

SNC



รายงานประจำปี 2022

SNC FORMER PUBLIC COMPANY LIMITED
ONE REPORT 2022

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Message from the Chairman of the Board of Directors

Dear Valued Shareholders,

Thailand's economy in the year 2022 has been affected by the Russo-Ukrainian War, like many other countries. An increase in energy costs causes an inflation rate to rise sharply to an average of 6.08 percent, including the rise in an interest rate policy, these have led to a fluctuation in Thai Baht to be more volatile than US dollar. An export contraction at a high rate resulted in a GDP growth of only 2.6 percent in 2022, which was below an expectation.



However, since the company's businesses were operated with the dedication of its executives and staff while risk management was implemented to mitigate potential risks and impacts, I am pleased to inform you that the company was managed to reach its targeted business plan and investment. Year 2022's sale rose to 19,071 million Thai Baht with a profit of 727 million Thai Baht, which were calculated as 24 percent and 14 percent respectively, comparing to the previous year's performance.

In addition, for the past few years, the company has been implementing robot and automation to upgrade the production system into an Industry 4.0. ARAI Academy was established to be a training and human resource development center. At the present, robot more than 300 units were installed, which the company aims to reach 1,000 units in the next coming year, setting out as a role model for Thai's industry. With an outstanding performance of the Chairman of the Executive Committee, Dr. Somchai Thaisanguanvorakul was awarded with Honorary Doctorate Degree in Robotics and Automation, Mechatronics Engineering and Production Technology from 4 educational institutions in the year 2022, which is an honor to Dr. Somchai himself, his family and to SNC Former Group.

On behalf of SNC's Board of Directors, I would like to thank valued shareholders, business partners and every related party for their continued support. I am confident in the company's direction which will create a long-term business sustainability.

A handwritten signature in dark ink, appearing to read 'Satit Chanjavanakul'.

Mr. Satit Chanjavanakul

Chairman of the Board of Directors

Profile of the Directors, Executives and Authorized Persons



From left

- 1) Mr. Rattapoom Nuntapatawee: Risk Management Committee/ Senior Managing Director/ Director
 - 2) Mr. Somjai Chaopanich: Independent Director
 - 3) Ms. Sineenart Thaisanguanvorakul: Chairman of the ESG Committee/ Executive Assistant of the Chairman of the Executive Committee/ Director
 - 4) Pol.Lt.Gen. Nopsak Poovatanasedj: Remuneration and Nomination Committee/ Independent Director
 - 5) Mr. Wisan Wuttisaksin: Remuneration and Nomination Committee/ Independent Director
 - 6) Dr. Somchai Thaisanguanvorakul: Chairman of the Executive Committee/ Director
 - 7) Mr. Satit Chanjavanakul: Chairman of the Board of Directors/ Independent Director
 - 8) Mr. Sirote Swasdipanich: Chairman of Audit Committee/ Independent Director
 - 9) Mr. Lec Sidoravit: Director
 - 10) Mr. Chaisak Ankasuwan: Chairman of Remuneration and Nomination Committee/ Audit Committee/ Independent Director
 - 11) Dr. Schitt Laowattana: Independent Director
 - 12) Mr. Somchai Ngamkitcharoenlap: Chairman of the Risk Management Committee/ ESG Committee/Vice Chairman of the Executive Committee/ Director
 - 13) Mrs. Chanisa Chutipat: Audit Committee/ Independent Director
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Section 1

Business Operations and Overall result

1. Business Structure and Operation

1.1 Business Overview and Policy

SNC Former Public Company Limited was established in 1994 with paid-up capital of 1 million Baht by Dr. Somchai Thaisanguanvorakul Group. The SNC Group mainly engages in the production of air conditioning parts and home appliances as well as automotive air conditioning parts to sell directly to customers who are the brand owner or customers who are manufactures of automotive air conditioning to assemble into the complete set of air conditioner for their customers, the car makers. The Group has two production bases consisting of factories in Samut Prakan province and in Rayong province which both are located in a strategic location that is convenient in terms of transportation of raw materials and finished goods to serve target customers. Which mostly are operators in the electrical appliance industry and the automotive industry.

In 2007, the SNC Group expanded its business to the OEM business, starting from the production and assembly of air conditioners, which are products that the Group has knowledge and expertise. It is also help to extend the Group's business on the upstream works in the area of Copper pipes, Aluminum pipes, Plastics, Sheet Metal, and Heat Exchanger. . As a result, the Group is able to use its production capacity efficiently and reduce the risk of relying solely on the business of manufacturing air conditioning parts and electrical appliances which at that time had its production base located in Laem Chabang Industrial Estate, Chonburi Province. Later in 2016, the Group expanded its production base to the factories in Rayong province to combine with its upstream production lines to increase production efficiency and reduce transportation costs. Currently, the Group manufactures and assembles a wide range of products such as air conditioning, television, refrigerator, and toolbox.

With efficient production technology, State-of-the-art machine, and Computer-controlled production systems as well as the complete production line which cover the area of plastics, steel, copper, and aluminum businesses together with the flexibility of the production line and the experience of the management and engineering team, the Group has earned trust from its customers, which most are the well-known electrical appliances brand owners who wanted to find domestic manufacturers, to produce their products for more than 27 years.

The SNC Group has a total of 14 companies, consisting of nine subsidiaries directly held by SNC, four subsidiaries held by SNC through its subsidiaries, and one associated company. At the moment, the business operation of the group can be classified into four groups as follows:

AUTO	=	Manufacture and sell air conditioning equipment parts used for vehicles and vehicle equipment parts.
PART	=	Manufacture and sell electrical equipment parts of air conditioning, refrigerator, and washing machine.
OEM	=	Manufacture and assembly of electrical appliances and toolbox

OTHER = Other operations such as producing and distributing molds, as well as metal tools and equipment.

Group of Companies	Paid-up Registered Capital (Million Baht)	Business Type			
		AUTO	PART	OEM	OTHER
SNC Former Public Company Limited (SNC)	362				
Branch 2		✓	✓		
<u>Direct Subsidiaries</u>					
SNC Pyongsan Evolution Co., Ltd. (SPEC)	1,220		✓		
SNC Cooling Supply Co., Ltd. (COOL)	30	✓			
Immortal Parts Co., Ltd. (IMP)	70		✓		
Paradise Plastic Co., Ltd. (PRD)	30	✓	✓		
SNC Creativity Anthology Co., Ltd. (SCAN)	1,935		✓	✓	✓
SNC Atlantic Heat Pump Co., Ltd. (SAHP)	45			✓	
Odin Power Co., Ltd. (ODIN)	250				✓
Mercury Transform Co., Ltd. (MERQ)	351				✓
Pattana Phaendinthong Asset Management Co., Ltd. (PAMC)	25				✓
<u>Indirect subsidiaries</u>					
Infinity Parts Co., Ltd. (IPC)	20	✓	✓		
Meisou SNC Precision Co., Ltd. (MSPC) ^{/1}	100				
Yala Fah saard Co., Ltd. (YALA)	150				✓
SSM Automation Co., Ltd. (SSMA) ^{/1}	360				
<u>Associated Company</u>					
SNC Atlantic Water Heater Asia Co., Ltd. (SAWHA)	105				✓

^{/1} The entity that has no operation

1.1.1 Vision, Mission, Objectives and Goals, and Strategies

Vision: SNC Superstore: To become a ONE-STOP SHOP & SERVICE CENTER in the Automobile, HVAC systems (Heat Ventilation & Air Conditioning), Electrical Appliances, and Electronics industries.

Mission

1. Quality First: Consider the quality of the product as a priority.
2. Differentiation: Create a variety of products and services to meet all kinds of customer needs
3. Cost Effectiveness: Produce quality products at a competitive price for customers
4. Quick Response: Quick response to customer needs
5. Flexible Manufacturing System: Adjust production systems to be flexible to cope with the rapidly changing environment.
6. Focus on Products and Stakeholders: Focus on products that are friendly to the environment and stakeholders both directly and indirectly.
7. Service Mind: Put soul and determination into services for the customers' highest satisfaction
8. Good Governance: Adhere to good governance principles and good corporate governance.

Objectives and Goals

The Company's business plan has the financial goals and revenue growth targets at an average growth rate of 10 percent per annum and maximizes profitability. The Company focuses on being a leader in the air conditioner parts manufacturing business and in an OEM business of air conditioning, toolbox, and other electrical appliances by developing and importing modern machineries as well as applying relevant innovations in the production line to ensure the product's quality under efficient cost management, which is the main factor in competition, as well as developing products' variety to meet the needs of the Company's target customers.

Strategies

Product Strategy

The Company aims to meet the diverse needs of its customers by focusing on two main customer groups as follows:

1. The home appliance manufacturers consists of manufacturers of the air conditioner, refrigerators, washing machine which are leading brands from Japan, Korea, China, the United States, etc. These manufacturers have their main production base in Thailand. Various products are supplied by the SNC Group to these customer groups, such as copper pipes, sheet metal parts, plastic parts, and heat exchanger. Apart from parts of electrical appliances, the Company also offers OEM service for some of its main customers.

2. The Automobile parts and Motorcycle parts manufacturers which are leading manufacturers from other countries. The products which the Company has to provide services to this group of customers are Aluminum Pipes, parts of various Rubber Hoses, Plastic parts, and Sheet Metal parts.

Quality Strategy

In order to establish confidence and optimum satisfaction among the customer, the Company needs to produce highest quality products to meet the customers' needs. To achieve this, the Company has implemented an international standard quality management system to achieve the mission and objectives of the Group and to continuously improve its quality to reach its best efficiency and effectiveness by adhering to the Plan-Do-Check-Action (PDCA) principle

and the ISO system. In addition to enabling customers to receive quality products and services that meet their needs, it also gives customers confidence in the company as well.

The company allocates resources including people, tooling, and machines that are modern and suitable for the particular business in order to produce quality products. In addition, a clear quality policy is also established for all employees to implement. There is also consistent follow-up and monitoring to ensure that the quality of the product meets the customers' requirements at any stage.

Quick Response Strategy

In the business world that is filled with intense competition, the Company is well aware that its customers have various needs and can quickly change which the Company needs to be able to respond. In this regard, the Company will focus on the following topics:

1. Cost: Reasonable and fair cost for customers and companies
2. Location: Plants' location must be in a distance not too far from the customer's company in order to deliver goods and easily respond to customer needs
3. Flexibility: Flexible in the production process to allow the Company to produce a variety of products in a short time and be able to adjust the production process to meet the changing needs of customers

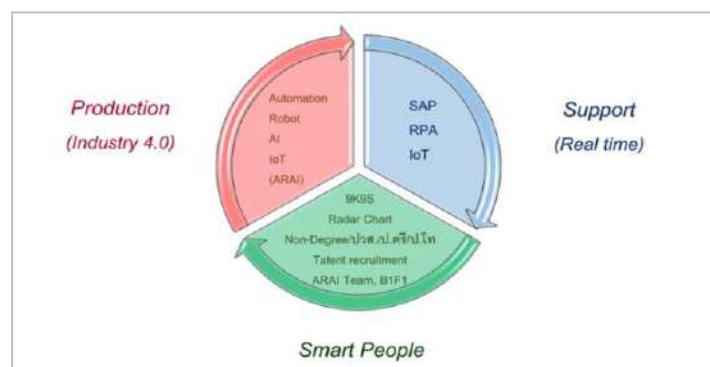
Service Strategy

Although the Company is considered a manufacturing company, we realize the significance of service that will help to optimize customers' satisfaction. The Company, therefore, has set its motto, "We are the Marketing Team" in which every employee in the company is regarded as the company's representative in providing services to customers.

In addition, for the flexibility in operation, the company, therefore, has arranged the unique management system called "MINI MD." The Mini MD will help to respond to and support the needs of customers in every aspect whether it is a production, quality, delivery, or product pricing. It is a fast and effective system that the company has set up in order to provide the most effective customer service. Regarding the Mini MD idea, it is the responsibility of the middle and senior management of the company to regularly visit customers and ensure that all the "customer Voices" are acknowledged and understood accurately and quickly.

Strategies for developing into Industry 4.0

The development of SNC towards Industry 4.0 covers human resource development to have an understand of technology and the changing direction of business and industry which will be a fundamental to drive the organization forward.



Key strategies and elements for driving the organization

1. Human resource development to be producers and the technology users by providing links between experienced personnel and technology personnel.

2. Application and adoption of technology in accordance with the direction of the organization's drive according to the concept of “ARAI”

A: Automation **R:** Robot **A:** Artificial Intelligence (AI) **I:** Internet of Things (IoT)

3. Implement Big DATA technology for management and decision making

4. To become a technology organization in production, process and service.

Environmental Strategy

The Company will conduct its business regarding the impacts on the environment both internal and external of the company using the following key strategies:

1. External environmental impact: Since the Company's core business relates to air conditioning which uses refrigerants that may have an impact on global climate change. Therefore, the Company has developed products by producing air conditioners that use a new type of refrigerant (R32) that helps decrease the impact on ozone depletion and global warming.

2. Internal environmental impact: To maintain internal environment in the Company to be livable and efficient in work, the Company places importance upon 5S system where all staffs are encouraged to give priority to this matter and internal operation is carried out based on “3 R” principle consisting of Reduce, Re-use, and Recycle to ensure that all personnel realize value of the Company's resources and use them in most effective manner.

1.1.2 Major changes and developments

In the year 2019-2022, the company continues to implement the organization adjustment policy by merging similar businesses together and sharing human resources and assets. The large production base is in Rayong, which has both water supply systems and solar power systems. The company will maintain the income of the upstream part which is a profitable job and focus on controlling production costs and administrative expenses, also stop business operations that do not generate profits, and conduct the business operation under the anti-corruption policies which leads to sustainability.

In 2019, the company sold the factory and building, including land leasehold rights in Laem Chabang Industrial Estate to Fujitsu General (Thailand) Co., Ltd., which is not the company stakeholder. Total Value is 606.50 million Baht. The Company recognized net profit after income tax in the amount of 420.0 million Baht.

The company moved sheet metal production line from Samutprakarn factory to combine with the factory in Rayong province, where the production base for parts in the upstream business (plastic injection, sheet forming) is located to acquire cost-effectiveness from sharing resources.

The Group has received OEM sale orders for air conditioner products from a well-known brand in Vietnam. The Group also has received orders for toolboxes from Chinese customers, which is an extension of the business from

the production of sheet metal to reduce the risk of air conditioner production and assembly of air conditioners. The company received an order from a customer from China, one of the world's largest toolbox manufacturers mainly for export to the United States. The Group has developed some areas in the Rayong factories to be a production base and warehouse to support the production of such products.

The Company sold 23.0 percent of the total shares of SNC Atlantic Water Heater Asia Co., Ltd. ("SAWHA") to Atlantic SFDT JSC, which is a non-related party at the price of 66.43 Baht per share, total of 16.04 million. The company remains a 26.0 percent of shares in SAWHA, giving SAWHA a status as a joint venture of the Group.

In 2020, the Company built a new plant in Rayong province with the area of 15,000 sq. m. to support the production of toolbox with a maximum capacity of 300,000 units per year

The Company acquired all remaining shares of SSMA from Sugimoto Metal Manufacturing, giving the Company a 100 percent stake in all registered and paid-up capital. Currently, the Company has appended SSMA as part of the IPC.

In 2021, the Company has expanded the factory area and additional warehouse in Rayong Province to support the production of air conditioners during the high season, increased from a production capacity of 1,000,000 sets per year to 2,000,000 sets per year with production capacity of TV is 600,000 units per year.

In 2022, The Company's production capacity of air conditioners is 3,000,000 sets per year.

