



Seafresh Industry Public Company Limited

Annual Report

Form 56-1 One Report

2022



BOARD OF DIRECTORS



♦ **Mrs. Tassanee Youngmeevithya**

Chairman of the Board
Deputy Chief Executive



♦ **Mr. Narit Chia-Apar**

Director
Chief Executive Officer



♦ **Mr. Chintat Chia-Apar**

Director
Chief of Business Development Officer
Acting Chief Financial Officer
Company Secretary



♦ **Mr. Narongrit Chiarawongvanit**

Director



♦ **Ms. Chankate Chia-Apar**

Director



BOARD OF DIRECTORS

◆ **Dr. Kamales Santivejkul**

Independent Director

Chairman of Audit Committee

Chairman of Nomination and Remuneration Committee



◆ **Dr. Sorachai Bhisalbutra**

Independent Director

Member of Audit Committee

Member of Nomination and Remuneration Committee

◆ **Dr. Worapong Leewattanakit**

Independent Director

Member of Audit Committee

Member of Nomination and Remuneration Committee



◆ **Mrs. Supanee Punnasri**

Independent Director





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CFRESH Information



Company's Name	Symbol	Registered Number
Seafresh Industry Public Company Limited	CFRESH	017537000751

Type of Business	Manufacturing and Distributing Frozen Raw Shrimp, Frozen Cooked Shrimp and Frozen Value-added Shrimp
Registered Capital	927,099,200.00 Ordinary Shares, Par Value at 1 Baht per Share
Issued and Fully Paid-up	927,099,200.00 Ordinary Shares, Par Value at 1 Baht per Share
Location	• Head Office Office : 402 Moo 8 Chumphon-Paknam Road, Paknam, Muang Chumphon 86120, Thailand Telephone : (667) 752-1321-3 Fax : (667) 752-1007 • Branch Office : 152/25 Chartered Square Building, 31st Floor, North Sathon Rd, Silom, Bangrak, Bangkok 10500, Thailand Telephone : (662) 637-8888 Fax : (662) 637-8801
Website	www.seafresh.com
References	• Registrar Office : Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400 Telephone : (662) 009-9000 Fax : (662) 009-9991 • Auditor Ms. Kesanee Srathongphool Certified Public Accountant (Thailand) No. 9262 Office : Grant Thornton Company Limited 18th Floor, Capital Tower All Seasons Place 87/1 Wireless Road, Lumpini, Pathumwan, Bangkok 10330 Telephone : (662) 205-8222 Fax : (662) 654-3339



Financial Highlights



Consolidated Financial Statements

Statement of Financial Position (THB million)

	2022	2021	2020
Total Assets	5,254	4,907	4,458
Total Liabilities	2,645	2,420	2,883
Total Shareholders' Equity	2,609	2,487	1,575
Registered Capital (Issued and fully paid-up)	927	927	464

Statement of Comprehensive Income (THB million)

Sales and Services Revenue	6,950	6,786	5,855
Other Income	145	151	17
Total Revenues	7,095	6,937	5,872
Profit (Loss) before taxes	288	361	(118)
Profit (Loss) for the year	172	269	(282)

Key Financial Ratios

Current Ratios (Times)	1.33	1.32	0.92
Return on Equity (%)	7.79	15.34	(19.12)
Debt to Equity Ratio (Times)	1.01	0.97	1.83
Gross Profit Margin (%)	13.99	13.83	8.33
Net Profit Margin (%)	2.94	4.83	(4.09)

Performance per share (baht per share)

Par Value (Baht/Share)	1.00	1.00	1.00
Earnings per Share (Baht)	0.19	0.36	(0.61)



Key Performance

Sustainability Strategic Performance

In 2022, CFRESH is committed to implementing the sustainability strategy of the Company. The important developments are:

1. The Board of Directors' Meeting No. 9/2022 held on November 14, 2022 resolved to extend the scope of duties and responsibilities of the Corporate Governance Committee to oversee sustainability and change the name to “Corporate Governance and Sustainability Committee”.
2. The Corporate Governance and Sustainability Committee has prepared “Sustainability Policy” and presented to the Board of Directors which was approved by the Board of Directors Meeting No. 10/2022, held on December 15, 2022.
3. The completed project implementation to generate electricity from solar energy by the installation of solar panels on the roof of the plants to replace the use of electricity from the transmission line system of the Company 1 project. This project is considered pilot project and the Company also has plans to expand the more project.
4. The Company has signed a declaration of intent to join the project “Collective Action Coalition of the Thai Private Sectors Fight Corruption” on 6 September 2013, and receiving accredited as the first membership on 4 February 2019, and receiving accredited the second membership renewal on 30 September 2021.
5. The Company places importance on respecting the privacy rights and maintains security personal data of all groups of stakeholders. Therefore, a Personal Data Protection Policy has been established, which was approved by the Board of Directors No. 6/2022 on July 19, 2022.



In addition, the Board of Directors and sub-committees also monitored on the normal operations that are important to the sustainability of the organization such as work of control of quality and food safety standards, product research and development, personnel management and human rights, risk and work of improve efficiency across the organization.





Awards and Recognition



Received the 2022 annual evaluation of Corporate Governance Report of Thai Listed companies by Thai Institute of Directors Association (IOD) to be an “Excellence” rating.



The Company has received Thailand Sustainability Investment (THSI) 2022 for the eighth consecutive year.

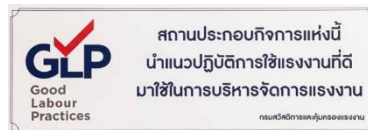


Received “Excellence” in the 2022 annual quality evaluation rating from Thai Investors Association in Annual General Shareholders’ Meeting Assessment Project (AGM).

- The Company is categorized the Top Quartile one of the sixty-four under the group of listed companies with the Market Capitalize 1,000 - 2,999 Million Baht.
- The Company has received a certificate of honor “Sustainability Disclosure Recognition 2022” by THAIPAT.



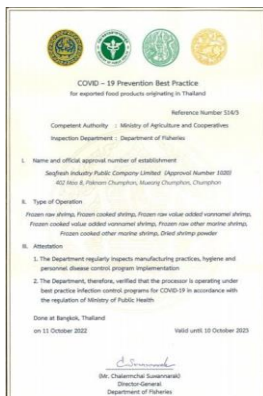
The Company has been awarded the 2022 excellent practices establishment on labour relations and welfare for the second consecutive year, national level.



The Company has received a certificate of honor and logo of Good Labour Practices (GLP).



The Company has been selected by the Ministry of Public Health to be prototype establishments 1 of 87 organizations across the country that operates under surveillance, prevention. And control measures of COVID-19 in the workplace “Bubble and Seal”, outstanding level.



The Company’s products have been certified for “COVID-19 Prevention Best Practice” for exported food production process from the Department of Fisheries.



Message from Chairman

Dear Shareholders,

Seafresh Industry Public Company Limited “Company” operates frozen shrimp product and other seafood product businesses. The Company always gain trust from customers for its quality of products in both export and domestic market. In addition, the responsiveness to the needs of customers, which is the highlight of the Company, has always continuously built credibility. One of the important key goals of the Company is to operate a sustainable business, in line with the Company’s vision to give important for the quality, safety, and traceability of products to consumers. Also, the Company maintains human resource development, responsibility for efficient use of resources, as well as continuous adherence to human rights principle and corporate governance which the Company has defined Anti-Corruption Policies together with concrete foster of working in the organization among executives and employees to conduct business with honesty, ethics, and social responsibility. In 2022, the Company was one of 170 listed companies with outstanding performance on Environmental, Social, and Governance or ESG under the project of “Thailand Sustainability Investment (THSI)” for the 8th consecutive year from the Stock Exchange of Thailand. Moreover, the Company was selected as one of 43 companies that received the honorary certificate “Sustainability Disclosure Recognition” by Thaipat Institute.

In 2022, the Company’s operating results had the sales and services revenues of 6,950 million baht, an increase of 164 million baht from 2021 or 2.42 percent. The Company still maintained sales not to decrease under the COVID-19 situation and had a net profit of 172 million baht or 2.48 percent of sales and services revenue.

On behalf of the Board of Directors would like to thank the customers, shareholders, trade partners and various agencies who have continuously trusted, supported, and good confidence the Company’s business including all executives and all employees who have been a part of the success. In this regard, the Company will be fully committed to business operations in order for the Company to sustainably grow.

Mrs. Tassanee Youngmeevithya
Chairman of the Board

Structure and Business Operations

1.1 Policy and Business Overview

Seafresh Industry Public Company Limited or "CFRESH" and its subsidiaries is one of the leaders in frozen shrimp products to operating business for over 40 years, produce and distribute frozen shrimp products and other seafood products which are squid, scallops, salmon and others both domestically and internationally, covering many regions around the world which are North America, Europe, Asia, and Oceania, under the production process according to the principles of food safety management with modern machinery, technology and standardized. There is also a reliable traceability system, which the company is committed to continually quality system until receiving a large number of international standard certifications such as GMP, HACCP, ISO9001, ISO14001, ISO45001, ISO/IEC17025, BRC, BAP, ASC etc. and there is a plant where has location highlights near large sources of raw materials with production capacity of 30,000 tons per year.

In addition, the Company established a subsidiary that operates aquaculture business to be used as raw materials for the company's production according to the company's business principles that emphasize sustain business growth. The Company has invested in overseas whereas 7 Company's subsidiaries base in United Kingdom, 2 companies in United States and 1 affiliated company in Belize in order to increase the opportunity to expand more market share and increase marketing channels to more consumer groups which as increase

strengthens of sales growth and company's performance sustainable onward.

1.1.1 Vision, Mission and Core Values

The Board of Directors participated in the endorsement of the vision and mission of the Company. In order to operate in accordance with the vision and mission that has been laid. The Company has established the organization structure of the Company to have a Strategic Planning Department to formulate a consolidated strategic plan of the Company, and prepare a strategic plan for each department, which will be a guideline for operation as well as establishing a system for monitoring, improving and evaluating the operating results in comparison with the plans and the specified budget, in order to maximize the value to the Company with the vision, mission and core values as follows:



VISION

"Sustainable Business Growth
Through Core Values Practices"



MISSION

"The Best Shrimp Company"



CORE VALUES

- Social Responsibility
- Ethic & Integrity
- Transparency

Objectives and Long-term Goals in Business Operations

The Company is committed to the mission “The Best Shrimp Company” to have consistent standard and quality, as well as has the commitment to introduce new innovations and continually developing new products, for customers to have the opportunity to access good quality products by using modern technology on the basis of use of environmental friendly resources as well as expanding the market to new customer groups, developing existing products to have added value in order to meet the ever-changing customer needs. This includes increasing the potential of employees at all levels to enhance competitiveness, along with taking care of the social community environment and create appropriate returns for stakeholders, by operating business that takes all stakeholders into account for sustainable business growth.

The company has set objectives and goals in business operations “**SHRIMP**” that are consistent with the vision, mission and corporate values to drive its operation sustainably comprise of:-

S – Sales Turnover and Revenue Growth with Sustainability

The Company has targeted continuous growth in sales and revenue by focusing on production with 3 responsibilities, which are quality, freshness and food safety. As well as expanding new markets and businesses to overseas countries.

H – Homeproud of Quality and Food Safety

The Company has operated production follow the food safety management principles by usage efficient and modern machines and technology that can be traceability as well as being certified to international standards.

R – Risk Management, Social Responsibility and Corporate Governance for Sustainability

The Company operates business with responsibility to all groups of stakeholders under Good Governance Policy, Risk Management includes places importance on Supply Chain Management to strengthen relationships and cooperation with suppliers.

I – Information Technology and Innovation to Improve Business Process and Strategic Decision Making

The Company places importance on the development of information technology systems and innovations that lead to business process development and strategic decision making.

M – Margin Management through Cost per Unit Reduction

The Company places importance on cost control in order to prices competitive by reducing waste in the production process and lead time.

P – People and Organizational Development

The Company places importance on personnel development to enhance the potential of employees at all levels, good and safe working environment has been implement. In addition, it places importance on human rights by treating all employees with equality.

Business Policy

Seafresh Industry Public Company Limited business operation is emphasized to establish the combination of stability and sustainability to the fullest capacity in order to create organizational added-value with concern on corporate social and environmental responsibility alongside. The Board of Directors has established a Business Policy and defined the word “**SUCCESS**” as the driving of the Company’s business operations toward sustainability, and publicized it to all in the organization.

S – Shareholders

Safeguard the interests of shareholders by adding value to the business under the principles of good governance

U – Ultimate Results

Results-based management where all departments must achieve their undertaking target in accordance to the strategic plan and business plan

C – Customers

Satisfy the customers by producing quality products and timely delivery

C – Corporate Risk Management

Manage various business risks by generally accepted standards

E – Employees

Manage human resources with efficiency and fairness in order to enhance the good environment and quality of work life that can yield its full potential

S – Suppliers

Select vendors who have management capabilities, possess approach that is consistent with the company policy, and have willingness to strengthen relations and strategic cooperation to jointly maximize business benefits

S – Social and Environment

Conduct business with regard to social responsibility, community and strict compliance with the law and environmental regulations.



1.1.2 Major changes and developments

The company has major changes and developments in the past 5 years as follows:

2022

- The Board of Directors has resolution the appointment of Mrs.Tassanee Youngmeevithya as Chairman of the Board
- The Company has been assessed for held the 2022 Annual General Meeting of Shareholders with a full score of 100 points.
- The Company has been selected by the Ministry of Public Health to be prototype establishments 1 of 87 organizations across the country that operates under surveillance, prevention. And control measures of COVID-19 in the workplace “Bubble and Seal”, outstanding level.
- The Company has received a certificate of honor and logo of Good Labour Practices (GLP)
- The Company’s products have been certified for “COVID-19 Prevention Best Practice” for exported food production process from the Department of Fisheries.
- The Company has received Thailand Sustainability Investment (THSI) for the eighth consecutive year.
- The Company achieved an “Excellent” corporate governance in the 2022 Annual survey for the sixth consecutive year.
- The Company is categorized the Top Quartile one of the sixty-four under the group of listed companies with the Market Capitalize 1,000 - 2,999 Million Baht.
- The Company has been awarded the 2022 excellent practices establishment on labour relations and welfare for the second consecutive year, national level.
- The Company has received a certificate of honor “Sustainability Disclosure Recognition 2022” by THAIPAT.



2021

- The increase of the Company's registered capital in the amount of Baht 463,549,600 from the original Baht 463,549,600 to Baht 927,099,200 in new registered capital, by issuing 463,549,600 ordinary shares at Baht 1.00 par value per share, and amendment to Article 4 of the Company's Memorandum of Association.
- Payment of a principle and interest of the Company's 5-years debentures no.1/2016 amount to Baht 500 million at coupon rate fixed of 4.30% per annum.
- The Company has received a royal trophy from Her Royal Highness Princess Maha Chakri Sirindhorn for the large sized enterprise with the best labour management system in 2021.
- The Company is 1 of 9 enterprises that received a plaque of honor for the prototype project "Good Labour following to the Sufficiency Economy".
- The Company has received award for "Outstanding Establishment in Safety, Occupational Health and Work Environment" for the year 2021 at the national level (Platinum level) for the tenth consecutive year.
- The Company has received award for "Outstanding Establishment Award for Labour Relations and Welfare" for the year 2021 at the national level.
- The Company has received Thailand Sustainability Investment or THSI for the seventh consecutive year.
- The Company achieved an "Excellent" corporate governance in the 2021 Annual survey for the fifth consecutive year.
- The Company is categorized the Top Quartile one of the fifty-nine under the group of listed companies with the Market Capitalize 1,000 - 2,999 Million Baht.
- The Company has received a certificate of honor "Sustainability Disclosure Recognition 2021" by THAIPAT.
- The Company was certified for the second membership renewal by the Thai Private Sector Collective Action against Corruption (CAC).



2020

- The Board passes a resolution approving to the purchase of newly issuing 60,000,000 ordinary shares at Baht 5.00 par value per share of Seafresh Farm Company Limited (subsidiary company) in amount of Baht 300,000,000.
- The Board passes a resolution approving the establishment a new subsidiary company namely MUDWALLS LIMITED, in UK for conducting to operate business fruit and vegetable.
- The Board passes a resolution approving the establishment a new subsidiary company namely 44 FOODS LIMITED, in UK for conducting to operate E-Commerce platform business for food products.
- Changing the name of a new subsidiary established in July from MUDWALLS LIMITED to MUDWALLS FARM LIMITED.
- Payment of a principle and interest of the Company's 3-years debentures no.1/2017 amount to Baht 500 million at coupon rate fixed of 3.60% per annum.
- The Company has received Thailand Sustainability Investment or TSI for the sixth consecutive year.
- The Company achieved an "Excellent" corporate governance in the 2020 Annual survey for the fourth consecutive year.
- The Company is categorized the Top Quartile one of the fifty-one under the group of listed companies with the Market Capitalize 1,000 - 2,999 Million Baht.
- The Company has received a certificate of honor "Sustainability Disclosure Recognition 2020" by THAI PAT.

2019

- The company was certified as a member of Thailand's Private Sector Collective Action Coalition against Corruption for the first time.
- The Board approved to increase the registered capital of Seafresh Farm Company Limited (subsidiary company) by Baht 300,000,000 to a total of Baht 330,000,000
- The Company has received the "Sustainability Awards of Honor" for the listed companies from the Stock Exchange of Thailand. In this regard, CFRESH is one of the eight companies recognized the best practices of sustainability for the fourth consecutive year.
- The Company has received Thailand Sustainability Investment or TSI for the fifth consecutive year.
- The Company achieved an "Excellent" corporate governance in the 2019 Annual survey for the third consecutive year.



- The Company is categorized the Top Quartile one of the fifty-three under the group of listed companies with the Market Capitalize 1,000 - 2,999 Million Baht.
- The Company has received the CSR-DIW Continuous Award 2019 for the fifth consecutive year from Department of Industrial Works.

2018

- Seafresh IHQ Company Limited (subsidiary company) purchased 16.55% of Seafresh Group (Holdings) Limited (subsidiary company) paid-up shares held by other shareholders.
- The Company has received the awards of Certification and Honorable brooch from selected as 1 of 89 companies which make contributions to the Ministry of Education by granting scholarship to students in Chumphon.
- The Board passes a resolution approving the establishment a new subsidiary company namely Seafresh Farm Company Limited, in Thailand for conducting aquaculture business to supply raw materials for the company.
- The Company has received the awards of Commitment to Progress Sustainability Award 2018 for project “Enhancing capacities of Thai exporters and supply chains on social performance for European market” that as sustainability awards at Netherland.
- The Company has received the “Sustainability Awards of Honor” for the listed companies from the Stock Exchange of Thailand. In this regard, CFRESH is one of the six companies recognized the best practices of sustainability for the third consecutive year.
- The Company has received Thailand Sustainability Investment or THSI for the fourth consecutive year.
- The Company achieved an “Excellent” corporate governance in the 2018 Annual survey for the second consecutive year.
- The Company is categorized the Top Quartile one of the forty-seven under the group of listed companies with the Market Capitalization between 3,000 -9,999 Million Baht.

1.2 Nature of Business

1.2.1 Revenue Structure

1.2.1.1 Revenue Structure by Product Lines

Revenue Structure ⁽¹⁾	Operated by	2022		2021		2020	
		Million Baht	%	Million Baht	%	Million Baht	%
Value Added Shrimp	CFRESH, BEF, SFI	2,399	34.4	3,791	55.7	2,900	49.4
Frozen Cooked Shrimp	CFRESH, SFL, SFI	1,731	24.8	732	10.7	1,286	21.9
Frozen Raw Shrimp	CFRESH, SFL, SFI	1,561	22.4	1,191	17.5	736	12.5
Other seafood products and related products	CFRESH, BEF, SFL, PIL, SFN, SFNL, SFF, MFL, 44 Foods	1,241	17.8	1,052	15.5	914	15.6
Other Sales and Service	MSI, SIHQ	18	0.3	20	0.3	19	0.3
Total revenue from main business		6,950	99.7	6,786	99.7	5,855	99.7
Other Income		32	0.3	21	0.3	17	0.3
Total Revenues		6,982	100.0	6,807	100.0	5,872	100.0

Note:

(1) All revenue already deducted related transaction and excluded gain and loss on exchange rates and fair value adjustment

Operated by CFRESH = Seafresh Industry Public Company Limited

MSI = Manufacturing System Implementation Company Limited

SIHQ = Seafresh IHQ Company Limited

SFF = Seafresh Farms Company Limited

PIL = Prochaete Innovations Limited

SFNL = Sea Farms Nutrition Limited

44 Foods = 44 Foods Limited

SFI = Sea Farms, Inc.

BEF = Blue Earth Foods Limited

SFL = Sea Farms Limited

SFNI = Sea Farms Nutrition, Inc.

MFL = Mudwalls Farm Limited

1.2.1.2 Revenue Structure from Domestic and Overseas

Sales and Services Revenue	2022		2021		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Overseas Operation	5,462	78.6	5,637	83.1	4,780	81.6
Thailand Operation	1,488	21.4	1,149	16.9	1,075	18.4
Total	6,950	100.0	6,786	100.0	5,855	100.0

1.2.2 Nature of Products

Products and Development

The main products of Seafresh Industry Public Company Limited and its subsidiaries consists of fresh and ready-to-eat seafood products, which can be classified into 4 groups as follows:



The main products 4 groups of CFRESH group that are distribute both in Thailand and Overseas under the group's trademark are: Seafresh, Sea Angel, Thai Chia, GO GO and customer's brand.

Promotional Privileges

Promotional privileges by the Board of Investment

The Board of Investment under the Investment Promotion Act has granted the Company various promotional privileges. B.E.2520. Details of the promotion certificates are as follows:

Certificate No.	Certificate's Date	The Promoted Business	Date of first earning operating income
1070(2)/2557	9 January 2014	The manufacture of frozen seafood products	14 July 2019
1075(3)/2557	10 January 2014	The manufacture of semi-finished food and finished frozen food products	4 July 2019

Subject to certain imposed conditions, the privileges granted under the Company's promotion certificates include the following:

- Permission to bring foreigners who are skilled workers or experts Spouse and dependent persons of both types of persons entering the Kingdom in an amount and for a period of time to stay in the Kingdom as the Board deems appropriate
- Exemption from import duty on machinery imported for use in production, as approved by the Board
- Exemption from corporate income tax on net profits derived from promoted businesses combined not exceeding 100% of investment, excluding cost of land and working capital, for a period of 8 years from the date of earning income of that business
- Exemption from the need to include dividends from the promoted business for income tax purposes throughout the period that the promoted person is exempt from corporate income tax
- Permission to deduct costs of installation or construction of public utilities at the rate of twenty-five percent in addition to normal depreciation charges
- Permission to bring or remit money out of the Kingdom in foreign currency

Marketing and Competition

(1) Marketing

1. Production Strategy that seeks quality

To get the most benefit by adhering to the following 5 principles which are:

1. Supply good raw materials in order to get the best quality products CFRESH's plant is based in Chumphon that the source can supply properly raw material since is near area good quality shrimp farms, so the Company can supply raw material good quality and enough quantity to produce for customer needs through the year. It also, help to save cost of transporting raw materials as well.

2. **Develop skills and expertise in shrimp** CFRESH's mission is "The Best Shrimp Company" so the Company's business operations therefore focusing on shrimp products. It makes the Company has skilled workers who have expertise in shrimp for a long time including dedicating resources to develop quality products.

3. **Establish own shrimp farms** It is a farm which certified standard farm production system and aquatic products (TAS 7401-2022) according to the requirements for good aquaculture practices for marine shrimp farms of the Ministry of Agriculture and Cooperatives to provide customers and consumers with quality, fresh and safe products.

4. **Develop production technology** The Company has a policy of producing quality products and standards with modern production technology and efficiency, giving importance to investment and development of machinery used in the production process continually to always create better product quality.

5. **Certified for quality and food safety standards** The Company has always been aware of the great importance of food quality and safety. Most customers of the Company are rely on us to produce and supply products to meet enough demand. Being a reliable manufacturer capable of delivering quality and safe products to customers is the key reason for the Company's growth with potential customers. In this regard, the Company has been certified for the Quality and Food Safety System according to international standards as follows:

No.	Certificates	Institutions	Year of Certification	Year of Expiration
1	BRCGS , version 8.0	LRQA	2022	2024
2	BAP	NSF	2022	2023
3	ASC	SGS	2020	2023
4	GMP	Department of Fisheries	2022	2023
5	HACCP	Department of Fisheries	2022	2023
6	HALAL	Central Islamic Council of Thailand	2022	2023
7	Q-Mark	Department of Fisheries	2022	2023
8	ISO 9001 : 2015	LRQA	2022	2024
9	ISO/IEC 17025 : 2017	Bureau of Laboratory Quality Standards Ministry of Health	2021	2025
10	TLS 8001 - 2010 : Highest Complete Level	Department of Labour Protection and Welfare Ministry of Labour	2021	2024
11	ISO 45001 : 2018	LRQA	2021	2024
12	ISO 14001 : 2015	LRQA	2021	2024
13	Fair Trade USA	Control Union	2022	2023

No.	Certificates	Institutions	Year of Certification	Year of Expiration
14	SMETA (The Sedex Members Ethical Trade Audit)	Intertek	2022	2023
15	COVID-19 Preventive Best Practice	Department of Fisheries	2022	2023

2. Competitive Marketing Strategies

To get operation business growth sustainable by adhering to the following 4 principles which are:

1. The Company's major export markets are Europe, Asia, Canada, USA and other countries which has distributed export policy to each country in the right proportions for reduce the risk of dependence on a single market.
2. The Company has strategy to retain its customer base, is transportation efficiency, fast, on-time and honesty to customers.
3. The Company focuses on sustainable business with suppliers and environmentally friendly.
4. The Company has expanded its investment overseas to increase marketing channels to be closer to consumers and strengthening the supply chain management.
5. The company has a sales policy that would like customers to perceive the highest satisfaction. The Company has established customer satisfaction as the key performance indicator for develop and improve the quality of products and services more over.

In 2022, the company got 88% satisfaction score from the customer's satisfaction survey.

Production and Distribution Channels

Most of the products of Seafresh Industry Public Company Limited and its subsidiaries sell overseas under trademark of the Company and customer by contacting all customers directly which these customers are the major importers of that market. Most of them are partners who have been alliance with the company for a long time.

Proportion of sales value by region

The proportion of sales value by region of the whole the CFRESH group in 2022 has the largest revenue proportion, which is Europe, Americas and Canada, Asia, Thailand, Australia and New Zealand, respectively. The main revenue is mainly from the United Kingdom.

(2) Market Competition

Shrimp production in 2022, the total production produced by Thailand was 256,823 tons, an increase of 0.8% compared to 2021 (254,821 tons), which is 300,000 tons lower than the target set by the Department of Fisheries, as shrimp farmers in all areas was still face the disease outbreak problems: White Spot Syndrome Virus: SSV, EMS/AHPND, White Feces Syndrome and Enterocytozoon hepatopenaei: EHP, resulting shrimps growth retardation and shrimp exhibit reduced feed.

In addition, there is also a shortage of raw materials for the production of shrimp feed, such as fishmeal, that the result of the decrease in fishing including a decrease of importing soybean meal due to pricing increases, to causing an increase feed cost. Moreover an increasing energy costs, so some farmers have slowed down farming, as a result, the production of Vannamei Shrimp decreased.

In 2022, global shrimp production was approximately 5 million tons, an increase of 9% from the previous year, by 65% from Asia and 30% from Americas, which an increased in shrimp productivity came from Ecuador.

As a whole of the shrimp industry in 2022, the markets in each country have large shrimp imports from Ecuador and India. Because these countries can produce, many shrimp and its prices are low compared to the products of Thailand. For this reason, it has decreased the competitiveness of Thailand's market. In addition, the HORECA customer business group was also affected by the COVID-19 epidemic, resulting in a decrease in orders from these customers. By the main competitors of Thailand, there are still India, Vietnam, Indonesia and Ecuador.

Shrimp Export during the year 2022

USA market

US shrimp market has a demand for shrimp consumption in retail sector and remained stable in food service businesses. Consumer patterns of consumption was declining. Even though it's summer, which is a time of more consumption because the economic situations of the United States of America with a tendency to slow down. However, the demand for shrimp consumption remains at a good level when compared to other seafood products high pricing. In addition, it was found that the demand for large-sized shrimp consumption in the US market is at a low level, causing the adjust price declines. However, the demand for medium-sized shrimp and small-sized shrimp has increased according to the demand's market changing to popular consumption low-price shrimp and value-added processed shrimp in small and medium-sized shrimp products. However, the United State of America remains the main market for Thailand's exports, the value proportion of export at 23% or worth 430 USD Million.

In the first half, the market has clearly dropped due to changes in consumption, as a result, the value of exports decreased. Also the situation of the epidemic of infectious disease, COVID-19, has not been yet completely resolved, causing the consumption market in the United States has still uncertainty and focusing in the way on cost reduction and importing shrimp products from competitors whose cost is lower than Thai shrimp, with the company's exports value in 2022 decreasing by 25%.

Asian market

The Value proportion Thailand's exports to Asian markets at 64% or worth 897 USD Million which is regarded as the largest market in Thailand, with there are mainly Japan, China, South Korea, and Taiwan. The demand for shrimp consumption increasing in shrimp products for home cooking and ready-to-eat shrimp products in the retail business (Supermarkets and online) as a whole increased as many countries in Asia unlocked the emergency, resulting in the company's export sales in 2022 increasing from 2021 by 14%.

Europe market

Since 2014, Thai processed shrimp will be withdrawn from the European Union's generalized scheme of preferences (GSP) tariff privileges, subject to pay an import duty tax of 20%. And since 2015 onward, Thai chilled and frozen shrimp will be the same withdrawn and subject to pay an import duty tax of 12% also. In which from 2015, export of shrimp products decreased by an average of 437 tons per year or an average decrease of 12.98% per year. In the past 7 years, Thai shrimp exports to the EU market have decreased both in term of quantity and value and are unable to compete with other producing countries such as Ecuador, India and Indonesia.

The quantity of Thai shrimp imports from the European Union (EU) has continuously decreased, with the value of Thai exports in 2022 decreased from 2021 by about 10 percent. Although there is an increasing market demand, as a result, the company's export value in 2022 decreased by 38%.

Domestic market

After easing of the lockdown measures and travel restrictions, the Thai economy began to recover slowly since the beginning of 2022. Despite the problem of higher product prices but Thai economy was able to expand by 3.2% in 2022. The company has started selling products in the domestic since 2016 with distribution channels for customers in the segment Horeca, Reprocessor, Wholesales, Retail, which customers have well responded to the quality of the company's products. In 2022, Domestic sales continue to increase, sales were 44% more than in 2021.

(3) Product and Service Management

Production

The company has a factory located in Chumphon Province where is a source to be able to procure raw materials appropriately. In addition, the Company has realize the importance of good product quality and standards, therefore being strictly in every step of production starting from receiving raw materials to sending products out of factory.

For Production Policy in get a quality products and standards, modern and efficient production technology has been to use in production process. As well as, there is a product quality inspection system, resulting in the company's products being certified by the system's Quality and food safety standards according to international standards.

The Company has production capacity for important products in 2020 – 2022 as follows:

Full capacity and actual capacity

	2022	2021	2020
Capacity (ton per year)	30,000	30,000	30,000
Actual capacity chilled and frozen seafood products (ton per year)	13,616	14,940	14,610
Capacity utilization	45.39%	49.80%	48.70%
Increase (Decrease) production rate	-8.86%	2.26%	28.81%

In regard, production policy depend on company's sales target, which there is estimation in every year.

Raw Materials and Suppliers

The origins of products of the Company and its subsidiaries have come from many countries such as countries in America and Asia regions.

For Thailand shrimp productions, more than 97% of raw materials are purchased from Thailand, where fresh shrimp raw materials are white shrimp, with the source from farm shrimp where will cover the area near the factory in the province that there are farms' shrimp namely Chumphon, Surat Thani, Ranong, Prachuap Khiri Khan and so on. In this regard, the Company will purchased raw materials from approximately 300 shrimp farm owner. In the present, the Company has established subsidiary companies in order to run their own aquaculture business for using as raw materials of production for the purpose of expanding business to comprehensive supply chain. In addition, this farm is the prototype farm, which certified high standard and meet customer requirements.

In 2022, The Company has not purchase raw materials from any supplier more than 30% of the total purchase value of raw materials.

However, In 2022 Department of Fisheries has approved for Thailand to be able to import Vannamei Shrimp from cultivation in 2 countries, namely Ecuador and India under conditions imported for export only and there must be a strict virus and antibiotic test in every lot of imported products. The Company has trial to import into production.

Average Raw Material Price (Vannamei) per kilogram, 2022 (size 70 shrimps per kilogram)



Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Price/Baht	188	180	158	139	143	149	155	140	132	133	148	155

Raw Material Situation

Thai shrimp was used to be the world's top exporter, after the outbreak of EMS caused a drop in output, making competitors such as Ecuador, India and Vietnam the world's leading producers and exporters of shrimp currently. Farmed shrimp production was 256,823 tons, an increase of 0.8 percent from the previous year, divided into (1) Vannamei Shrimp 241,515 tons (portion 94% of shrimp production, a decrease of 0.07% from the previous year) and (2) Black Tiger Shrimp 15,308 tons (portion 6% of shrimp production, an increase of 17% from the previous year). The factor of increased production of black tiger prawns was from farmers changing to its Black Tiger Shrimp instead of Vannamei Shrimp, which often suffered from epidemics in early winter and increased farming costs.

Vannamei Shrimp is still the main species of Thai farmed shrimp. Although this year 2022, the output will be 241,515 tons, which is lower than the targets of the Department of Fisheries (300,000 tons). However, the Department of Fisheries has plans and has issued measures to continuously support Thai shrimp farmers in order to yield in the year 2023 increased to 400,000 tons.

