



**MODEN GLAS**

THAI POLY ACRYLIC PUBLIC COMPANY LIMITED  
บริษัท ไทยโพลีอะคริลิก จำกัด (มหาชน)

# ONE REPORT 2022

Quality bring creative  
คุณภาพเพื่องานสร้างสรรค์

  
MODEN GLAS  
M-208S

MODEN GLAS  
M-102

# Vision and Mission Statements



## Vision

To be recognized as a leading world class manufacturer/ distributor of cell cast and other plastic sheets, we will inspire and innovate, creating valuable products and solutions.



## Mission

We are dedicated and committed to providing premium quality products and also to creating value and solutions for the benefit of our customers and stakeholders.



## Value

We shall be creative and innovative for new development of acrylic sheet and other plastic materials through close co-operation and a better understanding of our customers' needs and requirements. We care for safety and healthy living of our colleagues and commit to a clean environment to the surrounded community.

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# MESSAGE FROM THE CHAIRMAN



I would like to start this year's Chairman's report by thanking the Company's shareholders, customers, and stakeholders and in particular the Company's management team and employees for their support and efforts during 2022.



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2022 has proved to be an even more challenging year for the Company than 2021. At the time of writing last year's report, whilst the possibility of war in Ukraine was known, the actual commencement and impact of that war and the subsequent impact to European economies and more broadly to the Global economy was not foreseen. The impact on the Company has been both direct and indirect - key raw material prices initially increased rapidly on the back of global energy costs increases and following that by reduced consumer confidence and demand for consumer goods in particular in developed economy markets. Both factors, coupled with overlay of COVID and the associated slow recovery of both the domestic and regional economies, have severely impacted demand in domestic and export markets.

As I reported at the Annual General Meeting in April 2022, the Company lost its Managing Director shortly before that meeting as a result of a tragic accident. However, I am pleased to report that the Senior Management team have worked closely with me since then and throughout the year to ensure good-governance and business continuity with particular focus on safe and stable operations, managing and meeting customer expectations, seeking to maintain market-share, implementing short-term cost reduction and efficiency / productivity programmes (including tight controls on working capital). These actions have helped reduce where possible the impact of the slow recovery in domestic and export markets and competition within those markets.

I am also pleased to report that the Company has recruited, a new Managing Director, Mr Surajin Tappanchai who Joined the company in January 2023 and who is nominated for election to the Board of Directors at the AGM in April, 2023. Mr. Tappanchai brings significant relevant and broad experience to the Company and I am sure he will prove to be a great asset to the Company in future years.



**Markets for TPA products,** both domestic and export, as outlined above have continued to be significantly affected by global economic pressures. Global energy prices rises in Q1/2 caused raw material prices to increase sharply during the first half of the year. Decline in feedstock prices that resulted from the subsequent demand drop-off have been realised in the latter part of the year but, to an extent, the benefits were offset by exchange rate movements and the relative strength of the Thai Baht. In the domestic market, whilst the Company endeavoured to maintain margins and volumes, there was a net decrease in the market size as a result of continuing reduced economic activity in key sectors – for example construction, automotive and retail. The downturn in the retail sector, initially resulting from COVID has also continued to dampen demand for TPA products as investment in advertising and point of sale applications has been reduced. Underlying Q4 performance, although still significantly below budget, is better than previous quarters and does reflect the slow recovery in these sectors.

Export market demand has been very poor during 2022 with the same pressures described above coupled with competition from exports from China impacting these markets. The Company has worked to re-new, re-establish, and grow its export customer base as economies have fully restarted following lifting of residual COVID restrictions and controls and freight cost impacts, as reported in 2021, have eased. However, as described above, demand in the existing customer base remains limited due to reduced consumer demand for products that typically go into applications such as sanitary ware (bathrooms etc).

**The economic outlook** both in domestic and export markets remains uncertain. Whilst the risk of further pandemic impacts cannot be completely ruled out, the general expectation is that risk is significantly less than the impact of global and geopolitical risks – continued or escalating war in Ukraine, China – Taiwan concerns, high inflation in major economies with continuing impact on consumer confidence and demand. Global and domestic GDP forecasts must therefore be treated with caution and are not reported here. The Company's expectation is for continued but slow improvement in the market sectors that principally determine demand for its product range. Some recovery in export markets is anticipated but that is tempered by the prospect of low-priced exports from China. Raw material prices are expected not to increase significantly in the first half of the year due to the global economic pressures already referenced.

**Overall,** the Company generated total sales revenue in 2022 of Baht 759 Million which was a 15% decrease over last year (Baht 894 Million). Net profit decreased significantly from 2021 performance of 18 Million Baht to - 21 Million Baht. This decrease was principally as a result loss of sales volumes (7.1 KMT in 2022 vs. 9.6 KMT in 2021) coupled with gross margin impact for reasons stated above. As a result of the performance in 2022 and uncertainties described that remain, the Management of the Company recommended no dividend be paid for 2022 period. This recommendation was unanimously agreed to by the Board.

**Business recovery plans,** being developed under the new leadership of the company, will focus on maintaining and growing domestic market share, recovery and growth in export markets, cost management through productivity gains and other efficiencies resulting from digital transformations and sustainability improvements, and new business development resulting from innovative products being developed and those now ready to be marketed.

**Anti-corruption and good-governance,** as in previous years remain a focus of the Board of directors and management. The Company continues to maintain and strengthen its governance and internal control processes and to ensure these are compliant with statutory requirements and general ESG (Environment, Social and Governance) expectations. The company is active in the local community with a number of examples of its initiatives and outreach programmes being reported elsewhere in this report.

**In conclusion,** 2022 has proved an exceptionally difficult year for the Company. The measures, controls and savings put in place during 2022 have moderated the impact of the reductions in domestic and export sales revenues but future recovery and growth in these revenues is critical to ensure the return to historic levels of profitability of the company – achieving this is the absolute focus of the company management and I have great confidence in their ability to achieve this.

**On behalf of the Board of Directors,** I would like to restate my thanks to the Company's shareholders, customers, and stakeholders for their continued support.

**Finally,** as I will not be seeking re-election as a Director (or Chairman) at the completion of my term in 2023, I would also like to thank the Directors of the Board and the Management and staff of the Company for their continued support throughout my term as Director and Chairman. I am sure I leave the Company in good hands with its supportive Board of Directors, my successor as Chairman and with its new Managing Director.



**Dr. Benjamin James Harris**  
Chairman of the Board of Directors

# Key Message from TPA Managing Director

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**Dr.Surajin Tappanchai**  
Managing Director



As a newcomer to the company, I would like to start with my appreciation for the resilience and agility of the company Board, Management team, as well as the employees in response to the difficult operating and business climate from both internal and external factors in 2022. The company has also well-deserved in dealing with various challenges. In particular Volatility of the market and internal structural changes, Uncertainty of the economic caused from the undergoing Pandemic Covid-19 as well as Russian/ Ukraine crisis, Complexity in the distribution of risk, and Ambiguity of competitive landscape (VUCA) Despite these issues TPA has been successful in meeting the interest of its Customers, Community, and Shareholders, and in preparing for success in its next chapter.



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### Performance in 2022

With all the mentioned VUCA challenges, and coupled with the untimely loss of the Managing Director in 2022, TPA was affected in both domestic and international business - the Company's total income was 767 Million baht, or 16% decline from 2021, and with a net loss of 21 Million baht compared to a net profit of 18 Million baht in 2021.

### Operating Management in 2022

Regarding the operating management in 2022, the Company continued to focus on updating its business strategies based on the economic development and the fluctuation of economic situation, increasing raw material costs, and business competition for both domestic and international market. In addition, measures to tighten control on production costs and unnecessary expenses were implemented to minimize the further negative impacts from the challenging circumstances.

### Business Plans in 2023

We still foresee continuing VUCA challenges in 2023 that will require tighter operational controls to be implemented, also Customers who buy TPA's products or services, and Consumers who use our Customers Products will also be affected in their decision-making process by similar challenges. However, I have full confidence in our business turn-around strategy and the Plan developed to respond to these challenges in 2023 and beyond. In the plan, we identified risk and opportunities, and then translated them into solid actions to serve our Customers/ Clients/ and Consumers to satisfy their requirements for delivery of

consistent quality products, excellent services, at the right cost and as their preferred solution provider.

The Company is also relentlessly seeking to demonstrate itself as a Good Citizen by focusing on sustainability through ensuring- the ESG (Environment, Social and Governance) compliance with various initiatives such as Environmental projects (for example reducing CO2 emission, installing PV Solar roofing, Reuse & recycle of materials wherever possible), Social and CSR activities (for example engaging community, scholarship, diversity, for instance), Good Governance through management auditing processes (for example Sustainability KPI's, ISO & Industry standard compliance).

On behalf of the Management of Thai Poly Acrylic Public Company Limited, I would like to thank all Executives, Management and Employees who have worked together with commitment and dedication in this difficult and challenging period to overcome obstacles with competency, strength and unity. In addition, I would like to thank the Board of Directors, shareholders and stakeholders for their trust, confidence and support given to the Company, and I seek and hope to receive the same support in the future. Please be assured that the Company remains fully committed to further development to ensure a successful, on-going and sustainable business, in which it will operate in compliance with Good Governance and in the best interests of all stakeholders.



# BOARD OF DIRECTORS



**Mr. Shinya Yano**  
Executive Director

**Dr. Benjamin James Harris**  
Chairman of the Board of Director



**Dr. Surajin Tappanchai**  
Managing Director

**Dr. Anuphan Kitnitchiva**  
Independent Director  
Chairman of Audit Committee

**Mr. Dai Oyama**  
Non-Executive Director  
Member of Nomination and  
Remuneration Committee







**Mr. Jan Dam Pedersen**

Independent Director  
Member of Audit Committee  
Chairman of Nomination and Remuneration Committee



**Mr. Jetsada Wongwatanasin**

Independent Director  
Member of Audit Committee  
Member of Nomination and Remuneration Committee



**Mr. Martin Thaysen**

Non-Executive Director

**Mr. Kresten Mikael Valdal**

Non-Executive Director



# คณะผู้บริหาร



1. **Dr. Surajin Tappanchai**  
Managing Director
2. **Mr. Wiwat Hom la - or**  
Operations Manager
3. **Mr. Thanawat Kulprasert**  
Human Resource/Legal Manager
4. **Ms. Chutathip Kerdphol**  
Secretary to Managing Director
5. **Mr. Apichai Srimahunt**  
SHE Manager & QMR/OH & SMR
6. **Mr. Sorachai Wiboonchutikul**  
Commercial Manager
7. **Ms. Surawadee Leethaweekul**  
Financial Controller





8. **Mr. Wittaya Mongkolkachit**  
Technical Center Manager
9. **Mr. Yotin Tamrongsawapark**  
Casting Plant Manager
10. **Mr. Phairat Kumdee**  
Extrusion Plant Manager
11. **Mr. Pongsun Asavasirijinda**  
Sales & Product Manager
12. **Mr. Udomsak Tienchan**  
Warehouse & Distribution Manager
13. **Mr. Pongthorn Chuencharoen**  
Site Engineering Manager
14. **Ms. Noungrutai Boonpetch**  
Research & Technical Manager
15. **Ms. Chyanat Chongrungruengsawai**  
Procurement Manager
16. **Ms. Sompong Asavasirijinda**  
Sales Admin Section Manager (Domestic)

# KEY FINANCIAL INFORMATION

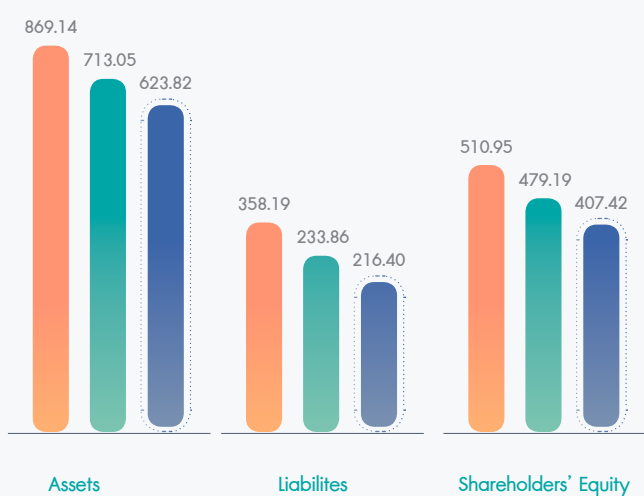
Financial Information	Unit	2020	2021	2022
Total Revenues	Million Baht	936.60	909.80	767.12
Total Expenses	Million Baht	863.60	887.05	789.01
Net profit (loss)	Million Baht	57.91	18.21	(20.50)
Earnings (Loss) per share	Baht	0.48	0.15	(0.17)
Shares	Million share	121.50	121.50	121.50
Assets	Million Baht	869.14	713.05	623.82
Liabilities	Million Baht	358.19	233.86	216.40
Shareholders' Equity	Million Baht	510.95	479.19	407.42
Book Value per share	Baht	4.21	3.94	3.35

Ratios	Unit	2020	2021	2022
Gross Profit Margin	%	21.73	11.38	7.77
Net Profit (loss) Margin	%	6.18	2.00	(-2.67)
Return on Equity	%	11.36	3.68	(-4.63)
Return on Assets	%	7.15	2.30	(-3.07)
Asset Turnover	Times	1.16	1.15	1.15
Debts to Equity	Times	0.70	0.49	0.53

## FINANCIAL POSITION (COMPARATIVE 2020-2022)

Million Baht



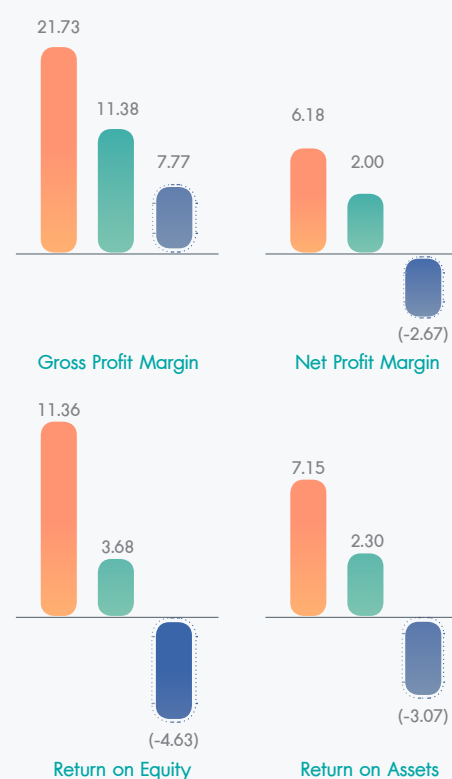
2020

2021

2022

## RATE OF RETURN (COMPARATIVE 2020-2022)

%





# MESSAGE FROM SEE PROPOSED CHANGE TO THIS STATEMENT

(For Anti-Corruption)

Most countries have laws that prohibit corruption. In addition, an increasing number of countries are adopting laws to prohibit bribery even when it is committed outside these countries' own borders - i.e. paid to a foreign government official. A breach of any of these laws is a serious offence, which can result in fines for companies and imprisonment for individuals. Even the appearance of a breach of anti-bribery or anti-corruption laws could do incalculable damage to our reputation.

TPA has updated its Anti-Corruption Policy as set out in this report to include policy on Conflict of Interest / Facilitation Payment / Revolving Door effective from 23<sup>rd</sup> February 2023.

This policy applies to Directors, employees and agents in all levels. It forbids making, offering or promising to make a payment or transfer anything of value (including the provision of any service, gift or entertainment, to government personnel and other officials) for the purpose of improperly obtaining or retaining business. It also forbids making improper payments through third parties - we must therefore be diligent in selecting and monitoring contractors, agents and partners.

In addition, TPA's policy requires that it keep accurate books and records so that payments are honestly described, and its funds are not used for unlawful purposes. This is a very important policy and non-compliance will result in disciplinary action in accordance with the company's rules and regulations.

The Company believes that engaging the cooperation and commitment of Directors and Employees in combatting corruption, will ensure that the Company's business operations are transparent and successful in the long term and in accordance with Good Corporate Governance Practices.



**Dr. Benjamin James Harris**  
Chairman of the Board of Directors

# ANTI-CORRUPTION POLICY

23<sup>th</sup> February 2023

Thai Poly Acrylic Public Co., Ltd. is committed to and encourages the operation of its business in a fair manner on the basis of ethics, integrity and good governance for sustainability and continued social and environmental responsibility. Therefore, the Company has publicly established this anti-corruption policy as one of its key policies, and has prepared the work ethics and business code of conduct for all its employees and businesses to observe in the operation of the business of the Company and its employees as follows:

Definition: “The Company or Company’s agents\* (which include the Company’s Directors, Managing Director, Management and Employees in all departments at all levels, contractors and any companies or individuals acting on behalf of the Company) shall not give, receive, ask for, seek or promise to give any “inducement” (which includes money, gift, present, entertainment, sponsorship or donation, whether financial or otherwise, with a value exceeding the usual practice or custom or the appropriate limit), whether directly or indirectly, to/from any “person” (which includes those inside and outside the organization and officials of the government, state enterprises, private entities, juristic persons or public organizations within and outside the country) for “themselves” (which includes family members and acquaintances) for an illegal purpose or in order to obtain a decision to grant or not to grant any favour which is outside the scope of acceptable business courtesy with concealed interests, regardless of whether such act is committed within or outside the country.”

This policy does not allow the giving in a manner of bribery with other concealed intention to any government agencies, government officials, juristic persons or individuals, of money or other things in the form of gift, present, entertainment, different forms of donation, consideration, aid or sponsorship, including the giving of political support in any manner, such as supporting a political party or supporting a political candidate, etc.

This policy also requires that all accounting entries shall be recorded and all documents related to such entries shall be gathered correctly and completely to ensure that all expenses are honestly accounted for and that the Company’s money or other resources will never be used for bribery-related purposes.

Aside from the aforementioned, the Anti-Corruption Policy covers:

- 1.) Avoidance of Conflict of Interest: defined as personal relationships and interests, relationships at various levels, and business relationships that could lead to mutual benefit. To avoid such issues, the Company requires that the Management members, Board Members, Employees, and Agents at all levels declare relationships that might lead to corruption of the state, private sector or individuals whose decisions might affect the Company. If such relationship is unavoidable, then the Management Member, Board Member, Employee, or Agent at all levels should refrain from directly participating in such work, and there should be a neutral superior that will acknowledge and supervise throughout the process to ensure fairness and good governance. In case of committee work, such person might leave the meeting and abstain from any voting. The Annual Relationship Report for the management members, board members, employees, and agents at all levels is compiled and maintained by the Company. Relevant information shall be kept updated at least annually, or upon any change in such relationship information. Duties to maintain validity of the relationship information is the responsibility of management members, board members, employees, and agents at all levels.
- 2.) Facilitation Payments: defined as payments made to state agencies, private sector organizations, individuals or other parties to facilitate an activity, falsify information, reduce expenses, or as arbitrarily demanded. Such payments are expressly prohibited by Management members, Board members, Employees, and Agents at all levels.

3.) Revolving Door: defined as a situation where a mutual benefit arises as a result of management or board member, or advisor with close ties to the state such as retired civil servants being employed or engaged by the Company. The Company prohibits such arrangements unless such arrangement is deemed not to violate relevant legislation and is approved by the Managing Director of the Company.

Any employee or Company's agent\* who violates, ignores or fails to comply with this policy shall be deemed to have committed a serious offence and shall be punished in accordance with the Company's rules and the law. Any employee who refuses to commit corruption and thereby causes the Company to lose a business opportunity, shall not be punished or suffer any negative effect on their career.

The Company appoints all Senior Managers to be members of the Anti-Corruption Committee with the duty to attend meetings, submit reports, review policies and practice guidelines and assess risks in order to establish the internal control guideline, which shall be included in the audit plan. The Internal Auditor shall carry out the monitoring and evaluation in the annual audit plan and report the results to the Audit Committee. In the event of an emergency, a report may be submitted directly to the Audit Committee through the Chairman of the Audit Committee immediately.

Training and communication relating to the Anti-Corruption Policy shall be provided regularly and thoroughly to all employees in all departments at all levels. The supervisors at each level shall have the duty to communicate and ensure that their subordinates understand the policy and observe it in the performance of all business activities under their responsibility and supervise them to ensure that the performance is efficient and consistent with the guidelines. They shall also communicate the Company's policy and commitment to the customers, trade partners, contractors, agents and the third party organizations.

Complaints, information and questions relating to corruption may be directed to:

1. Your direct Manager, the Human Resources Manager.
2. The Audit Committee, e-mail: [Audit.Committee@thaipolyacrylic.com](mailto:Audit.Committee@thaipolyacrylic.com)
3. Secretary to the Managing Director, postal address: 60-61 Moo 9, Putthamonthon 4 Road, Krathumhlom Sub-District, Sampran District, Nakhonpathom Province 73220
4. The Company's website at [www.thaipolyacrylic.com](http://www.thaipolyacrylic.com)
5. Hotline
  - : (Thai site) [https://www.pfa-japan.net/mcgap\\_whistleblow](https://www.pfa-japan.net/mcgap_whistleblow)
  - : (English site) [https://www.pfa-japan.net/mcgap\\_whistleblow](https://www.pfa-japan.net/mcgap_whistleblow)
  - : Password Apkaiteki

The Company will process the complaints or information from these channels through the inquiry procedures and respond to the complainant or information within 30 days in a confidential manner, and will provide justice and protection for the employee or any other person who has given information or evidence on the corruption related to the Company. Should you have any questions or need any further clarification on any issues, please contact or make an inquiry to your direct Manager, the Human Resources Manager or the Legal Counsellor.

**Remark:**

- In addition to this Anti-Corruption Policy, all employees or Company's agents\* at all levels are required to abide by the anti-corruption policies of affiliated companies as well.
- The Company's agents\* include the Company's Directors, Managing Director, Management and Employees in all departments at all levels, contractors and any companies or individuals acting on behalf of the Company.

On behalf of Board of Directors  
Thai Poly Acrylic Public Co., Ltd.

# Part 1

## Business Operation and Operating Results



### 1. Organizational structure and Operation of the Company

#### Structure and Operation of the Company

Thai Poly Acrylic PLC. or referred as a listed Company in SET as “TPA” is one of the leading cast acrylic sheet and other extruded plastic sheet producer in Thailand. Currently, the Company operates with two technologies of which the cast acrylic plant consists of 3 production lines with the capability to produce the combination of General Purpose acrylic sheet and Sanitary grade for bathtub applications, including the various kinds of specialty products such as Acrylic LED Block, Acrylic Diffusion and Acrylic LGP (Light Guide Panel) for signage and display panel applications, etc. In addition to cast acrylic production facilities, the Company also produce various kinds of extruded plastic products, such as ABS sheet, HIPS sheet, PE sheet, PP sheet, PP Profile and Co-ex PMMA capped ABS sheet, etc.

Our business objective is to strengthen our position as a market leader in satisfied quality standard cast acrylic sheet and extruded products as well as seeding and growing specialty acrylic and non-acrylic extruded products. This business objective can only be achieved through product diversification driven by R&T and Innovation under the management of NPD (New Product Development) team and steering team who work closely with our customers and providing them with innovative ideas, sharing our expertise and support solutions for their specific needs and requirements. Our Management continues to focus on our product diversification strategy through the expansion into industries with value added materials and specialty plastic materials such as anti-static and conductive PP and HIPS product.

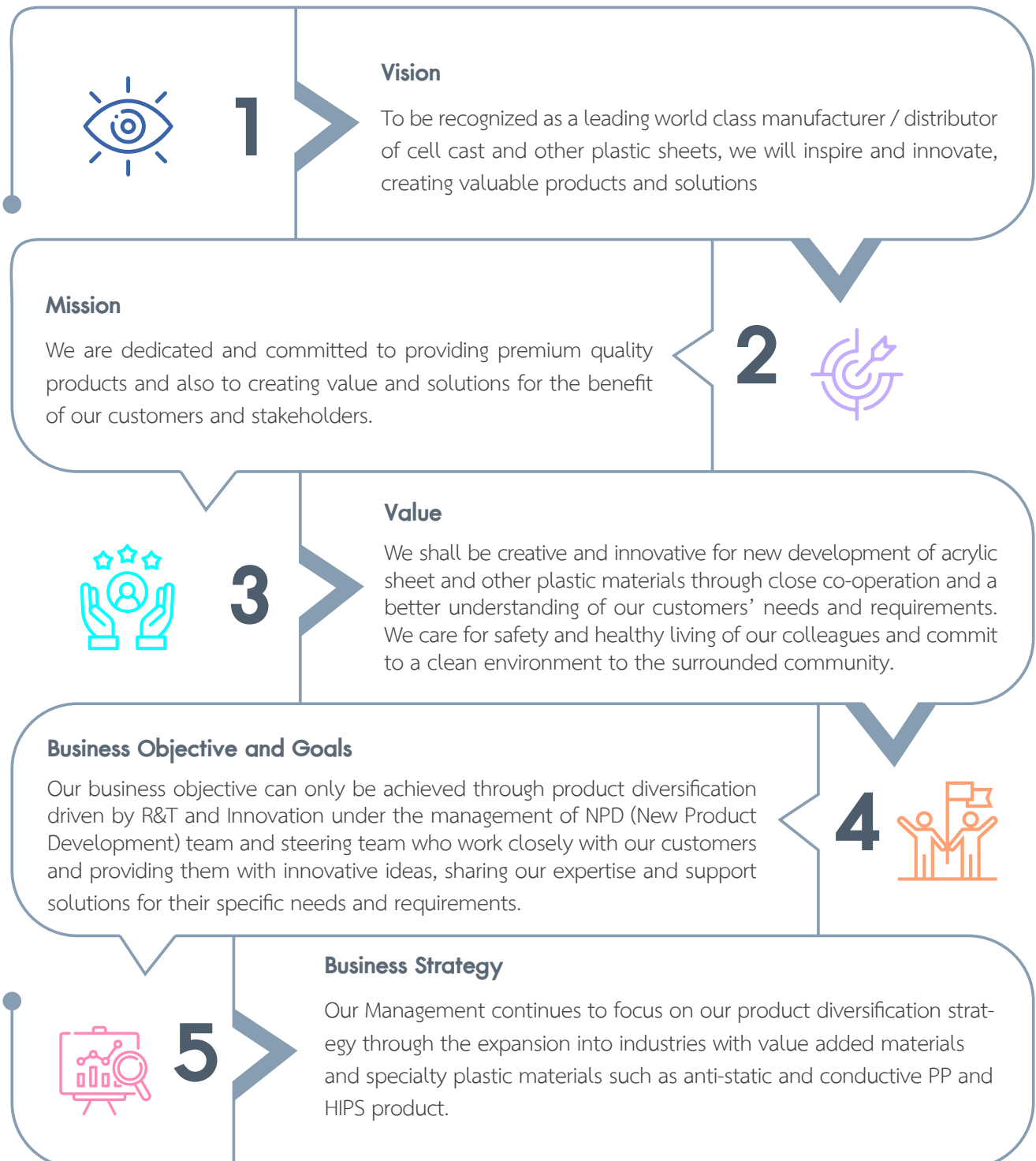
In order to achieve the Company’s operations and achieve the highest benefits for stakeholders in all sectors. Therefore, the Company has adopted guidelines for operating in accordance with the policy under the following principles.



## 1.1 Policy and business overview

Thai Poly Acrylic Public Company Limited is one of the leading cast acrylic sheet, ABS sheet (Acrylonitrile Butadiene Styrene), HIPS sheet (High Impact Polystyrene) and other plastic sheets producer for distribution to representative agents and manufacturing industries such as signage, display panel applications, bathtub application, ABS sheet used in the automotive parts industry and the electrical appliance industry having Production capacity at 20,000 tes/per year.

### 1.1.1 Overview of the vision, objectives, goals and business strategies.



### 1.1.2 Material Changes and Developments during the past three years.

#### Shareholding Structure

- In 2020 and 2021 there were no change on Shareholding structure.
- During the year 2020, Asiatic Acrylics Company Limited, the second – largest Shareholder of the Company, restructured the shareholder. As a result, Asiatic Acrylics Company Limited has become a foreign Company, as defined under the Foreign Business Act B.E. 2542. As a consequence, the combined holdings of all the Company's foreign shareholders result in the Company becoming a foreign Company.

#### Management or Business Operation

- In 2020 and 2021 there were no change in Business Management and Operation.
- On 7 August 2020, the Company has been permitted to engage in the business activity stipulated under the Alien or Foreign Business Act, B.E.2542 able to operate business since 14 August 2020 to section 17 list No. 3 (21) to engage in Original Equipment Manufacturer (OEM) business of Thermoplastic to the various operators.

#### Important events

- In 2021-2022 the Coronavirus Disease pandemic is continuing to evolve resulting in a generally economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the Company operates. The Company's Management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in respect of various issues as the situation has evolved.

## 1.2 Nature of the Business

### 1.2.1 Income Structure

Total Income structure by product during the Year 2020 to 2022

Unit : Million Baht

Products	Year 2022		Year 2021		Year 2020	
	Income	Income	Income	%	Income	%
Acrylic Sheet	516.92	67.39	632.78	69.55	686.06	73.25
Extruded Plastic Sheet	239.28	31.19	251.25	27.62	233.14	24.89
Total Net Sales	756.20	98.58	884.03	97.17	919.20	98.14
Service Income	2.33	0.30	10.26	1.13	11.59	1.24
Other Income	8.59	1.12	15.51	1.70	5.81	0.62
<b>Total Revenues</b>	<b>767.12</b>	<b>100.00</b>	<b>909.80</b>	<b>100.00</b>	<b>936.60</b>	<b>100.00</b>

### 1.2.2 Product Information

On 7 August 2020, the Company has been permitted to engage in the business activity stipulated under the Alien Business Act, B.E.2542 able to operate business since 14 August 2020 to section 17 and able to operate business since 14 August 2020 list No. 3 (21) to engage in Original Equipment Manufacturer (OEM) business of Thermoplastic to the various operators.

On 1<sup>st</sup> November 2021, the Company has received BOI promotion certificate Type .6.6 plastic products for Industrial Goods the Company's businesses can be classified in accordance with different production technologies that the Company produces into 2 types as follows:

#### 1.2.2 (1) Acrylic Sheet Business

The Company manufactures and distributes acrylic sheets in two separated systems; cast acrylic and extruded acrylic sheet which can be classified into 3 grades including:

- General Purpose Grade
- Sanitary Grade : Acrylic sheets are formed into shapes of bathtub, Spa and Shower Units as well as Sanitary ware accessories.
- Premium Specialty Grade for specific applications, for example, Acrylic LED Block, Acrylic LGP, Acrylic Diffusion Panel, etc In addition to the cast acrylic sheet mentioned above, the Company also manufactures acrylic sheets for forming systems (Extruded Acrylic Sheet). Most of Extruded Acrylic Sheets are mainly produced for domestic sales, including both General Purpose grade and Impact Resistant Acrylic Panel grade. The Company can produce acrylic sheets with 2.5 meter width or tailor as per desired sizes and applications.

