixed price - Paid Floating price	February 2023	2	2

The Company has no commodity option contract outstanding as at 31 December 2022.

The Company has no commodity swap and commodity option contract as at 31 December 2021

Foreign currency risk

The Group's exposure to foreign currency risk relates primarily to purchases of major raw materials and machinery and sales of goods which are denominated in foreign currencies.

As at 31 December 2022 and 2021, the balances of financial assets and liabilities denominated in foreign currencies of the Company are summarised as follows:

Foreign currencies	Financial assets		Financial liabilities		Average exchange rate as at 31 December	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	2.3	1.3	187.8	71.0	34.5624	33.4199
Euro	-	-	0.1	-	36.8274	37.8948
Yuan	-	-	-	0.4	4.9664	5.2507

The Company seeks to mitigate this risk by entering into forward exchange contracts, which are mature within one year in order to hedge the foreign exchange risk.

The outstanding forward exchange contracts as at 31 December 2022 and 2021 are summarised as follows.

Separate financial statements as at 31 December 2022

Foreign currencies	Amount	Average contractual exchange rate	Contractual maturity date
	(million)	(Baht per 1 foreign currency unit)	
<u>Forward contracts to "Buy"</u>			
US dollar	120.6	35.8359	January - July 2023
<u>Forward contracts to "Sell"</u>			
US dollar	0.2	34.6400	February 2023

Separate financial statements as at 31 December 2021

Foreign currencies	Amount	Average contractual exchange rate	Contractual maturity date
	(million)	(Baht per 1 foreign currency unit)	
<u>Forward contracts to "Buy"</u>			
US dollar	60.5	33.4358	February - July 2022
<u>Forward contracts to "Sell"</u>			
US dollar	13.6	33.2317	March - May 2022

Foreign currency sensitivity

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2022 and 2021. The Group's exposure to other foreign currencies is not material.

Currency	2022		2021	
	Change in FX rate	Effect on profit	Change in FX rate	Effect on profit
	Increase/Decrease	before tax	Increase/Decrease	before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
US dollar	+ 0.8	(18,479)	+0.6	(4,462)
	- 0.8	18,479	-0.6	4,462

This information is not a forecast or prediction of future market conditions and should be used with care.

29.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

30. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2022, the Group's debt-to-equity ratio was 0.73:1 (2021: 0.35:1) and the Company's 0.76:1 (2021: 0.36:1).

31. Events after the reporting period

On 15 February 2023, a meeting of the subsidiary's Board of Directors passed a resolution to approve an annual dividend payment to the shareholders of Baht 0.05 per share, a total of Baht 14.85 million, in addition to the interim cash and stock dividends payment of Baht 0.08 per share, to be paid from the subsidiary's operating results for the year 2022. This resolution will be further proposed for the shareholders' approval at the Annual General Meeting of the subsidiary's shareholders for the year 2023.

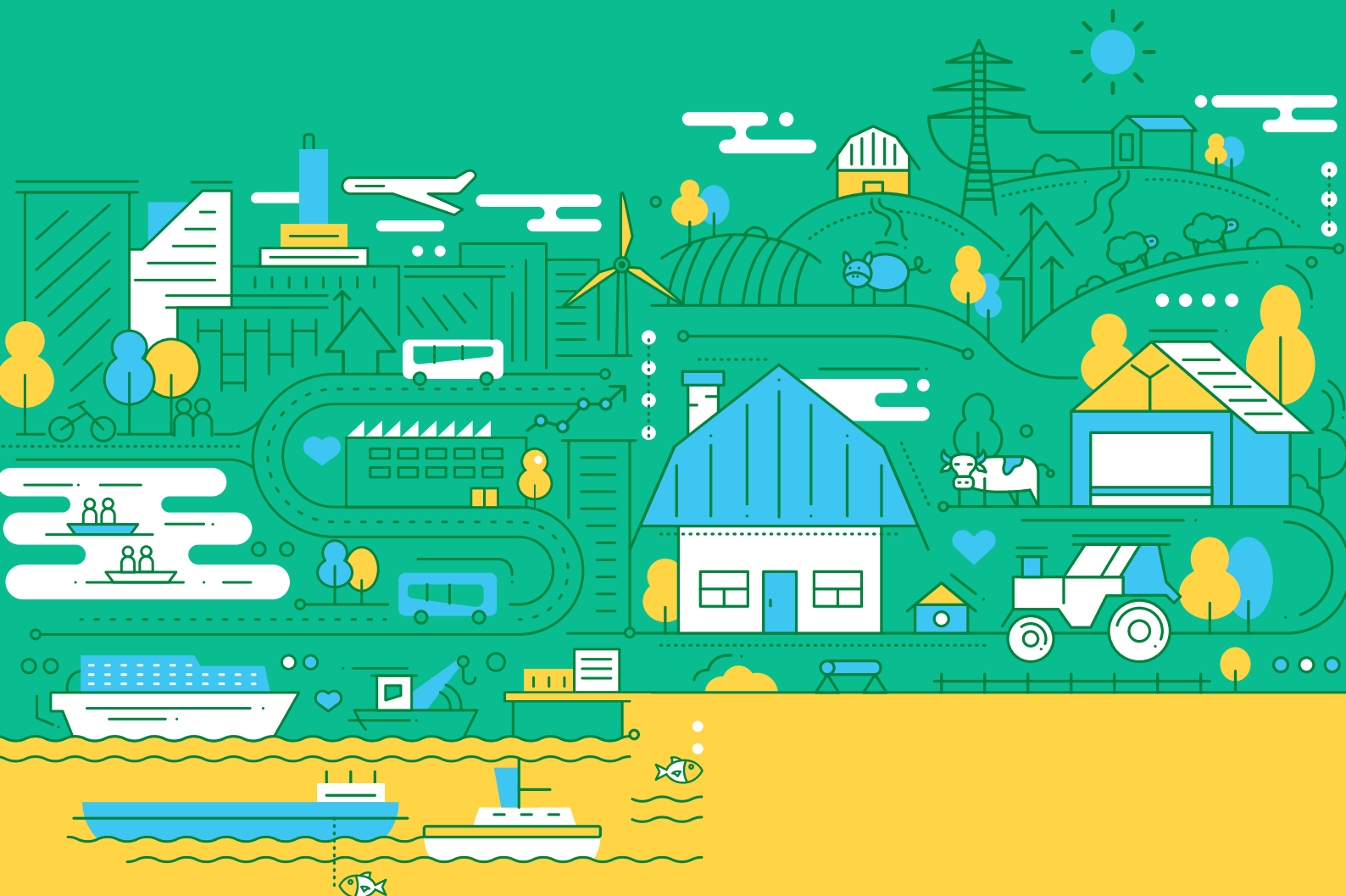
32. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2023.