(4) Assets Used in Business Operations

For more details of assets used in business operations can be found at Attachment 4.

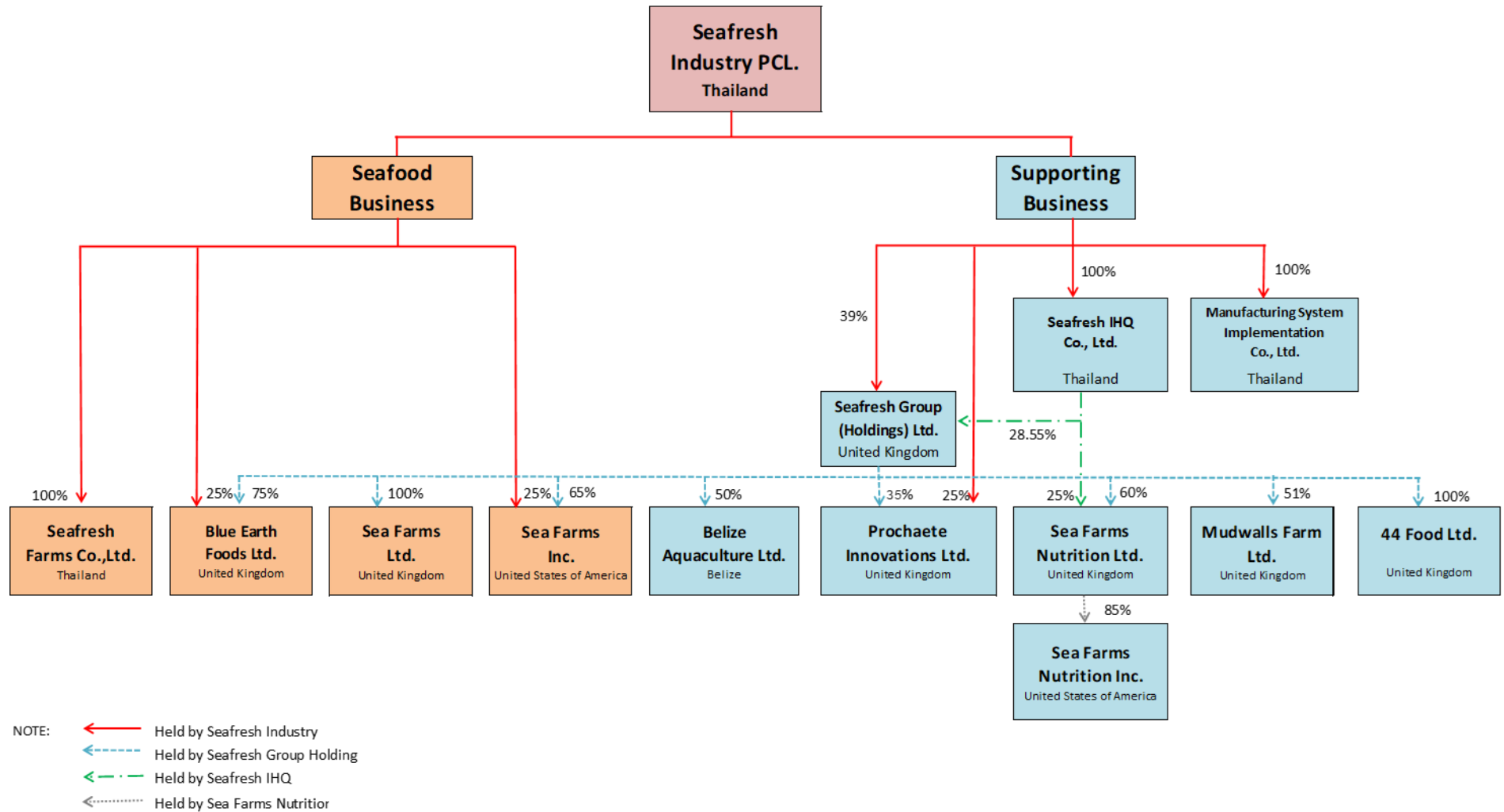
(5) Work that has not yet been delivered

- None -



1.3 Shareholding Structure of CRESH Group

1.3.1 Shareholding Structure of CFRESH Group



Name list and percentage of shareholding by business partner

- 1) Temchu Limited holds 32.45% of Seafresh Group (Holdings) Limited
- 2) Mike & David's Fish Company holds 10% of Sea Farms Inc.
- 3) Blue Aqua Consultancy Limited and Valemare Limited holds 40% of Prochaete Innovations Limited
- 4) The Estate of Sir Barry M. Bowen and Bowen & Bowen Limited holds 50% of Belize Aquaculture Limited, which not all business partners are related.
- 5) Valemare Limited holds 15% of Sea Farms Nutrition Limited
- 6) George Beach and Peter Gilding & Co. Limited holds 49% of Mudwalls Farm

1.3.2 Parties with Conflict of Interest

- None -

1.3.3 Relation with Major Shareholders' Business Group

Company and its subsidiaries have relationship neither rely on nor complete with other businesses in major shareholder group business significantly.

1.3.4 Shareholders

List of top 10 major shareholders

Summary information from the closing date of the share register book as of 13 March 2023.

No.	Shareholders	No. of Shares Hold	%
1	Chia-Apar Group	400,645,400	43.215
2	Mrs.Tassanee Youngmeevithya	212,400,000	22.910
3	Mr.Chatchai Tungsrijarouenporn	36,378,600	3.924
4	Mr.Aiyawatt Srivaddhanaprapha	20,000,000	2.157
5	Mr.Chalernpol Khonjam	9,476,700	1.022
6	Thai NVDR Company Limited	5,308,226	0.573
7	EAST FOURTEEN LIMITED-DFA EMERG MARKET CORE EQ PORT	5,116,500	0.552
8	Mrs.Somsrong Jirapattanakul	3,786,000	0.408
9	Mrs.Panpilai Supanroj	3,333,000	0.360
10	Mr.Watson Phongwarapa	3,099,600	0.334
Total		699,544,026	75.455

"Investors can view up-to-date shareholder information from the Company's website www.seafresh.com/investor prior to the annual general meeting of shareholders."

Note:

Chia-Apar Group consist of:

1. Mr. Narit Chia-Apar
2. Mr. Chintat Chia-Apar
3. Ms. Chankate Chia-Apar

Related persons consist of:

1. Mrs. Tassanee Youngmeevithya
2. Mr. Narongrit Chiarawongvanit

Group of major shareholders who, by circumstances, have a significant influence on the management policy or the Company's operations

- None -

Shareholder's agreement on matters affecting the issuance and offering of securities or the management of the Company. The Company has also signed this agreement

- None -

1.4 Amount of registered capital and paid-up capital

1.4.1 Ordinary shares

As of 31 December 2022, The Company has a registered capital of 927,099,200, paid up 927,099,200 baht, divided into 927,099,200 ordinary shares, with a par value of 1 baht per share.

1.4.2 Other types of shares with different rights or conditions than ordinary shares

- None -

1.4.3 Shares or convertible securities of the Company as underlying securities in the issuance of investment units of mutual funds for foreign investors

- None -

1.5 Issuance of other securities

1.5.1 Convertible Securities

- None -

1.5.2 Debt Securities

- None -

1.6 Dividend Payment Policy

The dividend payment policy is not less than 40 percent of net income after corporate income taxes and after deducting all types of legal reserves as required by law. The dividend payment is subject to change and is determined by the operating results, cash flow, investment plan, and economic outlook. Moreover, the Board of Directors' resolution approving dividend payment shall be proposed for final approval with shareholders' meeting.

The dividend policy of the subsidiary company is to pay no less than 50 percent of net profit after income tax and after deducting all types of legal reserves as required by law. The dividend payment is subject to change and is determined by the operating results, cash flow, investment plan, and economic outlook. Moreover, dividend payment shall be proposed for final approval with subsidiary's shareholder meeting.

2.1 Risk Management Culture

The Company places importance on fostering a risk management culture in the organization to ensure that the Company can respond and be prepared to face various situations that may arise, maintain its performance and generate stable and sustainable growth as follows:

- **Risk Governance**

Establish policy, acceptable risk levels and the risk management framework in accordance with ISO 31000 and COSO international standards, including the application of various risk management tools such as risk assessment, risk maps, Key Risk Indicator (KRI), etc.

- **Raising Awareness**

Encourage all departments to realize the importance and expectation of the company in risk management by defining risk management results as one of the key success indicators of the organization and setting key performance indicators according to the department's strategy in responding to corporate risks.

- **Leadership**

Company directors and senior executives place importance on and support risk management, follow up on progress and give advice on risk management to keep it at an acceptable level.

- **Risk Management Structure**

The structure and roles in risk management are clearly defined as follows:

- The Board of Directors is responsible for ensuring that the Company has an appropriate risk management system.
- The Risk Management Committee is responsible for reviewing the policy and risk management framework as well as supervise assigned departments to appropriately implement risk management guidelines.
- The Executive Board monitors the status of risk management and ensure the risk control to be at an acceptable level.
- Strategic Planning and Risk Management Department is responsible for driving, monitoring and evaluating performance according to risk management guidelines, providing support and advice to executives and related employees and reports to the Risk Management Committee Board of Directors and the Audit Committee.
- Executives and employees at all levels are responsible for risk management both at the corporate level and at the operational level under their responsibility or as assigned.

2.2 Risk Factors

The company reviews changes in various risk factors that may have a significant impact on the sustainability of the Company's business on an ongoing basis both existing risks and new risks that may occur in the future (emerging risks). In the past year, the Company was able to manage corporate risks to an acceptable level in accordance with the following guidelines and management methods.

1. Strategic Risk

1.1) Market competition

The international market remains the company's main trading area due to its size and high purchasing power. Market competition with exporters of the world's major shrimp producing countries is therefore a risk that the Company will inevitably face. Although overall global shrimp production rose in 2022 while Thailand's output increased only marginally, the company was able to compete and drive overall earnings higher in the past year.

Risk management

Key strategies used by the company to strengthen its strengths and competitive advantages in the past year can still be effectively implemented in the past year, for example:

- Accredited with international standards in various dimensions such as production, environmental management, food safety, labor treatment, traceability in the supply chain, and fair trade.
- Sourcing shrimp raw materials from quality certified sources.
- Invest in new machines that increase production efficiency and/or reduce damage in processing
- Cost management that respond to market situations
- Expand the domestic market

1.2) Overseas investment

The company's overseas subsidiaries in the past year faced many challenges, such as high inflation, a sharp increase in energy and production costs, supply chain disruptions, etc. It is the risk that overseas investment returns may not meet the target. In 2022, overseas subsidiaries can generate sales of more than 78% of the company's total sales or a decrease of 4.5 percent from the previous year.

Risk management

- Assign sub-committee to review the performance of various companies in the group regularly.
- Closely communicate and hold meetings between senior executives of the Company and its subsidiaries.
- There are consultants who have specific expertise to ensure that the subsidiary operates as expected and operates in accordance with relevant laws.

2. Operational Risk

2.1) Fluctuation of raw material price and quantity

The quantity of raw shrimp fluctuates throughout the year depending on the season and the severity of common shrimp diseases. As a result, raw material prices fluctuate throughout the year as well. Fluctuations in both quantity and price of raw materials are therefore a risk to sales management and delivery as agreed with customers and a risk to cost management to meet the targets.

Risk management

- Track and forecast the daily price and quantity of shrimp raw materials from various sources.
- Manage transportation, raw material handling as well as production to maximize the utilization of raw materials.
- Reserve raw materials in advance for use in production and delivery to customers during the off-season of raw materials.
- Have an own team that can access and buy raw materials directly from farmers in many areas.

2.2) Operation and Safety

The company operates food business for consumption. Non-compliant establishments and operations pose a food safety risk, including safety and occupational health of personnel and communities.

Risk management

- Accredited with international standards covering production, food safety, environmental management, labor treatment, and traceability in the supply chain.
- Establish a safety committee Occupational health and working environment.
- Set indicators for safety, occupational health, environment and energy.
- Have plans to handle emergencies and annual training.

2.3) COVID-19 virus outbreak

The outbreak of the COVID-19 virus in early 2022 poses a risk to the Company's business operations before the epidemic situation subsides and becomes endemic later in the year. Thanks to the good cooperation of personnel in maintaining discipline in accordance with the COVID-19 epidemic prevention measures, the company was able to carry out production and delivery of goods without interruption.

Risk management

- Follow up information from related government agencies closely. Assess potential impacts on the company in order to prepare for preventive measures in time.
- Implement measures in accordance with the recommendations of international organizations and governments. The company was able to pass the criteria for the assessment of the prototype establishment implementing measures to prevent and control diseases in specific areas (Bubble and Seal) at an outstanding level. In addition, it has also been certified for the implementation of workplace measures against COVID-19 in the New Norma from the Ministry of Public Health.

3. Financial Risk

3.1) Fluctuation of Currency Exchange Rate

In 2022, the dollar's continued appreciation has pressured most currencies, including the baht, to depreciate. Although the baht depreciation was a positive effect on the company in the past year, the company still maintains discipline in monitoring the risk of the baht exchange rate in the opposite direction.

Risk management

- Use financial derivatives as appropriate, i.e. forward foreign exchange contracts to hedge the exchange rate risk from trading transactions without a profit-making policy.
- Manage income and expenses in foreign currencies to be in the same currency (hedging) to reduce the impact of exchange rate fluctuations.

3.2) Fluctuation of Interest Rate

Although Thailand's interest rate hikes are not as frequent and as high as the United States in 2022, interest volatility is a risk that may affect debt serviceability and may affect the profit or loss of the business. However, the interest rate hike in the past year did not have a significant effect on the increase in interest expenses or the decrease in interest income from the forecast.

Risk management

- Thorough and concise financial planning. Closely monitor movements in the money market and market interest rate trends in order to determine suitable financial instruments.
- Set goals to maintain financial ratios such as debt to equity ratio and liquidity ratio to the appropriate level
- Reduce the loan burden

4. Compliance Risks

4.1) Food safety regulation compliance

Thailand and importing countries have food safety regulations and are constantly improving them. Failure to comply with such regulations for any reason may lead to the production and handling of food that is unsafe or unsuitable for consumption which in addition to risking the safety of consumers, the company may also be sued and banned from exporting to the importing country.

Risk management

- Accredited with international standards for production and food safety.
- Keep up with changes in laws and regulations regularly. There is a tracking system to notify information about new or changed regulations, as well as a communication system to relevant parties to prepare for support.

4.2) Trade Measures of Importing Countries

Trade measures of frozen shrimp importing countries come in the form of tariffs and non-tariffs, such as the Illegal, Unreported and Unregulated (IUU) Fishing Regulations, US anti-dumping duty on frozen shrimp, the US Trafficking in Persons Report, or even screening measures for COVID-19 in imported frozen shrimp products. These measures pose a risk to export opportunities or profit and loss of the company.

Risk management

- Accredited with international standards for production, food safety, environmental management, labor practice, traceability in the supply chain, and fair trade.
- Distribution of exports to many countries including expanding the market in Thailand.
- Closely follow up on trade measures of importing countries.
- Cooperate and support various organizations/institutions to recruit and treat labor properly and ethically.

5. Risk related to Environment, Social and Governance (ESG)

5.1) Sufficiency of water

The amount of water required for the company's production may affect the sufficiency of water that surrounding communities have to use for consumption. The company has taken into account this important issue and has taken measures that can prevent potential risks.

Risk management

- Efficient use of water resources in production by reducing use, reusing and recycling.
- Install a large-scale R.O. (Reverse Osmosis) water production system to treat used water through the filtration process to obtain clean and reusable water. In addition to reducing dependence on tap water, it also reduces the cost per unit of water used.
- Expand the reservoir to reserve enough water for usage.

5.2) Human Rights

Human rights are sensitive matters in terms of employment conditions, occupational health of employees, communities, partners and contractors, personal data, or the use of illegal labor in the supply chain, etc. The Company respects and treats human rights appropriately to prevent risks and reduce the impact that may have on the credibility and performance of the Company. In the past year, the company has been awarded "Outstanding Enterprise in Labor Relations and Welfare of the Year 2022, National Level" for the second consecutive year.

Risk management

- Accredited with international standards for labor practice.
- Build knowledge and understanding of human rights through policies, manuals, and trainings such as human rights policy, labor standards policy, social responsibility policy, good corporate governance policy, Code of Conduct, etc.

- Require vendors, contractors and suppliers in the supply chain not to use child labor, pregnant women or involuntary labor.
- Collaborate with independent institutions/organizations focused on the prevention of human trafficking and forced labor.

5.3) Major shareholders risk more than 25%

The Chia-Apar group of shareholders and related persons hold 66.25% of the Company's total issued shares. Therefore, there may be a risk that such shareholders may vote against or abstain in the agenda where other shareholders vote differently. As a result, the agenda required by law to receive a vote of not less than three-fourths of the number of eligible voters in the shareholders' meeting did not pass a resolution.

Risk management

- There is a board of directors with good corporate governance to supervise and ensure that shareholders are equally treated and fundamental rights are protected. The Board of Directors must review and give approval before taking any important action, whether it requires a resolution from the shareholders' meeting or not.
- The Board of Directors consists of 4 independent directors from a total of 9 directors, all of whom are qualified according to the rules and regulations of the Stock Exchange of Thailand. Therefore, the rights and interests of general shareholders are protected as the Board of Directors is independent and not influenced by the majority of shareholders.

6. Emerging Risks

6.1) Climate Change

Ongoing global warming causes various forms of climate change, such as warmer or colder weather, droughts, storms, floods, or dust that intensified. This is a risk to the continuity of the supply chain, procurement of raw materials, production, delivery of the company including the well-being of the community. The Company therefore places importance on reducing global warming, along with being prepared to deal with the impacts of climate threats.

Risk management

- Accredited with international standards for environmental management ISO1400.
- Set targets to reduce greenhouse gases emission and energy consumption.
- Install solar panels on the roofs of buildings and factories.
- Recirculating treated wastewater for reuse with reverse osmosis system to reduce the risk of water shortage, reduce the impact on the community in using water supply resources and reduce pollution.
- Supervise wastewater management, air pollution management, and toxic waste management.
- Establish Business Continuity Management Plan and Exercise.

6.2) Cyber Security

Cyber threats are a serious and progressive problem in today's digital world. It is considered a risk that may cause damage and disruption to the business if the company is hacked into important business data or systems. In 2022, the Company has not been hit by unauthorized access to systems or data and has not suffered any damage from cyber threat.

Risk management

- There is a network protection system both hardware and software that meets modern standards.
- There is a screening system to alert when receiving emails that are vulnerable to security.
- Install a Disaster Recovery Site computer system that can quickly recover backup data and systems.
- Continuously updating personnel on how to protect sensitive data on personal and company devices.



Driving Business for Sustainability

Seafresh Industry Public Company Limited or “CFRESH” was disclose a management approaches and performance in regards to economy, governance, environment, and society including the response to the United Nations Sustainable Developments Goals (SDGs) to its stakeholders and public in the Company's Sustainability Report that published via the Company's website at . <http://www.seafresh.com/investor/sr.asp>.



Management Discussion and Analysis: (MD&A)

1.1 Important Financial Information

Performance Analysis

1. Performance Overview

Summary of the Company's performance

(Unit : Million Baht)

	2022		2021		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Sales	6,949.71	97.96	6,785.67	97.82	164.04	2.42
Total Revenue	7,094.40	100.00	6,936.89	100	157.51	2.27
Cost of Sales	5,977.78	86.01	5,847.21	86.17	130.57	2.23
Gross Profit	971.93	13.99	938.46	13.83	33.47	3.57
Selling and Administrative expenses	752.01	10.60	651.02	9.38	100.99	15.51
Net Profit	208.74	2.94	334.93	4.83	(126.19)	(37.68)
Earnings per share (baht)	0.19		0.36			

Remark: The ratio in the income statement is shown as a percentage of total revenue except cost of sales and gross profit expressed as a percentage of sales revenue.

2. Results of Operations

Sales Revenue

The Company's sales and services revenues in 2022 and 2021 were amounting of 6,949.71 million baht and 6,785.67 million baht, respectively, an increase of 164.04 million baht or 2.42 percent from the previous year. As a result of sales and marketing management, the Company still maintains the sales from decreasing into the COVID-19 situation, which has an effect on the overall economy and the Company including has price adjustments for some items according to increasing in a raw material cost.

Other income

The Company has other income in 2022 and 2021 of 31.62 million baht and 21.34 million baht, respectively increased from the previous year by 10.28 million baht.

Cost of Sales and Services

In 2022, the cost of sales and services was amount of 5,977.78 million baht, an increase of 130.57 million baht, or 2.23 percent compared to 2021 and proportional to sales revenue was at 86.01 percent, less than the previous year, which was 86.17 percent.

In this regard, mostly the Company's cost of sales comes from raw materials cost in production by the Company has the cost of sales is 5,968.88 million baht, an increase of 2.23 percent compared to the previous year, which corresponds to an increase in sales revenue. Also from improving the production process to be more efficient.

Selling and Administrative Expenses

Selling and administrative expenses for 2022, in the amount of 752.01 million baht, have increased by 100.99 million baht, which is 10.60 percent of the total revenue, which is 15.51 percent increase compared to 2021 which mainly resulted from compensation payment for termination of labor due to work process adjustments by bringing machinery to replace manpower.

Net profit

The Company's net profit was 208.74 million baht, decreased 37.68 percent when compared the previous year, and a net profit margin of 2.94 percent of total revenue.

3. Asset Management

Summary of the Company's financial position

(Unit : Million Baht)

	31 December 2022		31 December 2021		Increase (Decrease)	
	Amount	%	Amount	%	Amount	%
Total Assets	5,253.46	100.00	4,907.21	100.00	346.25	7.06
Total Liabilities	2,644.60	50.34	2,420.26	49.32	224.34	9.27
Shareholders' Equity	2,608.86	49.66	2,486.95	50.68	121.91	4.90
Total Liabilities and Shareholders' Equity	5,253.46	100.00	4,907.21	100.00	346.25	7.06

Financial Position

1. Assets

As of 31 December 2022, total assets were valued at 5,253.46 million baht, an increase of 346.25 million baht or 7.06 percent from 31 December 2021, consisting of the main assets as follows:

Current assets amounted to 3,158.42 million baht, representing 60.12 percent of total assets, an increase of 358.57 million baht from 31 December 2021, with significant changes as follows:

Trade and other receivables increased by 235.21 million baht due to an increase in sales of goods from 2021, resulting in an increase of the receivables.

Inventories increased by 133.57 million baht due to the sales order to be delivered in the next quarter and reserves of the raw material to support customer needs.

Non-current assets amounted to 2,095.04 million baht or 39.88 percent of total assets, a decreased of 12.31 million baht from 31 December 2021, with significant changes as follows:

Property, building and equipment decreased by 50.88 million baht due to depreciation of assets.

Non-current financial assets increased by 34.99 million baht due to Long-term loans to and interest receivable - related party.

2. Liabilities

As of 31 December 2022, total liabilities were 2,644.60 million baht, representing 50.34 percent of liabilities and shareholders' equity, an increase from as of 31 December 2021, amounting to 224.34 million baht, or 9.27 percent, resulting from an increase of bank overdrafts and short-term loans from the bank 81.27 million baht, an increase of trade and other accounts payable 154.32 million baht, while current portion of long-term loans from the bank were decreased by 6.03 million baht.

Debt to Equity ratios at the end of 2022 was at 1.01 times.

3. Shareholders' Equity

As of 31 December 2022, shareholders' equity amounted to 2,608.86 million baht, representing 49.66 percent of liabilities and shareholders' equity, an increase from as of 31 December 2021, amounting to 121.91 million baht, resulting from operating profits.

4. Liquidity

Cash Flows

(Unit : Million Baht)

	Y2022	Y2021	Increase (Decrease)
Net cash flows from operating activities	167.93	167.51	0.42
Net cash flows from (used in) investing activities	(134.74)	(112.80)	21.94
Net cash flows from (used in) financing activities	(30.97)	(49.93)	(18.96)
Cash and cash equivalents	21.38	36.91	(15.53)

In 2022, the Company had cash and cash equivalents decreased by 15.53 million baht, increased from operations by 167.93 million baht, and use of 134.74 million baht on investment activities, and 30.97 million baht used on financing activities. As of 31 December 2022, the Company had cash and cash equivalents of 21.38 million baht.

Cash flows from operating activities

For 2022, the Company had cash flows from operating activities of 167.93 million baht, an increase of 0.42 million baht from the previous year, due to an increase in trade account receivables and other receivables, including an increase in inventories compares to last year.

Cash flows used in investing activities

In 2022, the Company had cash flows used in investing activities of 134.74 million baht, an increase of 21.94 million baht, due to an increase in investing in purchase of fixed asset compares to last year.

Cash flows used in financing activities

In 2022, the Company had cash flows used in financing activities of 30.97 million baht, a decrease of 18.96 million baht, due to has been paid long-term loans and lease liabilities.

5. Financial Ratios Analysis

Liquidity Ratio

As of 31 December 2022, the Company has liquidity ratios was at 1.33 times was slightly decreased from 1.32 times in 2021. For the average sale of goods period was at 108 days as to the Company's credit term policy. Thus, the average collection period was at 55 days and the average payment debt period was at 27 days. Thus, the Company has cash cycle was at 136 days.

Profitability Ratios

In 2022, the Company's return on equity (ROE) stood at 7.79, down from 15.34% in 2021. In addition, the net profit margin also dropped from 4.83% in 2021 to 2.94% in 2022.

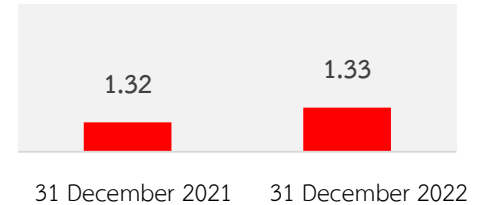
Efficiency Ratios

As for the Company's Return on Assets (ROA), as of 2022 stood at 7.18%, down from 7.70% in 2021. This was the result of a decrease of net profit while the average assets increased 7.06% compared to the previous year.

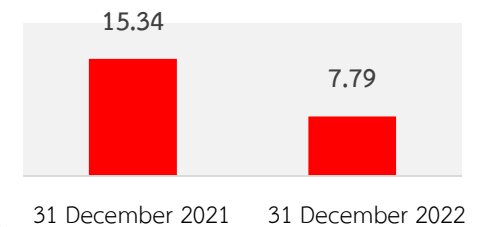
Debt to equity ratio

As of 31 December 2022, the Company's debt to equity ratio (D/E) was at 1.01 times, up from 0.97 times in 2021. This was the result of an increase of decrease of net profit.

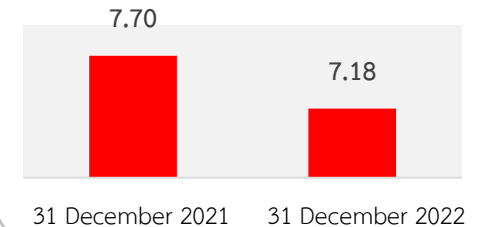
Current Ratio



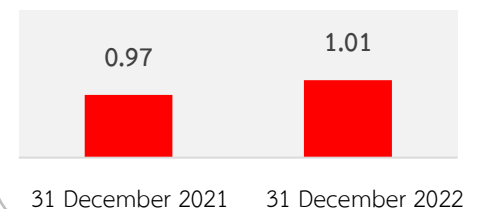
Return on Equity



Return on Assets



Debt to Equity Ratio



General Information and Other Important Information

5.1 General Information

Description, general information, name, location, telephone, fax of other references: Details as specified under CFRESH Information.

5.2 Other Important Information

Investors are able to learn more information about the company from the Company's Annual Report Form 56-1 One Report, which is shown on the website: www.sec.or.th or www.set.or.th (www.set.or.th)

5.3 Legal Disputes

There are no lawsuits, which have a negative impact on assets or materially affect the business operations of the Company

5.4 Secondary Market

- None -



Corporate Governance Policy

6.1 Overview of Corporate Governance Policies and Practices

The Board of Directors of Seafresh Industry Public Company Limited firmly recognizes the importance of good corporate governance, has provides a written “Good Corporate Governance Policy” in accordance with the Corporate Governance Code for Listed Companies (CG Code) of the Securities and Exchange Commission (SEC) and the Principles of Good Corporate Governance for Listed Companies of the Stock Exchange of Thailand (SET) in order to create a systematic and transparent management and decision-making process. The Board of Directors has continually reviewed the Good Corporate Governance Policy on an annual basis in order to be up-to-date and in line with the current situation.

The Company fosters awareness and the participation of good Corporate Governance throughout the organization, has stipulates a “Code of Conduct” handbook and a written practice guidelines for employee and reviews such guideline annually, as well as published and communicated through various channels including company's website for directors, executives and employees to implement.

In 2022, the Board of Directors has complied with the principles of the good Corporate Governance and the good practice guideline of the Stock Exchange of Thailand. The Company achieved a score of “Excellent”, for the sixth consecutive year, in the 2022 annual surveys conducted by the Thai Institute of

Directors Association (IOD) in collaboration with the Stock Exchange of Thailand and the Securities and Exchange Commission. Surveys of the IOD assess the level of Corporate Governance of each company. The consistently high rating for the past years reflects the Company’s dedication to integrate sound ethics and the principles of good Corporate Governance into its business practices continuously.

Policy and Guidelines related to the Board of Directors, Shareholders and Stakeholders

Corporate Governance Policy

The Company realizes the importance of good corporate governance as a key factor and believes that it will help to added value and to make maximize benefits for all stakeholders, including shareholders, customers, employees, investors and the public. The Company has established relevant policies and guidelines in the Company’s Governance Policy and Business Ethics along with encourage to occur real practice by focusing on business operations with transparency, morality and integrity. This can be summarized various issues covering the main principles according to the principles of good corporate governance in 5 categories as follows:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Taking into Account The Roles of Stakeholders
4. Disclosure and Transparency
5. Responsibilities of the Board of Directors

Section 1. Rights of Shareholders

The Company protects and maintains the rights of all groups of shareholders to receive fundamental rights, regards to the fair and equitable of shareholders and maintains the interests of shareholders are important. The company encourages shareholders to exercise their following fundamental rights; to buy, sell, or to transfer shares; the rights to share a portion of the profits; the rights to obtain relevant and adequate information about the Company in a timely manner and on a regular basis; the rights to participate and vote in Shareholders' Meetings for elect or terminate members of the Board; The rights to appoint the external auditor; the rights to propose agenda items for Shareholders' Meetings; the rights to participate in and to be informed of major decisions on any key transactions that could affect the Company; including not taking any action which violates or diminishes the rights of shareholders.

The company's policy was made basing on the shareholders' rights in promoting shareholders to exercise their rights as owners in controlling the company through selection of board of directors to work for them. The shareholders also have the rights in making decisions on important changes of the company.

In the Annual General Meeting of Shareholders, the Company recognizes the exercise of rights in voting in the meeting for decision making by shareholders on important issues. Invitation letters for meetings and supporting documents are made with complete information on meeting agenda including the board of directors' opinion on each agenda. There are also complete and accurate minutes of meeting for shareholders' inspection. The company has also appointed Thailand Securities Depository Company Limited to send meeting invitation letters to the

shareholders 21 days in advance before the meeting date.

The Board of Directors is adopted a scheduled resolution to date the general of shareholders' meeting and is scheduled a meeting agenda along with the directors' opinion in each agendas. The Company were informed such details to the shareholders 30 days in advance before the date of meeting, through the SET's information channels and was posted on the Company's website (www.seafresh.com/investor) in order to allow shareholders to have sufficient time to vote on each agendas and facilitate shareholders to fully exercise their rights. In addition, shareholders can also ask information or setout questions at the Shareholders' Meeting in advance via E-mail address: investor@seafresh.com.

The meeting will be conducted in a transparent manner under the chairmanship of the Chairman by inviting all shareholders for questions and suggestions for each agenda proposed for consideration. All comments and suggestions will be recorded in the minutes of shareholders' meeting, which will be posted 7 days after the meeting at www.seafresh.com/investor.

Besides, the Company has used the barcode registration process to facilitate and for counting votes for each agenda in order to ensure that the meeting can be done quickly, correctly and accurately, including provide the Company's staff to take care and facilitate provide information, to collect ballots, to keep questions, and to provide any assistance that was required.

Section 2. Equitable Treatment of Shareholders

The Company attaches considerable importance of shareholders and has the fair and equitable treatment of all shareholders' group, whereby every shareholder will receive the equitable treatment and fundamental rights protection as follows:

- Allow shareholders to propose meeting agenda in advance before the date of the General Meeting. Minority shareholders are also allowed to propose potential candidates, as specified criteria, for the appointment of the directors.

- Encourage shareholders to appoint proxies to attend and vote at the meetings for and on their behalf.

- No additional meeting agenda without prior notice to the shareholders.

- Establish measures to prevent the exploitation of inside information for own benefit or for the benefit of others in a deceitful way which causes damage to shareholders.

- Directors must disclose information about personal stake and involved parties.

In addition, as part of the equitable treatment of shareholders, the Company encourages and facilitates all shareholders; including institutional investors attend meeting equally. The guidelines as follow:

- 1) Provide opportunities for shareholders to nominate a person to be elected as the Company's director including to propose meeting agenda in advance before the Shareholders' Meeting through e-mail address: investor@seafresh.com or through fax no. 0-2637-8801. The Company has published the criteria and methods for nominating individuals and proposing agendas including the guidelines for consideration of the Board of Directors on the Company's website: www.seafresh.com/investor and the letter of Meeting to shareholders were published through the SET's information channels at least 3 months before the end of the fiscal year. However, in 2022, no any shareholders nominated individuals to be elected as the Company's director and agendas in advance.