Apart from the solid flat sheet, the Company can also produce various patterned sheets and Anti- glare PMMA panels that are appropriated for directory signs that are not required of reflective light. At present, such acrylic sheets have been installed as the outer panels of advertising signs and directory signs of BTS stations, which often encounter a problem of blurry vision on signs due to sunlight reflecting off signs to passengers' eyes.

#### 1.2.2 (2) Extruded Plastics Business

The Company also manufactures and distributes various types of extruded plastic sheets with a variety of grades based on the type of raw materials for production as follows:

- ABS sheet made of Acrylonitrile Butadiene Styrene resin : it is widely used in the automotive parts industry and in the electrical appliance industry.
- HIPS sheet made of High Impact Styrene resin : its application is similar to ABS sheet's and it is normally used as another choice of plastic sheets due to its higher durability and cheaper price. In addition to its application in the electronics appliance industry, HIPS sheet is also popular to be used in the cold storage industry and general packaging. The production of HIPS sheet is also developed to produce both flat type and thin type that can be sold as HIPS rolls, including ordinary grade and special grade that are used for some specific works, for example, HIPS Anti-static and HIPS conductive are used in the electrical appliance packaging industry instead of importing.
- PP sheet (Polypropylene) includes both PP flat sheet and Rolls which are commonly used to produce general containers and packaging. Moreover, the Company also manufactures PP Profile Sheet or Core Flute, which is a popular plastic sheet used to make price tags, campaign signs, advertising and PR boards or supporting pads for packaging, etc.
- PE Sheet (Polyethylene) is commonly of black colour to be used as trays in cars or pick-ups and decoration and forming works in the general automotive industry.

- Co-extrusion Sheet is a special grade sheet consisting of minimum two types of plastic layers on the same sheet for different properties between the lower layer and the upper layer. At present, the Company launched the “ComPlas” sheet, which is a three-layer sheet consisting of ABS plastic layer, acrylic coated upper layer and color layer.

### 1.2.2 (3) The Research and Development Policy

Our business objective is to strengthen our position as a market leader in satisfied quality standard cast acrylic sheet and extruded products as well as seeding and growing specialty acrylic and non-acrylic extruded products. This business objective can only be achieved through product diversification driven by R&T and Innovation under the management of NPD (New Product Development) team and steering team who work closely with our customers and providing them with innovative ideas, sharing our expertise and support solutions for their specific needs and requirements. Product stewardship is important and there is continued focus to improve the safety and sustainability of products through use of RoHS-free and recycled feedstocks and renewable energy.

### 1.2.3. Marketing and Competition

The domestic and export markets were turbulent in 2022 as a result of both continuing COVID-19 Pandemic impact and the the Ukraine-Russia war. Both of these factors fueled inflation and cause impact on energy and transportation costs and supply and demand for consumer and industrial goods as above demand-supply for consumer and industrial goods, rising in inflation and recession in global economy.

TPA’s Management team closely monitored the situation and adapted the business strategy to deal with the economic turbulence in the past year.

Competitors from overseas especially China have aggressively expanded to export outside their own country due to the decline in market demand internally.

Therefore TPA focused to reinforce our strength in product quality and service such that it is superior than competitors with the objective of maintaining market share despite the increase of competition from inside and outside the country. Recovery in business sales volume and profit started to be seen in Q4 of 2022

Internal Management especially the functions involved with external and customers service has been improved to ensure customer satisfactions through the agility and accuracy in our service.

New Product Development (NPD) remains one of the core strengths of TPA. The R&D team together with Sales & Marketing team work closely together to to meet market expectations anad align with long term strategy for sales & profit development.

In the first quarter of 2023, TPA launched 2 new series of product group which demonstrate higher performance than others in the market;

- 1) Heat Block, benefit having up to 80% heat reduction
- 2) UV Block, able to block more than 99% of UV light

Another initiative in 2022 was the set up of the Digital Marketing team to enhance communication channels between the Company and our customers. From now on information or promotion from TPA will be available on both online and offline channels. Wherever our customers are, Digital Marketing will support and bring TPA close to them.



Product promotion, brand awareness communication, reach-out to new prospects in the industry will be managed by our new Digital Marketing team. Due to the variety of products we produce and industries that we are in, TPA has customers in various segments for example; Construction, Interior Decoration, Automotive, Packaging, Commercial retails & advertisement, sanitaryware which are serviced both by direct sales and through our agents for domestic and export business. For export market, we have market coverage in many regions; USA, Middle East, Australia, New Zealand and across various countries in Asia. The sales proportion of our business between domestic and export is similar with the previous year.

#### 1.2.4 Procurement of products

The Company reviews and adjusts its production and distribution policies in accordance with the economic conditions, market conditions, and technology throughout the year and to ensure that product portfolio management is in line with the Company's business goals in accordance with the following frameworks:

1. The Company regards safety, occupational health and environment performance as a key aspect at workplace. All Executives and Employees must strictly follow to the safety policy. Health and Environment or SHE (Safety Health and Environment Policy).
2. To manage the Company's entire product portfolio, acrylic sheet production line, system. and other plastics in the extrusion system. To be diverse by focusing on the product development of new products to meet with customer's expectation and usage.
3. To set a clear vision for Executives and Employees at all levels of the Company on quality system both in production and inspection process as well as the service level required to satisfy the customers. This is to maintain the favorable image of the Company's products and trademarks.
4. To maintain and improvements production equipment and procure new technologies used up increase productivity and reduce loss and waste in storage.
5. To conduct a research and development and develop new products add value to the Company. The Company importance to the policy of promoting and developing skills and knowledge for executives and employees at all levels.

#### Procurement of Raw Materials

The proportion of procurement of raw materials in Domestic and Oversea (In 2020 – 2022)

Unit : Million Baht

Products	2022		2021		2020	
	Purchase volume	%	Purchase volume	%	Purchase volume	%
Domestic	471.70	98.04	531.87	98.83	489.64	96.52
Oversea	9.45	1.96	6.30	1.17	17.68	3.48
<b>Total</b>	<b>481.15</b>	<b>100.00</b>	<b>538.17</b>	<b>100.00</b>	<b>507.32</b>	<b>100.00</b>

### 1.2.5 Environmental Impact

The Company has worked continuously to improve its environmental performance. In 2022, we have managed to reduce the impact on the environment as follows.

Environmental impact	Action
1. Polychlorinated Biphenyls that may leak from the transformer.	<ul style="list-style-type: none"><li>• Currently, no such chemicals are used on all 6 transformers of the factory.</li></ul>
2. Asbestos	<ul style="list-style-type: none"><li>• No asbestos used in the production process.</li><li>• Areas with asbestos is the area with tile roof. The company has changed some roofs to metal sheet.</li><li>• Area that is still a tiled roof. Asbestos is measured annually, and the measured values were within the standard.</li></ul>
3. Chemicals storage	<ul style="list-style-type: none"><li>• Fuel oil tank with a capacity of 15,000 liters, 1 tank and a capacity of 5,000 liters, 1 tank, surrounded by concrete walls. to prevent leakage into the ground and containment in case of leakage</li><li>• 3 storage tanks of Methyl Methacrylate (MMA), capacity 50 tons, surrounded by concrete walls. to prevent leakage into the ground and containment in case of leakage. And there is also a water spray system, fire protection foam system for emergency case and lightning rod system at the MMA Tank to prevent lightning incidents that may occur.</li><li>• 1 high tower water tank with a capacity of 10 tons, used for Cast Plant and Extrusion Plant.</li><li>• 1 water tank for boiler with a capacity of 5 tons.</li></ul>
4. Waste and disposal	<ul style="list-style-type: none"><li>• The waste such as paper, plastic and general waste from the office has contracted with the local government to dispose.</li><li>• Hazardous waste is disposed by a company that is licensed to handle industrial waste legally.</li><li>• Acrylic scraps are collected and sold to foreign customers.</li><li>• Scrap metal from maintenance work are collected and sold in the country.</li></ul>
5. Rainwater in the factory area	<ul style="list-style-type: none"><li>• There are drainage gutters to the public drainage gutter</li></ul>
6. Wastewater	<ul style="list-style-type: none"><li>• There is a grease trap before discharged wastewater to the public drainage gutter. The company has inspected the quality of wastewater discharged from the factory must not be contaminated with chemicals and heavy metals as required by law. The latest measurement results do not exceed the standards of the Ministry of Industry.</li></ul>
7. Air quality from the Stack	<ul style="list-style-type: none"><li>• Casting Plant has boilers for use and backup within production process. Air quality monitoring results from Stack are within the standard.</li><li>• Air quality monitoring results from Stack at Extrusion plant are in the standard.</li></ul>
8. Chemicals used in the production process	<ul style="list-style-type: none"><li>• V65 (2,4-Dunethyl Valeronitrile) is used as a catalyst in the production process. The company has designated safe storage areas and controls the storage temperature. In case of abnormally high temperatures, it has emergency alarm and emergency management plan.</li></ul>

In addition to the above the company has also clearly defined the person responsible for each aspect. The Company has Safety Occupational Health and Environment rules and has continuous Improvement program to identify and correct deficiencies. There was no significant environmental incident during the past period.

### 1.2.6 Expenses for investing in environmental impact control during the past year or in the future.

Expenses for investing in environmental impact control in the last 3 years can be divided as follows:

- Expenses for environmental monitoring both inside the factory and outside the factory. (continuous activities)  
Approximately 300,000 Baht per year
- Expenses for equipment improvements, maintenance, etc. (continuous activities)  
Approximately 1,000,000 Baht per year
- Waste management expenses. (Continuing activities)  
Approximately 300,000 Baht per year
- Expenses for developing an environmental management system in accordance with ISO14001 standards.  
Approximately 200,000 Baht per year

### 1.2.7 Operating Property

(1) Fixed operating assets as of 31<sup>st</sup> December 2022, can be detailed as follows:

(Unit: Million Baht)

Category of Asset	Ownership	Book value	Obligations
Land - No of Land 47349, 47350, 25034, 23173, 25546, 47346, 47347, 47348, 48375, 19133, 68866, 68865, 68864, 68863, 68862, 68861, 68860, 68859	Owner	136.33	-
Building and building improvement	Owner	31.02	-
	lease contract	-	-
Machine and equipment	Owner	54.51	-
Furniture, fixture, and office equipment	Owner	1.48	-
Vehicles	lease contract	4.80	-
Assets under construction and installation	Owner	2.06	-
Total		230.20	-

**Remark:** Fixed operating assets locate at 60-61 Moo 9 Phutthamonthon 4 Rd, Krathumalom, Sampran, Nakhonpathom 73220  
In addition, there are intangible assets as of December 31, 2022, consisting of computer software costs net book value of 0.20 Million Baht.

#### (2) service commitments

The Company has entered into several service agreements. The term of the agreements are generally between 1 to 3 years. As at 31 December 2022, the Company has future minimum payments required under these service agreements amounted to Baht 2 Million.

#### (3) Bank Guarantee

As at 31 December 2022, there were outstanding bank guarantee of approximately Baht 7 Million issued by a bank on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letter of guarantee to guarantee electricity usage and others.

## 1.3 Shareholding Structure

### 1.3.1 In the case where a person with a potential conflict of interest holds shares of a subsidiary or associated company

- None -

### 1.3.2 Shareholding Structure

#### (1) Major Shareholders

a. The Company's shareholder structure as at the latest book closing date on 23<sup>rd</sup> January, 2022

Nationality of Shareholder	No. of Shareholders (person)	Total Shares	%
Thai	1,034	67,100,739	55.23
Foreigner	11	54,399,261	44.77
<b>Total</b>	<b>1,045</b>	<b>121,500,000</b>	<b>100%</b>

List of top 10 Major Shareholders of the Company are appeared below.

Shareholders	Number of Shares	%
1. MCC Methacrylates UK Overseas Holdco Limited formerly known as ("Lucite International UK Overseas Holdco 1 Limited")	51,374,360	42.28
2. Asiatic Acrylic Company Limited	41,450,530	34.12
3. THE BANK OF NEW YORK (NOMINEES) LIMITED	2,515,100	2.07
4. Mr. Thanongsak Limchaiyawat	2,200,000	1.81
5. Mrs. Arunsri Chiaradecho	1,930,000	1.59
6. Mr. Surin Limchaiyawat	1,560,000	1.28
7. Mr. Kasemsak Limchaiyawat	1,080,900	0.89
8. Mr. Sarawut Limchaiyawat	1,032,500	0.85
9. Ms. Jongkol Ngamlerdchai	1,022,400	0.84
10. Ms. Supatta Phairoahprasert	1,016,000	0.84

Source: Thailand Securities Depository Company Limited

b. The major shareholders whose behavior have had a significant influence on the operational policies or management of the Company.

- The Company's shares held by MCC Methacrylates UK Overseas Holdco Limited formerly known as ("Lucite International UK Overseas Holdco1 Limited") registered in United Kingdom in the amount of 51,374,360 shares or 42.28% of total issued and paid-up shares (as of 23 January 2023)
- The Company's shares held by Asiatic Acrylics Company Limited is a limited Company incorporated and domiciled in Thailand. AACL is principally engaged in the investment holding for long-term purpose, own shares in the amount of 41,450,530 shares or 34.12% of total issued and paid - up shares (as of 23 January 2022)



c. Shareholding percentage of minor shareholders (free float). In total of 1,043 shareholders or equal to 23.60% (as of 23 January 2022)

## (2.) Shareholder's agreement that significantly impact the Company or other shareholders

The Company does not have any shareholders agreements with the major shareholders of the Company, which could have an impact on the operations of the Company or on other shareholders.

## (3.) Information of Securities Holding of the Directors and Executives

According to the Notification of the Securities and Exchange Commission, all of Directors and Executives of the Company shall have the duty to prepare and submit a report on changes of their securities holding to the SEC office within 3 working days from the date of purchase, sale transfer or acceptance of transfer of securities. In this regards, Directors and Executives shall report such changes of those of their spouses or cohabiting couple, children not yet of age, juristic person that those persons hold shares at an aggregate amount exceeding 30% of the total voting shares.

As of 31 December 2022, the securities holding of the Directors and Executives are as follows:

### DIRECTORS & EXECUTIVE SHAREHOLDINGS

Name of Directors	Common Share (Share)		
	As of 31 Dec 2022	As of 31 Dec 2021	Increase / Decrease
1. Dr. Benjamin James Harris	-	-	-
Relationship Persons	-	-	-
2. Mr. Shinya Yano	-	-	-
Relationship Persons	-	-	-
3. Mr. Dai Oyama	-	-	-
Relationship Persons	-	-	-
4. Mr. Martin Thaysen	-	-	-
Relationship Persons	-	-	-
5. Dr. Anuphan Kitnitchiva	-	-	-
Relationship Persons	-	-	-
6. Mr. Jan Dam Pedersen	-	-	-
Relationship Persons	-	-	-
7. Mr. Jetsada Wongwatanasin	-	-	-
Relationship Persons	-	-	-
8. Mr. Kresten Mikael Valdal	-	-	-
Relationship Persons	-	-	-

**Remark:** 1. Mr. Adam Jonathan Sloan tendered to resignation as Non-Executive Director with effective on 10<sup>th</sup> November 2022.  
2. Mr. Kresten Mikael Valdal was appointed as a Non-Executive Director with effective on 10<sup>th</sup> November 2022.

## EXECUTIVES SHAREHOLDINGS

Name of Executives	Common Share (Share)		
	As of 31 Dec 2022	As of 31 Dec 2021	Increase / Decrease
1. Mr. Wiwat Hom La-or	2,000	2,000	-
Relationship Persons	-	-	-
2. Mr. Thanawat Kulprasertat	21,000	21,000	-
Relationship Persons	-	-	-
3. Ms. Surawadee Leethaweekul	-	-	-
Relationship Persons	-	-	-
4. Mr. Apichai Srimahunt	-	-	-
Relationship Persons	-	-	-
5. Mr. Sorachai Wiboonthutikul	-	-	-
Relationship Persons	-	-	-

**Remarks:** Relationship Persons means

1. Spouse or cohabiting couple;
2. Minor child;
3. Juristic person wherein Directors, Executives and the persons in (1) and (2) hold shares at an aggregate amount exceeding thirty percent of the total voting shares of such juristic person and such aggregate shareholding is the largest proportion thereof.

### 1.4 Amount of registered capital and paid-up capital

As at 31 December 2022, the total authorized number of ordinary share is 121,500,000 shares with a par value of Baht 1 per share. All issued shares are fully paid registered at Stock Exchange of Thailand (SET)

### 1.5 Issuance of other securities

During the year 2022, the Company has no issuance of other securities.

### 1.6 Dividend payment policy

The Company works to pay stable dividends in the medium - term, while managing retained earnings to fund the future business activities.

## 2. Risk Management

### 2.1 Risk Management Policy and Plan

The Board of Directors has assigned the Management to be responsible for maintaining the risks in each of the Company's issues in acceptable level and in line with the ever-changing environment. Risks and Risk Management Guidelines will be prepared and submitted to the Audit Committee and the Board of Directors for acknowledgment and, recommendations will be provided for improvement of the management measures. The Company's Risk Management consists of the following main steps:

- Risk identification is a process of identifying risks and related factors both domestic and overseas, which will change in each period, as well as anticipating new risks that are likely to occur in the future from both internal and external databases.
- Risk Assessment and Management are processes that adopt various suitable methods and the participation of the management in the risk assessment to ensure efficiency that covers all risks and all potential consequences, as well as find ways to manage or reduce risks to an acceptable level.
- Risk Monitoring and Control is a process for monitoring and reporting performance to the Audit Committee and the Board of Directors annually. If there is any new risk factor that may occur unexpectedly and is likely to have a significant impact on business operations, the Management may be required to review all business plans and goals, as well as present them to the Board of Directors for further consideration.

### 2.2 Risk Factors on Business Operation

In 2022, the Company had specified risks and risk management guidelines as follows:

1. Risk from changes in the procurement policy of major customers. Such risk may have direct impact if major customers unexpectedly change their procurement policy. The Company requires maintenance of the proportion of production and distribution in order to prevent too much cluster at any one customer, in parallel with distributing the proportion of production and distribution to diversify industrial usage coverage as much as possible.
2. Risk from exchange rate fluctuations. The Company requires close monitoring of the situation of changes in exchange rates in order to be applied for adjusting marketing and sales strategies to maintain a proper balance between domestic and overseas sales.
3. Risk from raw material procurement, especially MMA, which is the main raw material for the production of cast acrylic sheets, and the main raw material pellet used in the production of plastic sheet extrusion line, all have purchase agreements and/or procurement plans in line with the production plan on a monthly basis in order to have stock of reserves available as needed. In addition, the Company may procure raw materials from more than one manufacturer, most of which are local manufacturers and distributors of raw materials. In case of emergency or necessity - the Company may also procure from overseas manufacturers and distributors as well.
4. Risk from product liability that may arise from litigation. The Company has insurance policies that cover product liability, which are regularly reviewed as appropriate.
5. Risk from trading goods and services with related companies. Purchase price will be according to the terms of the trade agreement and according to the mutually agreed price. And, it will be performed by taking into account the interests of the company as if it is a transaction with third party. Such transaction will be reviewed by the Audit Committee and audited by the auditor to ensure that such transaction complies with proper and transparent procedures.
6. Marketing and competition risk. The Company has established New Product Development team and New Business Development team to oversee new marketing channels and products with a focus on the strategy of creating product variations that are able to meet the needs of customers, in parallel with the developing existing machineries so that they can produce more product variations.

7. Risk from Covid-19 pandemic the Company's performance was adversely affected directly and indirectly by the impact of COVID-19 on both domestic and export demand in all market segments
8. Cyber- threats and cybersecurity are on the rise, with impacts seen in various forms, including theft of key data, virus attacks, ransomware, and system penetration to seize control of public utility systems. The Company takes preventive and mitigation actions to protect the Company's Computer Systems and Information Technology and prevent any significant impact that could cause a severe impact to business operations, confidence and corporate image. The Company has set the information security standards in accordance with the company's policy as follows:
  - Installing a computer network security system (Firewall) to pre-screen the data before entering into the system.
  - Installing anti-virus protection on all devices and keeping software up to date.
  - Setting up requirement for complex passwords in accordance with the standard and educating operators to create such passwords to increase security.
  - Providing training and development to employees to deal with phishing mail and malicious programs designed to attack computers and networks (Malware) coupled with close monitoring.
  - Communicating various information that will benefit to users on a regular basis.

### 3. Business Sustainability Development

#### 3.1 Sustainability Management Policies and Goals

The Company directed by its Board is strongly committed to growing the business in accordance with the concept of sustainable development aligned to the United Nations' Sustainable Development Goals (SDGs). In accordance with this commitment, the Company is continuing to develop, implement and improve an effective Sustainability Management System.

To operate a successful business and comply with the sustainability guidelines, the Company necessarily seeks cooperation from all its stakeholders be those internal or external, not limited to, but including Shareholders, Employees, Directors, Customers, the Community, Local Authorities, and Regulators. The Company has communicated its sustainability objectives to all employees to ensure understanding of its importance, to promote unity, engagement, and cooperation, and to ensure its operations and activities are consistent with this policy.

#### 3.2 Managing Stakeholder Impacts in the Business Value Chain

##### 3.2.1 Business Value Chain

To help ensure efficient and cost-effective operations in the production of its high-quality products, to minimize impact on the environment and society, to create value to its stakeholders, and to ensure sustainable growth, the Company seeks to assess its performance and improve sustainability throughout its supply chain and in all business operations and transactions from (i) upstream in procurement of feedstocks, energy, services, (ii) in all its own activities, and (iii) to downstream to its customers. The Company policy for procurement of raw materials, energy and services requires assessment of suppliers to ensure they conform to good ESG practices and have sustainability policies that align with those of the Company.

### 3.2.2 Stakeholder Analysis in the Business Value Chain (Materiality Assessment)

The Company recognizes the importance of its responsibilities as they relate to society, environment and Good Governance and is committed to balance business growth, the well-being of people in the community and environmental stewardship to create value and sustainable growth.

The Company will in 2022, conducted Stakeholder Analysis (“Materiality Assessment”) with parties who are related to the business operations, to determine and categorize the expectations of all identified stakeholders. This is to ensure that the business operations, strategies, and the plans of the Company are aligned with these expectations so far as possible and practicable and are most efficient and effective. The process is carried out on an annual basis. In 2022, the Company focused on a subset of historically identified stakeholders (suppliers, customers, employees, communities, Government and Auditors ).

#### Topic 1: Safety and Environment

- Safety Healthy and Environment
- Reduce consumption, waste and CO2 emissions
- Energy Management

#### Topic 2: Good Corporate Governance

- Corporate Governance
- Risk and Crisis Management
- Disclosure and transparency

#### Topic 3: Equality, Human Rights and Social Responsibility

- Human Resource Management and people development
- Equality and Human Rights
- Company Social and Community Responsibility

#### Topic 4: Business

- Business growth
- Product Quality and Safety
- Customers and Consumers Relationship Management



### 3.3 Sustainability Management in Environmental Aspects

#### 3.3.1 Environmental Policies and Practices

The Company recognizes the importance of operating to an environmentally sustainable business model. As such, the Company, at all times, seeks to monitor, control and as far as practicable minimize its impact on the environment by following Company and regulatory guidance and control. The Company seeks to continuously improve its production and service provisions and in doing so reduce its impact on the environment both with respect to its impact on the local environment in which it operates but also more broadly in terms of its impact on climate change through efficient use of natural resources including feedstocks and energy. The Company includes in its Safety, Occupational Health and Environmental Policy guidelines for environmentally responsible operations consistent with the above policy.

#### Safety, Occupational Health, and Environmental Policy

The Company regards safety, occupational health and environment performance as a key aspect of the business's overall performance and its responsibility to society. The Policy is as follows. The Company will

1. Comply with the law and terms currently in use and in the future Including the commitment that must be followed to develop an occupational health and safety management system in accordance with TIS 18001 standards, ISO 14001 environmental management systems and business group practices. By bringing the rules and regulations to create the minimum standards for the operation.
2. Manage risks and opportunities to prevent and control hazards, injuries, occupational diseases and environmental pollution that may affect employees and stakeholders.
3. Commitment to environmental protection including pollution prevention and is committed to protecting, preventing, relevant to the context of the organization Including the prevention of injuries and illnesses from work by purpose and goal.
4. Follow standards for waste disposal and will reduce the amount of waste to a minimum including using energy and water resources efficiently by providing objectives and goals.
5. Provide safety, occupational health and environment standards for contractors and/or visitors by operating under the policies and regulations of the organization.
6. Cooperate and disseminate information, news, and policies to employees, stakeholders and outsiders in both government and private sectors.
7. Assess the compliance of individuals with safety, occupational health and environment regulations. This is the main topic in the annual performance appraisal of all employees.
8. Define safety responsibilities for occupational health and environment. This shall be the responsibility of all executives and employees both during and after working hours.
9. Promote, support and develop knowledge and competence by organizing training to educate and instill awareness.
10. Commit to responsible product development by developing products that are safe for users. and the environment throughout the product life cycle.
11. Properly allocate necessary resources in order to operate in accordance with the policy objectives and goals.
12. Develop and improve continuously in terms of safety, occupational health and environment to enhance performance.

The Company's safety, Occupational Health and Environment Management is under the supervision of the Operational Safety, Occupational Health and Environment Committee which has been assigned the responsibility to agree and set policy, objectives and targets, to prepare the annual improvement plan, to supervise, monitor and evaluate the Company's performance and to report this onwards to the Company's management, its Board of Directors and its Stakeholders and Shareholders.

The Company has developed an Environmental Management System (EMS) which is compliant with, and accredited to, various international standards (ISO14001, ISO 9001, TIS 18001). The EMS requires, amongst other activities and practices, routine review and inspection of the environmental performance of all its facilities and activities.

### 3.3.2 Environmental Work Performance

The Company has carried out various measures to minimize its impact on the local environmental, the neighboring communities and its employees including ensuring rules and regulations relating to impact on the environment are strictly followed.

The Company has identified areas of concern or risk to personnel or the environment and it undertakes annual (or more frequent if needed) monitoring or surveillance to ensure its performance is within allowable limits. Such monitoring and surveillance includes occupational health of employees, releases of potential or actual pollutants to the environment, and monitoring of other factors that might cause harm or nuisance to local communities or the environment.

## 3.4 Sustainability Management in Social Dimension

### 3.4.1 Policy and Practice on Respect for Human Rights, Labour and Social Responsibility

The Company is committed to ensure that human rights are respected and people are protected according to relevant labour laws and other relevant regulations throughout its supply chain and customer base. Moreover, the Company seeks to consistently improve its operations and activities as related to this matter as well as to communicate, review and improve relevant policies by always considering appropriate “**Stakeholders and Supply Chains**” consistent with Human Rights Management. This includes considerations of the rights of people relating to equality, dignity, rights and freedoms as protected under the Constitution of the Kingdom of Thailand and International Treaties.

#### The Company strictly observes Human Rights, labour laws and Social Responsibility to the following extent:

- It will implement and observe all labour laws, other relevant laws and regulations including but not limited to laws relating to female labour, child labour and forced labour;
- It will provide a comprehensive plan for training and personnel development for all levels of employees in various duties relating to the above;
- It will arrange employment and provide appropriate facilities for disabled employees and employees working beyond their normal retirement age;
- It will seek to ensure understanding and desired behaviour of its employees and stakeholders related to diversity, equality, non-discrimination on gender, age, appearance, looks, religion, belief, background, disability, etc.;
- It will seek to ensure no communication, expression or action that result in negative feelings which infringe, violate human rights or personal diversity and act appropriately when it is determined that a transgression has occurred;
- It will provide communication channels and opportunities for employees to communicate, express thoughts, opinions or concerns in a secure and anonymous manner and shall establish and maintain an appropriate management system to allow this;
- It will always seek to operate the business in a social responsibility way ensuring awareness and emphasis on support for social and community activities.

#### Target and Action Plan on Social Aspect Management for the Year 2023

- January – March: Improve the Anti-corruption policy in 3 new principles 1.) Relevance 2.) Facilitation payments 3.) Hiring or compensation with government employees.
- April – June: Communicate policy for respect for human rights, labour and social responsibility.
- July – September: Self-assessment for improving management of social dimensions and responding to continuous improvement
- October – December: Organize social responsibility and support activities for society and community.

### 3.4.2 Social Work Performance

Performance over the past year (2022), the Company has compiled and implemented the following:

- Channels and practices for complaints / petitions / whistleblowing;
- Announce policy and risk assessment on documents under the Personal Data Protection Policy
- Assess expectations of stakeholders under the policy of driving business for sustainability
- Policy on the social responsibility dimension to cover guidelines and management for various aspects including:
  - Labour Law and Related Regulations;
  - Respect for Human Rights and Equality;
  - General Social Responsibility Obligations

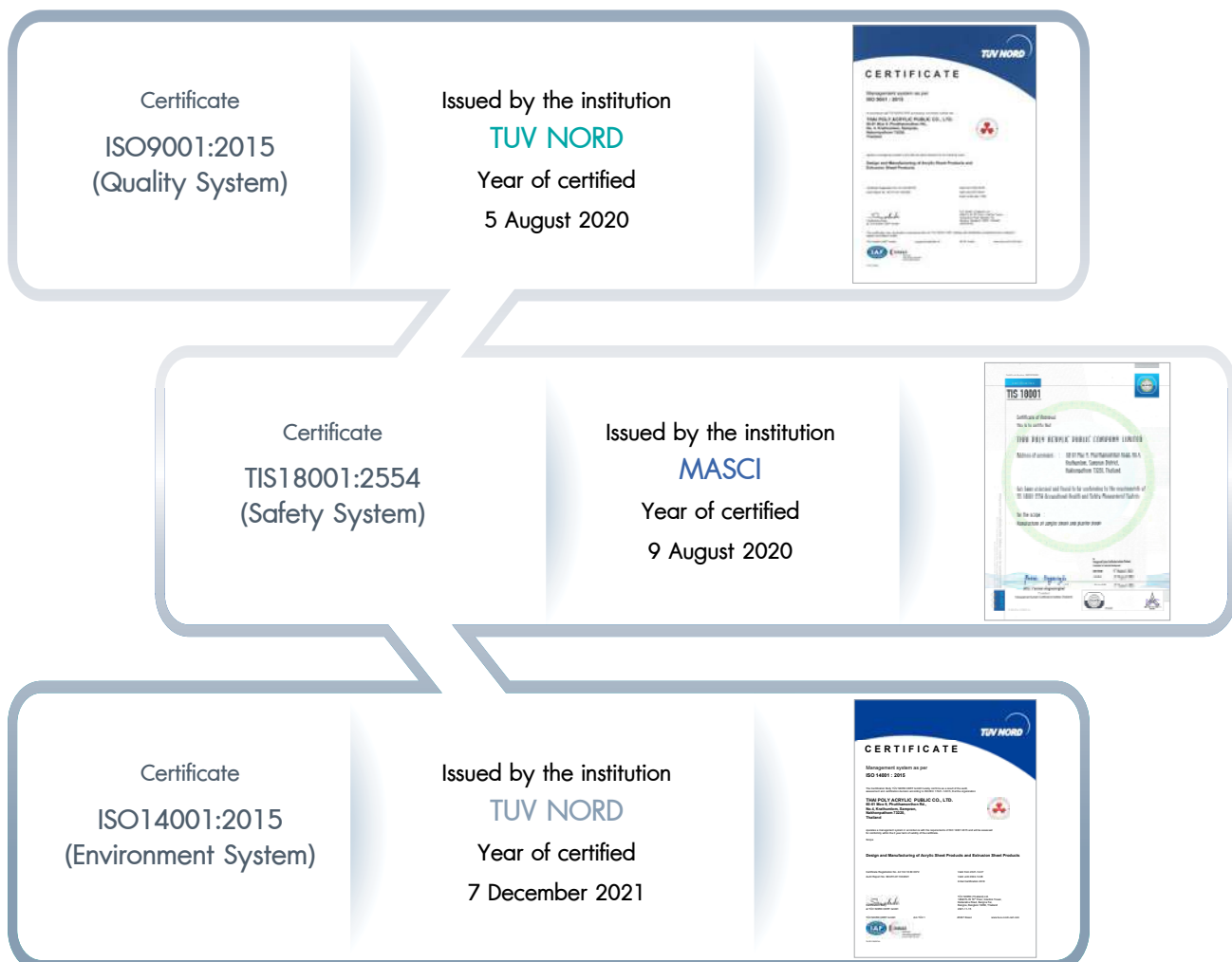
### Issues on Law Infringement or Social Rules

In the past year, the Company had no infringements of laws and social rules.