1.1.3 Company General Information

Company name	: SNC Former Public Company Limited
Company Registration No.	: 0107547000371
Office Location	: 333/3 Moo 6, Bangpreang Sub-district, Bangbo District, Samutprakarn, 10560
Phone No.	: 02-108-0360
Fax	: 02-108-0367
Website	: https://www.sncformer.com
Registered Capital	: 400,000,000 Baht (as of 31 December 2022)
Issued and paid-up capital	: 362,220,339 Baht (as of 31 December 2022)

1.2 Nature of Business Operation

1.2.1 Revenue Structure

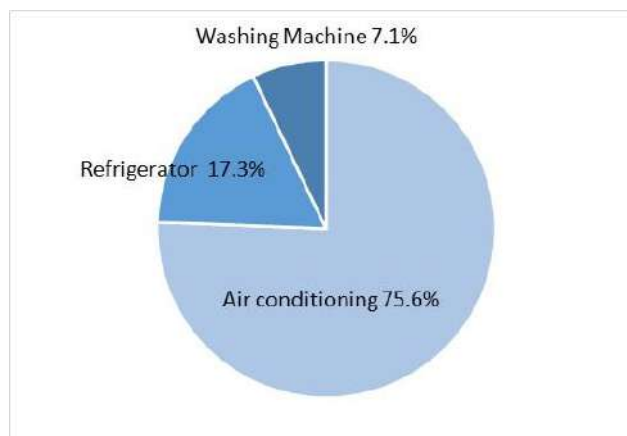
Revenue by segment	Year 2020		Year 2021		Year 2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sales of parts:						
Electrical Parts (PART)	2,579.7	28.8	3,427.0	22.3	3,677.8	19.2
Automobile Parts (AUTO)	772.0	8.6	850.0	5.5	946.1	5.0
Revenue from Manufacturing & Assembly (OEM)	5,605.8	62.6	11,120.8	72.2	14,447.1	75.8
Other Segment Income (OTHER)	3.0	0.0	0.0	0.0	0.0	0.0
Total sales revenue	8,960.5	100.0	15,397.8	100.0	19,071.0	100.0

Revenue by Distribution Channel	Year 2020		Year 2021		Year 2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Domestic	4,529.4	50.6	5,503.0	35.7	6,001.5	31.5
International	4,431.1	49.4	9,894.8	64.3	13,069.5	68.5
Vietnam	2,522.7	28.2	5,233.1	34.0	2,811.3	14.7
USA	1,461.1	16.3	3,858.2	25.1	9,146.9	48.0
France	364.9	4.1	665.0	4.3	982.2	5.2
Others	82.4	0.9	138.4	0.9	129.1	0.7
Total	8,960.5	100.00	15,397.8	100.00	19,071.0	100.00

1.2.2 Product Information

1.2.2.1 Electrical Parts

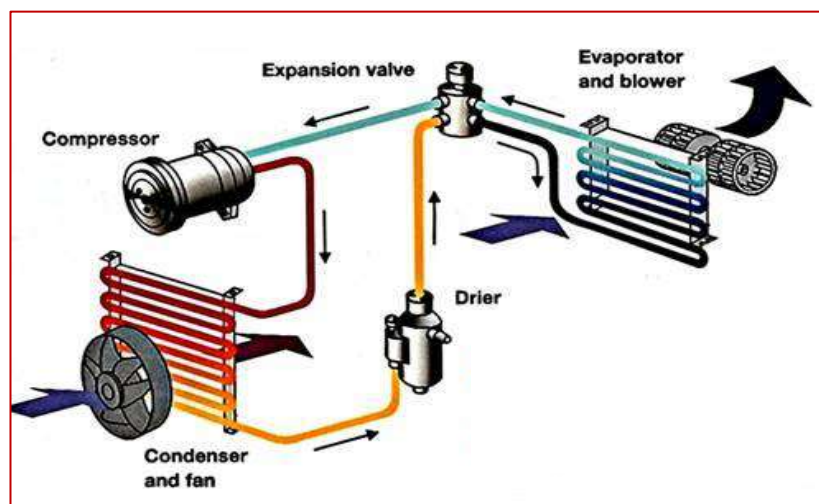
The Company produces parts for household appliances. Most of them are parts of air conditioning. The others are refrigerator and washing machine parts.



The Group produces air conditioning parts for 1) Window A/C, which include compressors, evaporator (cold coil), and condenser (hot coil) in one machine and is able to install the machine by embedding in the wall without using a pipe connection. 2) Split A/C, which is currently popular in households. This type of A/C separates the cold coil, which is installed in the room, from the hot coil, which is installed outside the room, providing less noise. 3) Portable A/C is an air conditioner that does not need to be installed and can be moved in any area, suitable for small rooms.



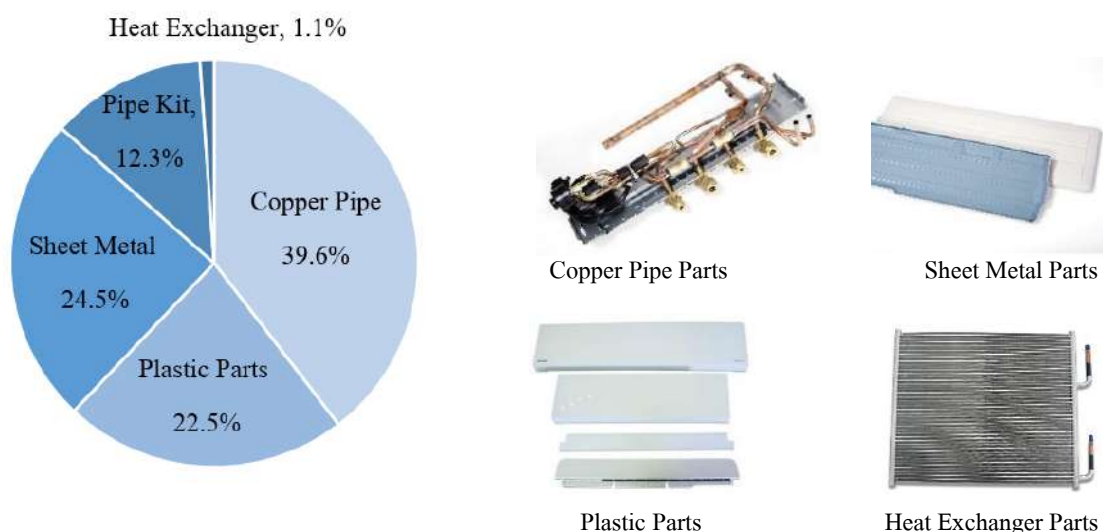
The overall function of air conditioner



The Company manufactures various parts used to assemble air conditioners, such as 1) copper pipe parts 2) sheet metal 3) plastic parts 4) heat exchangers (condenser and evaporator) 5) insulation pipes. All parts together account for approximately 50% of the parts used in one set of air conditioners.

Most products are copper pipe parts, such as refrigerant pipes, copper pipe, which is used as a connector between the hot coil and the cold coil, and also copper pipes in compressors account for more than 39.6% of revenue from the production of electrical parts and other parts. Second is plastic parts, which are to be assembled into electrical appliances such as air conditioners and fridges are also accounted for 22.5% of revenue from the production of electrical

parts. Other parts including sheet metal parts, thermal insulation pipes, and heat exchangers are 24.5% 12.3%, and 1.1% of revenue from the production of electrical appliance parts respectively.



1. Copper pipe parts: IMP and SCAN, a subsidiary of which the Company holds 100% direct shares, are manufacturers of refrigeration equipment parts using copper pipe as the main component.

- 1.1 Inlet -Outlet-Header pipe for condenser connection
- 1.2 Suction pipe or discharge pipe for connecting compressors and hot coils.
- 1.3 Accumulator is used as pressure break pipe
- 1.4 U-Bend is a component of heat exchanger equipment.
- 1.5 Capillary Tube assembly used as a pressure-reducing hose in the system.

Most manufactured equipment parts use copper pipes, which have good heat transfer efficiency. Currently, no other parts are more effective enough to replace copper. In addition, the group along with its customer has together developed copper parts to reduce the cost of raw materials by using copper-plated steel or aluminum copper connectors to produce compressor parts, as well as developing copper-plating processes which are able to plate only specific points to reduce surface grinding processes, which are costly and time-consuming to be done. As a result of this development, the Company can reduce production costs, making many customers interested.

2. Sheet metal parts: IPC, a subsidiary of which the Company holds 100% indirect shares via SPEC, is a manufacturer of sheet-forming metal parts used as a component of electrical appliance manufacturing by cutting and forming large steel plates to match the desired pattern.

3. Plastic parts: PRD and SPEC, a subsidiary of which the Company holds 100% of the shares, are manufacturers of plastic parts with injection molding systems used in electrical appliances such as air conditioning, refrigerator, and washing machine.

4. Heat exchanger parts: SCAN, a subsidiary of which the Company holds 100% of the shares, is a manufacturer of heat exchangers, including evaporator and condenser, which transmits and exchanges cold or heat between the surrounding air and the refrigerant inside the air conditioner. Typically, the structure of the coil consists of three parts:

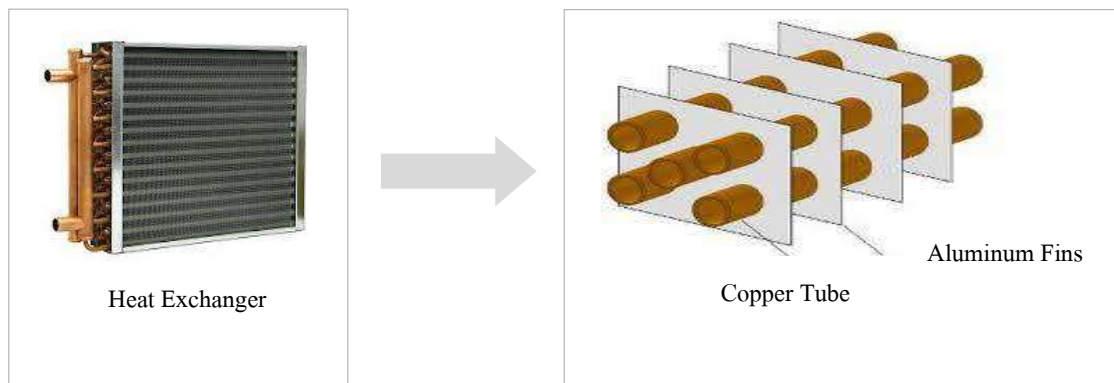
4.1 Aluminum Fin acts as a heat exchanger fin plate between the outside air and the refrigerant flowing in the copper pipe.

4.2 Hairpin acts as a refrigerant flow route to create a heat exchange mechanism with external air.

4.3 Side plates are used to splice aluminum sheets and copper pipes together and used as an intermediary to attach the coil to other structures of the air conditioner.

The Company produces all 3 main parts and assembles them to be a cold coil and hot coil for further use in the air conditioning process.

Current Condenser (Fin& Tube Condenser)



5. Insulation Pipe: SCAN, a subsidiary of which the Company holds 100% of shares, is a manufacturer of insulated copper tubes for air conditioners (pipe kits) which are self-extinguish, flame retardant, and non-flame spread.

Marketing & Competition

The target group of customers for electric parts is the brand owner of the air conditioner. The Company sells parts to the brand owner's group company, which is responsible for the part manufacturing, which then using parts purchased from the Company to assemble into finished goods of air conditioner. Example customers are Mitsubishi Consumer Products Co., Ltd., Daikin Industrial Co., Ltd., Am Air Co., Ltd. The Company usually provides customers with an average credit term of 30-60 days and its customers have never defaulted.

Currently, the major electronics manufacturers in Thailand's market share are foreign brands such as Daikin (Japan), and Mitsubishi (Japan). Electrolux (Sweden), etc. The Company has had strong relationships with almost all major domestic electronics manufacturers.

Distribution & Distribution Channels

The Company sells electrical appliance parts directly to customers without going through distributors. Most of them are sold domestically. However, some of them may be assembled and sold overseas (indirect export) in the form of finished goods. Thailand is an important manufacturing base for electrical appliance parts for foreign brands,

especially Japan and South Korea. Therefore, most electronics manufacturers use domestically-produced parts instead of importing parts from overseas to reduce transportation costs.

In general, electrical appliance manufacturers will source a supplier who has quality, modern manufacturing technology, various type of products, and enough available capacity. Currently, the Company is one of the potential manufacturers of parts in Thailand. A full range of products and services are available. It covers copper pipe parts, plastics, and sheet metals, and always has standard control over production. By working closely with customers, the Company is able to respond to the needs of customers and is recognized by customers who own leading electronics brands in the industry.

Sale portion of electrical appliance parts	Year 2020	Year 2021	Year 2022
In Thailand	99.98%	99.98%	99.98%
Foreign countries	0.02%	0.02%	0.02%
Total	100%	100%	100%

The competitiveness of the electrical parts manufacturing business in Thailand is considered to be a fairly competitive industry, especially the competitors from China who have the advantage of lower raw material costs. However, electronic components from China still have image of cheap goods, with higher labor costs and shipping costs than those produced in Thailand. Although the Company has many competitors in China, with the Company's strengths; long experience and expertise in the electrical parts industry, variety of products to meet the need of customers, product quality, enough available capacity, cost-effective with waste reduction policy, applying robot in production for increase efficiency, along with taxes barrier problem, very strict welfare law and the rise of minimum wage in China, all of these have made the Company having an advantage over China competitors.

In addition, the Company's main customers are well-known in the market. The quality and service are their priority. So, it becomes unnecessary for them to often change suppliers since it might cause quality change which may harm their brand image.

There are a few domestic air conditioner parts manufacturers and are mainly a manufacturer of specific types of air conditioner parts such as Amakasaki Pipe Co., Ltd. as a copper pipe manufacturer, Thammarak Co., Ltd., as a manufacturer of sheet metal parts, Golden Sea Co., Ltd., as a manufacturer of plastic parts, etc. While the Company's products are diverse, covering the main parts of the air conditioner assembly, they can be delivered on time and have spare capacity that can effectively accommodate increased demand. For competitive opportunities from new entries, the Company estimates that there is a low chance of entries, as new entrepreneurs entering the industry face a high level of expertise and understanding of the product, as well as a customer base to achieve a large proportion of production in order to achieve economies of scale.

Sourcing Products and Services

The main raw materials in the manufacture of electrical appliance parts include copper, steel, and plastic pipes. Most of which are purchased from domestic manufacturers. There is some copper pipe ordered from overseas from manufacturers who have already received quality standards from our customers and shipped the goods directly to

the Company's factory with the price as agreed with our customers. After obtaining good raw materials at the appropriate cost level, the Company brings the raw materials into the production process according to the procedures of each part according to the specified standards, which are in accordance with ISO 9001 quality system, and then delivers them to the customers.

Copper pipe: Copper pipes are the most engineered metals used to conduct electricity because they have the most effective cooling and heat transfer abilities, high-pressure resistance compared to other materials, non-corrosive, strong, durable, and widely used in pipework, cooling, and heating systems.

Plastic Parts: The Company uses various types of plastic resins such as ABS which has a strong impact, heat, and chemicals resistance abilities, or PP which steam is slightly permeable and highly heat resistant, to be used to produce air conditioner, refrigerator, and washing machine parts.

Steel: The Company uses steel plates as the main material for sheet metal production. The Company purchases steel plates from domestic suppliers. Types and grades of raw materials are determined by customers, who are air conditioner parts assemblers, and brand owners, who design the products, to maintain quality and price.

The raw materials used in production are mainly standardized according to suppliers' and global standards. The average production and delivery time is about 1 week depending on the difficulty of the production of the raw materials. In purchasing raw materials, the Company will set the date, time, and amount required to be delivered to the factory. In the past, the Company has never experienced a shortage of raw materials because raw materials are considered industrial products. There are many domestic suppliers, and the Company has provided raw materials from various suppliers to increase the stability of raw materials availability.

The price of raw materials varies according to the market price, but the customer will agree on the price from the manufacturer based on the required amount and confirm the price with the Company in each quarter. If there is a price adjustment, the Company will be informed in advance and be able to adjust the products' price to reflect the increased cost of raw materials. As a result, the Company does not have to bear the risk of the raw materials cost. On average, the Company receives 60-120 days of credit terms from domestic raw material producers.

Production Capacity

The Company group has a policy of producing quality products that meet the needs of customers and can deliver products on schedule which can gain customers' confidence and satisfaction. Both factories (Samut Prakan and Rayong) of the Company can produce parts with the same standard. The location used for production depends on the location of the customer's factory. This is to reduce the transportation cost. The percentage of capacity utilization is as follows:

Capacity utilization rate		Year 2020	Year 2021	Year 2022
1	Copper Pipe Parts	65%	70%	71%
2	Sheet Metal Parts	66%	80%	80%
3	Plastic Parts	68%	73%	54%
4	Heat Exchanger Parts	79%	77%	75%
5	Insulation Pipe	59%	58%	48%

Copper Pipe Parts Manufacturing Process / Sheet Metal Forming



1. Cutting – To cut copper pipes into the required size, using precise automatic cutting machine to reduce the waste rate.

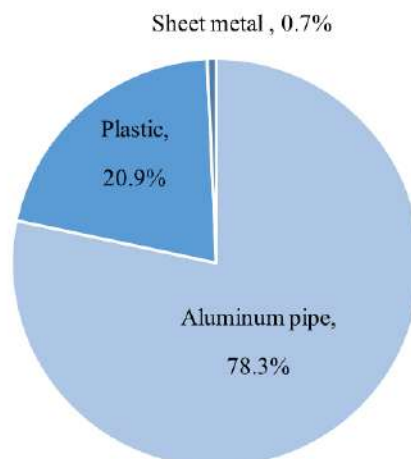
2. Bending and forming – To bend the copper/metal sheet pipes that are already cut in the required size into the desired arc, to expand and reduce the size of pipe ends to meet the customer requirements, to fold sheet metal workpieces with computer-controlled automated machines.

3. Brazing – To braze copper/metal sheet pipe parts obtained from cutting and forming processes together according to the customer's style and requirements.

4. After completing the brazing, the Company will test the quality of the product before delivering the goods to customers. The Company performs intensive product quality tests, such as Qualification tests: the Company tests the qualification of products in every production lot before delivering them to customers to ensure that the products meet the customers' requirements, Testing: The Company offers product tests simulating the actual usage conditions of customers, including pressure resistance tests. This is to ensure that the products' quality meets the customer's requirements.

1.2.2.2 Automotive Parts

The Company's subsidiaries, COOL, PRD, and IPC have 100% of shares held by SNC FORMER PCL. The Subsidiaries operate the manufacturing business of Automotive parts. Most of the parts produced by the Group include aluminum-made car air conditioner parts, representing 78.3% of revenue from the automotive parts manufacturing business. Second, plastic parts for motorcycles, representing 20.9% of revenue from automotive parts manufacturing, and sheet metal parts for automotive, representing 0.7% of the revenue from the automotive parts manufacturing business. The Company's products can be indirectly supplied to Car makers both ICE cars and EVs which are likely to grow in the future from the government's air pollution control policy.