- 2) The Company uses ballots for voting on each meeting agendas in order to make the counting process efficient and speedy. The Company will retain ballots only cases of those who did not agree with Meeting

resolutions or who abstained from exercising their right. The secretary of the meeting will inform the voting procedures prior to the commencement of the meeting agenda.

For the agenda on the election of directors to replace those who are due to retire by rotation, the Company provides opportunities for shareholders to uses their voting rights for each director individually.

- 3) The secretary of the meeting will conduct the meeting as per agenda proposed in the meeting invitation letters and there shall be no additional agenda for consideration other than those stated in the letter.

Section 3. Taking into Account the Roles of Stakeholders

The Company realizes the importance and responsibility to all groups of stakeholders both inside and outside the company, from Shareholders, employees, customers, creditors / financial institutions, competitors, community, social, and environment including prohibiting any action that violates the rights of stakeholders.

The Company supports and encourages to good cooperation between the Company and various groups stakeholders in creating the sustainability and believes that business operation comply with all applicable laws and regulations including having clear policies in regard to the fair treatment of each and every stakeholders.

In the case of employees or stakeholders know clues or see anything illegal act or code of conduct, able to whistleblowing, complaints, comments or suggestions that shown that stakeholders are affected or are at risk of being affected. This will cause damage to all groups of stakeholders from the Company's business operations or from the practice of the Company's employees about illegal act or code of conduct including behavior that may imply corruption,

unequal treatment or act of lack of careful and gingerly through email cg@seafresh.com. The Company has a process in reporting doubts and handling complaints, when employees or stakeholders report the comments, suggestions, complaints, or when they can be found behavior that violates, obstructs, or suspects that it violates the Code of Conduct, and reporting what could be seen or suspected to Supervisors, Human Resources Manager, Corporate Governance and Sustainability Committee (cg@seafresh.com) or Directors, with the Chairman of Corporate Governance and Sustainability Committee will submit such matter to the Audit Committee for consideration and report the investigation, judgments, including disciplinary action to the Executive Meeting and the Board of Directors for acknowledgement. Therefore, the Company has a policy to protect the sender of comments, suggestions, complaints or whistles which will the data retention confidentiality

In 2022, the Company is not found any complaints or whistleblowing that affected the Company's business operations significantly.

Treatment of various groups of stakeholders

1. Shareholders

The Company has given importance and realized that shareholders are true owners of the business and have truly ownership rights. Therefore, the Company has established a good Corporate Governance Policy as described in Section 1. Rights of Shareholders and Section 2. Equitable Treatment of Shareholders.

2. Employees

The Company realizes that a personnel of the Company, is an important part of business operations, therefore, giving importance to all employees without discrimination, foster a sense of belonging to the same

family, treat each other politely, made a good working environment, safety.

3. Customers

The Company focuses on producing quality products and services that meet the needs of customers. There is a production process with international standards and safety. The Company also has conducted Customer Satisfaction Survey annually which is one of the key performance indicator (KPI) of company to develop and improve quality products and services to the utmost. In addition, the Company has a policy to maintain the confidentiality of customers and announced to relevant employees be informed.

In 2022, the Company has received the score from customer satisfaction at 88%. In regard, in the past year, the Company had no case of violated about customer treatment and not appear complaints from customers significantly.

4. Partners

The Company has a policy for all employees to adhere with conditions and agreements made with partners, which are sub-contractors, general distributor and suppliers of raw material with strict conditions and agreements to purchase products or services with the utmost honesty and transparency. In addition, to ensure that partners conduct business in an environmentally friendly and promote sustainable development. In a selecting partners, the Company has a team to select by examining before purchasing whether, partners are consider about respecting human right, fair labour practices, responsible for society and the environment and comply with relevant laws including follow-up on such matters consistently.

In 2022, the Company has communicate the "Supplier Guiding Principles" covering human rights, labour, environment, aquatic animal welfare, and anti-

corruption in order for partners to adhere as guideline to conduct business together with sustainability.

5. Creditors / Financial Institutions

The Company makes sure to strictly comply with all terms of any arrangement such as debt repayment, loans, interests, capital management condition, guarantee (if any). It enters into in a responsible and transparent manner. The Company will not conceal any information or hide any facts that might possibly result in the realization of losses for its creditors. In the event that the Company is unable to meet any of the criteria it agreed to, it will make immediate notification to that particular creditor to allow for a course of action to be taken to rectify the situation. Thus, the Company has never had a history of default on payments.

6. Trading competitors

The Company is committed to operating business with ethics, openness and transparency, do not made competitive advantage unfairly, and do not deal any operate with dishonesty in order to ruin the reputation of trading competitors. The Company has never had any argument cases with its trading competitors.

Environment, Social and Community

Recognizing the importance of the environment, social and community in business operations under principles in respect to human rights, labour rights, the protection of the environment, and anti-corruption, as follows:

1. Human Rights

- Support and respect the protection of human rights according to laws and international human rights principles.
- Monitor and take care that business operations are not involved in human rights abused.

2. Labour Standards

- Attach importance to labor practices without discrimination, including supporting employment for who is disadvantaged.

- Define Good Labour Practices in accordance with Good Labour Practices standards (GLP) and Thai labour standards (TLS).

3. Environment

- Control the production process and remaining raw materials use to not have an impact on the environment.

- Prepare and develop a quality management system according to ISO9001 and ISO 14001, taking into the impact on the environment.

4. Anti-Corruption

- Work against corruption in all its forms including bribery.

The Company places importance on and strictly maintains the environmental standards by complying with associated laws and regulatory requirements. There is an Energy Policy to promote conservation and use of energy to maximum efficiency and benefit. The Company has invested in a solar panel on the roof installation project in order to generate electricity from solar energy for use in production, including recycle treated waste water with a reverse osmosis system.

Human Rights

The Company has a clear Human Rights Policy to promote and support compliance with the law and international human rights principles strictly. Directors, Executives, and all Employees must place importance on the practice based on human rights principles as follows:

- Respect to the Human Rights Principles, governance stakeholders to be treated and focuses in their fundamental rights by equally.

- Promote all forms of action to protect human rights and careful avoid acts that violate human rights both directly and indirectly to stakeholders.

- Support the protection of human rights, provide treats them equally and fairly to against labours at all levels without discrimination, promote a humane working environment, which include prohibitions on child labour and forced labour.

- Communicate, disseminate, provides knowledge and understanding to stakeholders in order to participate in business operations with ethics and respect for human rights.

- Overseeing when seeing violation of human rights actions, must not neglect or ignore. In regard, the supervisor, Human Resource Management or top management must be notified, and cooperate in the investigation of various facts as well as the Company must be fair and protect person who report violation of human rights.

- Continuously develop and to operate human rights management processes, identifying issues, risk assessment and impacts on human rights violations. In addition, determine solutions to prevent violations of human rights and auditable to follow-up result.

- Committed to creating and maintaining an organizational culture that adheres to respect for human rights according to the human rights policy.

In 2022, the Company never have incidents/in the cases of that complaints or prosecutions regarding human rights violations from its business operations.

Intellectual Property or Copyright

The Company recognizes the importance of Intellectual Property or Copyright. Therefore, provide an information technology system management policy to prevent the use of illegal software or infringe copyright or not related to work which has been set guidelines for the operation by all employees have to sign a

memorandum of agreement not to commit computer crimes and non-infringement of intellectual property rights.

Section 4 Disclosure and Transparency

The Board of Directors focuses on good corporate governance. There is disclosing material information that has or may have an effect on changing in the Company's stock price, investment decisions, shareholder benefits, so that shareholders and investors receive important news quickly, accurately, completely and timely manner through the news notification system (SET Community Portal) of the Stock Exchange of Thailand and via the Company's website www.seafresh.com/investor both of Thai and English.

Which can be divided into:

1. Information reported according to accounting period, i.e. financial statement, annual reports (Form 56-1 One Report).
2. Information is presented on an event-by-event basis, i.e. the acquisition/disposition of assets, related transactions, etc.

In 2022, the Company has reported the required information according to accounting period and important information according to the event within specific time. Additionally, the disclosure a report of the Company's financial statements is in accordance with Thai Financial Reporting Standards and in the previous year, the Company has not been penalized by the Securities and Exchange Commission (SEC) or the Stock Exchange of Thailand for non-compliance with information disclosure requirements including no history to be ordered to amend financial statement.

Section 5. Responsibilities of the Board of Directors

The Board of Directors is responsible in define the growth direction and develop company by defined the Company's strategies plan, policy, vision, mission, and

made it available to freely express opinions and make decisions, including governance the Company's business in accordance with the objectives and goals that have been established for the best interests of the Company and stakeholders, as well as monitoring on the progress of operations in various of the Company on regularly, including also roles an important in determining the Company's business ethics, corporate governance policy and the preparation of a code of conduct manual for directors, executives and employees.

The directors has a 3 years in each term of office, which as according to the Company's Articles of Association, in every annual general meeting, directors must retire at least one-third by who has been in office the longest will step down. If the number of directors cannot be divided into three parts, the number closest to one-third shall be settled and directors who retire from office may be reelected.

6.2 Business Ethics

The Board of Directors is committed to doing the right thing, so they created a Code of Conduct to serve as a guideline for the Company's business operations. All directors, executives, and employees have a common need to do their tasks with honesty and integrity within the framework of the law and within the scope of their obligations, including demanding careful discretion when deciding to take any action and refraining from doing anything that would harm the Company and public.

Moreover, the Board of Directors would monitor this guidance on regular basis. The executives are obliged to report a summary of the violation of the Code of Conduct to the Board of Directors annually and in severe cases report immediately. In addition, the Board of Directors has determined that the Code of

Conduct will be disclosed on the Company's website www.seafresh.com/investor

In 2022, the number of offenses committed by employees according to the work regulations totaled 2,340 times, of which most of the offenders were foreign employees on a daily. However, the Company found 7 times of violations in accordance with the employee ethics in regards to in the matter of time attendance. It is considered an offense that is insignificant to the Company's operations. In this regard, the Company has punished employees who commit offenses by giving warnings including recording the offenses of such employees.

6.3 Important Changes and Developments in the Policy Guidelines and Systems of Corporate Governance

6.3.1 Significant Changes and Developments

1. In 2022, under The Personal Data Protection Act B.E. 2562 (2019) ("PDPA") of Thailand, the Company places the importance on respecting the privacy rights and maintains security personal data of all groups of stakeholders. Therefore, a Personal Data Protection Policy has been established, which was approved by the Board of Directors No. 6/2022 on July 19, 2022.

2. The Board of Director has established Sustainability Policy to serve as a framework for managing to organization's sustainable. On the basis of good corporate governance, which an important foundation that contributes to the organization's ability to grow steadily. This business must be operated effectively while focusing on the environment, society, and adherence to good governance (known as "ESG") to build trust with the organization's stakeholders, have transparency in business operations, and have continuous innovation development while taking

responsibility for the community, society, and environment, which is sustainability in every business process (ESG in-process) of the operations.

3. Change the name from “Corporate Governance Committee” to “Corporate Governance and Sustainability Committee” and extend the scope of duties of this committee in order to covering “ESG”

6.3.2 Principles of Good Corporate

Governance that the Company Did Not Follow

In 2022, the practices that the Company did not follow, as the Company has replaced measures that are suitable for business operations as follows:

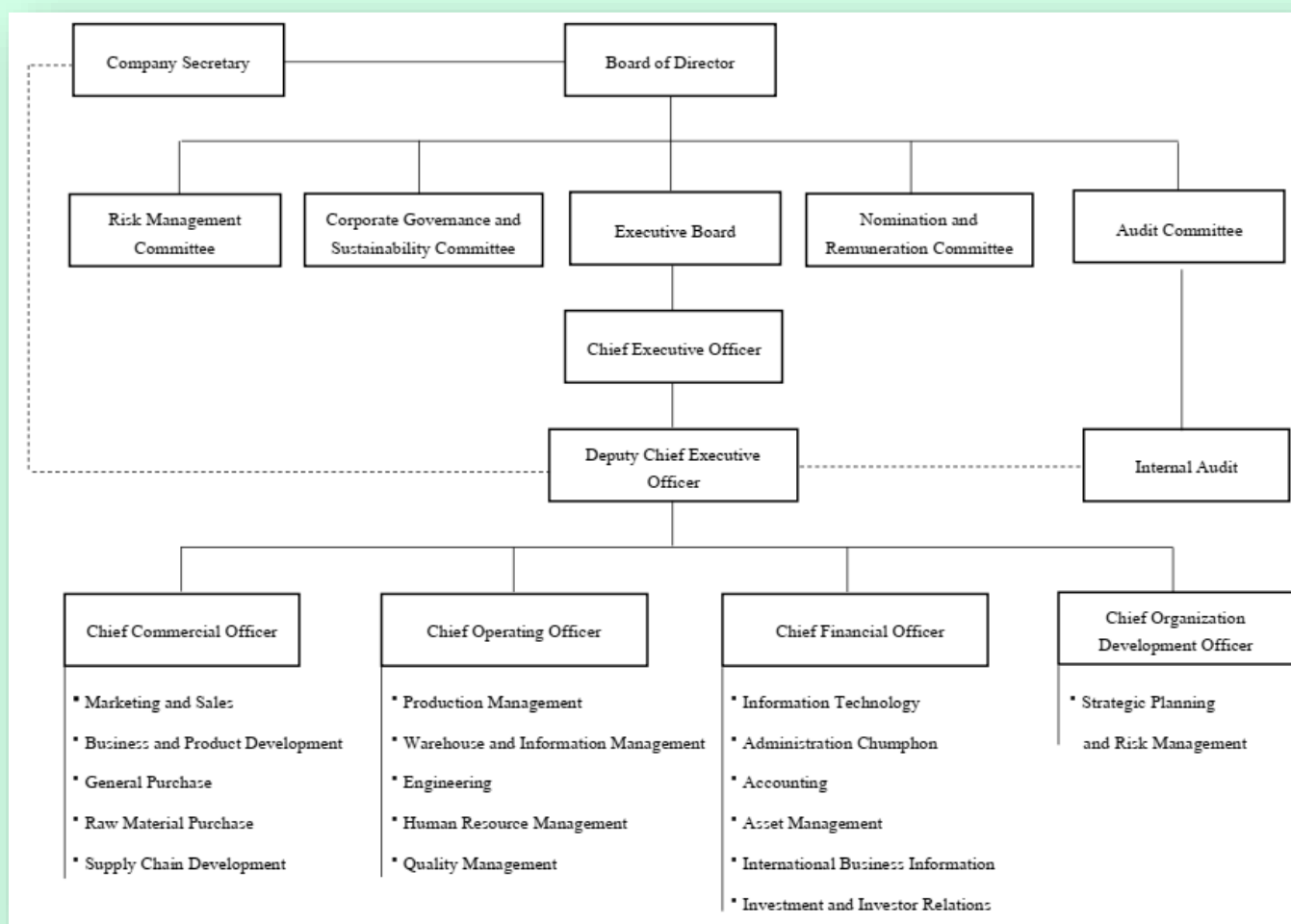
Principles	Company’s Substitution Measures
Independent directors hold positions continually not more than 9 years.	The Company believes that the independent director of the Company is a person who has all the qualifications according to the definition of an independent director and can perform duties with independence. However, in 2022, all independent directors are knowledgeable and competent, experienced, and have a good understanding of the nature of business operations. They are independent to express their opinions and not being or not affiliated with the major shareholder or has control.
The Board should consist of more than 50% independent directors.	The Company has complied with the principle that the Office of the Securities and Exchange Commission requires the structure of independent directors at least one-third of the Board of Directors. Currently, there are 4 independent directors, representing one-third.
Chairman of the Board is not an independent director duties	The Chairman of the Board of Directors have well knowledgeable, capable and have firm-specific the Company’s business and has performed with independence, allowing all directors to freely express their opinions and offer suggestions that are beneficial to the Company.

7

Governance Structure and Key Data on the Board of Directors, Specific Committees, Management, Employees and Others

7.1 Governance Structure

Organization Chart



7.2 Board of Directors Information

7.2.1 Composition of the Board of Directors

The Board structure consists of the Board of Directors, audit committee, nomination and remuneration committee, corporate governance and sustainability committee, risk management committee, and executive committee.

Composition of the Board of Directors

The Board of Directors consists of individuals with a wide range of knowledge, abilities, and experiences, have specific skills, understand the role, responsibility,

leadership, give suggestions, and always give good ideas to the Company.

The Board of Directors as at 31 December 2022 consists of 9 members, as follows:

- 4 independent directors, representing 44.44% of the total number of directors
- 2 non-executive directors, representing 22.22% of the total number of directors
- 3 executive directors, representing 33.33% of the total number of directors
- 6 directors are male, representing 66.66% of the total number of directors
- 3 directors are female, representing 33.33% of the total number of directors

7.2.2 Information of the Board of Directors

Board of Director Name List as at 31 December 2022 as follow:

Name	Position
1. Mrs.Tassanee Youngmeevithya	Chairman of the Board/Chairman of Risk Management Committee/Chairman of Corporate Governance and Sustainability Committee/ Member of Nomination and Remuneration Committee / Member of Executive Committee /Deputy Chief Executive Officer
2. Mr.Narit Chia-Apar	Director/Chairman of Executive Committee/Chief Executive Officer
3. Mr.Narongrit Chiarawongvanit	Director
4. Dr.Kamales Santivejkul	Independent Director/Chairman of Audit Committee/Chairman of Nomination and Remuneration Committee
5. Dr.Sorachai Bjsalbutra	Independent Director / Member of Audit Committee/Member of Nomination and Remuneration Committee
6. Dr.Worapong Leewattanakit	Independent Director / Member of Audit Committee/Member of Nomination and Remuneration Committee
7. Mrs.Supanee Punsri	Independent Director
8. Mr.Chintat Chia-Apar	Director/ Member of Risk Management Committee/ Member of Corporate Governance and Sustainability Committee// Member of Executive Committee /Chief Organization Development Officer/Acting Chief Financial Officer/Company Secretary
9. Ms.Chankate Chia-Apar	Director

7.2.3 Information about the Roles and Duties of the Board of Directors

The Scope of Powers and Duties of the Board of Directors are as follows:

The Board of Directors realized the importance of good corporate governance (Corporate Governance Code) and complied with Chapter 3/1 of the Securities and Exchange Act B.E. 2535 (1992) as amended by the Securities and Exchange Act (No.4) B.E. 2551 (2008) and the Securities and Exchange Act (No. 5) B.E. 2559 (2016)

The Board of Directors was duties to provide corporate governance for the best interests of the Company and shareholders, stakeholders, to be aware of the powers, duties, and responsibilities for and to comply with the policies, laws, objectives, and articles of association of the Company, board of directors' resolutions, and shareholders' meeting resolutions with responsibility, duty of care, honesty like a wise man who operate the business and shall act under the same circumstances with the bargaining power without influence in the presence of the Company's director.

In terms of organization and performance of duties, the Board of Directors and management have independent roles, duties, and obligations. The level of authority to operate in each area is clearly defined because the role and responsibilities were communicated to those involved on a regular basis.

In regard, case of the Board of Directors authorized another person to act on his behalf in regards to the ordinary course of business operations which as in accordance with the resolution of the Board of Directors' meeting and has set the scope of authority, duties and responsibilities that have been clearly authorized, which the authorized persons are not able to approve items that are in conflict of interest between

themselves and the company, grantor, or other subsidiaries.

Director Authorized to sign on Behalf of the Company

According to CFRESH's Company Certificate, the directors whose signatures are authorized to sign and bind CFRESH is Chairman, signing with the company seal affixed, or any two directors jointly sign with the company seal affixed, except for the matter about certifying true copies of documents of the Company or related to the Company, financial statements, sale agreement and other service agreement, export or import documents, and employee contracts to one of directors signing with the company seal affixed. The Board of Directors shall be authorized to determine the names of the directors authorized to sign on behalf of the Company.

Ratio of director who represent shareholders

- None -

Chairman of the Board of Directors

The Board of Directors has set the power, duties, and responsibilities of the chairman of the Board of Directors have been clearly defined to be a guideline for the performance of the chairman of the board with details as follows:

Powers, Duties and Responsibilities of the Chairman

1. Oversee, monitor, and ensure that the board effectively carries out its duties.
2. Ensure that all directors contribute to the company's ethical culture and good corporate governance.

3. Consider determine meeting agendas together with represent the Company's Independent directors appointed by the board and assign the Company Secretary sent invitation meeting's letter to all Directors.
4. Ensuring that all directors receive necessary information to discuss each agenda in a timely manner.
5. Sufficient time is allocated for executives at the Department Manager level up will present the matter and provide the directors enough time to discuss the points carefully, inquiry and express opinion freedom.
6. Encourage to occur a creative relationships both between the directors and the Board with the management.
7. Ensuring that the Company has communicate with shareholders effectively.

Company Secretary

The Board of Directors appoints Mr. Chintat Chia-Apar, Director, Chief Corporate Development Officer and Acting Chief Financial Officer who has the appropriate qualifications and experience to serve as company secretary. The scope of duties and responsibilities are as follows:

1. Prepare and maintain the following documents:
 - Committee Registration
 - Board of Directors' meeting notice, meeting minutes, and annual report
 - Notice of the shareholders' meeting and the minutes of the shareholders' meeting
2. Keeping stakeholder reports as reported by directors or executives.
3. Submit a copy of the report of interest under Section 89/14 to the chairman of the Board of Directors

and the chairman of the audit committee within 7 working days from the date the Company receives the report.

4. Provide preliminary advice to the committee on legal matters, registration, and regulation of the Company.

5. Responsible for organizing the Board of Directors' meeting and the Annual General Meeting of Shareholders.

6. Coordinate with departments within the company to comply with the resolutions of the Board of Directors and the shareholders' meeting.

7. Contact, coordinate and supervise the disclosure of information and information reports to the regulatory agencies and public correctly, completely according to the law.

8. Provide an orientation, giving advice to newly appointed directors

9. Other duties as assigned by the Company.

7.3 Information about sub-committees

The Board of Directors has appointed five sub-committees comprising:

1. The Audit Committee
2. The Risk Management Committee
3. The Corporate Governance and Sustainability Committee
4. The Nomination and Remuneration Committee
5. The Executive Committee

To support and promote the management of each department of the organization for efficient operations and by the principles of good corporate governance.

7.3.1 The Audit Committee

The Board of Directors appoints the audit committee that consists of at least 3 members, all of them must be independent directors, having qualifications and duties by the rules prescribed by the Capital Market Supervisory Board and at least 1 director has sufficient knowledge and experience to be able to review the reliability of the financial statements.

The Audit Committee has a term of office not exceeding 3 years each time. However, the Audit

Committee members who complete their terms can be re-appointed as the Board of Directors deems appropriate by the audit committee set a meeting together at least 4 times a year, to consider the financial statements, the adequacy of the internal control system, internal audit, and risk management.

At present, the Audit Committee consists of 3 independent directors who are knowledgeable, expertise and the appropriate experience.

Name	Position	No. of Meeting/ No. of Meeting Attendance
1. Dr.Kamales Santivejkul*	Chairman of Audit Committee	12/12
2. Dr.Sorachai Bhisalbutra	Audit Committee	12/12
3. Dr.Worapong Leewattanakit	Audit Committee	12/12

Remark : *Dr.Kamales Santivejkul is an audit committee member with knowledge and experience in reviewing the financial statements.

Scope of Authority and Duties of the Audit Committee

1. To review the Company's financial reporting process to ensure that it is accurate and adequate.

2. To review the Company's internal control system, risk management and internal audit to ensure that they are suitable, adequate and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.

3. To review the Company's compliance with the law on securities and exchange, the Stock Exchange of Thailand's regulations, and the laws relating to the Company's business.

4. To consider, select and nominate an independent person to be the Company's auditor, propose such person's remuneration to the board of directors on the proposal to a shareholders' meeting for approval.

5. To review the Connected Transactions, or the transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Stock Exchange of Thailand's regulations, and are reasonable and for the highest benefit of the Company.

6. To prepare, and to disclose in the Company's annual report, an audit committee's report which must be signed by the audit committee's chairman and consist of at least the following information:

a) An opinion on the accuracy, completeness and creditability of the Company's financial report.

b) An opinion on the adequacy of internal control system of the company and risk management.

c) An opinion on the compliance with the law on securities and exchange, the Stock Exchange of Thailand's regulations, or the laws relating to the Company's business.

d) An opinion on the suitability of an auditor.

e) An opinion on the transactions that may lead to conflicts of interests.

f) The number of the audit committee meetings, and the attendance of such meetings by each committee member.

g) An opinion or overview comment received by the audit committee from its performance of duties in accordance with the charter.

h) Other transactions which, according to the audit committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors;

7. In the performance of its duties, If finds or suspects a transaction or any of the following acts that may substantially affect the Company's financial position or operating results while performing its duties, the Audit Committee shall report it to the Board of Directors for correction within the time frame that the Audit Committee deems appropriate:

(1) a transaction that causes a conflict of interest; or

(2) any fraud, irregularity, significant deficiencies or material weaknesses in an internal control system; or

(3) violation of the Securities and Exchange Act, the Stock Exchange of Thailand's regulations, or other applicable laws,

8. To ensure that preliminary investigation is carried out after receiving the external auditor's report on behavior suspicious of fraud or violation of laws by the board members and management. The Audit Committee shall report the results of such investigation to the Securities and Exchange Commission and the external auditor within 30 days from the date they are notified by the external Auditor.

9. To review the materiality or risk assessment of ESG reporting.

10. To review the company's compliance with private sector's anti-corruption and certification programs, including the Collective Action Coalition against Corruption's Self-Evaluation Tool.

11. To consider, review the Audit Committee Charter at least once a year and propose any necessary amendments to comply with the scope of responsibility in the company's operations and propose to the board of directors for approval.

12. To perform any other act as assigned by the Company's board of directors, with the approval of the audit committee

7.3.2 The Risk Management Committee

The Board of Directors appointed the risk management committee. The committee consists of the Company's director 2 members and at least 2 executives at department level or higher. The Risk Management Committee has the term of office for 3 years each time. The committee who complete the term can be re-appointed to a new position as the Board of Directors deems appropriate to set a meeting together at least 4 times a year, to supervise the implementation of the good corporate governance policy and to ensure effective implementation of the risk management process as a continuous system according to the specified framework.

Scope of Authority and Responsibilities of the Risk Management Committee

1. Consider the company's policy and framework, set the pace for its current international risk management, and proposed to the Board of Directors for approval.
2. Supervise all departments in the company to provide:
 - Risk assessment, for instance, strategic risk, operational risk, financial reporting risk, compliance risk,

corruption risk, and operational disruptions, which are relevant to the business and responsibility of each department.

- Risk management
- An action plan to manage risks to be risk tolerance level.

3. Monitor the company's risk management plan in each department, according to previous paragraph, in order that reduce the risk to acceptable level and/or suitable to business condition.

4. Supervise to be improve and develop the risk management system continuously and consistently within the organization to ensure that risk management is effectiveness.

5. Review the policy and corporate risk management framework at least annually. To ensure that the policy and risk management framework as mention has still aligned and suitable for business operations.

6. Report enterprise risk significant, including exposure, risk management conduct, progress, and result of risk management to the Board of Director, Audit Committee, and Executive Committee regularly and disclose in the annual report.

Name	Position	No. of Meeting/ No. of Meeting Attendance
1. Mrs. Tassanee Youngmeevithya	Chairman of Risk Management Committee	4/4
2. Mr. Chintat Chia-Apar	Member of Risk Management Committee	3/4
3. Mr. Boonlert Foongvannaluck	Member of Risk Management Committee	4/4
4. Ms. Napatsawan Satthaboon*	Member of Risk Management Committee	1/4

Note: * Ms. Napatsawan Satthaboon resigned from her position as Chief Financial Officer and sub-committees on 18 April 2022

7.3.3 The Corporate Governance and Sustainability Committee

The Board of Directors established the Corporate Governance Committee in 2012, to supervise the implementation of the good corporate governance policy. By in the Board of Directors' Meeting No. 9/2022 held on 14 November 2022 resolved to extend the scope of duties and responsibilities of the Corporate

Governance Committee to oversee sustainability and change the name to “Corporate Governance and Sustainability Committee”. The committee consists of the Company director at least 2 members and senior executives of the Company. Corporate Governance and Sustainability Committee has the term of office for 3 years who complete the term can be re-appointed to a new position as the Board of Directors deems appropriate

Name	Position	No. of Meeting/ No. of Meeting Attendance
1. Mrs. Tassanee Youngmeevithya	Chairman of Corporate Governance and Sustainability Committee	4/4
2. Mr. Chintat Chia-Apar	Member of Corporate Governance and Sustainability Committee	4/4
3. Mr. Pairoj Yangthong	Member of Corporate Governance and Sustainability Committee	4/4
4. Mr. Boonlert Foongvannaluck *	Member of Corporate Governance and Sustainability Committee	1/1
5. Ms. Yaowalax Tangsanguannuch *	Member of Corporate Governance and Sustainability Committee	1/1

Note: * The person no.4 and no.5 are as a Member of Corporate Governance and Sustainability Committee on 8 December 2022

Scope of Authority and Responsibilities of the Corporate Governance and Sustainability Committee

1. Consider, determine, and review in the Good Corporate Governance Policy, Business Ethics, Anti-Corruption Policy including other policies to support the company's operation in accordance with corporate governance guidelines and social, environmental responsibility in line with international standard practices. There is consideration for improvements to be up to date and suitable for the situation continuously.

2. Propose guidelines and advice to the Board of Directors about corporate governance principles, social, environmental responsibility as well as sustainable development guidelines such it must be consistent and suitable for the Company's business.

3. Supervise the company directors, executives and employees of the company to apply the principles of good governance and social, environmental responsibility and sustainable development are used in the organization's development.

4. Review the appropriate of all company policies at least once a year.

5. Propose new or updated policies to the Board of Directors.

6. Report to the Audit Committee on act related to the good corporate governance policy.

7. Evaluate own performance, both as a group and individually and report self-assessment results to the Board of Directors at least once a year.

In addition, in order to perform duties of the Corporate Governance and Sustainability Committee as assigned by the Board of Directors, therefore appointed Mr. Krisda Manohirawat, the Strategic Planning and Risk Management Department Manager as Secretary of the Corporate Governance and Sustainability Committee to assist about meeting appointments, preparing the agendas, submitting of meeting documents, recording the minutes of a meeting and following up on tasks assigned by the Corporate Governance and Sustainability Committee.

7.3.4 The Nomination and Remuneration Committee

The Board of Directors has appointed the nomination and remuneration committee. The committee consists of the 1 executive director and 3 independent directors, representing 75% of the total number of directors by Chairman of Nomination and Remuneration Committee is independent director. The committee has the term of office for 3 years who complete the term can be re-appointed to a new position as the Board of Directors deems appropriate. In 2022, The Nomination and Remuneration Committee has served to nominate qualified persons to be the Company's directors and senior executives of the Company. Also consider the criteria to pay remuneration to the Company's directors and other sub-committees in accordance with proper to their responsibilities and within the budget approved by the shareholders' meeting.

Name	Position	No. of Meeting/ No. of Meeting Attendance
1. Dr. Kamales Santivejkul	Chairman of the Nomination and Remuneration Committee	1/1
2. Dr. Sorachai Bhisalbutra	Member of the Nomination and Remuneration Committee	1/1
3. Dr. Worapong Leewattanakit	Member of the Nomination and Remuneration Committee	1/1
4. Mrs. Tassanee Youngmeevithya	Member of the Nomination and Remuneration Committee	1/1

Scope of Authority and Responsibilities of the nomination and remuneration committee

1.Considers the appropriate structure, and composition of members for the Board of Directors.

2.Establishes the qualifications of the Board of Directors and top management as well as criteria in

nomination of the Board of Directors and top management.

3.Establishes the qualifications of the Board of Directors and top management as well as criteria in nomination of the Board of Directors and top management

4.Defines nomination process in accordance with the composition and qualifications as the position of Board of Directors and top management.

5. Considers remuneration form and criteria to suit the responsibilities of the Board of Directors and top management by proposing to the Board of Directors, the Board of Directors shall consider and propose to shareholders' meeting for approval.

6. Determines criteria of conditional consideration of offering new issuing share to the Board of Directors and top managements, in the case that the company has offering new issuing share to the Board of Directors and employees.

7. Clarify all the questions of the remuneration of the company's director at the meeting of shareholder.

8. Submits an operation report annually to the Board of Directors.

7.3.5 The Executive Committee

The Board of Directors has appointed the Executive Committee that consist of the 3 executive directors, representing 100% of whole committee in order to manage, control, supervise and be responsible for various activities within the scope assigned by the Board of Directors.

Name	Position	No. of Meeting/ No. of Meeting Attendance
1. Mr. Narit Chia-Apar	Chairman of Executive Committee	13/13
2. Mrs. Tassanee Youngmeevithya	Member of Executive Committee	13/13
3. Mr. Chintat Chia-Apar	Member of Executive Committee	12/13

Scope of Authority and Responsibilities of the Executive Committee

1. Consider to formulate strategies and business plan including management structure, and Company's authority administrative to propose the Board of Directors for consideration.

2. Monitor, audit and determine the management policies for efficiency and productivities to conform to the instruction of the Board of Directors.

3. Support activities and adapt internal control in accordance with anti-corruption policies.

4. Consider and approve the Company's annual budget and investment prior to further approval of the Board of Directors.

5. Consider to formulate remuneration policy and salary structure of employees.

6. Has the power to do legal acts to bind the company within the scope specified in the company's

policies and regulations regarding operational approval authority.

7. Perform any other actions as assigned by the Board of Directors The delegation of duties and responsibilities to the Executive Committee shall not be granted or sub-granted to a grantee that make the executive committee or grantee from the Executive Committee can approve the transactions that they or persons who may have conflicts of interest having an interest or may have in any other with company or its subsidiaries, except is transaction approval according to policy and regulation that the Board has been consider approval by such them where the approval of transactions must be presented to the Board meeting and/or the shareholders' meeting for consideration and approving such transactions in accordance with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand or related laws and regulations.