Thai Vegetable Oil Public Company Limited


Appendix





Attachment 1 Details of Directors, Executives, Controlling Persons and Company Secretary



Director and Management Profile (as of December 31, 2022)

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
1. Dr. Suvit Maesincee  <ul style="list-style-type: none"> Chairman of the Board (Independent) Chairman of the Corporate Governance Nomination and Remuneration Committee Chairman of the Environmental, Social, Risk Management and Compliance Policy Committee 	61	<ul style="list-style-type: none"> Ph.D. in Marketing, Kellogg Graduate School of management, Northwestern University MBA, NIDA Business School BSc. in Pharmacy, Mahidol University Director Certification Program (DCP 18/2002) Thai Institute of Directors Association (IOD) Director Certification Program Refresher (DCP-Re 18/2006), Thai Institute of Directors Association (IOD) Director Accreditation Program (DAP60/2006) Thai Institute of Directors Association (IOD) Audit Committee Program (ACP 37/2011) Thai Institute of Directors Association (IOD) Top Executive Program in Commerce and Trade: Commerce Academy (TEPCoT) Class 3, University of the Thai Chamber of Commerce Leader Program Class 3, Capital Market Academy Role of Chairman Program (RCP 47/2021), Thai Institute of Directors Association (IOD) National Director Conference 2021, Thai Institute of Directors Association (IOD) Things to know about Personal Data Protection Act (PDPA) by Baker & McKenzie Ltd. 	None	None	Listed companies		
					2021-Present	<ul style="list-style-type: none"> Chairman of the Board (Independent), Chairman of the Corporate Governance Nomination and Remuneration Committee, Chairman of the Environmental, Social, Risk Management and Compliance Policy Committee 	<ul style="list-style-type: none"> Thai Vegetable Oil PCL
					2020	<ul style="list-style-type: none"> Advisor to the Board of Directors and Honorary Member of the Corporate Governance, Nomination and Remuneration Committee 	<ul style="list-style-type: none"> Thai Vegetable Oil PCL
					Other companies or organizations		
					2019-2020	<ul style="list-style-type: none"> Minister 	<ul style="list-style-type: none"> Minister of Higher Education, Science, Research and Innovation
Appointed: January 13, 2021					2017-2019	<ul style="list-style-type: none"> Minister 	<ul style="list-style-type: none"> Ministry of Science
					2017	<ul style="list-style-type: none"> Minister 	<ul style="list-style-type: none"> Prime Minister's Office


Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
1. Dr. Suwit Maesincee (continued)		<ul style="list-style-type: none"> CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited Potential risks in a business amidst the current situation and significant for 2022 by Internal Auditor from Ascent Advisory Company Limited 					
2. Mr. Apichart Chirabandhu  <ul style="list-style-type: none"> Independent Director Chairman of the Audit Committee Member of Corporate Governance, Nomination and Remuneration Committee Appointed: February 28, 2018	64	<ul style="list-style-type: none"> Bachelor of Laws, Ramkhamhaeng University The National Defence College (2011-2012) Advanced Certificate Course in Politics and Governance in Democratic Systems for Executives (Class 18/2014), King Prajadhipok's Institute Director Accreditation Program (DAP) Class 103/2013, Thai Institute of Directors Association (IOD) Advance Audit Committee Program (AACP) Class 31/2018, Thai Institute of Directors Association (IOD) Corporate Governance for Executive (CGE) Class 15/2019, Thai Institute of Directors Association (IOD) National Director Conference 2021, Thai Institute of Directors Association (IOD) Things to know about Personal Data Protection Act (PDPA) by Baker & McKenzie CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited 	None	None	Listed companies		
					2018-Present	<ul style="list-style-type: none"> Independent Director, Chairman of Audit Committee and Member of Corporate Governance Nomination and Remuneration Committee 	<ul style="list-style-type: none"> Thai Vegetable Oil PCL
					2017-Present	<ul style="list-style-type: none"> Independent Director, Member of the Audit Committee, Chairman of Corporate Governance Committee, Member of Nomination and Remuneration Committee 	<ul style="list-style-type: none"> Triple I Public Company Limited
					2017-Present	<ul style="list-style-type: none"> Member of Corporate Governance Committee 	<ul style="list-style-type: none"> Millcon Steel Public Company Limited
					2017-Present	<ul style="list-style-type: none"> Independent Director, Member of the Audit Committee, Chairman of Nomination and Remuneration Committee 	<ul style="list-style-type: none"> Millcon Steel Public Company Limited
					2017-Present	<ul style="list-style-type: none"> Independent Director, Member of the Audit Committee, Chairman of Nomination and Remuneration Committee 	<ul style="list-style-type: none"> Nok Airline Public Company Limited



Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
2. Mr. Apichart Chirabandhu (continued)					Other companies or organizations		
					2019-Present	● Expert attached to the Senator	
					2017-Present	● Director	● AC Worldwide Co., Ltd.
					2017-Present	● Director and Treasurer	● The Business Lawyers Foundation
					2018-2019	● Advisor to the Minister of Tourism and Sports	● The Minister of Tourism and Sports
					2017-2018	● Director	● Continental Holding Co., Ltd.
					2017-2018	● Director	● Siam Premier Service Co., Ltd.
3. Assoc.Prof.Dr. Kitcha Urairong  ● Independent Director ● Member of Corporate Governance, Nomination and Remuneration Committee Appointed: April 29, 2014	70	● BS (Veterinary Science), Kasetsart University ● DVM (Doctor of Veterinary Medicine), Kasetsart University ● Zeugnis in Schweinekrankheiten, Hannover Veterinary University, Germany ● Director Certification Program (DCP 202/2014), Thai Institute of Directors Association (IOD) ● Diplomate, Thai Board of Veterinary Medicine ● Board Nomination and Compensation Program (BNCP 9/2020), Thai Institute of Directors Association (IOD) ● National Director Conference 2021, Thai Institute of Directors Association (IOD) ● Things to know about Personal Data Protection Act (PDPA) by Baker & McKenzie Ltd.	None	None	Listed companies		
					2019-Present	● Member of Corporate Governance, Nomination and Remuneration Committee	● Thai Vegetable Oil PCL
					2017-Present	● Independent Director	● Thai Vegetable Oil PCL
					Other companies or organizations		
					2020-Present	● Advisor	● Committee of the Pig and Product Development Policy Committee (Pig Board), Ministry of Agriculture and Cooperatives
					2020-Present	● Member of Academic Working Group	● Department of Livestock
					2018-Present	● External Expert	● Academic Committee of Kasetsart University
					2017-Present	● Technical Advisor	● MasterVet Co. Ltd
					2017-Present	● Technical Advisor	● MacProduct Co. Ltd
					2017-Present	● Technical Advisor	● MSD Thailand, Animal Division
					2017-Present	● Technical Advisor	● Zoetis Thailand, Animal Division
					2017-Present	● Senior Expert	● Faculty of Veterinary Medicine, Kasetsart University