### Sustainability Performance and Activities in 2022

#### Occupational Health, Safety and the Environment

The Company recognizes the importance of the environment and emphasizes how we operate business while protecting and conserving the environment. The Company implements an integrated management of quality, safety, health and environment with proper considerations given to environmental issues, safety, employee health, the community and stakeholders. The Company regularly inspects factory operations and work areas. Furthermore, the Company submits requests for standard accreditations such as ISO 14001, ISO 9001, TIS 18001 (TIS 18001). Below are the company standard accreditations.



## Performance in the Area of Safety and the Environment in 2022

Incidents	Amount
Injuries Causing Work to Stop for 1-3 Days	0 Employees
Injuries That Cause Work to Stop for 3 Days or Longer	1 Employees
Fires	0 Fires
Chemical Leaks Outside the Factory	0 Leaks

## Occupational Health, Safety and Environmental Activities Carried Out in 2022

The Company arranged an annual medical examination for the staff on 29 November 2022 (SD's UN's Goal 3 Good Health and Well - Being)



The Company carried out a fire drill exercise on 6 December 2022 (SD's UN's Goal 3 Good Health and Well - Being)



## ● Reductions of Usage, Consumption and Waste Disposal

The Company recognizes the importance of environmental care, efficient use of resources and environmental impact prevention in every aspect such as water management, waste management and reduction of greenhouse gas emissions.

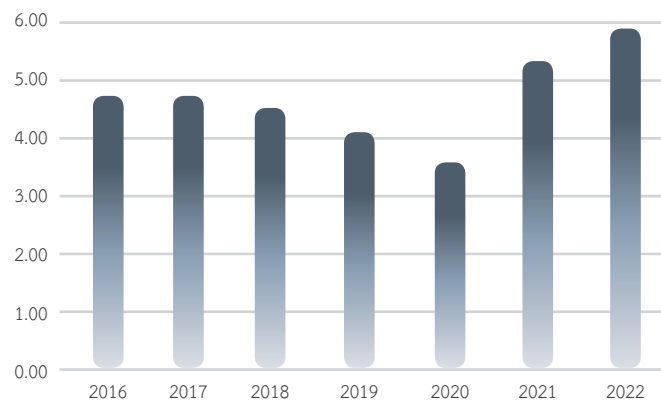
### Water Management

(SD's UN's Goal 6 Clean water and Sanitation)



The Company uses tap water in production processes and in office buildings. Therefore, the Company regularly maintains and inspects the water distribution system in production processes to meet standards. The Company collects data on water use in every sector to enable the Company to effectively improve water resource management.

In 2022, the Company had a water consumption of 5.86 (Te)/ Production Volume (Te), which is an increase compared to the year 2021 with a water consumption of 5.32 (Te)/ Production Volume (Te). The amount of water used compared to the production volume increased due to the decrease in the total production volume while using water at the boiler and the use of water in the main production process still requires at the normal level.



Furthermore, the Company regularly monitors the quality of water disposal from the Company's factories on an annual basis to prevent and monitor potential environmental impacts.

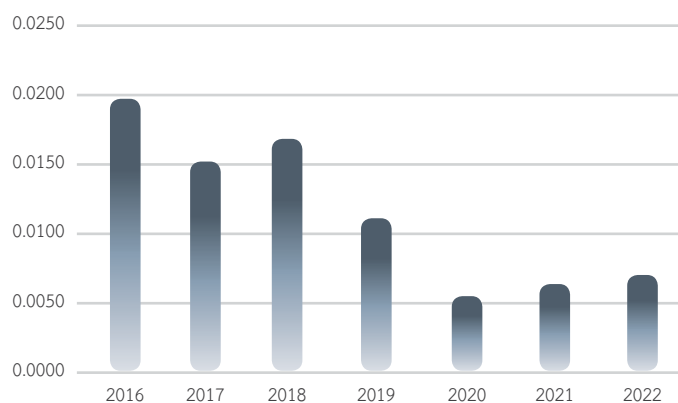
### Waste Management

(SD's UN's Goal 12 Responsible Consumption and Production )



The Company has systematic garbage and waste management in the business operation process according to the 3Rs principle (Reduce, Reuse, Recycle). The Company has an effective system for sorting waste into categories along with building awareness and participation among the people involved.

In 2022, the Company's waste volume is 0.0069 (Te)/ Production Volume (Te), which is an increase compared to 2021 with a waste volume of 0.0065 (Te)/ Production Volume (Te). The amount of waste compared to the production volume has increased due to cleaning and maintenance the production area during the past year. Therefore, there is an increase in the level of waste while the production volume declined.





There is a selection process to choose waste collector service provided who strictly follows the legal requirements and care for the health and safety of employees and nearby communities.

In addition, the Company service provided monitors environment quality on a yearly basis to prevent occupational health and external environmental issues.

Testing Occupational Health, Work Environments and External Environments

Thai Poly Acrylic Public Company Limited has evaluated and analyzed our work environments in 2022 to prevent occupational health and external environmental issues.

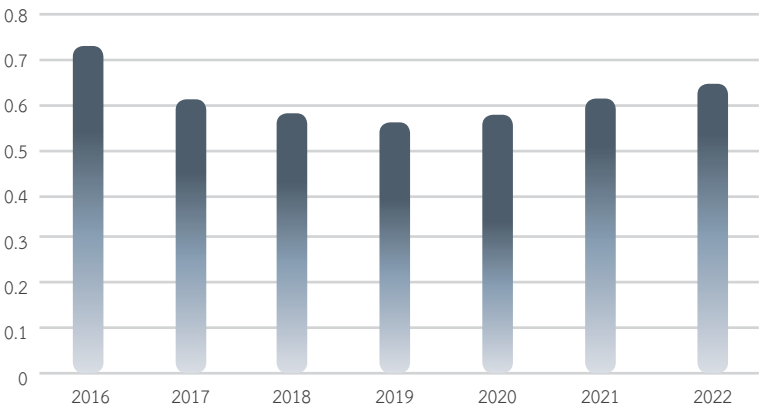
Management to Reduce Greenhouse Gases  
(SD's UN's Goal 13 Climate Action)



Energy is extremely essential in most activities of the Company. However, energy consumption contributes to greenhouse gas emissions and causes climate change.

One of the Company's targets is to improve greenhouse gas management. The Company collects data on sources of greenhouse gases emitted from the Company's activities to aid the plan for greenhouse gas reduction.

In 2022, the company has CO2 emissions of 0.642 (Te)/ Production Volume (Te), which is an increase compared to 2021 with a CO2 emission of 0.611(Te)/ Production Volume (Te). The amount of CO2 emissions compared to the production volume increased due to the decrease in total production while using fuel at the boiler and the use of electricity in the production process which is the main process of CO2 emissions still required at the normal level.



## Energy Management

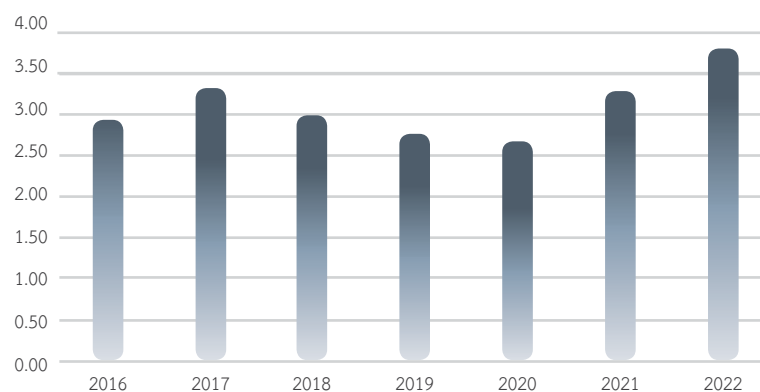
(SD's UN's Goal 7 Affordable and Clean Energy)



The Company recognizes the importance of energy management in the whole process while emphasizes on energy efficiency in every company activity. Renewable energy, sources of clean energy and new technology that can reduce pollution with sustainable effects on the environment are being explored and implemented in several activities of the company.

The Company prepares energy management reports, energy management policies and has energy management work groups. Energy management goals and plans are made on an annual basis.

In 2022, the company's energy consumption is 3.82 (MWh)/ Production Volume (Te), which is an increase compared to the year 2021 with 3.25 (MWh)/ Production Volume (Te). Energy consumption compared to the volume of production, the volume increased due to the decrease in total production. while the use of heat from the boiler and the use of electricity in the production process still need to use at the normal level.

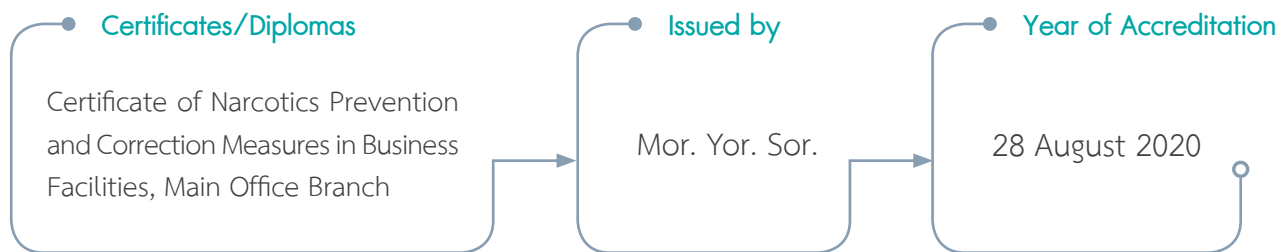


### ● Human Resources, Society and the Community

The Company recognizes the importance of social responsibility, especially to the society and nearby community. One particular matter is to enhance children educational and potential development opportunities for children. Another matter is the company's cooperation with nearby community and government agencies to prevent any actions that may cause harm or negative effects on society and community. In addition, the Board of Directors and executives recognize the importance of the human rights of every employee and seeks to ensure that everyone is treated fairly by their colleagues. The Company respects employee differences including gender, race, religion, disabilities, age and other considerations. The Company respects human rights and treats every employee fairly. Supervisors must respect individuals, their rights, and must treat everyone fairly. Promotion should be based on performance, productivity and responsibility without any bias. The Company's management adheres to the Company's Code of Conduct and compliance requirements. Every employees has been trained and informed about the Company's Code of Conduct and compliance requirements and is expected to meet these at all times.

Furthermore, Executives must treat every employee at every level with equality and fairness. Employees with knowledge and potential must be given opportunities to training to further enhance their skills. Consideration must be based on individual's capability and suitability for their jobs without biases.

## Performance in the Area of Human Resources, Society and the Community in 2022



## Activities for Society and Communities Carried Out in 2022

6<sup>th</sup> January 2022



The Company joined medical personnel in an effort against the COVID-19 pandemic. Mr.Sorachai Wiboonchutikul, the Manager of Commercial Department, is a representative in donating 13 acrylic screens to King Mongkut Hospital at Hematology section, Division of Internal Medicine, the 4<sup>th</sup> floor, His Majesty the King's 7<sup>th</sup> Cycle Birthday Anniversary Building, with Dr. Kandit Prayongrat, head of Hematology section, Division of Internal Medicine as the recipient.



18<sup>th</sup> January 2022



The Company sees importance of the country's future, and thus helps by providing scholarships to kindergarten and to middle school students in Ban Kratum Lom School on Children's Day 2022.



25<sup>th</sup> January 2022



The Company contributed to the efforts against COVID-19 through donation of cloth masks as part of pandemic control. The company donates 198 packs or 2,376 cloth masks to Ban Kratum Lom School for school staff and all students Preliminary class to grade nine for use in their everyday lives under the "New Normal" lifestyle and preventive measures.





The Company contributed to free breakfasts, morning-afternoon snacks, lunch, and dinner for underprivileged children of “Food for New Life” project under Baan Tantawan Foundation, and Baan Deksanrak, Kratum Lom Subdistrict, Samphran District, Nakhon Pathom Province, for 40 children aged between 1 month – 4 years, and 60 children aged between 4-8 years.



มูลนิธิเด็ก

## อาหารเพื่อชีวิตใหม่ บ้านทานตะวัน มูลนิธิเด็ก

วันจันทร์ ที่ 7 กุมภาพันธ์ 2565

รายนามผู้ใหญ่ใจดี เป็นเจ้าภาพมื้ออาหาร “เช้า+ว่างเช้า+กลางวัน+เย็น”

บริษัท ไทยโพลีอะคริลิค จำกัด (มหาชน)

เมนู เช้า – ข้าวต้มกุ้ง

ว่างเช้า – ผลไม้ + นม / ว่างบ่าย – ขนม + นม

กลางวัน – ขนมจีนน้ำยา

เย็น – กุ้งผัดซอส + ต้มยำปลากระป๋อง



f อนุบาลหมู่บ้านเด็ก สำนรัก  
รายนามผู้ใหญ่ใจดี #อาหารสู่ท้อง

บมจ. ไทยโพลีอะคริลิค จำกัด

7 กุมภาพันธ์ 2565

มื้อเช้า – ข้าวต้มปลา

ว่างเช้า – นม,ผลไม้

มื้อกลางวัน – ขนมจีนน้ำยากะทิ

มื้อเย็น – แกงจืดผักกาดขาว, ไข่ลูกเขย



mbds.ffc





6<sup>th</sup> May 2022



The Company, together with the staff, hosted a promotional event about the use of seatbelts and motorcycle helmets to create awareness of safe driving, compliance with traffic laws, and driver discipline to improve safety and reduce the severity of auto-related injuries.



13<sup>th</sup> May 2022



The Company, together with the staff, hosted a promotional event about drunk driving, with the goal to create awareness of social responsibility and contribution through promotion of sober driving to reduce loss and accident.



2<sup>nd</sup> June 2022



The Company, together with the staff, continuously engages in anti-Corruption activities in expansion of the CAC (Thai Private Sector Collective Action Against Corruption) in 2017. This activity covers announcement of corruption-related complaint filing channels, including discrepancies, inaccuracies, unfairness, illegality, and other policies set forth by the Company.



9<sup>th</sup> June 2022



Dr. Benjamin James Harris, Chairman of the Board of Directors together with the safety committee examined safety in the workplace, safe operation practices. This is a routine practice to increase the safety of employees.



25<sup>th</sup> June 2022



As 26<sup>th</sup> June 2022 was the International Day Against Drug Abuse and Illicit Trafficking, the Company joined in an effort to promote the Standard on Prevention and Solution to Drug Problems in an Establishment, to allow every employee to contribute in drug problem prevention and solution in work establishments and through them improve their own lives, health and turn the Company into a drug-free



29<sup>th</sup> June 2022



The Company, represented by Mr. Wiwat Homlaor, Acting Managing Director, presented soccer jerseys to the seven company representatives participating in the 6<sup>th</sup> Kratum Lom Cup Against Drug tournament at Kratum Lom Municipal Stadium between 29<sup>th</sup> June 2022 – 10<sup>th</sup> July 2022.





1<sup>st</sup> July 2022



Representatives from all departments of the Company (7 players) participated in the 6th Kratum Lom Cup Against Drug tournament at Kratum Lom Municipal Stadium, along with representatives from various establishments, Government Agencies, Private Entities, and Public Sectors. The Company representatives are scheduled to compete on 1<sup>st</sup> July 2022 (19:00-19:50) and 6<sup>th</sup> July 2022 (19:00-19:50)



1<sup>st</sup> July 2022



Staff from Nakhon Pathom Provincial Labor Office, represented by Ms. Supawadee Paksang, Labor Specialist (Senior Professional Level), Ms. Suparat Boonyamin, Labor Specialist (Practitioner Level), and Ms. Ratchaporn Silpakajorn, Labor Specialist, visited Thai Poly Acrylic Public Company Limited to participate in the TO BE NUMBER ONE Prevention and Solution to Drug Problems in an Establishment, with Mr. Thanawat Kulprasert, Manager of Human Resources/Legal Department, representative of the welfare committee and representative of company soccer team.



7<sup>th</sup> July 2022



Dr. Benjamin James Harris, Chairman of the Board of Directors, photographed with the Management, Heads and Representative Employees volunteering for the activity “Do Good with Our Hearts”, in volunteer uniforms, cap, scarf and volunteer ID card of King Rama X’s royal project, that promotes national unity and performing good merit without expectation of reward.



July 2022



The month of campaigning for equality, respect and diversity.

**TPA : บริษัทมีแนวปฏิบัติอย่างเคร่งครัดต่อ สิทธิมนุษยชน, กฎหมายแรงงาน และ ความรับผิดชอบด้านสังคมตามแนวทางดังต่อไปนี้**



- ดำเนินการและปฏิบัติตามกฎหมายแรงงาน และระเบียบข้อบังคับอื่นๆ ที่เกี่ยวข้องกับการใช้แรงงานสตรี, การใช้แรงงานเด็ก และไม่ใช้แรงงานบังคับ
- จัดให้มีแผนการฝึกอบรม และพัฒนาบุคลากรอย่างครอบคลุมสำหรับพนักงานทุกระดับในหน้าที่ต่างๆ
- จัดให้มีการจ้างงาน และจัดหาสิ่งอำนวยความสะดวกที่เหมาะสมสำหรับพนักงานพิการ และพนักงานที่ทำงานเกินอายุเกษียณ ตามความเหมาะสม
- ให้ความเคารพ และความเข้าใจและพฤติกรรมที่ต้องการของพนักงานและผู้มีส่วนได้ส่วนเสียที่เกี่ยวข้องกับความหลากหลายความเท่าเทียมกัน การไม่เลือกปฏิบัติทางเพศ อายุ รูปลักษณ์ ศาสนา ความเชื่อ ภูมิหลัง ความทุพพลภาพ ฯลฯ
- ไม่สื่อสาร แสดงออก หรือกระทำการใดที่เป็นการละเมิด ที่ส่งผลให้เกิดความรู้สึกเชิงลบ ซึ่งเป็นการละเมิดสิทธิมนุษยชน หรือ ความหลากหลายส่วนบุคคล และดำเนินการอย่างเหมาะสมในการจัดการเมื่อพิจารณาแล้วว่า มีการกระทำดังกล่าวเกิดขึ้น
- จัดให้มีช่องทางการสื่อสาร และโอกาสสำหรับพนักงานในการสื่อสาร แสดงความคิดเห็น หรือข้อกังวลในลักษณะที่ปลอดภัย ไม่เปิดเผยตัว และคงไว้ซึ่งระบบการจัดการที่เหมาะสม
- มุ่งมั่นดำเนินธุรกิจด้วยความรับผิดชอบต่อสังคมเสมอ เพื่อให้เกิดความตระหนัก และเน้นการสนับสนุนกิจกรรมทางสังคมและชุมชน



13<sup>th</sup> July 2022



The Company hosted an activity “No Alcohol during Buddhist Lent” with the staff annually for good health and expression of good Buddhist values. The activity is abstinence from alcoholic drinks for three months from 14<sup>th</sup> July 2022 to 10<sup>th</sup> October 2022, along with campaign against drinking at the start of abstinence.



19<sup>th</sup> July 2022



Mr. Thanawat Kulprasertat, Manager of Human Resources/Legal Department, and team contribute cleaning equipment to Kratum Lom Municipality for cleaning activity of the 2022 Environmental Protection Campaign, with Mr. Kittinat Bussaparoek, Deputy Municipal Clerk and acting Municipal Clerk, Mayor of Mueang Kratum Lom and staff of Department of Public Health and Environment, Kratum Lom Municipality as recipients.



21<sup>th</sup> July 2022



Mr. Thanawat Kulprasertat, Manager of Human Resources/Legal Department, and team participated in the cleaning activity of the 2022 Environmental Protection Campaign at Kratum Lom Municipality between 08.30 – 12.00 with Department of Public Health and Environment, Kratum Lom Municipality in charge. Sanitizing gel and masks were provided for all participants.





21<sup>th</sup> July 2022



The Company, in cooperation with Phutthamonthon Plant Cultivation Center, present tamarind, jackfruit, cassia, neem, agasta, moringa, giant bamboo and mempenai saplings to the employees to cultivate and consume, allowing accessibility to nutritious and safe food.



August 2022



On the month of national Mother's Day celebrations and in line with the current lifestyle with the prevention of the spread of COVID-19 "New Normal Life". The Company organized activities to promote Mother's Day 2022. by promoting family values, with father, mother, children, wife, or other persons in the family. This year, there were 37 prizes, which were based on family values and 20 more special prizes related to "New Normal Life".



10<sup>th</sup> August 2022



Dr. Benjamin James Harris, Chairman of the Board of Directors presented financial support for the education of employees' children for the year 2022, with awards given to staff who are parents and are the representative of the child in receiving at the level of grade 1 to the vocational certificate level, In 2022 there were 12 children of employees who meet the qualification criteria.



13<sup>th</sup> August 2022



On the occasion of 12<sup>th</sup> August 2022. 90 year the Royal Birthday Anniversary of Her Majesty Queen Sirikit. To express devotion and bow in gratitude, the Management, Employees volunteered do good deeds for society and the public through the “Big cleaning Day” jointly cleaning the streets of the area around the company and nearby communities so they have a clean, orderly and beautiful environment.



13<sup>th</sup> August 2022



The Company organized training activities from 8.00 to 17.00 for over 150 employees from different departments for the following topics: Safety Health and Environmental / Sustainability / Human Right / 5 channels of whistleblowing / Communication & Teamwork / KAIZEN. Of which employees participate in brainstorming. and make the representation by the group representatives.



18<sup>th</sup> August 2022



The Company organized activities to help separate waste, reduce use, reduce disposal. increase reuse to assist with sustainable development. Employees are encouraged to participate in the use of unused paper or materials and then switch them from waste to cost-effective use like, making soil and fertilizer by from unused paper in the office. To help reduce the cost of disposal, destroy eliminate, reduce the amount of unused paper, reduce pollution to the Earth. It helps to conserve the environment and also uses those soil fertilizers to grow useful crops.





22<sup>th</sup> August 2022

The Board of Directors, as well as executives, recognize the importance of Sustainability Policy and deliver employees aware of our responsibilities related to Society, Environment, Human Rights, and Good Governance. Company be committed to balance between business growth, well-being of employees, community and create value with sustainable growth.



25<sup>th</sup> August 2022.

The Company together with the employees organized an Anti-Corruption activity by not accepting all kinds of bribes and “whistleblowing for complaints / notify clues / recommend management system development” For non-compliance, unfairness, against the law and policies be announced by the company which including corruption occurring. Through the following channels: Line Manager, Audit Committee by e-mail, Managing Director’s secretary by mail, Company website and Hotline.



2<sup>rd</sup> September 2022.

The Company organized activities for employees to recognize for Aedes mosquito eradication campaign of “3 Cs” Clean up the house, collect garbage, collect water. Get rid of mosquito larvae to cut the growth cycle of Aedes aegypti which is a carrier of disease and will help prevent 3 serious diseases, namely Dengue fever, Zika virus infection and mosquito-borne fever.



6<sup>th</sup> September 2022



“To plant forests, plant trees, increasing green spaces”  
Dr. Benjamin James Harris, Chairman of the Board of Directors representing of Company, gives tree saplings to employees for to support the importance of reducing global warming.



4<sup>th</sup> November 2022



A group of receptionists gathered to promote the prevention of seasonal “Influenza” and Respiratory diseases that often spread by coughing or sneezing so employees can see the importance of jointly protect themselves and others influenza.



25<sup>th</sup> November 2022



The Company organized Anti-Drug Sports Activities for the year 2022. Sports competitions such as football, sepak takraw were organized. The objective is to keep employees away from drugs and to have unity among the group and team work. 60 players for football and 24 players for sepak takraw participated in this activity. The competition took place between for 25<sup>th</sup> November and 28<sup>th</sup> December, 2022.





30<sup>th</sup> November 2022



The Company recognized the importance compliance with all aspects of labor law “Campaign not to use child labor under 18 years old and not to mistreat women in the workforce” were recognized to be the most important part of this aspect of the sustainable development policy of the organization.



15<sup>th</sup> December 2022



Dr. Benjamin James Harris, Chairman of the Board of Directors, photographed with fire and rescue drill team following an emergency drill held at factory site on 6<sup>th</sup> December 2022.



21<sup>th</sup> December 2022



Company together with employees organized campaign activities aimed at preventing and solving drug problems in labor groups / establishments by making make employees aware of the problem and effects both the physical health and families Also promoted is a hotline (1386) promotion hotline 1386, which is a channel for notifying concerns about drugs and to contact for drug treatment help.



27<sup>th</sup> December 2022



For New Year's event from December 2022 to January 2023. The Company emphasised the importance the safety of employees. The employees organized a campaign “Don't Drink and Drive” to make employees aware of safe driving and to take precautions when traveling to their homes.



29<sup>th</sup> December 2022



The Company has foreseen the good importance between the organization and the surrounding community. The Company is proud to be a part of creating a good environment for both the organization and the community. Therefore, the company organized volunteer activities for employees to collect garbage, collect plastic bottles, sweep leaves, grass, and sweep the streets to adjust the scenery around the Company's exterior and surrounding communities during the New Year festival.





## 4. Management Discussion and Analysis (MD &A)

### 4.1 Operating results under the Business Operation Plans

Operating results under the Business Operation Plans 2022 can be summarized as follows:

1. The Company is committed to develop to be a sustainable corporate, manufacturing business with responsible management of all business aspects relating to environment, social and good corporate governance in order to reduce business risk and create opportunities to generate sustainable profits in the long run.

The Company is highly committed to the important of the Safety, Health and Environment (SHE) policy. All Directors, Management, Employees and Visitors must strictly follow the policy and guidelines.

The SHE Committee is set up and assigned to supervise and control, set SHE's policies & guidelines, objectives and targets, including annual SHE Improvement Plan. Furthermore, the Committee also monitors and evaluates the Company's performance during the year.

The Company has addressed the risk of corruption by setting up its Anti-Corruption Policy, seeking support and commitment from the Board of Directors and conducting a Management Corruption Risk Assessment, establishing Internal Controls and establishing review and monitoring processes. The Company has joined Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) and received a notice of recertification for a period of 3 years from 30<sup>th</sup> September, 2020 to 30<sup>th</sup> September, 2023.

One of the important activities that the Company has undertaken is to set up annual plan for inspection, preventative maintenance and improvement for machinery and equipment to ensure risk to personnel is minimized to improve production efficiency.

Safety Health and Environmental performance policies are the most important Company policies and all management and staff are responsible for adhering to policies these and strictly follow all aspects of them.

The Company has been examined and accredited for Occupational Health and Safety Management Systems (TIS18001) and Environment Management System (ISO 14001), to help ensure that the Company is attentive to the work of health, safety and environment performance of the Company and staff and all relevant persons.

2. In 2022 the Company maintained a good balance between domestic and export sales which helped offset the fluctuation on exchange rate between Baht and other hard currencies, especially US Dollar. In order to avoid the risk from loss currency conversion, the Company has the policy to hedge foreign currency transactions currency with the Commercial Bank in Thailand.

In addition the Company has developed new marketing strategies and adjusted new product portfolios in order to improve product ranges in response to the dynamic changes of supply and demand in both domestic and overseas markets. The management will continue to search for more new business opportunities through the New Product Development (NPD) process, particularly focusing on value added products. The NPD process will be handled by NPD Committee, headed by Managing Director. The Committee is fully responsible for managing the Product Portfolio for a sustainable long term growth of the Company.

3. In the past year, the Company continued to focus on product quality and service improvement in order to attain higher standards so as to respond to the needs of its customers both in domestic and overseas markets, and it also aimed to improve the production efficiency and reduce production benefiting the overall production costs. In addition the Company places emphasis on product to assist in.