7.4 Executive Information

7.4.1 List of name and position of executives

On 31 December 2022, the management of the Company are executives according to the definition of the Office of the Securities and Exchange Commission (SEC). There are 5 persons as follows:

Name	Position
1. Mr. Narit Chia-Apar	Chief Executive Officer
2. Mrs. Tassanee Youngmeevithya	Deputy of Chief Executive Officer
3. Mr. Chintat Chia-Apar *	Chief Organization Development Officer and Acting Chief Financial Officer
4. Mr. Boonlert Foongwannaluck	Chief Commercial Officer
5. Mr. Pairoj Yangthong	Chief Operating Officer

Note:1.* Mr. Chintat Chia-Apar has been approved for appointment of Acting Chief Financial Officer, effective from 19 April 2022.

2. Ms. Napatsawan Satthaboon resigned from her position as Chief Financial Officer and sub-committees on 18 April 2022

3. Details of directors and executives are in Attachment 1.

Scope of Authority and Responsibilities of executives

1. Supervise the operation, management and/or normal business operations for the benefit of the Company

2. Operate in accordance with the policies, work plans and budgets approved by the Executive Committee and/or the Board of Directors

3. Prepare and propose policies, business plans, business strategies, budgets and investments for presentation to Executive Committee Meeting.

4. Supervise the operations of the Company to be in accordance with the policies, work plans and budgets approved by the Executive Committee.

5. Authorize to consider and approve financial expenditure in the normal business operations of the Company for the Company's operation that the credit limit for each item is as specifies in the approval

Chief Executive Officer annual performance assessment

The Board of Directors had conducted annual performance assessment of Chief Executive Officer to accordance with the SET guideline. The company had delivered assessment to the committee evaluation, which includes assessment topics as follows:

1. Leadership
2. Strategies
3. Compliance to strategies
4. Planning and financial practices
5. Relationship with Board of Directors
6. Relationship with externals
7. Management and relationships with employees
8. Succession
9. Product knowledge and services
10. Personal attribute

CEO performance for year 2022 was evaluated by 7 directors (excluding CEO). Overall, in 10 topics considered an excellent.

Executive Remuneration

Remuneration for the Chief Executive Officer and the top management is in accordance with the principles set by the Company by using the criteria for evaluating performance according to the KPI set by the Company, through the concept of the Balanced Scorecard that has been defined and reviewed by the Board of Directors. The said remuneration

determination takes into account the performance of the Company and the performance of each executive. The remuneration of the management consists of:

1) Cash Remuneration

In 2022, the company has paid management remuneration, which consisted of salaries totaling 15.99 million baht.

2) Non-cash Remuneration

-None-

Possessing of the Company's Securities of Directors and Executives

Directors and executives of the company holding the Company's securities are as follows:

Board of Directors and Executives	Shareholding *			
	As of 16/03/2022		As of 31/12/2022	
	Shares	%	Shares	%
1. Mrs. Tassanee Youngmeevithya	212,400,000	22.91	212,400,000	22.91
2. Mr. Narit Chia-Apar	216,606,000	23.26	215,606,000	23.26
3. Mr. Chintat Chia-Apar	134,107,000	14.47	134,107,000	14.47
4. Mr. Narongrit Chiarawongvanit	1,153,000	0.13	1,153,000	0.13
5. Dr. Kamales Santivejkul	2,000,000	0.22	2,000,000	0.22
6. Dr. Sorachai Bhisalbutra	1,900,000	0.21	1,900,000	0.21
7. Dr. Worapong Leewattanakit	1,100,000	0.12	1,100,000	0.12
8. Mrs. Supanee Punnsri	841,900	0.09	841,900	0.09
9. Ms. Chankate Chia-Apar	50,932,400	5.49	50,932,400	5.49
10. Mr. Boonlert Foongvannaluck	460,000	0.05	460,000	0.05
11. Mr. Pairoj Yangthong	143,000	0.02	143,000	0.02

Note: Securities holding is including the securities holding by own, spouse, and immature child

7.5 Employees Information

Personnel

The Company and its subsidiaries have 2,544 employees totally, divided into production line 2,272 persons, management line 261 persons, sales line 11 persons In terms of various compensation and benefits

(salary, wages, allowance, bonus, provident fund) the total amount was 1,163.91 million baht.

In addition, the company has established a provident fund according to the Provident Fund Act, B.E.2530 (1987) established on 10 April 2006, which is to encourage members to have savings for future welfare, as well as being a guarantee for members and their families upon their death, becoming incompetent,

resigned from the Company or complete the working period according to the Company regulations by the name “THE PROVIDENT FUND SCBAM MASTER FUND ALREADY REGISTERED”, which has been registered with SCB Asset Management Company Limited as the fund manager.

Additionally, the Company offers other benefits such as group health insurance, personal accident insurance, emergency loan, staff dormitory, fitness center, leisure center etc.

Policy on Personnel Development and Promotion

Seafresh Industry Public Company Limited has prioritized human resource development at all levels and is committed to developing knowledge, competence, and increasing the skills of operations continually through a personnel development plans for individuals, department as well as specific individuals which has conducted regular training and follow-up as part of creating opportunities for career growth along the career path with efficiency and effectiveness. The following is a human resource development action plan:

1. Annual Development and Training

Human Resources Department has committed to continuously in upgrading the competency of employees at all levels ever year by Division of Welfare, Training Development and Work System Standards which has a meeting to plan and set annual both of in-house and public training courses to employees, averaging about 6 hours per person according to the following 5 goals:

- 1) To comply with laws
- 2) To develop knowledge and create a food safety culture
- 3) To foster the management of standard systems

- 4) To enhance the competency of employees
- 5) To develop the organization

In addition, it has also coordinated with Chumphon Office for Skill Development to organize training courses and skills test for specific skill standards of employees in order to enhance the level of knowledge, competency of employees to support a various work.

In-house training

To cover goals as specified, such as:

- **Occupational safety courses and emergency response plans** to enable employees to learn, having understanding of the methods and procedures for conducting own self to ensure safety for the operators, colleagues and corporate assets, including emergency procedures which are to prepare for various situations such as Fire Fighting training and emergency evacuation and work safety regarding forklift etc.
- **Quality Systems and Food Safety Courses** to enable employees to learn quality systems standards and having understanding food safety practice methods to ensure that produced products are quality, clean, and safe in accordance with various standards.
- **Training courses focused at enhancing the specific competency of employees** for encouraging employee learn the part that related to their work, to gain expertise such as maintenance of production line machines, reduce crashes of machinery (Break down). As well as encouraging employees to be experts in sensory expert, which can distinguish products from touch, smell, taste, sight and hearing in testable products, as well as know of raw materials used in production.

Public Training

The Company has sent personnel to train with external agencies or training through online system for specific courses necessary with the agencies, training institutes, or speakers with unique expertise to allow employees to add knowledge, abilities, and increase operational skills such as Personal Data Protection Act B.E.2562 (2019) etc.

In addition to organizing both of in-house and public training, personnel development need to on the job training (OJT) required along with actual work for employees to try when working as well as in real life, along with learning through experience which is an important learning tool. The Company is also developing working skills through the department so that employees can fully understand the operation.

During the 2019 coronavirus epidemic (COVID-19), training and learning sessions are quite limited. Therefore, the Company creates learning materials suitable for online learning, in order to transfer knowledge to employees, as well as self-learning at all times. This can enable employees to effectively reduce the gathering of employees and/or speakers from outside the organization.

1. Corporate Culture Promotion

Corporate Culture as a framework of expected behavior in accordance with vision, mission and care values of the organization to be the foundation for creating good behavior for all employees in work. Company's Corporate Culture has 4 groups, as follows:

1. Hands-on and Knowledgeable Leadership
2. Humble & Caring Attitude
3. Ethical Business and Management Philosophy
4. Dedicated to Performance

In this regard, the behavior appraisal of operational according to the Corporate Culture, in addition to the performance appraisal according to Key Performance Indicator: KPIs in order to stimulation, support and encourage employees in all departments to strive for improvement and self-development according to the format specified by the organization.

7.6 Other Important Information

Information of Company Secretary

The Board of Directors considers and appoints knowledgeable, competence, and appropriateness person as the company secretary to help support related work to be carried out with efficiency and effectiveness as required by law. The Board of Directors has appointed Mr. Chintat Chia-Apar as the company secretary since 21 June 2022. The scope of duties and responsibilities of the company secretary are on page 52 and Attachment 1.

Information of Head of Internal Audit

The Audit Committee has considered and appointed Ms. Yaowalax Tangsanguannuch, Chief Audit Officer, as the Secretary of the Audit Committee, who is responsible for auditing and evaluating the internal control of various activities in the Company consistent with the purpose and Company goals and has other audit duties as assigned by the Audit Committee. The details about the person holding the position of Head of Internal Audit appear in Attachment 3.

Information of Investor Relations

The Board of Directors has establish an Investor Relations Department that operates under "Investor Relations Code of Conduct" (for more detail: www.seafresh.com/investor) and is the center to care about the disclosure of the Company's information to shareholders, investors, institutional investors, analysts,

and the general public who are interested in the Company's securities equally and fairly.

In 2022, the Company has organized activities to meet with securities analysts (Analyst Meeting) every quarter as shown in the table.

Quarter/Year	Analyst Meeting
Quarter 4/2021	8 March 2022
Quarter 1/2022	26 May 2022
Quarter 2/2022	18 August 2022
Quarter 3/2022	22 November 2022

for senior management to provide various information and report operating results to securities analysts. Moreover, there is disclose financial statement and activity news of the Company are also presented through the Company's website: www.seafresh.com/investor.

As for investor relations, the Investment and Investor Relations Department has been assigned to communicate with institutional investors, shareholders, and analysis. Investors can contact the Company for information about the Company by calling 02-637-8888 ext. 531 or the e-mail address: investor@seafresh.com

Information of Compliance

The Company has not set up a specific compliance unit. However, the Audit Committee has assigned the Internal Audit Department to review the Company's operations to ensure compliance accordance with the law, SET regulations or rules and other, through report to the Audit Committee. In addition, if there is a new law that is changed and to be effective, the Company's legal division will provide information to executives and operate in any documents related to the Company's business operations in accordance with law.

Auditor's Remuneration

The Company's auditors for the year 2022 is Ms.Kesanee Srathongphool, Certified Public Accountant Registration No.9262 from Grant Thornton Company Limited. The Auditor fees are paid by the Company to Grant Thornton Company Limited as follows:

1) Audit Fee

The Company and subsidiaries pay the audit fees to

- In 2022 with a total amount of Baht 3.4 million for the company and subsidiaries in Thailand and a total amount of Baht 5.34 million for overseas subsidiaries.

2) Non-audit Fee

-None-

Report on Key Performance in

Corporate Governance

8.1 Summary of the Board of Directors' Performance in the Past Year

8.1.1 Recruitment, Development and Evaluation of the Performance of the Board of Directors

(1) Independent Director

Definition of Independent Committee

Independent directors must have following qualifications of the Securities and Exchange Commission and the Stock Exchange of Thailand, which require at least one-third of all directors to be independent directors but must not be fewer than three people.

Qualifications of independent directors of the Company are in compliance with the requirements of the Stock Exchange of Thailand and the Securities and Exchange Commission and the Stock Exchange of Thailand as follows:

(1) Holding no more than 1% of the total voting shares of the company, subsidiary company, associated company, or juristic persons with potential of conflict of interest, including shares held by related person of that independent director.

(2) Not being or used to be a director who participates in management, employees, advisors who receive a regular salary, or has control over the Company, subsidiary company, associated company, subsidiary of the same level, major shareholder, controller of the Company, or juristic persons with

potential of conflict of interest, unless the relationship has ended for at least 2 years before the date of appointment as a director.

(3) Not a person who has a blood relationship or by legal registration in the form of a father, mother, spouse, siblings, and children, including spouses of children of executives, major shareholders, controllers, or the person who will be nominated as an executive, or the person who has the power to control the Company or its subsidiary.

(4) Does not have or had a business relationship with the Company, subsidiary company, associated company, major shareholder, the person who has the authority to control the company, or juristic persons with potential of conflict of interest in a manner that may impede the exercise of one's independent judgment, including not being or having been a significant shareholder or a person with control authority over a person having a business relationship with the Company, subsidiary company, associated company, major shareholder, or the person who has the authority to control the Company, unless the aforementioned nature has been terminated for not less than 2 years before the date of appointment as a director.

(5) Not or has not been the Company's auditor, subsidiary company, associated company, major shareholder, or the person who has the authority to control the Company in a manner that may impede the exercise of one's independent judgment, including not being or having been a significant shareholder or a person with control authority, or partner of an audit firm

which has the Company's auditor, subsidiary company, associated company, major shareholder or the person who has the authority to control the Company, unless the aforementioned nature has been terminated for not less than 2 years before the date of appointment as a director.

(6) Not or has not been a professional provider of any kind. This includes serving as a legal or financial advisor which receives service fees of more than 2 million baht per year from the company, parent company, subsidiary company, associated company, major shareholder, or the person who has the authority to control the company and is not a significant shareholder controller or a partner of that professional service provider unless the aforementioned nature has been terminated for not less than 2 years before the date of appointment as a director.

(7) Not being a director who has been appointed to represent the Company's directors, major shareholder, or shareholders who are related to major shareholders.

(8) Does not operate businesses with the same nature and are in significant competition with the Company's business or a subsidiary, be a significant partner in the partnership or being a director who takes part in the management, an worker, an employee, an advisor who receives a regular salary or hold more than 1 percent of the total number of shares with voting rights of other companies that operate businesses of the same nature and are in significant competition with the business of the Company, subsidiary company, or its associated company.

(9) There is no other nature that prevents the expression of an independent opinion on the operations of the Company.

(2) Nomination and Appointment of Directors and Chief Executive Officer

The Nomination and Remuneration Committee is responsible for selecting qualified persons to serve as directors and propose to the Board of Directors and/or the shareholders for further consideration.

In this regard, for the selection of the Company's directors to replace those retiring by rotation, which must be passes by the shareholders' meeting to appoint them, the directors will use a majority vote in accordance with the rules and procedures as follows:

1. Each shareholder has a vote equal to 1 share per 1 vote.
2. Each shareholder must use all available votes in accordance with 1. to elect one person or many people as directors but cannot divide the votes to any person to any extent.
3. Person who received the highest number of votes in descending order is to be elected as directors equal to the number of directors the shareholders' meeting must elect at that time. In the case of persons elected in descending order have equal votes exceeding the number of directors to be elected by the shareholders' meeting at that time, The Chairman of the meeting shall have a casting vote.

Additionally, the Company also gives the opportunity for minority shareholders to have the right to nominate individuals to be considered for election as the Company's director before the general meeting of shareholders in advance through fax 02-637-8801 or email: investor@seafresh.com. The Company has established guidelines and practices in the nomination of directors including the consideration of the committee at the company's website: www.seafresh.com/investor and also published a letter to the shareholders through the system of the Stock

Exchange at least 3 months before the end of the financial year. However, in the yearly 2022, there had been no shareholders recommended any directorship candidates.

Chief Executive Officer Recruitment

In the selection of individuals for positions such as Chief Executive Officer (CEO), the Executive Committee will be the primary consideration in screening candidates who qualifications, knowledge, skills, experience to benefit company's operation, well understanding of the business, and able to manage for achieve the given objectives and targets, then present to the Nomination and Remuneration committee for approval then present to the Board of the Directors for consideration and approval.

Development of Directors and Executives

The Company has given importance to regularly attending training courses and seminars related to the development of knowledge and abilities of directors. In 2022, there are seminars on many topics via online channels where executives have also attend much online training.

In addition, the company's chief executive officer was invited to be a guest speaker in the course TEN X: Transformational Executive Network for Exponential Growth, Class 1, on the topic "Sharing Best Practice: Private Sector/ FOB", organized by the University of the Thai Chamber of Commerce.

Self-Assessment of the Board of Directors and Sub-committees

The Board of Directors has provided a self-assessment of the performance. Each director has carefully and independently assessed the performance of the Board of Directors, both individually and in all sub-committees at least 1 time per year, by using the

concept of the assessment form based on the example published by the Stock Exchange of Thailand, which such assessment aims to

1. Help consider the review of the work, problems, and obstacles during the past year.
2. Make the work of the board more productive because they clearly know their responsibilities.
3. Help improve the relationship between the Board of Directors and the Management.

Process and Criteria of the Assessment

- The performance evaluation of the Board of Directors comprise of as the entire board and individually including the performance evaluation of the performance of 5 sub-committees (Audit Committee, Risk Management Committee, Corporate Governance and Sustainability Committee, Nomination and Remuneration Committee and the Executive Committee) which requires that the performance be evaluated at least once a year on an annual basis.
- Assigned to the company secretary send the self-assessment form of the directors and collects results assessment together with proposed to the Board of Directors for consider the results of the assessment and use as a guideline for developing operations to be more efficient.
- Criteria for performance appraisal with the calculation and scoring criteria of the performance appraisal form as follows:

1. Performance Appraisal Form scoring criteria

Agreement Level	Score
• Strongly agree	4 points
• agree	3 points
• disagree	2 points
• Strongly disagree	1 points

2. Measurement criteria for the summary of the overall average score of the performance appraisal:

Criteria	Average Total Score (Percent)
• Excellent	Equal to or more than 90 percent
• Very Good	Equal to or more than 80 percent
• Good	Equal to or more than 70 percent
• Fair	Equal to or more than 60 percent
• Should improvement	Less than 60 percent

Self-assessment of the entire Board of Directors

Each director assessed the performance of the Board of Directors as a whole, with assessment criteria as follows:

1. Structure and qualifications of directors
2. Roles, duties and responsibilities of the Board of Directors
3. Meeting attendance
4. The duties of the Board
5. Relationship with management
6. Self-development of Directors and executive's development

Board of Directors Self-Assessment

Each director assessed the performance of the Board of Directors as individual person, with assessment criteria as follows:

1. Structure and qualifications of directors

2. Roles, duties and responsibilities of the Board of Directors
3. Meeting attendance

Sub-Committee Self-Assessment

The Company has provided an assessment of the performance, both individually and whole sub-committee for the year 2022. Each sub-committee members assesses the performance of the sub-committees in which they hold office, with assessment criteria same as the self-assessment of the Board of Directors above.

Summary of overall performance assessment of the Board of Directors and sub-committees, both as a group and individually for the year 2022: good to excellent level. The Board of Directors will use the assessment results for further improvement and development.

Number of Companies in which Directors hold Offices

The Company has disclosed information and details on the position of Directors, Executives, and Company Secretary in other companies in Attachment 1. At present, the Board of Directors does not have directorships in more than 5 listed companies.

Succession Plan

The Board of Directors realizes the importance of the succession of chief executives level, therefore has set to prepared a succession plan for the Company's operations to continually and efficiency, which has set the proceed guidelines as:

1. The Nomination and Remuneration Committee and Chief Executive Officer shall jointly plan succession position task of high-level executive of the Company by determining the knowledge, competency, experience of each position in order to select person who has capable and potential to join.
2. To encourage for executive development programs by promoting training to increase potential.
3. Encourage and support to provide the allocation of new job characteristics to challenge including new job position rotations to lead to growth in career path.
4. Provide appropriate compensation to retain personnel to growth with the company.
5. The Nomination and Remuneration Committee will report the changes in high-level executive position to the Board of Directors for acknowledge.

Director Orientation

The Company realizes the importance of performing the duties of new directors. Therefore, an overview orientation of the Company and its

subsidiaries has been organized to understand the business relationship and shareholding structure. It also provides the important and necessary information to perform duties of the directors; for example, Management Structure, Company Regulations, Company Objectives, Corporate Governance Policy, Business Code of Conduct, Relevant Laws, Operating Results and Company Development, etc.

In 2022, there were no new directors.

8.1.2 Meeting Attendance and Remuneration of the Board of Directors

(1)The Board of Directors' Meeting

Due to Company article of association, the Board of Directors meeting shall be arranged with more than half members must attend the meeting. However, the Board of Directors has considered that the meeting shall be held with more than two-third of all Directors.

The meetings have been scheduled annually as tentative time schedule in December. There will be a board meeting once per month, except April and October but editable due to time and events. An independent director will be appointed to consider and set meeting agenda. Company Secretary would send the meeting documents and invitation to member of the Board at least 7 days before the meeting. Normally, the meeting takes about 3 hours. Thus, the Chairman has allocated sufficient time to executives present and explains significant matters the committee commented independently. Directors are also invited to ask for more information in order for consideration within scope of company's policies or regulations.

In addition, the independent directors are able to arrange a meeting among them as necessary for discuss of issues about the deal without management in attendance, and report the result of the meeting to the Chairman.

In 2022, there is no meeting among independent directors.

Meeting Attendance

All of the Company's directors have place importance and devote their time to attend the Board

of Directors Meeting and Annual General Meeting of Shareholders.

In 2022, Details of meeting attendance of the Board of Directors are as follows:

(Unit: Baht)

Name	Position	Board of Directors Meeting	
		Board of Directors	AGM
1. Mrs.Tassanee Youngmeevithya	Chairman of the Board of Directors/Chairman of Risk Management Committee/ Chairman of Corporate Governance and Sustainability Committee /Member of Nomination and Remuneration Committee/Deputy Chief Executive Officer	10/10	1/1
2. Mr.Narit Chia-Apar	Director/Chairman of Executive Committee/ Chief Executive Officer/ Advisor to the Corporate Governance and Sustainability Committee	10/10	1/1
3. Mr.Narongrit Chiarawongvanit	Director	10/10	1/1
4. Dr.Kamales Santivejkul	Independent Director/ Chairman of Audit Committee/ Chairman of Nomination and Remuneration Committee	10/10	1/1
5. Dr.Sorachai Bhisalbutra	Independent Director / Member of Audit Committee/Member of Nomination and Remuneration Committee	10/10	1/1
6. Dr.Worapong Leewattanakit	Independent Director / Member of Audit Committee/ Member of Nomination and Remuneration Committee	10/10	1/1
7. Mrs.Supanee Punnsri	Independent Director	10/10	1/1
8. Mr.Chintat Chia-Apar	Director/Member of Risk Management Committee /Member of Corporate Governance and Sustainability Committee/ Member of Executive Committee/Chief Organization Development Officer/Acting Chief Financial Officer/Company Secretary	10/10	1/1
9. Ms.Chankate Chia-Apar	Director	10/10	1/1

Directors' Remuneration

Directors' remuneration is reviewed annually which set by the committee. In regard, such remuneration will in an appropriate level comparable to the market and the same industry and suitable for the burden scope of the assigned roles and

responsibilities. This includes enough to motivate and retain quality directors for the company.

Criteria in proposal for the directors' remuneration as follows:

- Non-executive director will receive only a meeting allowance by the number of attendants. In case of they are assigned to be a director of sub-

committee, they have the right to receive a meeting allowance by number of attendants.

- The executive director will not receive meeting allowance

The Nomination and Remuneration Committee will initially consider the remuneration. Then bring the information presented to the Board of Directors meeting to consider before presenting to the shareholders' meeting for approval. The remuneration for directors and sub-committees for the year 2022 approved by

shareholders, the total amount is 2,000,000 baht, which the monetary compensation component is the meeting allowance only. In 2022, the Company has paid various remunerations to directors as follow:

1) Monetary compensation

Total director remuneration for the year 2022 is 1,470,000 baht, which is the meeting allowance (amount 13,333 baht per time)

2) Other compensation

- None -

Name	Position	Remuneration		
		Board of Directors	Audit Committee	Nomination and Remuneration Committee
1. Dr.Kamales Santivejkul	Independent Director Chairman of Audit Committee Chairman of Nomination and Remuneration Committee	166,667	160,000	13,333
2. Dr.Sorachai Bhisalbutra	Independent Director Member of Audit Committee Member of Nomination and Remuneration Committee	166,667	160,000	13,333
3. Dr.Worapong Leewattanakit	Independent Director Member of Audit Committee Member of Nomination and Remuneration Committee	166,667	160,000	13,333
4. Mrs.Supanee Punnsri	Independent Director	150,000		
5. Mr.Narongrit Chiarawongvanit	Director	150,000		
6. Ms.Chankate Chia-Apar	Director	150,000		
Total		950,000	480,000	40,000

- Note**
1. None of director received any remuneration from being directorship of the subsidiary company
 2. No remuneration is paid to executive directors

8.1.3 Operation Supervision of the Subsidiaries and Associated Company

The Board of the Directors has a mechanism in supervision to able to a control, management, and responsible the operation of the subsidiaries and associated company to maintain benefits in investments of the company by determined the person who assigning from the Company must supervise the operation of the connected transaction, acquisition or disposition of assets, or any other crucial transactions, and apply the rules relating to the disclosure of information and make the above transactions in the same manner as the Company's regulations. This includes supervising the data collection and accounting records by using the same accounting policy, verifiable and complied to prepare financial statements in time.

8.1.4 Monitoring to Ensure Compliance with Corporate Governance Policies and Guidelines

1. Interest Disclosure

The committees specify the company director and executives must reveal their own interest and other related person to the committee. Those related interest director or executives with the company will unable to make a decision in such related transaction.

2. Conflict of Interests

The Company has established policies and approval procedures for any transactions of conflict of interest or relating activities. Strict practice according to the SET's regulations will be followed and considered to ensure persons related to such conflict of interests have not involvement in any of the company's decision-making. The company has clearly

disclosed the information in the financial statements, see note to Financial Statements.

In 2022, the Company did not have a case that may cause a conflict of interest.

3. Supervision of Inside Information Usage

The Company has policies and measures to protect inside information of personal benefit in misuse as follows:

- The Directors, managements are responsible to report the change to the company's stock holding to the Securities and Exchange Commission and to the Board of Directors Committee in the Board meeting.
- The Company's directors, executives, and employees who are in the internal information department are prohibited from trading in the Company's securities during the first month before the disclosure of the financial statements to the public and for 24 hours after the disclosure of the financial statements.
- Violation in abuse of company's inside information for personal interests will be imposed with severe punishment such as termination of directorship or employment.

In 2022, there was not found that the directors and executives had not traded in securities during the period the company had set to refrain from trading.

4. Governance and Information Technology Management

The Company has established an information technology systems management policy to be a framework for governance and an information technology management at the organization level, the contents of the policy are as follows:

- Manage the company's computer network to be stable and efficient, as well as controls, supervises, maintains computer equipment and communication equipment to have the number and condition ready for use at all times.
- Develop information systems (database, processing, storage, reporting, and publishing) for effective management and decision-making.
- Encourage and develop personnel to have knowledge and skills in using information systems continuously.
- Provide up-to-date information technology to support efficient operations taking into cost and maximum benefits.
- Provide IT Security risk management for computer network systems and information systems.
- No violation of software licenses.
- Comply with laws and regulations related to the use of information technology.
- Manage access to all types of social networking media, including message dissemination, still images, animations, sound, any an information to be secure in the use of social media.

5. Internal Controlling System and Risk Management System

The Company recognizes the importance of internal controlling system of all levels. Therefore, we have clearly established written responsibilities and duties of management and all other employees as well as setting up the budget limit for approval of procurement requests, procurement orders, and other expenses. We created the checked and balanced system and control the utilization of the Company's assets to the maximum benefit. The Company also set

solid financial control system and risk management system including preventive measures.

The Internal Audit Department has been established to conduct internal auditing of the Company's operation systems to ensure full compliance to the Company's legal and regulatory requirements. The internal audit department is obligated to report its finding directly to the audit committees.

In 2022, the Audit Committee had evaluated the Company's internal control system according to the sufficiency assessment form through review and questioning the Management accordance with the framework of internal control 5 components are 1.Control Environment 2.Risk Assessment 3.Control Activities 4.Information and Communication and 5.Monitoring and Evaluation. The Audit Committee considered that the Company had adequate and appropriate internal control systems their efficiency, including no significant mistake were found.

6. Anti-corruption

A corruption is a major risk factor. On September 6, 2013, the Company signed a mutual agreement with the Private Sector Collective Action Coalition against Corruption (CAC). The Company is certified as a member of CAC, on February 4, 2019, and got the 1 extensions of the certification on September 30, 2021. The Board of Directors reviewed the anti-corruption policies to be in line with the details of the regional coalition agencies. The Thai private sector in anti-corruption has to be added to the current business operations. To comply with the anti-corruption policies, the Company has taken the following actions:

Fraud Risk Assessment

The Company has conducted an assessment of risks related to corruption to establish clear and consistent guidelines for such risk assessments for appropriate compliance with anti-corruption policies.

Guidelines to Control, Prevent and Monitor Fraud Risks

- Internal Audit provides a process to review the suitability of control measures in key departments such as general purchasing, marketing and sales, accounting etc. to prevent and monitor the risks that may arise, as well as give suggestions on appropriate improvements.
- Establish anti-corruption policies as a guideline for all directors, executives, and employees to adhere to in general.
- Provide channels for receiving clues or complaints about wrongdoings. Violation of laws, company regulations, or anti-corruption policies. There is a provision to protect those who cooperate in whistleblowing or refusing corruption and corruption related to the Company from suffering harm or not receiving fairness arising from their cooperation in anti-corruption.

Training and Communication

The Company has supported activities that encourage employees to understand anti-corruption. For example, the new employee orientation training, knowledge public relations with practical guidelines, testing knowledge and understanding of executives, and employees at all levels.

In addition, the Company has published and communicated anti-corruption policies for directors, executives, employees at all levels and companies in

the group in the form of written documents and disclosures on the Company's website (www.seafresh.com/investor) under the title "Corporate Governance", acknowledging that the Company does not accept any form of corruption.

Follow-up and Evaluation of Performance in accordance with Anti-corruption Measures

The Company has reported the results of its audits relating to fraudulent forms of giving or receiving gifts, entertainment, sponsorships, donations, political contributions, conflicts of interest, facilitation payments and the hiring of government employees presented to the Audit Committee to ensure that the operations of the various departments in line with the anti-corruption policy and action for prevent involvement in corruption.

8.2 Report of the Performance of the Audit Committee in the Past Year

In 2022, the Audit Committee held a total of 12 meetings, with all directors attending every meeting to perform duties as stipulated in the Audit Committee's charter and has a meeting agendas with the external auditors which is Grant Thornton Company Limited to considered about the financial reports of the Company, as well as recommendations and audit reports of such departments. In addition, the Audit Committee has a meeting with the internal audit department which has reported the results of the audit and the annual audit plan for acknowledge and has made useful recommendations for various aspects of control, including reviewing the appropriateness of the charter to ensure that the content of the Charter is consistent with the Company's corporate governance objectives and strategies.

The Company has a process for preparing financial reports following Thai Financial Reporting Standards and has not found any items that may have a material impact on the internal audit system's financial statements and risk management are appropriate, adequate, and efficient. Related transactions are normal business transactions, reasonable and no unusual transactions have been found, including complying with the Securities and

Exchange Act, regulations, and other relevant laws strictly.

8.3 Summary of the Performance of Other Sub-Committees

Details of sub-committees in part of meetings and performance of sub-committees in 2022 are shown in title 7.3 Information about sub-committees and Attachment 6

Internal Control and Connected Transactions

9.1 Internal Control

The Board of Directors has given importance on adequate and appropriate to processes and internal control systems. Therefore, an internal control system has been established that covers financial matters, management and operations must be efficient and effective, compliance with applicable laws, regulations, and relevant regulations suitable for the work environment or that activities for the Company to achieve goals and objectives effectively by the Board of Directors has assigned the Audit Committee, who is an independent director, to review the adequacy and appropriateness of the Company's internal control system. According to the sufficiency assessment form of the internal control system of the Securities and Exchange Commission every year, the Audit Committee Charter has been approved by the Board of Directors. Determine the scope of work, powers, and responsibilities, as well as clear guidelines for conducting and performing audits.

9.1.1 Framework for Internal Control Practices

The Company has an internal control system in accordance with the framework of internal control practices by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The 5 components are summarized as follows:

1. Control Environment

The Company has adjusted its corporate strategic plan periodically to be appropriated and in line with the changing business conditions in order to maximum efficiency. In the past year, the Board of Directors has resolved to extend the scope of duties and responsibilities of the Corporate Governance Committee to overseeing sustainability and change the name to "Corporate Governance and Sustainability Committee". In this regard, has prepared "Sustainability Policy" and communicated to all employees. In addition, a written procedures have been prepared and revised to suitable the Company's business. There is a review, audit, assessment and follow-up of the actual operations in various transactions of the Company. There are policies and operational plans by taking into account fairness to customers, society and the environment, which the Board of Directors has supervise to ensure compliance with the policy. In this regard, there must be clear business goals that can be measured in order to achieve the specified objectives and for the long-term benefits of the Company.

2. Risk Assessment

The Company has assessed risk factors that may affect the Company's business operations and established the Risk Management Committee to analyze events that cause risk factors. It also defines measures to monitor events that cause risk factors. In this regard, the strategy planning and risk management department has reported the results of risk management to the meeting of the Executive Board Committee, the Audit Committee and the Board of Directors every quarter.

3. Control Activities

The Company has set the scope of duties and a limit on the approval authority of each level of management are clearly defined, prepare written manual and use balance and checking system to follow-up oversee the subsidiaries' operations and joint venture regularly. In addition, there is an annual audit plan to ensure that the Company's operations are in compliance with the Company's regulations and relevant laws.

4. Information and Communication

The Company provides various important information for the Board of Directors in order to decision-making sufficiently, recording and summarizing the opinions of the meetings in the minutes of every Board of Directors meeting. There is an information system for effective communication with employees at all levels within the organization. There is keep documents supporting accounting records as required by law and there is also a meeting between the Audit Committee and the external auditor to review the accounting policies according to generally accepted principles whether suitable for the business including consider various significant matters according to the auditor's report.