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
4. Mr. Vipoota Trakulhoon  <ul style="list-style-type: none"> Independent Director Member of the Audit Committee Member of the Environmental, Social, Risk Management and Compliance Policy Committee Appointed: October 15, 2021	55	<ul style="list-style-type: none"> CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited Potential risks in a business amidst the current situation and significant for 2022 by Internal Auditor from Ascent Advisory Company Limited Master's degree of Business Administration, Sasin Graduate Institute of Business Administration of Chulalongkorn University Bachelor's degree of Business Administration, Financial Accounting, Chulalongkorn University Director Accreditation Program (DAP 120/2015), Thai Institute of Directors Association (IOD) Advance Audit Committee Program (AACP 42/2021), Thai Institute of Directors Association (IOD) National Director Conference 2021, Thai Institute of Directors Association (IOD) Things to know about Personal Data Protection Act (PDPA) by Baker & McKenzie Ltd CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited Potential risks in a business amidst the current situation and significant for 2022 by Internal Auditor from Ascent Advisory Company Limited 	None	None	2017-Present	<ul style="list-style-type: none"> Advisor 	<ul style="list-style-type: none"> Veterinary Drugs and Vaccines Subcommittee, Thai Veterinary Council
					2017-Present	<ul style="list-style-type: none"> Technical Advisor 	<ul style="list-style-type: none"> Technical Advisor, Better Pharma Company, Betagro
					2016-Present	<ul style="list-style-type: none"> Technical Advisor 	<ul style="list-style-type: none"> Bioscience Group
					2016-Present	<ul style="list-style-type: none"> Technical Advisor 	<ul style="list-style-type: none"> Vet Product Group
					2016-Present	<ul style="list-style-type: none"> Technical Advisor 	<ul style="list-style-type: none"> Smart Vet Group
					Listed companies		
					2021-Present	<ul style="list-style-type: none"> Independent Director, Member of the Audit Committee, Member of the Environmental, Social, Risk Management and Compliance Policy Committee 	<ul style="list-style-type: none"> Thai Vegetable Oil PCL.
					2020-Present	<ul style="list-style-type: none"> Independent Director 	<ul style="list-style-type: none"> SKY ICT PCL
					2017-Present	<ul style="list-style-type: none"> Independent Director 	<ul style="list-style-type: none"> Triple IPCL.
					2017-Present	<ul style="list-style-type: none"> Independent Director 	<ul style="list-style-type: none"> Business Alignment PCL
					2017-Present	<ul style="list-style-type: none"> Director 	<ul style="list-style-type: none"> Millcon PCL
					2020	<ul style="list-style-type: none"> Advisor to the Board of Directors 	<ul style="list-style-type: none"> Thai Vegetable Oil PCL.
					2019-2021	<ul style="list-style-type: none"> Independent Director 	<ul style="list-style-type: none"> General Engineering PCL.
					Other companies or organizations		
					2017-Present	<ul style="list-style-type: none"> Director 	<ul style="list-style-type: none"> Creative Power Co., Ltd.

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
5. Ms. Patrawan Manutsathit  <ul style="list-style-type: none"> Independent Director Member of the Audit Committee Appointed: April 22, 2022	39	<ul style="list-style-type: none"> Master Degree of Business Administration, London Business School, United Kingdom Bachelor Degree of Financial and Accounting (International Program) Thammasat University Chartered Financial Analyst, CFA Institute Director Accreditation Program (DAP 140/2017 Thai Institute of Directors Association (IOD) Advance Audit Committee Program (AACP 46/2022) Thai Institute of Directors Association Things to know about Personal Data Protection Act (PDPA) by Baker & McKenzie Ltd CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited Potential risks in a business amidst the current situation and significant for 2022 by Internal Auditor from Ascent Advisory Company Limited 	None	None	Listed companies		
					2022-Present	Independent Director and Member of the Audit Committee	Thai Vegetable Oil PCL
					2017-2022	Independent Director and Member of the Audit Committee	Asia Biomass PCL
					Other companies or organizations		
					2022-Present	CFO	Supara Group
					2017-Present	Director	CMP Property Co., Ltd
					2020-2022	Head of Revenue Management and Financial Planning	Tencent (Thailand) Co., Ltd
6. Mr. Pachai Chanpitaksa  <ul style="list-style-type: none"> Director Chief Executive Officer Authorized Director to sign on behalf of the Company 	38	<ul style="list-style-type: none"> Master of Sciences in Technical Venture and foundation of entrepreneurship, University College London & London Business School, United Kingdom Bachelor of Engineering in Engineering with Business and Finance, University college London & London School of Economics and Political Sciences, United Kingdom Director Certification Program (DCP 216/2016), Thai Institute of Directors Association (IOD) Academy of Business of Creativity (Batch 5), Sripatum University 	0.36	Relative	Listed companies		
					Avg '22-Present	Chief Executive Officer	Thai Vegetable Oil PCL
					2021-July'22	Managing Director Chief Operation Officer - Production	Thai Vegetable Oil PCL
					2016-Present	Director	Thai Vegetable Oil PCL
					2017-2020	Executive Vice President-Supply and Trading Department	Thai Vegetable Oil PCL
					2017-2018	Executive Director	Thai Vegetable Oil PCL
					Other companies or organizations		
					- None -		

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
6. Mr.Pachai Chanpitaksa (continued) Appointed: March 18, 2015		<ul style="list-style-type: none"> ● Executive Development Program, Thai Listed Companies Association ● Digital Edge Fusion (DEF 1/2017), Sripatum University ● Professional Symposium for CEO in Real Estate (RE-CU 3/2017), The Real Estate Executive Association of Chulalongkorn University ● Leadership Succession program, Institute of Research and Development for Public Enterprises ● Boards that Make a Difference (BMD 9/2019), Thai Institute of Directors Association (IOD) ● Basic Course on the Personal Data Protection Act B.E. 2562 (2019), Baker & McKenzie Ltd. ● National Director Conference 2021, Thai Institute of Directors Association (IOD) ● Things to know about Personal Data Protection Act (PDPA) by Baker & McKenzie Ltd. ● CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited ● Potential risks in a business amidst the current situation and significant for 2022 by Internal Auditor from Ascent Advisory Company Limited ● Carbon Footprint for Organization by senior researcher, VGREEN, Faculty of Environment Kasetsart University 					

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
7. Miss Aranya Vitayatanagorn  <ul style="list-style-type: none">• Director• Member of Environmental, Social, Risk Management and Compliance Policy Committee.• Authorized Director to sign on behalf of the Company. Appointed: April 29, 2011	57	<ul style="list-style-type: none">• Bachelor of Business Administration (Management), Faculty of Business Administration, Thonburi University.• Mini MBA, Year 1986, Thammasart University.• Sustaining the Family Business – SFB 2009, Sasin Graduate Institute of Business Administration of Chulalongkorn University• Director Accreditation Program (DAP), Class 82/2010, Thai Institute of Directors Association (IOD)• Director Certification Program (DCP), Class 134/2010, Thai Institute of Directors Association (IOD)• Financial Statements for Directors (FSD), Class 11/2011, Thai Institute of Directors Association (IOD)• Executive Development Program (EDP12/2013), Thai Listed Companies Association (TLCA)• Risk Management Class 5/2015, Chulalongkorn University• Capital Market Academy Leadership Program (Class 23/2016), The Stock Exchange of Thailand• National Director Conference 2021, Thai Institute of Directors Association• Things to know about Personal Data Protection Act (PDPA) by Baker & McKenzie Ltd• CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited	2.27	Relative	Listed companies		
					2019-Present	<ul style="list-style-type: none">• Member of the Environmental, Social, Risk Management and Compliance Policy Committee	<ul style="list-style-type: none">• Thai Vegetable Oil PCL
					2016-Present	<ul style="list-style-type: none">• Director	<ul style="list-style-type: none">• Thai Vegetable Oil PCL
					2021	<ul style="list-style-type: none">• Acting Assistant Chief Executive Officer	<ul style="list-style-type: none">• Thai Vegetable Oil PCL
					2018-2020	<ul style="list-style-type: none">• Chief Operating Officer – Commercial	<ul style="list-style-type: none">• Thai Vegetable Oil PCL
					2018-2019	<ul style="list-style-type: none">• Member of the Corporate Governance, Nomination and Remuneration Committee	<ul style="list-style-type: none">• Thai Vegetable Oil PCL
					2016-2018	<ul style="list-style-type: none">• Vice Chairman of the Executive Board	<ul style="list-style-type: none">• Thai Vegetable Oil PCL
					Other companies or organizations		
					- None -		


Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
7. Miss Aranya Vitayatanagorn (continued)		<ul style="list-style-type: none"> Potential risks in a business amidst the current situation and significant for 2022 by Internal Auditor from Ascent Advisory Company Limited 					
8. Mr.Vichai Vitayathanagorn  <ul style="list-style-type: none"> Director Appointed: May 13, 2016	72	<ul style="list-style-type: none"> The Institute of Administration, Hong Kong Ling-Nan College, Hong Kong Directors Accreditation Program (DAP) Thailand Institute of Directors Association (IOD) National Director Conference 2021, Thailand Institute of Directors Association (IOD) Things to know about Personal Data Protection Act (PDPA) by Baker & McKenzie Ltd CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited Potential risks in a business amidst the current situation and significant for 2022 by Internal Auditor from Ascent Advisory Company Limited 	7.55	Relative	Listed companies		
					2017-Present	• Director	• Thai Vegetable Oil PCL.
					Other companies or organizations		
					2017-Present	• Senior Adviser	• Border Trade Group and Cross Border Trade on The Southern China
					2017-Present	• Chairman	• Fah Chai Yo Co.,Ltd.
					2017-Present	• Chairman	• U Flow Plus Co.,Ltd.
					2017-Present	• Chairman	• Fila Plus Co.,Ltd.
					2017-Present	• Chairman	• Texport Thai Co.,Ltd.
					2017-Present	• Director	• Sing Heang Industry Co.,Ltd.
					2017	• Advisor	• Development of Logistics System for Thai Chamber of Commerce
					2017	Advisor	Xi Shuang Banna Chamber of Commerce
9. Mr.Vachara Vitayatanagorn  <ul style="list-style-type: none"> Director Authorized Director to sign on behalf of the Company Appointed: April 29, 2013	52	<ul style="list-style-type: none"> Master of Arts in Economics, University of Colorado at Denver, U.S.A Bachelor of Business Administration in Finance and Banking, Assumption University Directors Certification Program (DCP174/2013), Thailand Institute of Directors Association (IOD) Risk Management Committee Program (RMP) Class 1/2013, Thailand Institute of Directors Association (IOD) Effective Minute Taking (EMT) Class 28/2014, Thailand Institute of Directors Association (IOD) 	1.69	Relative	Listed companies		
					2017-Present	• Director	• Thai Vegetable Oil PCL.
					2017-Present	• Executive Director, and Member of Risk Management Committee	• Prodigy PCL.
					2017-Present	• Director	• Prodigy PCL.
					Other companies or organizations		
					2018-Present	• Director	• Golden Thread Co., Ltd.
					2018-2019	• Advisor of Committee on Economics	• Monetary and Finance (NLA)




Thai Vegetable Oil Public Company Limited

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Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
9. Mr.Vachara Vitayatanagorn (continued)		<ul style="list-style-type: none"> ● Company Reporting Program (CRP) Class 8/2014, Thai Institute of Directors Association (IOD) ● Board Reporting Program (BRP) Class 13/2014, Thai Institute of Directors Association (IOD) ● How to Develop a Risk Management Plan (HRP) Class 5/2014, Thai Institute of Directors Association (IOD) ● Capital Market Academy Leadership Program (22/2016), Capital Market Academy ● Thailand Energy Academy Leadership Program Class 12/2018 ● Bhumpalung Phandin (Class 5/2019), Chulalongkorn University ● National Director Conference 2021, Thai Institute of Directors Association (IOD) ● Things to know about Personal Data Protection Act (PDPA) by Baker & McKenzie Lt ● CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited ● Potential risks in a business amidst the current situation and significant for 2022 by Internal Auditor from Ascent Advisory Company Limited 					

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
10. Mr.Ekarat Wongsupphasatikul  • Director Appointed: April 28, 2016	41	<ul style="list-style-type: none"> Master of Business Administration Management (Executive), Sasn Graduate Institute of Business Administration Bachelor of Sciences in Electrical Engineering, Suffolk University, United State of America Executive Development Program (EDP), Thai Listed Companies Association The Program for Senior Executive on Justice Administration (Batch 16), National Justice Academy The Politics and Governance Democratic System for Executives, The King Prajadhikop's Institute Young Entrepreneurship Program, Siam Commercial Bank Academy of Business of Creativity (Batch 3), Sripatum University Director Certification Program (DCP 227/2016) Thai Institute of Directors Association (IOD) Strategic Board Master Class (SBM 6/2019), Thai Institute of Directors Association (IOD) National Director Conference 2021, Thai Institute of Directors Association (IOD) Things to know about Personal Data Protection Act (PDPA) by Baker & McKenzie Ltd CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited Potential risks in a business amidst the current situation and significant for 2022 by Internal Auditor from Ascent Advisory Company Limited 	1.50	Relative	Listed companies		
					2017-Present	• Director	• Thai Vegetable Oil PCL.
					Other companies or organizations		
					2017-Present	• Executive Director	• Golden Thread Co.,Ltd.
					2017-Present	• Deputy Managing Director	• Golden Thread Co.,Ltd


Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
11. Mr. Vorravuth Tangpiroonthum  <ul style="list-style-type: none"> • Director • Authorized Director to sign on behalf of the Company. Appointed: April 26, 2017	49	<ul style="list-style-type: none"> • MBA, Concentrate in Marketing and Finance, SASIN Graduate Institute of Business Administration of Chulalongkorn University • BBA, Concentrate in Management, Commerce and Accountancy, Chulalongkorn University • Professional CFO Diploma, National Institute of Developments Administration (NIDA) • Thai Intelligence Investors Program, Thai Investors Association • Director Accreditation Program 14/2004 (DAP), Thai Institute of Directors Association (IOD) • Finance for Non – Finance Directors (FND) 35/2007, Thai Institute of Directors Association (IOD) • Director Certification Program 92/2007 (DCP), Thai Institute of Directors Association (IOD) • Diploma Examination (EXAM) 22/2007, Thai Institute of Directors Association (IOD) • Monitoring the Internal Audit Function 6/2009 (MIA), Thai Institute of Directors Association (IOD) • Family Business Sustainability (FBS) 4/2016, Thai Institute of Directors Association (IOD) • Advanced Audit Committee Program 23/2016 (AACP), Thai Institute of Directors Association (IOD) 	1.05	Relative	Listed companies		
					2017-Present	• Director	• Thai Vegetable Oil PCL.
					2017-Present	• Director and Strategy and Investment Committee Member	• Prodigy PCL.
					2017-Present	• Director	• Thai Ha PCL.
					2017-2019	• Director, Audit Committee Member and Member of Corporate Governance, Nomination and Remuneration Committee	• Major Development PCL.
					Other companies or organizations		
					2017-Present	• Chief Executive Officer	• Cheer Group Holding Company Limited



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Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
11. Mr. Vorravuth Tangpiroonthun (continued)		<ul style="list-style-type: none"> Corporate Governance for Capital Market 20/2018 (CGI), Thai Institute of Directors Association (IOD) Board Nomination and Compensation Program (BNCP) 4/2018, Thai Institute of Directors Association (IOD) Strategic Board Master Class (SBM 6/2019), Thai Institute of Directors Association (IOD) Boardroom Success Through Financing and Investment (BF19/2020), Thai Institute of Directors Association (IOD) Successful Formulation & Execution of Strategy (SFE 33/2020), Thai Institute of Directors Association (IOD) National Director Conference 2021, Thai Institute of Directors Association (IOD) Things to know about Personal Data Protection Act (PDPA) by Baker & McKenzie Ltd CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited Potential risks in a business amidst the current situation and significant for 2022 by Internal Auditor from Ascent Advisory Company Limited 					