Examples of Automotive Parts products



Aluminum Air Conditioner Parts for Cars

Plastic parts for Motorcycles

Sheet Metal Parts for Cars

1. Alumium Part is operated by COOL, a subsidiary of which the Company holds 100% of the shares, its operation included bending, cutting, and brazing to the desired form to be used as parts for specific car air conditioning systems of each model.

2. Injection Molding is operated by PRD, a subsidiary of which the Company holds 100% of the shares, the operation is to produce motorcycle parts.

3. Sheet Metal part is operated by IPC, a subsidiary of which the Company holds 100% indirect shares through SPEC, its operation included pumping and forming sheet metal for water pipe components in the air conditioning system and the components of the car structure by stamping sheet metal and welding them into the vehicle body component.

Marketing & Competition

Characteristics of customers and target groups of the automotive parts are automotive air conditioner manufacturers or other automotive parts manufacturers (1st Tier). The Company serves the aluminum pipes, which are important components in the air conditioning system to the mentioned customers to use to assemble with other parts of an air conditioner that is ready to be installed in the card. Also, the Company serves its customers with sheet metal parts to be used in car structure assembly. The Group has been a manufacturer of parts for automotive air conditioning systems for Toyota, Honda, and Ford, which are well-known automotive brands in Thailand, having a total market share of more than 50 percent. Moreover, the Company produces plastic parts for motorcycles and sells directly to the brand owner, Honda motorcycles.

Sale & Distribution Channels

The Company sells parts for use as components in the manufacture of automobiles and motorcycles to customers directly without going through distributors. Most of the products are sold domestically. However, some of the Company's products may be assembled and sold to foreign countries since Thailand has low production costs and the potential to produce efficient products. The proportion of product sales according to customer groups is as follows:

Selling proportion by customers' group	2020	2021	2022
Air conditioner or other automotive parts manufacturer (1 st Tier)	79%	81%	79%
Car/ Motorcycle Brand Owner	21%	19%	21%
Total	100%	100%	100%

Sourcing Products and Services

The Company procures its main raw materials for the production of Automobile and Motorcycle parts consisting of aluminum pipes, plastic, and steel from both domestic and international vendors who got standard approval from customers. The lead time of production and delivery is approximately 1 week, depending on the difficulty of production of the raw materials. The Company takes charge of controlling the date, time, and quantities required to deliver to the factory on schedule. In the past, the Company has never experienced a shortage of raw materials because these materials are industrial products that can be sourced from various places the Company also sources them from several vendors to increase the stability of raw material procurement to deliver products directly to the company's factory in the agreed price and quality. This is to ensure that the Company obtains good enough quality raw materials at a reasonable cost. The company then brings the raw materials into the production process according to the standard of ISO 9001 to get products that meet the standards of customers and deliver them to the customer.

Production Capacity

The Group has a policy of producing quality products that meet the needs of customers and can deliver products on time to earn customers' confidence and satisfaction. The factories in two locations (Samutprakarn and Rayong) can also produce the same parts but where to produce them depends on the location of the customers' factories as the goal is to reduce the transportation cost. The current capacity utilization of the automotive business is as follows:

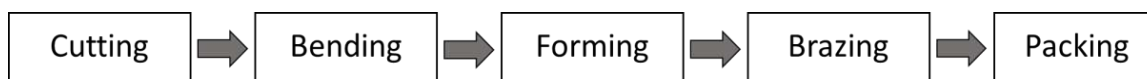
Capacity Utilization rate of the Automotive business	2020	2021	2022
1. Aluminum Pipe Parts	59%	82%	82%
2. Plastics Parts	64%	73%	54%
3. Sheet Metal for Automobiles	45%	_/1	_/1

Note: /1 Since January 2021, the Group has adjusted the production line of sheet metal parts for automobiles to be in line with the industry situation. By adjusting the production line from sheet metal parts production in AUTO business to sheet metal parts production for business PART

In 2020, the capacity utilization rate in the automotive parts business declined due to model changes, the contraction of the automotive industry, and the impact of COVID-19, resulting in a decline in car sales in 2020. Therefore, the Company took the opportunity to improve the production line to make it more efficient. At the same time, the Company had switched its capacity of plastic parts and sheet metal parts for automobiles to home appliance parts which have a higher expansion rate.

In 2021-2022, the capacity utilization rates of the Automotive business have increased as customer orders have started to return, and the Company can use its machines more efficiently through the production line improvements in the past year.

The Company is undergoing a transformation to develop production lines to the "Industry 4.0" era, which covers the application of technology to drive the organization according to the concept of ARAI (A: Automation R: Robot A: AI (Artificial Intelligence) I: IoT (Internet of Things)). The purpose is to create businesses and processes by reducing unnecessities and taking advantage of the new technologies and automaton as the Company believes that such changes will strengthen and expand competitiveness in both cost and quality.

Production processes of the Aluminum Pipe Parts/ Metal Forming

1. Cutting – The Company will cut the aluminum pipe/sheet metal to the desired size according to the specified form using the precise automatic cutting machine to minimize the loss.

2. Bending and forming – bending the aluminum pipe/ sheet metal sheet that is cut to the desired length to the desired arc as well as expanding or reducing the size of pipe ends to meet customer requirements. Forming sheet metal with the computer-controlled automated machinery

3. Brazing – Brazing aluminum pipe parts/sheet metal obtained from cutting and forming to weld together according to the customer's requirements.

4. After the assembly of all parts together, the Company will test the quality of the product before delivering the product. The Company places great importance on quality control in all types of products by conducting rigorous product quality testing in various areas such as Qualification Test: The Company conducts product qualification tests on every production lot before delivering to customers to ensure that the product meets customer specifications. Testing: The Company tests its products by simulating the actual usage conditions of customers, including pressure resistance tests and leak tests. This is to ensure customers that the company's products meet the required quality of customers.

1.2.2.3 Manufacturing & Assembly Business

In 2007, the Company was contracted to manufacture and assemble window-type air conditioners for Fujitsu General (Thailand) Co., Ltd., which accounted for 95-98% of its manufacturing and assembly business. The Factory based is at Laem Chabang Industrial Estate, Chonburi Province. However, due to the changing consumer behavior according to the technology, together with the customer's marketing policies, the volume of hiring has continued to decline. The Company has foreseen the risk of relying on only one customer. Therefore, the Company has a policy to accept more contracted manufacturing and assembly work from other customers. In 2019, the Company received orders from customers who are major air conditioner manufacturers in Vietnam to manufacture and assembles split-type air conditioners. Also, the Company received orders from a large customer who is one of the world's largest manufacturers of the toolbox to produce and export the toolboxes to the United States of America. As the manufacturer of the toolbox wanted to expand its production base from China and reduce the risk of a trade war effect between China and the United States which lower the competitiveness of products. The customer has adjusted the strategy to find a manufacturing plant outside China that have good quality and capacity which is in line with the Company's policy and business plan to diversify the risks of being a contractor to produce and assemble only air conditioner products. With the potential to expand the area and capacity which might occur in the future, the Company has received toolboxes orders from mid-2019 onward. In 2020, the Company received an order from a new customer, an electronics manufacturer in China, to export to the United States by allowing the company to produce and assemble portable type air conditioners. In addition, in 2021, the customer has added order to the Company to produce more window-type air conditioners with the goal of exporting to the United States, India, and ASEAN countries.

The Company operates a manufactured and assembled business under SNC Creativity Anthology Co., Ltd. ("SCAN"), a subsidiary in which the Company holds 100% of shares. SCAN began providing production and assembly services according to the needs of the group of customers most of the products are air conditioners. This is an extension of the business of manufacturing air conditioner parts, allowing the company to effectively control production factors in terms of quality, price, and delivery. In addition, the company has an efficient production system with a flexible capacity to produce according to customer requirements.

The Company's products have a wide range of characteristics depending on the needs of each customer, but the main products are window type, wall type, ducted type, as well as large air conditioning units from 100,000 – 300,000 BTU. During 2018 -2019, the Company has a capacity of 1,000, 000 sets of air conditioners per year and in 2021, the Company has opened more factory areas in Rayong province which consist of the production line for manufacturing and assembly of air conditioners, televisions, refrigerators, and a warehouse for storing finished goods awaiting delivery. In 2021, the Company has the capacity of air conditioners to increase to 2,000,000 sets, and at the beginning of 2022, the capacity will increase to 3,000,0000 sets.

 The Company's main business is related to air conditioners which use refrigerants that may affect global climate change. The Company and customers have developed air conditioning products. Used with a new refrigerant (R32), which will reduce the impact on the depletion of the ozone layer and the effect on global warming.

In 2019, the Company received orders to produce and assemble large toolboxes to export to the United States. The appearance of a toolbox consists of a number of drawers to separate, categorize, and store hand tools and spare parts so that users can easily access the tools. Most of the structure of the tool cabinet is made from steel, aluminum, or stainless steel that is strong and resistant to heat and impact, able to withstand the weight. It has a handle and wheels that can move easily. This will greatly facilitate the storage of hand tools. The toolboxes come in different sizes and shapes according to the usage purpose, for example, a small toolbox for household use, a mobile service, or a large toolbox for installation in the garage, the shop provides repair services for household appliances, or within industrial plants.

Examples of toolboxes manufactured and assembled by the Company



Proportion of revenue from OEM business classified by type of products

	2019	2020	2021	2022
Air conditioning	83.4%	70.0%	56.2%	78.3%
Television	-	5.3%	22.5%	5.8%
Toolbox	1.6%	18.2%	13.0%	9.0%
Heat pump for water heater	15.0%	6.5%	6.0%	6.8%
Refrigerator	-	-	2.3%	0.1%
Total	100%	100%	100%	100%

Note:

/1, the Group has been manufacturing and assembling toolboxes since 2019.

/2, the Group has been manufacturing and assembling television since 2020.

Marketing & Competition

Characteristics of Customers and Target Groups

1. Air conditioner – Brand Owner of air conditioners in foreign countries who want to find quality product manufacturers that have the sufficient production capacity to be able to deliver the work on schedule. At present, the Company has customers who are the product brand owner from Japan, China, and Vietnam.

2. Other types of products other than air conditioning such as television, refrigerator, washing machine, and toolbox, which are manufactured and assembled for the owners of overseas brands.

Sale & Distribution Channels

The Company has no policy to issue its own branded products but will focus on manufacturing and assembling electrical appliances and toolboxes by developing products to suit each customer's needs. Nowadays, the Company has been in contact with many domestic and international customers such as China, Vietnam, etc.

Competitive Environment

There are small numbers of large electrical appliance manufacturers in Thailand who have the same level of ability as the Company and most of them are small factories that do not have much production capacity. Therefore, the Company's real domestic competitors are the customers of the Company itself. The Company then must produce higher quality and higher efficient products at a low cost, so that it can incentivize customers to entrust the Company as a center to produce electrical appliances for a very long time. For competitors outside the country, mostly are the companies from China that have lower raw material costs. However, electrical appliances products from China give a different image from the Company's products.

The new entry entrepreneurs may face some challenging obstacles in entering the electronics manufacturing and assembly market because the business requires relatively high investment in machinery and the factory with an efficient production line and modern technology with high production capacity, as well as various sources of raw materials or parts to reduce production costs and be able to compete in the industry. Thus, most of the current entrepreneurs have lower costs than new entrants.

In order to determine the selling price, the Company takes the cost of raw materials into account because the Company is a manufacturer of upstream work covering copper pipes, plastic parts, and sheet metal, allowing the

Company to benefit from economy of scale. Consequently, the Company can determine the selling price which could compete with the other competitor in the industry.

Sourcing products and services

For raw material sourcing for manufacturing and assembling air conditioners, television, and water heat pump, the Company can use raw materials and machines for manufacturing and assembling electrical appliance parts to support assembly work. For other parts, the company will order from suppliers both domestically and internationally which must be approved from customers to ensure reaching the required standard.

Steel is the main raw material in the manufacture of the Company's toolboxes, which also are raw materials for the electrical appliance parts that the Company is producing. Therefore, the Group is able to use such raw materials to be further adapted for the production and assembly of toolboxes. For other raw materials such as wheels, painting powder, and handles, the Company mainly imports raw materials from the customer in China to ensure that the product meets the required standards. While the remaining materials such as packaging, the Company sources the local vendors that got an approval from customers and reached the standard on the quality and design.

Competitive strategy

1) Building a strong relationship with major customers

The Company adopts a policy of segregation of management by the responsible department to communicate closely with customers without having to sell through agents for the purpose of flexibility and increase ability to plan the production in advance by asking about the needs of customers. Regular visiting customers to ensure the satisfaction in products and services is required to take feedback to improve the production process to be more efficient.

2) Low production cost due to the scale of the production capacity

The Company has a policy to control production costs to obtain reasonable and competitive prices. The Group focuses on sourcing quality of raw materials from both domestic and international markets. Together with the high volume of orders, the company has an advantage on the economy of scale. In addition, the Group has continually improved its production lines by adopting modern technology such as product quality inspection by robots to reduce line defects and the introduction of information technology systems to control data to get an accurate production cost. The Group also reduces energy consumption by installing solar power systems on the factory's rooftop to reduce production costs and not cause environmental pollution.

3) Product quality control and flexibility in production lines

Providing high-quality products and services is a key success of a Company's business. Therefore, the Group uses a Quality Management System that is the best practice throughout the production process, covering the inspection of imported raw materials, in-process inspection, and the final inspection before shipping to customers. Also, the Company's service needs to be fast and accurate to give customers the highest confidence and satisfaction in the quality of the products as well as the ability to increase production volume using a short period of time and able to support the rapidly increasing orders.

4) The Company's products are of standard quality

The Company focuses on the continuous development of the production line to meet the needs of customers and create the highest confidence and satisfaction by establishing a quality management system that is an international

standard: ISO 9001 based on the principle of Plan-Do-Check-Action (PDCA), including the allocation of human resources, tools, machines that are modern and suitable for the production process to ensure that the products produced are standardized. In addition, the Company has set a clear quality policy for employees at all levels to implement and have regular follow-up checks to ensure that the quality of the product is in accordance with every customer's order.

5) Delivery of high-quality products on time

The Company attaches importance to delivering quality products within the specified time. The Company has carefully planned a production plan with customers. There is an efficient production control system and routine monitoring and check-up to ensure that the Company can deliver quality products within the stipulated time.

Production Capacity

In 2020 – 2022, the Group has production bases and operates OEM business for electrical appliances and toolboxes as follows:

Capacity per year	Year 2020	Year 2021	Year 2022
Air conditioning			
Maximum capacity per year (sets)	1,000,000	2,000,000	3,000,000
The actual capacity used per year (sets)	662,844	1,377,759	2,288,384
Percentage of capacity utilization	66%	69%	76%
Toolbox			
Maximum capacity per year (units)	300,000	300,000	300,000
The actual capacity used per year (units)	205,035	250,525	215,121
Percentage of capacity utilization	68%	84%	72%
Heat pump for water heater			
Maximum capacity per year (units)	160,000	160,000	200,000
The actual capacity used per year (units)	67,304	118,810	152,667
Percentage of capacity utilization	42%	74%	76%
Television			
Maximum capacity per year (units)	300,000	600,000	600,000
The actual capacity used per year (units)	90,979	400,270	149,868
Percentage of capacity utilization	30%	67%	25%
Refrigerator			
Maximum capacity per year (units)	-	240,000	240,000
The actual capacity used per year (units)	-	36,246	0
Percentage of capacity utilization	-	15%	0%

Note: Capacity utilization rate calculated using actual capacity for each period and divided by the maximum capacity for each period

Procedures for manufacturing**Processes for manufacturing and assembling air conditioners and television****Production process and assembly of toolboxes**

1. Cutting & Forming – Large sheet metals are processed by cutting using the stamping or laser machine to the desired size. Then, forming the cut sheet metal at the edge according to the shape of the toolbox’s parts specified in each model.

2. Welding- Welding two pieces of metal parts together by using the heat from the welding machine to melt the metal parts until they are attached homogeneously.

3. Painting– Spraying parts with the powder painting regarding the specified pattern.

4. Assembling - Assemble all parts of the toolboxes such as drawers, wheels, stickers, etc. into a complete toolbox.

1.2.2.4 SNC Atlantic Water Heater Asia Company Limited (SAWHA)

SNC Atlantic Water Heater Asia Co., Ltd. (SAWHA) was established on June 13, 2013, by a joint venture between Thailand and France with the registered capital of THB 45,000,000 to manufacture the water heater. In 2017, SAWHA increased its registered capital to THB 60,000,000 to support the increased capacity of Enamel Water Tank and replace imports from abroad. The shareholders' detail are as follows:

No.	Joint Ventures	Shareholding Ratio	Registered Capital (Baht)
1	SNC Former Public Company Limited	26%	27,300,000
2	SA ATLANTIC SFDI JSC	74%	77,700,000
Total		100%	105,000,000

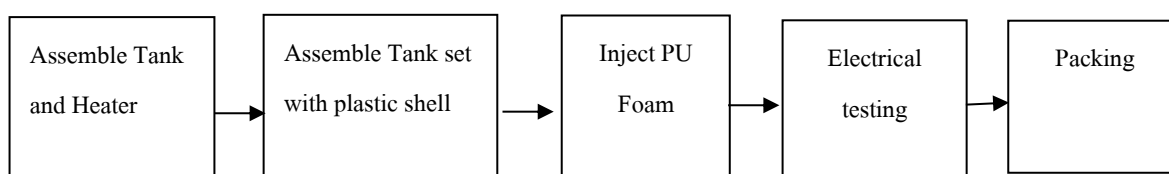
Nature of business and products

SAWHA’s water heaters are manufactured and sold with unique characteristics. It is a business that SNC jointly invests with customers, ATLANTIC, to produce products according to customer designs and sell to ATLANTIC INTERNATIONAL which is a distributor of ATLANTIC’s products

Marketing & Competition

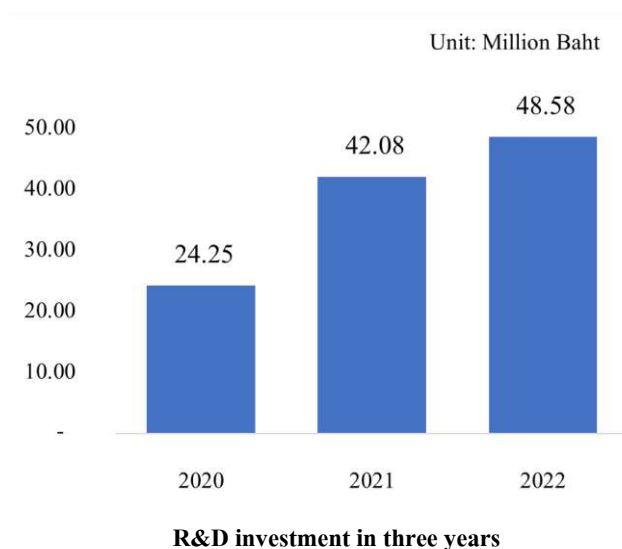
SAWHA water heaters have been designed, developed, and distributed to various countries by ATLANTIC, having SAWHA as a production base. This product is widely used in many countries and the main target market is Asian countries such as Vietnam, India, Indonesia, Singapore, and European countries.