5. Monitoring

The Company arranges for the Board of Directors' meeting around 10 meetings a year and the executives' meeting regularly monthly to consider and monitor the Management's performance whether to accordance the targets. In the Board of Directors' meeting or executives, if the operating performance differs from the targets. There will be a resolution for the relevant department to take corrective action, including arranging to monitor and audit the business operation according to the Company's rules and according to internal control system by the Audit Committee, which held 12 meetings in 2022, will report significant audit results to the Board of Directors. When there is an incident of fraud violations of regulations or laws must also be reported to senior management up to the Chief Executive Officer, if severe cases must be reported to the Board of Directors. The Company's auditor is Grant Thornton Company Limited, who audited the financial statements for the period from 1 January 2022 to 31 December 2022. The auditors uses a review method for the Company's accounting internal control system determine the audit, review and scope of work for such period and did not find any material to recommend the company to improve the internal control system in any way.

9.1.2 Board of Directors' Opinion on the Internal Control System

At the Board of Directors' Meeting No.2/2023 on 27 February 2023, the Board of Directors has considered and resolved that the Company's internal control system is suitable, sufficient, and efficient according to the principles of good corporate governance and in the audit of the financial statements for 2022 by Grant Thornton Company Limited, who reviewed the quarterly financial statements and audited the 2022 financial statements, reported that from the review statements of financial position, performance, and cash flows was present fairly, in all material respects in accordance with Thai Financial Reporting Standards.

9.1.3 Internal Audit

The Company has an internal audit department that reports directly to the Audit Committee. Its primary duty is to evaluate the sufficiency, effectiveness, and risk management of work systems and activities in order to ensure that the Company has an internal control system that can run efficiently in accordance with the Audit Committee's approved annual audit plan.

9.2 Related Transactions

In 2022, the Company has transactions with persons who may have conflicts of interest as disclosed in item 6 of the remark to the financial statements for the year ended 31 December 2022. The auditor stated that such transactions were normal business. The details of the said transaction are as follows.

Name and Relationship	Transaction	Person with RPTs	Transaction Value (Million Baht)			Pricing Policy and Transaction Rationality
			2022	2021	2020	
<u>Chartered Square Holding Company Limited</u> Mr.Narit Chia-Apar and Mrs.Tassanee Youngmeevithya, Mr.Chintat Chia-Apar and Ms.Chankate Chia-Apar, as Directors and Chia-Apar Group, as Shareholders, held 100% of shares.	-Office rental and service	CFRESH/SIHQ	9.55	9.18	9.29	Cost plus margin
	-Sales of goods	CFRESH	0.18	0.02	0.06	Cost plus margin
	-Service fee: Information Technology & others	CFRESH/MSI	0.30	0.31	0.43	Cost plus margin
	-Trade receivable	CFRESH	0.05	-	-	
	-Other payable	CFRESH/MSI	0.17	0.17	0.17	
<u>Thai K.Boiler Company Limited</u> Mr.Narit Chia-Apar and Mrs.Tassanee Youngmeevithya as Directors and Chia-Apar Group, as Shareholders, held 100% of shares.	-Service fee and equipment: Boiler Inspection service & others	CFRESH	1.73	0.61	0.30	Cost plus margin
	-Purchase of assets	CFRESH	-	-	0.53	Agreed price
	-Assets payable	CFRESH	-	-	0.38	
	-Other payable	CFRESH	0.01	0.01	0.24	
<u>Belize Aquaculture Limited (BAL)</u> the joint venture which 50% of shares holding by SGH (CFRESH's subsidiary) and 50% of unrelated party	-Other receivable		443.47	374.46	316.55	SGH has lent with 8% of interest rate and the maturity date within 13 April 2018. The lending is one of the conditions for joint venture, which approved by the BOD of CFRESH no.4/2012 on 19 April 2012.
	-Lending		383.63	358.34	325.30	
	-Accrued interest receivable		81.28	71.58	61.82	
<u>Mr.Narit Chai-Apar</u> as Director and shareholder	-Short-term loan		70.00	70.00	-	Short-term loan amounting to 20 MB and 50 MB, at an interest rate of 5.90% per annum, with repay on 29 September 2023 and 4 October 2023, respectively.
	-Loan interest		4.13	1.02	-	
	-Other payable		4.13	0.02	-	

Necessity and Rationality of Related Transactions

The auditor examined related party transactions and concluded that such connected activities are primarily related to the trading of products. Such business transactions are subject to mutually agreed-upon terms or rules and are conducted in accordance with conventional business practices. The auditor has reported such transactions to the Audit Committee on a quarterly basis.

The Board of Directors has approved a principle according to the Securities and Exchange Act (No.4) B.E. 2551 under Section 89/12 (1), the management can approve such transactions if those transactions have a trade agreement in the way of person of ordinary prudence, and shall be done with the general counterparty under the same circumstances with commercial bargaining power without influence of being a director, executives or related person.

In 2022, the Audit Committee considered connected transactions or items that may have conflicts of interest, including the disclosure of such transactions according to the regulations of the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission and found that such transactions are normal business operations of the Company at a reasonable price and has disclosed sufficient, accurate, and complete information.

Guidelines or Trends for Connected Transactions

The Board of Directors has considered the connected transactions of the Company to be in compliance with the law and regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission. The Company has guidelines for making related transactions with persons who may have conflicts of interest in the future. The conditions will be set according to the normal nature of the business as well as having measures for approval of related-party transactions as normal business practices. The directors, executive directors or persons who may have conflicts of interest shall not have the right to vote on that matter.

Future Connected Transactions

The connected transactions of the Company, both have happened and may happen in the future, are normal business operations without transferring the benefits to related companies or persons. The Company adhere to the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission, as well as take into account rationality, suitability regarding terms and prices, so that all shareholders and stakeholders are treated fairly and equally.





Statement of the Responsibility of Board of Directors

Report of the Board of Directors' Responsibilities For Presentation of Financial Statement For The Year 2022

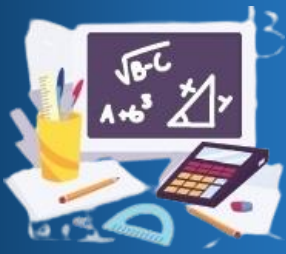
The financial statement of Seafresh Industry Public Company Limited has been compiled under the Company's Board of Directors policies, which specified to practice in accordance with Thai Financial Reporting Standard, to use appropriate accounting policies and to consistently practice. The compilation of financial statements are done with reasonable estimate and careful discretions as well as disclosed sufficient information in the notes to the financial statements.

The Company's Board of Director is responsible for financial data and financial information. The Board of Directors assigned the Audit Committee, which consisted of independent directors, to review and ensure that the Company has accurately report financial information and performance, maintain efficient and sufficient internal control system and internal audit in order to appropriately and effectively manage risks to be at an acceptable level. Furthermore, The Audit Committee monitored to ensure that the Company conduct its business in accordance with the laws on Securities and Exchange regulations of the Stock Exchange or laws related to the Company's business and other Obligations. In addition, to accurately and completely disclose and conduct related transactions or transactions involving a potential conflict of interest as well as perform the duties transparently, reliably and in line with good corporate governance system.

The Board of Directors is of the opinion that internal control system provides reasonable assurance for financial statement of Seafresh Industry Public Company Limited, as at December 31, 2022.

(Mrs. Tassanee Youngmeevithya)

Chairman of the Board



To the Shareholders of Seafresh Industry Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Seafresh Industry Public Company Limited and its subsidiaries (“the Group”), which comprise the consolidated and separate statements of financial position as at 31 December 2022, the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Seafresh Industry Public Company Limited and its subsidiaries as at 31 December 2022, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

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 Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with 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 consolidated and separate 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 judgment, were of most significance in my audit of the consolidated and separate financial statements of the current year. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matters	How the matter was addressed in the audit
Deferred tax assets As at 31 December 2022, the Company has deferred tax assets of Baht 51 million relating to tax losses carried forward. The Company has not recognized a portion of deferred tax assets of Baht 98.63 million on the remaining cumulative tax losses. The Company will recognise deferred tax assets on tax losses carried forwards only when it is probable that it can generate taxable profits to utilize tax losses carried forward. In calculating deferred tax assets recognised from tax losses carried forward, management is required to exercise judgment in relation to the future forecast of taxable income. I have focused on this matter because the audit of such balances requires significant judgment since the outcome of management's forecasts is subject to uncertainties of future economic growth and market conditions. The Company disclosed deferred tax assets in Note 24.1 to financial statements.	I determined the sufficiency and appropriateness of audit evidence by performing the following procedures: - Assessed the methodology that management used to estimate revenue, expenses and operating results in the future. - Discussed with management to understand the business plans and the assumption used. - Evaluated the reasonableness of underlying assumptions that management applied in forecasting by comparing the past results in budgeting and the business growth rate in normal situation including trend analysis in the marketing and same industry. - Verified the mathematical accuracy of the business forecasts. - Tested the appropriateness of deferred tax asset calculation by comparing future tax benefit that the Company can utilize from the forecasted profits. - Assessed the adequacy and appropriateness of the disclosures relating to the deferred tax.

Other matter

The consolidated and separate statements of financial position of Seafresh Industry Public Company Limited and its subsidiaries as at 31 December 2021, presented as comparative information, were audited by another auditor in the same office as mine who expressed an unmodified opinion on these statements according to the report dated 28 February 2022.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and revise a material misstatement.

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

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

In preparing the consolidated and separate financial statements, 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 Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 consolidated and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated and separate 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 consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Kesanee Srathongphool

Certified Public Accountant

Registration No. 9262

Grant Thornton Limited

Bangkok

27 February 2023



SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	31 December 2022	31 December 2021	31 December 2022	31 December 2021
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	7	21,376,694	36,908,931	608,375	7,300,331
Trade and other accounts receivable - net	8	1,170,356,088	935,150,746	327,949,472	158,721,922
Short-term loan to and interest receivable					
- related parties	6	-	-	140,094,056	136,096,570
Inventories - net	9	1,831,507,201	1,697,938,570	555,096,299	413,973,737
Biological assets - net		1,327,870	372,784	-	-
Refundable value added tax		36,107,421	39,241,046	6,325,604	5,369,997
Derivative assets	31	39,059,133	923,554	38,552,730	998,976
Other current assets	10	58,688,923	89,316,117	11,639,451	21,924,600
Total Current Assets		3,158,423,330	2,799,851,748	1,080,265,987	744,386,133
NON - CURRENT ASSETS					
Restricted deposits with banks	11	21,000,000	21,000,000	20,000,000	20,000,000
Long-term loans to and interest receivable - related party	6	464,910,320	429,916,581	-	-
Investments in subsidiaries	12	-	-	1,233,824,435	1,233,824,435
Investment in joint venture	13	-	-	-	-
Property, plant and equipment - net	14	1,521,089,705	1,571,972,417	327,230,058	332,089,202
Right-of-use assets - net	15.1	25,362,974	18,008,415	10,395,328	12,285,388
Intangible assets - net	16	4,306,279	7,347,518	102,737	75,093
Deferred tax assets	24.1	51,000,000	51,000,000	51,000,000	51,000,000
Other non-current assets		7,369,047	8,109,091	5,875,814	6,521,574
Total Non - Current Assets		2,095,038,325	2,107,354,022	1,648,428,372	1,655,795,692
TOTAL ASSETS		5,253,461,655	4,907,205,770	2,728,694,359	2,400,181,825

The accompanying notes form an integral part of these financial statements.

SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	31 December 2022	31 December 2021	31 December 2022	31 December 2021
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short- term loans					
from financial institutions	17	1,566,916,559	1,485,647,066	664,847,884	529,438,287
Trade and other accounts payable		524,765,586	370,454,700	68,380,622	23,429,399
Accounts payable for purchase of fixed assets		388,910	451,149	368,078	451,149
Accrued expenses	18	78,652,725	51,191,689	27,928,421	26,315,309
Current portion of					
- lease liabilities	15.2	6,622,158	4,010,013	1,816,974	1,737,567
- long- term loans from financial institutions	19	52,153,037	58,179,831	-	-
- employee benefit obligations	20	9,888,113	8,726,830	7,612,221	7,336,934
Short- term loans from related parties	6	70,000,000	70,000,000	134,398,779	141,350,002
Accrued income tax		25,708,952	27,091,672	-	-
Other current liabilities		32,077,962	52,131,383	3,434,615	19,036,053
Total Current Liabilities		2,367,174,002	2,127,884,333	908,787,594	749,094,700
NON - CURRENT LIABILITIES					
Lease liabilities - net	15.2	18,976,911	14,120,488	9,260,323	11,077,297
Long- term loans from financial institutions - net	19	124,553,725	173,659,564	-	-
Employee benefit obligations - net	20	52,694,689	53,388,997	47,771,479	47,925,566
Deferred tax liabilities	24.1	81,166,610	51,174,417	-	-
Other non- current liabilities		30,000	30,000	30,000	30,000
Total Non - Current Liabilities		277,421,935	292,373,466	57,061,802	59,032,863
TOTAL LIABILITIES		2,644,595,937	2,420,257,799	965,849,396	808,127,563

The accompanying notes form an integral part of these financial statements.

SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	31 December 2022	31 December 2021	31 December 2022	31 December 2021
LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)					
SHAREHOLDERS' EQUITY					
Share capital - common share at Baht 1par value					
- Authorised 927,099,200 shares	21	927,099,200	927,099,200	927,099,200	927,099,200
- Issued and fully paid - up 927,099,200 shares	21	927,099,200	927,099,200	927,099,200	927,099,200
Premium on share capital		799,228,000	799,228,000	799,228,000	799,228,000
Premium on treasury stock		12,902,865	12,902,865	12,902,865	12,902,865
Retained earnings (deficits)					
- Appropriated for legal reserve	22	48,569,460	48,569,460	48,569,460	48,569,460
- Unappropriated		564,507,334	392,084,157	(24,954,562)	(195,745,263)
Other components of shareholders' equity		(81,898,981)	(23,252,505)	-	-
Total equity attributable					
to the Company's shareholders		2,270,407,878	2,156,631,177	1,762,844,963	1,592,054,262
Non- controlling interests		338,457,840	330,316,794	-	-
TOTAL SHAREHOLDERS' EQUITY		2,608,865,718	2,486,947,971	1,762,844,963	1,592,054,262
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		5,253,461,655	4,907,205,770	2,728,694,359	2,400,181,825

The accompanying notes form an integral part of these financial statements.

SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER

(Unit : Baht)

	Notes	Consolidated F/S		Separate F/S	
		2022	2021	2022	2021
Income					
Sales	28, 30	6,931,239,915	6,766,156,388	2,047,908,582	1,974,553,352
Service	28	18,474,677	19,510,433	3,886,187	2,969,924
Other income	25	31,618,364	21,339,748	99,613,101	147,358,009
Gain on exchange rates - net		74,910,895	100,246,975	-	21,713,532
Gain on fair value adjustment		38,151,709	29,634,270	37,553,754	-
Total income		7,094,395,560	6,936,887,814	2,188,961,624	2,146,594,817
Expenses					
Cost of sales	9	(5,968,882,140)	(5,838,683,059)	(1,695,894,097)	(1,740,247,135)
Cost of service		(8,901,193)	(8,525,719)	(3,824,447)	(2,923,124)
Selling expenses		(291,542,392)	(286,792,966)	(153,220,685)	(141,534,888)
Administrative expenses		(460,463,913)	(364,230,312)	(86,515,120)	(88,930,664)
Loss from exchange rates - net		-	-	(59,899,876)	-
Loss from fair value adjustment		-	-	-	(6,927,452)
Total expenses		(6,729,789,638)	(6,498,232,056)	(1,999,354,225)	(1,980,563,263)
Profit before finance costs and income tax		364,605,922	438,655,758	189,607,399	166,031,554
Finance costs		(76,586,880)	(77,904,238)	(18,816,698)	(38,061,055)
Profit before income tax		288,019,042	360,751,520	170,790,701	127,970,499
Income tax income (expense)	24.2	(79,281,614)	(25,822,274)	-	51,000,000
Profit for the year		208,737,428	334,929,246	170,790,701	178,970,499
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of post-employee benefit obligations - net of tax	20	-	11,158,018	-	11,938,251
Items that will be reclassified subsequently to profit or loss					
Translation adjustment on foreign currency					
financial statements - net of tax		(86,819,358)	102,072,013	-	-
Other comprehensive income for the year		(86,819,358)	113,230,031	-	11,938,251
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		121,918,070	448,159,277	170,790,701	190,908,750

The accompanying notes form an integral part of these financial statements.

SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
PROFIT ATTRIBUTABLE TO				
The Company's shareholders	172,423,177	268,581,181	170,790,701	178,970,499
Non- controlling interests	36,314,251	66,348,065	-	-
	<u>208,737,428</u>	<u>334,929,246</u>	<u>170,790,701</u>	<u>178,970,499</u>
COMPREHENSIVE INCOME ATTRIBUTABLE TO				
The Company's shareholders	113,776,701	348,688,844	170,790,701	190,908,750
Non- controlling interests	8,141,369	99,470,433	-	-
	<u>121,918,070</u>	<u>448,159,277</u>	<u>170,790,701</u>	<u>190,908,750</u>
BASIC/DILUTED EARNINGS PER SHARE				
Profit (Baht per share)	<u>0.19</u>	<u>0.36</u>	<u>0.18</u>	<u>0.24</u>
Weighted average number of common shares (share)	<u>927,099,200</u>	<u>750,569,352</u>	<u>927,099,200</u>	<u>750,569,352</u>

The accompanying notes form an integral part of these financial statements.



SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED 31 DECEMBER

(Unit : Baht)

Equity attributable to the Company's shareholders													
Other components of shareholders' equity											Total equity attributable to the Company's shareholders	Non- controlling interests	Total shareholders' equity
Note	Paid - up share Capital	Premium on share capital	Premium on treasury stock	Retained earnings		Other comprehensive income		Surplus on investment under common control	Premium from change in portion of investment in subsidiary	Total			
				Appropriated for legal reserve	Unappropriated	Translation adjustment on foreign currency financial statements							
Consolidated F/S													
Balance as at 1 January 2021	463,549,600	799,228,000	12,902,865	48,569,460	112,344,958	(114,887,559)	2,198,133	20,487,276	(92,202,150)	1,344,392,733	230,846,363	1,575,239,096	
Increase in share capital	21 463,549,600	-	-	-	-	-	-	-	-	463,549,600	-	463,549,600	
Dividend paid by a subsidiary	-	-	-	-	-	-	-	-	-	-	(2)	(2)	
Transactions with shareholders	463,549,600	-	-	-	-	-	-	-	-	463,549,600	(2)	463,549,598	
Profit for the year	-	-	-	-	268,581,181	-	-	-	-	268,581,181	66,348,065	334,929,246	
Other comprehensive income for the year	-	-	-	-	11,158,018	68,949,645	-	-	68,949,645	80,107,663	33,122,368	113,230,031	
Total comprehensive income for the year	-	-	-	-	279,739,199	68,949,645	-	-	68,949,645	348,688,844	99,470,433	448,159,277	
Balance as at 31 December 2021	927,099,200	799,228,000	12,902,865	48,569,460	392,084,157	(45,937,914)	2,198,133	20,487,276	(23,252,505)	2,156,631,177	330,316,794	2,486,947,971	
Balance as at 1 January 2022	927,099,200	799,228,000	12,902,865	48,569,460	392,084,157	(45,937,914)	2,198,133	20,487,276	(23,252,505)	2,156,631,177	330,316,794	2,486,947,971	
Dividend paid by a subsidiary	-	-	-	-	-	-	-	-	-	-	(323)	(323)	
Transactions with shareholders	-	-	-	-	-	-	-	-	-	-	(323)	(323)	
Profit for the year	-	-	-	-	172,423,177	-	-	-	-	172,423,177	36,314,251	208,737,428	
Other comprehensive income for the year	-	-	-	-	-	(58,646,476)	-	-	(58,646,476)	(58,646,476)	(28,172,882)	(86,819,358)	
Total comprehensive income for the year	-	-	-	-	172,423,177	(58,646,476)	-	-	(58,646,476)	113,776,701	8,141,369	121,918,070	
Balance as at 31 December 2022	927,099,200	799,228,000	12,902,865	48,569,460	564,507,334	(104,584,390)	2,198,133	20,487,276	(81,898,981)	2,270,407,878	338,457,840	2,608,865,718	

The accompanying notes form an integral part of these financial statements.

SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER

(Unit : Baht)

	Note	Paid - up Share Capital	Premium on share capital	Premium on treasury stock	Retained earnings (deficits)		Total
					Appropriated for Legal Reserve	Unappropriated	
<u>Separate F/S</u>							
Balance as at 1 January 2021		463,549,600	799,228,000	12,902,865	48,569,460	(386,654,013)	937,595,912
Increase in share capital	21	463,549,600	-	-	-	-	463,549,600
Transactions with shareholders		463,549,600	-	-	-	-	463,549,600
Profit for the year		-	-	-	-	178,970,499	178,970,499
Other comprehensive income for the year		-	-	-	-	11,938,251	11,938,251
Total comprehensive income for the year		-	-	-	-	190,908,750	190,908,750
Balance as at 31 December 2021		927,099,200	799,228,000	12,902,865	48,569,460	(195,745,263)	1,592,054,262
Balance as at 1 January 2022		927,099,200	799,228,000	12,902,865	48,569,460	(195,745,263)	1,592,054,262
Profit for the year		-	-	-	-	170,790,701	170,790,701
Total comprehensive income for the year		-	-	-	-	170,790,701	170,790,701
Balance as at 31 December 2022		927,099,200	799,228,000	12,902,865	48,569,460	(24,954,562)	1,762,844,963

The accompanying notes form an integral part of these financial statements.

SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Cash flows from operating activities				
Profit before income tax	288,019,042	360,751,520	170,790,701	127,970,499
Adjustments to reconcile profit before income tax to net cash provided from (used in) operating activities				
Depreciation and amortisation expenses	136,428,839	147,312,494	51,157,140	61,891,002
Written off bad debt	-	189,600	-	189,600
Allowance (reversal of allowance) for decline in value of inventories	1,174,182	(51,895,420)	45,085	(53,321,844)
Allowance (reversal of allowance) for decline in value of biological assets	370,875	(761,345)	-	-
Amortised finance costs	-	86,112	-	86,112
Gain on sales of fixed assets	(12,137,137)	(6,046,762)	(590,772)	(6,143,082)
Loss from sales of right-of-use assets	639,781	-	-	-
Written off inventories	-	13,886,421	-	-
Written off fixed assets	469,126	91,468	133,113	91,464
Allowance for expected credit loss	57,376,517	40,054,833	-	-
Unrealised loss (gain) on foreign exchange rates	(90,786,697)	(18,692,617)	12,119,321	(773,328)
Loss (gain) on fair value adjustment on derivative	(38,151,709)	(29,634,270)	(37,553,754)	6,927,452
Provision for employee benefit obligations	5,435,908	5,632,761	4,610,134	3,668,850
Dividend income	-	-	(56,649,677)	(109,799,998)
Interest income	(36,203)	(59,912)	(2,728,639)	(2,330,459)
Interest expense	69,051,209	69,834,773	18,816,698	38,061,055
Cash flows provided from operations before changes in operating assets and liabilities	417,853,733	530,749,656	160,149,350	66,517,323
Decrease (increase) in operating assets				
Trade and other accounts receivable	(258,939,902)	(97,186,613)	(181,349,810)	89,599,600
Inventories	(134,358,256)	(144,973,273)	(141,167,648)	77,771,759
Biological assets	(1,325,961)	3,494,503	-	-
Other current assets	35,849,952	(51,330,664)	9,332,322	(14,190,815)
Other non-current assets	1,511,056	2,100,321	1,531,017	2,917,502
Increase (decrease) in operating liabilities				
Trade and other accounts payable	180,703,459	(60,256,575)	46,324,249	19,449,026
Other current liabilities	(20,053,421)	26,342,710	(15,601,438)	14,185,357
Paid for employee benefits obligation	(4,968,933)	(7,629,964)	(4,488,933)	(5,848,764)
Cash received from operations	216,271,727	201,310,101	(125,270,891)	250,400,988
Income tax payment	(48,345,485)	(33,803,945)	(885,257)	(924,655)
Net cash provided from (used in) operating activities	167,926,242	167,506,156	(126,156,148)	249,476,333

The accompanying notes form an integral part of these financial statements.



SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Cash flows from investing activities				
Increase in restricted deposits with bank	-	(1,000,000)	-	-
Payment from short- term loans to related parties	-	-	(1,300,000)	(53,300,000)
Purchases of fixed assets	(180,960,544)	(116,338,937)	(44,530,076)	(9,879,740)
Purchases of intangible assets	(1,085,928)	(4,465,686)	(121,700)	-
Proceeds from sales of fixed assets	47,277,364	8,943,310	590,781	8,084,112
Interest income	33,423	62,207	28,374	60,556
Net cash used in investing activities	(134,735,685)	(112,799,106)	(45,332,621)	(55,035,072)
Cash flows from financing activities				
Interest payment	(67,982,584)	(72,049,063)	(18,576,448)	(36,797,376)
Increase (decrease) in bank overdrafts and short- term loans				
from financial institutions	81,269,493	(118,665,547)	135,409,596	(314,038,449)
Proceeds for short- term loans from related parties	-	74,400,000	149,698,652	201,600,000
Repayments for short- term loans from related parties	-	(4,400,000)	(100,000,197)	(14,000,000)
Proceeds for long- term loans from financial institutions	33,614,045	169,602,565	-	-
Repayment for long- term loans from financial institutions	(71,090,788)	(56,962,229)	-	-
Repayment for bonds	-	(500,000,000)	-	(500,000,000)
Received from share capital increment	-	463,549,600	-	463,549,600
Decrease in lease liabilities	(6,776,458)	(5,407,584)	(1,737,567)	(2,196,954)
Dividend paid to non- controlling interests	(323)	(2)	-	-
Net cash (used in) provided from financing activities	(30,966,615)	(49,932,260)	164,794,036	(201,883,179)
Translation adjustment on foreign currency financial statements	(17,756,582)	(1,091,187)	-	-
Increase (decrease) in cash and cash equivalents - net	(15,532,640)	3,683,603	(6,694,733)	(7,441,918)
Cash and cash equivalents at beginning of year	36,908,931	33,215,968	7,300,331	14,748,579
Effect on foreign currency exchange rate at the end of year	403	9,360	2,777	(6,330)
Cash and cash equivalents at end of year	21,376,694	36,908,931	608,375	7,300,331
Supplemental cash flows information				
Non cash transactions:-				
Off - setting short- term loans from related parties with dividend income	-	-	56,649,677	109,799,998
Acquisition of right- of- use assets under lease liabilities	13,926,638	1,031,104	-	-
Payable for purchase of fixed assets	388,910	451,149	83,071	2,494,047

The accompanying notes form an integral part of these financial statements.

SEAFRESH INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2022

1. NATURE OF OPERATIONS AND GENERAL INFORMATION

Seafresh Industry Public Company Limited (“the Company”) is a public company limited which is incorporated and domiciled in Thailand. It is listed on the Stock Exchange of Thailand. The registered addresses of the Company’s office and branch are as follows:

Head office: 402 Moo 8, Chumphon - Paknam Road, Paknam, Muangchumphon, Chumphon 86120.

1 Branch: 152/25, Chartered Square Building, 31st Floor, North Sathorn Road, Silom, Bangrak, Bangkok 10500.

As at 31 December 2022 and 2021, the major shareholder of the Company is Chia-Apar family and related parties, who owns 66.13% and 30.64%, respectively of the Company’s share capital.

The Company and its subsidiaries (“the Group”) is principally engaged in the manufacturing and distribution of frozen raw shrimp, processed shrimp, vegetable and fruit, and others seafood products including other services as disclosed in Note 2.2.

2. BASIS OF FINANCIAL STATEMENTS PREPARATION

2.1 Basis of preparation

The accompanying financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) issued under the Accounting Professions and the financial reporting requirements promulgated by the Securities and Exchange Commission under the Securities and Exchange Act. These financial statements are officially prepared in the Thai language. The translation of these financial statements to other languages must be in compliance with the official report in Thai.

The consolidated and separate financial statements have been prepared under the historical cost, except as disclosed specifically.

The preparation of financial statements in conformity with Thai Financial Reporting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

2.2 Basis of consolidation

The consolidated financial statements include the financial statements of Seafresh Industry Public Company Limited and its subsidiaries which the Company can exercise control over or holds shares with voting right more than 50% as follows:

	Country of incorporation	Percentage of Shareholding		Nature of business
		2022	2021	
Subsidiaries				
Seafresh Group (Holdings) Limited (SGH) (39% held by the Company and 28.55% held by SIHQ)	United Kingdom	67.55	67.55	Investment in companies engaged in seafood processing and other related business
Sea Farms Limited (100% held by SGH)	United Kingdom	67.55	67.55	Import and distribution of seafood
Blue Earth Foods Limited (25% held by the Company and 75% held by SGH)	United Kingdom	75.66	75.66	Sourcing, producing and distribution of processed seafood
Sea Farms, Inc. (25% held by the Company and 65% held by SGH)	United States of America	68.91	68.91	Import and distribution of seafood
Prochaete Innovation Limited (25% held by the Company and 35% held by SGH)	United Kingdom	48.64	48.64	Research and development of fish meal substitution
Sea Farms Nutrition Limited (SFN) (60% held by SGH and 25% held by SIHQ)	United Kingdom	65.53	65.53	Produce and sell animals feed and nutrition
Sea Farms Nutrition, Inc. (85% held by SFN)	United States of America	55.70	55.70	Sell animals feed and nutrition
Mudwalls Farm Limited (51% held by SGH)	United Kingdom	34.45	34.45	Trading of fruit and vegetable
44 Foods Limited (100% held by SGH)	United Kingdom	67.55	67.55	E-Commerce platform for food products
Manufacturing Systems Implementation Company Limited	Thailand	100.00	100.00	Consulting and installation of computer system
Seafresh IHQ Company Limited (SIHQ)	Thailand	100.00	100.00	Provide managerial, technical support and financial management services to companies in the Group
Seafresh Farm Company Limited	Thailand	100.00	100.00	Shrimp farm
Joint venture				
Belize Aquaculture Limited (50% held by SGH)	Belize	50.00	50.00	Shrimp farm

Significant inter-company transactions with subsidiaries included in the consolidated financial statements have been eliminated.

The consolidated financial statements have been prepared using the same accounting policies for similar transactions or accounts of similar nature in the preparation of the Company's financial statements.

2.3 Thai Financial Reporting Standards and guidance which are amended and effective for the accounting period beginning on or after 1 January 2022

Amendments to the Thai Financial Reporting Standards due to Interbank Offered Rate (IBOR) reform – phase 2 are as follows:

- Thai Financial Reporting Standard 9, “Financial instruments”
- Thai Financial Reporting Standard 7, “Disclosure of Financial instruments”
- Thai Financial Reporting Standard 16, “Lease”
- Thai Financial Reporting Standard 4, “Insurance Contracts”
- Accounting guidance, financial instruments and disclosures for insurance business

Interbank Offered Rate (IBOR) reform – phase 2 provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flow or hedging relationship arising from the change of interest rate benchmark to alternative benchmark rates.

However, the amendments do not have any significant impact to the Group financial statements.

2.4 Thai Financial Reporting Standards which are amended and effective for the accounting period beginning on or after 1 January 2023 are as follows:

2.4.1 Thai Accounting Standard 16, “Property, Plant and Equipment”

The amendments prescribe the recognition of the proceeds from selling any items, produced while the entity is preparing that assets for its intended use, as revenue instead of deducting from the cost of an item of those property plant and equipment.

2.4.2 Thai Accounting Standard 37, “Provisions, Contingent Liabilities and Contingent Assets”

The amendments are to clarify the incremental cost of fulfilling the contract and an allocation of other costs that relate directly to fulfilling contracts which need to be considered whether a contract is onerous.

2.4.3 Thai Accounting Standard 41, “Agriculture”

This standard was amended to remove the requirement to exclude cash flows for taxation when measuring fair value of biological assets.

2.4.4 Thai Financial Reporting Standard 1, “First-time Adoption of Thai Financial Reporting Standards”

The amendment provides the application for a subsidiary that is a first-time adopter to measure cumulative translation differences for all foreign operations at amounts included in the consolidated financial statements of the parent at the parent's date of transition to TFRS.

2.4.5 Thai Financial Reporting Standard 3, “Business Combinations”

This standard was amended to clarify the references to the present Conceptual Framework for Financial Reporting and added a consideration to recognize liabilities and contingent liabilities acquired from business combinations together with the contingent assets that cannot be recognized at the acquisition date.

2.4.6 Thai Financial Reporting Standard 9, “Financial Instruments”

The amendment is to clarify the fees in assessing derecognition of financial liabilities when performing the 10 percent test by included those fees paid net from fees received (only fees paid or received between the borrow and the lender, including fee paid or received by either the borrower or lender on the other's behalf).

However, the Group has not early adopted the certain amended TFRSs and the management believes that there is no significant impact to the Group financial statements, when adoption.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 Investments in subsidiaries and joint venture

a) Subsidiaries

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree, either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieving in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognized in profit or loss.

Any contingent consideration to be transferred by the group is recognized at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognized either in profit or loss or other comprehensive income. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest recognize and previously held interest measured less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognized directly in profit or loss.

Intercompany transactions, balances, unrealized gains or losses on transactions between Group companies are eliminated. Accounting policies of subsidiaries are adjusted where necessary to ensure consistency with the policies adopted by the Group.

In the separate financial statements, investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

b) Joint arrangement

Investment in joint arrangement is classified as either joint operation or joint venture depending on the contractual rights and obligations of each investor. The Group assessed the nature of its joint arrangement and determined it to be joint venture. Joint venture is accounted for using the equity method.