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
12. Mr. Kuna Vitayatanagorn  <ul style="list-style-type: none"> • Director • Authorized Director to sign on behalf of the Company. Appointed: April 23, 2021	51	<ul style="list-style-type: none"> • Bachelor, Central Queensland University, Australia • Diploma, Victoria Business College, Australia • Certificate, Stott's Commercial College, Australia • Director Certification Program (DCP) Class 305/2021, Thai Institute of Directors Association (IOD) • National Director Conference 2021, Thai Institute of Directors Association (IOD) • Leader Program Class 20, Capital Market Academy • Top Executive Program in Commerce and Trade, Commerce Academy (TEPCoT#2), University of the Thai Chamber of Commerce • What Directors Need to Know about Digital Asset (Class 3/2022), Thai Institute of Directors Association (IOD) • Things to know about Personal Data Protection Act (PDPA) by Baker & McKenzie Ltd • CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited • Potential risks in a business amidst the current situation and significant for 2022 by Internal Auditor from Ascent Advisory Company Limited 	0.60	Relative	Listed companies		
					2021-Present	• Director	• Thai Vegetable Oil PCL.
					2017-Present	• Institute Relations Manager	• Thai Vegetable Oil PCL.
					Other companies or organizations		
					2021-Present	• President	• Soybean and Rice Brand Oil Processor Association
					2018-Present	• Executive Vice President	• EV Society Company Limited
					2017-Present	• Managing Director	• CWBT Property Solution Co., Ltd.
					2017-Present	• Deputy Managing Director	• CWBT Company Limited
					2017-Present	• Personal expert for Member	• The National Legislative Assembly
					2017-Present	• Advisor	• Deputy Prime Minister and Minister of Industry

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
13. Mr. Suchai Visesleela <ul style="list-style-type: none"> Managing Director Appointed: September 1, 2021	54	<ul style="list-style-type: none"> Bachelor of General Management, Ramkhamhaeng University Carbon Footprint for Organization by senior researcher, YGREEN, Faculty of Environment Kasetsart University 	None	None	Sep'22-Present 2022-Aug'22 2021	<ul style="list-style-type: none"> Managing Director Chief Operating Officer – Commercial Assistant Managing Director -Supply and Trading 	<ul style="list-style-type: none"> Thai Vegetable Oil PCL. Thai Vegetable Oil PCL. Thai Vegetable Oil PCL.
14. Miss Sunanta Tritepapiruk <ul style="list-style-type: none"> Chief Operating Officer - Administration Chief Financial Officer Appointed: January 28, 2015	59	<ul style="list-style-type: none"> M.S., Thammasat University B.A. Accounting (Second Class Honor), Thammasat University Anti-Corruption : The Practical Guide, Thai Institute of Directors Association (IOD) Strategic Credit Analysis Class 1-2 / 2018, Settaluck Co., Ltd ePayment System (The electronic payment process for entrepreneurs and financial accounting practitioners), Dhammiti Seminar and Training Co., Ltd Strategic Credit Analysis Class 3-4 / 2019, Settaluck Co., Ltd Problems of recognition of income and expenses Solution to be correct according to accounting principles, Dhammiti Seminar and Training Co., Ltd Techniques and precautions in internal control and accounting system improvement, Dhammiti Seminar and Training Co., Ltd Problems in Accounting for Assets, Liabilities and Owner's Equity in accordance with Financial Reporting Standards, Dhammiti Seminar and Training Co., Ltd 	0.08	None	2021-Present 2017-2020	<ul style="list-style-type: none"> Chief Operating Officer-Administration Assistant Managing Director, Finance and Accounting Department 	<ul style="list-style-type: none"> Thai Vegetable Oil PCL. Thai Vegetable Oil PCL.



Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
14. Miss Sunanta Tritapapiruk (continued)		<ul style="list-style-type: none"> ● Basic Course on the Personal Data Protection Act B.E. 2562 (2019), Baker & McKenzie Ltd. ● Inventory Accounting, Dharmmiti Seminar and Training Co., Ltd ● Tips for preparing and presenting a simple cash flow statement, Dharmmiti Seminar and Training Co., Ltd ● Carbon Footprint for Organization by senior researcher, VGREEN, Faculty of Environment Kasetsart University ● Financial reporting standards and required accounting standards for accountants (TFRS15, TAS16, TAS38, TAS40), Dharmmiti Seminar and Training Co., Ltd ● Professional tax accounting, Dharmmiti Seminar and Training Co., Ltd 					
15. Miss Teerada Korsrilabutr ● Assistant Managing Director - Business Department 2 3 4 Appointed: January 13, 2021	38	<ul style="list-style-type: none"> ● MSc in Finance and Economics, London School of Economics and Political Sciences, UK ● Bachelor of Economics (First Class Honor with Gold Medal Award), Chulalongkorn University ● The Oxford Princeton Program (Oxford) Financial Instrument to Manage Global Oil Price Risk ● Basic Course on the Personal Data Protection Act B.E. 2562 (2019), Baker & McKenzie Ltd. ● Carbon Footprint for Organization by senior researcher, VGREEN, Faculty of Environment Kasetsart University 	None	None	2021-Present 2017-Present 2017-2020 2017-2020	<ul style="list-style-type: none"> ● Assistant Managing Director - Business Department 2 3 4 ● Director ● Deputy Director - Supply & Trading ● Investor Relations 	<ul style="list-style-type: none"> ● Thai Vegetable Oil PCL. ● Instasim Company Limited ● Thai Vegetable Oil PCL. ● Thai Vegetable Oil PCL.

Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
16. Mr.Suranut Khemadham <ul style="list-style-type: none"> Assistant Managing Director – Business Department 1 Appointed: August 2, 2021	52	<ul style="list-style-type: none"> Master of Business Administration (Business & Finance), Southern New Hampshire University, USA. Bachelor of Arts (Economics), Thammasat University Carbon Footprint for Organization by senior researcher, VGREEN, Faculty of Environment Kasetsart University Feed Crises 2023, Faculty of lecturers, Kasetsart University, Bangkok 	None	None	2021-Present	Assistant Managing Director – Business Department 1	Thai Vegetable Oil PCL.
					2019-2021	Assistant Managing Director	Siam Flour Trading Co.,Ltd.
					2017-2018	Managing Director	Bunge (Thailand) Co.,Ltd.
17. Mr. Surat Jewpraditkul <ul style="list-style-type: none"> Assistant Managing Director, Production Department Appointed: January 10, 2022	58	<ul style="list-style-type: none"> Bachelor's degree of (Chemical Technology), Chulalongkorn University Carbon Footprint for Organization by senior researcher, VGREEN, Faculty of Environment Kasetsart University CG Code 2017: Disclosure of 56-1 One Report and things to know about Anti-Corruption by Internal Auditor from Ascent Advisory Company Limited 	None	None	2022-Present	Assistant Managing Director, Production Department	Thai Vegetable Oil PCL.
					2021	Director of Engineering	Thai Vegetable Oil PCL.
					2017-2020	Project Department Manager	Thai Vegetable Oil PCL.
18. Miss Kanutorn Bunditnate <ul style="list-style-type: none"> Company Secretary Director of the office of CEO Appointed: August 14, 2018	54	<ul style="list-style-type: none"> Master of Business Administration, Srinakharinwirot University Company Secretary Program, The Stock Exchange of Thailand Board Reporting Program (BRP) Class 21/2016, Thai Institute of Directors (IOD) Company Secretary Program (CSP), Class 92/2018, Thai Institute of Directors Toward the Sustainable Finance & Investment in Thailand, The Stock Exchange of Thailand Advances for Corporate Secretary 2020, Thai Listed Companies Association 	None	None	2021-Present	Director of the office of CEO	Thai Vegetable Oil PCL.
					2018–Present	Company Secretary	Thai Vegetable Oil PCL.
					2018–2020	Acting Director of the office of CEO	Thai Vegetable Oil PCL.
					2017	Manager of Compliance Unit	Thai Vegetable Oil PCL.