Production processes can be divided into 5 main stages:



Research and Development Policy (R&D)

The Company and its subsidiaries find that it is essential to pay attention to research and development in order to create competitiveness and business growth, which is in line with the mission and vision of the organization to support the Company's business operations and be able to achieve sustainable goals in all aspects throughout the supply chain. The Company also intends to study and develop artificial intelligence technology and new businesses to gain more advantages and competitiveness to accommodate future changes.



1.2.3 Assets used in Business Operation

1.2.3.1 Main Fixed Assets used in Business Operation

As of 31 December 2022, the main assets used in the Company's business operations net book value after the deduction of accumulated depreciation and impairment allowance as shown in the consolidated financial statements was 5,314.2 million Baht as shown in detail below:

Items	Title holding status	Encumbrances	Net book value (Million Baht)
1. Land and land improvement	Owner	Partial mortgages with financial institutions	791.5
2. Buildings & building modification	Owner	Partial mortgages with financial institutions	2,592.9
3. Machinery & equipment	Owner	No	1,437.5
4. Office equipment	Owner	No	51.2
5. Vehicles	Owner	No	35.0
6. Assets under construction (building under construction)	Owner	No	406.1
Total			5,314.2

The main assets used in the business operation shown above can be categorized by asset type as shown in detail below:

1.2.3.2 Land and Land Improvement

As of 31 December 2022, the Company's land and land improvement have a total net book value of 791.5 million Baht as shown in detail below:

Titleholder	Items	Area	Title holding status	Net Book Value (Million Baht)	Encumbrances
Company	Land for a head office building located in Bang Bo district, Samut Prakan province	7-0-74 Rai	Owner	28.3	-
Subsidiaries	Land for buildings, factories, and warehouses located in Nikompattana district, Rayong province	459-2-68 Rai	Owner	633.8	Partial mortgages with financial institutions
The Company and its subsidiaries	Land development	-	Owner	129.4	-
Total		466-3-42 Rai		791.5	



In the area where the Company's main business is located, the Company encountered a drought that occurred in Rayong province causing a water shortage, which will affect the production process if happen. Therefore, the Company built reservoirs of 361,700 cubic meters on an area of 71 rai. A water production plant was installed to supply

for Company's production processes, which the Company can secure long-term water resources. In addition, in the event of severe drought, the Company will be able to help supply water to the surrounding communities.

1.2.3.3 Buildings and Building Modifications

As of 31 December 2022, the building and building modifications have a total net book value of 2,592.9 million Baht. Details are as follows:

Titleholder	Items	Title holding status	Net Book Value (Million Baht)	Encumbrances
The Company	Factory buildings with an area of 13,600 sq. m., located in Bang Bo District, Samut Prakan Province	Owner	71.7	No
Subsidiaries	Building, factory, and warehouse area 260,450 sq. m., located in Nikompattana District, Rayong Province	Owner	2,421.8	Partial mortgages with financial institutions
Subsidiaries	Building Modifications	Owner	99.4	No
Total			2,592.9	



Because of the spread of the COVID-19 virus, the Company has realized there is a threat to its long-term sustainability of the Company. Therefore, the Company decided to use an area of 200 square meters, allocated from the factory building in Rayong province, and build a factory to produce masks to distribute to employees in both Samutprakarn and Rayong plants to help prevent the spread of the disease that would occur in the Company and to donate to the communities and various organizations in the province where the Company is located and neighboring provinces.

1.2.3.4 Machinery and Equipment

As of 31 December 2022, machinery and equipment have a total net book value of 1,437.5 million Baht. Details are as follows:

Titleholder	Items	Title holding status	Net Book Value (Million Baht)	Encumbrances
The Company/ Subsidiaries	Machinery and equipment for vehicle parts manufacturing business	Owner	150.6	No
Subsidiaries	Machinery and equipment for electrical parts manufacturing	Owner	743.3	No
Subsidiaries	Machinery and equipment for manufacturing services (A/C OEM) and toolbox assembly	Owner	543.6	No
Total			1,437.5	

1.2.4. Summary of key contracts of the Company and its subsidiaries

1.2.4.1 Building Lease Agreement

Lessees	The Company and its subsidiaries which include: 1) Immortal Parts Co., Ltd., 2) SNC Cooling Supply Co., Ltd., and 3) Paradise Plastic Co., Ltd.
Lessors	3 lessors
Relationship between the parties	The lessors have no relationship with the Company.
Area	The aggregated area from six lease agreements is 36,832 square meters.
Objectives	To rent buildings for businesses.
Rental fee	at the rate specified in the contract.
Rental duration	3-36 months. The contract will end in the years 2023 - 2025
Key conditions	If no party terminates the contract at least 30 days before the termination date, the contract will be deemed to be renewed for another 1 year from the end of the rental duration.

1.2.4.2 Building Construction Agreement

Employer	SNC Pyongsan Evolution Co., Ltd.
Contractor	Wannarat Pattana Co., Ltd.
Relationship between the parties	The contractor has no relationship with the Company's group.
Agreement date	1 August 2022
Objectives	To construct a 3,500-square-meter factory building.
Construction cost	at the rate specified in the contract.
Duration	120 days (1 August 2022 – 28 November 2022)
Key conditions	• If the Contractor is unable to deliver the work on time, it agrees to pay fine at a rate of 2,436.61 per day until the work is completed. • In the final delivery of the work, the Contractor will provide a letter of guarantee issued by a bank to the Employer as a guarantee of the finished work, and if there are no damages occurred within 365 days after the delivery date, the Employer will return the letter of guarantee to the Contractor.

1.2.4.3 Forklift and Car Lease Agreement

Lessors	4 lessors
Lessees	The Company and its subsidiaries include: 1) SNC Creativity Anthology Co., Ltd., 2) SNC Pyongsan Evolution Co., Ltd., 3) Infinity Parts Co., Ltd., 4) Paradise Plastic Co., Ltd., 5) Immortal Parts Co., Ltd., 6) SNC Cooling Supply Co., Ltd., and 7) SNC Atlantic Heat Pump Co., Ltd.
Relationship between the parties	The lessors have no relationship with the Company's group.
Objectives	To rent a total of 32 vehicles for businesses, mostly forklifts.
Rental fee	at the rate specified in the contract.
Rental duration	6 – 36 months. The contract will end in the years 2023 – 2025.
Key conditions	If the tenant wishes to cancel the contract before the expiration of the contract, written notice must be made at least 30 days in advance.

1.2.4.4 Insurance Policy

As of 31 December 2022, Insurance Policy Details are as follows:

Insured person	Insured assets	Value of the insured assets (Million Baht)	Total insured amount (Million Baht)
Property insurance			
The Company and/or its subsidiaries, totaling 11 companies	Buildings (excluding foundations), buildings' structure both inside and outside, office supplies, computers, systems such as electrical systems, fire suppression systems, utility systems Utilities All kinds of machinery and equipment related to production, spare parts, stock, including raw materials used in production.	7,155.7	7,155.7

In addition to the property insurance, the Company also provides protection against risks that may arise from the customers' use of products manufactured by the Company by entering into additional product liability insurances, details as follows:

1. SNC Creativity Anthology Co., Ltd. (SCAN) bought product liability insurance for air conditioners, components, and toolboxes with a total insured amount of 93.0 million Baht.
2. SNC Atlantic Heat Pump Company Limited (SAHP) bought product liability insurance for heat pumps for water heaters. Sum insured with a total insured amount of 15.0 million Baht.

1.2.5 Investment policy and corporate governance of subsidiaries and associated companies' business operations

Investment policy in subsidiaries and associated companies

The Company has the policy to invest in subsidiaries and associated companies that operates in the automotive parts, air conditioner assembly business, electrical appliances, and other businesses related to the Company's core business to enhance production capacity in response to business expansion and create added value for the Company in the long run. Together with the benefits from applying for tax privileges and others investment incentives from the Office of the Board of Investment (BOI). The Company may consider investing in other businesses with high potential growth or any related business that can expand the existing business operations or generate a good return on investment.

Corporate governance policy of subsidiaries and associated companies

The Company has the policy to supervise the operations of subsidiaries and associated companies. The main objective is to define measures and mechanisms, both directly and indirectly for the Company to be able to supervise and manage the business of subsidiaries and associated companies including monitoring to ensure that subsidiaries and associates comply with Civil and Commercial Code securities law and related laws, as well as announcements, regulations and rules in order to maintain interest in the Company's investment in such subsidiary and associated companies The details are as follows.

1) Corporate governance of subsidiaries and associated companies' business operations: the Company will send a representative person to be a director and/or management in its subsidiaries and associates by persons appointed as directors and/or management in subsidiaries or associates. It is responsible for operating in the best interests of the subsidiary or associated company and carrying out in accordance with the business policy that the Company has set and complying with the Company's good corporate governance policy as well as closely monitoring the business operations of subsidiaries or associated companies by reporting the financial position and operating results of the subsidiary or associated Company to the Board of Directors. In addition, in the case of a subsidiary, the person appointed by the Company must ensure that the subsidiary has regulations on Connected transactions that are consistent with the Company Data and that accounting records are kept for the Company to verify and compile to prepare consolidated financial statements on time as well.

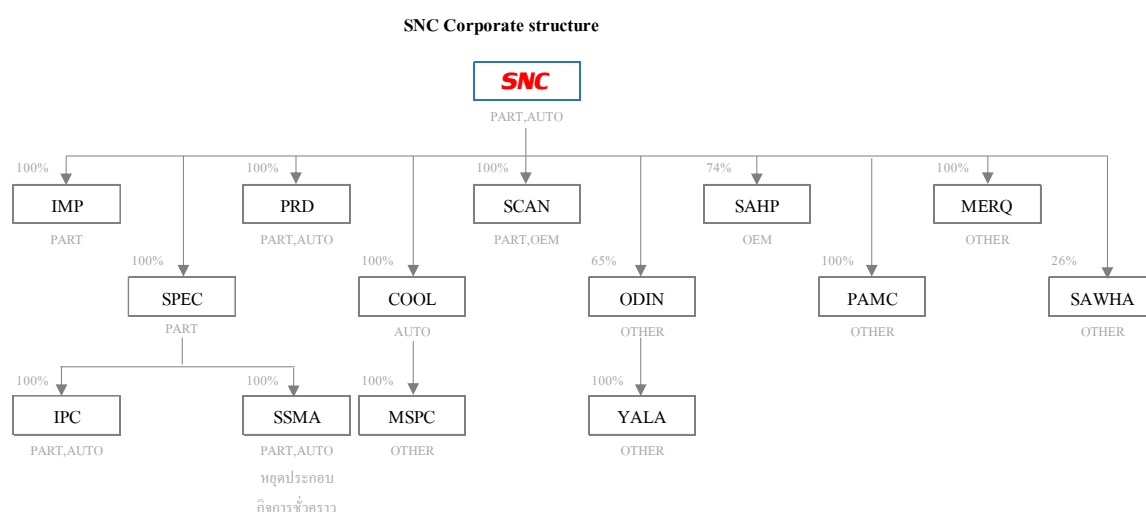
2) The board of directors and executives of each subsidiary and/or associated company will have a significant scope of powers, duties, and responsibilities in accordance with relevant laws, such as disclosing information about the financial status and operating results to the Company by applying the relevant announcements of the Capital Market Supervisory Board and the Stock Exchange of Thailand. Board of Directors mutatis mutandis as well as disclose and submit information of their own interests and related persons to the Board of Directors for their acknowledgment of the

relationship and transactions with the Company Subsidiaries and/or associates in a manner that may cause conflicts of interest and avoid transactions that may cause conflicts of interest.

3) The Company will formulate plans and take necessary actions to ensure that the subsidiary and/or associated company disclosure of operating results and financial status and the Company will take necessary actions and follow up to ensure that the subsidiary and/or associated company has a system for disclosure of information and an internal control system that is sufficient and suitable for business operations.

1.3 Group of Companies Structure

1.3.1 Group of Companies Structure



1.3.2 Persons who may have conflicts hold more than 10% of the shares in subsidiaries or associated companies

- None -

1.3.3 Relationship with the business group of major shareholders – None -

1.3.4 Shareholder

(1) List of major shareholders as of October 21, 2022

List of shareholders	Number of shares	%
1) SNC Holding Company Limited ^{/1}	91,000,100	25.1
2) Thaisanguanvorakul Group	32,011,564	8.9
2.1) Dr. Somchai Thaisanguanvorakul	16,621,943	4.6
2.2) Ms. Sineenart Thaisanguanvorakul	10,039,220	2.8
2.3) Ms. Netchanok Thaisanguanvorakul	2,170,246	0.6
2.4) Mrs. Anongnart Thaisanguanvorakul	1,698,300	0.5
2.5) Ms. Chanisara Thaisanguanvorakul	1,450,700	0.4
2.6) Ms. Chayapa Thaisanguanvorakul	27,455	< 0.1

List of shareholders	Number of shares	%
2.7) Ms. Nusara Thaisanguanvorakul	3,700	< 0.1
3) Kittanamongkolchai Group	52,311,400	14.4
3.1) Mr. Anucha Kittanamongkolchai	17,204,000	4.7
3.2) Mr. Wannajak Kittanamongkolchai	13,434,800	3.7
3.3) Ms. Wangam Kittanamongkolchai	10,890,000	3.0
3.4) Mrs. Jongphit Kittanamongkolchai	8,230,000	2.3
3.5) Ms. Wanlapa Kittanamongkolchai	2,437,600	0.7
3.6) Mr. Patpong Kittanamongkolchai	115,000	< 0.1
4) THAI NVDR CO., LTD	10,418,784	2.9
5) Mr. Peeranat Chokwatana	4,950,600	1.4
6) Mr. Pitak Pisetsit	4,020,000	1.1
7) Mr. Badin Jenjai	3,838,600	1.1
8) Ms. Rujira Korsawatvorakul	3,036,000	0.8
9) Abrdn Small-Mid Cap Fund	2,605,600	0.7
10) TOA GROUP HOLDING CO., LTD by SCB Securities Co., Ltd.	2,216,800	0.6
Other minor shareholders	155,810,891	43.0
Total	362,220,339	100.0

Note :

^{/1} Shareholders of SNC Holding Company Limited as of December 31, 2022

- 1) Dr. Somchai Thaisanguanvorakul Shareholding 39.63%
- 2) Mrs. Anongnart Thaisanguanvorakul Shareholding 11.82%
- 3) Ms. Sineenart Thaisanguanvorakul Shareholding 9.90%
- 4) Ms. Netchanok Thaisanguanvorakul Shareholding 9.90%
- 5) Ms. Chanisara Thaisanguanvorakul Shareholding 9.90%
- 6) Other 15 shareholders that hold shares less than 5.00% each, holding a total of 18.85%

(2) Shareholders' agreement - None -

1.3.5 List of Shareholders of Institutional Investors

No.	Name	Percentage of Shareholdings	
		Number of share	%
1	Thai NVDR Company Limited	10,418,784	2.9%
2	Abrdn Small-Mid Cap Fund	2,605,600	0.7%
3	TOA Group Holding Co., Ltd. by SCB Securities Co., Ltd.	2,216,800	0.6%
4	EAST FOURTEEN LIMITED-DFA EMERG MARKET CORE EQ PORT	2,198,000	0.6%
5	People's Garment Public Company Limited	984,000	0.3%
6	Morgan Stanley & Co International PLC	873,900	0.2%
7	The Bank of New York Mellon	673,800	0.2%
8	EAST FOURTEEN LIMITED-EMERGING MARKETS SMALL CAP SERIES	651,700	0.2%
9	Abrdn Long Term Fund 70/30	611,500	0.2%
10	Others	5,248,340	1.4%
	Total	26,482,424	7.3%

1.4 Registered and Paid-Up Capital

The Company's registered capital is 400,000,000 Baht, with Paid-up 362,220,339 common shares, at a par value of 1 Baht per share.