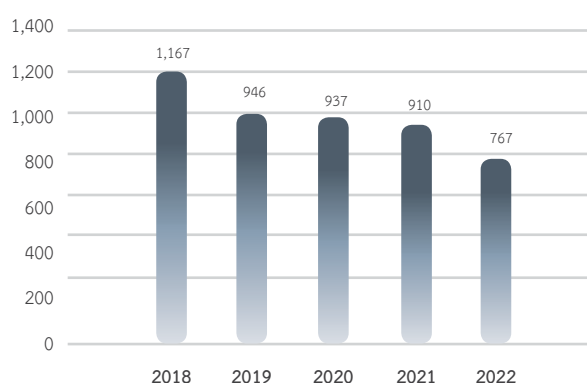
## 4.2 Operating Results

Operating Results for the year 2022

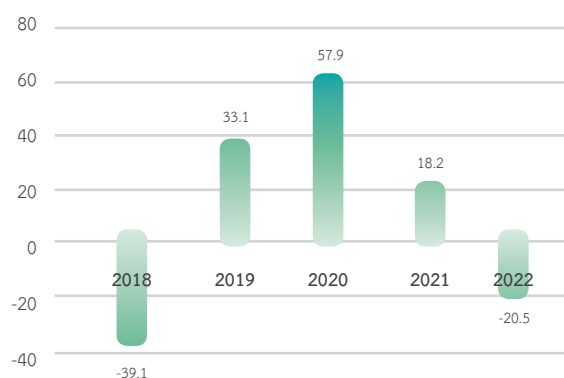
Key Financial Performance	Year 2022	Year 2021	Year 2020	Inc (Dec) 2022/2021		Inc (Dec) 2021/2020	
	Million Baht	Million Baht	Million Baht	Million Baht	%	Million Baht	%
Total Sales and service income	758.5	894.3	930.8	(135.8)	-15.2%	(36.5)	-3.9%
Total Revenues	767.1	909.8	936.6	(142.7)	-15.7%	(26.8)	-2.9%
Total Expenses	789.0	887.1	863.6	(98.0)	-11.1%	23.5	2.7%
Gross Profit	58.9	101.8	202.3	(42.9)	-42.1%	(100.5)	-49.7%
Profit (loss) before tax	(22.1)	22.6	72.9	(44.7)	-198.0%	(50.3)	-69.0%
Net profit (loss)	(20.5)	18.2	57.9	(38.7)	-212.6%	(39.7)	-68.5%
Earnings (Loss) per share (Baht)	(0.17)	0.15	0.48	(0.32)	-212.6%	(0.33)	-68.8%
Dividend per share (Baht)	0.00	0.45	0.45	(0.45)	-100%	-	-

Ratios	Year 2022	Year 2021	Year 2020	% Inc (Dec)	
				2022/2021	2021/2020
Gross Profit Margin	7.8%	11.4%	21.7%	-3.6%	-10.3%
Net Profit Margin to total revenues	-2.7%	2.0%	6.2%	-4.7%	-4.2%
Return on Equity	-4.6%	3.7%	11.4%	-8.3%	-7.7%
Return on Assets	-3.1%	2.3%	7.1%	-5.4%	-4.8%

Total Revenues (Million Baht)



Net profit (loss) (Million Baht)



### Sales and Service Income

In 2022, the Company had revenue from sales and services of Baht 758.5 Million, decreased by Baht 135.8 Million or 15.2% compared to the previous year. The main reasons were decrease in sales volume whereas increase in average selling price compared to the previous year.

### Gross Profit Margin

Gross profit in 2022 of Baht 58.90 Million, decreased by Baht 42.9 Million or 42.1% YoY with gross profit margin of 7.8%, decreased by 3.6% compared to the previous year at 11.4%, as a result of lower sales volume and higher production cost.

### Net Profit and Earnings per share

The Company's operating results in 2022 was net loss after tax at Baht 20.50 Million, decreasing by Baht 38.7 Million or 212.60 % compared to net profit in previous year at Baht 18.20 Million. Loss per share was Baht -0.17, decreased by Baht 0.32 per share. The main reasons of the decrease in profitability in 2022 were decrease in sales volume and lower contribution margin as a result of higher production costs.

### Profitability Ratio

In 2022, the overall profitability ratio decreased from the previous year, with loss profit margin to total revenues of -2.7% (2021 = 2%), return on equity of -4.6% (2021 = 3.7%) and return on assets of -3.1% (2021 = 2.3%).

## 4.3 Financial position, Cash flows and Liquidity

Summary Financial position as of December 31, 2022

Unit: Million Baht

Financial position as of December 31	2022	2021	2020	% Inc (Dec)	
				2022/2021	2021/2020
Current Assets	386.76	464.12	609.18	-16.7%	-23.8%
Non-current assets	237.06	248.93	259.96	-4.8%	-4.2%
Total assets	623.82	713.05	869.14	-12.5%	-18.0%
Current liabilities	177.30	193.24	312.80	-8.2%	-38.2%
Non-current liabilities	39.10	40.62	45.39	-3.8%	-10.5%
Total liabilities	216.40	233.86	358.19	-7.5%	-34.7%
Total shareholders' equity	407.42	479.19	510.95	-15.0%	-6.2%
Book Value per share (Baht)	3.35	3.94	4.21	-15.0%	-6.2%

### Total Assets

As at 31<sup>st</sup> December 2022, the Company had total assets at Baht 623.8 Million, a decrease of Baht 89.2 Million or 12.5% from the previous year, which comprised the key items as follows :

- Cash and cash equivalents including fixed deposit, in total of Baht 129.3 Million, decreased by Baht 16.4 Million.
- Trade and other receivables of Baht 168.4 Million, decreased by Baht 68.2 Million due to the decrease in sales of the 4<sup>th</sup> quarter compared to the previous year.
- Inventories of Baht 83.1 Million, decreased by Baht 23.1 Million which resulted from stock management plan to maintain appropriate safety levels of stock.
- Property, plant and equipment of Baht 230.2 Million, decreased by Baht 12.3 Million which resulted from depreciation and amortization of Baht 20.8 Million and acquisitions of Baht 8.6 Million.

### Total Liabilities

As at 31<sup>st</sup> December 2022, the Company had total liabilities at Baht 216.4 Million, a decrease of Baht 17.5 Million or 7.5% from the previous year, which comprised the key items as follows :

- Trade and other payables of Baht 169.8 Million, decreased by Baht 17.4 Million mainly from lower purchase volume of key raw material during the 4th quarter.
- Provision for long-term employee benefits at Baht 37.2 Million, decreased by Baht 0.5 Million due to the effects of improvement in actuarial assumptions.

### Cash flows

In 2022, the Company had cash and cash equivalents amounting to Baht 91.2 Million, Increased from the previous year by Baht 16.3 Million, consisting of :

- Net cash flows received operating activities were Baht 80.9 Million, Increase in net cash flow of 82.6 Million mainly from changes in operating assets and liabilities due to the decrease in trade accounts receivable and inventories, although there was decrease in operating profit from the previous year.
- Net cash flows used in investing activities were Baht 7.9 Million, The investments in 2022 mainly concerned the improvement of plant and acquisition of machinery and equipment of Baht 8.1 Million., and net cash flow uses has decreased from previous year 1.4 Million Baht.
- Net cash flows used in financing activities were Baht 56.6 Million from dividend payment at 54.7 million and payment of lease liabilities at Baht 1.9 Million.

### Liquidity and capital structure

As at 31 December 2022 The Company has good and adequate financial liquidity and stability with sufficient cash flow for its operation and sufficient current assets for short-term debt repayment, with the key financial ratio as follows :

- Liquidity ratio in 2022 at 2.18 times, slightly decreased from previous year at 0.22 times mainly due to decrease in sales.
- The Debt to Shareholders' equity Ratio in 2022 at 0.53 times, slightly decreased from the previous year at 0.04 times due to dividend payments and operating losses.

## 4.4 Asset Management Capabilities

### Trade Receivables

Comparative trade receivables from year 2020–2022 are detailed below

Comparative trade receivables	31-Dec-22		31-Dec-21		31-Dec-20	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Trade receivables - related parties</b>						
Not due	-	0%	-	0%	-	0%
Overdue Not over 3 months	-	0%	-	0%	-	0%
Total trade receivables - related parties	-	0%	-	0%	-	0%
<b>Trade receivables - non-related parties</b>						
Not due	142.54	84%	192.26	81%	227.19	75%
Overdue						
Not over 3 months	26.04	15%	44.99	19%	71.20	23%
3 - 6 months	-	0%	0.27	0%	0.01	0%
6 - 12 months	-	0%	0.52	0%	2.25	1%
Over 12 เดือน	0.59	0%	0.01	0%	2.46	1%
<b>Total trade receivables - non-related parties</b>	169.17	100%	238.05	100%	303.11	100%
<b>Total trade receivables</b>	169.17	100%	238.05	100%	303.11	100%
Less: Allowance for expected credit losses	(0.77)	0%	(1.15)	0%	(6.99)	-2%
<b>Total trade receivables - net</b>	<b>168.40</b>	<b>100%</b>	<b>236.90</b>	<b>100%</b>	<b>296.12</b>	<b>98%</b>

Trade receivables as at 31 December 2020, 2021 and 2022 were Baht 296.1 Million, Baht 236.9 Million and Baht 168.4 Million, respectively, comprising trade receivables - non-related parties. Most of the trade receivables were not due and overdue not over 3 months, accounted for 99.7% of total trade receivables before allowance for expected credit losses. The trade receivables that were overdue for more than 3 months accounted for 0.3%,

The average day receivable from 2020-2022 were 103 days, 109 days and 97 days, respectively. As at 31 December 2020 - 2022, the Company set up allowance for expected credit losses amounting to Baht 7.0 Million, Baht 1.2 Million and Baht 0.8 Million respectively. In 2022 the outstanding allowance for expected credit losses decreased by Baht 0.4 Million. from the previous year.

The allowance for expected credit losses was set up by considering the aging of the accounts, payment history and probability to receive payment, the company's historical credit loss experience and the forecast economic conditions. The company has credit control management policy to evaluate customers and review credit terms and credit limits annually by considering individual sales target plan, trading and payment history. Trade receivables have credit terms of 15 – 120 days depending on trade conditions of each customer.

The Company has closely followed up with accounts which were overdue through calls as well as taking appropriate legal measures. Allowance for expected credit losses were set up for accounts having difficulty in payment.

## Inventory

Inventories are detailed below. (comparative year 2020 - 2022)

Comparative inventory	31-Dec-22		31-Dec-21		31-Dec-20	
	Million Baht	%	Million Baht	%	Million Baht	%
Finished goods	24.74	27%	30.08	26%	45.38	34%
Raw materials	29.13	32%	38.83	34%	45.60	34%
Spare parts and factory supplies	34.78	38%	44.16	38%	35.73	27%
Goods in transit	1.94	2%	1.83	2%	6.21	5%
Total	90.60	100%	114.90	100%	132.92	100%
Less : Reduce cost to net realisable value	-7.47	-8%	-8.70	-8%	-9.94	-7%
<b>Total</b>	<b>83.13</b>	<b>92%</b>	<b>106.19</b>	<b>92%</b>	<b>122.98</b>	<b>93%</b>

Inventory as at 31 December 2022 were Baht 83.1 Million, decreased from the previous year at 106.2 Million. The inventory turnover ratio from 2020-2022 were 19.25 times, 20.26 times and 25.53 times, respectively. The average number-of-day-sales from 2020-2022 were 19 days, 18 days and 14 days respectively.

The decrease of inventory lead time in 2022 resulted from stock management plan to maintain proper safety levels of stock and continuously monitor the slow-moving and obsolete inventory items.

The Company has a policy to set up an allowance to reduce cost to net realizable value based on slow moving items, aging profile of inventories and the amount the inventories are expected to realize. The allowance of reduce cost to net realizable value from 2020-2022 were Baht 9.9 Million, Baht 8.7 Million and Baht 7.5 Million, respectively. The decreased allowance in 2022 was due to continuous monitoring the slow-moving and obsolete inventory.

## Property, Plant and equipment

Details of property, plant and equipment are per following (comparative year 2020 - 2022)

Category of Asset	31-Dec-22		31-Dec-21		31-Dec-20	
	Million Baht	%	Million Baht	%	Million Baht	%
Land	136.33	59%	136.33	56%	136.33	55%
Building and building improvement	31.02	13%	36.35	15%	42.06	17%
Machine and equipment	54.51	24%	57.22	24%	55.54	22%
Furniture, fixture, office equipment and vehicles	6.28	3%	7.31	3%	5.42	2%
Assets under construction and installation	2.06	1%	5.27	2%	10.86	4%
<b>Total</b>	<b>230.20</b>	<b>100%</b>	<b>242.48</b>	<b>100%</b>	<b>250.21</b>	<b>100%</b>

During the year 2022 the Company acquired additional assets amounting Baht 8.6 million (2021: Baht 14.2 Million). The return on fixed assets ratio from 2020-2022 were 32.09%, 16.40% and 0.23%, respectively.

## 4.5 Main Factor and Influences That May Affect Operations or Financial Position in the Future

The factor that may have certain influences towards the future operations of the Company have already been stated in Article 2.2: Risk Factors.



## 5. General information and other material facts

### 5.1 General information

#### Company name

Thai Poly Acrylic Public Company Limited

#### Type of Business

Manufacturer and Distributor of Acrylic cast sheets and Extruded Plastic sheets

#### Registration Number

0107537002257

#### Registered Capital

Baht 121,500,000

in an ordinary share and paid – up capital in the amount of Baht 1.00 per share

#### Shareholding in other

None

#### Head Quarter and factory located at:

60 – 61 Moo 9, Phutthamonthon 4 Rd.,  
Krathumlom, Sam Phran, Nakhonpathom 73220,  
Thailand

#### Telephone:

0 2889 - 8720 - 5

#### Facsimile:

0 2429 - 2541

#### Website:

<http://www.thaipolyacrylic.com>

#### Registrar:

Thailand Securities Depository Co., Ltd.

1<sup>st</sup> Floor, The Stock Exchange of Thailand, Tower B  
93 Ratchadaphisek Road, Dindang, Bangkok 10400

#### Telephone:

0 2009 - 9999

#### Facsimile:

0 2009 - 9001

#### Auditor: EY Office Limited

33<sup>rd</sup> Floor, Lake Rajada Office Complex, 193/136-137  
Rajadapisek Road Klongtoey, Bangkok 10110  
G.P.O. Box 1047, Bangkok 10501, Thailand

#### Telephone:

0 2264 - 9090

#### Facsimile:

0 2264 - 0789 - 90

#### Website:

<http://www.ey.com>

#### Legal Advisor: Mr. Surat Jankaew

BZ Legal Advisor Law Office 52 Ladprao 81(Thitiporn)  
Klongchoakhunsing, Wang Thong Lang Bangkok 10310

#### Telephone:

098-2741047

#### Facsimile:

0 2539 - 3230 # 103

### 5.2 Other Information that may influence investor's decision making.

- None -

### 5.3 Legal disputes

Throughout the year 2022, the Company has no significant legal disputes.

### 5.4 Secondary Market

The Company has no securities listed on a stock exchange of another country.

### 5.5 Financial Institution with regular contact (only in case of debt securities offeror).

Bangkok Bank Public Company Limited

# Part 2

## Corporate Governance



### 6. Corporate Governance Policy

#### 6.1 Overview of the Policy and Guidelines

##### 6.1.1 Policy and guidelines related to the Board of Directors

The Board of Directors of Thai Poly Acrylic Public Company Limited is obliged to perform its duties in the best interests of the Shareholders and shall treat its stakeholders and all parties concerned with utmost fairness and provide quality products and services to fit the needs and requirements of the customers.

The Board of Directors adheres to the principles of good corporate governance, and have introduced recommendations under the guideline for listed companies 2017 issued by the Office of Securities and Exchange Commission (SEC). The guideline consists of 8 practices for director and to be the norm in controlling business transparent management and fair for the mutual benefit of the shareholders of the company, stakeholders including society and communities in which the company operates as following detail ;

1. Recognizing the roles and responsibilities of the Board of Directors as leaders that create value for the business sustainably.
2. To determine the objectives and main goals of the business that are going for sustainability.
3. To strengthen the Board of Directors.
4. Recruiting and developing high-level executives and personnel management.
5. To promote innovation and responsible business operations.
6. Ensuring appropriate risk management systems and internal controls.
7. To maintain financial credibility and disclosure.
8. Support participation and communication with shareholders.

The Company has publicized “Corporate Governance, Business Ethics Rules and Anti-Corruption Policy” on its website <https://www.thaipolyacrylic.com>

The Company's Corporate Governance performance can be summarized as follows :

### 1. RIGHTS OF SHAREHOLDERS

The rights of Shareholders include all basic rights such as the right as an investor and the right as an owner of the Company including for instance the rights to buy new shares, sell or transfer owned shares, the rights to receive dividends, the rights to attend the Shareholders' meetings, the rights to express or raise questions at the meetings, the rights to make decision by voting on the important affairs of the Company i.e. nomination of Directors, amendment of Memorandum of Association and Articles of Association of the Company etc. and acknowledge the Minutes of Annual General's Meeting.

### 2. EQUITABLE TREATMENT OF SHAREHOLDERS

The Company shall provide the equitable treatment to every individual shareholder, every group of shareholders, major or minor shareholders as well as the investors and foreign investment institutions. The fundamental rights of the shareholders are preserved regardless of gender, age, origin, nationality, religion, belief or social status.

### 3. ROLES OF STAKEHOLDERS

The Company conducts its business responsibly in order to provide mutual benefits to all groups of stakeholders, and thereby ensuring that the administration and the business operations of the Company shall not have any impact on the rights of any stakeholder concerned.

### 4. DISCLOSURE AND TRANSPARENCY

Disclosure of information is a key index of transparency and an important factor to create confidence among investors and stakeholders. The Company values accurate disclosure of information and creates variety channels of disclosure of information so that all stakeholders can gain easy access to information.

### 5. RESPONSIBILITIES OF BOARD OF DIRECTORS

The Board of the Directors recognizes its roles and responsibilities in instituting policies and directions of the Company's operations in compliance with the law, the Company's objectives and regulations as well as the resolution from the Shareholder's Meeting. The Company supervises and monitors departments to follow the set policies effectively to maintain the Company's interest, increase economic value to the business and promote stability among shareholders base on good corporate governance. The Board of Directors has followed up the implementation of strategies for sustainable business management. Roles and responsibilities of Board of Directors toward the Company and Shareholders are important since the Board consists of the expert persons with leadership skills, sharp vision, knowledge and high experience. They have honesty and independence for decision making, which is beneficial to the Company's maximum interest and overall shareholders.

#### 6.1.2 Policy and guidelines related to shareholders and stakeholders

##### 1. THE RIGHTS OF SHAREHOLDERS

1.1 Shareholders' Meetings - As a rule, the Company schedules an Annual General Meeting of shareholders (AGM) within 4 months of the annual closing date of its accounting books. For urgent matters that affect or involve the shareholders' interests or relate to conditions, regulations or laws that require shareholders' approval, it calls an Extraordinary General Meeting of the shareholders. In 2022, an Extraordinary General Meeting was not held.

1.2 In 2022, the Annual General Meeting of Shareholders was held on April 21, 2022 via Electronic Meeting (E-AGM) pursuant to the Emergency Decree on Electronic Meeting B.E.2563 relaying from Thai Poly Acrylic Public Company Limited 60-61 Moo 9, Phutthamnthon 4th Road, Krathumlom, Sam Phran, Nakhonpathom 73220, Thailand.

1.3 Recognizing the importance of protecting and facilitating the exercise of Shareholders' Rights, the Company has established a policy of equitable and fair treatment for all shareholders as follows:

- 1) Promoting Exercise of Shareholders Rights
  - The Company encourages all shareholders to exercise their rights in an equitable manner.
  - All shareholders are encouraged to attend the shareholders' meetings, and to provide comments and suggestions to the Board of Directors.
- 2) Facilitating Shareholders Attendance and Voting at the Meetings
- 3) The Company encourages shareholders' participation in decision making on important issues and voting on such issues at General Meetings. All resolutions are voted on by poll.
- 4) Giving Information Relating to Shareholders' Meetings The Company will ensure that shareholders are informed in advance of General Meetings, of important information, criteria and procedures for those meetings, including the voting procedure for each agenda item. The Company will strive to provide all information regarding General Meetings to all Shareholders 21 days (but not less than 7 days) in advance, so that Shareholders can study all the information prior to attending the meeting. In addition, the Company will post all information on the Company's web site prior to sending out the notice of the meeting.
- 5) Giving Opportunity to Shareholders to ask questions and express their Opinions in the Annual General Meetings.
- 6) The Company will, at all General Meetings, provide the opportunity to all Shareholders to ask questions, express comments or offer any suggestions.

#### 1.4 Disclosure of Resolutions of Shareholders' Meetings

The Company will submit the summary of resolutions of Shareholders' Meetings to the Stock Exchange of Thailand within the date after the meeting or 9 am of the next working day at the latest. The Company will also submit the report of the Shareholders' Meeting with Minutes (each agenda item clearly separated), number of Directors in attendance and/or absent, questions raised by Shareholders and answers from the Directors and voting tallies of each agenda item to SET within 14 days and to the Ministry of Commerce within 30 days after the meetings. All meeting information will be accessible through the Company's website.

## 2. THE EQUITABLE TREATMENT OF SHAREHOLDERS

### 2.1 Proposing Additional Meeting Agenda Items and Nomination of Directors

- To enable minor shareholders to take part in the operations of the Company, the Company has established criteria and process for them to propose meeting agenda items and/or nominate Directors in advance.
- The Company will post such criteria on its website and post an announcement on the website of SET to enable shareholders to propose meeting agenda items and/or nominate Directors in advance.

### 2.2 Facilitating Shareholders at the Meetings

As most shareholders attending the Shareholder Meetings are Thais, the meetings will be conducted in the Thai language. The Company's website is bilingual.

### 2.3 Appointing Proxies

To maintain the rights of shareholders who cannot attend Annual General Meetings in person, they have the right to appoint proxies or delegate their votes to any Independent Director in attendance. The Company will state the names of these Independent Directors in the proxy forms as defined by the Ministry of Commerce for voting on behalf of shareholders without conditions. The Company treats proxies as shareholder votes. Thirty days ahead of each meeting, the Company discloses the proxy form and procedures on its website. Shareholders may make further inquiries about this by phone or through other channels such as the Company's website and E-mail.

### 3. THE ROLES TOWARD STAKEHOLDERS

- **To Shareholders**

Operating a profitable business that leads to sustainable growth. The Company is committed to corporate governance in tandem with corporate social responsibility (CSR) to ensure investors that the Company provides sound investment returns and is sustainable. The Company has established channels for all stakeholders to contact directly through whistleblowing via its website [www.thaipolyacrylic.com](http://www.thaipolyacrylic.com).

- **To Employees**

The Company regards all employees as the most valuable asset and shall continue to develop the competencies and the integrity of the employees. The Company shall provide its employees with good benefits and provide a workplace that is safe within a healthy environment. Professional development opportunities are provided for all employees, helping to continuously and sustainably increase their productivity. The Company has indicated the employee's performance by using performance indicator to measure the employee's performance. The Company will provide reasonable benefits to all employees based on their capabilities and competencies as well as career path and succession plan.

**The employee benefits are divided into two categories: Short – term benefits, and post – employment benefits and other long – term benefits.**

#### **1. Short – term employee benefits**

The Company has a policy to consider remuneration for employees and executives in term of considering adjusting the rate of employment for employees and executives, they will consider the working conditions, Intentions of work assigned, duties and responsibilities, other abilities, Company's performance and also comparison with market competition. In part of considers the annual bonus, Company has a policy to pay every year. However, some criteria will be taken into consideration for approval, including the annual operating results of the Company, both financial and non-financial. The work of the staff and the team dedication to work under responsibility etc.

#### **2. Post-employment benefits and other long-term employee benefits**

##### **2.1 Defined Contribution plans**

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by Employees and by the Company.

##### **2.2 Defined Retirement Benefit plans and other long – term employee benefits**

The Company has obligations in respect of the severance payments to employees upon retirement under Labor Law and other employee benefit plans. The Company treats these severance payment obligations as a defined benefit plan. In addition, the Company provides other long – term employee benefit plan, namely long service awards.

- **To Customers**

Ensuring customer satisfaction and loyalty by delivering world-class quality products and services at competitive prices. The Company takes customer satisfaction seriously, since customers are buyers and users of our products and services. The Company offers fair prices, quality products and accountability to customers and consumers, and is committed to consistently develop its products and to provide safe, integrated, attentive quality services in response to their needs. The Company has implemented quality, security, safety and occupational health standards in its operations in order to focus on quality management through efficient work processes with a view to deliver products and services that satisfy customers.

- **To Business Partners**

Observing fair and mutually beneficial business practices with all business partners while promoting trust as well as relationship and cooperation with a view to expand business capabilities and increase efficiency in a long-term partnership. Business partners are the key to business success through mutual support, and the Company treats them fairly. The Company strictly complies with contracts and values procurement processes. Clear procurement procedures have been formulated to ensure transparency, openness to scrutiny and mutual benefit.



The Company requires business partners to strictly conform to the rules about work safety and handling of tools, as well as other regulations, particularly in the type of work affecting health, safety and the surrounding environment.

The Company's approved Vendor List is prepared through a detailed selection process that reviews business /operational procedures of candidates to ensure that the business partners selected for the Vendor List are efficient and are capable of delivering products/services that meet the Company's requirements.

- **To Creditors**

Maintain good relationship with creditors in such a way that mutual trust and confidence are gained. In doing so the Company shall commit to and honor promises, and obligations agreed with the creditors. The Company ensures strict compliance with all terms of any loan agreement 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.

- **To Business Competitors**

The Company's policy is that it shall treat its business competitors in a manner that is acceptable in accordance with International law and generally accepted principles and standards. The Company shall furthermore operate its business within a fair, but competitive context and shall not take unfair advantage of its business competitors. The framework of this policy has been shaped by related laws and regulations as well as concepts related to generally accepted business codes of conduct. The collection of insider information from a business competitor is expressly prohibited. The policy further prohibits the infringement of intellectual property rights and trade secrets. Furthermore, it includes provisions that prohibit the slandering of business competitors and any form of collusion in conflict with existing laws and regulations.

- **Community and Society**

The Company shall continue to operate its business in a manner that is beneficial to the society and the community in which it operates. The Company shall co-operate with the community and relevant authorities to prevent any business transaction with any party that might be hazardous to the community and the society as a whole.

#### 4. DISCLOSURE OF INFORMATION AND TRANSPARENCY

The Company promotes awareness among Directors, the Management and the employees of the importance of good corporate governance and transparency in their work, and creates appropriate mechanisms to receive complaints and fair treatment both for those who file complaints and those who have been complained against.

The Company offers opportunities for the public to file complaints on improper behavior of Directors, the Management and staff or their violation of Company's business ethics.

- (1) Audit Committee Email: [Audit.Committee@thaipolyacrylic.com](mailto:Audit.Committee@thaipolyacrylic.com)
- (2) Secretary to Managing Director via post:: 60-61 Moo 9, 4th Phutthamonthon Road, Krathumlom, Sampran,Nakhonpathom 73220, Thailand.
- (3) Company Website : [www.thaipolyacrylic.com](http://www.thaipolyacrylic.com)
- (4) Corporate Whistle Blower  
Hotline URL : [https://www.pfa-japan.net/mcgap\\_whistleblow](https://www.pfa-japan.net/mcgap_whistleblow) password: Apkaiteki

The Company will listen to all complaints equally, transparently, caring and giving fairness to all parties as appropriate action.

The Company discloses information of the Company and financial statements to the Stock Exchange of Thailand completely, accurately, adequately and in time. In addition, the Company has disclosed other information. More to achieve transparency in operation.

1. Allow the investors, community, institutions and interested persons to access the information of the Company through Company website.
2. Recognizing the fact that some Directors reside abroad, and may consequently be excused from attending all Board Meetings, the Board encourages all Directors to attend the meetings when important issues are raised in the meeting agenda, such as the consideration and approval of future investments for plant expansion projects, and the consideration and approval of the annual financial statements and the annual budget proposals, etc.
3. Publish the Corporate Governance Policy and Anti-Corruption policy on the Company's website.
4. Disclose the direct shareholding of directors and executives and indirect shareholding of spouses, or/and minor children of the "Directors Shareholding" and "Executive Shareholding" in Annual Report.
5. The Company has a policy that all directors must report their interests with the Company or that is expected to be immediately available for further in order to consider and disclose.
6. Provide the opportunity for the shareholders to propose matters to be included as agenda items for the Annual General Meeting of Shareholders ("AGM") and to nominate person(s) to serve as the Company's director(s). The criteria and procedures have been disclosed on the Company's websites at <http://www.thaipolyacrylic.com>
7. Appointment for Auditor's Remuneration  
Agenda for an appointment of auditors clearly includes names of auditors, affiliated Company, auditor licenses, experience, auditors' competency, years of auditing for the Company, issues relating to the independence of auditors and auditors' remuneration with the opinion of the Board of Directors according to recommendation of the Audit Committee.

## 5. BOARD RESPONSIBILITIES

Company has prescribed that the Board shall comprise of 9 Directors plus Managing Director consisting of 3 Independent Directors (Company has Independent Directors not less than 3 persons and not less than one third of total Directors of the Company), 2 Executive Directors and 3 Non-Executive Directors (Representatives of its major shareholder)

Audit Committee is appointed by the Board of Directors, and consists of 3 members and all must be Independent Directors. Nomination and Remuneration Committee will be selected from Board of Directors, and consists of 3 members out of which the Chairman of the Committee and at least one member must be Independent Directors. Nomination and Remuneration Committee serve for 3 years per term.

### TERM OF DIRECTORS

In compliance with the Public Companies Limited Act one third of the directors retire by rotation at the Annual General Meeting every year but are eligible for re-election. It is the policy that the tenure of an Independent Director should not exceed a cumulative term of 9 years from the first day of appointment as Independent Director. Upon completing 9 years, an Independent Director may continue to serve on the Board, subject to the Board's rigorous review of his/her continued independence.

### APPOINTMENT AND DISMISSAL OF DIRECTORS

According to the Company's Articles of Association, one third of Directors shall be retired on the rotation basis at every Annual General Meeting, however, the retired Directors can be re-elected at the Shareholders' Meeting. In the case any Director has tendered a resignation or is to be retired for any other reasons prior to the end of the term, the Board can appoint a succeeding Director and he or she can remain in the position to complete the remaining term of the former Director.

### SEGREGATION OF DUTIES OF THE CHAIRMAN AND THE MANAGING DIRECTOR

To segregate policy-making duties from those of day-to-day management and to enable Directors to oversee, look after and assess performance effectively, the Company requires that the Chairman and the Managing Director are always two distinct and separate persons to ensure the balance of authority. The

role of the Chairman is the Head at the policy level and the role of the Managing Director is the Head of Operational Management who look after the daily management of the Company. The Company has decided to appoint Chairman, who is not an Independent Director as defined in the SET guidelines, but whose interests are fully disclosed to the Board.

#### ORIENTATION FOR NEW DIRECTORS

The Managing Director establishes an orientation for every new Directors to create knowledge and understanding in the business including the Company's operations such as capital structure, shareholders, performance and system information including laws and regulation that useful for being a Director. This aims to prepare readiness of new Directors, enabling them to recognize their roles and responsibilities. There is a policy to enhance conceptual knowledge so that Directors can hold positions with efficiency.

#### SUCCESSION PLAN

The Board of Directors has established a succession plan in the management level and positions in the main line by considering performance, potential and readiness of the individual. The Company has equipped a successor with knowledge development, skills required by job positions so that he or she will take important positions in the future.

#### DEVELOPMENT OF DIRECTORS

The Board of Directors has a policy to promote and facilitate training and education for the Directors. In order to improve and perform continually, training courses inside and outside the country are offered to the Directors, enabling them to understand the Directors' performance.

#### POLICY OF DIRECTORSHIP IN OTHER COMPANIES

The Company has carried out policy to allow Managing Director to assume directorship in other companies which the Company invests in, in joint venture companies or any other companies authorized by the Board of Directors to manage those companies according to the Company's policies. The directorship in other companies should not disrupt his main duties in the Company.