Under the equity method of accounting, interests in joint venture is initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and change in other comprehensive income. When the group's share of losses in a joint venture equals or exceeds its interests in the joint venture (which includes any long-term interests that, in substance, form part of the group's net investment in the joint venture), the Group will not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Unrealized gains or losses on transactions between the group and its joint venture is eliminated to the extent of the group's interest in the joint venture unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint venture are changed where necessary to ensure consistency with the policies adopted by the Group.

3.2 Foreign currency translation

1) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Thai Baht, which is the Company's functional and presentation currency.

2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the profit or loss.

When a gain or loss on a non-monetary item is recognized in other comprehensive income, any exchange component of that gain or loss is recognized in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognized in profit and loss, any exchange component of that gain or loss is recognized in profit and loss.

3) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

- Income and expenses for each statement of profit or loss and other comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

3.3 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are presented under current liabilities in the statement of financial position.

Cash at banks with restrictions of usage are presented separately as “Restricted deposits with banks” under non-current assets in the statement of financial position.

3.4 Financial instrument

Recognition and derecognition

The Group will recognize financial assets and financial liabilities when the Group becomes a party to the contractual provisions of the financial instrument.

The Group will derecognize financial assets when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred.

The Group will derecognize financial liabilities when they are extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

The Group classified financial assets into the categorized (1) amortised cost (2) fair value through other comprehensive income (FVTOCI) or (3) fair value through profit or loss (FVTPL) based on 2 criteria as follows:

- the entity’s business model for managing the financial asset, and
- the contractual cash flow characteristics of the financial asset

All revenue and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented as a separate transaction.

At initial recognition, the financial assets (in the case of a financial asset not at FVTPL) are initial recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition of the financial assets. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

The Group does not have any financial assets categorized and measured by FVTOCI.

Subsequent measurement of financial assets

Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions:

- the Group held such financial assets within a business model whose objective is to hold the financial assets and collect its contractual cash flows, and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets are subsequently measured at amortised cost using the effective interest method and are subjected to impairment which recognized in the profit or loss as separate item.

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at FVTPL.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVTOCI and financial assets with cash flows that are not solely payments of principal and interest.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit loss associated with its debt instruments carried at amortised cost and FVOCI (if any). The impairment methodology applied depends on whether there has been a significant increase in credit risk.

Classification and initial measurement of financial liabilities

The Group classifies the financial instruments issued by the Group as financial liabilities or equity securities by considering contractual obligations.

The Group initial recognized the financial liabilities at fair value and adjusted with transaction costs that are directly attributable to the acquisition of the financial liabilities.

Subsequent measurement of financial liabilities

Financial liabilities are subsequently measured at amortized cost using the effective interest method and are expenses in the profit or loss except derivative liabilities are measured at FVTPL.

3.5 Trade accounts receivable

A receivable is recognized when the Group has an unconditional right to receive consideration. If revenue has been recognized before the Group has an unconditional right to receive consideration, the amount is presented as a contract asset.

Trade accounts receivable are presented at transaction price less impairment for expected credit loss. Impairment of trade accounts receivable are measured at an amount equal to lifetime expected credit losses (ECLs). ECLs are estimated using the Simplified approach which a provision matrix developing. The expected loss rate is based on historical credit loss experiences, adjusted with factors that are specific to the debtors together with an assessment of both current and future forecast of general economic conditions. The expected loss will recognize in profit or loss as part of administrative expenses.

3.6 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined by the weighted average method. The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties and transportation charges, less all attributable discounts, rebates and other similar items. The cost of finished goods and work in progress comprises raw materials, direct labor, other direct costs and related production overheads based on normal operating capacity, excluding borrowing costs. Net realizable value is the estimate of the selling price in the ordinary course of business, less applicable variable selling expenses. Allowance is made, where necessary, for obsolete, slow moving and defective inventories.

3.7 Biological assets

Biological assets comprise shrimps in the ponds. These are measured at cost less impairment losses, (if any), since the growing period to harvest is approximately 3 months. Costs of biological assets include all costs of baby shrimp and farming costs.

3.8 Property, plant and equipment

Land is stated at cost and is not depreciated.

All plant and equipment are stated at historical cost less accumulated depreciation and impairment on assets (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items including an initial estimate of the costs of dismantling and removing the items and restoring the site on which it is located, when the entity has the obligation to do so.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is recognized. All other repairs and maintenance are charged to statement of profit or loss during the period in which they are incurred.

Depreciation on other asset is calculated on the straight-line method over the estimated useful lives of the related assets. The estimated useful lives are as follows:

Buildings	20 - 50 years
Building improvements	5 - 10 years
Machine and factory equipment	3 - 10 years
Office fixtures and supplies	3 - 10 years
Vehicles	5 - 10 years

The assets residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

Gains or losses on disposals of property, plant and equipment are determined by comparing the proceeds from sales on assets with the carrying amount and net gains or losses will be recognized in statements of profit or loss.

Interest costs on borrowings to finance the construction of property, plant and equipment are capitalized as part of cost of the asset, during the period of time required to complete and prepare the property for its intended use. All other borrowing costs are recognized as expenses.

3.9 Intangible assets

Intangible assets acquired through business combination are initially recognized at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognized at cost. Following the initial recognition, the intangible assets are carried at cost less accumulated amortization and accumulated impairment losses (if any) of assets.

Intangible assets with finite lives are amortized on a systematic basis over their economic useful lives and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method of such intangible assets are reviewed at least at each financial year end. The amortization expense is recognized to profit or loss.

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

Computer software	3 years
Relationship with customers	3 years

3.10 Impairment of assets

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

3.11 Leases

Leases - where the Group is the lessee

At inception of a contract, the Group assesses whether the 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 initially recognized the right-of-use (ROU) at cost at the lease commencement date, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date less any incentive received, initial direct costs and estimated costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease.

After the lease commencement date, the ROU is stated at historical cost less accumulated depreciation and impairment on assets (if any). The Group calculated the depreciation on the ROU using the straight-line method over the lease period.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, if the rate can be readily determined. If that rate cannot be readily determined, the Group will use the Group's incremental borrowing rate.

The lease payments included in the measurement of the lease liability at the commencement date are as follows:

- (a) fixed payment less incentive receivable (if any);
- (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- (c) amounts expected to be payable under a residual value guarantee;
- (d) the exercise price, under a purchase option that the Group is reasonably certain to exercise; and
- (e) payments of penalties for early termination of a lease if the Group is reasonably certain to terminate early.

The lease liability is re-measured when there is a change in future lease payments arising from the following items:

- a change in an index or a rate used to determine those payments
- a change in the Company's estimate of the amount expected to be payable under a residual value guarantee
- the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is re-measured to reflect changes to the lease payments, the Group recognizes the amount of the remeasurement of the lease liability as an adjustment to the ROU asset. However, if the carrying amount of the ROU asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the remeasurement in profit or loss.

Short-term leases and leases of low-value assets

The Group recognized the lease associated with payments for short-term leases that have a lease term of 12 months or less and lease of low-value assets as an expense on a straight-line basis over the lease period.

Leases - where the Group is the lessor

At the commencement date, the Group will classify leases as operating lease or a finance lease. If the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset, the lease will be classified to operating lease. If the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset, the lease will be classified to finance lease.

The underlying assets of operating lease are presented in the right-of-use assets in the statement of financial position and measured their value on a basis consistent with other similar right-of-use assets of the Group.

3.12 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantial ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized as profit or loss in the period in which they are incurred.

3.13 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case the tax is also recognized in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognized, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred income tax assets are recognized only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.14 Employee benefits

Provident fund

The Group and its employees in Thailand have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rates of 3% and 5%, respectively, of their basic salaries. The fund, will pay to employees upon termination in accordance with the fund rules. The Group contribution to the fund are recognized as expense when incurred.

Post - employment benefits

The Group has obligations in respect of the severance payments they must make to employees upon retirement under the labor law.

The liability recognized in the statement of financial position in respect of defined benefit plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurements arising from experience adjustments and changes in actuarial assumptions are recognized to equity through other comprehensive income in the period in which they arise.

3.15 Provisions

Provisions are recognized when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; the amount has been reliably estimated. Restructuring provisions comprise lease, lease termination penalties and employee termination payment. Provisions are not recognized for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

3.16 Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Where any companies within the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transact costs and the related income tax effects, is included in shareholders' equity.

3.17 Premium on treasury stock

Gains on disposal of treasury stock are determined by reference to the carrying amount and are presented as premium on treasury stock. Losses on disposal of treasury stock are determined by reference to the carrying amount and are presented in premium on treasury stock and retained earnings, consecutively.

3.18 Revenue recognition

Revenue is recognized when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates. Judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time.

Revenue from sales of goods is recognized when a customer obtains control of the goods, generally on delivery of the goods to the customers. For contracts that permit the customers to return the goods, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Therefore, the amount of revenue recognized is adjusted for estimated returns, which are estimated based on the historical data.

Revenue for rendering of services is recognized over time as the services are provided. The related costs are recognized in profit or loss when they are incurred.

For bundled packages, the Group accounts for individual products and services separately if they are distinct or the multiple services are rendered in different reporting periods. The consideration received is allocated based on their relative stand-alone selling prices which are determined based on the price list at which the Group sells the products and services in separate transactions.

Other income is recognized on an accrual basis in accordance with the substance of the relevant agreements.

Interest income is recognized on an accrual basis based on effective interest rate.

3.19 Dividend distribution

Dividend distribution to the Company's shareholders is recognized as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

3.20 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Company's board of directors who makes strategic decisions.

3.21 Related party transactions

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

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

3.22 Fair value estimate

When measuring the fair value of an asset or a liability, the Group uses market observable data as far as possible classified by valuation method. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly that is, as prices or indirectly that is, derived from prices.
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

4. CRITICAL ACCOUNTING ESTIMATE, ASSUMPTIONS AND JUDGEMENT

The preparation of financial statements, management undertake judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgments, estimates and assumptions made by management.

Critical accounting estimates, assumption and judgements are as follows:

4.1 Plant and equipment and intangible assets

Management determines the estimated useful lives and residual values of the Group's plant and equipment and intangible assets. The management reviews the calculations of depreciation and amortization expenses where the estimated useful life and residual value differ from the previous estimation or there is written-off for technically obsolete or non-used assets by sales or abandon.

4.2 Employee benefit obligations

The present value of the employee benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligation.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligations. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related employee benefit obligations.

4.3 Impairment of trade receivables

The Group determines an impairment of trade receivables with an amount equal to lifetime expected credit losses (ECLs). The management uses of various assumptions and judgements to estimate ECLs including exercise the judgement to estimate an expected loss rate, the determination of factor that are specific to the debtors together with an assessment of both current and future forecast of general economic conditions. The management reviews these estimates and assumptions on a regular basis.

4.4 Allowance for decline in value of inventory

The Group provides allowances for obsolete, slow-moving and defective inventories to reflect impairment of inventories. The allowances are based on consideration of inventory turnover and deterioration of each category.

4.5 Recoverability of joint venture balances

The Group has provided trading and loan balances to its joint venture, Belize Aquaculture Limited, a company incorporated in Belize. Management reassesses the recoverable amount of these balances on an annual basis. In assessing any risks of impairment, management estimate the reasonable amount based on its share of the net assets, the ongoing trading position, and any ultimate estimated realizable value. Estimation uncertainty arises through any assumptions relating to these aspects. During the year, additional impairment provisions have been recognized against these balances, reflecting ongoing losses and the net liability position of the joint venture. Management also note a continuing high degree of estimation uncertainty as to any ultimate recoverable amount against these balances.

4.6 Impairment of assets

The Group treats assets as impaired when there has been a significant or prolonged decline in their fair value. The determination of what is “significant” or “prolonged” requires management judgment.

4.7 Leases

Determining the lease term

The Group exercises judgement in determining whether it is reasonably certain to exercise option to terminate or extend a lease in determining the lease term which considered all relevant facts and circumstances that create an economic incentive to exercise the option to extend the lease or not to exercise the option to terminate the lease.

Determining discount rate

The discount used in calculation of the lease liability is the rate implicit in the leases if it can be readily determined, or the incremental borrowing rate if not. The Group evaluates the incremental borrowing rate by using information provided by third-party of the Group and adjusts information obtained to reflect changes in the Group's financial factor.

4.8 Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the company and subsidiary's future taxable income against which the deductible temporary differences can be utilized. Management judgement is required in assessing the impact of any legal or economic limit or uncertainties in various tax jurisdictions.

5. CAPITAL RISK MANAGEMENT

The Group's objectives in the management of capital is to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure.

6. TRANSACTIONS WITH RELATED PARTIES

The Company has significant business transactions with its related parties (related in term of common shareholders and/or management). Such transactions have been complied with the terms and conditions as determined by the Company and related parties.

The relationship between the Company and related parties are summarised below:

Names	Relationship
Seafresh Group (Holdings) Limited (SGH)	Subsidiary
Sea Farms Limited	Subsidiary of SGH
Blue Earth Foods Limited	Subsidiary of SGH
Sea Farms, Inc.	Subsidiary of SGH
Prochaete Innovation Limited	Subsidiary of SGH
Sea Farms Nutrition Limited (SFN)	Subsidiary of SGH
Sea Farms Nutrition, Inc.	Subsidiary of SFN
Mudwalls Farm Limited	Subsidiary of SGH
44 Foods Limited	Subsidiary of SGH
Manufacturing System Implementation Company Limited	Subsidiary
Seafresh IHQ Company Limited	Subsidiary
Seafresh Farm Company Limited	Subsidiary
Belize Aquaculture Limited	Joint Venture of SGH
Chartered Square Holding Company Limited	Common director and shareholders
Thai K Boiler Company Limited	Common director and shareholders
Mr. Narit Chia-apar	Shareholder and director
Transaction	Pricing policy
Sales of goods	Cost plus margin
Purchase of goods	Agreed price
Interest income	2.00% per annum
Other income	Cost plus margin
Dividend income	Upon declaration
Interest on credit sale	1.00% per month
Service fee	Cost plus margin
Office rental and service	Cost plus margin
Service and equipment	Cost plus margin
Interest charge - Short-term loan	0.50%, 1.00%, 5.90% and 5.95% per annum
Sales of assets	Agreed price

Significant transactions with related parties for the years ended 31 December 2022 and 2021 are as follows:

Transaction with related parties			(Unit : Thousand Baht)	
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
<u>Subsidiaries</u>				
Sales of goods	-	-	578,311	851,860
Service income	-	-	3,886	2,970
Interest income	-	-	2,690	2,272
Other income - interest on credit sale	-	-	18,318	12,540
Dividend income	-	-	56,650	109,800
Service fee	-	-	10,180	10,116
Interest charge - short-term loan	-	-	2,223	2,040
Purchase of raw materials	-	-	4,992	13,636
Management income	-	-	600	600
Miscellaneous income	-	-	2,145	1,537
Purchase of assets	-	-	-	49
<u>Related parties</u>				
Sales of goods	177	15	177	15
Service income	287	287	-	-
Office rental and service	9,552	9,177	8,834	8,478
Miscellaneous expenses	14	24	14	24
Service and equipment	1,734	610	534	11
<u>Shareholder and director</u>				
Interest expense - short- term loan	4,130	1,023	-	-
<u>Key management personnel compensation</u>				
Short-term employee benefits	79,068	74,443	17,458	17,038
Provision for post-employment benefits	432	421	432	421

Significant balances with the related parties as at 31 December 2022 and 2021 are as follows:

			(Unit : Thousand Baht)	
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Trade accounts receivable				
Subsidiaries	-	-	255,223	128,925
Related party	54	-	54	-
Total	54	-	255,277	128,925

			(Unit : Thousand Baht)	
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Other accounts receivable				
Subsidiaries	-	-	9,870	741
Joint venture - net	443,465	374,461	-	-
Total	443,465	374,461	9,870	741
Other current assets				
Subsidiaries	-	-	454	448
Short-term loans to and interest receivable				
Subsidiaries				
Loans to	-	-	134,600	133,300
Interest receivable	-	-	5,494	2,797
Total	-	-	140,094	136,097
Long-term loans to and interest receivable				
Joint venture				
Loans to	383,634	358,339	-	-
Interest receivable	81,276	71,578	-	-
Total	464,910	429,917	-	-
Other non-current assets				
Related parties	2,207	2,101	2,043	1,945
Other accounts payable				
Subsidiaries	-	-	9,269	9,083
Related parties	185	182	73	71
Shareholder and director	4,130	23	-	-
Total	4,315	205	9,342	9,154
Short-term loans from				
Subsidiaries	-	-	134,399	141,350
Shareholder and director	70,000	70,000	-	-
Total	70,000	70,000	134,399	141,350

Short-term loans to related party

The balance of short-term loans to subsidiary and the movement during the year are as follows:

(Unit: Thousand Baht)

Borrower	Interest rate (% per annum)	Currency	Principal (Thousand Baht)	Maturity date	Separate F/S			
					2021	Increase	Decrease	2022
Seafresh Farm Company Limited	2.00	Baht	133,300	At call	133,300	1,300	-	134,600

Long-term loans to related party

The balances of long-term loans to joint venture and the movement during the year are as follows:

(Unit: Thousand Baht)

Borrower	Interest rate (% per annum)	Principal (Thousand US dollar)	Consolidated F/S						
			31 December 2021	Increase	Decrease	Unrealized gain on exchange rates	Currency translation differences	Impairment for expected credit loss	31 December 2022
Belize Aquaculture Limited	8.00	14,466	358,339	-	-	75,845	(26,406)	(24,144)	383,634

Short-term loans are classified as long-term loans due to the lender (subsidiary) has an intention to extend the period of loan repayment to more than one year.

As at 31 December 2022, the subsidiary has cumulatively recognized a share of equity loss from the joint venture amounting to Baht 141.52 million (2021: Baht 128.51 million)

The subsidiary has not recognized interest income from long-term loans to joint venture since 1 January 2016 until loans are settled by the joint venture.

The Group has outstanding amount net of share of equity loss from the joint venture amount to Baht 908 million which includes other accounts receivable of Baht 443 million, interest receivable of Baht 81 million and long-term loans of Baht 384 million. The Company believes that the amount will be recoverable since the underlying property held by the joint venture exceeds the value of the amounts outstanding. The principal asset of the joint venture has a fair value amounting to USD 35.82 million (equivalent to Baht 1,238.03 million as at 31 December 2022) based on a valuation performed by an independent appraiser.

Short-term loans from related parties

The balance of short-term loans from related person, related parties and subsidiaries and the movements during the year are as follows:

(Unit : Thousand Baht)

Lender	Interest rate (% per annum)	Currency	Principal (Thousand Baht)	Maturity date	Consolidated F/S			
					31 December 2021	Increase	Decrease	31 December 2022
Shareholder and director	5.90	Baht	20,000	29 September 2023	20,000	-	-	20,000
Shareholder and director	5.90	Baht	50,000	4 October 2023	50,000	-	-	50,000
Total					70,000	-	-	70,000



(Unit : Thousand Baht)

Lender	Interest rate (% per annum)	Currency	Principal (Thousand Baht)	Maturity date	Separate F/S			
					31 December 2021	Increase	Decrease	31 December 2022
Seafresh IHQ Company Limited	0.50	Baht	134,399	At call	70,550	134,399	(70,550)	134,399
Seafresh IHQ Company Limited	5.95	Baht	20,000	29 September 2022	14,400	-	(14,400)	-
Seafresh IHQ Company Limited	5.95	Baht	50,000	4 October 2022	50,000	-	(50,000)	-
Seafresh IHQ Company Limited	0.50	Baht	85,999	31 December 2022	-	85,999	(85,999)	-
Manufacturing Systems Implementation Company Limited	0.50	Baht	7,000	At call	6,400	-	(6,400)	-
Total					141,350	220,398	(227,349)	134,399

7. CASH AND CASH EQUIVALENTS

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Cash on hand	141	178	90	90
Deposits held at call with banks	21,236	36,731	518	7,210
Total	21,377	36,909	608	7,300

8. TRADE AND OTHER ACCOUNTS RECEIVABLE - NET

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Trade accounts receivable - general	722,144	555,070	62,765	28,970
Trade accounts receivable - related parties (Note 6)	54	-	255,277	128,925
Other accounts receivable - third parties	4,724	5,620	37	86
Other accounts receivable - related parties (Note 6)	578,458	485,960	9,870	741
Total	1,305,380	1,046,650	327,949	158,722
<u>Less</u> Impairment for expected credit loss - other accounts receivable - related parties (Note 6)	(144,700)	(102,107)	-	-
<u>Less</u> Impairment for expected credit loss - other accounts receivable - third parties	(31)	-	-	-
Currency translation differences (Note 6)	9,707	(9,392)	-	-
Net	1,170,356	935,151	327,949	158,722

The aging analysis of trade accounts receivable are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
<u>Trade accounts receivable - general</u>				
Not yet due	611,779	525,168	39,141	21,992
Less than 3 months	110,043	29,561	23,606	6,637
3 - 6 months	18	-	18	-
6 - 12 months	304	-	-	-
Over 12 months	-	341	-	341
Total	722,144	555,070	62,765	28,970
<u>Trade accounts receivable - related parties</u>				
Not yet due	54	-	98,243	75,254
Less than 3 months	-	-	107,626	53,671
3 - 6 months	-	-	49,408	-
Total	54	-	255,277	128,925

9. INVENTORIES - NET

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Finished goods	524,885	1,599,056	504,681	407,851
Work in process	1,589	1,222	225	144
Raw materials and packaging supplies	1,318,125	110,416	59,813	15,557
Chemical and others	1,783	1,330	-	-
Total	1,846,382	1,712,024	564,719	423,552
<u>Less</u> Allowance for decline in value of inventories	(15,260)	(13,977)	(9,623)	(9,578)
Currency translation differences	385	(108)	-	-
Net	1,831,507	1,697,939	555,096	413,974

The movements in allowance for decline in value of inventories during the year are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Beginning balance	14,085	65,872	9,578	62,900
Increase	1,174	4,399	45	-
Decrease	-	(56,294)	-	(53,322)
Currency translation differences	(384)	108	-	-
Ending balance	14,875	14,085	9,623	9,578

The decrease in the allowance for the decline in inventory of the Company during 2021 was principally due to the decrease in the slow-moving inventories of the Company.

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Cost of goods sold	5,967,707	5,890,578	1,695,849	1,793,569
Increase (decrease) in allowance	1,175	(51,895)	45	(53,322)
Total cost of sales	5,968,882	5,838,683	1,695,894	1,740,247

10. OTHER CURRENT ASSETS

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Prepaid expense	43,067	78,495	7,010	17,451
Office supplies	2,825	2,831	2,419	2,515
Tax coupon	902	942	902	942
Advance payment	176	48	166	48
Others	11,719	7,000	1,142	969
Total	58,689	89,316	11,639	21,925

11. RESTRICTED DEPOSITS WITH BANKS

Restricted deposits with banks represent fixed deposit of 3 months, 6 months 12 months pledged as collateral for the overdraft and short-term loans facilities from financial institutions.

12. INVESTMENTS IN SUBSIDIARIES

		Separate F/S									
		Paid-up capital		Percentage of shareholding direct (%)		Percentage of shareholding direct and indirect (%)		At Cost (Thousand Baht)		Dividend Income (Thousand Baht)	
Currency of investments		31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Seafresh Group (Holdings) Limited	GBP	10,000	10,000	39.00	39.00	67.55	67.55	190	190	-	-
Sea Farms Limited	GBP	1	1	-	-	67.55	67.55	-	-	-	-
Blue Earth Foods Limited	GBP	3,000	3,000	25.00	25.00	75.66	75.66	36	36	-	-
Sea Farms, Inc.	USD	10,000	10,000	25.00	25.00	68.91	68.91	77	77	-	-
Prochaete Innovation Limited	GBP	100	100	25.00	25.00	48.64	48.64	1	1	-	-
Sea Farms Nutrition Limited	GBP	10,000	10,000	-	-	65.53	65.53	-	-	-	-
Sea Farms Nutrition, Inc.	USD	1	1	-	-	55.70	55.70	-	-	-	-
Mudwalls Farm Limited	GBP	100	100	-	-	34.45	34.45	-	-	-	-
44 Foods Limited	GBP	100	100	-	-	67.65	67.65	-	-	-	-
Manufacturing Systems											
Implementation Company Limited	Thousand Baht	3,000	3,000	100.00	100.00	100.00	100.00	3,521	3,521	8,050	-
Seafresh IHQ Company Limited	Thousand Baht	900,000	900,000	100.00	100.00	100.00	100.00	900,000	900,000	48,600	109,800
Seafresh Farm Company Limited	Thousand Baht	330,000	330,000	100.00	100.00	100.00	100.00	330,000	330,000	-	-
Total								<u>1,233,825</u>	<u>1,233,825</u>	<u>56,650</u>	<u>109,800</u>

The Company has only 48.64% and 34.45% interest in Prochaete Innovation Limited and Mudwalls Farm Limited, respectively but has included them in the consolidated financial statements because the Company can govern the financial and operating policies of such subsidiaries through the board of directors voting rights which more than 50%.

The total non-controlling interests as at 31 December 2022 of is Baht 338.46 million (2021: Baht 330.32 million) of which Baht 362.88 million (2021: Baht 272.33 million) is of Sea Farms Limited which is considered as material non-controlling interests. Set out below are the summarised financial information for aforementioned subsidiary.

Summarised statement of financial position as at 31 December 2022 and 2021

	(Unit : Million Baht)	
	Sea Farms Limited	
	2022	2021
<u>Assets</u>		
Current assets	1,938	1,580
Non-current assets	3	4
Total assets	1,941	1,584
<u>Liabilities</u>		
Current liabilities	823	745
Non-current liabilities	-	-
Total liabilities	823	745
Net assets	1,118	839

Summarised statement of comprehensive income for the years ended 31 December 2022 and 2021.

(Unit : Million Baht)		
Sea Farms Limited		
	2022	2021
Revenue	2,532	2,820
Profit before income tax	370	255
Income tax expense	14	45
Profit after income tax	356	210
Other comprehensive income	-	-
Total comprehensive income	356	210
Total comprehensive income attributable to non-controlling interests	116	68

(Unit : Million Baht)		
Sea Farms Limited		
	2022	2021
Net cash from operating activities	63	128
Net cash used in investing activities	(1)	-
Net cash used in financing activities	(65)	(80)
Net cash inflows	(3)	48

The information above is the amount before inter-company eliminations.

13. INVESTMENT IN JOINT VENTURE

		Consolidated F/S					
		Percentage of investment (%)		At cost (Thousand Baht)		Equity method (Thousand Baht)	
	Paid-up capital	2022	2021	2022	2021	2022	2021
Belize Aquaculture Limited	BZD 13.75 million	50.00	50.00	9,663	9,663	-	-

The Group has no contingent liabilities relating to the Group's interest in the joint venture.

No movements in the Group's investment in joint venture because a subsidiary has fully recognized loss sharing from investment under the equity method.

Summary of financial information of joint venture by investment portion are as follows:

	(Unit : Thousand Baht)	
	Belize Aquaculture Limited	
	2022	2021
Cash and cash equivalents	1,211	172
Trade and other accounts receivable	669	604
Inventories	7,001	7,134
Property, plant and equipment	332,996	309,729
Other non-current assets	-	129
Total assets	341,877	317,768
Trade and other accounts payable	317,714	281,073
Loans	303,217	278,661
Total liabilities	620,931	559,734
Net assets	(279,054)	(241,966)
Revenue	303	148
Cost of sales	-	-
Selling and administrative expenses	(69,475)	(38,722)
Loss before income tax	(69,172)	(38,574)
Income tax	-	-
Loss for the year	(69,172)	(38,574)

14. PROPERTY, PLANT AND EQUIPMENT - NET

(Unit : Thousand Baht)

	Consolidated F/S						Total
	Land	Buildings, and improvement	Machine, and factory equipment	Office fixtures and supplies	Vehicles	Construction in progress	
As at 1 January 2021							
Opening - net book value	358,347	629,413	321,206	75,766	67,432	59,061	1,511,225
Additions	-	40,267	41,339	9,384	1,094	21,744	113,828
Transfer in	21,557	26,422	23,355	253	-	-	71,587
Transfer out	-	-	-	-	-	(71,587)	(71,587)
Disposals - net	-	-	(22)	-	(2,875)	-	(2,897)
Write off - net	-	(3)	(71)	(3)	(14)	-	(91)
Depreciation	-	(36,883)	(73,942)	(15,476)	(12,727)	-	(139,028)
Currency translation differences	5,720	49,267	21,892	7,547	4,509	-	88,935
Closing - net book value	385,624	708,483	333,757	77,471	57,419	9,218	1,571,972
As at 31 December 2021							
Cost	385,624	1,405,148	1,096,499	219,882	151,781	9,218	3,268,152
<u>Less</u> Accumulated depreciation	-	(696,665)	(762,742)	(142,411)	(94,362)	-	(1,696,180)
Net book value	385,624	708,483	333,757	77,471	57,419	9,218	1,571,972

(Unit : Thousand Baht)

	Consolidated F/S						
	Land	Buildings, and improvement	Machine, and factory equipment	Office fixtures and supplies	Vehicles	Construction in progress	Total
As at 1 January 2022							
Opening - net book value	385,624	708,483	333,757	77,471	57,419	9,218	1,571,972
Additions	-	11,383	16,495	6,458	59,577	86,985	180,898
Transfer in	-	3,360	36,125	19	1,099	-	40,603
Transfer out	-	-	-	-	-	(40,603)	(40,603)
Disposals - net	-	-	-	(65)	(35,500)	-	(35,565)
Write off - net	-	(21)	(445)	(3)	-	-	(469)
Depreciation	-	(35,356)	(67,895)	(14,663)	(9,077)	-	(126,991)
Currency translation differences	(4,407)	(39,908)	(16,254)	(5,146)	(3,040)	-	(68,755)
Closing - net book value	381,217	647,941	301,783	64,071	70,478	55,600	1,521,090
As at 31 December 2022							
Cost	381,217	1,373,062	1,087,833	211,932	153,414	55,600	3,263,058
<u>Less</u> Accumulated depreciation	-	(725,121)	(786,050)	(147,861)	(82,936)	-	(1,741,968)
Net book value	381,217	647,941	301,783	64,071	70,478	55,600	1,521,090

Certain land and buildings are mortgaged as collateral for long-term loans from financial institutions as explained in Note 19.