1.5 Issuance of other securities

- None -

1.6 Dividend Payment Policy

Company dividend payment policy

If there is no other necessity and the dividend payment does not have a significant impact on the normal operations of the Company, the dividend payment policy is not less than 50% of net profit after tax and legal reserve. The dividend and legal reserve are calculated based on the consolidated net profit where the Company should have sufficient retained earnings in a separate financial statement for the dividend and legal reserve. In this regard, the dividend payment shall take into consideration various factors such as future performance, financial status, liquidity, business expansion plan, and economic condition. Such dividend payments must get approval from shareholders or the Board of Directors in case of the interim dividend payment.

Dividend payment	2020	2021	2022
Earnings per share (THB/ Share)	1.42	2.02	2.01
Dividend per share (THB/ Share)	0.75	0.90	1.05
Dividend payout ratio (%)	53%	51%	52%

Dividend Policy of Subsidiaries

The subsidiary does not set a fixed dividend payout rate, it is based on the future investment plans of the Group and the parent company's dividend payment plans. The subsidiary pays dividends to the parent company based on the subsidiaries' retained earnings and cash flow.

2. Risk Management

2.1 Risk Management Policy and Plan

Current operations of SNC Former Public Company Limited Often face changes, including external factors such as changes in economic conditions, politics, pandemic risk, strong competitive environment, law, interest rate, IT security, and other company strategy or decision. The company believes that corporate risk management is a required process to achieve the Company's objectives which at the same time reduces obstacles or unexpected occurrences that may arise regarding profitability, performance, and trust of investors and other stakeholders toward the Company. Having risk management policies and plans can also help the Company prevents damage to corporate resources, responds effectively to changes in the business environment, has a good management and control system, and enhances the confidence and value-added of investors, employees, and stakeholders.

1. The Company assign executives and employees in various departments to play parts in developing the Company's risk management as well as fully understand their responsibility regarding risk management.

2. Provide effective risk management processes at all stages of operation in accordance with the principles of good corporate governance to reduce the likelihood of risks and their impacts and uncertainties in overall performance and increase chances of success.

3. Implement and support successful risk management throughout the organization by effective use of limited resources to identify, assess, and manage the risks appropriately.

4. Promote and encourage risk management as a corporate culture by making everyone acknowledge the importance of risk management.

5. In this regard, the Board of Directors has provided a risk management manual for determining the organization's risk management guidelines, duties, and responsibilities of risk management of each sector, as well as gathering examples of significant risks and the way of handling them in the past as the guidelines for the future operation.

2.2 Risk Factors for the Company's Business Operations**2.2.1 Business risk of the Company or the Group of companies****2.2.1.1 Business Operation Risks of the Group****1) Risk of relying on fewer customers**

The Company's core business is the air conditioning and electrical appliance parts manufacturing and the OEM business. Relying on the first five major customers, accounting for 14,238 million Baht of the Sales Revenue of the Group (Year 2021: 10,913 million Baht, Year 2020: 5,457 million Baht, Year 2019: 3,411 million Baht). Therefore, the Company has a risk in the event that a large customer cancels a production plan for the following year or reduces the number of orders, and the Company may not be able to find other customers to replace.

The Company recognizes these risks and has expanded its customer base both domestically and internationally by diversifying its customers into a wider range of businesses, including negotiating with the OEM customer for long-term production contracts that will help to reduce the risks. Also, the Company also has good relationships with its major customers in achieving their requirements in quality, price, on-time delivery, and pre-and post-sales services. Additionally, the mentioned major customers have been trading products with the Company for more than 3-15 years without any order cancellations. The company also plans to cooperate with customers to co-develop products and production plans from the beginning of the production process to increase productivity and meet the needs of customers as much as possible.

In addition, the first five major customers of the Group are those who are dispersed into the Company's core business, including the electronics appliances parts and the OEM business which reduces the potential risk of the order canceling at the same time. Therefore, the Group believes that such risks are manageable.

2) Risk of raw material price volatility

The main raw materials for the group's production are Copper Pipes, Steel Metals, Plastic, Aluminum, and Brass. The raw material that is considered the main raw material and has the highest consumption is copper pipes, which account for 12% of the purchase value of raw materials for production in 2022 (2021:11%, 2017-2020: 16%). Copper pipe is a commodity product whose prices are mainly based on the London Metal Exchange (LME) market price.

As the Company is well aware of the risks, the guidelines and policies have been established to reduce the risk of copper price volatility to control and reduce the impact of such risks to an acceptable level as follows:

2.1. Ordering copper pipe material: The Company will deal with customers on monthly, quarterly, and annual forecast sales in advance, then calculate the number of copper pipes used and release purchasing orders to its suppliers with the matched volumes and prices on both buying and selling.

2.2. Pricing: The Company will consider the price in accordance with the raw material price in the market and will mutually agree with customers on the pricing conditions. For example, the agreement on the use of the average rolling price of the previous quarter, to determine the sales price for the current quarter or the use of price on the booking date as the fixed price for the material of the particular lot. An important factor is that the terms of the agreement for the price of raw materials must be consistent with the cost of raw materials reflected in the price of goods sold.

2.3. Encourage customers to pre-order and purchase the raw materials directly with suppliers in advance. This will help to reduce the Company's risk of raw material price volatility in another way.

The Company has confidence that with the guidelines and policies, the close monitoring and analyzing of the trend of raw material prices and the changes in business and related industries, together with the experiences and expertise of the management team that has been in this business for more than 20 years are enough to lead the Company to adjust strategies and business plan through the changes and reduce the impacts from the risks of raw material price volatility.

3) Risk of customers moving their production base to another country

Most of the Company's main customers are manufacturer and distributors of air conditioners from foreign countries who has manufacturing bases in Thailand. Therefore, the company is at risk if the customers move their production base to another country where its production costs are lower than Thailand's, such as China or Vietnam.

However, the Group is confident that Thailand remains a country with the potential to produce air conditioning parts over its competitors in the same region because Thailand is an important hub for raw materials and parts of the production of air conditioners and is the largest center of air conditioner production for export in the ASEAN region. For the Company's customers, the well-known brand owners and distributors of air conditioners, to move their production bases to other countries, many factors are needed to be considered such as the quality of products produced under the new domestic production base. If the quality of the product cannot be controlled, it will affect the image and confidence of consumers towards the brand. Also, with the basic utilities and transportation problems in Vietnam as well as the manufacturing technology problems that have not yet been able to support the whole ecosystem of the parts manufacturing industry combined with the copyright and intellectual property issues which the Chinese Government still cannot find its best solution on this regard. Moreover, there is the problem of the trade war and tariff that China is facing as well as the cost and complexity of both legal and licensing issues, those remain important factors to consider in relocating production bases.

4) Risk of labor shortages and labor wage costs

The Company business, both in the manufacturing of air conditioning parts and the manufacture and assembly of electrical appliances, is a business with a multi-stage manufacturing process. At some stage, a large amount of labor is still needed. As of December 31, 2022, the company had 3,020 employees. Nearly 91% of the total employees, equal to 2,760 people are operating in the production lines. Therefore, the Company has a risk of being unable to provide replacement workers for workers who resigned within time. This will result in the company's business operations being halted or at risk from higher labor costs due to the changes in the government policy on the minimum force configuration which will directly negatively the costs and the net profit of the Company.

The Company is aware of the risk, so it has hired outsourcing companies to provide a replacement number of employees for reducing the risk of labor shortages. In addition, the Company has continued to improve its production process by focusing on the introduction of machines and technologies, especially robotics and artificial intelligence technologies which could help in production systems to reduce the manpower required in the production line, as well as increase productivity in jobs that require more precision, thereby reducing the risk of both labor shortages and potentially rising labor wage costs that may occur in the future.

5) Risk of relying on personnel with specific expertise

In the Company's industry, both air-conditioning parts and assembling electrical appliances require experienced and expert personnel who have a good understanding of the production process. If the Company loses that personnel and is unable to recruit new personnel to perform replacement tasks, the company's production process and product quality, as well as customer confidence may be significantly affected.

However, the Company recognizes the importance of human resources as an important factor in its business operations. Therefore, the Company sets a policy of personnel management and development that focuses on continuously developing human resource, explains personal career path, and sets a clear system for the employees' performance evaluation for proper consideration of annual wages and bonuses as well as determine the remuneration and welfare of employees in the Company to be competitive to the industry to motivate employees to engage and work with the company in the long run. In addition, the Company has a policy of rotating work to develop personnel multi skills to be able to replace others' duties which can reduce risks of loss or shortage of skills and unable to recruit the replacement. Also, the Company has guidelines for creating and developing personnel in the organization to understand the technology and the changes in business and industry which will be an important basis for driving the organization toward sustainable growth. The guidelines are as follows:

5.1) Personnel development to be producers and technology users by linking between the experienced and technological personnel. The Company provides in-depth skills and knowledge of each department, with an emphasis on sharing knowledge and experience between those with the theoretical and the experienced. After the classroom and on-site training using the modern technology machines, there will be a test and the result (in the radar chart form) will be evaluated against the expected KPI and collected for the purpose of analysis and to enhance the abilities of employees on both production and support sides.

5.2) The Company supports co-curricular arrangements with educational institutions both vocational level and higher education which consist of short course and certificate programs (non-degree), including selecting the vocational students to train in companies and factories, providing the monthly income while studying, to arrange a joint project with universities in the bachelor's and master's level to study in-house developed courses which are aligned with the needs of the industry.

5.3) Establishing a scholarship program for employees and students at the undergraduate level and a master's degree program in Mechatronics engineering, Mold and Die Technology, Electronics Engineering, and Automatic Control Systems. The number of employees and students who passed and receive scholarships for the years 2020, 2021, and 2022 are 68, 122, and 129 respectively under the purpose of creating personnel with specialized knowledge to support business growth.

5.4) Apply technology in accordance with the direction of the organization's drive under the ARAI concept framework, which is the application of Automation, and Robot to production lines and other supporting units in the organization, including the development of Artificial Intelligence (AI) to be able to connect networks among machines and systems that can be commanded and controlled remotely (Internet of Things).

5.5) Applying Big DATA technology in management and decision-making. The Company has a systematic data storage management which contains a large amount of data from the production and support sides of each

subsidiary and business that gathering for the purpose of business plan analysis and decision-making on investment for increasing productivity or efficiency. Also, the data can be used to find new business opportunities by collecting the production data in detail, analyzing it to reflect the efficiency of daily production, to be able to know cost and profitability, then calculating the financial ratio to be used as information for analyzing return which the department should be fairly received regarding their performance and operating outcome.

5.6) Setting a strategy goal in developing personnel to have the knowledge to create a technology-based organization in production, processes, and services with the aim of creating technology. The company has allocated a budget for investment, research, development, repair, and installation of machinery used to produce relevant products with technology to promote learning by practice as well as co-develop the products and services with customers by focusing on modern and environmentally friendly products. The budget was allocated to establish ARAI Academy, a factory that is a learning center for practical learning in all stages of the production processes or the works that are actually used in business so that employees can come to train, refresh their knowledge, and build on their existing skills with technology that helps to work more efficiently.

6) Risk from the competition in the industry

The liberalization of the ASEAN Economic Community and the impact of international trade wars increase the competition level in the industry, especially among the competitors who are foreign investors such as China or Korea, who have set up manufacturing in Thailand for the tax benefits or the avoidance of the tariffs from the USA's policy on China. Because Thailand has more advantages and readiness than many ASEAN countries both in terms of infrastructure and transportation, as well as the readiness to be a manufacturing base for various types of industrial products. The increases in industry competition may therefore affect the company's performance.

The Company has guidelines and policies to reduce the risks by striving to develop the company's business to be competitive in all aspects. the Company will maintain and control the quality of products to meet the needs of customers. In terms of delivery, the Company focuses on delivering on time, considering the factor as a working KPI. In terms of sales and pricing, the Company is committed to offering affordable prices to incentivize customers to increase their orders and increase the Company's chances of getting a new model of a product. In addition, the Company has improved the production process by adopting robotics and artificial intelligence technology to increase productivity and control production costs and considering using the existing capacity for its best performance. Furthermore, in terms of services, the Company focuses on providing services that respond to the needs of customers both before and after the sale with speed to impress the customers and staying ready to help and cooperate with customers' needs as much as possible. The Company assigned the Business Development Division to monitor the movement of market conditions and related industries both domestically and internationally including updating news about competitors, then reporting to the management any change to prepare for the situation that may arise.

7) Risk of rapid technological disruption

In today's rapidly changing technology, businesses need to adapt to changes, especially new technologies that may replace the old ones in a variety of dimensions, from design methods to production processes, marketing, and merchandising. If the Group is unable to cope with technological changes, the Company may also lose its ability to compete with competitors as well as lose potential business opportunities in the future.

However, started in the past few years, the Company has adopted robotics and artificial intelligence technology to assist in its work within the company. Especially in production lines that require precision and speed to work to control the quality of the product, as well as to increase productivity and reduce cost. In addition, the company has established a product research and development agency to study new technologies that will support the process of working in various units of the Group and further develop the company's products, as well as design products together with customers to develop products that are needed by consumers. The company's products are mainly basic components used in the air conditioning industry and used as spare parts to replace existing parts in air conditioners which are widely used today. Therefore, it is unlikely to be less risky.

8) Risk of Coronavirus 2019 (COVID-19) outbreak

Since the beginning of 2020-2022, the world has been facing an outbreak of coronavirus 2019 ("COVID-19"), a virus with a high epidemic rate, and at that time there were no drugs or vaccines that could be treated or prevented. The impact of the COVID-19 pandemic has resulted in a decrease in domestic and international consumption and purchasing power, and exports of goods may be temporarily disrupted by strict travel and transportation policies in accordance with the policy of preventing the spread of the disease, as well as overall investment conditions that may have to be delayed due to the pandemic.

The Group has announced guidelines and measures to prevent the spread of COVID-19 so that employees at all levels can understand and be aware of their own protection from the epidemic and to level up the prevention measures in terms of working in the Company's area. The use of the cafeteria and common areas also have a countermeasure. Abstaining from traveling abroad. Abstaining from appointments with third parties. Avoiding unnecessary meetings, including taking care of yourself both on and off the job, etc. In addition, the Company takes into account compliance with relevant laws and regulations, and social responsibility as well as cooperating, helping, supporting, and volunteering to carry out activities that are continually beneficial to the community and society to promote economic strength and social and cultural revitalization. During the epidemic situation of the COVID19, the Company set up various projects to participate in helping and caring for society as follows:

8.1) The project to build a field hospital in the Company's area, called the "SNC Field Hospital" that can accommodate green patients total of 80 beds. In addition, the Company built another SNC field hospital" in the area of Nikhom Phatthana Hospital, Rayong Province, capable of supporting green patients with 198 beds: 99 beds for men and 99 beds for women. Also, there are nine (9) yellow patient rooms with necessary medical equipment like a 5-liter oxygen concentrator, in total, there are 207 beds. In the field hospital, there are an X-Ray room, in-house AGVs to deliver food and medicines instead of medical staff to reduce the risk of infection, and, 30 CCTVs around the area to monitor patients' symptoms and the purpose of security both internally and externally, along with patient registration points. The QR Code will be used as the virus prevention method for the patient to fill in the information. There is a control room for the medical team to control the AGV and monitor the patient's condition 24 hours a day.

8.2) Project to build a surgical mask factory by allocating an area of 200 square meters to install a mask-making machine and set up a clean room to produce masks to support medical staff, Government agencies, employees, and stakeholders of the Company with the intention to be part of helping society to control and reduce the spread of the

COVID-19. The Company has produced surgical masks for donation purposes only. Since the mask production started in May 2020 until the year-end of 2022, the Company has already donated more than 6,600,000 masks.

8.3) SNC Free Vaccine Project: The Company is aware of the risk of virus infection. This may affect the lives of employees, the employee's family, or the person who the employee lives with including the community around the company. Therefore, the Company provided vaccines to be injected into employees and stakeholders. The Company allocated employees throughout the organization to receive vaccination thoroughly. As of December 31, 2021, there are employees who received the first dose of vaccine in July, the second dose in August, and the third dose in December of 2,681 people as well as the communities around the Company, including relatives of employees of 41 people, totaling 2,722 people. The Company also prepared ATK testing kits for screening people entering the Company and taking care of employees in Rayong and Samutprakan provinces.

In addition, having factories in two provinces: Rayong and Samutprakarn, helps the Company to reduce the risk in the event of every production line shutting down since the rest in another location can still operate normally.

2.2.1.2 Financial Risks

1) Risk of being unable to maintain financial ratios as specified in contracts with financial institutions

As of 31 December 2022, subsidiaries of the Company have loan agreements with financial institutions, which are required to maintain the debt service coverage ratio D/E, DSCR, and IBD/E ratio according to the conditions specified by the financial institution. If the subsidiary is unable to maintain such financial ratios in accordance with the terms or conditions of the contract, such companies may be at risk of immediate partial or total principal reimbursement, which may affect the group's liquidity and business capabilities.