Name / Position Date appointed	Age / years	Education / Training	% Share Holding as of 31/12/22	Family Relation with Executives	Experience in the past 5 years		
					Period	Position	Company
18. Miss Kanutorn Bunditnate (continued)		<ul style="list-style-type: none"> ● Basic Course on the Personal Data Protection Act B.E. 2562 (2019), Baker & McKenzie Ltd. ● Preparation for sustainability with One Report the Securities and Exchange Commission (SEC) ● Guidelines for preparing a stakeholder report and insider information policy, Thai Listed Companies Association (TLCA) ● ESG Disclosure in One Report, Thai Listed Companies Association (TLCA) ● The process of director nomination according to CG principles, Thai Listed Companies Association (TLCA) ● CGR Workshop Seminar on the topic of CGR 2023 Survey No. 2/2021, Thai Institute of Directors (IOD) ● Preparing for PDPA Enforcement for Company Secretary, Thai Listed Companies Association (TLCA) ● Reinventing HR to thrive in the “Never Normal”, Thai Listed Companies Association (TLCA) ● Nomination and Appointment of Directors, Thai Listed Companies Association (TLCA) ● ESG Risk Matter to Supply Chain Management The Stock Exchange of Thailand (SET) ● Investor Right Guideline, Thai Investors Association (TIA) ● CGR 2023 Coaching, Thai Institute of Directors Association (IOD) ● Challenge in Building Trust in the Board, Thai Institute of Directors Association (IOD) 					



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○ Details of Executives and Controlling Persons (As of December 31, 2022)

Name	Thai Vegetable Oil PCL	Related companies			
		Prodigy PCL	Thai Edible Oil Co., Ltd.	Thai Ha PCL.	Cheers Group Holding Co., Ltd.
1. Dr.Suvit Maesincee	X				Golden Thread Co., Ltd.
2. Mr.Apichart Chirabandhu	/				
3. Assoc. Prof. Dr.Kitcha Urairong	/				
4. Mr.Vipoota Trakulhoon	/				
5. Ms. Patrawan Manutsathit	/				
6. Miss Aranya Vitayatanagorn	/				
7. Mr. Vichai Vitayathanagorn	/				
8. Mr.Vachara Vitayatanagorn	/	/ , //			/
9. Mr.Pachai Chanpitaksa	/				
10. Mr.Ekarat Wongsupbhasatigul	/				//
11. Mr.Vorravuth Tangpiroonthum	/	/		/	//
12. Mr.Kuna Vitayatanagorn	/				

Remarks: X = Chairman of the Board

/ = Director

// = Executive Director



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Report on changes in securities holding of directors and executives in 2022 (Information as of December 31, 2022)

No.	Name	Position	Number of shares as of December 31, 2021	Number of shares as of December 31, 2022	Increase / (Decrease) in 2022	Share Holding (%)
1.	Dr. Suvit Maesincee	Chairman of the Board (Independent)	-	-	-	-
	Spouse and minor children		-	-	-	
2.	Mr. Apichart Chirabandhu	Vice Chairman of the Board (Independent)	-	-	-	-
	Spouse and minor children		-	-	-	
3.	Assoc. Prof. Dr. Kitcha Uairong	Independent Director	-	-	-	-
	Spouse and minor children		-	-	-	
4.	Mr. Vipoota Trakulhoon	Independent Director	-	-	-	-
	Spouse and minor children		-	-	-	
5.	Ms. Patrawan Manutsathit	Independent Director	-	-	-	-
	Spouse and minor children		-	-	-	
6.	Mr. Pachai Chanpitaksa	Director and Chief Executive Officer	2,896,000	3,185,600	289,600 ^{/1}	0.36
	Spouse and minor children		-	-	-	
7.	Miss Aranya Vitayatanagorn	Director	18,384,869	20,223,355	1,838,486 ^{/1}	2.27
	Spouse and minor children		-	-	-	
8.	Mr. Vichai Vitayathanagorn	Director	58,767,228	64,643,950	5,876,722 ^{/1}	7.55
	Spouse and minor children		2,261,850	2,488,035	226,185 ^{/1}	
9.	Mr. Vachara Vitayatanagorn	Director	12,000,000	15,000,000	3,000,000 ^{/1, /2}	1.69
	Spouse and minor children		-	-	-	
10.	Mr. Ekarat Wongsupphasatigul	Director	12,131,837	13,345,020	1,213,183 ^{/1}	1.50
	Spouse and minor children		-	-	-	
11.	Mr. Vorravuth Tangpiroonthum	Director	8,000,000	9,000,000	1,000,000 ^{/1, /3}	1.05
	Spouse and minor children		305,757	336,332	30,575 ^{/1}	
12.	Mr. Kuna Vitayatanagorn	Director	4,850,000	5,335,000	485,000 ^{/1}	0.60
	Spouse and minor children		-	-	-	
13.	Mr. Suchai Visesleela	Chief Operating Officer - Commercial	-	-	-	-
	Spouse and minor children		-	-	-	
14.	Miss Sunanta Tritapiruk	Chief Operating Officer - Administration	680,239	748,262	68,023 ^{/1}	0.08
	Spouse and minor children		-	-	-	
15.	Miss Teerada Korsrilabutr	Assistant Managing Director	-	-	-	-
	Spouse and minor children		-	-	-	
16.	Mr. Suranut Khemadham	Assistant Managing Director	-	-	-	-
	Spouse and minor children		-	-	-	
17.	Mr. Surat Jewpraditkul	Assistant Managing Director	-	-	-	-
	Spouse and minor children		-	-	-	
18.	Miss Kanutsorn Bunditnate	Company Secretary	-	-	-	-
	Spouse and minor children		-	-	-	
Total						15.10

Remarks: ^{/1} The Extraordinary General Meeting of Shareholders No. 1/2022 held on September 23, 2022 resolved to pay stock dividend at an allocation ratio of 10 ordinary shares to 1 newly-issued share.

^{/2} Received the transfer of 1,800,000 shares on November 24, 2022.

^{/3} Purchase of 200,000 shares on November 24, 2022



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Attachment 2 Details of the Subsidiary's Directors

Directors	The Subsidiary Prodigy Public Company Limited
1. Mr.Prayoon Boonprasurd	/ ,X
2. Miss Pikul Taksinwaracharn	/
3. Dr.Thanet Norabhoompipat	/
4. Miss Thipawan Uthaisang	/
5. Mr.Pramote Santiwattana	/
6. Mr.Visuth Vitayathanagorn	/
7. Mr.Thongchai Tansutat	/ ,//
8. Mr.Vachara Vitayatanagorn	/ ,//
9. Mr.Vorravuth Tangpiroonthum	/

Remarks : X = Chairman of the Board
 / = Director
 // = Executive Director



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Attachment 3 Details of the Internal Audit supervisor and Compliance supervisors

Internal Audit supervisor

The Company has established an Internal Audit Department headed by Mr. Krit Kongkaew, the manager of the Internal Audit Office, who is suitable for performing duties and has understanding of the Company's business as the head of the internal audit department.