#### RISK MANAGEMENT

The Board has established a risk management system and has applied this throughout the Company's operations in order to prevent and manage identified risks. Moreover, the Company has a monitoring and assessment system in place. The Board has assigned the Audit Committee to oversee and audit the risk management system to ensure that risks being identified are addressed suitably and sufficiently.

The Audit Committee reviews the risk management processes with relevant department / function and the internal auditor. Its opinion is that the Board maintains adequate risk management practices that are relevant, suitable and sufficient.

## **6.2 Business code of conduct**

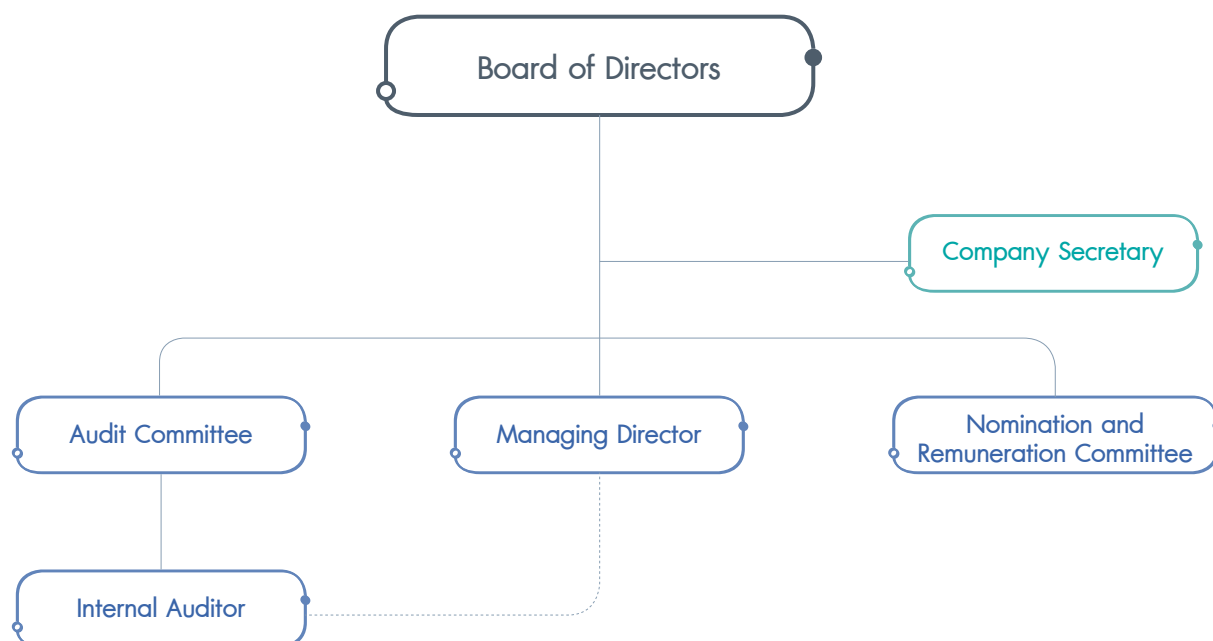
The Company has disclosed the Corporate Governance policy, business code of conduct and Anti- Corruption Policy on Company website. For more details, please visit our website <https://www.thaipolyacrylic.com>

## **6.3 Material changes and developments regarding policy, guidelines and Corporate Governance system in the preceding year.**

In 2022, the Company has received an evaluation from Corporate Governance Report of Thai Listed Companies or CGR Checklist by Institution of Director (IOD) scores at 84 from 100 and received the AGM Checklist evaluation scores at 93 from 100 by Thai Investor Association (TIA).

## 7. Corporate Governance Structure and Significant Information Related to the Board of Directors, Sub Committees, Executives, Employees and Others

### 7.1 Corporate Governance Structure



### 7.2 Information on the Board of Directors

#### 7.2.1 Composition of Directors

Board of Directors consists of 9 Directors			
Composition	Independent Director 3 Directors	Executive Director 3 Directors	Non – Executive Director 3 Directors
Term of Director	One third of Directors shall be retire on the rotation at the Annual General Meeting every year, however, the retired Directors can be re-election.		
Specific term of Independent Director	Not exceed a cumulative term of 9 years from first day of appointment as Independent Director. However, an Independent Director can continue to serve on the Board subject to the Board’s rigorous review of his/her continued independence.		
Appointed by	Annual General Meeting		



## 7.2.2 The information on each director and controlling person

As of 31 December 2022, Board of Directors consists of the following directors as listed below

Name of Directors	Position
1. Dr. Benjamin James Harris	Chairman of the Board of Directors Executive Director
2. Mr. Shinya Yano	Executive Director
3. Dr. Anuphan Kitnichiva	Independent Director Chairman of Audit Committee
4. Mr. Jan Dam Pedersen	Independent Director Member of Audit Committee Chairman of Nomination and Remuneration Committee
5. Mr. Jetsada Wongwatanasin	Independent Director Member of Audit Committee Member of Nomination and Remunerationb Committee
6. Mr. Dai Oyama	Non-Executive Director Member of Nomination and Remuneration Committee
7. Mr. Martin Thaysen	Non-Executive Director
8. Mr. Kresten Mikael Valdal	Non-Executive Director

**Remark:**

1. Mr. Adam Jonathan Sloan tendered the resignation as Non-Executive Director with effective on 10<sup>th</sup> November, 2022.
2. Mr. Kresten Mikael Valdal was appointed as a Non-Executive Director of the Company to replace Mr. Adam Jonathan Sloan on 10<sup>th</sup> November 2022.
3. Dr. Surajin Tappanchai will be appointed as Managing Director on 23<sup>rd</sup> February, 2023 and will be nominated for appointment as new Director in 39<sup>th</sup> Annual General Meeting in April,2023.

### Scope of Authority and Duties of the Board of Directors

The Board of Directors has an authority to determine and amend the name of the Directors who are authorized to sign on behalf of the Company. The names of Directors who are authorized to sign on behalf of the Company are “Mr. Benjamin James Harris and Mr. Shinya Yano”, two of these Directors can jointly sign together with the Company’s seal affixed. The names of Directors who are authorized to sign on behalf of the Company are

1. To file a complaint and proceed with legal action on behalf of the Company including to settle a dispute or assign arbitrator to settle any dispute.
2. To purchase, procure, lease, lease out, hold ownership or right of possession, modify, utilize, or carry out anything related to the assets and gains from those assets.
3. To sell, transfer, accept pledge, mortgage, exchange, or distribute assets in other way.
4. To borrow money, guarantee debtors, aval or endorse bills of exchange or other kinds of transferable financial instruments.
5. To bail out Directors, officials, or employees of the Company charged in criminal court cases as a result of their performance carrying out the Company’s business.
6. To hold shares and/or manage other public or private limited companies as well as collaborate with those companies to carry out specified business.
7. To carry out any duties that can only be performed by natural persons in accordance with the Company’s objectives.
8. To prepare the Company’s financial statements, financial documents, and submit evaluation reports on the adequacy of the Company’s internal control system.

### 7.2.3 Duties and Responsibilities of the Board of Directors

1. Define the Company's vision, mission, policies, strategies, and business plans as well as to monitor the Company's performance to ensure set targets are achieved.
2. Perform its duties under TPA's Articles of Association, Policies, the resolutions of Board of Directors and shareholders' meetings and supervise the management to achieve the set targets and the budget efficiency and effectiveness of the Company.
3. Protect the interests of the Company by executing the policy to prohibit all directors, executives and employees to conduct any business competing with the Company and not acting in conflict of interest to the Company and ensuring that the Directors, executives and employees of the Company abide by the corporate governance policies and ethical business practices.
4. Voting at the meeting must have a minimum quorum of Directors more than 2 out of 3 of the total number of all Directors who attend in the meeting.
5. The Board of Directors will arrange the evaluation of the Board of Directors to be considered and improved work efficiency.
6. The Board of Directors is responsible for overseeing the succession plan, the highest executive position of the organization with guidelines for actions such as monitoring the progress of the successor, development of competence and readiness in various areas that are necessary to perform in the highest management position as well as academic training continuous.

### 7.2.4 Board Skill Matrix and Diversity

The Board of Directors consists of 9 Directors who have skills that are in line with the Company's business strategy through the Skills Table (Board Skills Matrix) and a variety of education background, experience, without prejudice. Details of the biography of Directors disclosed on attachment 1 the details of Directors.

		
Business / Management = 9 persons	Industry - Direct = 4 persons	Industry - Related = 5 persons
		
Strategic Planning = 6 persons	Legal = 3 persons	Accounting – Auditing = 2 persons
		
Accounting – other = 3 persons	Finance – Corporate Financial = 4 persons	Finance - Other = 5 persons
		
Information Technology = 9 persons	Other – Business Law = 3 persons	Economic = 6 persons
		
Other Corporate Governance = 8 persons		

## 7.3 Information on subcommittees

### 7.3.1 the composition of the sub committees

Management Structure of Company consists of Board of Directors and 2 Subcommittees: Audit Committee, Nomination and Remuneration Committee. Therefore, Company has Management Structure which has Independent Directors, not less than 3 persons and not less than one-third of total directors of the Company. The qualification of each Independent Directors and Audit Committee are complied with the Rules of Notification of the Capital Market Supervisory.

Sub Committee	Audit Committee	Nomination and Remuneration Committee
Qualification	Independent Director and Qualifications are complied with the Rules of Notification of the Capital Market Supervisory.	Member of the Board of Directors and at least one person is an Independent Director
Appointed by	Board of Directors	

### 7.3.2 The composition of Audit Committee

As of 31 December 2022, the Audit Committee comprises of 3 members whose names are listed below:

1. Dr. Anuphan Kitnitchiva Chairman of Audit Committee
2. Mr. Jan Dam Pedersen Member of Audit Committee
3. Mr. Jetsada Wongwatanasin Member of Audit Committee

The Secretary of the Audit Committee is Miss Phen Phenprucksakul, Internal Auditor effective on 1 November 2021.

### Duties and Responsibilities of the Audit Committee

1. To review and ensure that the Company's financial reports are accurate and sufficient.
2. To review and give opinions on good governance, risk management, and internal control in terms of sufficiency and appropriateness in accordance with the Securities and Exchange law and the regulations of the Stock Exchange of Thailand.
3. To review and ensure that the Company complies with the law on Securities and Exchange, the regulations of the Stock Exchange, and the laws applicable to the Company's business.
4. To consider, select and propose for appointment or termination any independent individual to act as the Company's auditor, and to propose the fee for such individual.
5. To have a meeting with the Auditor without the Management present at least once a year.
6. To review and regulate to ensure that associated transactions or transactions, which may involve a conflict of interests, are in compliance with the law and the regulations of the Stock Exchange.
7. To consider the independency of the internal audit, approve appointments, transfers or removals, and consider the merits.
8. To prepare the Audit Committee's report signed by the Chairman of the Audit Committee and publish in the Company's Annual report. The report shall contain at least the following information:
  - 8.1 Opinions on the accuracy, completeness and reliability of the financial reports;
  - 8.2 Opinions on the sufficiency of good governance, risk management and internal control;
  - 8.3 Opinions on compliance with the Securities and Exchange law, the regulations of the Stock Exchange, and the laws applicable to the Company's business;
  - 8.4 Opinions on the suitability of the auditor;

- 8.5 Opinions on the transactions which may involve conflicts of interest;
  - 8.6 the number of meetings and the attendance of each member of the Audit Committee;
  - 8.7 Opinions or overall observations of the Audit Committee derived from the execution in accordance with the charter of the Audit Committee; and
  - 8.8 Matters which, in the Audit Committee's opinion, should be made known to the shareholders and general investors within the scope of duties and responsibilities entrusted by the Company's Board of Directors.
9. In the performance of its duties, if the Audit Committee finds or suspects that any transaction or act may significantly affect the financial position and operational results of the Company, the Audit Committee shall report it to the Company's Board of Directors for improvement or correction within a period as the Audit Committee deems fit:
    - 9.1 Any transaction involving conflicts of interest;
    - 9.2 Any corruption, irregularity or material defect in the internal control system; or
    - 9.3 Any violation of the law on Securities and Exchange, the regulations of the Stock Exchange or the laws applicable to the Company's business. Should the Company's Board of Directors or the Management fail to make the improvement within the given period, any member of the Audit Committee may report the transaction or act under 9.1, 9.2 or 9.3 to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand.
  10. To conduct a self-evaluation at least once a year and report the result to the Company's Board of Directors.
  11. If a member of the Audit Committee wishes to resign before the end of his/her term, a notice should be given to the Company one month in advance with the reasons specified, so that the Company's Board of Directors or the Shareholders' meeting may consider appointing a qualified replacement for the resigning member.
  12. To perform any other work assigned by the Company's Board of Directors, with the approval of the Audit Committee.
  13. To review policies and regulate to ensure that an effective anti-corruption support system is in place, to give advice and monitor the implementation of anti-corruption measures, as well as to receive corruption reports, verify the facts and propose the matter to the Company's Board of Directors for joint consideration on the punishment or solution to the problem.

## NOMINATION AND REMUNERATION COMMITTEE

As of 31 December 2022, the Nomination and Remuneration Committee comprises of 3 members whose names are listed below:

- |                              |   |
|------------------------------|---|
| 1. Mr. Jan Dam Pedersen      | Chairman of Nomination and Remuneration Committee |
| 2. Mr. Dai Oyama             | Member of Nomination and Remuneration Committee   |
| 3. Mr. Jetsada Wongwatanasin | Member of Nomination and Remuneration Committee   |

## Duties and Responsibilities of the Nomination and Remuneration Committee

1. Search, screen and nominate qualified candidates for Independent Directors to the Board of Directors for approval.
2. Screen candidates nominated by the major shareholders and submit qualified candidates to the Board of Directors for approval.
3. Establish procedures and criteria for nomination of Directors.
4. Submit with opinion, the proposed Director's fees as recommended by the Chairman of the Board and Managing Director of the Company to the Board of Directors for considerations prior to formal approval from the Shareholders Meetings.
5. The Chairman of the Board will propose remuneration for the top Management in consultation with the Committee.
6. To perform any other duties delegated by the Board of Directors of the Company.



## 7.4 Management Team

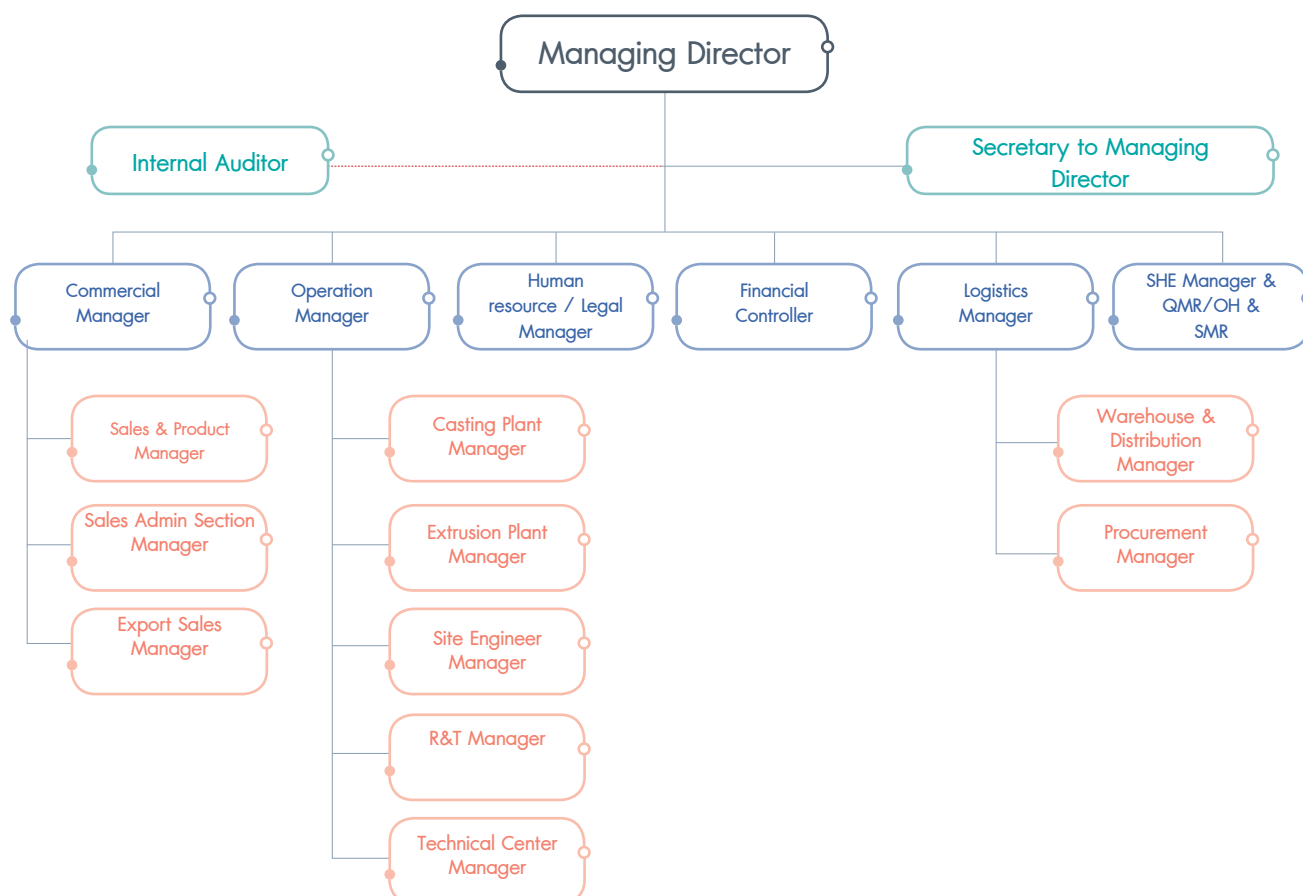
### 7.4.1 The details of Management Team

As of 31 December 2022, the Management team comprises 15 members whose names are listed below:

#### Management team

1.	Mr. Wiwat	Hom la-or	Acting Managing Director/Operations Manger
2.	Mr. Thanawat	Kulprasertat	Human Resource/Legal Manager
3.	Mr. Apichai	Srimahunt	SHE Manager & QMR/OH & SMR
4.	Mr. Sorachai	Wiboonchutikul	Commercial Manager
5.	Ms. Surawadee	Leethaweekul	Financial Controller
6.	Mr. Yotin	Tamrongsaowapark	Casting Plant Manager
7.	Mr. Phairat	Kumdee	Extrusion Plant Manager
8.	Mr. Pongthorn	Chuencharoen	Site Engineering Manager
9.	Ms. Noungrutai	Boonpetch	Research & Technical Manager
10.	Mr. Wittaya	Mongkolkachit	Technical Center Manager
11.	Mr. Udomsak	Tienchan	Warehouse & Distribution Manager
12.	Mr. Pongsun	Assavasirijinda	Sales & Product Manager
13.	Ms. Sompong	Assavasirijinda	Sales Admin Section Manager (Domestic)
14.	Ms. Chanyanat	Chongrungruengsawai	Procurement Manager
15.	Ms. Chutathip	Kerdphol	Secretary to Managing Director

#### Organization Chart



## MANAGING DIRECTOR

On 23 March 2023, the Board of Directors of Thai Poly Acrylic Public Company Limited following advice from the the Company's Nomination and Remuneration Committee passed the resolution to approve the appointment of Mr. Surajin Tappanchai as Managing Director effective from 23 February 2023.

### Roles and Responsibilities of Managing Director

1. To consider the appointment, transfer, dismissal, discharge, and approval of resignations of the Company's employees at every level.
2. To consider remunerations including salary, bonus, and other benefits as well as annual remuneration adjustments of the Company's employees at every level.
3. To approve the determination and changes in conditions on trade as assigned by the Board of Directors.
4. To consider and approve the purchasing of fixed assets within the signing authority as assigned by the Board of Directors.
5. To consider and carry out any operation related to general management of the Company except the acquisition and sale of the Company's assets and other connected transactions that must be operated in accordance with the notification of the Securities Exchange of Thailand and other related laws.

### Management Selection

The Selection of Management is the responsibility of the Managing Director as described in the Scope of authorities of the Managing Director

#### 7.4.2 Remuneration for Management and Employee

- The Policy of Remuneration for the Board of Directors is under the responsibility of the Nomination and Remuneration Committee.
- The policy of Remuneration for Management and Employee is under the responsibility of the Managing Director.

#### 7.4.3 Remuneration for Management and Employee

##### Management Remuneration

- **Remuneration in cash**

In 2022, the Company paid remuneration in cash for Management as listed below :

Management Remuneration	Remuneration (Baht)
Salary, Bonus and other benefits	13,078,978
Provident Fund	748,065
Total	13,827,043

- **Other Remuneration (ESOP EJIP)**  
None
- **Employee remuneration**

Employee Remuneration	Remuneration (Baht)
Salary, Bonus and other benefits	79,485,723
Provident Fund	3,548,980
Total	83,034,703

Apart from the remuneration in cash, the Company provides the good welfare and benefit to all employees, including the safe workplace, health insurance and also the skill development. The Company is listed as the member of Personnel Management Association of Thailand (PMAT) and also annually performs the salary survey to ensure that the remuneration of each level is appropriate compared to current market benchmarks.

The Company has established a performance appraisal system on both department level and individual level by setting the standards and goals to monitor the development and progress of employees performance. The assessments measure the individual performance to ensure that personal performance is aligned with the organization's direction governing credibility, accuracy, fairness and motivation to all employees.

## 7.5 Employees Development Policy

AS of 31 December 2022, the Company has employees (included management) in total of 241 persons, and can classify as listed below:

Administration	51	persons	Production	190	persons	Total	241	persons
Male	18	persons	Male	133	persons	Male	151	persons
Female	33	persons	Female	57	persons	Female	90	persons

The Company provides its staff with training so that they recognize their responsibility in the safe and efficient operation of the plant, in operating the plant to be compliant with relevant legislation and to ensure consistency of product quality and to continuously improve all aspects of the manufacturing and commercial operations so as to and in serve and meet customers' expectations. Consistent with the Company's policy and annual training plan, the Company has programs covering people training, health and safety in work process changes and new process technology in order to increase and improve employees knowledge and skills in line with the needs and objectives of the business.

The Company conducted in person (tutor or lecturer) employee training in 2022 totaling 948.50 hours at the cost of Baht 285,606 as listed below.

Training Topics	Training hours by lecturer
Management / Procedure and Work Instruction	820.00
SHE / License	128.50
Total	948.50

In 2022, the Company conducted the employee training totaling 6,353.50 hours

Training hours by gender	Training hours
Male	5,583.00
Female	770.50

## Labor Disputes

The number of employees has decreased 10% and do not have any major labor disputes within the past 3 years.

## 7.6 Other significant information

### 7.6.1 The name of the person assigned to take direct responsibility for company secretary

- **Company Secretary**

In order to comply with the Securities and Exchange Act (No.4) B.E. 2551, at its meeting on 20 April 2022 the Board passed a resolution to appoint Ms. Surawadee Leethaweekul, as Company Secretary.

#### Qualification and expectations of Company Secretary

1. Having well-rounded knowledge and understanding of the Company's businesses.
2. Understand the roles and duties of the Company Secretary.
3. Having knowledge and understanding concerning legal matters, regulations of the Stock Exchange Control and the Stock Exchange of Thailand.
4. Shall not exploit the Company's business opportunity for personal benefits and shall protect and preserve the confidential information of the Company.
5. Having good human relationship and can coordinate and contact with other agencies inside and outside the Company.
6. Possess English proficiency.

#### Duties and Responsibilities

1. Preparing agenda and supporting documents for the Board of Directors' meeting and Shareholders' meeting.
2. Arranging and coordinating the Board of Directors' meeting, Shareholders' meetings as well as coordinate to ensure all resolutions have been implemented and complied with in accordance with the Company's objectives, Articles of Association and the relevant laws and regulations.
3. Monitoring the appointment of Directors and change of Directors' terms and arranging for the registration of the change of directors with the relevant authorities.
4. Preparing and keeping the following documents :
  - (a) Register of Directors.
  - (b) Notice calling Directors' Meeting, Minutes of Board of Directors' Meeting and an Annual report of the Company.
  - (c) Notice calling Shareholders' Meetings and Minutes of Shareholders' Meetings.
5. Ensuring that the Directors and Executives have filed reports on their interest as required by law.
6. Keeping the reports on interest filed by Directors and Executives as well as
7. Submitting a copy of such report to the Chairman and the Chairman of the Audit Committee within 7 business days from the date on which the Company has received the reports.
8. Performing any other acts as specified in the notification of the Capital Market Supervisory Board.

➤ **The name of the person assigned to take highest responsibility in Account and Finance**

- the details are disclosed on part 4 Certification of Information (Attachment 1)

➤ **The name of the person assigned to take direct responsibility for Accounting**

- the details are disclosed on part 4 Certification of Information (Attachment 1)

➤ **The name of the person assigned to take direct responsibility for Internal Auditor**

- the details are disclosed on part 4 Certification of Information (Attachment 3)

➤ **The name of the person assigned to take direct responsibility for Compliance**

- the details are disclosed on part 4 Certification of Information (Attachment 3)



### 7.6.2 Identify the name of the head of investor relations and contact information

- Secretary to Managing Director

Thai Poly Acrylic Public Company Limited.

60-61 Moo 9, Phutthamonthon 4 Rd. Krathumlom, Sam Phran, Nakhonpathom 73220, Thailand

### 7.6.3 Describe the remunerations that the auditor

- Audit fee

The Company paid the audit fee for audit services only (no other non-audit services were undertaken) to the EY office Limited in fiscal year 2022 for Baht 1,480,000. The Auditors did not receive any other remuneration from the Company.

Remunerations	2022	2021
Audit fee	1,480,000	1,480,000
Other non audit service	-	-
Total	1,480,000	1,480,000

## 8. Report on key operating results on Corporate Governance

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

In 2022, the Company has operated according to the good corporate governance plan which can be summarized as follows:

#### 8.1.1 Selection, development and evaluation of duty performance of the Board of Directors.

##### The selection of the Board of Directors

The selection and election of the Directors shall proceed through the Shareholders' Meeting. The Nomination and Remuneration Committee reviews candidates for Director position based on appropriate skills, knowledge and relevant experience. After reviewing their work experience, The Nomination and Remuneration Committee proposes candidates deemed suitable to the Board of Directors for their approval prior to the Board proposed them to the Shareholders' Meeting for approval by the shareholders.

##### The criteria and procedure for the appointment of Directors are as follows

- 1) One shareholder's share is good for one vote.
- 2) In the election of Directors, the method of voting is to elect individual Director on person at a time or collectively, several persons at a time, or any other method as the Shareholders' Meeting may see fit: but in passing each resolution, it must be voted on with all the votes entitlements under no. 1. The votes may not be divided between persons or groups to any extent.
- 3) The election of Directors shall be decided by a majority of votes. In case of tied votes, the Chairman of the meeting shall be entitled to a casting vote. In accordance with clauses 22 and 50 of the Company's Articles of Association, one-third of the Directors shall retire from the office at every Annual General Meeting of the Shareholders. The Retiring Directors shall be those who have been longest in the office on the rotation basis. The Chairman shall request for the election of new Directors until the vacant positions are filled.

## COMPOSITION OF THE BOARD OF DIRECTORS

Company has prescribed that the Board shall comprise of 9 Directors consisting of 3 Independent Directors (Company has Independent Directors not less than 3 persons and not less than one third of total directors of the Company), 3 Executive Directors and 3 Non-Executive Directors (Representatives of its major shareholder)

Audit Committee is appointed by the Board of Directors, and consists of 3 members and all must be Independent Directors.

Nomination and Remuneration Committee will be selected from Board of Directors, and consists of 3 members out of which the Chairman of the Committee and at least one member must be Independent Directors. Nomination and Remuneration Committee serve for 3 years per term.

## QUALIFICATIONS OF DIRECTORS

1. Directors must be qualified, experienced professionals from various fields, demonstrating breadth of vision and leadership as well as a proven record of ethical integrity. Furthermore, such persons should have good communication abilities and being capable of expressing themselves professionally. Each director must hold not more than five (5) directorships in other listed companies.
2. Audit Committee must consist of 3 Independent Directors. The Independent Directors must be qualified under the SET's guidelines governing the qualifications and scope of the operation of an Audit Committee. At least one person should have adequate expertise and experience to review the credibility of the financial reports.
3. Independent Directors must be qualified under the SET's guidelines governing the qualifications and scope of the operation of the Audit Committee as follows:
  - Holding shares not exceeding one per cent of the total number of shares with voting rights of the applicant, its parent company, subsidiary, affiliate, major shareholder or controlling parties, including shares held by related persons of such independent director.
  - Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling parties of the company, its parent company, subsidiary, affiliate, major shareholder or controlling parties. Exception: It has been at least two years after the person has held the position.
  - Neither by blood nor legally registered with other Directors, Executives, Major Shareholders, controlling parties, or persons who will be nominated as Directors, Executives, or controlling parties of the Company or subsidiary.
  - Neither having nor used to have a business relationship with the Company, its parent Company, subsidiary, affiliate major shareholder or controlling parties, in the manner which may interfere with his independent judgement, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary, affiliate major shareholder or controlling parties. Exception: It has been at least two years after the person has held the position.
  - Neither being nor used to be an auditor of the Company, its parent company, subsidiary, affiliate, major shareholder or controlling parties, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, affiliate, major shareholder or controlling parties. Exception: It has been at least two years after the person has held the position.
  - Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two Million baht per year from the company, its parent company, subsidiary, affiliate, major shareholder or controlling parties, and not being a significant shareholder, controlling person or partner of the provider of professional services. Exception: It has been at least two years after the person has held the position.

- Not being a Director appointed as representative of Directors of the applicant, major shareholder or shareholder who is related to major shareholder.
- Not currently be operating under similar business nature and significant competition to the company or subsidiary; or not a significant partner of the partnership, executive director, salaried worker, employee, or consultant; or holding more than 1% of voting shares of any other companies operating under similar business nature and significant competition to the company and subsidiary.
- Not having any other characteristics which cause the inability to express independent opinions with regards to the company's business operations.

### **TERM OF DIRECTORS**

In compliance with the Public Companies Limited Act one third of the directors retire by rotation at the Annual General Meeting every year but are eligible for re-election. It is the policy that the tenure of an Independent Director should not exceed a cumulative term of 9 years from the first day of appointment as Independent Director. Upon completing 9 years, an Independent Director may continue to serve on the Board, subject to the Board's rigorous review of his/her continued independence.

### **APPOINTMENT AND DISMISSAL OF DIRECTORS**

According to the Company's Articles of Association, one third of Directors shall be retired on the rotation basis at every Annual General Meeting, however, the retired Directors can be re-elected at the Shareholders' Meeting. In the case any Director has tendered a resignation or is to be retired for any other reasons prior to the end of the term, the Board can appoint a succeeding Director and he or she can remain in the position to complete the remaining term of the former Director.