The subsidiaries have the financial ratios compared to the terms set by the Bank as follows:

Loan Agreements	D/E Ratio		DSCR Ratio		IBD/E Ratio	
	Bank Terms & Conditions	As of 31 Dec 2022	Bank Terms & Conditions	As of 31 Dec2022	Bank Terms & Conditions	As of 31 Dec2022
Paradise Plastic Co., Ltd. with the 1st financial institution	From the end of 2020: not exceed 1.5 times ⁽¹⁾	1.09	From the end of 2020: Not less than 1.25 times	4.89	-	-
SNC Creativity Anthology Co., Ltd. with the 2nd financial institution	-	-	Not less than 1.5 times	2.35	Not exceed 1.5 times	0.91
SNC Creativity Anthology Co., Ltd. with the 3rd financial institution	From the end of 2020: not exceed 2.0 times ⁽²⁾	0.91	Since the end of 2020: not less than 1.5 times		-	-

Loan Agreements	D/E Ratio		DSCR Ratio		IBD/E Ratio	
	Bank Terms & Conditions	As of 31 Dec 2022	Bank Terms & Conditions	As of 31 Dec2022	Bank Terms & Conditions	As of 31 Dec2022
SNC Cooling Supply Co., Ltd. with the 3rd financial institution	Not exceed 2.0 times ⁽²⁾	0.24	Not less than 1.5 times	4.35	-	-
SNC Cooling Supply Co., Ltd. with the 1st financial institution	Not exceed 2.0 times ⁽²⁾	0.84	Not less than 1.5 times	2.34	-	-
Immortal Part Co., Ltd. with the 3rd financial institution	Not exceed 2.5 times ⁽²⁾	0.11	Not less than 1.5 times	13.76	-	-
SNC Pyongsan Evolution Co., Ltd. With the 3rd financial institution	-	-	Not less than 1.5 times	4.97	Not exceed 0.5 times	0.16
SNC Pyongsan Evolution Co., Ltd. with the 4th financial institution	-	-	Not less than 1.25 times	4.97	Not exceed 0.5 times	0.16
Infinity Part Co., Ltd. with the 3rd financial institution	-	-	Not less than 1.5 times	17.62	Not exceed 0.5 times	0.09
Infinity Part Co., Ltd. with the 4th financial institution	-	-	Not less than 1.25 times	17.62	Not exceed 0.5 times	0.09

Note:

(a) D/E Ratio has a method of calculation according to the definitions defined in the relevant loan agreements. As follows:

(1) D/E Ratio is calculated from total liabilities divided by total shareholders' equity

(2) D/E Ratio is calculated from interest-based liabilities, cash deductions, and cash equivalents, divided by total shareholders' equity plus loans from directors and/or affiliates.

(b) DSCR has the calculation method as defined in the relevant loan agreements, which may vary from financial institution to financial institution, but is primarily based on operating profit before interest, taxes, and depreciation (EBITDA) divided by the value of principal repayments and interest due in the year.

(c) IBD/E Ratio has a calculation method as defined in the loan agreement by considering the interest-bearing debt divided by total shareholders' equity. The interest burden excludes liabilities from borrowings between companies in the Group and/or loans from persons related to the Group.

2) Risk of foreign exchange rate fluctuations

The Company has continued to gain revenue from exports of goods in form of foreign currency over the past year. The Company's foreign currency revenues were 23.82%, 49.45%, 65.25%, and 68.53% of total sales in the year 2019- 2022 respectively. The increase in revenue from exports of goods in foreign currency was due to the expansion of the manufacturing business (OEM) where more products are exported abroad even though the Company also orders some raw materials from abroad. The Company ordered raw materials from abroad at 23.81%, 19.86%, 70.24%, and 52.11% of the total raw material purchased in the year 2019- 2022, respectively. Although the Company can reduce

some of the risks by ordering foreign currency raw materials which are considered natural hedges, the company remains vulnerable to fluctuations in foreign exchange rates. If foreign exchange rates fluctuate, it will have a slight impact on the company's performance.

Therefore, the company is closely monitoring the news and movements of foreign exchange rates and has a policy of taking care of and preventing exchange rate fluctuations to reduce the likelihood of future exchange rate losses by implementing management tools such as revenue and expense management in the same currency (Natural Hedge) or forward contract or other appropriated hedging methods for each period. However, the Company has no policy on foreign exchange speculation.

2.2.1.3 Administrative and Management Risks

1) Risk of relying on the senior managements

The Group depends exclusively on key senior executive in the group's business operations: Dr. Somchai *Thaisanguanvorakul*. ("Dr. Somchai"), the currently chairman of the Executive Committee (CEO) and director of the Company. Dr. Somchai founded the Group in 2004 and has more than 40 years of experience in air conditioning and automotive parts management and is an expert who served as a governor of The Stock Exchange of Thailand (SET) and the expert of the panel of experts to develop the Market for Alternative Investment (mai). If he is unable to continue managing the Group, there may be a negative impact on the Group's operations.

The company aware of the risks, therefore, has structured the organization to be decentralized and established a sub-committee, as well as a series of working groups to encourage both executives and employees to participate in the management and encourage teamwork to enhance their productivity, and create experienced personnel who can inherit their work from existing executives, as well as to have policies to promote and develop potential employees to transfer management knowledge while cultivating the concept of ownership of the business. The Mini MD program has been held continuously, also the company has developed a policy to formulate succession plans to ensure that the company can recruit executives with the right qualifications, skills, experience, and competencies that can inherit positions in the future. In the succession of positions when the position at the executive chairman and/or managing director level is vacant or the person in the position is unable to perform his or her duties, the Company will manage the management of nearby or secondary levels as acting director until the recruitment and selection of qualified personnel according to the criteria specified by the Company. The Nomination and Remuneration Committee will select qualified persons and present them to the Board of Directors for further approval.

2) Risk of having a major shareholder holds more than 25% of the Company's shares

The Company has a *Thaisanguanvorakul* group holding a total of 34% of the total registered and sold capital. If the *Thaisanguanvorakul* group combines more than half of the votes to vote at the meeting, it will be able to control the majority of votes at the shareholders' meeting. Other shareholders of the Company may be at risk of collecting votes to balance and review matters proposed by the group of major shareholders in the shareholders' meeting, except for matters required by law to receive three-fourths votes at the shareholders' meeting.

However, the Company has clearly and transparently established the scope of authority, duties, and responsibilities to directors and executives, and has established rules and measures for making transactions related to

each top management. Such persons related to that transaction shall not have the right to vote on the approval of such transaction both at the Board of Directors' meeting and at the shareholders' meeting, which is in accordance with the requirements of the Securities and Exchange Commission, The Stock Exchange of Thailand, and the good corporate governance principles for listed companies. In addition, the composition of the Board of Directors consists of a majority of independent directors. The company can ensure that the Company is managed with transparency and a balance of power between the major shareholders and independent directors.

2.2.2 Risk to an investment of securities holders

2.2.2.1 Risk of fluctuations in the Company's common stock price

Listed and traded on the Stock Exchange of Thailand does not ensure that the company's stock trading market improves, or the liquidity of the company's stock trading will improve even though the overall market for stock trading on the stock exchange has improved. In addition, the company's trading prices are likely to fluctuate due to numbers of factors such as:

- (1) Analysts change the company's performance estimates and recommendations for buying or selling, common shares of the company
- (2) Economic conditions, Capital Markets, and Politics in the country and abroad
- (3) Fluctuations in the Company's quarterly performance, actually or as anticipated.
- (4) Legal disputes and investigations of government agencies.
- (5) Foreign exchange fluctuations.
- (6) Sale of a large number of shares of current shareholders.
- (7) Taking position or resignation of key personnel of the Company.
- (8) Changes in regulations and laws related to the operation.
- (9) Other risks that may affect the Company's financial position and performance.

The above factors may affect investors' inability to trade shares at the required price. However, the Company has implemented good corporate governance policies and disclosed information to ensure transparency and up-to-date information for investors' consideration.

2.2.2.2 Risks from dividend policy

If there is no other necessity and the dividend payment does not have a significant impact on the company's normal operations. The Company has the policy to pay dividends not less than 50% of net profit. The legal reserve is based on the consolidated financial statements which the Company must have sufficient retained earnings in the separate financial statements to pay that dividend.

The Company has a policy to pay dividends at the rate of not less than 50% of net profit after tax. And the legal reserve is based on the consolidated financial statements which the company must have sufficient retained earnings in the separate financial statements to pay that dividend. Dividend payment is considered under several factors such as future performance, financial position, liquidity, expansion plan, and economic conditions. Shareholder approval or approval from the board of directors is required. In the event of an interim dividend payment, if the

company has any other necessities, such as business expansion, future project investment, or negative events on the company's cash flow, the Company's Board of Directors may consider to lower the dividend payments than the specified rate.

2.2.3 Risks to Foreign Securities Investment

- None-

3. Business Driven for Sustainability

3.1 Policy and Goals for Sustainability Management

SNC Group is committed to human resource development to create innovation by creating value for oneself, the organization, and stakeholders. The company takes into account the effect on the community and environment to achieve the goal of business sustainability under the principles of corporate governance for sustainable development goals.

To encourage directors, executives, and employees at all levels to operate with solid work ethics and morality to be able to maintain sustainable business growth, the company has established policies and set the standard frameworks for sustainable management and social and collective responsibility, including imply the sustainability development goals as part of the business operation.

Key Strategies to drive the Sustainable Organization



The Sustainability Operations Philosophy of SNC - 3Cs

To operate a stable and sustainable business, we are committed to strengthening the stakeholders' engagement, both internal and external. Our principles of business operation are:

CG Operating under good corporate governance

CSR Committed to acting responsibly across related sectors throughout the process

Care Conducting business with concern for the environment and livelihood



Company's Operational Framework towards Sustainability



The company has established a framework for the operation by establishing a consistent vision, mission, and strategies. We assess the material issues through the risk management procedure also through related activities and partnerships with key stakeholders, both internal and external. Then, we thoroughly analyzed and prioritized the organization's sustainability management by specifying the level of impact on the organization in terms of society, economy, and environment, along with the level of impact on the interests of the stakeholders (Materiality Matrix). After that, define the policy practices and specify goals for each dimension: Efficient Economic, Social Impact, and Go

Green Environment. In this regard, the company conducted plans and activities for evaluation and control in order to achieve the highest operational efficiency and continue creating value for stakeholders together with the risk assessment, both existing and emerging risks. The operation procedures are controlled in accordance with the principles of good corporate governance.

Material Issues

Items	Material issue	Stakeholder	Aspect
1	Human Capital Development	Employee	S
2	Quality of Work Life	Employee	S
3	Quality and Delivery goods	Customer	S
4	Corruption	Employee Customer Partner	S G
5	Technological Change	Customer Competitor	S
6	Risk Management	All	E S G
7	Environmental impact from business operation	Society Community	E S
8	Energy Consumption	Environment	E

The company implemented the sustainability practices as a part of the business management process as follows:

1) Conducting business with fairness

The company is committed to operating business with transparency concerning social responsibility, contributing to communities, society, and the environment, as well as conducting business with a standardized operation system under a strict control which based on the knowledge in the field and the sufficient information and referable evidence strictly abiding by the law and regulations—at the same time, aiming to treat all customers with fairness without demanding or receiving any unfair benefits from customers and does not disclose customer's confidential information unless by duty or laws.

(1.1) Fairtrade competition

- Promote the policy of free and fair-trade competition.
- Perform under the rules of fair competition.
- Not unethically or inappropriately seek its partner's confidential information such as bribing the directors and staff of its competitors, etc.
- Not destroy competitor's reputation by negative accusing.

(1.2) Promotion of social responsibility among business partners

- Treat business partners who are the partners and key business success factors with equality and consider the mutual benefits
- Select business partners using the transparent, systematic, and standardized system to develop and maintain a sustainable relationship with trade partners and contractors.

- Have a mutual trust between parties
 - Strictly adhere to the policy of partner treatment by selecting partners with standards, comparing prices before releasing purchasing orders, and assessing partners using internationally standardized criteria.
- (1.3) Respect for the Intellectual property rights
- The Company shall not violate the intellectual property, patents, and trademarks of others.
 - The Company's staff has duties to keep confidential commercial information and business operating methodology of the company, customers, and partners.
 - The Company's staff must use a computer for the benefit of work and shall not use a computer in any way that is unethical or illegal or against the culture and traditions.
 - The Company's staff shall only use legal and licensed software. The installation and use of unlicensed computer programs in the company are strictly prohibited.
- (1.4) Political neutrality
- The company shall remain neutral and independent regarding partisan political activities. Support for political activities means support, whether monetary or non-monetary, to a political party or candidates for political elections. Non-monetary contributions include borrowing, donating equipment, or providing technology services free of charge, including taking the working time of employees.
 - In a case where the company has shown its political support towards promoting democracy, it shall not be violating the laws and constitution and will not be done to create favoritism. Prior to any political support, written approval from the board of directors is a preliminary requirement.
 - Employees have the right of freedom to participate in political activities that abide by the law and the constitution. However, they shall not claim their status as the company's employee or utilize the company's assets to gain benefits in such activities, which might impair the company's political neutrality.

2) Anti-corruption

The company has the policy to operate in accordance with the law and encourage employees to actively consider morals and ethics, including encouraging its business partners to conduct their business with transparency as well as create awareness, values, and the right attitude at all levels. The company also arranges an effective internal control to have no conflicts of interest so that the anti-corruption policy of the company can be treated in a concrete way. The company has announced an anti-corruption policy and to be regarded as the work regulations of the company which all employees must follow. In addition, the company has jointly declared its intention to act under the Collective Action Coalition of Thailand (CAC), which is a collaboration of 8 leading organizations are Thai Institute of Directors

Association, the Thai Chamber of Commerce, the International Chamber of Commerce, Thai Listed Companies Association, Thai Bankers' Association, Federation of Thai Capital Market Organization, the Federation of Thai Industries, and the Tourism Council of Thailand since May 29, 2014. The company was certified as a CAC's member on October 16, 2015 and is recertified every 3 years.

3) Respect for Human Rights

The Company has the policy to conduct business with integrity and adhere to social responsibility and stakeholders according to the principles of good corporate governance and ethics in human rights protection. The company has strictly complied with the laws and international principles, supporting and implementing the United Nations Global compacts also the ILO Declaration on Fundamental Principles and Rights at work.

In this regard, to ensure that the company is committed to conducting business without human rights violations in all business activities, both internal and among stakeholders throughout the value chain, and encourage partners to conduct businesses with respect to human rights and apply human rights principles accordingly.

The company adheres to the principle of human rights as a common practice. All employees must not take any action or strictly promote violation of human rights; which the company has established a policy and practice guidelines as follows:

- Right to collective bargaining
- Freedom of association
- Equal remuneration
- Non-Discrimination
- Anti-sexual harassment and other forms of harassment
- Human trafficking
- Anti-forced labor and Child labor and Other rights

The company realizes the importance of the rights of the vulnerable group including a child, disabled, women, minorities, immigrants, indigenous people, local communities, foreign workers or workers employed through third parties, LGBTQ and the elderly to be able to exercise their rights and participate in all activities equally, respect for human rights and treat everyone according to human rights principles in accordance with the policies and guidelines:

1. Employees are encouraged to treat each other with respect, honor each other, and will not discriminate regardless of race, nationality, language, religion, gender, age, and education, also behave in accordance with the company's regulations and according to traditions without creating a detriment to the company's image.

2. All employees shall act with caution to prevent risks to human rights in business operations violation.

3. The company supports and promotes actions to protect human rights. Illegal use of child labor is prohibited. The company monitors to prevent anyone from being deceived as forced labor or is forced in all forms of unlawful acts.

4. The company communicates and sets out guidelines and provides necessary support to those involved in business operations throughout the value chain, both internal and external, including executives, employees, suppliers, contractors, and business partners, in order to participate in business with integrity, respect for human rights and treat everyone according to human rights principles in accordance with this policy.

5. Accessible channel is provided for providing advice or responding to inquiries related to the company's human rights policy through supervisors or responsible persons as specified by the company.

6. The company continuously develops and implements human rights management processes in order to identify issues, assess risks and impacts on human rights violations along with determine guidelines for resolving and preventing human rights violations in accordance with corporate risk management guidelines.

7. All employees shall help to monitor all acts to comply with human rights and not neglect or ignore when witnessing an action that violates human rights related to the company's matters, by requesting cooperation from a witness to report an action to their superiors or person in charge to investigate facts.

8. The Company must act in fairness and provide protection to the person who reports human rights violations related to the company's matters by using measures to protect reporters or those who cooperate in reporting human rights violations as specified by the Company.

The human rights policy reflects the company's commitment to establish its practices and maintain an organizational culture that adheres to respect for human rights as well as encouraging those involved in conducting business with the company to conduct business with ethics and to prevent all forms of discrimination and violations of human rights.

4) Fair Employee Treatment

The Company realizes the importance of human resources as the main factor in business operations. The Company has established guidelines for treating employees. The Management adheres to the principle of treating employees with fairness, supporting capacity building to increase progress and increase the efficiency of employees' work, as well as encouraging employees to understand the company's code of conduct which employees should follow. The Company determined to provide appropriate and fair remuneration and welfare to the employees for a good quality of work-life and give fair employment conditions to have an opportunity to develop in their career path, including working in a safe and hygienic environment. The Company encourages employees to treat each other with honesty, listen to others' opinions, express opinions, and listen to suggestions. The Company has announced the policy of human resource management and development, which will be a guideline to develop and raise the importance of human resources that are considered the most important part to enable the company to achieve its goals. Furthermore, the Company will not commit or support the use of forced labor in any form, such as non-voluntary forced labor or forcing labor with penalties. The Company will not charge or extend identity documents unless it is an operation that is not contrary to the law. This includes not using child labor to work overtime or work on holidays or do any unsafe and harmful work that is against the laws of each country, nor employing child labor under the legal age.