(Unit : Thousand Baht)

	Separate F/S						
	Land	Buildings, and improvement	Machine, and factory equipment	Office fixtures and supplies	Vehicles	Construction in progress	Total
As at 1 January 2021							
Opening - net book value	105,279	144,832	107,344	2,631	16,763	9,266	386,115
Additions	-	-	1,480	375	-	5,530	7,385
Transfer	-	593	12,037	-	-	(12,630)	-
Disposals - net	-	-	-	-	(1,941)	-	(1,941)
Write off - net	-	(3)	(71)	(3)	(14)	-	(91)
Depreciation	-	(20,024)	(31,625)	(1,306)	(6,424)	-	(59,379)
Closing - net book value	105,279	125,398	89,165	1,697	8,384	2,166	332,089
As at 31 December 2021							
Cost	105,279	732,705	508,644	44,111	74,762	2,166	1,467,667
<u>Less</u> Accumulated depreciation	-	(607,307)	(419,479)	(42,414)	(66,378)	-	(1,135,578)
Net book value	105,279	125,398	89,165	1,697	8,384	2,166	332,089

(Unit : Thousand Baht)

	Separate F/S						
	Land	Buildings, and improvement	Machine, and factory equipment	Office fixtures and supplies	Vehicles	Construction in progress	Total
As at 1 January 2022							
Opening - net book value	105,279	125,398	89,165	1,697	8,384	2,166	332,089
Additions	-	363	4,242	333	39	39,470	44,447
Transfer	-	3,360	29,652	19	1,099	(34,130)	-
Write off - net	-	(21)	(109)	(3)	-	-	(133)
Depreciation	-	(17,478)	(27,526)	(848)	(3,321)	-	(49,173)
Closing - net book value	105,279	111,622	95,424	1,198	6,201	7,506	327,230
As at 31 December 2022							
Cost	105,279	736,119	526,152	43,313	74,173	7,506	1,492,542
<u>Less</u> Accumulated depreciation	-	(624,497)	(430,728)	(42,115)	(67,972)	-	(1,165,312)
Net book value	105,279	111,622	95,424	1,198	6,201	7,506	327,230

15. RIGHT-OF-USE ASSETS - NET AND LEASE LIABILITIES - NET

15.1 Right-of-use assets - net

Movements of right-of-use assets for the years ended 31 December 2022 and 2021 are as follows:

(Unit : Thousand Baht)

	Consolidated F/S				
	Buildings, and improvement	Machine, and factory equipment	Office fixtures and supplies	Vehicles	Total
As at 1 January 2021					
Net book value as at 1 January	15,346	3,716	1,206	1,556	21,824
Addition during the year	-	1,031	-	-	1,031
Depreciation during the year	(2,046)	(1,803)	(754)	(825)	(5,428)
Currency translation differences	-	318	113	150	581
Net book value as at 31 December	13,300	3,262	565	881	18,008
As at 31 December 2021					
Cost	17,392	8,666	2,925	3,222	32,205
<u>Less</u> Accumulated depreciation	(4,092)	(5,404)	(2,360)	(2,341)	(14,197)
Net book value	13,300	3,262	565	881	18,008

(Unit : Thousand Baht)

	Consolidated F/S				
	Buildings, and improvement	Machine, and factory equipment	Office fixtures and supplies	Vehicles	Total
As at 1 January 2022					
Net book value as at 1 January	13,300	3,262	565	881	18,008
Addition during the year	-	-	10,886	3,040	13,926
Disposals - net	-	-	-	(616)	(616)
Depreciation during the year	(2,046)	(1,537)	(1,798)	(351)	(5,732)
Currency translation differences	-	(192)	23	(54)	(223)
Net book value as at 31 December	11,254	1,533	9,676	2,900	25,363
As at 31 December 2022					
Cost	17,392	8,096	11,341	3,040	39,869
<u>Less</u> Accumulated depreciation	(6,138)	(6,563)	(1,665)	(140)	(14,506)
Net book value	11,254	1,533	9,676	2,900	25,363

(Unit : Thousand Baht)

	Separate F/S		
	Buildings, and improvement	Machine, and factory equipment	Total
As at 1 January 2021			
Net book value as at 1 January	14,175	528	14,703
Depreciation during the year	(1,890)	(528)	(2,418)
Net book value as at 31 December	12,285	-	12,285
As at 31 December 2021			
Cost	16,065	1,582	17,647
<u>Less</u> Accumulated depreciation	(3,780)	(1,582)	(5,362)
Net book value	12,285	-	12,285

(Unit : Thousand Baht)

	Separate F/S		
	Buildings, and improvement	Machine, and factory equipment	Total
As at 1 January 2022			
Net book value as at 1 January	12,285	-	12,285
Depreciation during the year	(1,890)	-	(1,890)
Net book value as at 31 December	10,395	-	10,395
As at 31 December 2022			
Cost	16,065	1,582	17,647
<u>Less</u> Accumulated depreciation	(5,670)	(1,582)	(7,252)
Net book value	10,395	-	10,395

Income and expenses relating to right-of-use assets for the years ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Expenses relating to short-term leases	993	1,012	993	514
Income relating to sub-lease	-	-	1,067	828

15.2 Lease liabilities - net

As at 31 December 2022 and 2021, the Group has lease agreements for buildings, machine, office equipment and vehicles with period of 18 - 78 months. The present value of lease liabilities are as follows:

			(Unit : Thousand Baht)	
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Not later than 1 year	7,517	4,760	2,276	2,276
Later than 1 year but not later than 5 years	19,526	12,064	9,103	9,104
Later than 5 years	1,232	3,696	1,138	3,414
	28,275	20,520	12,517	14,794
<u>Less</u> Deferred finance cost	(2,676)	(2,390)	(1,440)	(1,979)
Present value of lease liabilities	25,599	18,130	11,077	12,815
<u>Less</u> Current portion	(6,622)	(4,010)	(1,817)	(1,738)
Lease liabilities - net	18,977	14,120	9,260	11,077

The present value of lease liabilities as at 31 December 2022 and 2021 are as follows:

			(Unit : Thousand Baht)	
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Not later than 1 year	6,496	4,010	1,817	1,738
Later than 1 year but not later than 5 years	17,887	10,552	8,137	7,781
Later than 5 years	1,216	3,568	1,123	3,296
Present value of lease liabilities	25,599	18,130	11,077	12,815

Expenses relating to lease liabilities for the years ended 31 December 2022 and 2021 are as follows:

			(Unit : Thousand Baht)	
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Finance cost relating to lease liabilities	743	1,032	538	619

16. INTANGIBLE ASSETS - NET

(Unit : Thousand Baht)

	Consolidated F/S		
	Customer relationship	Computer software	Total
As at 1 January 2021			
Opening - net book value	-	5,249	5,249
Additions	-	4,466	4,466
Amortization	-	(2,856)	(2,856)
Currency translation differences	-	489	489
Closing - net book value	-	7,348	7,348
As at 31 December 2021			
Cost	21,196	57,912	79,108
<u>Less</u> Accumulated amortization	(21,196)	(50,564)	(71,760)
Net book value	-	7,348	7,348
As at 1 January 2022			
Opening - net book value	-	7,348	7,348
Additions	-	1,085	1,085
Amortization	-	(3,705)	(3,705)
Currency translation differences	-	(422)	(422)
Closing - net book value	-	4,306	4,306
As at 31 December 2022			
Cost	19,582	55,929	75,511
<u>Less</u> Accumulated amortization	(19,582)	(51,623)	(71,205)
Net book value	-	4,306	4,306

(Unit : Thousand Baht)
Separate F/S
Computer software

As at 1 January 2021

Opening - net book value	170
Additions	-
Amortization	(95)
Closing - net book value	75

As at 31 December 2021

Cost	17,585
<u>Less</u> Accumulated amortization	(17,510)
Net book value	75

As at 1 January 2022

Opening - net book value	75
Additions	122
Amortization	(94)
Closing - net book value	103

As at 31 December 2022

Cost	17,706
<u>Less</u> Accumulated amortization	(17,603)
Net book value	103

17. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Bank overdrafts	17,768	17,238	10,588	17,238
Short-term loans from financial institutions	1,549,149	1,468,409	654,260	512,200
Total	1,566,917	1,485,647	664,848	529,438

Bank overdrafts and short-term loan facilities of the Group bear interest rate at 1.40% to 6.35% per annum and are collateralized by the bank deposits of the Company, inventories and trade accounts receivable of its subsidiaries.

As at 31 December 2022, the Group has unutilised short-term credit facilities amounting to Baht 393 million (2021: Baht 397 million).

18. ACCRUED EXPENSES

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Accrued salary and bonus	12,401	9,128	8,159	8,186
Accrued transportation and warehouse expense	42	384	-	384
Accrued utilities expense	12,464	3,948	4,728	3,859
Accrued consulting expense	257	756	219	756
Accrued promotional expense	6,565	3,765	-	92
Accrued management expense	-	-	8,988	8,988
Others	46,924	33,211	5,834	4,050
Total	78,653	51,192	27,928	26,315

19. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS - NET

(Unit : Thousand Baht)

Loans	Principals	Term (years)	Maturity	Repayment	Consolidated F/S	
					2022	2021
1	GBP 2.2 million	5	June 2025	Monthly installments of GBP 18,313 plus final installment on the last installment date	32,998	45,566
2	GBP 0.5 million	4.1	April 2023	Monthly installments of GBP 3,192 plus final installment on the last installment date	-	20,745
3	GBP 2.5 million	4.3	July 2025	Monthly installments of GBP 47,600	61,834	92,593
4	GBP 1.7 million	4	June 2025	Monthly installments of GBP 38,400	48,260	72,936
5	USD 0.9 million	4.1	December 2026	Monthly interest of USD 6,358.67 plus principal amount at maturity date	33,614	-
Total					176,706	231,840
<u>Less</u> Current portion					(52,153)	(58,180)
Portion due more than one year					124,553	173,660

The subsidiaries' loans bear interest rate at 3.0% to 4.8% above base lending rate per annum. The Group must comply with the covenants in the contracts.

The subsidiaries' loans are collateralised by the mortgaged of land with building and assets of subsidiaries (Note 14).

Movements in long-term loans are summarised below:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Opening balance	231,840	107,416	-	-
<u>Add</u> Additional borrowings	33,614	169,603	-	-
<u>Less</u> Repayments	(71,091)	(56,962)	-	-
Currency translation differences	(17,657)	11,783	-	-
Ending balance	176,706	231,840	-	-

Maturity of long-term loans is as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Between 1 and 2 years	104,306	116,360	-	-
Between 3 years and 5 years	72,400	115,480	-	-
	176,706	231,840	-	-

20. EMPLOYEE BENEFITS OBLIGATION - NET

Movements in employee benefits obligations for the years ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Employee benefits obligation at beginning of year	62,116	75,271	55,263	69,381
Current service cost	4,672	4,881	3,915	4,043
Interest cost	764	752	694	685
Transferred employees to subsidiary	-	-	-	(1,059)
Remeasurement of post-employee benefit obligations	-	(11,158)	-	(11,938)
Benefits paid during the year	(4,969)	(7,630)	(4,489)	(5,849)
Employee benefits obligation at ending of year	62,583	62,116	55,383	55,263
<u>Less</u> Current portion	(9,888)	(8,727)	(7,612)	(7,337)
Net	52,695	53,389	47,771	47,926

Assumptions to estimate the actuarial valuation date are as follows:

	Consolidated and Separate F/S	
	2022	2021
Discount rate (% per year)	1.09 - 1.60	1.09 - 1.60
Inflation rate (% per year)	2.75	2.75
Future salary increase rate (Depending on age range) (% per year)	4.00 - 5.00	4.00 - 5.00

For the years ended 31 December 2022 and 2021, provision for employee benefit expenses included in the profit or loss are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Current service cost	4,672	4,881	3,915	4,043
Interest cost	764	752	694	685
Total expenses recognized in profit or loss	5,436	5,633	4,609	4,728

Amount recognized in other comprehensive income related to defined benefit plans of the group are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Actuarial loss (gain) from remeasurement of post-employee benefit obligations:				
- changes in demographic assumptions	-	3,601	-	3,434
- changes in financial assumptions	-	691	-	548
- experience adjustment	-	(15,450)	-	(15,920)
Total income recognized in other comprehensive income	-	(11,158)	-	(11,938)

All income summarised above were included within items that will not be reclassified subsequently to profit or loss in the statement of profit or loss and other comprehensive income.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

		(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		2022		2022	
		Increase	Decrease	Increase	Decrease
		1%	1%	1%	1%
Discount rate					
Increment (decrement) of employee benefit		(3,707)	4,163	(3,342)	3,745
Salary growth rate					
Increment (decrement) of employee benefit		5,222	(4,705)	4,692	(4,235)
		Increase	Decrease	Increase	Decrease
		20%	20%	20%	20%
Employee turnover					
Increment (decrement) of employee benefit		(4,073)	4,804	(3,696)	4,349
		(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		2021		2021	
		Increase	Decrease	Increase	Decrease
		1%	1%	1%	1%
Discount rate					
Increment (decrement) of employee benefit		(3,831)	4,310	(3,483)	3,913
Salary growth rate					
Increment (decrement) of employee benefit		4,772	(4,319)	4,326	(3,918)
		Increase	Decrease	Increase	Decrease
		20%	20%	20%	20%
Employee turnover					
Increment (decrement) of employee benefit		(3,462)	4,262	(3,337)	3,902

As at 31 December 2022, expected maturity of employee benefits obligation before discount are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Within one year	5,464	4,276
Between 2 - 5 years	17,489	15,460
Between 6 - 10 years	19,694	18,758
Between 11 - 15 years	6,789	6,532
Total	49,436	45,026

21. SHARE CAPITAL

On 16 April 2021, the Annual General Meeting of the shareholders No.1/2021 passed the resolution to approve for

- reduce the Company's registered share capital amounting to Baht 22,145,000 from the existing registered share capital amounting to Baht 485,694,600 to the registered share capital amounting to Baht 463,549,600 by cancelling unissued registered share capital of 22,145,000 shares with a par value of Baht 1 per share.
- increase of the Company's registered share capital amounting to Baht 463,549,600 from the registered share capital amounting to Baht 463,549,600 to the registered share capital amounting to Baht 927,099,200 by issuing 463,549,600 newly issued common shares with a par value of Baht 1 per share to offer the existing shareholders of the Company in proportion of their shareholding (Right Offering). The newly issued common shares have been traded on 20 May 2021.

The Company amended its Memorandum of Association to the new share capital and registered the change in share capital with the Department of Business Development on 27 April 2021.

22. LEGAL RESERVE

Legal reserve represents the reserve which the Company appropriated under the provisions of the Public Limited Companies Act B.E. 2535, which requires the Company to appropriate at least 5% of its net income after deduction of the deficit brought forward (if any) as reserve fund until the reserve reaches 10% of the authorized share capital. This reserve is not available for dividend distribution.

23. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The changes in the Group's liabilities arising from financing activities can be classified as follows:

(Unit : Thousand Baht)

	Consolidated F/S				
	Finance Lease liabilities	Short-term loans from related party	Bank overdrafts and short-term loans from financial institutions	Bonds	Long-term loans from financial institutions
					Total
1 January 2021	21,876	-	1,604,313	499,914	107,416
Cash-flows:					
Repayment	(5,408)	(4,400)	(118,666)	(500,000)	(56,962)
Proceeds	-	74,400	-	-	169,603
Non-cash:					
Increase during the year	1,031	-	-	-	-
Amortized finance costs	-	-	-	86	-
Currency translation differences	631	-	-	-	11,783
31 December 2021	18,130	70,000	1,485,647	-	231,840

(Unit : Thousand Baht)

	Consolidated F/S				
	Finance Lease liabilities	Short-term loans from related party	Bank overdrafts and short-term loans from financial institutions	Bonds	Long-term loans from financial institutions
					Total
1 January 2022	18,130	70,000	1,485,647	-	231,840
Cash-flows:					
Repayment	(6,776)	-	-	-	(71,091)
Proceeds	-	-	81,270	-	33,614
Non-cash:					
Increase during the year	13,926	-	-	-	-
Amortized finance costs	-	-	-	-	-
Currency translation differences	319	-	-	-	(17,657)
31 December 2022	25,599	70,000	1,566,917	-	176,706

(Unit : Thousand Baht)

	Separate F/S				
	Finance Lease liabilities	Short-term loans from related party	Bank overdrafts and short-term loans from financial institutions	Bonds	Long-term loans from financial institutions
1 January 2021	15,012	63,550	843,476	499,914	-
Cash-flows:					
Repayment	(2,917)	(14,000)	(314,038)	(500,000)	-
Proceeds	-	201,600	-	-	-
Non-cash:					
Amortized finance costs	-	-	-	86	-
Off - setting short-term loans from related parties with dividend income	-	(109,800)	-	-	-
31 December 2021	12,095	141,350	529,438	-	-

(Unit : Thousand Baht)

	Separate F/S				
	Finance Lease liabilities	Short-term loans from related party	Bank overdrafts and short-term loans from financial institutions	Bonds	Long-term loans from financial institutions
1 January 2022	12,815	141,350	529,438	-	-
Cash-flows:					
Repayment	(1,738)	(100,000)	-	-	-
Proceeds	-	149,699	135,410	-	-
Non-cash:					
Off - setting short-term loans from related parties with dividend income	-	(56,650)	-	-	-
31 December 2022	11,077	134,399	664,848	-	-

24. INCOME TAX

Applicable tax rates for the Group are as follows;

	Tax rate (%)	
	2022	2021
Income tax under the Revenue Code of the Company and subsidiary in Thailand	8, 20	8, 20
Corporate income tax in foreign countries	19, 27	19

24.1 Deferred tax assets and tax liabilities

	Consolidated F/S		(Unit : Thousand Baht)	
			Separate F/S	
	2022	2021	2022	2021
Deferred tax assets	51,000	51,000	51,000	51,000
Deferred tax liabilities	(81,167)	(51,174)	-	-
Net	(30,167)	(174)	51,000	51,000

The change in deferred tax assets and liabilities are as follows:

(Unit : Thousand Baht)

	Consolidated F/S				
	1 January 2022	Statement of profit or loss	Shareholders' equity	Currency translation differences	31 December 2022
<u>Deferred tax assets from</u>					
Loss carried forward	51,000	-	-	-	51,000
Forward exchange contracts	14	4	-	(1)	17
Gain on inventory	744	1,100	-	(97)	1,747
Total	51,758	1,104	-	(98)	52,764
<u>Deferred tax liabilities from</u>					
Difference from depreciation rate	(51,932)	(36,281)	-	5,282	(82,931)
Net	(174)	(35,177)	-	5,184	(30,167)

(Unit : Thousand Baht)

	Consolidated F/S				
	1 January 2021	Statement of profit or loss	Shareholders' equity	Currency translation differences	31 December 2021
<u>Deferred tax assets from</u>					
Loss carried forward	4,150	46,506	-	344	51,000
Forward exchange contracts	6,428	(6,947)	-	533	14
Gain on inventory	1,546	(948)	-	146	744
Total	12,124	38,611	-	1,023	51,758
<u>Deferred tax liabilities from</u>					
Difference from depreciation rate	(47,211)	446	-	(5,167)	(51,932)
Net	(35,087)	39,057	-	(4,144)	(174)

(Unit : Thousand Baht)

	Separate F/S				
	1 January 2022	Statement of profit or loss	Shareholders’ equity	Currency translation differences	31 December 2022
<u>Deferred tax assets from</u>					
Loss carried forward	51,000	-	-	-	51,000

(Unit : Thousand Baht)

	Separate F/S				
	1 January 2021	Statement of profit or loss	Shareholders' equity	Currency translation differences	31 December 2021
<u>Deferred tax assets from</u>					
Loss carried forward	-	51,000	-	-	51,000

Deferred tax assets are recognized for tax loss carried forward only to the extent that realization of the related tax benefit through the future taxable profits is probable. As at 31 December 2022, unrecognized deferred tax assets in the consolidated and separate financial statements is Baht 98.63 million (2021: Baht 135.47 million). Unutilized tax losses will expire during 2024 to 2032.

- 24.2 Income tax expenses recognized in the statements of profit or loss for the years ended 31 December 2022 and 2021 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Current tax	44,105	64,879	-	-
Deferred tax	35,177	(39,057)	(51,000)	(51,000)
Total	79,282	25,822	(51,000)	(51,000)

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

	Consolidated F/S		(Unit : Thousand Baht)	
			Separate F/S	
	2022	2021	2022	2021
Profit before tax	288,019	360,752	170,791	127,970
Tax calculated at a tax rate of 20%	57,604	72,150	34,158	25,594
Tax effect of:				
Revenue granted income tax exemption and expenses that are deductable at a greater amount	(29,373)	(13,404)	(39,547)	(22,914)
Impact of intercompany transactions	7,144	30,809	-	-
Change in tax rate	30,119	(30,172)	-	-
Unrecognized temporary differences	-	(3,025)	-	(3,126)
Expenses not deductible for tax purpose	3,107	8,872	1,043	542
Utilization of previously unrecognized tax losses	-	-	-	(96)
Adjustment in respect of prior year	-	-	-	-
Reversal of deferred tax assets	(5,665)	2,166	-	-
Tax on unrecognized of previously with loss carried forward as deferred tax asset	-	(51,000)	-	(51,000)
Unrecognized current year loss as deferred tax assets	16,346	9,426	4,346	-
Tax charged	79,282	25,822	-	(51,000)

25. OTHER INCOME

	Consolidated F/S		(Unit : Thousand Baht)	
			Separate F/S	
	2022	2021	2022	2021
Interest income	36	60	2,728	2,330
Dividend received	-	-	56,650	109,800
Income from sale of by products	6,203	7,079	6,203	7,079
Compensation from export duty	2,345	1,367	2,345	1,367
Interest income from credit sale	-	-	16,847	12,540
Income from sales of scrap	1,349	1,170	936	1,103
Gain on sales of fixed assets	12,467	6,143	591	6,143
Others	9,218	5,521	13,313	6,996
Total	31,618	21,340	99,613	147,358

26. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2022	2021	2022	2021
Salaries and wages and others employee benefits	1,163,908	1,052,687	393,711	342,014
Depreciation and amortization expenses	136,429	147,312	51,157	61,892
Raw materials and consumable supplies used	3,348,123	4,634,055	1,347,731	1,300,179
Logistic expenses	226,144	202,342	80,733	68,715
Utilities expenses	129,142	107,749	80,336	67,307
Warehouse expenses	31,444	40,092	47	52
Maintenance expenses	62,406	47,571	24,578	10,874
Rental expenses and service expenses	9,500	10,336	6,987	6,305
Changes in finished goods and work in process	1,116,544	(151,513)	(96,911)	83,616
Allowance (Reversal) for decline in value of inventories	1,175	(51,895)	45	(53,322)

27. REVENUES

Majority revenues of the Group are consisted of frozen raw shrimp, frozen cooked shrimp, processed shrimp such as breaded shrimp, tempura shrimp and sushi shrimp, fruit and vegetable. Sales are through the subsidiaries in overseas under the trademark of the Group and customers which are an importer, a wholesaler, a retailer and a re-processor in the European Union, Japan, USA, Canada and Australia. The Group recognized revenues from sales at point in time.

Furthermore, the Group has revenue from service agreements to provides consulting and implement computer systems in Oracle application in Thailand. The Group recognized revenue from such services over the servicing period (Over time).

28. SEGMENT REPORTING

The Group presents the operating segments by geographical area. Segment information is presented in respect of the Group operating segments which are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker has been identified as the board of directors. The board of directors reviews the Group's internal reporting regularly in order to assess the performance and allocate resources. The board of directors measures the business based on a measure of segment profit before tax, which is derived on a basis that is consistent with the measurement of profit in the consolidated information preparation.

Operating segments are defined as components of the Group about which segment financial information is available by a segment basis that is evaluated regularly by the board of directors.

The information of operating segment for the years ended 31 December 2022 and 2021 are as follows:

(Unit : Thousand Baht)

	Consolidated F/S							
	Overseas operation		Thailand operation		Elimination		Total	
	2022	2021	2022	2021	2022	2021	2022	2021
Revenues from third parties	5,461,613	5,637,004	1,488,102	1,148,663	-	-	6,949,715	6,785,667
Revenues from related parties	-	-	637,262	911,367	(637,262)	(911,367)	-	-
Total revenues	5,461,613	5,637,004	2,125,364	2,060,030	(637,262)	(911,367)	6,949,715	6,785,667
Revenue classified by revenue recognition								
At point in time	5,461,613	5,637,004	2,047,938	1,981,013	(578,311)	(851,860)	6,931,240	6,766,157
Over time	-	-	77,426	79,017	(58,951)	(59,507)	18,475	19,510
Total	5,461,613	5,637,004	2,125,364	2,060,030	(637,262)	(911,367)	6,949,715	6,785,667
Interest income	-	-	36	60	-	-	36	60
Interest expense	127,021	105,811	20,771	37,146	(78,741)	(73,122)	69,051	69,835
Depreciation and amortization expenses	73,256	75,522	63,173	71,790	-	-	136,429	147,312
Segment profit (loss) before income tax	166,035	285,086	100,827	119,550	21,157	(43,884)	288,019	360,752
Segment assets	3,877,984	3,708,797	2,479,689	2,228,664	(1,104,211)	(1,030,255)	5,253,462	4,907,206
Increase (decrease) of non-current assets of segment	6,885	152,454	(19,201)	(721)	-	-	(12,316)	151,733
Segment liabilities	2,719,020	2,546,795	907,846	755,601	(982,270)	(882,138)	2,644,596	2,420,258

Major customers

For the year ended 31 December 2022, the Group's revenue from sales of products from external major customers amounting to Baht 3,238 million (31 December 2021: Baht 3,221 million).

29. COMMITMENTS AND CONTINGENT LIABILITIES

29.1 Capital commitments

As at 31 December 2022, the Company and a subsidiary has capital commitments in respect of purchases of machinery amounting to Baht 0.42 million (31 December 2021: machinery of Baht 0.24 million and equipment of Baht 0.65 million).

29.2 Bank guarantees

	Consolidated and Separate F/S	
	2022	2021
US Customs bond	USD 0.2 million	USD 0.3 million
Electricity guarantee	Baht 4.5 million	Baht 7.9 million
Import / export guarantee - Customs Dept.	Baht 1 million	Baht 1 million

30. PROMOTIONAL PRIVILEGES

The Company has been granted various promotional privileges by the Board of Investment under the Investment Promotion Act. B.E. 2520 Details of the promotion certificates are as follows:

Certificate No.	Certificate's date	The promoted business	Date of first earning operating income
1739(3)/2550	4 June 2007	The manufacture of frozen processed or semi-processed products.	1 July 2011
1740(2)/2550	20 June 2007	The manufacture of frozen seafood products.	1 July 2011
1070(2)/2557	9 January 2014	The manufacture of frozen seafood products.	13 July 2019
1075(3)/2557	10 January 2014	The manufacture of semi-processed product and frozen product	4 July 2019

Subject to certain imposed conditions, the privileges granted include the following:

- Permission to own land in order to carry on the promoted activities, as deemed appropriate by the Board of Investment.
- Exemption from import duty on machinery imported for use in production, as approved by the Board.
- Exemption from corporate income tax on net profit for a period of eight years commencing as from the date of first earning income from the promoted operation. (Exemption certificate no. 1740(2)/2550 and 1070(2)/2557 not exceed 100 percent of investment).
- Exemption from income tax on dividends paid from the profit of the promoted operation, for a period of eight years.
- Permission to deduct costs of installation or construction of public utilities at the rate of twenty-five percent in addition to normal depreciation charges.

The Company's operating revenues for the years ended 31 December 2021 and 2020 divided into promoted and non-promoted operations are as follows:

	(Unit : Thousand Baht)		
	Promoted business	Non - promoted business	Total
2022			
Sales			
Domestic sales	151,510	76,137	227,647
Export sales	1,447,198	373,063	1,820,261
Total sales	1,598,708	449,200	2,047,908
2021			
Sales			
Domestic sales	124,610	29,841	154,451
Export sales	1,228,248	591,854	1,820,102
Total sales	1,352,858	621,695	1,974,553

31. FINANCIAL INSTRUMENT

31.1 The outstanding of financial assets and financial liabilities as at 31 December 2022 and 2021 as follows:

	(Unit : Thousand Baht)					
	Consolidated F/S					
	2022			2021		
	Carrying amounts	Fair value through profit or loss	Amortized cost - net	Carrying amounts	Fair value through profit or loss	Amortized cost - net
Financial assets						
Cash and cash equivalents	21,377	-	21,377	36,909	-	36,909
Trade and other accounts receivable	1,170,356	-	1,170,356	935,151	-	935,151
Derivative assets	39,059	39,059	-	924	924	-
Restricted deposits with bank	21,000	-	21,000	21,000	-	21,000
Long-term loans to and interest receivable - related party	464,910	-	464,910	429,917	-	429,917
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	1,566,917	-	1,566,917	1,485,647	-	1,485,647
Trade and other accounts payable	524,766	-	524,766	370,455	-	370,455
Accounts payable for purchase of fixed assets	389	-	389	451	-	451
Long-term loans from financial institutions	176,707	-	176,707	231,839	-	231,839
Short-term loans from related party	70,000	-	70,000	70,000	-	70,000
Lease liabilities	25,599	-	25,599	18,131	-	18,131

(Unit : Thousand Baht)

	Separate F/S					
	2022			2021		
	Carrying amounts	Fair value through profit or loss	Amortized cost - net	Carrying amounts	Fair value through profit or loss	Amortized cost - net
Financial assets						
Cash and cash equivalents	608	-	608	7,300	-	7,300
Trade and other accounts receivable	327,949	-	327,949	158,722	-	158,722
Short-term loan to and interest receivable - related parties	140,094	-	140,094	136,097	-	136,097
Derivative assets	38,553	38,553	-	999	999	-
Restricted deposits with bank	20,000	-	20,000	20,000	-	20,000
Financial liabilities						
Bank overdrafts and short-term loans from financial institutions	664,848	-	664,848	529,438	-	529,438
Trade and other accounts payable	68,381	-	68,381	23,429	-	23,429
Accounts payable for purchase of fixed assets	368	-	368	451	-	451
Short-term loans from related parties	134,399	-	134,399	141,350	-	141,350
Lease liabilities	11,077	-	11,077	12,815	-	12,815

31.2 Risks and risks management policy

The Group has financial risks associated with these financial instruments and how they are managed are described below.

Credit risk

The Group has exposure to credit risk primarily with respect to trade and other receivable and loans. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses since most of the credit granting are covered with contracts and guarantees. The maximum exposure to credit risk is limited to the carrying amounts of receivables, loans, and other receivables as stated in the statement of financial position.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at financial institution, loans to, bank overdrafts, short-term and long-term loans with interest bearing. However, since most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the current market rate, the interest rate risk is expected to be minimal.

(Unit : Thousand Baht)

	Consolidated F/S				
	2022				
	Floated rate	Fixed rate	No interest	Total	Interest rate (%) (Per annum)
Cash and cash equivalents	4,408	-	16,969	21,377	0.20 - 0.35
Restricted deposits with bank	-	21,000	-	21,000	1.10 - 1.88
Long-term loans to and interest receivable - related party	-	464,910	-	464,910	8.00
Bank overdrafts and short-term loans from financial institutions	901,935	664,982	-	1,566,917	1.40 - 6.35
Long-term loans from financial institutions	176,707	-	-	176,707	3.00 - 4.00
Short-term loans from shareholder and director	-	70,000	-	70,000	5.90
Lease liabilities	-	25,599	-	25,599	3.03 - 6.00

(Unit : Thousand Baht)

	Consolidated F/S				
	2021				
	Floated rate	Fixed rate	No interest	Total	Interest rate (%) (Per annum)
Cash and cash equivalents	36,446	-	463	36,909	0.05 - 0.38
Restricted deposits with bank	1,000	20,000	-	21,000	1.15 - 1.88
Long-term loans to and interest receivable - related party	-	429,917	-	429,917	8.00
Bank overdrafts and short-term loans from financial institutions	956,029	529,438	-	1,485,647	1.00 – 5.25
Long-term loans from financial institutions	231,839	-	-	231,839	3.00 - 4.80
Short-term loans from shareholder and director	-	70,000	-	70,000	5.90
Lease liabilities	-	18,131	-	18,131	3.03 - 6.00

(Unit : Thousand Baht)

	Separate F/S				
	2022				
	Floated rate	Fixed rate	No interest	Total	Interest rate (%) (Per annum)
Cash and cash equivalents	124	-	484	608	0.20 - 0.35
Restricted deposits with bank	-	20,000	-	20,000	1.40 - 2.15
Short-term loan to and interest receivable - related parties	-	140,094	-	140,094	2.00
Bank overdrafts and short-term loans from financial institutions	-	664,848	-	664,848	1.85 - 3.95
Short-term loans from shareholder and director	-	134,399	-	134,399	0.50 - 5.95
Lease liabilities	-	11,077	-	11,077	3.03 - 4.57

(Unit : Thousand Baht)

	Separate F/S				
	2021				
	Floated rate	Fixed rate	No interest	Total	Interest rate (%) (Per annum)
Cash and cash equivalents	6,837	-	463	7,300	0.05 - 0.38
Restricted deposits with bank	-	20,000	-	20,000	1.10 - 1.88
Short-term loan to and interest receivable - related parties	-	136,097	-	136,097	2.00
Bank overdrafts and short-term loans from financial institutions	-	529,438	-	529,438	1.00 - 5.25
Short-term loans from shareholder and director	-	141,350	-	141,350	0.50 - 5.95
Lease liabilities	-	12,815	-	12,815	3.03 - 4.57

Foreign exchange risk

The Group has exposure to foreign currency risk from trading transactions and borrowings that are denominated in foreign currencies. The Group has entered into forward exchange and currency swap contracts which mature within one year to manage the risk.

As at 31 December 2022 and 2021, the Company has balance of financial assets denominated in foreign currencies as follows:

	Separate F/S			
	2022		2021	
	Thousand	Exchange rate	Thousand	Exchange rate
	US dollar	(Closing rate)	US dollar	(Closing rate)
Trade accounts receivable	8,497	34.39	4,297	33.25

Some of financial assets, dominated in foreign currencies, have foreign currency forward exchange contracts to protect the risk.

Derivative financial instruments of the Group as at 31 December 2022 and 2021 are as follows:

	Consolidated F/S		(Unit: Thousand Baht)	
	Separate F/S			
	2022	2021	2022	2021
<u>Current assets</u>				
Foreign currency forward contracts - trading	39,059	924	38,553	999

Derivative financial instruments of the Group are not qualified to the hedge accounting. The Group classified derivative financial instruments as trading for accounting purpose and measured at fair value through profit or loss.

Liquidity risk

The Group monitor its liquidity risk and maintain a level of cash and cash equivalents deemed adequate by management to finance the Group operations and to mitigate the effects of fluctuations in cash flows.

31.3 Fair value hierarchy

The carrying amounts of the financial assets and financial liabilities approximate their fair values, except long-term loans from financial institutions and bond with interest charged at the fixed rates. Long-term loans from financial institutions with interest charged at the floating rates have the fair value approximate the carrying amount.

As at 31 December 2022 and 2021, the Group has assets and liabilities measured at fair value in the statement of financial position which are grouped into levels of a fair value hierarchy as follows:

(Unit: Thousand Baht)

	Consolidated F/S			
	2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Derivative assets	-	39,059	-	39,059

(Unit: Thousand Baht)

	Consolidated F/S			
	2021			
	Level 1	Level 2	Level 3	Total
Liabilities measured at fair value				
Derivative liabilities	-	924	-	924

(Unit: Thousand Baht)

	Separate F/S			
	2022			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Derivative assets	-	38,553	-	38,553

(Unit: Thousand Baht)

	Separate F/S			
	2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Derivative assets	-	999	-	999

32. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements are authorized for issuance by the Board of Directors on 27 February 2023.