Education Accounting, Rajamangala Institute of Technology

Professional Certificate Certified Professional Internal Auditor in Thailand
IIA'S Endorsed Internal Auditing Program (EIAP) Chulalongkorn University
ISO Internal Quality Audits Certificate
OHSAS 18001:2007 Internal Audit Certificate

Training Introduction to Control Self-Assessment, the Institute of Internal Auditors of Thailand (IIAT)
Skill for the New Auditor-in-charge The Institute of Internal Auditors of Thailand (IIAT)
Mini MBA Thammasat University
Enterprise Risk Management : What's New? What's Next

Work experiences Internal Audit Manager, President Bakery Public Company Limited
Deputy Director of Internal Audit, RPCG Public Company Limited
Supervisor of the Internal Audit Office and the MD Consulting Team, IRPC Group's affiliate



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Compliance supervisors

The Company established an Environmental, Social, Risk management and Compliance (ESRC) Policy Committee to help monitor operations, process, review and improve work systems to be suitable and in line with policy, business plan and good corporate governance. In addition, the ESRC Policy Committee also appointed a working group to oversee the performance by assigning Mr. Surat Jewpraditkul to be responsible for compliance with laws, rules, regulations, policies and requirements of the Stock Exchange of Thailand, the Securities and Exchange Commission of Thailand and Public Law.

Education	B.Sc. (Chemical Technology), Chulalongkorn University
Training	CG Code 2017 : Disclosure of 56-1 One Report and things to know about Anti-Corruption organized by Dr. Mongkon Laoworapong, Internal Auditor from Ascent Advisory Company Limited Carbon Footprint for Organization by Faculty of Environment Kasetsart University by Mr. Supachok Tapananon, senior researcher, VGREEN
Work experiences	Assistant Managing Director - Production Department, Thai Vegetable Oil PCL Director of Engineering, Thai Vegetable Oil PCL



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Attachment 4 Details of the property appraisal list

- None -



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Attachment 5 Policy and practice of corporate governance

The Company disclosed Business Code of Conduct and Corporate Governance Policy on the Company's website (www.tvothai.com) under section "Corporate Governance"

Code of Conduct

<https://www.tvothai.com/themes/tvothai/downloads/corporate-governance-new/20221228-095726-16-2565-d.pdf>

Corporate Governance Policy

<https://www.tvothai.com/themes/tvothai/downloads/corporate-governance-new/20221228-100947-16-2565-e.pdf>



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Attachment 6 Report of the Audit Committee

Report of the Corporation Governance Nomination and Remuneration Committee

Report of the Environmental, Social, Risk Management and Compliance Policy Committee

Report of the Board of Directors' Responsibilities for Financial Statements

Report of the Audit Committee

The Audit Committee of Thai Vegetable Oil Public Company Limited consists of 3 independent directors, namely Mr. Apichart Chirabandhu, Mr. Vipoota Trakulhoon and Ms. Patrawan Manutsathit. The head of the Internal Audit Unit acts as the secretary of the Audit Committee.

The Audit Committee performed its duties independently within the scope as delegated by the Board of Directors and in accordance with the Charter of Audit Committee and in line with the regulations of the Stock Exchange of Thailand. In 2022, the Audit Committee held a total of 4 meetings together with the auditors, but without the management attended. All members of the Audit Committee attended all 4 meetings. The meeting results were summarized and reported to the Board of Directors for acknowledgment.

The summary of the performance of the Audit Committee are as follows:

- 1) Considered the Company's financial reports to be accurate, complete, and reliable
- 2) Provided opinions on the Company's risk management system and internal control system
- 3) Considered the Company's operations to be compliance with the Securities and Exchange Law, requirements of the Securities and Exchange Commission or laws relating to the Company's business
- 4) Considered selecting and appointing an auditor and audit fees by considering the past performance, independence and reputation including the appropriateness of the auditor and the audit fee. The Audit Committee agreed to appoint Ms. Isaraporn Wisutthiyan and/or Mr. Chatchai Kasemsrithanawat and/or Mr. Vacharin Pasaraponggun of EY Office Limited to be the Company's auditors for the year 2023 and propose to the Board of Directors for consideration and proposing to the Shareholders' meeting to consider appointing auditors and approving audit fees
- 5) Considered the connected transaction or transaction that might have conflicts of interest to comply with the regulations of the Securities and Exchange Commission
- 6) Performed duties and responsibilities as specified in the Audit Committee Charter approved by the Board of Directors

Mr. Apichart Chirabandhu
Chairman of Audit Committee



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Report of the Corporation Governance Nomination and Remuneration Committee

The Corporate Governance Nomination and Remuneration Committee consists of 3 independent directors and 1 honorary member as follows;

- | | |
|------------------------------------|-----------------|
| 1) Dr.Suvit Maesincee | Chairman |
| 2) Mr.Apichart Chirabandhu | Member |
| 3) Assoc. Prof. Dr.Kitcha Urairong | Member |
| 4) Ms. Wiboonluck Ruamraksa | Honorary Member |

Miss Kanutsorn Bunditnate, the Company Secretary acts as the secretary of the meeting.

The Corporate Governance Nomination and Remuneration Committee is responsible for governing the Company to conduct its business with good corporate governance to create sustainable growth and nominating qualified persons to become member of the Board of Director and Top Executives including considering directors and top executives' remuneration. In 2022, the Corporate Governance Nomination and Remuneration Committee held 6 meetings and reported the meeting results to the Board of Directors every time. The key points were summarized as follows:

Corporate Governance

- Reviewed charter of the Board and the sub-committee such as the Audit Committee, Corporate Governance Nomination and Remuneration Committee and the ESRC Policy Committee including reviewing the Corporate Governance Policy, Personal Data Protection Policy, Code of Conduct, Anti-Corruption Manual and other working regulations such as the appointment of consultants and experts regulations, compensation regulations to be suitable for business operations and comply with the laws and practices of the Stock Exchange of Thailand Office of the Securities and Exchange Commission, Capital Market Board as well as relevant regulators.
- Reviewed the performance evaluation forms of the Board of Directors and sub-committees and the Chief Executive Officer as well as reviewed the Board Skill Matrix to be aware of the composition, knowledge and expertise to determine which components of the directors were still lacking and used it for further consideration of the nomination of directors.
- Acknowledged the report on compliance with the good corporate governance principles (CG Code) for 2022 and CGR assessment criteria for 2023 to be presented to the Board of Directors.

Nomination

- In the consideration of the Company's directors to replace the 4 directors who were due to retired by rotation, namely Dr.Chaipat Sahasakul, Mr.Vachara Vitayatanagorn, Mr.Pachai Chanpitaksa and Mr.Ekarat Wongsuwasatitgul, which Dr. Chaipat Sahasakul, an independent director, expressed his intention not to be nominated for selection as the Company's director.
- The Company invited the Shareholders to nominate qualified persons to be directors via the Company's



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website and also notified via the SET Portal between October 26, 2021 and January 26, 2022, there was no proposal from Shareholders.