5) Responsibility to Consumers

(5.1) Deliver quality products that meet or exceed customer expectations under fair conditions.

(5.2) Provide accurate, adequate, and up-to-date information about products and services to customers so that customers have enough information to make a decision without an exaggeration in both advertising or other

communication channels that may cause misunderstanding about the quality, quantity, or condition of products and services.

(5.3) Keep customers' confidential information and do not use the information for one's benefit or those who are improperly involved.

(5.4) Respond to customer needs with speed and provide an efficient system and channel for customers to suggest or complain about the quality of products and services.

6) The Environmental Care

The Company pays attention to the importance of environmental care by operating business with care and awareness of the potential impact on the environment, as well as adhering to the legal related to environmental care. The Company has provided guidelines for practice as follows:

(6.1) Designate a responsible person for controlling the business operations to ensure the lowest impact on the environment and not to exceed the specified standards and to be responsible and committing to environmental care to optimize and balance the use of resources.

(6.2) Regularly carry out activities that contribute to the creation of society, community, and environment, aiming to improve communities' quality of life by using company's resources and facilities together with the cooperation from the state and communities themselves without destroying the local customs and traditions in the area.

(6.3) Assess risks and set standards to prevent any accident and control emissions to the acceptable levels according to the national standards, including having policies and measures to reduce waste and arrange for the disposal of wastes that occur in an appropriate manner.

(6.4) Respond quickly and efficiently to events affecting the environment and communities due to the Company's operations by fully cooperating with government officers and related agencies.

(6.5) Encourage the employees to be aware of and take responsibility for society and the environment regarding the Environmental Management System (ISO 14001) and promote efficient use of resources. In addition, the Company has set a policy regarding the Carbon Footprint so that all executives and employees are committed to doing business with due regard for the environmental impact both inside and outside the company. The Company determines to efficiently use the electrical resources by installing a Solar Rooftop on the factories' rooftop with a long-term goal of Carbon reduction by 2000 tons of carbon.

7) The Community and Society Development

The company sets guidelines to act, control, and ensure its operation compliance with relevant laws and regulations and be socially responsible, including cooperating, helping, supporting, and volunteering to do activities that are beneficial to the community and society to promote economic strength as well as social and cultural revitalization. In addition, the Company provides channels for stakeholders and related parties to express their opinions on the Company's operations and complain about the case of unfair treatment from the Company's actions through the channels specified in the anti-corruption policy. Furthermore, the company has arranged various activities which are continually contributing to community or society, such as donating surgical masks to communities and agencies in the

provinces where the companies are located and neighboring provinces and continuously providing scholarship programs for students in both vocational and tertiary level, etc.

8) Innovation and dissemination of innovations

Developing personnel to understand the technology and changing directions of business and industry will be an important basis for driving the organization. The company has strategies and guidelines for driving the organization as follows:

(8.1) Human resource development to become a technology producer and user by arranging cooperation between employees with high experience and employees with high technological knowledge. The company sees importance in human development as the most valuable resource to drive, develop, and sustain the organization. The Company also provides in-depth specialized knowledge and skill training in each business unit, emphasizing sharing knowledge between the experienced and the innovative employees depending. After classroom training and on-site training with modern technology machines, the company will conduct a test to evaluate the results (Indicators / KPIs), collect data for analysis, enhance the ability of employees by Radar Chart for both production and support departments. Recently, Income per Head system was in-house developed and implemented to keep record on each individual employee's performance, which return is believe to be fairly evaluated and distributed.

In addition to the in-house training, the company supports the joint curriculum together with an educational institution, both high-vocational technical colleges and universities, consisting of Short courses, Diploma courses (Non-degree) as well as Bachelor and master's degrees, aiming to develop study content in accordance with the needs of the industries. Students who join the programs can work and earn income at the same time during the semester.

(8.2) Application and use of technology in accordance with the forward direction of the organization under the concept of "ARAI": the application of Automation by using Robots in the production line and other supporting departments in the organization, including the Artificial Intelligence which the Company has developed to be able to connect networks between machines and systems which can be operated and controlled remotely by the Internet of Things.

(8.3) Use of Big Data technology for management and decision making. The company has a systematic data collection management that contains a large number of production data and detailed information from all business units to be used in an analysis of the current business plan. This information also is used for investment decisions to increase productivity or productivity as well as to find new business opportunities. The company started by collecting and analyzing numbers of production output to reflect daily production efficiency, real-time production cost, and profitability. The information added can be converted into financial ratios and can be used as information for analyzing an income per head of the employee according to their performance.

(8.4) Creating an innovative company, both in production, process, and service, from strategies that focus on building human capital, aiming to create technology. The Company has allocated a budget for investment, research, development along with construction and installation machines to produce related technological products to promote learning by doing. The Company also develop production lines, products, and service together with customers by focusing on modern and environmentally friendly products. The budget has been allocated to build ARAI Academy, a

factory that is a learning center for every single step of the production process allowing employees to come in for training, brushing their knowledge, and building on their old skills with technology that helps them to work more efficiently. The products manufactured in ARAI Academy was actual delivered to customers.

3.2 Stakeholder Engagement in the Business Value Chain

3.2.1 Business Value chain

3.2.2 Stakeholders' evaluation in the business value chain



Stakeholders are the key to the company's sustainability; in order to smoothly run the business, the company has to determine the engagement approaches and consider the materiality matters as follows:

Stakeholder	Participation Chanel	Expectation	Operation Guideline
Employee	- Supervisors have front-row meetings (morning talk) with staff every Monday morning or the first day of the week in case of having a long weekend. - Company activities - Company's online material	- Good remuneration - Having career advancement, knowledge, and skill developed in accordance with professional growth in the career. - Good quality of work-life	- Pay the right remuneration and welfare - Promote the growth of a career path that consistent with the knowledge and skill of the employees - Allows employees to be involved in welfare management and quality of work-life such as joining the welfare committee, committee

Stakeholder	Participation Chanel	Expectation	Operation Guideline
			on occupational health and security
Shareholders	- Annual General Meeting	- Fair return on investment	- Follow business ethic guidelines, including the rights of shareholders to obtain timely and necessary information in accordance with the Securities Exchange of Thailand and the Office of the Securities and Exchange Commission rules
Investors	- One report	- Good cooperate governance	
	- Opportunity day	- Transparent Disclosure information for investors	
	- Roadshow		
Customers	- Communication according to the business plan	- High-standard quality products and on-time delivery at the competitive prices	- Develop the products and services to meet the market demands as well as to conduct the business with trust and moral
	- Weekly and monthly meeting		
	- Customer's visit on various occasions		
	- Customer satisfaction survey		
Social Community	- Open to comments and complaints	- Conduct business that does not affect the quality of life of the society and environment	- Support community activities, education, and career opportunities
	- Society participation		- Monitor environmental impact

Stakeholder	Participation Chanel	Expectation	Operation Guideline
		- Support community activities	
Business Partners	- Communicate via electronic mail and telephone - Weekly and monthly meeting	- Fair and transparent relationship - Acceptable payment term	- Take into consideration the mutual benefits - Create opportunities to exchange knowledge and experience - Participate and support the creative activities of business partners continuously
Business competitor	- Business operation	- Acting under the rules of good competition	- Promote free and fair-trade policies - Do not seek confidential data of business competitors dishonestly or inappropriate ways such as pay for committee and employees of competitors - Do not discredit business competitors by the accusation
Government agencies	- Submit reports to government agencies - Participate in activities and government projects	- Comply with relevant law	- Law-abiding and strictly operational report - Pay taxes and other expenses according to the rules and government regulation
Mass media	- Investor's activities quarterly meet with management - Company visits	- Disclosure of information and news truly, accurately, and fast	- Treat all media fairly and equally

Stakeholder	Participation Chanel	Expectation	Operation Guideline
	- Being interviewed by all media		

Economic management

In 2022, the company set three main economic organizational management goals:

1. Human resource development and continuously adjusting the production line to robotic and automation in order to enter Industry 4.0.
2. Increase and maintain the satisfaction level of every customer at level A by developing work guidelines with business partners.
3. Zero complaints of corruption in the supply chain

Innovation management

In the age of technological change, the company has set policies and strategies to support the transformation into the year 2025 as a guideline for changing the organization to drive the future sustainability as follows:



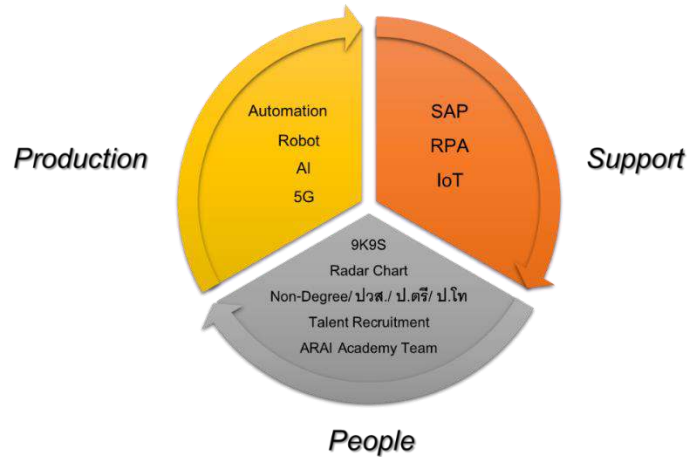
Since the year 2017, the company has adjusted its personnel structure to be more appropriate and ready to accommodate changes, including the development of systematic training to develop professional skills which are essential for the career path (hard skills), along with skills earned by experiences, and analytical thinking (soft skills). The company entered into a business operation restructuring to be ready for rapid changes and to align with business plans in 2018 while in 2019, the company conducts business by focusing on marketing, serving new customers, and maintaining the existing customer base. For long-term growth, the company intends to transform all operational processes into Industry 4.0 by 2025.

Production line development

For the production line, the key factor of technology transformation is people. The top executives recognized the significance of having a policy that determines the development of the company's people assets to be able to build, repair, or create innovation rather than the importance of purchasing technology. The company pays attention to training employees to be able to develop new technology and invent innovation, which is the cornerstone of the sustainability

of the organization. At the same time, human resource development will equip employees with skills needed for the industry, to be able to earn more with improved competencies and eventually to have a good quality of life.

In 2022, the company continuously invests in automation, implementing more robots, and developing new artificial intelligence, to improve the performance in production processes to meet satisfaction and to expand the customer base with high-quality services and products.



Improving the production process by using robots, not only increase work efficiency but also increases the employees' safety in the production line. For the support side, the company has been developing the Industrial Internet of Things (IIoT) connected to the production process to be able to receive real-time information and use the information for analysis, decision-making, and solving problems arises more precisely, which is beneficial to Planning, Accounts, Finance, and Purchasing departments. Support side employee have adopted Robotic Process Automation (RPA) system to be used especially for repetitive paperwork, the work takes up a lot of data and may caused by human error.



From the change of the organizational policy by improving the production line to be fully automated, the company has implemented the concept through all the production lines. The robots that the company has developed are connected to the stamping and press machines, injection molding machines, and the OEM production line, for developing employees to have the knowledge in order to work with modern technologies. This is considered an innovation that arises from employees that can be applied in practice. In addition, the company has also encouraged employees to learn new sets of skills, and knowledge in technology so that employees are aware of innovations and are able to smoothly adapt during the transition and are ready to lead the organization to Industry 4.0.

After the company implemented robotics to improve efficiency and the effectiveness of the company performance, the work efficiency was increased and the cycle time was reduced, the products were produced with high accuracy, and more consistent at lower costs. Not only the company has the lower administrative costs but also there was a lower risk of accidents caused by humans. Human resource development results in an increasing in employees' abilities, which create more time for the employees to rotate positions and work in various fields. As a result, the company can manage more effectively during the uncertain production season while maintaining a good working life and the employees stability in the organization.



The company believes that the high-efficiency production process resulted from effective production planning and execution thus, the company pays great attention to the production planning system and methodologies. Currently, we use the manufacturing simulation method based on the four aspects of production resources (productive resources) to understand the big picture of production, to design more suitable production plan, make an accurate assessment of production risks and costs, track production status, and check the production variable cost at any time using the SNC-IIoT, in-house system that the company developed. The main purposes of using the system can be divided into 3 objectives as follows:

1. To be able to continuously control and monitor the overall production status and production resources of each production order, as well as to be able to present the Overall Equipment Effectiveness (OEE) in a timely manner to control in accordance with the production plan.
2. For ultimate energy management, keep track and control both direct and indirect energy used, such as electricity, water consumption, etc.
3. To be able to control and monitor critical parameters of machines and energy-generating machines to assess risks and prevent machine breakdowns during production time. This includes using the information to evaluate and schedule the machine maintenance plan in both Preventive Maintenance (PvM) and Predictive Maintenance (PdM), as well as evaluating spare parts plans for Corrective Maintenance (CM).



System development in line with the production line



In 2022, the company has been developing an RPA to be used with the production process, and created awareness of the expenditure and revenue of each individual department, for example:

- Daily report of sales and earning
- Report of the proportion of raw material usage
- Daily production report

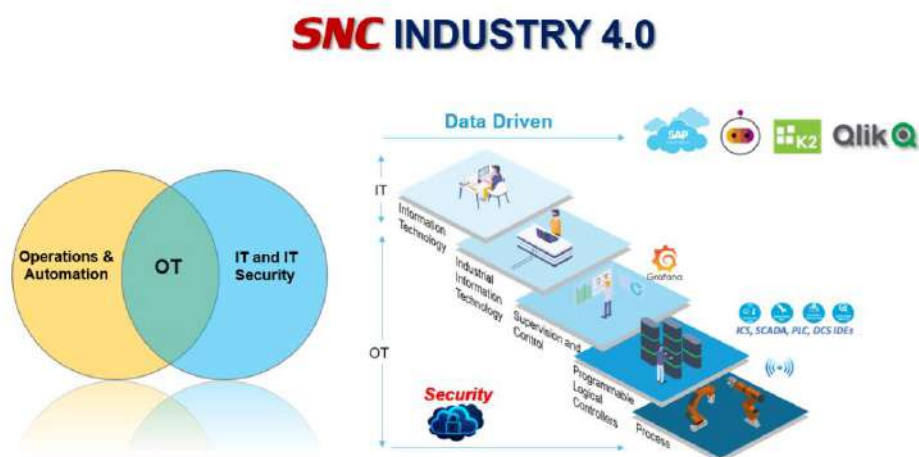
No.	Description	Frequency	Time (min.)	
			Previously	RPA
1	Download IC Online System	Everyday	10	0.5
2	Insert Report PO to Database P2P (Vendor portal)	Everyday	2	0.5
3	Status TECO CRTD REL CLSD Report	Everyday	4	0.5
4	%RM USED vs Sale (Standard) by Customer	Everyday	8	0.3
5	%RM USED vs Sale (Actual) by Customer	Everyday	8	0.3
6	NRV Report (Email)	Everyday	4	0.5
7	Daily cost	Everyday	8	0.5
8	Invoice without PO (Electrical used, Water used)	Everyday	1	0.3
9	Sale VS Transportation cost Report (B2,PRD)	Everyday	8	0.3

1. Display the product output more efficiently; information can be selected to display on a daily, weekly, and monthly basis. With high-accuracy information, the employee can easily analyze the root cause of the problem when occurred and be able to promptly solve the problems.
2. Issue a real-time production report; by knowing the actual output in real-time, the employee can keep on tracking the production output compared to the targeted output and efficiently manage the time remaining before delivering finished goods.



Developing a cyber security system along with the production line

During the year 2021–2022, there was a shift in innovation to transform into the future industrial revolution, which is an integration between the production process and the Internet of Things (IoT), making the process throughout the supply chain to be more connected in the digital world. Furthermore, the operation of automated factories is a combination of operational technology and information technology to minimize production losses by using the cyber-physical system, which uses data from the system to analyze and plan the work to be worthwhile and reduce waste from various processes. The company's support side has been adapting these solutions and cyber security within the organization system.



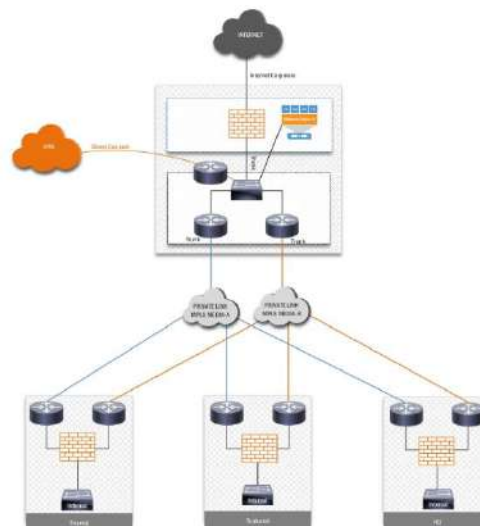
Operational Technology and Information Technology

Cyber Security



Cyber security platform

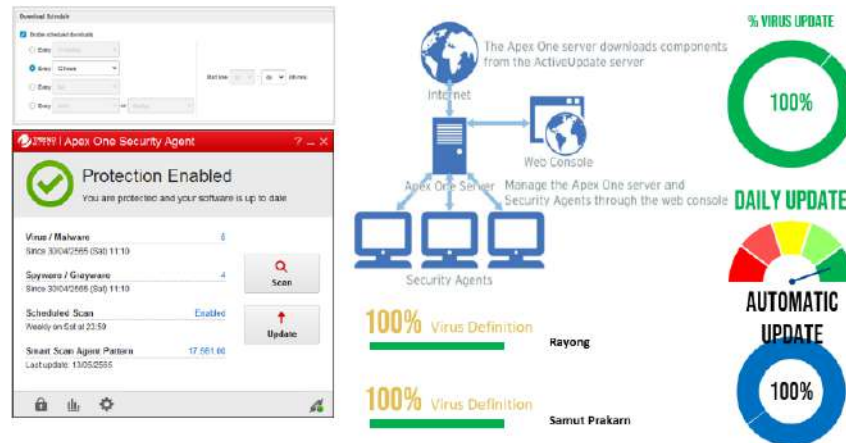
Since the outbreak of the coronavirus in 2019, the trend of work has begun to change to be more on the Internet network. The company has adjusted its work system through the use of more computers and the Internet of Things to increase efficiency, with better cost control, and less time consumption. The company has implemented Solution Firewall as well as Solution SD-WAN in order to create a strong security system that will allow the business to run smoothly and centralize the network.