### **DEVELOPMENT OF DIRECTORS**

The Board of Directors has a policy to promote and facilitate training and education for the Directors. In order to improve and perform continually, training courses inside and outside the country are offered to the Directors, enabling them to understand the Directors' performance.

### **SELF ASSESSMENT OF DIRECTORS**

In accordance with the SET's corporate governance principles for listed companies, the Board of Directors makes annual overall self-assessment of performance. This Self – Assessment form is complied with the guideline of the Stock Exchange of Thailand. The conclusion of the overall performance assessment for 2022 was 4.2 out of 5 or equal to 84% (the score of 2021 was 4.6 out of 5). The assessment criteria are divided into 6 main areas as follows (1) structure and qualification of the board (2) Roles and Responsibilities of the Board (3) The Board of Directors Meeting (4) Duties of Directors (5) Relationship with Management (6) Self Development of the Board and the Management.

Audit Committee acted in compliance with the Charter of the Audit Committee and in accordance with SET's guidelines governing the qualifications and scope of the operation of the Audit Committee.

The results from the assessment will be used for planning, developing, and improving the roles and responsibilities of the Board of Directors.

#### **8.1.2 Meeting attendance and remuneration payment to each Board member**

The Company has scheduled all Board of Directors' Meeting in advance throughout the year, allowing the Directors to allocate time and attend meeting. Unless there is a special agenda, the Chairman of the Board of Director or Directors required by law can hold additional meetings as necessary. The meetings of the Board of Director or Directors, at least half of the total members must be presented to constitute a quorum.

The Board of Directors' Meeting has meetings in every 3 months according to the Company's Articles of Association, and Audit Committee meeting shall have the duty to arrange meetings at least 4 times a year. The Company Secretary or Audit Committee's secretary will send a letter of meeting invitation together with the agenda and meeting documents to members at least 7 days in advance so that the Board or Director could have sufficient time to study the information before attending each meeting.

- The Nomination and Remuneration Committee will be meeting at least 2 times a year.
- The Company had organized a meeting with no participation of management team concerned. The Meeting without management concerned will be conducted at least once a year.

The details of Board of Directors' Meeting and Sub Committees' Meeting are as follows:

Name	Board of Directors' Meeting via online	Audit Committees' Meeting via online	Nomination and Remuneration Committees' Meeting via online	Annual General Meeting of Shareholders at Thai Poly Acrylic Public Company Limited
Number of meeting	5 times by quarter	4 times by quarter	2 times/year	1 time/ year
Dr. Benjamin James Harris	5/5			1/1
Mr. Shinya Yano	5/5			1/1
Mr. Dai Oyama	5/5		2/2	0/1
Mr. Adam Jonathan Sloan	2/5			0/1
Mr. Martin Thaysen	4/5			0/1
Dr. Anuphan Kitnitchiva	5/5	4/4		1/1
Mr. Jan Dam Pedersen	5/5	4/4	2/2	1/1
Mr. Jetsada Wongwatanasin	4/5	2/4	2/2	1/1
Attendance rate	87.5%	83.3%	100%	62.5%

#### REMUNERATION FOR DIRECTORS

The Company has a policy to pay remuneration for directors both in terms of remuneration for Independent Directors and meeting allowance per time (only for attendants) which will pay only 3 Independent Directors. The Remuneration for Directors will be at the rate specified in each year as approved by Shareholders' Meeting.

By convention, the Managing Director and representative directors nominated by a major Shareholders do not receive any remuneration or meeting allowances. According to the resolution from 2022 Annual General Meeting of Shareholders hold on 21 April 2022 was approved the Remuneration and Meeting Allowance of Independent Directors for the year 2022 as follows:

Remuneration	2021
1. Remuneration of	(per person/ year)
- Chairman of Audit Committee	Baht 460,000
- Independent Directors	Baht 460,000
2. Meeting Allowance of Sub-Committee	(per person/meeting)
- Chairman of Audit Committee	Baht 10,000
- Chairman of Sub-Committee	Baht 10,000
- Independent Directors	Baht 8,000



## The Remuneration and Meeting Allowance of Independent Directors for the year 2022

(Unit: Baht)

Name	Position	Remuneration for Independent Directors	Meeting Allowance
Dr. Anuphan Kitnitchiva	Independent Director Chairman of Audit Committee	460,000.00	100,000.00
Mr. Jan Dam Pedersen	Independent Director Member of Audit Committee Chairman of Nomination and Remuneration Committee	460,000.00	76,000.00
Mr. Jetsada Wongwatanasin	Independent Director Member of Audit Committee Member of Nomination and	460,000.00	88,000.00
Remuneration and Meeting Allowance in Total		1,380,000.00	264,000.00

### Other Remuneration (ESOP EJIP)

- None

### 8.1.3 Supervision of subsidiaries and associated companies

- The Company has no supervision of subsidiaries and associated companies.

### 8.1.4 Monitoring of compliance with the Corporate Governance Policy and Guidelines

#### 8.1.4 (1) Prevention of conflicts of interest

The company has set a clear policy that, employees (including Directors, Managers, and all company representatives) must avoid entering into any situations in which their personal or financial interests may conflict with company. Employees dealing with customers, suppliers, contractors, competitors or any person doing, or seeking to do, business with Company are to act in the best interests of company and must disregard any personal preference or advantage. Where any potential conflict of interest may arise or have any enquiry, the employee should declare that interest and seek advice from their managers or HR manager.

#### 8.1.4 (2) Use of inside information to seek benefits

##### INSIDER INFORMATION POLICY

Insider trading is both illegal and unethical. Securities laws and Company policy prohibit the buying or selling of securities on the basis of material, non-public information. Directors, officers and any other employees, at any level, who are aware of non-public material information related to the Company or any other businesses, may not, directly or indirectly, use such material non-public information in purchasing or selling any securities of the Company or these businesses. Directors, officers and any other employees prohibited from purchasing or selling the securities of the Company or other businesses because they possess material, non-public information, may not have any other person purchase or sell securities on their behalf. Any purchases or sales made by another person on their behalf will be attributable to them. Material non-public information may not be disclosed to any person outside the Company (including relatives, friends or business associates and regardless of the purpose for which such disclosure may be made) until authorized Company officials have adequately disclosed the information to the public.

The Company established and communicated the Inside information and Securities Trading Policy for the Company's Directors, Executives and employees for acknowledgement and strict compliance as follows:

- (1) All Directors, Executives and employees must strictly comply with the prohibition of insider trading in securities prescribed in the Securities and Exchange Act B.E.2535 (1992)
- (2) The person specified by the Company is prohibited to trade the Company's securities within 30 days prior to the disclosure of quarterly and annual financial statements and other periods which will be occasionally specified by the Company unless in some necessary situations or complying with the law or being under the court's order, the Company Secretary shall notify the prohibited securities trading period in advance.

Designated person(s) means the following person(s) with positions or duty that knows the Company's inside information (including spouse and non-full age children of the said person) as follows:

- (a) Director
- (b) Executive
- (c) Executive and employee of the Company who knows the Company's inside information
- (d) Spouse and non-full age children of the person specified by the Company under Clause (a)-(c)
- (e) All executives and employees who attend the meetings of the Board of Directors and/or the meetings of Sub-Committees
- (f) Any other persons specified by the Company

- (3) In reporting the securities holding, any designated person shall report their holding of the Company's securities (including securities possession of his/her spouse and non – full age children) as follows:

**The initial securities holding report: The report must be submitted to the Company Secretary as following conditions:**

- In case of Directors and Executive, they shall report within 7 working days from the position appointment date by filling in the form of the Conflict of interest Report (Form 89/14) and attaching their personal profile.
- In case of any designated person other than Directors and Executives, he/she shall report within 7 working days from the date notified by the Company Secretary by filling the form of the Company's Securities Holding Change Report.

**Reporting when having changes: The report must be submitted to the Company Secretary within 3 working days from the securities trading date as follows:**

- In case of Directors and Executives, they shall use the form of the Conflict of interest Report (Form 89/14) and attaching personal profile of Director.
  - In case of any designated person other than Directors and Executives, he/she shall use the form of Company's Securities Holding Change Report.
- (4) All Directors and Executives are responsible in reporting their own holding of the Company's Securities, including their spouse and non-full age children's holding of the Company securities and also reporting their change of securities holding to the office of SEC in accordance with Section 59 of the Securities and Exchange Act B.E.2535 (1992).
  - (5) The Company Secretary is required to prepare copies of Securities Holding Report as mentioned in Clause (3) and submit to the Chairman of the Board of Directors, the Chairman of the Audit Committee and the Chairman of the Board of Executives within 7 working days from the date of receiving reports, and the report to the Board of Directors for acknowledgement in the next meeting.
  - (6) Any Director, Executive or employee who violates this policy may be considered for disciplinary punishment up to dismissal, and may be liable both for criminal and civil cases in accordance with the Securities and Exchange Act, B.E.2535 (1992)

Incase the group of person mentioned on No. (2) would like to purchase the Company's Securities or have any questions, they can contact Managing Director or Company Secretary.

## **SUPERVISION ON THE USE OF INSIDE INFORMATION**

The company has announced a policy since 1996 that the executives and employees of the company to comply to the rules and regulations of the company. "Work ethics", also known as "Business Ethics", employees must comply with the Company instructions and guidelines. All employees are responsible for understanding the applicable directives. Information produced within the Company is the property of the Company and cannot be shared with outsiders by employees. (except in the case of documents required by law) without permission from the authorized person directly. Employees must comply with the instructions strictly. Employees must not use confidential information obtained from their work as an employee for personal advantages.

### **8.1.4 (3) ANTI-CORRUPTION POLICY**

The Board of Directors passed a resolution to declare an intent to join Thailand's Private Sector Collective Action Coalition Against Corruption (CAC). The Company has received a notice of recertificate for a period of 3 years from September 30<sup>th</sup>, 2020 till September 30<sup>th</sup>, 2023.

### **8.1.4 (4) Whistleblowing**

Complaints, information and questions relating to corruption may be directed to:

1. If an employee to their Direct Manager, and/or the Human Resources Manager.
2. The Audit Committee, email: [Audit.Committee@thaipolyacrylic.com](mailto:Audit.Committee@thaipolyacrylic.com)
3. Secretary to the Managing Director, postal address: 60-61 Moo 9, Putthamonthon 4 Road, Krathumlom Sub-District, Sampran District, Nakornpathom Province 73220
4. The Company's website at [www.thaipolyacrylic.com](http://www.thaipolyacrylic.com)
5. Hotline URL: [https://www.pfa-japan.net/mcgap\\_whistleblow](https://www.pfa-japan.net/mcgap_whistleblow)  
password: Apkaiteki

The Company will process the complaints or information from these channels through its inquiry procedure and respond in a confidential manner to the complainant or act on the information received information within 30 days and will provide justice and protection for the complainant or any other person who has given information or evidence on corruption related to the Company.

## **8.2 Report on the results of duty performance of the Audit Committee in the past year**

### **8.2.1 Specify the total number of the Audit Committee's meetings and the attendance**

In 2021, The Audit Committee met 4 times Overall attendance was 83% and the committee submitted its report to the Board of Directors after each meeting for its consideration. The details of attendance are as follows:

- |                              |                             |                              |
|------------------------------|-----------------------------|------------------------------|
| 1. Dr. Anuphan Kitnitchiva   | Chairman of Audit Committee | attend the meeting 4/4 times |
| 2. Mr. Jan Dam Pedersen      | Member of Audit Committee   | attend the meeting 4/4 times |
| 3. Mr. Jetsada Wongwatanasin | Member of Audit Committee   | attend the meeting 2/4 times |

### **8.2.2 Describe the results of duty performance of the Audit Committee.**

- The results of duty performance of the Audit Committee is disclosed on part 4 Certification of Information.

## 9. Internal Control and Related Party Transactions

### 9.1 Internal Control

The Board of Directors and the Management strongly support the importance of Internal Control. The Company has continuous monitoring and supervision as it accepts that an internal control system is an important mechanism that enables the Company to conduct business and achieve its objectives, reliable financial and operational data reporting, compliance with laws, rules and regulations and prevention or mitigation of risks from actions that may cause loss to the Company's properties and reputation. Internal control evaluates performance based on Good Corporate Governance (GCG) and Collective Action Coalition Against Corruption (CAC). The Board of Directors has clearly defined roles and responsibilities and the Directors comply with such roles and responsibilities. The Company clearly defines structure of its organization, committees and the responsibilities of Management and monitors work activities in order to ensure delegated authorities and role responsibilities result in appropriate outcomes.

The Board of Directors appoints the Audit Committee to oversee and direct the audit of the internal control system, risk management system, corporate governance and compliance with the Company's policy and anti-corruption measures to ensure its appropriateness and effectiveness. Internal controls assist in ensuring the Company complies with related regulations and laws. It ensures that there will be no conflict of interest, unauthorised related party transactions and use of properties to prevent fraud or misconduct. The Company has established the Internal Auditor (at present, the Internal Auditor is Miss Phen Phenplugsakul) who is an independent auditor directly working for the Audit Committee, to inspect and evaluate sufficiency of internal control systems, risk management system, corporate governance in all departments in the Company. This is to ensure that operations comply with internal control systems and any deficiencies or non-compliances are identified and appropriate corrective actions are put in place in a timely manner.

### 9.2 Related party transactions

The material related party transactions consist of the transactions carried out with Mitsubishi Chemical Group and its affiliated companies and subsidiaries and Asiatic Acrylic Company Limited.

During the year, the Company had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

1. Transactions with related parties for the year ended 31 December 2022

(Unit : Million)

Parties that might cause the conflict	Relationship	Type of transaction	Transaction Value	Price Policy	Reason
Mitsubishi Chemical UK Limited	Shareholder is MCC Methacrylates UK Overseas Holdco Limited	Service expenses	1.33	Contract price and as agreed.	To expand the business in United Kingdom.
Mitsubishi Chemical Methacrylates Singapore Pte. Ltd.	Shareholder is MCC Methacrylates UK Overseas Holdco Limited (Formerly known as "Lucite International UK Overseas Holdco1 Limited)	Service expenses	0.02	Contract price and as agreed.	To expand the business in Singapore.
Thai MMA Company Limited	Mitsubishi Chemical Holding Corporation Group	Purchase of raw materials	293.79	As agreed with reference to market price.	Quality and prevent loss of raw materials supply.
Diapolyacrylate Company Limited	Mitsubishi Chemical Holding Corporation Group	Purchase of raw materials	5.25	As agreed with reference to market price.	Quality and prevent loss of raw materials supply.
Mitsubishi Chemical (Thailand) Company Limited	Mitsubishi Chemical Holding Corporation Group	Purchase of Spare parts and factory supplies	4.48	As agreed with reference to market price.	Quality and prevent loss of supply.

2. The balances of the accounts between the Company and those related parties as at 31 December 2022 as follows:

(Unit : Million)

Parties that might cause the conflict	Relationship	Type of transaction	Transaction Value	Price Policy	Reason
Thai MMA Company Limited	Mitsubishi Chemical Holding Corporation Group	Trade accounts payable	95.74	As agreed with reference to market price.	Quality and prevent loss of raw materials supply.
Diapolyacrylate Company Limited	Mitsubishi Chemical Holding Corporation Group	Trade accounts payable	1.41	As agreed with reference to market price.	Quality and prevent loss of raw materials supply.
Mitsubishi Chemical (Thailand) Company Limited	Mitsubishi Chemical Holding Corporation Group	Trade accounts payable	1.31	As agreed with reference to market price.	Quality and prevent loss of raw materials supply.
Mitsubishi Chemical UK Limited	Shareholder is MCC Methacrylates UK Overseas Holdco Limited	Trade accounts payable	1.01	As agreed with reference to market price.	To expand the business in United Kingdom.



# Part 3

## financial statements

Thai Poly Acrylic Public Company Limited



# Thai Poly Acrylic Public Company Limited

## Statement of financial position

As at 31 December 2022

			(Unit: Baht)
	<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	7	91,168,148	74,856,494
Trade and other receivables	8	169,078,955	237,806,621
Inventories	9	83,125,935	106,192,484
Other current financial assets - fixed deposit	10	38,143,513	38,002,429
Other current assets		<u>5,242,309</u>	<u>7,258,252</u>
<b>Total current assets</b>		<u>386,758,860</u>	<u>464,116,280</u>
<b>Non-current assets</b>			
Other non-current financial assets		129,337	303,018
Property, plant and equipment	11	230,199,315	242,483,488
Intangible assets - computer software		198,606	400,001
Deferred tax assets	19	<u>6,535,713</u>	<u>5,748,817</u>
<b>Total non-current assets</b>		<u>237,062,971</u>	<u>248,935,324</u>
<b>Total assets</b>		<u>623,821,831</u>	<u>713,051,604</u>

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

# Thai Poly Acrylic Public Company Limited

## Statement of financial position (continued)

As at 31 December 2022

			(Unit: Baht)
	<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Trade and other payables	6, 12	169,848,724	187,286,718
Current portion of lease liabilities	13	1,035,495	1,924,209
Advance received from customers		5,317,920	2,455,434
Other current liabilities		1,099,007	1,570,222
<b>Total current liabilities</b>		<u>177,301,146</u>	<u>193,236,583</u>
<b>Non-current liabilities</b>			
Lease liabilities, net of current portion	13	1,853,156	2,888,652
Provision for long-term employee benefits	14	37,243,159	37,735,737
<b>Total non-current liabilities</b>		<u>39,096,315</u>	<u>40,624,389</u>
<b>Total liabilities</b>		<u>216,397,461</u>	<u>233,860,972</u>

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

# Thai Poly Acrylic Public Company Limited

## Statement of financial position (continued)

As at 31 December 2022

			(Unit: Baht)
	<u>Note</u>	<u>2022</u>	<u>2021</u>
<b>Shareholders' equity</b>			
Share capital			
Registered			
121,500,000 ordinary shares of Baht 1 each		<u>121,500,000</u>	<u>121,500,000</u>
Issued and fully paid			
121,500,000 ordinary shares of Baht 1 each		121,500,000	121,500,000
Share premium		233,350,000	233,350,000
Retained earnings			
Appropriated - statutory reserve	16	12,150,000	12,150,000
Unappropriated		<u>40,424,370</u>	<u>112,190,632</u>
<b>Total shareholders' equity</b>		<u>407,424,370</u>	<u>479,190,632</u>
<b>Total liabilities and shareholders' equity</b>		<u>623,821,831</u>	<u>713,051,604</u>

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

Directors

# Thai Poly Acrylic Public Company Limited

## Statement of comprehensive income

For the year ended 31 December 2022

			(Unit: Baht)
	Note	2022	2021
<b>Profit or loss:</b>			
<b>Revenues</b>			
Sales and service income		758,533,987	894,289,522
Other income	17	8,587,234	15,512,227
<b>Total revenues</b>		<u>767,121,221</u>	<u>909,801,749</u>
<b>Expenses</b>			
Cost of sales and services		699,627,160	792,487,603
Selling and distribution expenses		18,966,782	24,233,770
Administrative expenses		70,411,998	70,331,540
<b>Total expenses</b>		<u>789,005,940</u>	<u>887,052,913</u>
<b>Operating profit (loss)</b>		(21,884,719)	22,748,836
Finance cost	13	(259,191)	(160,040)
<b>Profit (loss) before income tax</b>		(22,143,910)	22,588,796
Income tax income (expense)	19	1,640,046	(4,374,689)
<b>Profit (loss) for the year</b>		<u>(20,503,864)</u>	<u>18,214,107</u>
<b>Other comprehensive income:</b>			
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>			
Actuarial gain - net of income tax		3,412,602	4,700,526
<b>Other comprehensive income for the year</b>		<u>3,412,602</u>	<u>4,700,526</u>
<b>Total comprehensive income for the year</b>		<u>(17,091,262)</u>	<u>22,914,633</u>
<b>Earnings (loss) per share</b>	21		
Basic earnings (loss) per share		<u>(0.17)</u>	<u>0.15</u>

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



# Thai Poly Acrylic Public Company Limited

## Statement of changes in shareholders' equity

For the year ended 31 December 2022

(Unit: Baht)

	Issued and fully paid share capital	Share premium	Retained earnings		Total
			Appropriated - statutory reserve	Unappropriated	
<b>Balance as at 1 January 2021</b>	121,500,000	233,350,000	12,150,000	143,950,999	510,950,999
Profit for the year	-	-	-	18,214,107	18,214,107
Other comprehensive income for the year	-	-	-	4,700,526	4,700,526
Total comprehensive income for the year	-	-	-	22,914,633	22,914,633
Dividend paid (Note 24)	-	-	-	(54,675,000)	(54,675,000)
<b>Balance as at 31 December 2021</b>	<u>121,500,000</u>	<u>233,350,000</u>	<u>12,150,000</u>	<u>112,190,632</u>	<u>479,190,632</u>
<b>Balance as at 1 January 2022</b>	121,500,000	233,350,000	12,150,000	112,190,632	479,190,632
Loss for the year	-	-	-	(20,503,864)	(20,503,864)
Other comprehensive income for the year	-	-	-	3,412,602	3,412,602
Total comprehensive income for the year	-	-	-	(17,091,262)	(17,091,262)
Dividend paid (Note 24)	-	-	-	(54,675,000)	(54,675,000)
<b>Balance as at 31 December 2022</b>	<u>121,500,000</u>	<u>233,350,000</u>	<u>12,150,000</u>	<u>40,424,370</u>	<u>407,424,370</u>

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

# Thai Poly Acrylic Public Company Limited

## Cash flow statement

For the year ended 31 December 2022

	(Unit: Baht)	
	<u>2022</u>	<u>2021</u>
<b>Cash flows from (used in) operating activities</b>		
Profit (loss) before tax	(22,143,910)	22,588,796
Adjustments to reconcile profit before tax to		
net cash provided by (paid from) operating activities		
Depreciation and amortisation	21,041,827	22,188,934
Reversal of expected credit loss	(379,078)	(3,460,578)
Write-off of bad debts	-	(2,381,804)
Reduce cost of inventory to net realisable value (reversal)	(1,231,962)	(1,239,030)
Gain on sales of machinery and equipment	(33,395)	(709,809)
Provision for long-term employee benefits	5,793,690	4,804,128
Unrealised exchange loss (gain)	356,355	(376,028)
Interest income	(221,635)	(253,354)
Finance cost	259,191	160,040
Profit from operating activities before		
changes in operating assets and liabilities	3,441,083	41,321,295
Operating assets (increase) decrease		
Trade and other receivables	68,449,249	65,100,771
Inventories	24,298,511	18,030,768
Other current assets	2,079,032	3,274,676
Other non-current financial assets	173,681	-
Operating liabilities increase (decrease)		
Trade and other payables	(17,668,593)	(108,023,667)
Advance received from customers	2,893,616	(3,589,583)
Other current liabilities	(471,215)	(257,122)
Cash paid for long-term employee benefits	(2,020,516)	(4,366,050)
Cash flows from operating activities	81,174,848	11,491,088
Cash paid for interest expenses	(259,191)	(160,040)
Cash paid for corporate income tax	(63,089)	(13,058,514)
<b>Net cash flows from (used in) operating activities</b>	<u>80,852,568</u>	<u>(1,727,466)</u>

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

# Thai Poly Acrylic Public Company Limited

## Cash flow statement (continued)

For the year ended 31 December 2022

	(Unit: Baht)	
	<u>2022</u>	<u>2021</u>
<b>Cash flows from (used in) investing activities</b>		
Increase in other current financial assets - fixed deposit	(141,084)	(140,562)
Cash paid for improvements of plant, machinery and equipment	(8,131,056)	(10,143,980)
Cash received from sales of machinery and equipment	109,456	719,397
Cash received from interest income	220,980	254,253
<b>Net cash flows used in investing activities</b>	<u>(7,941,704)</u>	<u>(9,310,892)</u>
<b>Cash flows from (used in) financing activities</b>		
Payment of principal portion of lease liabilities	(1,924,210)	(1,676,860)
Dividend paid	(54,675,000)	(54,675,000)
<b>Net cash flows used in financing activities</b>	<u>(56,599,210)</u>	<u>(56,351,860)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	16,311,654	(67,390,218)
<b>Cash and cash equivalents at beginning of year</b>	<u>74,856,494</u>	<u>142,246,712</u>
<b>Cash and cash equivalents at end of year</b>	<u>91,168,148</u>	<u>74,856,494</u>
<b>Supplemental cash flow information</b>		
Non-cash transactions		
Accounts payable on asset acquisition	501,264	1,373,489
Assets under lease contracts	-	3,412,000

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

### 1. General information

#### 1.1 Corporate information

Thai Poly Acrylic Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholders are MCC Methacrylates UK Overseas Holdco Limited, incorporated in the United Kingdom and Asiatic Acrylics Company Limited, incorporated in Thailand, with shareholdings of 42.3 percent and 34.1 percent, respectively. MCC Methacrylates UK Overseas Holdco Limited is a subsidiary of Mitsubishi Rayon Lucite Group Limited, incorporated in the United Kingdom and the ultimate controlling party of the Group is Mitsubishi Chemical Holding Corporation, incorporated in Japan.

During the year 2020, Asiatic Acrylics Company Limited, the second-largest shareholder of the Company, restructured the shareholder. As a result, Asiatic Acrylics Company Limited has become a foreign company, as defined under the Foreign Business Act B.E. 2542. As a consequence, the combined holdings of all the Company’s foreign shareholders result in the Company becoming a foreign company.

During the year 2020, the Company was granted a license to operate original equipment manufacturer (OEM) business under Section 17 of the Foreign Business Act B.E. 2542. The Company must comply with the conditions specified in the foreign business license requiring the Company to maintain minimum capital of not less than Baht 67.5 million, in addition to the capital required under other laws. Furthermore, the conditions require that ratio of the capital to loans for the operation of the licensed businesses must not exceed seven times the share capital and at least one person who is responsible for the operation of the licensed business must be domiciled in Thailand.

The Company is principally engaged in the manufacture and distribution of Acrylic sheets, Acrylonitrile Butadiene Styrene sheets, High Impact Polystyrene sheets and other extruded plastic sheets. The registered office of the Company is at 60 - 61 Moo 9, Putthamonthon Sai 4 Road, Krathumlom, Sampran, Nakornpathom.

## **2. Basis of preparation**

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

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

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

## **3 New financial reporting standards**

### **3.1 Financial reporting standards that became effective in the current year**

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

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

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

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

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



## **4. Significant accounting policies**

### **4.1 Revenue recognition**

#### *Sales of goods*

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting returns and discounts.

Consideration received before transferring control of the asset to the customer are presented under the caption of “Advances received from customers” in the statement of financial position.

#### *Rendering of services*

Service revenue is recognised at a point in time upon completion of the service.

### **4.2 Cash and cash equivalents**

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

### **4.3 Inventories**

Finished goods are valued at the lower of cost (under the weighted average method) and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost and includes all production costs and attributable factory overheads.

Raw materials, spare parts and factory supplies are valued at the lower of cost (under the first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

### **4.4 Property, plant and equipment and depreciation**

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

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

Buildings	-	20 years
Building improvements	-	5 and 10 years
Machinery and equipment	-	3 - 20 years
Furniture, fixtures and office equipment	-	3 and 5 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation and under construction.

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

#### 4.5 Leases

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

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

##### ***Right-of-use assets***

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

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

Motor vehicles	-	7 years
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If ownership of the leased asset is transferred to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Right-of-use are presented as part of the property, plant and equipment in the statement of financial position.

### ***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Company discounted the present value of the lease payments by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### ***Short-term leases and leases of low-value assets***

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

## **4.6 Related party transactions**

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

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

## **4.7 Foreign currencies**

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

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

Gains and losses on exchange are included in determining income.

#### **4.8 Impairment of non-financial assets**

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

An impairment loss is recognised in profit or loss.

#### **4.9 Employee benefits**

##### ***Short-term employee benefits***

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

##### ***Post-employment benefits and other long-term employee benefits***

##### ***Defined contribution plans***

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

##### ***Defined benefit plans and other long-term employee benefits***

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Company treats these severance payment obligations as a defined benefit plan. In addition, the Company provides other long-term employee benefit plan, namely long service awards.

The obligations under the defined benefit plan and other long-term employee benefit plan are determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

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

Actuarial gains and losses arising from other long-term employee benefits are recognised immediately in profit and loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

#### **4.10 Provisions**

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

#### **4.11 Income tax**

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

##### **Current tax**

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

##### **Deferred tax**

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

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

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

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

#### **4.12 Financial instruments**

The Company initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

##### **Classification and measurement of financial assets**

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition is driven by the Company's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.



### ***Financial assets at amortised cost***

The Company measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment testing. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

### ***Financial assets at FVTPL***

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss.

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

### **Classification and measurement of financial liabilities**

Except for derivative liabilities, at initial recognition the Company's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Company takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

### **Derecognition of financial instruments**

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Company has transferred substantially all the risks and rewards of the asset, or the Company has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **Impairment of financial assets**

The Company recognises an allowance for expected credit losses (“ECLs”) for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **4.13 Derivatives**

The Company uses derivatives which are forward currency contracts, to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months, and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

## **4.14 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

## **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

### **5.1 Leases**

#### ***Determining the lease term with extension and termination options***

In determining the lease term, the management is required to exercise judgement in assessing whether the Company is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Company to exercise either the extension or termination option.

#### ***Estimating the incremental borrowing rate***

The Company cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate (IBR) to discount lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

## **5.2 Allowance for expected credit losses of trade receivables**

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Company's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

## **5.3 Reduction of inventory cost to net realisable value**

In determining a reduction of inventory cost to net realisable value, the management makes judgement and estimates net realisable value of inventory based on the amount the inventories are expected to realise. These estimates take into consideration fluctuations of price directly relating to events occurring after the end of the reporting period. Also, the management makes judgement and estimates expected loss from stock obsolescence based upon aging profile of inventories and the prevailing economic condition.

## **5.4 Property, plant and equipment and depreciation**

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

## **5.5 Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

## **5.6 Post-employment benefits under defined benefit plans and other long-term employee benefits**

The obligations under the defined benefit plans and other long-term employee benefit plan are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

## 6. Related party transactions

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	(Unit: Million Baht)		
	<u>2022</u>	<u>2021</u>	<u>Transfer pricing policies</u>
<u>Transactions with related parties</u>			
Purchases of raw materials	299	342	As agreed with reference to market price
Purchases of spare parts and factory supplies	4	5	As agreed with reference to market price
Service expenses	1	2	Contract price and as agreed

The balances of the accounts between the Company and those related parties as at 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
<u>Trade and other payables - related parties</u> (Note 12)		
Related companies (by common shareholders):		
Thai MMA Company Limited	95,739	105,205
Diapolyacrylate Company Limited	1,408	1,303
Mitsubishi Chemical (Thailand) Company Limited	1,314	-
Mitsubishi Chemical UK Limited	1,009	-
Total trade and other payables - related parties	<u>99,470</u>	<u>106,508</u>

### Directors and management's benefits

During the years ended 31 December 2022 and 2021, the Company had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Short-term employee benefits	14,799	20,540
Post-employment benefits	2,130	2,402
Total directors and management's benefits	<u>16,929</u>	<u>22,942</u>



## 7. Cash and cash equivalents

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Cash	20	20
Bank deposits	91,148	74,836
Total cash and cash equivalents	<u>91,168</u>	<u>74,856</u>

Bank deposits in saving accounts carried interests between 0.05 and 0.35 percent per annum (2021: between 0.05 and 0.125 percent per annum).