Details of the Board of Directors and Executives

1.1 Details about the directors



Mrs. Tassanee Youngmeevithya
Chairman of the Board/Deputy Chief Executive

Age 67 Years
Date of Appointment as Director: 29 November 1982

Shareholding ¹

- Direct 22.910%
- Indirect 23.256%

Education

- B.S. (Economics), Ramkhamhaeng University

Work Experiences

- | | | |
|----------------|--|--|
| • 2022-Present | Chairman of the Board/
Deputy Chief Executive Officer | Seafresh Industry Public Company Limited |
| • 1982-2022 | Director/Deputy Chief Executive Officer | Seafresh Industry Public Company Limited |

Position in Sub-Committees

- | | | |
|----------------|---|--|
| • 2022-Present | Chairman of Corporate Governance and Sustainability Committee | Seafresh Industry Public Company Limited |
| • 1982-Present | Chairman of Risk Management/Member of Nomination and Remuneration Committee/
Member of Executive Committee | Seafresh Industry Public Company Limited |
| • 1982-2022 | Chairman of Corporate Governance Committee | Seafresh Industry Public Company Limited |

Position in other companies

- | | |
|----------------------------|------------|
| Subsidiary by CFRESH | • 8 Places |
| Listed Company | • None |
| Other Non-Listed Companies | • 2 Places |

Training Course

- Training from the Thai Institute of Directors Association (IOD)
Director Certification Program (DCP)
Hot Issue for Directors: What Directors Need to Know about Digital Asset? Class 3/2022

Relationships Regarding

- As the wife of director No. 2 and as the mother of director No. 3 and 9

Family Between Executives



Mr. Narit Chia-Apar
Director/Chief Executive Officer

Age 64 Years
Date of Appointment as Director: 29 November 1982

Shareholding ¹

- Direct 23.256%
- Indirect 22.910%

Education

- College, Malaysia

Work Experiences

- | | | |
|----------------|--|--|
| • 2022-Present | Director/Chief Executive Officer | Seafresh Industry Public Company Limited |
| • 1982-2022 | Chairman of the Board /
Chief Executive Officer | Seafresh Industry Public Company Limited |

Position in Sub-Committees

- | | | |
|----------------|---------------------------------|--|
| • 1982-Present | Chairman of Executive Committee | Seafresh Industry Public Company Limited |
|----------------|---------------------------------|--|

Position in other companies

- | | |
|----------------------------|------------|
| Subsidiary by CFRESH | • 4 Places |
| Listed Company | • None |
| Other Non-Listed Companies | • 2 Places |

Training Course

- Training from the Thai Institute of Directors Association (IOD)
Director Certification Program (DCP)
- As a lecturer, University of the Thai Chamber of Commerce
TEN X: Transformational Executive Network For Exponential Growth Class 1/2022,
Section: Sharing Best Practice: Private Sector

Relationships Regarding

Family Between Executives

- As the husband of director No. 1 and as the father of director No. 3 and 9



Mr. Chintat Chia-Apar
Director/Chief of Business Development Officer/
Acting Chief Financial Officer/Company Secretary

Age 38 Years
Date of Appointment as Director: 28 April 2015

Shareholding ¹

- Direct 14.465%
- Indirect – None-

Education

- Management MSc Brunel University, UK
- Finance and Investment MSc BPP University Business School, UK
- Bachelor Degree of Arts in Economics, Srinakharinwirot University

Work Experiences

- | | | |
|----------------|--|--|
| • 2022-Present | Acting Chief Financial Officer/
Company Secretary | Seafresh Industry Public Company Limited |
| • 2020-Present | Director/Chief Organization Development
Officer | Seafresh Industry Public Company Limited |
| • 2015-2020 | Director/Chief International Business Officer | Seafresh Industry Public Company Limited |
| • 2011-2015 | Executive in International Business | Seafresh Industry Public Company Limited |

Position in Sub-Committees

- | | | |
|----------------|---|--|
| • 2022-Present | Member of Corporate Governance and
Sustainability Committee | Seafresh Industry Public Company Limited |
| • 2015-2022 | Member of Corporate Governance
Committee | Seafresh Industry Public Company Limited |
| • 2015-Present | Member of Risk Management Committee/
Member of Executive Committee | Seafresh Industry Public Company Limited |

Position in other companies

- | | |
|-------------------------------|------------|
| Subsidiary by CFRESH | • 5 Places |
| Listed Company | • None |
| Other Non-Listed
Companies | • 1 Place |

Training Course

- Training from the Thai Institute of Directors Association (IOD)
Director Accreditation Program (DAP)
- Company Secretary (CSP) Class 133/2022
- TEN X: Transformational Executive Network For Exponential Growth Class 1/2022,
Section: Sharing Best Practice: Private Sector, University of the Thai Chamber of Commerce

Relationships Regarding

Family Between Executives

- As the son of director No. 1 and 2, and the brother of director No. 9



Dr. Kamales Santivejkul

Independent Director / Chairman of Audit Committee /
Chairman of Nomination and Remuneration Committee

Age 71 Years

Date of Appointment as Director: 27 July 1993

Shareholding ¹

- Direct 0.216%
- Indirect – None-

Education

- Ph.D. Business Administration, Oklahoma State University, USA
- Master of Monetary and Fiscal, National Institute of Development Administration
- BA, Civil Engineering, Songklha Nakarin University

Work Experiences

• 1999-Present	Independent Director	Seafresh Industry Public Company Limited
• 1999-Present	Director	Nonthavej Hospital Public Company Limited
• 2020-Present	Chief Executive Officer	Nonthavej Hospital Public Company Limited
• 2019-Present	Member of Corporate Governance and Risk Management Committee	Nonthavej Hospital Public Company Limited
• 2016-Present	Independent Director/Member of Audit Committee/Member of Risk Management and Corporate Governance Committee/Member of Nomination and Remuneration Committee	MFEC Public Company Limited
• 2015-Present	Advisor of Computer Center	Faculty of Commerce and Accountancy, Chulalongkorn University

Position in Sub-Committees

• 1999-Present	Chairman of Audit Committee/Chairman of Nomination and Remuneration Committee	Seafresh Industry Public Company Limited
• 1993-1999	Chairman of Nomination and Remuneration Committee	Seafresh Industry Public Company Limited

Position in other companies

Subsidiary by CFRESH	• None
Listed Company	• 2 Places
Other Non-Listed Companies	• 2 Places

Training Course

- Training from the Thai Institute of Directors Association (IOD) Director Certification Program (DCP)
- COSO Internal Control Framework

Relationships Regarding Family Between Executives

- None



Dr. Sorachai Bhisalbutra
Independent Director/Member of Audit Committee/
Member of Nomination and Remuneration Committee

Age 82 Years
Date of Appointment as Director: 27 July 1993

Shareholding ¹

- Direct 0.205%
- Indirect – None-

Education

- Ph.D. (Statistics) Oklahoma State University, USA

Work Experiences

- | | | |
|----------------|--|--|
| • 1999-Present | Independent Director | Seafresh Industry Public Company Limited |
| • 2005-2016 | Advisor to President for Research and Academic Service | Dhurakij Pundit University |
| • 1999-2005 | Deputy Dean-Research & Development Department | Dhurakij Pundit University |

Position in Sub-Committees

- | | | |
|----------------|---|--|
| • 1999-Present | Member of Audit Committee/Member of Nomination and Remuneration Committee | Seafresh Industry Public Company Limited |
| • 1993-1999 | Member of Nomination and Remuneration Committee | Seafresh Industry Public Company Limited |

Position in other companies

- | | |
|----------------------------|--------|
| Subsidiary by CFRESH | • None |
| Listed Company | • None |
| Other Non-Listed Companies | • None |

Training Course

- Training from the Thai Institute of Directors Association (IOD) Director Accreditation Program (DAP)
- COSO Internal Control Framework

Relationships Regarding

- None

Family Between Executives



Dr. Worapong Leewattanakit
Independent Director/Member of Audit Committee/
Member of Nomination and Remuneration

Age 52 Years
Date of Appointment as Director: 28 July 2005

Shareholding ¹

- Direct 0.119%
- Indirect – None-

Education

- Ph.D. (Computer Science) Vienna University of Technology, Austria

Work Experiences

- | | | |
|----------------|--|---|
| • 2022-Present | Assistant Dean and Director of Computer Center | Faculty of Commerce and Accountancy, Chulalongkorn University |
| • 2019-Present | Deputy Director of Metallurgy and Materials Science Research Institute | Chulalongkorn University |
| • 2005-Present | Independent Director/Member of Audit Committee/Member of Nomination and Remuneration Committee | Seafresh Industry Public Company Limited |
| • 1996-Present | Instructor, Faculty of Commerce and Accountancy | Chulalongkorn University |
| • 2005-2008 | Director of Office of Information Technology | Chulalongkorn University |

Position in Sub-Committees

- | | | |
|----------------|---|--|
| • 2005-Present | Member of Audit Committee/Member of Nomination and Remuneration Committee | Seafresh Industry Public Company Limited |
|----------------|---|--|

Position in other companies

- | | |
|----------------------------|--------|
| Subsidiary by CFRESH | • None |
| Listed Company | • None |
| Other Non-Listed Companies | • None |

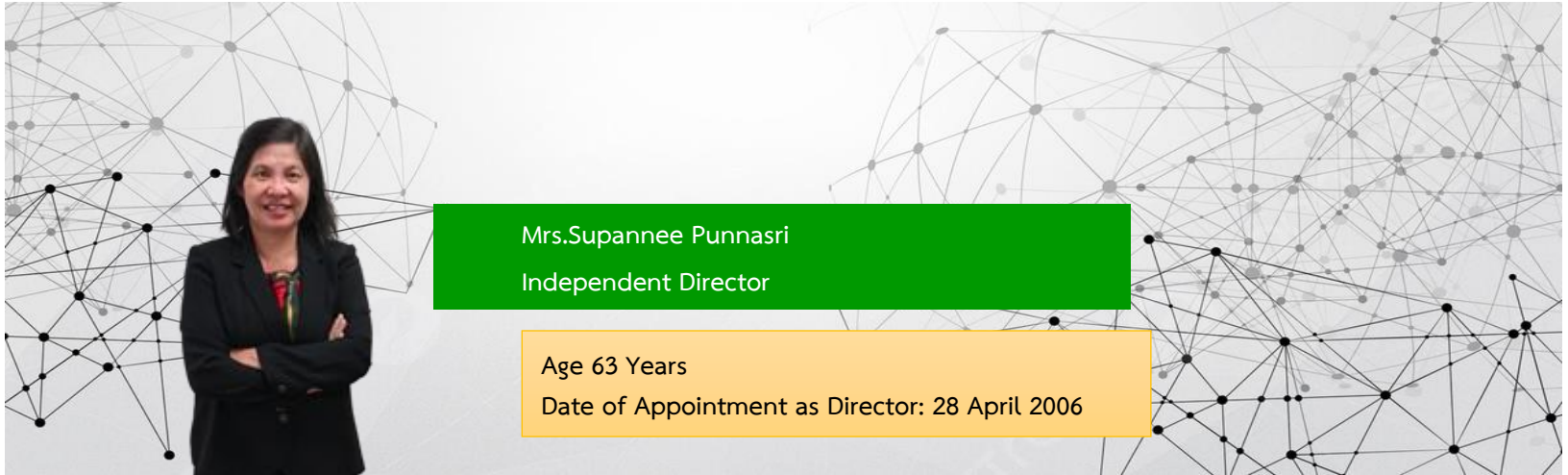
Training Course

- Training from the Thai Institute of Directors Association (IOD) Director Accreditation Program (DAP)
- COSO Internal Control Framework

Relationships Regarding

- None

Family Between Executives



Mrs.Supanee Punnasri
Independent Director

Age 63 Years
Date of Appointment as Director: 28 April 2006

Shareholding ¹		• Direct 0.058% • Indirect 0.032%
Education		• Bachelor of Medical Science (Certificate of Medical), Chulalongkorn University
Work Experiences		• 2006-Present Independent Director Seafresh Industry Public Company Limited • 1999-2012 Director E.B. International Company Limited • 1984-1992 Medical Doctor Samui, Chaingrai, Chulalongkorn Hospital
Position in Sub-Committees		-None-
Position in other companies		
Subsidiary by CFRESH	• None	
Listed Company	• None	
Other Non-Listed Companies	• None	
Training Course		• Training from the Thai Institute of Directors Association (IOD) Director Accreditation Program (DAP)
Relationships Regarding Family Between Executives		• None



Mr.Narongrit Chiarawongvanit
Director

Age 69 Years
Date of Appointment as Director: 27 July 1993

Shareholding ¹	• Direct 0.108% • Indirect 0.017%		
Education	• College, Malaysia		
Work Experiences	• 1993-Present Director Seafresh Industry Public Company Limited • 1982-2014 Senior Vice President of Purchasing Seafresh Industry Public Company Limited		
Position in Sub-Committees	-None-		
Position in other companies	• None		
Subsidiary by CFRESH	• None		
Listed Company	• None		
Other Non-Listed Companies	• None		
Training Course	• Training from the Thai Institute of Directors Association (IOD) Director Accreditation Program (DAP)		
Relationships Regarding Family Between Executives	• None		



Ms. Chankate Chia-Apar
Director

Age 35 Years
Date of Appointment as Director: 16 April 2021

Shareholding ¹			- Direct 5.494% - Indirect – None-
Education			- Master Degree in Transnational Media and Globalization, City University, UK - Bachelor Degree in Communication Arts, Assumption University
Work Experiences			2021-Present Director Seafresh Industry Public Company Limited 2015-Present Director Chartered Square Holdings Co., Ltd.
Position in Sub-Committees			-None-
Position in other companies			- Subsidiary by CFRESH • None - Listed Company • None - Other Non-Listed Companies • 1 Place
Training Course			- Training from the Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) - Hot Issue for Directors: What Directors Need to Know about Digital Asset? Class 3/2022
Relationships Regarding Family Between Executives			As the daughter of director No. 1 and 2, and the sister of director No. 3

1.2 Details about the executives



Mr. Boonlert Foongvannaluck
Chief Commercial Officer/ Member of Risk Committee
Member of Corporate Governance and Sustainability Committee

Age 51 Years
Date of Appointment as Executive: 1 January 2015

Shareholding ¹

- Direct 0.05%
- Indirect – None-

Education

- Bachelor of Business Administration (Marketing), Bangkok University

Work Experiences

- | | | |
|----------------|--------------------------|--|
| • 2015-Present | Chief Commercial Officer | Seafresh Industry Public Company Limited |
| • 1996-2015 | Executive in Marketing | Seafresh Industry Public Company Limited |

Position in Sub-Committees

- | | | |
|-------------------------|---|--|
| • November 2022-Present | Member of Corporate Governance and Sustainability Committee | Seafresh Industry Public Company Limited |
| • 2015-Present | Member of Risk Committee | Seafresh Industry Public Company Limited |

Training Course

-None-



Mr. Pairoj Yangthong
Chief Operating Officer /
Member of Corporate Governance and Sustainability Committee

Age 52 Years

Date of Appointment as Executive: 1 January 2015

Shareholding ¹

- Direct 0.011%
- Indirect 0.005%

Education

- M.B.A, Sukhothai Thammathirat University
- Bachelor in Business Administration, Marketing, Sukhothai Thammathirat University
- Bachelor in Science, Agro-Industry, Prince of Songkla University, Hatyai Campus

Work Experiences

- | | | |
|----------------|-------------------------|--|
| • 2015-Present | Chief Operating Officer | Seafresh Industry Public Company Limited |
| • 1994-2015 | Executive in Production | Seafresh Industry Public Company Limited |

Position in Sub-Committees

- | | | |
|-------------------------|---|--|
| • November 2022-Present | Member of Corporate Governance and Sustainability Committee | Seafresh Industry Public Company Limited |
| • 2015-2022 | Member of Corporate Governance | Seafresh Industry Public Company Limited |

Training Course

- The 31st Thai Shrimp Day 2022, at the Wangtai Hotel, Surat Thani
- The 11th Southern Shrimp Day, at Buri Sriphu Convention Center Hotel, Hat Yai, Songkhla

1.3 Details about the directors, executives, and controlling persons hold positions as directors or executives in many subsidiaries, associated companies or related companies, shown in the following table:

รายชื่อกรรมการ	บริษัทย่อย									Related Companies	
	MSI	SIHQ	SFF	SGH	SFL	BEF	SFNL	SFI	SFNI	Thai K	CSH
1. Mrs. Tassanee Youngmeevithya	//	//	//	/	/		/	/	/	/	/
2. Mr. Narit Chia-Apar	X	X	X	X						/	/
3. Mr. Chintat Chia-Apar					/	/	/	/	/		/
4. Ms. Chankate Chia-Apar											/

Note 1. X = Chairman // = Executive Director / = Director

2. Subsidiaries Name:-

MSI = Manufacturing System Implementation Co., Ltd.

SIHQ = Seafresh IHQ Co., Ltd.

SFF = Seafresh Farm Co., Ltd.

SGH = Seafresh Group (Holding) Limited

SFL = Sea Farms Limited

BEF = Blue Earth Foods Limited

SFNL = Sea Farms Nutrition Limited

SFI = Sea Farms, Inc.

SFNI = Sea Farms Nutrition, Inc.

3. Related Companies Name:-

Thai K = Thai K. Boiler Co., Ltd.

CSH = Chartered Square Holding Co., Ltd.



Details on the Directors of Subsidiaries

Directors Name	Subsidiaries											
	MSI	SIHQ	SFF	SGH	BEF	SFL	SFNL	PIL	MFL	44 Foods	SFI	SFNI
1. Mrs. Tassanee Youngmeevithya	//	//	//	/		/	/				/	/
2. Mr. Narit Chia-Apar	X	X	X	X								
3. Mr. Lasse Bo Hansen				//	X	X	X	X	X	X	X	X
4. Mr. Phillip Kent					//							
5. Mr. Chintat Chia-Apar					/	/	/				/	/
6. Mr. Dominique Gautier					/							
7. Mr. Oddgeir Oddsen							/	//				//
8. Mr. George Richard BEACH									//			
9. Mr. Corin David Robbins Ashby										/		
10. Mr. David Leroy Broberg											//	
11. Mr. Michael Harvey Girtton											//	
12. Mrs. Tracy Lee Primmer							//		//			//
13. Mr. Pablo, Vincent R												/

Note 1. X = Chairman // = Executive Director / = Director

2. Subsidiaries Name:-

MSI = Manufacturing System Implementation Co., Ltd.

SIHQ = Seafresh IHQ Co., Ltd.

SFF = Seafresh Farm Co., Ltd.

SGH = Seafresh Group (Holding) Limited

BEF = Blue Earth Foods Limited

SFL = Sea Farms Limited

SFNL = Sea Farms Nutrition Limited

PIL = Prochaete Innovations Limited

MFL = Mudwalls Farm Limited

44 Foods = 44 Foods Limited

SFI = Sea Farms, Inc.

SFNI = Sea Farms Nutrition, Inc.



Details of the Head of the Internal Audit

Ms. Yaowalax Tangsanguannuch Age 53 Years

Chief Internal Audit Officer and Audit Committee Secretary

Date of Appointment as • 14 September 2022

Head of the Internal Audit

Shareholding ¹

- Direct – None -
- Indirect – None -

Educations

- M.B.A – Major in Business Law, Ramkhamhaeng University
- Bachelor in Business Administration, Accounting, Ramkhamhaeng University
- Mini MBA, Modern Managers Program, Chulalongkorn University
- The Association of Chartered Certified Accountants, UK

Work Experiences

• 2022-Present	Chief Internal Audit Officer	Seafresh Industry Public Company Limited
• 2020-2022	Chief Financial Officer and Company Secretary	Seafresh Industry Public Company Limited
• 2016-2019	Chief Internal Audit Officer	Seafresh Industry Public Company Limited
• 2015-2016	Internal Audit Manager Department	Seafresh Industry Public Company Limited
• 2010-2015	General Manager	Chartered Square Holdings Co., Ltd.

Position in Sub-Committees

• November 2022-Present	Corporate Governance and Sustainability Committee	Seafresh Industry Public Company Limited
-------------------------	---	--

Training Course

- Internal Control and Risk Management
- Establishing an audit action plan based on the Control Framework COSO
- CGR 2023 Coaching
- New AGM Checklist 2023
- Data Analytics for Accountants
- UPDATE Thai Financial Reporting Standard for NPAES (2022)
- Promoting management skills Program regarding about practices as Personal Data Protection Act B.E. 2562 for the business sector



Assets Used in Business Operations and Details of Property Appraisal

Assets Used in Business Operations

As of December 31, 2022, The Company and its subsidiaries have assets used in business operations such as land, buildings and machinery which includes assets under finance lease agreements as follows:

Type of Assets	Consolidate	CFRESH		Subsidiaries	
	Net Book Value (Million Baht)	Net Book Value (Million Baht)	Obligation	Net Book Value (Million Baht)	Obligation
1. Land	381.22	105.28	None	275.94	Some guarantees with financial institutions
2. Buildings and structures	647.94	111.62	None	536.32	Some guarantees with financial institutions
3. Machines and Equipment	301.78	95.42	None	206.36	Some guarantees with financial institutions
4. Other fixed assets	190.15	14.91	None	175.24	None

The Company and subsidiaries have commitments regarding lease of office space of Chartered Square Holdings Co., Ltd. for use as a sales office, contact with customers documenting used as a treasury center, procurement of supplies, used in business operations, etc. The latest lease agreement is from 1 July 2022 – 30 June 2025 and can be renewed under the terms of each contract.

Intangible Assets

As of December 31, 2022, The Company and its subsidiaries have intangible assets such as computer software used in business operations amounting to 4.31 million baht.

Details of Property Appraisal

- None -



Corporate Governance Policy and Code of Conduct

Seafresh Industry Public Company Limited has published business ethics related policies and practice guideline in corporate governance, including a charter of the Board of Directors Charter and sub-committees on the Company's website. For more details: www.seafresh.com/investor_in_the_topic "Corporate Governance"



Reports of Sub-Committees

Report of The Audit Committee

To: The Shareholders of Seafresh Industry Public Company Limited

The Audit Committee of Seafresh Industry Public Company Limited consists of three qualified independent directors and is chaired by Dr. Kamales Santivejkul, who is deemed to possess the necessary qualifications, knowledge and experience to attest to the reliability of the Company's financial statements, and Dr. Sorachai Bhisalbutra, and Dr. Worapong Leewattanakit as committee members. The Audit Committee performed its duties in accordance within the scope and responsibilities that were assigned to it by the Board and as stated in the Audit Committee's charter, which is in line with the regulations of the Stock Exchange of Thailand.

In 2022, the Audit Committee met 12 meetings, and a specific meeting with the external auditor without the management present one time. At each meeting, the Audit Committee provided candid and independent view and recommendations with the internal audit, an external auditor and the relevant management. The summary of its performance, as follows:

1. Review of quarterly financial statements and annual financial statements

The Audit Committee reviewed the quarterly financial statements and full year financial statements for the year 2022 of the Company and its subsidiaries before considering and proposing to the Board of Directors for approval. The Audit Committee inquired and received explanations from management as well as the auditors concerning the accuracy of the Company's financial statements, and also the adequacy of information disclosure and notes to the financial statements. The Audit Committee agreed with the auditors that fairly the financial statements were accurate in all material aspects and were reliable in accordance with the generally accepted accounting standard.

2. Review of operations, internal control systems and risk management system

The Audit Committee reviewed the internal control based on the report from the internal audit department according to the approved internal audit plan, by consider in the matter of business operation and governance to have good internal control and risk management, efficient enough to use of resources,

safeguard asset or reduce mistakes, damage. The Audit Committee had the opinion that the Company had internal control system that was appropriate and adequate for its business operations and did not find any material defect.

3. Review of compliance with Securities and Exchange laws, SET regulations, and other applicable laws

The Audit Committee had the opinion that the Company's operations were in compliance with the relevant laws and regulations and did not find any material defect.

4. Consider selecting, nominating the external auditors and specifying audit fees for the year 2023

The Audit Committee have considered the suitability of an auditors by considering their qualifications, competence, independence and the appropriate compensation. For the year 2023, the Audit Committee proposed to the Board of Directors for consideration and approval from the Annual General Meeting of Shareholders to appoint the auditors from Mazars Company Limited as an auditor of the company with an audit fee amount 2,695,000 baht which fee has been considered comparing with other auditing firms and is appropriate.

5. Review and disclosure of connected transactions or transactions that may cause conflict of interest

The Audit Committee had the opinion that the connected transactions by the Company were done based on normal business practice, reasonable, in the best interest of the Company's business and transparent. These connected transactions were disclosed transparently and accurately and aligned with the Stock Exchange of Thailand's requirement. In external auditors' opinion, the significant trading transactions with the connected persons were disclosed and also presented in the financial statements and notes to financial statements.

6. Review of Good Corporate Governance

The Audit Committee has placed much importance on the good corporate governance and encouraged executives and employees of the Company to follow the policy as good corporate governance shall boost the Company's efficiency and create morality, and transparency. The Audit Committee also reviewed the Company's operation according to the compliance with the Securities and Exchange Act, the regulations of the SEC and SET, and other relevant laws related to the Company's business. The Audit Committee concluded that the Company fully complied with the aforementioned regulatory requirements in all material aspects. In addition, the Audit Committee also reviewed the self-assessment for Thailand's Private Sector Collection Action Coalition against Corruption. The Company was certified to renew a membership of Thailand's Private Sector Collective Action Coalition against Corruption which the certification for the 2nd consecutive (until March 31, 2025).

7. Review of Audit Committee Charter

The Audit Committee reviewed and revision of the Audit Committee Charter in line with the regulations of the Stock Exchange of Thailand every year. Moreover, the Audit Committee reviewed the revision of the Internal Audit Charter in line with the Audit Committee Charter.

Overall, in fulfilling the duties and responsibilities independently under the Audit Committee Charter, the Audit Committee viewed that the Company was substantially equipped with internal control system, good governance, and risk management, without observation on significant control deficiency. The Company's operation was carried out in compliance with the relevant laws and regulations. In addition, the financial reports were prepared in accordance with the Thai Financial Reporting Standards and adequately disclosed material information.

On behalf of the Audit Committee
Seafresh Industry Public Company Limited



(Dr. Kamales Santivejkul)

Chairman of the Audit Committee

Report of Nomination and Remuneration Committee

To: The Shareholders of Seafresh Industry Public Company Limited

The Nomination and Remuneration Committee of Seafresh Industry Public Company Limited has 4 members comprises 1 executive director and 3 independent directors or 75% of total committee with an independent director as the chairman of the committee. The Committee members are as follows;

- | | |
|---------------------------------|---|
| 1. Dr. Kamales Santivejkul | Chairman of the Nomination and Remuneration Committee |
| 2. Dr. Sorachai Bhisalbutra | Member of the Nomination and Remuneration Committee |
| 3. Dr. Worapong Leewattanakit | Member of the Nomination and Remuneration Committee |
| 4. Mrs. Tassanee Youngmeevithya | Member of the Nomination and Remuneration Committee |

In 2022, the Committee held in the meeting one time and all Committee member attendance which there is the important operations as summarize follows:

1. To consider the suitability of the structure and composition of the Board of Directors and propose this to the Board of Directors for consideration and review of the Board of Directors Charter.
2. To consider the suitability qualified persons as directors and propose to the Board of Directors for consideration to appoint the directors who were retiring by rotation in 2022 were reelected to resume their positions as directors for another term before proposing to the 2022 AGM for approval.
3. To consider the Remuneration of Company Directors and Sub-committee for 2022 and proposed this to Board of Directors for consideration before proposing to the 2022 AGM for approval.
4. To consider a performance appraisal of the Nomination and Remuneration Committee for the year 2022 according to the criteria of the Stock Exchange of Thailand both group and individual for information in the development of their performance of the Nomination and Remuneration Committee according to good corporate governance principles.
5. The Nomination and Remuneration's Charter was reviewed once a year.

The Nomination and Remuneration Committee has performed its duties within the scope of duties and responsibilities fully assigned by the Board of Directors with due care under the policy and the Nomination and Remuneration's Charter completely.

On behalf of the Nomination and Remuneration Committee
Seafresh Industry Public Company Limited



(Dr. Kamales Santivejkul)

Chairman of the Nomination and Remuneration Committee

Report of Risk Management Committee

To: The Shareholders of Seafresh Industry Public Company Limited

The Risk Management Committee has been established since 2011 to be responsible for defining guidelines for risk management according to international standards, supervising and monitoring risk management to be in line with the established policies and guidelines efficiently. Over the past 11 years, the Risk Management Committee has continually reviewed and improved risk management to be in line with missions, goals, and internal and external environments of the Company.

In 2022, the Risk Management Committee consists of 2 company directors and 1 senior executive, a total of 3 people. All of them are knowledgeable, competent, ethical and well experienced in the Company's affairs while the Strategic Planning and Risk Management Department acts as the secretary of the Risk Management Committee.

Membership and meeting attendance in 2022.

- | | |
|---------------------------------|---|
| 1. Mrs. Tassanee Youngmeevithya | Chairman of the Risk Management Committee |
| 2. Mr. Chintat Chia-Apar | Member of the Risk Management Committee |
| 3. Mr. Boonlert Foongwannaluck | Member of the Risk Management Committee |

In 2022, the Risk Management Committee held four quarterly meetings with the following tasks:

1. Review the member of the Risk Management Committee and the secretary of the Committee.
2. Review the risk management policy and framework.
3. Review the acceptable risk tolerance level of the organization and increase the risk assessment criteria for the year 2022.
4. Review to ensure that the risk management implement at the organizational and operational levels is linked to corporate strategy, covers various risks such as strategic, operational, financial, reporting, legal compliance, corruption, business disruption, etc., that may affect the achievement of the objectives of the organization and departments. Other risks considered include emerging risks and risks related to environmental, social and governance issues that may affect corporate sustainability.
5. Supervise the Strategic Planning and Risk Management Department to implement appropriate risk management policies and frameworks, be responsible for the risk management process, risk assessment, risk response and monitoring. Ensure that there is a link between corporate objectives, SWOT, identified risks, risk responses, departmental KPIs, Key Risk Indicators (KRI) and that progress is reported to the Risk Management Committee.
6. Monitor and control corporate risk management to be at an acceptable level. In 2022, the Company was able to manage all corporate risks at an acceptable level as in the previous year.

7. Supervise the implementation of risk management in line with anti-corruption measures according to the Private Sector Collective Action Coalition against Corruption (CAC) such as corruption risk assessment.
8. Report risk management results to the Audit Committee, Executive Board, and the Board of Directors.

On behalf of the Risk Management Committee
Seafresh Industry Public Company Limited



(Mrs. Tassanee Youngmeevithya)
Chairman of the Risk Management Committee

Report of Corporate Governance Committee and Sustainability Committee

To: The Shareholders of Seafresh Industry Public Company Limited

The Corporate Governance Committee Seafresh Industry Public Company Limited recognizes the importance of corporate sustainability where the company has tried to cultivate awareness and encourage both internal and external stakeholders to participate in strengthening sustainability in corporate governance, social, and environment on a continuous basis.

In 2022, the Corporate Governance Committee has expanded its governance scope to cover social and environmental sustainability and renamed the committee to "Corporate Governance and Sustainability Committee". The committee increased the number of directors from 4 to 5 members, which has been approved and appointed by the Board of Directors, to ensure that business operated with integrity, transparency and fairness, taking into account long-term effects, compliance with laws, ethics, responsibility towards shareholders and stakeholders, and beneficial to society and the environment.

Membership and meeting attendance in 2022 of the Corporate Governance and Sustainability Committee

- | | |
|-----------------------------------|---|
| 1. Mrs. Tassanee Youngmeevithya | Chairman of the Corporate Governance and Sustainability Committee |
| 2. Mr. Chintat Chia-Apar | Member of the Corporate Governance and Sustainability Committee |
| 3. Mr. Pairoj Yangthong | Member of the Corporate Governance and Sustainability Committee |
| 4. Mr. Boonlert Foongwannaluck* | Member of the Corporate Governance and Sustainability Committee |
| 5. Miss Yaowalax Tangsanguannuch* | Member of the Corporate Governance and Sustainability Committee |

*Appointed in November 2022

In 2022, the Corporate Governance and Sustainability Committee held four quarterly meetings with the following tasks:

1. Reviewed the member of the Corporate Governance Committee and the secretary of the Committee.
2. Reviewed and proposed amendments to the sub-committees' charter.
3. Established a sustainability policy and reviewed the company's policies.
4. Set sustainability strategies and targets.
5. Invited business partners to become members of the Thai Private Sector Collective Action against Corruption (CAC) 2022.
6. Reviewed employee violations of the Code of Conduct. In the past year, there were no complaints, clues, or significant violations of the Company's employees' code of conduct.
7. Self-assessment of the Corporate Governance and Sustainability Committee for the year 2022, both as a group and individually, to be used as a guideline for improving the performance of the committee.



8. Report the results of operations to the Board of Directors.

On behalf of the Corporate Governance and Sustainability Committee
Seafresh Industry Public Company Limited

A handwritten signature in blue ink, appearing to be "Mrs. Tassanee Youngmeevithya".

(Mrs. Tassanee Youngmeevithya)

Chairman of the Corporate Governance and Sustainability Committee

Report of The Executive Committee

To The Shareholders of Seafresh Industry Public Company Limited

The Executive Committee of Seafresh Industry Public Company Limited comprises of 3 executive directors which are appointed by the Board of Directors to supervise, manage and control the company's business as specified by the board of directors, including compliance with the Executive Committee Charter. The Committee members are as follows;

- | | |
|---------------------------------|-------------------------------------|
| 1. Mr. Narit Chia-Apar | Chairman of the Executive Committee |
| 2. Mrs. Tassanee Youngmeevithya | Member of the Executive Committee |
| 3. Mr. Chintat Chia-Apar | Member of the Executive Committee |

In 2022, the Executive Committee held 12 meetings to perform the duties assigned to them. In each meeting, the Executive Committee will jointly consider important matters and report them to the Board of Directors. In summary, the essence can be as follows:

1. Consider and review strategies and business plans of the Company and its subsidiaries.
2. Review and monitor the overall company's performance and its subsidiaries on a monthly basis as well as the progress of varied projects in order to achieve the goals target.
3. Consider and approve the annual budget, company investment before proposing to the Board of Directors for approval.
4. Control and monitor the Company's budget usage and investment budget for maximum benefits.
5. Arrange for performance appraisal of the Executive Committee, both group and individual for the year of 2022.
6. Review the Executive Committee Charter to be appropriate and consistent with the current situation.

On behalf of the Executive Committee
Seafresh Industry Public Company Limited



(Mr. Narit Chia-Apar)

Chairman of the Executive Committee

Factory:

402 Moo 8, Chumphon-Paknam Rd.
Paknam, Muang, Chumphon 86120
Tel: +66 7752 1321-3
Fax: +66 7752 1007

Office:

152/25 Chartered Square Bldg.,
31st Fl., North Sathon Rd., Silom
Bangrak, Bangkok 10500
Tel: +66 2637 8888
Fax: +66 2637 8801

Email: investor@seafresh.com
www.seafresh.com