- Ms.Patrawan Manutsathit was nominated by directors to be elected as an independent director. The Corporate Governance Nomination and Remuneration Committee considered her profile, knowledge, ability and experience including the expertise according to Board Skills Matrix and Board diversity, therefore, deemed appropriate to propose Ms.Patrawan Manutsathit to the Board of Directors for consideration to propose to the Shareholders' meeting to consider and appoint as the Company's director.
- Considered proposing the restructure of duties and responsibilities of sub-committees with recommendation to the Board of Directors for consideration as follows;
 - 1) The Environmental, Social, Risk Management and Compliance Policy Committee ("ESRC Policy Committee") has been changed to the Environment, Social and Governance Committee ("ESG Committee") to align with the Company's sustainability policy
 - 2) The Corporate Governance Nomination and Remuneration Committee has been changed to Nomination and Remuneration Committee, due to governance functions has been merged with the ESG Committee.
- Considered proposing the appointment an advisor to the Board, Chief Executive Officer, Managing Director and presented to the Board of Directors' Meeting for approval as follows:
 - 1) Proposed Ms.Patrawan Manutsathit to be appointed as independent director and a member of the Audit Committee in replacement of Dr. Chaipat Sahasakul
 - 2) Proposed Dr. Chaipat Sahasakul to be appointed as Advisor to the Board of Directors
 - 3) Proposed Mr.Pachai Chanpitaksa to be appointed as Chief Executive Officer, a member of the ESG Committee and the Company's representative to serve as director of Prodigy Public Company Limited
 - 4) Proposed Mr.Suchai Visesleela to be appointed as Managing Director

Remuneration

- Considered the directors' remuneration for the year 2022, consisting of monthly remuneration, bonus and remuneration for sub-committee which consisted of the Audit Committee, the CGNR Committee and the ESRC Policy Committee to present to the Board of Directors' meeting and the Annual General Meeting of Shareholders to consider and approve
- Considered remuneration for Chief Executive Officer
- Considered remuneration for Advisors and Honorary Member in sub-committee.

Furthermore, the Company has been honored with numerous awards in 2022 as we realized the importance of the good corporate governance detail as follows;



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- The Company was evaluated from the corporate governance report of Thai listed companies 2022 at an excellent level (5 stars) and was ranked as one of the 47 Top Quartile Companies in the Listed Companies that have market capitalization (Market Cap.) Baht 10,000-30,000 million, which is the 4th consecutive year.
- The Company was selected to be in the 2022 Thailand Sustainability Investment (THSI) organized by the Stock Exchange of Thailand for the 6th year
- The Company has been selected to be ranked in the ESG100 of Agro & Food Industry, which is the 7th consecutive year and received the Sustainability Disclosure Award for the year 2022 from Thaipat Institute.
- The Company was certified the 1st renewal of membership as a member of Thai Private Sector Collective Action Against Corruption (CAC). The certification will be valid for 3 years (2022-2025), expressing our commitment to conducting business honestly in accordance with Corporate Governance principles to build confidence among all stakeholders
- The Company received CSR-DIW Award for the year 2022 (Standard of Corporate Social Responsibility) from the Department of Industrial Works, Ministry of Industry, which is the 3rd consecutive year
- The Company received Thailand's Most Admired Brand 2022 from BrandAge magazine, as the most trusted vegetable oil brand which emphasized being the number one vegetable oil brand trusted by consumers

The above performance results and awards ensure that the Company has continuously complied with good corporate governance principles in order to attain sustainability growth with responsibility to stakeholders, creating balance in economic, social and environmental dimensions to develop sustainable business growth.

(Dr. Suvit Maesincee)

Chairman of the Corporation Governance Nomination and Remuneration Committee



Thai Vegetable Oil Public Company Limited

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Report of the Environmental, Social, Risk Management and Compliance Policy Committee

The Board of Directors realizes the importance of corporate management towards sustainability which consists of corporate governance, compliance with rules, risk management, including supply chain management that integrates environmental, social and corporate governance issues (Environmental Social and Governance: ESG) into the business process to drive the business sustainable in the long run as well as contribute a positive impact on society, environment and stakeholders systematically and continuously integrated.

In 2022, the Company still maintain the standard of business operations that generate good operating results while taking care of the community and the environment by focusing on legal compliance and relevant rules to develop the operations of all aspects to coordinate into the same direction more efficiently. The Company established the Environmental, Social, Risk Management and Compliance Policy Committee; or the ESRC Policy Committee to assign policies, review the operating framework and improve various work systems to be suitable in accordance with the policy, business plan, and good corporate governance which is the basis of sustainable development including with providing relevant comments and suggestions.

In addition, the Company has assigned an ESRC-E management team consisting of various departments. They are responsible for closely monitoring the operations at the organizational and management levels throughout the organization in accordance with the policy guidelines and the operational framework assigned by the ESRC Policy Committee through a working group of 3 working groups: the Environmental and Social Working Group, the Risk Management Working Group, and the Compliance Working Group to achieve the integration of management in terms of policy, practice, exchange of information which will create a continuity and thorough the whole organization more efficiently.

The ESRC Policy Committee has an opinion that in 2022 the Company has developed an organizational management system to cover and connect all aspects of environment, Society, Risk Management, regulatory compliance and completely supervise the operations as specified in the Charter of ESRC Policy Committee, in line with the good corporate governance principles and creating sustainable value for the organization in further.

On behalf of the ESRC Policy Committee

(Dr. Suvit Maesincee)

Chairman of the ESRC Policy Committee



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Report of the Board of Directors' Responsibilities for Financial Statements

The Board of Director authorizes the management to be responsible for the financial statements and financial reporting contained in this annual report. The financial statements are prepared in accordance with Thai Financial Reporting Standards that includes the use of careful judgment and the best estimates. Management is also responsible for establishing and maintaining effective internal control for financial reporting and safeguarding of assets.

The Board of Directors pursues its responsibility for quality of risk management system, internal control system, and corporate governance system to ensure that the financial information is accurate, complete and sufficient to maintain the Company's assets as well as to prevent risks from operations. The Board of Directors has appointed the Audit Committee, the Corporate Governance Nomination and Remuneration Committee and the Environmental, Social, Risk Management and Compliance Policy Committee to be responsible for the quality of financial reports, the adequacy of the internal control environments, risk management and good corporate governance made by the management. The working committee is reported to the Board of Directors' meeting quarterly.

With the effective financial report, internal control system, risk management and good corporate governance including the existing work system, the Board of Directors assures that the financial report, internal control, risk management, good corporate governance and retention of the Company's asset as of December 31, 2022 are reliable.

A blue ink signature of Dr. Suvit Maesincee, written in a cursive style.

(Dr. Suvit Maesincee)

Chairman of the Board

A black ink signature of Mr. Pachai Chanpitaksa, written in a cursive style.

(Mr. Pachai Chanpitaksa)

Chief Executive Officer



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Attachment 7 Charter of the Board

Charter of the Board of Directors<https://www.tvothai.com/themes/tvothai/downloads/corporate-governance-new/20221107-105108-11-2565-a.pdf>**Charter of the Audit Committee**<https://www.tvothai.com/themes/tvothai/downloads/corporate-governance-new/20221107-105140-11-2565-g.pdf>**Charter of the Corporate Governance, Nomination and Remuneration Committee**<https://www.tvothai.com/themes/tvothai/downloads/corporate-governance-new/20221107-105202-11-2565-y.pdf>**Charter of the Environmental, Social, Risk Management and Compliance Policy Committee**<https://www.tvothai.com/themes/tvothai/downloads/corporate-governance-new/20221107-105218-11-2565-q.pdf>



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