## 8. Trade and other receivables

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	142,540	192,255
Past due		
Up to 3 months	26,040	44,993
3 - 6 months	2	265
6 - 12 months	-	522
Over 12 months	588	15
Total	<u>169,170</u>	<u>238,050</u>
Less: Allowance for expected credit losses	<u>(769)</u>	<u>(1,148)</u>
Total trade receivables - unrelated parties, net	<u>168,401</u>	<u>236,902</u>
Other receivables	<u>678</u>	<u>905</u>
Total trade and other receivables - net	<u>169,079</u>	<u>237,807</u>

The normal credit term is ranging between 15 and 120 days.

Set out below is the movement in the allowance for expected credit losses of trade receivables:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Beginning balance	1,148	6,990
Reversal of allowance for expected credit losses	(379)	(3,460)
Write-off of bad debts	-	(2,382)
Ending balance	<u>769</u>	<u>1,148</u>

## 9. Inventories

(Unit: Thousand Baht)

	Cost		Reduce cost to net realisable value		Inventories - net	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Finished goods	24,744	30,075	(1,861)	(2,090)	22,883	27,985
Raw materials	29,132	38,833	(2,025)	(3,496)	27,107	35,337
Spare parts and factory supplies	34,778	44,158	(3,585)	(3,117)	31,193	41,041
Goods in transit	1,943	1,829	-	-	1,943	1,829
Total inventories	<u>90,597</u>	<u>114,895</u>	<u>(7,471)</u>	<u>(8,703)</u>	<u>83,126</u>	<u>106,192</u>

During the current year, the Company reduced cost of inventories by approximately Baht 1 million (2021: approximately Baht 1 million), and reduced the amount of inventories recognised as expenses during the year.

## 10. Other current financial assets - fixed deposits

(Unit: Thousand Baht)

	<u>2022</u>	<u>2021</u>
<u>Debt instruments at amortised cost</u>		
Fixed deposits	31,460	31,318
Restricted fixed deposits	<u>6,684</u>	<u>6,684</u>
Total other current financial assets	<u>38,144</u>	<u>38,002</u>

Bank deposits in 12-month fixed account carried interest at 0.375 and 0.60 percent per annum (2021: 0.375 percent per annum).

In addition, the Company had placed such fixed deposit of approximately Baht 7 million with banks to secure bank guarantees issued by banks on behalf of the Company as described in Note 25.3 (2021: approximately Baht 7 million).

## 11. Property, plant and equipment

(Unit: Thousand Baht)

	<u>2022</u>	<u>2021</u>
<u>Net book value</u>		
Property, plant and equipment	225,400	235,786
Right-of-use assets (Note 13)		
Buildings	-	940
Motor vehicles	<u>4,799</u>	<u>5,757</u>
Total	<u>230,199</u>	<u>242,483</u>

Movements of property, plant and equipment for the years ended 31 December 2022 and 2021 are summarised below.

	(Unit: Thousand Baht)					
	Land	Buildings and building improvements	Machinery and equipment	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and under construction
<b>Cost</b>						Total property, plant and equipment
1 January 2021	136,331	200,585	478,968	20,641	10,574	857,956
Additions	-	-	1,212	456	3,412	14,215
Disposals/write-off	-	-	(1,585)	(648)	(2,822)	(5,055)
Transfer in (out)	-	1,472	13,253	-	-	(14,725)
31 December 2021	136,331	202,057	491,848	20,449	11,164	867,116
Additions	-	365	1,811	698	-	8,616
Disposals/write-off	-	(4,517)	(1,487)	(2,179)	-	(8,183)
Transfer in (out)	-	761	8,186	-	-	(8,947)
31 December 2022	136,331	198,666	500,358	18,968	11,164	867,549
<b>Accumulated depreciation</b>						
1 January 2021	-	158,522	423,428	18,170	7,628	607,748
Depreciation for the year	-	7,180	12,773	1,376	602	21,931
Depreciation on disposals/write-off	-	-	(1,577)	(646)	(2,823)	(5,046)
31 December 2021	-	165,702	434,624	18,900	5,407	624,633
Depreciation for the year	-	6,460	12,661	745	958	20,824
Depreciation on disposals/write-off	-	(4,517)	(1,433)	(2,157)	-	(8,107)
31 December 2022	-	167,645	445,852	17,488	6,365	637,350
<b>Net book value</b>						
31 December 2021	136,331	36,355	57,224	1,549	5,757	242,483
31 December 2022	136,311	31,021	54,506	1,480	4,799	230,199
<b>Depreciation for the year</b>						
2021 (Baht 18 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)						21,931
2022 (Baht 18 million included in manufacturing cost, and the balance in selling and distribution and administrative expenses)						20,824
						-

As at 31 December 2022, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 462 million (2021: Baht 446 million).

## 12. Trade and other payables

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Trade payables - related parties (Note 6)	97,147	106,508
Trade payables - unrelated parties	46,208	51,426
Other payables - related parties (Note 6)	2,323	-
Other payables - unrelated parties	5,674	6,548
Accrued expenses	18,497	22,805
Total trade and other payables	<u>169,849</u>	<u>187,287</u>

## 13. Leases

The Company has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 4 - 5 years.

### a) Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)		
	Buildings	Motor vehicles	Total right-of-use assets
<b>1 January 2021</b>	2,194	2,947	5,141
Additions	-	3,412	3,412
Depreciation for the year	(1,254)	(602)	(1,856)
<b>31 December 2021</b>	940	5,757	6,697
Depreciation for the year	(940)	(958)	(1,898)
<b>31 December 2022</b>	<u>-</u>	<u>4,799</u>	<u>4,799</u>

**b) Lease liabilities**

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Lease payments	3,267	5,451
Less: Deferred interest expenses	(379)	(638)
Total	2,888	4,813
Less: Portion due within one year	(1,035)	(1,924)
Lease liabilities - net of current portion	1,853	2,889

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Balance at beginning of year	4,813	3,791
Additions	-	2,699
Accretion of interest	259	160
Repayments	(2,184)	(1,837)
Balance at end of year	2,888	4,813

A maturity analysis of lease payments is disclosed in Note 26.2 under the liquidity risk.

**c) Expenses relating to leases that are recognised in profit or loss**

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Depreciation expense of right-of-use assets	1,898	1,856
Interest expense on lease liabilities	259	160

**d) Others**

The Company had total cash outflows for leases for the year ended 31 December 2022 of Baht 2.2 million (2021: Baht 1.8 million).



#### 14. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents severance payment plan and other long-term employee benefits, namely long service awards, was as follows:

	2022				2021			
	Severance payment plan		Long service awards		Severance payment plan		Long service awards	
				Total provision for long-term employee benefits				Total provision for long-term employee benefits
<b>Provision for long-term employee benefits at beginning of year</b>	36,632	1,104		37,736	41,938	1,235		43,173
Included in profit or loss:								
Current service cost	4,852	289		5,141	4,183	277		4,460
Interest cost	634	19		653	552	18		570
Past service costs	-	-		-	(20)	(206)		(226)
Included in other comprehensive income:								
Actuarial loss (gain) arising from								
Financial assumptions changes	-	-		-	(4,605)	-		(4,605)
Demographic assumptions changes	-	-		-	(451)	-		(451)
Experience adjustments	(4,266)	-		(4,266)	(819)	-		(819)
Benefits paid during the year	(1,853)	(168)		(2,021)	(4,146)	(220)		(4,366)
<b>Provision for long-term employee benefits at end of year</b>	<b>35,999</b>	<b>1,244</b>		<b>37,243</b>	<b>36,632</b>	<b>1,104</b>		<b>37,736</b>

(Unit: Thousand Baht)

The Company expects to pay Baht 1.1 million of long-term employee benefits within next year (2021: Baht 0.2 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 9 years (2021: 9 years).

Significant actuarial assumptions are summarised below:

	<u>2022</u>	<u>2021</u>
Discount rate	1.7%	1.7%
Salary increase rate	3.0%	3.0%
Turnover rate	0% - 29.0%	0% - 29.0%

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2022 and 2021 are summarised below:

(Unit: Million Baht)

	<u>2022</u>			
	<u>Severance payment plan</u>		<u>Long service awards</u>	
	<u>Increase 1%</u>	<u>Increase 1%</u>	<u>Increase 1%</u>	<u>Increase 1%</u>
Discount rate	(3.0)	3.4	(0.1)	0.1
Salary increase rate	3.8	(3.4)	-	-
Turnover rate	(3.2)	2.0	(0.1)	0.1

(Unit: Million Baht)

	<u>2021</u>			
	<u>Severance payment plan</u>		<u>Long service awards</u>	
	<u>Increase 1%</u>	<u>Increase 1%</u>	<u>Increase 1%</u>	<u>Increase 1%</u>
Discount rate	(2.9)	3.3	(0.1)	0.1
Salary increase rate	3.3	(3.0)	-	-
Turnover rate	(3.1)	1.9	(0.1)	0.1

## 15. Undrawn credit facilities

As at 31 December 2022, undrawn credit facilities of the Company granted by financial institutions amounted to approximately Baht 399 million (2021: Baht 343 million).

## 16. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

## 17. Other income

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Scrap sales	4,557	4,575
Foreign exchange gain	2,426	6,866
Others	1,604	4,071
Total	<u>8,587</u>	<u>15,512</u>

## 18. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Raw materials and consumables used	539,966	600,218
Salaries, wages and other employee benefits	105,445	119,376
Fuel and utility expenses	54,188	51,783
Transportation expenses	21,182	39,922
Depreciation and amortisation	21,042	22,189
Repair and maintenance expenditure	8,982	10,050
Changes in finished goods	5,331	15,304

## 19. Income tax

Income tax expenses for the years ended 31 December 2022 and 2021 are made up as follows:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
<b>Current income tax</b>		
Current income tax charge	-	2,984
Adjustment in respect of income tax of previous year	-	(476)
<b>Deferred tax</b>		
Relating to origination and reversal of temporary differences	(1,640)	1,867
<b>Income tax expenses reported in profit or loss</b>	<u>(1,640)</u>	<u>4,375</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Deferred tax relating to actuarial gain	<u>853</u>	<u>1,175</u>

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
Accounting profit (loss) before tax	<u>(22,144)</u>	<u>22,589</u>
Applicable tax rate	20 percent	20 percent
Accounting profit (loss) before tax multiplied by income tax rate	(4,429)	4,518
Adjustment in respect of income tax of previous year	-	(476)
Unused tax loss	2,933	-
Effects of:		
Non-deductible expenses	85	524
Additional expense deductions allowed	(253)	(191)
Others	24	-
<b>Income tax expenses reported in profit or loss</b>	<u>(1,640)</u>	<u>4,375</u>

The components of deferred tax assets and deferred tax liabilities as at 31 December 2022 and 2021 are as follows:

	(Unit: Thousand Baht)	
	<u>2022</u>	<u>2021</u>
<b>Deferred tax assets</b>		
Provision for long-term employee benefits	7,449	7,547
Reduction of inventory cost to net realisable value	1,494	1,741
Allowance for expected credit loss	154	230
Provision for expenses	349	-
Unrealised fair value loss on forward contracts	-	21
Leases	-	20
Total deferred tax assets	<u>9,446</u>	<u>9,559</u>
<b>Deferred tax liabilities</b>		
Difference depreciation for accounting and tax purposes	(2,850)	(3,810)
Leases	(60)	
Total deferred tax liabilities	<u>(2,910)</u>	<u>(3,810)</u>
<b>Deferred tax assets - net</b>	<u>6,536</u>	<u>5,749</u>

As at 31 December 2022, the Company has unused tax losses totaling Baht 15 million, on which deferred tax assets have not been recognised as the Company believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 15 million will expire in 2027.

## 20. Promotional privileges

The Company has been granted promotional privileges by the Board of Investment for the enhancement of production efficiency through the acquisition of a replacement machine, pursuant to investment promotion certificate No. 64-1146-1-05-1-0, issued on 14 July 2021. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax on net profit generated from the promoted operations, capped at 100 percent of the investment in an automatic system or robot machine, for a period of 3 years from the date the promoted activity commences generating revenues. In addition, the privileges include an exemption from import duty on imported robot machines intended for use in production.



## 21. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

## 22. Segment information

The Company is engaged principally in the manufacture, sale and original equipment manufacturer business of Acrylic sheets, Acrylonitrile Butadiene Styrene sheets, High Impact Polystyrene sheets and other extruded plastic sheets. Each of these products is considered part of the same line of business, which is regarded as a single operating segment. As a result, all of the revenues, operating profit and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment. The chief operating decision maker has been identified as the Board of Directors.

### Geographic information

Sales and service income are based on locations of the customers for the years ended 31 December 2022 and 2021 are as follows:

	(Unit: Million Baht)	
	<u>2022</u>	<u>2021</u>
Thailand	512	527
Overseas	247	367
Total sales and service income	<u>759</u>	<u>894</u>

### Major customers

For the year 2022 and 2021, the Company has no major customer with revenue of 10 percent or more of an entity's revenues.

## 23. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The registered provident fund plan was approved by the Ministry of Finance on 1 June 1999. Both employees and the Company contribute to the fund monthly at the rate of 3 or 5 or 7 percent of basic salary. The fund, which is managed by a fund manager, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2022 amounting to approximately Baht 4 million were recognised as expenses (2021: Baht 5 million).

## 24. Dividends

<u>Dividends</u>	<u>Approved by</u>	<u>Total dividends</u> (Million Baht)	<u>Dividend per share</u> (Baht per share)
Final dividend for 2021	Annual General Meeting of the shareholders on 21 April 2022	<u>54.7</u>	<u>0.45</u>
Final dividend for 2020	Annual General Meeting of the shareholders on 22 April 2021	<u>54.7</u>	<u>0.45</u>

## 25. Commitments and contingent liabilities

### 25.1 Capital commitments

As at 31 December 2022, the Company had capital commitments relating to the acquisitions of building improvements, machinery and equipment totaling Baht 2 million (2021: Baht 4 million).

### 25.2 Service commitments

The Company has entered into several service agreements. The terms of the agreements are generally between 1 to 3 years. As at 31 December 2022, the Company has future minimum payments required under these service agreements amounted to Baht 2 million (2021: Baht 2 million).

### 25.3 Guarantees

As at 31 December 2022, there were outstanding bank guarantees of approximately Baht 7 million (2021: Baht 7 million) issued by a bank on behalf of the Company in respect of certain performance bonds as required in the normal course of business. These included letter of guarantee to guarantee electricity usage and others.

## 26. Financial instruments

### 26.1 Derivatives not designated as hedging instruments

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 6 months. As at 31 December 2022, the Company had no outstanding of derivatives.

## **26.2 Financial risk management objectives and policies**

The Company's financial instruments principally comprise of cash and cash equivalents, trade accounts receivable and fixed deposits. The financial risks associated with these financial instruments and how they are managed is described below.

### **Credit risk**

The Company is exposed to credit risk primarily with respect to trade accounts receivable, deposits with banks and financial institutions and other financial instruments. Except for derivative financial instruments, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

### **Trade receivables**

The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance obtained from reputable banks and other financial institutions. In addition, the Company does not have high concentrations of credit risk since it has a large customer base in various industries.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Company classifies customer segments by customer type and similar credit risks. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and not subject to enforcement activity.

### **Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed by the Company's management in accordance with the Company's policy. Investments are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Company's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the Company's Executive Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

The credit risk on debt instruments and derivative financial instruments is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

## Market risk

There is type of market risk which is a currency risk. The Company enters into derivative financial instruments to manage its risk exposure, including foreign exchange forward contracts to hedge the foreign currency risk arising on the export of goods.

### *Foreign currency risk*

The Company's exposure to the foreign currency risk relates primarily to its trading transactions that are denominated in foreign currencies. The Company seeks to reduce this risk by entering into foreign exchange forward contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at 31 December 2022 and 2021, the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rates	
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	1.5	2.2	0.3	0.3	34.5624	33.4199
Australian dollar	0.2	1.0	-	0.1	23.3791	24.2627
Japanese yen	-	-	6.8	7.5	0.2609	0.2906

### *Foreign currency sensitivity*

The following table demonstrates the sensitivity of the Company's profit before tax to a reasonably possible change in US dollar exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities as at 31 December 2022.

Currency	(Unit: Million Baht)			
	2022		2021	
	Effect on profit before tax		Effect on profit before tax	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
US dollar	0.4	(0.4)	0.6	(0.6)

The Company's exposure to foreign currency changes for all other currencies is not material.

### Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	2022				
	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
<b>Financial assets</b>					
Cash and cash equivalents	-	91	-	91	0.05-0.35
Trade and other receivables	-	-	169	169	-
Other current financial assets	38	-	-	38	0.375, 0.60
	38	91	169	298	
<b>Financial liabilities</b>					
Trade and other payables	-	-	170	170	-
	-	-	170	170	

(Unit: Million Baht)

	2021				
	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% p.a.)
<b>Financial assets</b>					
Cash and cash equivalents	-	75	-	75	0.05 - 0.125
Trade and other receivables	-	-	238	238	-
Other current financial assets	38	-	-	38	0.375
	38	75	238	351	
<b>Financial liabilities</b>					
Trade and other payables	-	-	187	187	-
	-	-	187	187	

The Company only exposure to interest rate risk related to cash at bank. Since the interest rates on savings accounts are considered low and bear floating interest rates or fixed interest rates which are close to the market rate. The Company believes that the impact of interest rate risk is immaterial.

### Liquidity risk

The Company monitors the risk of a shortage of liquidity through the use of bank overdrafts and lease contracts. Approximately 82% of the Company's debt will mature in less than one year at 31 December 2022 (2021: 83%) based on the carrying value of borrowings reflected in the financial statements. The Company has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's non-derivative financial liabilities as at 31 December 2022 and 2021 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	As at 31 December 2022		
	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
Trade and other payables	170	-	170
Lease liabilities	1	2	3
<b>Total non-derivatives</b>	<b>171</b>	<b>2</b>	<b>173</b>

(Unit: Million Baht)

	As at 31 December 2021		
	Less than 1 year	1 to 5 years	Total
<b>Non-derivatives</b>			
Trade and other payables	187	-	187
Lease liabilities	2	3	5
<b>Total non-derivatives</b>	<b>189</b>	<b>3</b>	<b>192</b>

## 26.3 Fair values of financial instruments

Since the majority of the Company's financial instruments are short-term in nature and bank deposits bear interest rates which are close to the market rate, their fair value is not expected to be materially different from the amounts presented in statement of financial position.



**27. Capital management**

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2022, the Company's debt-to-equity ratio was 0.53:1 (2021: 0.49:1).

**28. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2023.

# Part 4

## Certification of Information for Submission of 56-1 One Report



### Attachment 1

Details of Directors, Executives, controlling persons, the person assigned to take the highest responsibility in Accounting and Finance, the person assigned to take direct responsibility for accounting supervision, the Company's secretary, and the representative for contact and coordination in case of a foreign company

As of 31 December 2022

# ประวัติคณะกรรมการ



## Dr. Benjamin James Harris

57 years

Position in TPA

- Chairman of the Board of Directors

Date of Appointment

- 9 November 2017

### Education Background

- Ph.D. Department of Chemical Engineering  
University of Cambridge, United Kingdom
- Bachelor's Degree in Chemical and Process.  
Engineering (1st Class Honors), University of  
Canterbury, New Zealand

### Director Training - Thai Institute of Directors (IOD)

- None

### Personal Qualification

- None

### (%) of share Possession

- None

### Family Relationship among Directors and Executives

- None

### 5 Years past working experiences

- Jan 2022 Deputy Chief Technology  
Officer  
Mitsubishi Chemical  
Methacrylates
- April 2021- Dec 2021 Technical Director  
Mitsubishi Chemical  
Methacrylates

- 2017 - Present Chairman of the Board of  
Directors  
Thai Poly Acrylic Public  
Company Limited
- 2016 – April 2021 Executive General Manager  
Saudi Methacrylates  
Company (SAMAC)
- 2015 - 2017 Executive Directors  
Thai Poly Acrylic Public  
Company Limited
- 2013 – 2016 General Manager  
Mitsubishi Chemical  
Methacrylates Singapore Co., Ltd.

### Board Member in other listed Company

- None

### Positions in other Company/ Organization / Institution

- Board of Directors  
Asiatic Acrylic Company Limited

### Position in other organization competing with the Company

- None



## Mr. Shinya Yano

56 years

Position in TPA

- Executive Director

Date of Appointment

- 14 November 2019

### Education Background

- Bachelor's in Economics Seikei University, Tokyo, Japan

### Director Training - Thai Institute of Directors (IOD)

- None

### Personal Qualification

- None

### (%) of share Possession

- None

### Family Relationship among Directors and Executives

- None

### 5 Years past working experiences

- 2019 – Present      Executive Director  
Thai Poly Acrylic Public  
Company Limited
- 2019 - Present      President  
Diapolyacrylate, Thailand
- 2017 – 2019      Manager  
Mitsubishi Chemical
- 2014 - 2017      Director  
Plastic Sheeting Department  
Mitsubishi Rayon

### Board Member in other listed Company

- None

### Positions in other Company/ Organization / Institution

- President Diapolyacrylate, Thailand

### Position in other organization competing with the Company

- None



## Mr. Dai Oyama

54 years

### Position in TPA

- Non - Executive Director
- Member of Nomination and Remuneration Committee

### Date of Appointment

- 24 April 2019

### Education Background

- Bachelor's degree in Law Rikkyo University, Tokyo, Japan

### Director Training - Thai Institute of Directors (IOD)

- None

### Personal Qualification

- Certified Public Accountant of USA (USCPA, Pass in 2008)

### (%) of share Possession

- None

### Family Relationship among Directors and Executives

- None

### 5 Years past working experiences

- 2021 - Present Chief Financial Officer  
Mitsubishi Chemical  
Methacrylates Limited
- 2019 - Present Non-Executive Director  
Member of Nomination and  
Remuneration Committee  
Thai Poly Acrylic Public  
Company Limited
- 2017- March 2021 Deputy General Manager  
MMA Planning Department  
Mitsubishi Chemical Headquarter

- 2015 - 2017 General Director  
MMA Administration  
Department  
Mitsubishi Rayon Headquarter
- 2014 - 2015 Director  
Corporate Planning Division  
Mitsubishi Rayon Headquarter
- 2013 - 2014 Finance Director  
Lucite International UK Limited.

### Board Member in other listed Company

- None

### Positions in other Company / Organization / Institution

- Board of Directors
  1. Mitsubishi Chemical Methacrylates Limited
  2. Mitsubishi Chemical Methacrylates Japan Co., Ltd.
  3. The Saudi Methacrylates Company
  4. Kaohsiung Monomer Company Limited
  5. MCC Methacrylates Holdco Limited
  6. MCC Methacrylates UK Overseas Holdco Limited

### Position in other organization competing with the Company

- None



## Mr. Kresten Mikael Valdal

50 years

### Position in TPA

- Non-Executive Director

### Date of Appointment

- 10 November 2022

### Education Background

- CBS – Graduate Diploma in Organization and Management
- Bachelor's and Master's Degree in Law School, University of Copenhagen ,

### Director Training - Thai Institute of Directors (IOD)

- None

### Personal Qualification

- None

### (%) of share Possession

- None

### Family Relationship among Directors and Executives

- None

### 5 Years past working experiences

- 2022 - Present Non-Executive Director  
Thai Poly Acrylic Public  
Company Limited
- 2017 - Present General Manager of Valdal  
Advokatfirma
- 2015 - Present Assistant in debt restructuring  
cases at Maritime and  
Commercial High Court

### Board Member in other listed Company

- None

### Positions in other Company / Organization / Institution

- General Manager of Valdal Advokatfirma

### Position in other organization competing with the Company

- None





## Mr. Martin Thaysen

51 years

### Position in TPA

- Non-Executive Director

### Date of Appointment

- 14 November 2019

### Education Background

- Master's Degree in Business Administration (M.B.A)  
IMD Business school, Lausanne, Switzerland

### Director Training - Thai Institute of Directors (IOD)

- None

### Personal Qualification

- None

### (%) of share Possession

- None

### Family Relationship among Directors and Executives

- None

### 5 Years past working experiences

- 2019 - Present Non-Executive Director  
Thai Poly Acrylic Public  
Company Limited
- 2019 - Present CEO and Member of the Board  
EAC Invest A/S, Copenhagen,  
Denmark
- 2015 – 2019 CEO of EAC and Santa Fe  
Group A/S London, United  
Kingdom
- 2012 - 2014 Managing Director  
CEVA Logistics, Shanghai, China

### Board Member in other listed Company

- EAC Invest A/S, Copenhagen, Denmark

### Positions in other Company / Organization / Institution

- Chairman of the Board of Directors
  1. East Asiatic (Thailand) Company Limited
  2. East Asiatic (China) Company Limited
  3. Asiatic Acrylics Company Limited
- Board of Directors  
Beijing Dongzhimen Apartment Company Limited

### Position in other organization competing with the Company

- None



## Dr. Anuphan Kitnitchiva

60 years

### Position in TPA

- Independent Director
- Chairman of Audit Committee

### Date of Appointment

- 26 เมษายน 2559

### Education Background

- Ph.D. in Development Administration School of Public Administration (International Doctoral Program) The National Institute of Development Administration
- Senior Executive Program at Sasin Graduate Institute of Business Administration Chulalongkorn University
- LL.M. (Business Law) Faculty of Law Thammasat University
- LL.B (Honours) Faculty of Law, Thammasat University

### Director Training - Thai Institute of Directors (IOD)

- Successful Formulation and Execution of Strategy (SFE) 26/2559
- Role of the Chairman Program (RCP) 38/2559
- Advanced Audit Committee Program (AACP) 17/2557
- Director Certification Program (DCP) 130/2553

### Personal Qualification

- Lawyer License No. 18024/1986

### (%) of share Possession

- None

### Family Relationship among Directors and Executives

- None

### 5 Years past working experiences

- |                  |   |
|------------------|---|
| • 2014 - Present | Chairman of Audit Committee and Independent Director Thai Poly Acrylic Public Company Limited |
| • 2014 - Present | Director Humanica Public Company Limited  |
| • 2014 – 2018    | Chairman of Audit Committee and Independent Director TOT Public Company Limited               |
| • 2013 – 2014    | Member of Audit Committee and Independent Director Thai Poly Acrylic Public Company Limited   |

## Dr. Anuphan Kitnitchiva

### Board Member in other listed Company

- 2022 – Present      Independent Director/  
Chairman of Nomination and  
Remuneration  
Committee, Principal Capital PCL.
- 2022 – Present      Director, Prinsiri PCL.
- 2020 – Present      Director, Rojukiss International PCL.
- Chairman of the Board of Directors, Paknampo Hospital Co., Ltd.
- Chairman of the Board of Directors, Pitsanuvej Uttaradit Hospital Co., Ltd.
- Chairman of the Board of Directors, Union Phichit Doctors Co., Ltd.
- Chairman of the Board of Directors, Pitsanuloke Medical Co., Ltd.

### Positions in other Company / Organization / Institution

- Managing Director, Dherakupt International Law Office Ltd.
- Director, Dherakupt Legal Outsourcing Ltd.
- Chairman of the Board of Directors, Principal Healthcare - Sakonnakhon Co., Ltd.
- Chairman of the Board of Directors, Principal Healthcare - Lamphun Co., Ltd.
- Chairman of the Board of Directors, Principal Healthcare - Ubonratchathani Co., Ltd.
- Chairman of the Board of Directors, Principal Healthcare - Chumphon Co., Ltd.
- Chairman of the Board of Directors, Principal Healthcare - Srisaket Co., Ltd.
- Chairman of the Board of Directors, Principal Healthcare - Uthai Co., Ltd.

### Position in other organization competing with the Company

- None



## Mr. Jan Dam Pedersen

70 years

### Position in TPA

- Independent Director
- Member of Audit Committee
- Chairman of Nomination and Remuneration Committee

### Date of Appointment

- 24 April 2015

### Education Background

- Diploma, EAC's full time course in Business Administration
- Management, Finance, Strategy and Marketing IMD Switzerland

### Director Training - Thai Institute of Directors (IOD)

- Director Certification Program (DCP) 256/2018
- Director Accreditation Program (DAP) 125/2016

### Personal Qualification

- None

### (%) of share Possession

- None

### Family Relationship among Directors and Executives

- None

### 5 Years past working experiences

- 2018 - Present Chairman of Nomination and Remuneration Committee  
Thai Poly Acrylic Public Company Limited
- 2015 - Present Member of Audit Committee and Independent Director  
Thai Poly Acrylic Public Company Limited

- 2013 - Present Non- Executive Director  
Berli Asiatic Soda Company Ltd.
- 2013 - 2015 Non - Executive Director  
Thai Poly Acrylic Public Company Limited

### Board Member in other listed Company

- None

### Positions in other Company / Organization / Institution

- Non - Executive Director  
Berli Asiatic Soda Company Limited

### Position in other organization competing with the Company

- None



## Mr. Jetsada Wongwatanasin

52 years

### Position in TPA

- Independent Director
- Member of Audit Committee
- Member of Nomination and Remuneration Committee

### Date of Appointment

- 22 February 2019

### Education Background

- Master's Degree in International Business  
The George Washington University, Washington DC, U.S.A
- Bachelor's Degree in Economics (International Economics) 2nd class Honors, Chulalongkorn University

### Director Training - Thai Institute of Directors (IOD)

- Director Accreditation Program (DAP) 151/2561

### Personal Qualification

- None

### (%) of share Possession

- None

### Family Relationship among Directors and Executives

- None

### 5 Years past working experiences

- 2019 - Present      Independent Director Member of Audit Committee Member of Nomination and Remuneration Committee Thai Poly Acrylic Public Company Limited

- 2018 – Present      President  
Thai Ethanol Manufacturing Association
- 2010 - Present      CFO  
Thai Udon Thani Sugar Mill Company Limited (TSM GROUP)
- 2004 - Present      Managing Director  
Thai Sugar Ethanol Company Limited
- 2003 - Present      Managing Director  
Thai Sugar Mill Group Company Limited

### Board Member in other listed Company

- None

### Positions in other Company / Organization / Institution

- CFO  
Thai Udon Thani Sugar Mill Company Limited (TSM GROUP)
- Managing Director  
Thai Sugar Mill Group Company Limited

### Position in other organization competing with the Company

- None

## Details of the person assigned to take the highest responsibility in Accounting and Finance

### Miss Surawadee Leethaweekul (50 years)

#### Position

- Financial Controller  
(Person who assigned to take the highest responsibility in Accounting and Finance)
- Company Secretary

#### Date of Appointment

- 20 April 2022

#### Education Background

- Master's Degree in Financial Accounting, Chulalongkorn University
- Bachelor's Degree in Accounting, Chulalongkorn University

#### Director Training – Thai Institute of Directors (IOD)

- None

#### Training

- Participated in Continuing Professional Development (CPD) courses in 2021 (12 hours)
- CFO's Orientation Course
- Company Secretary Program (CSP)

#### Personal Qualification

- Certified Public Accountant of Thailand

#### (%) of share Possession

- None

#### Family Relationship among Directors and Executives

- None

#### 5 Years past working experiences

- 2022 – Present      Financial Controller  
Company Secretary  
Thai Poly Acrylic Public Company Limited
- 2017 – 2021      Finance and Accounting Manager  
Thai Poly Acrylic Public Company Limited



## Details of the person assigned to take direct responsibility for accounting supervision

### Miss Natthakarn Boonyaratsiri (41 years)

#### Position

- Accounting & Finance

#### Date of Appointment

- 23 May 2022

#### Education Background

- Bachelor's Degree in Accounting, Siam University  
2<sup>nd</sup> Class Honors

#### Director Training – Thai Institute of Directors (IOD)

- None

#### Training

- Insight into corporate income tax problems
- Data analytics for accountants to increase profits for the organization.

#### Personal Qualification

- ACCOUNTANT.

#### (%) of share possession

- None

#### Family Relationship among Directors and Executives

- None

#### 5 Years past working experiences

- 2022 - Present Finance and Accounting  
Thai Poly Acrylic Public  
Company Limited
- 2021 – 2022 Assistant Finance and  
Accounting Manager  
PRTR Recruitment Company  
Limited
- 2017 – 2020 Assistant Finance and  
Accounting Manager  
Quality Trading (1995)  
Company Limited

### Miss Surawadee Leethaweekul (50 years)

#### Position

- Financial Controller  
(Person who assigned to take the highest responsibility in Accounting and Finance)
- Company Secretary

#### Date of Appointment

- 20 April 2022

#### Education Background

- Master's Degree in Financial Accounting, Chulalongkorn University
- Bachelor's Degree in Accounting, Chulalongkorn University

#### Director Training – Thai Institute of Directors (IOD)

- None

#### Training

- Participated in Continuing Professional Development (CPD) courses in 2022 (12 hours)
- CFO's Orientation Course
- Company Secretary Program (CSP)

#### Personal Qualification

- Certified Public Accountant of Thailand

#### (%) of share possession

- None

#### Family Relationship among Directors and Executives

- None

#### ประสบการณ์ในการทำงานในระยะ 5 ปีย้อนหลัง

- |                  |  |
|------------------|--|
| • 2022 – Present | Financial Controller<br>Company Secretary<br>Thai Poly Acrylic Public<br>Company Limited |
| • 2017 – 2021    | Finance and Accounting<br>Manager<br>Thai Poly Acrylic Public<br>Company Limited         |

## Attachment 2

### Details of the directors of subsidiaries

- NONE

## Attachment 3

### Details of the Head of Internal Audit

#### Miss Phen Phenprucksakul (55 Years)

##### Position

- Internal Auditor

##### Date of Appointment

- 1 November 2021

##### Education Background

- Bachelor's degree from Dhurakij Pundit University, major in Accounting

##### Director Training – Thai Institute of Directors (IOD)

- Corruption Risk and Control Workshop (CRC)  
IOD 15/2022

##### Certification

- Internal Audit Training from The Institute of Internal Auditors of Thailand (IA)
  - Certified Professional Internal Auditor of Thailand (CPIAT)
  - Principles of Fraud Audit
  - Tool and Techniques for the Audit Manager
  - Control Self-Assessment : An Introduction
- Training for being an auditor of ISO9001:2015 from TUV NORD (Thailand) Ltd
- Training for being a system auditor ISO14001:2015 from MASCI and Environmental Law from A.C.T Intelligent Institute
- Training to be an auditor of energy management within the organization and a legal energy management system for operators from Department of Alternative Energy Development and Efficiency
- Training to be a safety officer at work Supervisor level from the Association of Safety Officers at Work in Nakhon Pathom Province

##### Personal Qualification

- None

##### (%) of share possession

- None

##### Family Relationship among Directors and Executives

- None

##### 5 Years past working experience

2015 - Present	Internal Auditor – Management System ISO9001:2015, ISO14001:2015, TIS18001:2554 and Internal energy auditor within the organization Thai Poly Acrylic Public Company Limited.
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## Details of the Head of Compliance Units

### Mr. Thanawat Kulprasertat (54 years)

#### Position in

- Human Resource/Legal Manager

#### Education Background

- Master's Degree in Human Resources Management and Labor Relation New York Institute of Technology Manhattan Campus
- Bachelor's Degree in Education Program Chulalongkorn university

#### Director Training - Thai Institute of Directors (IOD)

- Anti-Corruption Practical Guide
- Company Secretary Program (CSP134/2023)
- Working Paper for Better corruption Prevention

#### Personal Qualification

- Compliance Committee

#### (%) of share Possession

- 21,000 Shares

#### Family Relationship among Directors and Executives

- None

#### 5 Years past working experiences

- 2000 - Present Human Resource/Legal Manager  
Thai Poly Acrylic Public Company Limited
- 1997 - 2000 Human Resource/Legal Assistant Manager  
Thai Poly Acrylic Public Company Limited

#### Board Member in other listed Company

- None

#### Positions in other Company / Organization / Institution

- None

#### Position in other organization competing with the Company

- None

## Attachment 4

### Assets for business undertaking and details of asset appraisal

#### 1. Operating Property of Thai Poly Acrylic Public Company Limited

Fixed operating assets as of December, 31 2022 can be detailed as follows:

Unit: Million Baht)

Category of Asset	Ownership	Book value	Obligations
Land - No of Land 47349, 47350, 25034, 23173, 25546, 47346, 47347, 47348, 48375, 19133, 68866, 68865, 68864, 68863, 68862, 68861, 68860, 68859	Owner	136.33	-
Building and building improvement	Owner lease contract	31.02 -	- -
Machine and equipment	Owner	54.51	-
Furniture, fixture, office equipment and vehicles	Owner	1.48	-
Vehicles	lease contract	4.80	-
Assets under construction and installation	Owner	2.06	-
Total		230.20	-

**Remark:** Fixed operating assets locate at 60-61 Moo 9 Phutthamonthon 4 Rd, Krathumlom, Sampran, Nakhonpathom 73220

In addition, There are company's assets as of December 31, 2022, consisting of computer software costs Net book value 0.20 Baht Million.



## Attachment 5

### Unabridged policy and guidelines on corporate governance and unabridged code of business conduct prepared by the Company in the following matters:

#### Policy and Guideline on Corporate Governance

The Board of Directors of Thai Poly Acrylic Public Company Limited is obliged to perform its duties in the best interests of the Shareholders and shall treat its stakeholders and all parties concerned with utmost fairness and provide quality products and services to fit the needs and requirements of the customers.

The Board of Directors adheres to the principles of Good Corporate Governance, and have introduced recommendations under the guideline for listed companies 2017 issued by the Office of Securities and Exchange Commission (SEC). The guideline consists of 8 practices for director and to be the norm in controlling business transparent management and fair for the mutual benefit of the shareholders of the Company, stakeholders including society and communities in which the Company operates as following detail ;

1. Recognizing the roles and responsibilities of the Board of Directors as leaders that create value for the business sustainably.
2. To determine the objectives and main goals of the business that are going for sustainability.
3. To strengthen the Board of Directors.
4. Recruiting and developing high-level executives and personnel management.
5. To promote innovation and responsible business operations.
6. Ensuring appropriate risk management systems and internal controls.
7. To maintain financial credibility and disclosure.
8. Support participation and communication with shareholders.

The Company has publicized “Corporate Governance, Business Ethics Rules and Anti-Corruption Policy” on its website <https://www.thaipolyacrylic.com>

The Company’s Corporate Governance performance can be summarized as follows :

#### 1. RIGHTS OF SHAREHOLDERS

The rights of Shareholders include all basic rights such as the right as an investor and the right as an owner of the Company including for instance the rights to buy new shares, sell or transfer owned shares, the rights to receive dividends, the rights to attend the Shareholders’ meetings, the rights to express or raise questions at the meetings, the rights to make decision by voting on the important affairs of the Company i.e. nomination of Directors, amendment of Memorandum of Association and Articles of Association of the Company etc. and acknowledge the Minutes of Annual General’s Meeting.

#### 2. EQUITABLE TREATMENT OF SHAREHOLDERS

The Company shall provide the equitable treatment to every individual shareholder, every group of shareholders, major or minor shareholders as well as the investors and foreign investment institutions. The fundamental rights of the shareholders are preserved regardless of gender, age, origin, nationality, religion, belief or social status.

### 3. ROLES OF STAKEHOLDERS

The Company conducts its business responsibly in order to provide mutual benefits to all groups of stakeholders, and thereby ensuring that the administration and the business operations of the Company shall not have any impact on the rights of any stakeholder concerned.

### 4. DISCLOSURE AND TRANSPARENCY

Disclosure of information is a key index of transparency and an important factor to create confidence among investors and stakeholders. The Company values accurate disclosure of information and creates variety channels of disclosure of information so that all stakeholders can gain easy access to information.

### 5. RESPONSIBILITIES OF BOARD OF DIRECTORS

The Board of the Directors recognizes its roles and responsibilities in instituting policies and directions of the Company's operations in compliance with the law, the Company's objectives and regulations as well as the resolution from the Shareholder's Meeting. The Company supervises and monitors departments to follow the set policies effectively to maintain the Company's interest, increase economic value to the business and promote stability among shareholders base on good corporate governance. The Board of Directors has followed up the implementation of strategies for sustainable business management. Roles and responsibilities of Board of Directors toward the Company and Shareholders are important since the Board consists of the expert persons with leadership skills, sharp vision, knowledge and high experience. They have honesty and independence for decision making, which is beneficial to the Company's maximum interest and overall shareholders.

## Policy and guidelines related to shareholders and stakeholders

### 1. THE RIGHTS OF SHAREHOLDERS

- 1.1 Shareholders' Meetings - As a rule, the Company schedules an Annual General Meeting of shareholders (AGM) within 4 months of the annual closing date of its accounting books. For urgent matters that affect or involve the shareholders' interests or relate to conditions, regulations or laws that require shareholders' approval, it calls an Extraordinary General Meeting of the shareholders. In 2021, an Extraordinary General Meeting was not held.
- 1.2 In 2022, the Annual General Meeting of shareholders took place on 21 April 2022 at Thai Poly Acrylic Public Company Limited 60-61 Moo 9, 4<sup>th</sup> Phutthamonthon Road, Krathumlom Sampran, Nakhonpathom 73220, Thailand.
- 1.3 Recognizing the importance of protecting and facilitating the exercise of Shareholders' Rights, the Company has established a policy of equitable and fair treatment for all shareholders as follows:
  - 1) Promoting Exercise of Shareholders Rights
    - The Company encourages all shareholders to exercise their rights in an equitable manner.
    - All shareholders are encouraged to attend the shareholders' meetings, and to provide comments and suggestions to the Board of Directors.
  - 2) Facilitating Shareholders Attendance and Voting at the Meetings
  - 3) The Company encourages shareholders' participation in decision making on important issues and voting on such issues at General Meetings. All resolutions are voted on by poll.

- 4) Giving Information Relating to Shareholders' Meetings The Company will ensure that shareholders are informed in advance of General Meetings, of important information, criteria and procedures for those meetings, including the voting procedure for each agenda item. The Company will strive to provide all information regarding General Meetings to all Shareholders 21 days (but not less than 7 days) in advance, so that Shareholders can study all the information prior to attending the meeting. In addition, the Company will post all information on the Company's web site prior to sending out the notice of the meeting.
- 5) Giving Opportunity to Shareholders to ask questions and express their Opinions in the Annual General Meetings.
- 6) The Company will, at all General Meetings, provide the opportunity to all Shareholders to ask questions, express comments or offer any suggestions.

#### 1.4 Disclosure of Resolutions of Shareholders' Meetings

The Company will submit the summary of resolutions of Shareholders' Meetings to the Stock Exchange of Thailand within the date after the meeting or 9 am of the next working day at the latest. The Company will also submit the report of the Shareholders' Meeting with Minutes (each agenda item clearly separated), number of Directors in attendance and/or absent, questions raised by Shareholders and answers from the Directors and voting tallies of each agenda item to SET within 14 days and to the Ministry of Commerce within 30 days after the meetings. All meeting information will be accessible through the Company's website.

## 2. THE EQUITABLE TREATMENT OF SHAREHOLDERS

### 2.1 Proposing Additional Meeting Agenda Items and Nomination of Directors

- To enable minor shareholders to take part in the operations of the Company, the Company has established criteria and process for them to propose meeting agenda items and/or nominate Directors in advance.
- The Company will post such criteria on its website and post an announcement on the website of SET to enable shareholders to propose meeting agenda items and/or nominate Directors in advance.

### 2.2 Facilitating Shareholders at the Meetings

As most shareholders attending the Shareholder Meetings are Thais, the meetings will be conducted in the Thai language. The Company's website is bilingual.

### 2.3 Appointing Proxies

To maintain the rights of shareholders who cannot attend Annual General Meetings in person, they have the right to appoint proxies or delegate their votes to any Independent Director in attendance. The Company will state the names of these Independent Directors in the proxy forms as defined by the Ministry of Commerce for voting on behalf of shareholders without conditions. The Company treats proxies as shareholder votes. Thirty days ahead of each meeting, the Company discloses the proxy form and procedures on its website. Shareholders may make further inquiries about this by phone or through other channels such as the Company's website and e-mail.

### 3. THE ROLES TOWARD STAKEHOLDERS

- **To Shareholders**

Operating a profitable business that leads to sustainable growth. The Company is committed to corporate governance in tandem with corporate social responsibility (CSR) to ensure investors that the Company provides sound investment returns and is sustainable. The Company has established channels for all stakeholders to contact directly through whistleblowing via its website [www.thaipolyacrylic.com](http://www.thaipolyacrylic.com).

- **To Employees**

The Company regards all employees as the most valuable asset and shall continue to develop the competencies and the integrity of the employees. The Company shall provide its employees with good benefits and provide a workplace that is safe within a healthy environment. Professional development opportunities are provided for all employees, helping to continuously and sustainably increase their productivity. The Company has indicated the employee's performance by using performance indicator to measure the employee's performance. The Company will provide reasonable benefits to all employees based on their capabilities and competencies as well as career path and succession plan.

The employee benefits are divided into two categories: Short – term benefits, and post – employment benefits and other long – term benefits.

#### 1. Short – Term Employee Benefits

The Company has a policy to consider remuneration for employees and executives in term of considering adjusting the rate of employment for employees and executives, they will consider the working conditions, intentions of work assigned, duties and responsibilities, other abilities, the Company's performance and also comparison with market competition. In part of considers the annual bonus, the Company has a policy to pay every year. However, some criteria will be taken into consideration for approval, including the annual operating results of the Company, both financial and non-financial. The work of the staff and the team dedication to work under responsibility etc.

#### 2. Post-Employment Benefits and Other Long-Term Employee Benefits

##### 2.1 Defined Contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by Employees and by the Company.

##### 2.2 Defined Retirement Benefit plans and other long – term employee benefits

The Company has obligations in respect of the severance payments to employees upon retirement under Labor Law and other employee benefit plans. The Company treats these severance payment obligations as a defined benefit plan. In addition, the Company provides other long – term employee benefit plan, namely long service awards.

- **To Customers**

Ensuring customer satisfaction and loyalty by delivering world-class quality products and services at competitive prices. The Company takes customer satisfaction seriously, since customers are buyers and users of our products and services. The Company offers fair prices, quality products and accountability to customers and consumers, and is committed to consistently develop its products and to provide safe,

integrated, attentive quality services in response to their needs. The Company has implemented quality, security, safety and occupational health standards in its operations in order to focus on quality management through efficient work processes with a view to deliver products and services that satisfy customers.

- **To Business Partners**

Observing fair and mutually beneficial business practices with all business partners while promoting trust as well as relationship and cooperation with a view to expand business capabilities and increase efficiency in a long-term partnership. Business partners are the key to business success through mutual support, and the Company treats them fairly. The Company strictly complies with contracts and values procurement processes. Clear procurement procedures have been formulated to ensure transparency, openness to scrutiny and mutual benefit.

The Company requires business partners to strictly conform to the rules about work safety and handling of tools, as well as other regulations, particularly in the type of work affecting health, safety and the surrounding environment.

The Company's approved Vendor List is prepared through a detailed selection process that reviews business /operational procedures of candidates to ensure that the business partners selected for the Vendor List are efficient and are capable of delivering products/services that meet the Company's requirements.

- **To Creditors**

Maintain good relationship with creditors in such a way that mutual trust and confidence are gained. In doing so the Company shall commit to and honor promises, and obligations agreed with the creditors. The Company ensures strict compliance with all terms of any loan agreement 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.

- **To Business Competitors**

The Company's policy is that it shall treat its business competitors in a manner that is acceptable in accordance with International law and generally accepted principles and standards. The Company shall furthermore operate its business within a fair, but competitive context and shall not take unfair advantage of its business competitors. The framework of this policy has been shaped by related laws and regulations as well as concepts related to generally accepted business codes of conduct. The collection of insider information from a business competitor is expressly prohibited. The policy further prohibits the infringement of intellectual property rights and trade secrets. Furthermore, it includes provisions that prohibit the slandering of business competitors and any form of collusion in conflict with existing laws and regulations.

- **Community and Society**

The Company shall continue to operate its business in a manner that is beneficial to the society and the community in which it operates. The Company shall co-operate with the community and relevant authorities to prevent any business transaction with any party that might be hazardous to the community and the society as a whole.

#### 4. DISCLOSURE OF INFORMATION AND TRANSPARENCY


The Company promotes awareness among Directors, the Management and the employees of the importance of good corporate governance and transparency in their work, and creates appropriate mechanisms to receive complaints and fair treatment both for those who file complaints and those who have been complained against.

The Company offers opportunities for the public to file complaints on improper behavior of Directors, the Management and staff or their violation of Company's business ethics.

- (1) Department Manager and / or Human Resources Manager
- (2) Audit Committee Email: [Audit.Committee@thaipolyacrylic.com](mailto:Audit.Committee@thaipolyacrylic.com)
- (3) Corporate Whistle Blower  
Hotline URL : [https://www.pfa-japan.net/mcgap\\_whistleblow](https://www.pfa-japan.net/mcgap_whistleblow)  
password: Apkaiteki

The Company will listen to all complaints equally, transparently, caring and giving fairness to all parties as appropriate action.

The Company discloses information of the Company and financial statements to the Stock Exchange of Thailand completely, accurately, adequately and in time. In addition, the Company has disclosed other information. More to achieve transparency in operation.

1. Allow the investors, community, institutions and interested persons to access the information of the Company through Company website.
2. Recognizing the fact that some Directors reside abroad, and may consequently be excused from attending all Board Meetings, the Board encourages all Directors to attend the meetings when important issues are raised in the meeting agenda, such as the consideration and approval of future investments for plant expansion projects, and the consideration and approval of the annual financial statements and the annual budget proposals, etc.
3. Publish the corporate governance policy and Anti-Corruption policy on the Company's website.
4. Disclose the direct shareholding of directors and executives and indirect shareholding of spouses, or/and minor children of the "Directors Shareholding" and "Executive Shareholding" in Annual Report.
5. The Company has a policy that all directors must report their interests with the Company or that is expected to be immediately available for further in order to consider and disclose.
6. Provide the opportunity for the shareholders to propose matters to be included as agenda items for the Annual General Meeting of Shareholders ("AGM") and to nominate person(s) to serve as the Company's director(s). The criteria and procedures have been disclosed on the Company's websites at  <http://www.thaipolyacrylic.com>
7. Appointment for Auditor's Remuneration

Agenda for an appointment of auditors clearly includes names of auditors, affiliated Company, auditor licenses, experience, auditors' competency, years of auditing for the Company, issues relating to the independence of auditors and auditors' remuneration with the opinion of the Board of Directors according to recommendation of the Audit Committee.



## 5. BOARD RESPONSIBILITIES

Company has prescribed that the Board shall comprise of 9 Directors consisting of 3 Independent Directors (Company has Independent Directors not less than 3 persons and not less than one third of total directors of the Company), 3 Executive Directors and 3 Non-Executive Directors (Representatives of its major shareholder)

Audit Committee is appointed by the Board of Directors, and consists of 3 members and all must be Independent Directors.

Nomination and Remuneration Committee will be selected from Board of Directors, and consists of 3 members out of which the Chairman of the Committee and at least one member must be Independent Directors. Nomination and Remuneration Committee serve for 3 years per term.

### TERM OF DIRECTORS

In compliance with the Public Companies Limited Act one third of the directors retire by rotation at the Annual General Meeting every year but are eligible for re-election. It is the policy that the tenure of an Independent Director should not exceed a cumulative term of 9 years from the first day of appointment as Independent Director. Upon completing 9 years, an Independent Director may continue to serve on the Board, subject to the Board's rigorous review of his/her continued independence.

### APPOINTMENT AND DISMISSAL OF DIRECTORS

According to the Company's Articles of Association, one third of Directors shall be retired on the rotation basis at every Annual General Meeting, however, the retired Directors can be re-elected at the Shareholders' Meeting. In the case any Director has tendered a resignation or is to be retired for any other reasons prior to the end of the term, the Board can appoint a succeeding Director and he or she can remain in the position to complete the remaining term of the former Director.

### SEGREGATION OF DUTIES OF THE CHAIRMAN AND THE MANAGING DIRECTOR

To segregate policy-making duties from those of day-to-day management and to enable Directors to oversee, look after and assess performance effectively, the Company requires that the Chairman and the Managing Director are always two distinct and separate persons to ensure the balance of authority. The role of the Chairman is the Head at the policy level and the role of the Managing Director is the Head of Operational Management who look after the daily management of the Company. The Company has decided to appoint Chairman, who is not an Independent Director as defined in the SET guidelines, but whose interests are fully disclosed to the Board. However, the Board has appointed one of the Independent Directors to participate in setting the agendas for Board Meetings

### ORIENTATION FOR NEW DIRECTORS

The Board of Directors establishes an orientation for every new Directors to create knowledge and understanding in the business including the Company's operations such as capital structure, shareholders, performance and system information including laws and regulation that useful for being a Director. This aims to prepare readiness of new Directors, enabling them to recognize their roles and responsibilities. There is a policy to enhance conceptual knowledge so that Directors can hold positions with efficiency.

### SUCCESSION PLAN

The Board of Directors has established a succession plan in the management level and positions in the main line by considering performance, potential and readiness of the individual. The Company has equipped a successor with knowledge development, skills required by job positions so that he or she will take important positions in the future.

### DEVELOPMENT OF DIRECTORS

The Board of Directors has a policy to promote and facilitate training and education for the Directors. In order to improve and perform continually, training courses inside and outside the country are offered to the Directors, enabling them to understand the Directors' performance.

### POLICY OF DIRECTORSHIP IN OTHER COMPANIES


The Company has carried out policy to allow Managing Director to assume directorship in other companies which the Company invests in, in joint venture companies or any other companies authorized by the Board of Directors to manage those companies according to the Company's policies. The directorship in other companies should not disrupt his main duties in the Company.

### RISK MANAGEMENT

The Board has established a risk management system and has applied this throughout the Company's operations in order to prevent and manage identified risks. Moreover, the Company has a monitoring and assessment system in place. The Board has assigned the Audit Committee to oversee and audit the risk management system in order to ensure that risks being identified are addressed suitably and sufficiently.

The Audit Committee reviews the risk management processes with relevant department / function and the internal auditor. Its opinion is that the Board maintains adequate risk management practices that are relevant, suitable and sufficient.

### **Business code of conduct**

The Company has disclosed the Corporate governance policy, business code of conduct and anti- corruption policy on Company website. For more details, please visit our website  <https://www.thaipolyacrylic.com>

### Report of the Audit Committee Year 2022

Dear Shareholders,

The current Audit Committee of Thai Poly Acrylic Public Company Limited is made up of three knowledgeable directors:

- |                              |                                 |
|------------------------------|---------------------------------|
| 1. Dr. Anuphan Kitnitchiva   | Chairman of the Audit Committee |
| 2. Mr. Jan Dam Pedersen      | Audit Committee                 |
| 3. Mr. Jetsada Wongwatanasin | Audit Committee                 |

Ms. Phen Phenplugsakul, Internal Auditor serves as secretary to the Audit Committee.

The Committee performed its Board-assigned duties in line with its own charter, with priority given to the design of a systematic structure and work process. This facilitated the Company's conformance to corporate governance, established a risk management system and a sufficient internal control system.

In 2022, the Committee held 4 meetings with the Management, the Internal Auditor and the External Auditor. Also, the Audit Committee had the annual session with the EY Auditors without the presence of Management one time to get to know the issues independently.

1. Review of financial reports: Together with the Management, the Internal Auditor and the External Auditor, the Committee reviewed quarterly and annual financial statements, including related party transactions and conflict of interest transactions. The Committee discussed with the external Auditor the accuracy and completeness of the financial statements, any adjustment entries materially affecting the statements, adequacy and suitability of account recording methods and provisioning policies as well as accuracy and adequacy of information disclosure and the Auditor's independence. All to ensure that the financial statements preparation is in conformity with legal requirements and accounting standards under the generally accepted accounting principles, and is presented in a reliable and timely manner with information sufficiently disclosed in such statements for the benefit of investors or financial statement users.
2. Review of risk management: The Committee reviewed the efficiency and suitability of risk management processes, including the Risk Management Policy and the plans and the approach that affect the Company's operations and investment plans. Also, the Committee reviewed the Management's risk assessments and oversaw risk mitigation associated with key issues significantly affecting the Company to ensure that the Company commands systematic, efficient, and prompt monitoring processes.
3. Review of the effectiveness of internal control: The Committee evaluated compliance with laws and relevant regulations. The Committee also considered internal control systems with the external Auditor and Internal Auditor once a year by reviewing : Operations, resource consumption, stewardship of properties, prevention or reduction of errors or damage, losses, waste or fraud as well as the credibility of financial reports and compliance with laws and regulations. The external Auditor agreed that no significant problems or shortcomings were found.

4. Review of Good Governance: The Committee focused on the management policies supporting Good corporate Governance. It actively encouraged Management to implement an Anti-Corruption Program in order to ensure the effectiveness of the anti-corruption control. Furthermore, the Committee reviewed compliance with relevant laws and regulations and defined business processes. Related party transactions were also reviewed to ensure that the Company adhered to sensible conformance to normal business conditions. Also, the Committee reviewed the Anti-Corruption guideline, process of complaint and whistle-blowing to ensure alignment with Company's corporate governance and business philosophy.
5. Review of internal audit: This year the Committee reviewed the annual internal audit plans and conformance to the plans and findings of audits. To this end, it commented on and monitored corrective actions for significant aspects of good governance and adequate internal control as well as the annual appraisal and merit consideration for the internal auditor. The Committee also encouraged the Internal Auditor to attend training courses on internal audit and English and to participate in a seminar in internal audit with a view to develop and equip her with internal-audit skills and improve her professional knowledge.
7. Appointment of the external Auditor for 2023 : The Committee endorsed the EY Office Limited as the Company's Auditor for 2023 with the Board's concurrence for presentation and shareholders' approval at the AGM 2023 incl. the audit fees.

In summary, the Audit Committee performed the duties and responsibilities stated in its charter with care, prudence and adequate freedom, whilst providing creative views and constructive recommendations for the equitable benefit of stakeholders. Its opinion is that Company's financial reports are accurate, credible and in line with generally accepted accounting standards. In addition, the Company commands practices that comply with relevant laws and business obligations together with good governance, adequate risk management and a suitable, sufficient internal control system and internal audit.



(Anuphan Kitnitchiva, Ph.D.)

Chairman of the Audit Committee

February 1, 2023

### REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL

The Board of Directors is responsible for overseeing the preparation of financial reports and the presentation financial statements and financial information in accordance with the Good Corporate Governance of the Company and in accordance with generally accepted accounting standards. Financial reports must disclose complete and accurate information and financial statements with transparency as shown in the Company's Annual Report by adopting appropriate accounting policies that are regularly implemented with discretion and care as well as establishing and maintaining an effective internal control to ensure reasonable confidence in the reliability of the financial statements, assets maintenance with good protection system without fraud or unusual business operations, connected transactions which may cause a conflict of interest, actual transactions that are reasonable, normal and for the best interest of the business, including compliance with relevant laws and regulations.

In overseeing the preparation and presentation of the Company's financial reports in order to achieve the above objectives, the Board of Directors has appointed Independent Auditors to audit the Company's financial statements, as well as assigned the Audit Committee, consisting of 3 Independent Directors, to establish a system for auditing financial accounting information.

Every member of the Board of Directors have considered and reviewed the 2022 financial statements, and certify that the Company's financial statements as of December 31, 2022 are accurate and complete with sufficient information, and have been prepared in accordance with generally accepted accounting standards based on the opinion made by the Auditor in the Auditor's Report. In addition, they have also been audited by the Internal Auditor, which is considered that the process of financial statements preparation is in compliance with the above audit process.



(Dr. Benjamin James Harris)  
Chairman of the Board of Directors



(Dr. Surajin Tappanchai)  
Managing Director

## Attachment 8

### Independent Auditor's Report

#### To the Shareholders of Thai Poly Acrylic Public Company Limited

##### Opinion

I have audited the accompanying financial statements of Thai Poly Acrylic Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2022, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thai Poly Acrylic Public Company Limited as at 31 December 2022, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

##### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

##### Key Audit Matter

Key audit matter is the matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

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

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

##### Sales

The amount of sales presented in the financial statements for the year 2022, amounting to Baht 759 Million, is significant and the account directly impacts on the Company's operating results. Moreover, the Company has a large number of customers both in Thailand and overseas and sales are made under various terms and conditions. Therefore, I focused on the Company's recognition of sales revenue.



I assessed and tested the Company's internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed key controls. I also examined, on a sampling basis, supporting documents for sales transactions occurring during the year and near the end of the accounting period. In addition, I reviewed credit notes that the Company issued after the period-end and performed analytical review procedures on sales accounts.

### Other Information

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

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

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists,

I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and is therefore the key audit matter. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

**Isaraporn Wisutthiyan**

Certified Public Accountant (Thailand) No. 7480

**EY Office Limited**

Bangkok: 23 February 2023



**MODEN GLAS**

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