Firewall and SD-WAN

The industrial sector and IIoT businesses have been using a variety of endpoint systems, such as mobile phones, tablets, smart TVs, PLCs, MES, SCADAs, and smartwatches. These are susceptible to cyberattacks, thus the

company deems it necessary to have a system in place to protect internal and external connections. Endpoint Solution has been brought by the company to improve system security.



Endpoint Solution

Human Capital Development to accommodate the change

For the employees to have a better adaption to technology, the company invested in ARAI Academy, a two-story building. The first floor is a completed production process. The second floor consists of the control room and classrooms. The main objectives of establishing this academy are to provide employees with complete on-the-job training and essential knowledge required to use in the production line, to participate with the innovative machines, and to decrease the risk of accidents occurring when working in the actual production line. There are 5 courses provided: ROBOT, CNC, PLC, IIOT, and ERP. Since the first quarter of 2021, the training has been ongoing, and there are currently 730 employees who have been trained.





The continued projects on the human capital development

From the company's determination, "At SNC, we create people asset as a key to social development," the company values "people" as the most valuable resource of the organization. The company, therefore, has focused on building human resources by setting three operational frameworks: creating talents, culture, and happiness. Consequently, the employees are equipped with the necessary skills to grow alongside the company under an ethical organizational culture and to work happily, which eventually creates a strong bond and strength to work for mutual success. In addition to training the skills of employees, the company also takes precedence in education. At present, there are 309 students who are in our scholarship programs in 2022 as shown in the picture below.



In 2022 , The company provided internal and external training programs as shown in the table below:

ลำดับ	หลักสูตร	วิทยากร	ประเภทอบรม	จำนวนผู้เข้าอบรม													รวม
				SAHP	SEREN	SCAN	IPC	SAWHA	MERQ	YALA	SNC	IMP	CL	PRD	B2	MSPC	
อบรมภายนอก																	
1	หลักสูตร ความปลอดภัยในการทำงานเกี่ยวกับไฟฟ้าเบื้องต้น	ผู้เชี่ยวชาญด้าน ไฟฟ้า	ภายนอก	-	1	-	-	-	-	-	-	-	-	-	-	-	1
2	หลักสูตร ระบบการสื่อสาร CAN Pocolot ด้วย MRS DEVELOPERS STUDIO ในยานยนต์ไฟฟ้า	ผู้เชี่ยวชาญด้านระบบการสื่อสาร CAN Pocolot	ภายนอก	-	-	-	-	-	3	-	-	-	-	-	-	-	3
3	หลักสูตร Injection Moulding Machine & Smart Production (โครงการอบรมระยะสั้นตาม EEC Model)	ผู้เชี่ยวชาญด้านเทคโนโลยีการผลิต	ภายนอก	-	4	-	-	-	-	-	-	-	-	-	-	-	4
4	หลักสูตร Industrial Robotics-Basic (KUKA) (โครงการอบรมระยะสั้นตาม EEC Model)	ผู้เชี่ยวชาญ มทร.บงพระ	ภายนอก	-	-	5	5	-	-	-	-	-	-	-	-	-	10
5	หลักสูตร Industrial Robotics- Advance(KUKA) (โครงการอบรมระยะสั้นตาม EEC Model)	ผู้เชี่ยวชาญ มทร.บงพระ	ภายนอก	-	-	5	5	-	-	-	-	-	-	-	-	-	10
6	หลักสูตร Battery Electric Vehicle Technology	ผู้เชี่ยวชาญด้าน Battery และวิศวกรรมการทดสอบ	ภายนอก	-	-	-	-	-	4	-	-	-	-	-	-	-	4
7	หลักสูตร การซ่อมแซมเครื่องยนต์ดีเซล	ผู้เชี่ยวชาญด้านการซ่อมแซมเครื่องยนต์ดีเซล	ภายนอก	-	-	-	3	-	-	-	-	-	-	-	-	-	3
8	หลักสูตร Solar Cell Course Training	ผู้เชี่ยวชาญ Solar Cell Course	ภายนอก	-	-	6	-	-	-	-	-	-	-	-	-	-	6
9	หลักสูตร Solar Cell	ผู้เชี่ยวชาญการผลิตเซลล์แสงอาทิตย์	ภายนอก	-	-	2	-	-	-	-	-	-	-	-	-	-	2
รวม				-	5	18	13	-	7	-	-	-	-	-	-	-	43

External training of 9 programs with a total trained employee of 43 people.

ลำดับ	หลักสูตร		วิทยากร	ประเภทอบรม	จำนวนผู้เข้าอบรม													รวม
					SAHP	SEREN	SCAN	IPC	SAWHA	MERQ	YALA	SNC	IMP	CL	PRD	B2	MSPC	
อบรมภายใน																		
1	หลักสูตร 5S และการส่งคำสั่งหุ่นยนต์อัตโนมัติ		คุณพรชัย ศิริกิจพาณิชย์กุล	ภายใน	-	-		70	-	-	-	-	-	-	-	-	-	70
2	หลักสูตร ROBOT Beginner		ผู้เชี่ยวชาญ B1F1	ภายใน	-	8	5	8	-	-	-	-	5	8	-	3	-	35
3	หลักสูตร ROBOT Basic		ผู้เชี่ยวชาญ B1F1	ภายใน	1	24	24	21	-	-	-	2	21	1	20	19	-	133
4	หลักสูตร CNC Beginner		ผู้เชี่ยวชาญ B1F1	ภายใน	-	3	6	3	-	-	-	-	8	7	1	1	-	29
5	หลักสูตร CNC Basic		ผู้เชี่ยวชาญ B1F1	ภายใน	3	8	66	-	-	-	-	-	12	11	-	-	-	100
6	หลักสูตร PLC Mitsubishi Beginner		ผู้เชี่ยวชาญ B1F1	ภายใน	-	7	6	5	-	-	-	-	7	5	4	3	-	37
7	หลักสูตร PLC Mitsubishi Basic		ผู้เชี่ยวชาญ B1F1	ภายใน	3	14	27	4	-	-	-	-	-	1	-	1	-	50
8	หลักสูตร IOT Beginner		ผู้เชี่ยวชาญ B1F1	ภายใน	1	1	16	3	-	-	-	-	2	4	1	-	-	28
9	หลักสูตร IOT Basic		ผู้เชี่ยวชาญ B1F1	ภายใน	1	6	48	2	-	-	-	2	3	-	1	-	-	63
10	หลักสูตร ERP USER		ผู้เชี่ยวชาญ B1F1	ภายใน	2	10	30	11	-	4	2	4	8	9	7	7	-	94
11	หลักสูตร ERP Basic		ผู้เชี่ยวชาญ B1F1	ภายใน	-	-	2	1	-	-	-	-	2	-	-	-	-	5
12	หลักสูตร ERP เบื้องต้น		ผู้เชี่ยวชาญ B1F1	ภายใน	-	-	18	-	-	-	-	-	-	-	-	-	-	18
13	หลักสูตร key users Income per head SNC Rayong		คุณวิรัชพร รณาลี	ภายใน	-	16	39	15	-	-	-	-	-	-	-	-	-	70
14	หลักสูตร Net Inspect Progress costumer Fisher&Paykel		วิทยากรภายนอก คุณจุฑามาศ พรหมเย็น	ภายใน	-	-	-	7	-	-	-	-	-	-	-	-	-	7
15	หลักสูตร Programming Courses & Machine Courses		วิทยากรภายนอก คุณสวาทจิต อุณิธิศ	ภายใน	-	-	2	2	-	-	-	-	-	-	-	-	-	4
16	หลักสูตร SAP Module FI		วิทยากรภายนอก consult SAP	ภายใน	1	6	7	6	-	-	-	-	6	2	2	1	-	31
17	หลักสูตร Training the Trainer		อาจารย์สมพรวิ บุญอุทัยเจริญ	ภายใน	-	1	11	5	-	-	-	1	1	-	1	1	2	23
18	หลักสูตร Training the Trainer		อาจารย์บุญญา	ภายใน	-	3	13	1	-	-	-	3	-	1	-	-	-	25
19	หลักสูตร การทำ Shipment เบื้องต้นของคลัง ในระบบ SAP		ผู้เชี่ยวชาญ ระบบ SAP	ภายใน	-	2	5	2	-	-	-	-	-	-	3	-	-	12
20	หลักสูตร การวิเคราะห์โครงสร้างรับน้ำหนักเสาเข็ม โดย การจำลองด้วยคอมพิวเตอร์		วิทยากรภายนอก คุณศิริพร เต็กโพนโรจน์	ภายใน	-	2	2	1	-	-	-	-	-	-	-	-	-	5
21	หลักสูตร ระเบียบข้อปฏิบัติและการเข้าถึงการใช้งานโปรแกรม Solidwork		คุณวิรัชพร รณาลี	ภายใน	-	2	5	-	-	-	-	-	-	-	-	-	-	7
22	หลักสูตร ความรู้เบื้องต้นในการทำงานสำหรับพนักงานใหม่		คุณสุภาวดี / คุณโสภิตา / คุณณัฏฐพร	ภายใน	17	185	1,420	121	-	-	-	18	95	102	43	-	6	2,007
23	หลักสูตร 9K9S		Mini MD / Supervisor	ภายใน	33	125	630	190	-	-	-	-	315	204	130	117	-	1,744
รวม					62	421	2,452	408	-	4	-	36	481	355	212	152	12	4,597

Internal training of 23 programs with a total trained employee of 4,597 people.

1. Skill sets measurement: Radar Chart

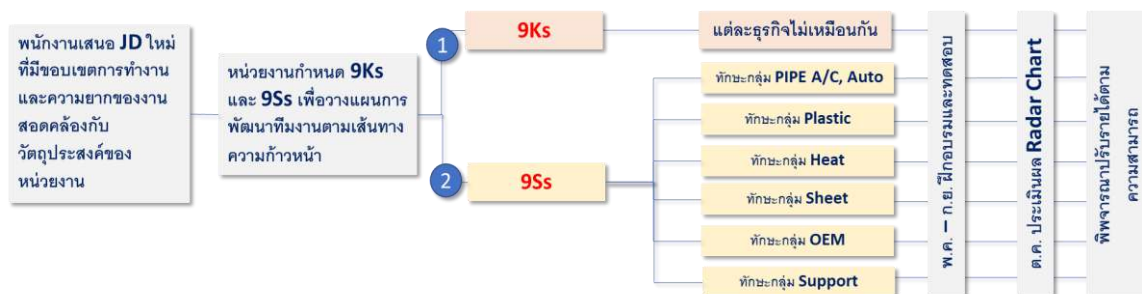
The radar Chart is used as a measurement tool to reflect the skill level of employees and to make employees beware of the gap in self-development with transparency. The company has therefore used Radar Chart to evaluate the performance of employees. The assessment is carried out once a year, and after the assessment, the company will develop and train employees to have a higher level of competence. The higher ability affects work efficiency and reflects back in term of the income of the employees themselves.



Details on the Radar Chart card

2. Connecting the development with the employees' career path using 9K9S

Based on the outcome of the Radar Chart, the company has adjusted its human resource development strategy by requiring each department to define 9 knowledge needs and 9 skill needs; The objective is to provide personnel development according to the result from Radar Chart together with personnel development according to the career path which can explain as follows:

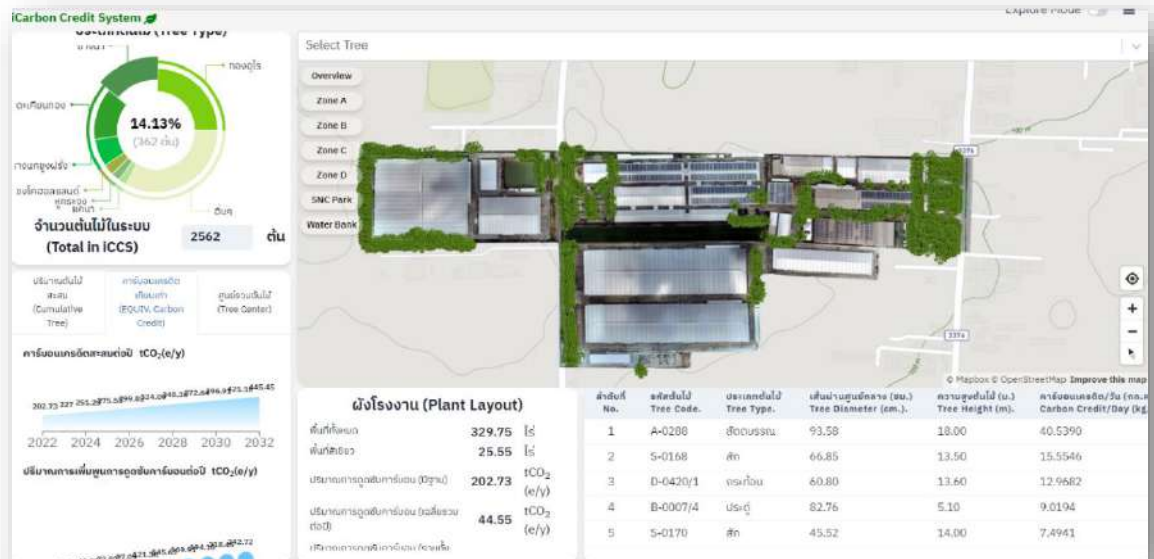


Quality of Work-life

The company realizes the importance of quality of work-life for its employees. In 2022, the company developed SNC Park, a continuous project in an area of more than 8,000 sqm., to be a workplace in nature, consisting of 2 working buildings, 1 co-working space, and Wellness Center including a jogging track around the garden to create a good working environment, encouraging innovative thinking and happiness in the workplace. In addition, since the company is in the industrial sector. Therefore, the company has been focusing on climate change. Since 2017, the company has set a long-term goal of carbon reduction at 500 t / Co2 by planting large trees. For short-term goals, we scheduled to plant more than 1,000 trees. In 2022, the company planted a large tree of more than 2,562 units. There will be more than 1,000 medium-sized shrubs and perennials planted.

Currently, the company continues to offset carbon credit by preparing reports for applying the T-VER Program of Thailand's greenhouse gas management organization (Forestry and Agriculture Project). The participating green space is 31,040 sqm and a total of 1,788 trees in the project. The maximum carbon storage capacity of 184.34

tons of carbon dioxide equivalent from the project or an average of 18.43 tons of carbon dioxide per year. In addition, the Company has taken into account the long-term sustainability of the project and therefore has developed and launched the iCarbon Credit System website to track the amount of carbon absorbed, the number of trees, the species of tree in the company area immediately (Real-Time) and set goals for the next 3 years to carry out trading in the carbon market.



Remarks: Information on the website page may be changed according to the number and the species of trees.

In the future, the green area so called SNC Park is planned to be classified as a natural learning resource for the communities. An increase in green areas in the factory help copes with climate change and also can be a get-together place for employees in the company.





Continued Development in economic and social

Apart from implementing automation and robotics within the factory, the company is committed to being a part of building a stronger industrial sector; starting from human resource development, the company had a signing ceremony for cooperation with three parties among the industry sector, higher vocational institutions, and universities of more than 50 educational institutes under at Royal Cliff Hotels Group, Chonburi province with the objectives as follows:

1. To strengthen cooperation among the three parties in order for continuous development in special education and training programs.
2. EEC Improves labor skills and knowledge to support the growth of the industrial sector both inside and outside the EEC area.
3. To develop a prototype of small and medium enterprises (SMEs) in the EEC area in order to be able to upgrade production to the Industry 4.0 system.
4. Strengthen cooperation between the public and private sectors in developing a training program with EEC-HDC to enhance the development of all relevant sectors. The course is set as Project-Based Learning, and after graduation, students can continue to work at the workplace they were trained while earning a high income. However, if students wish to continue with further study at a higher level, they will be offered the grant by matching with higher education institutions. This will enhance continuous human resource development and a clearer career path.

Since the end of 2020, after the cooperation signing ceremony until now, the company has recruited students from various institutions to practice their skills, focusing on the job training corresponding to the field of study. The company evaluates the result of the work as well as enhances new skills to provide students with the ability to meet the needs of the industry. In 2022, there was a total of 967 students from various educational institutions who were interns at the company.

3.3 Environmental Control

3.3.1 Environmental policy and practice

The group of companies engages in the manufacture of equipment parts and assemblies for electrical appliances. Equipment parts used for molding vehicles, including electronic components, by focusing on producing quality products and services. The group realizes the importance of natural resources used in manufacturing as well as the impact on the environment and society, which focuses on the development and carrying out of effective environmental management in accordance with the international standard ISO 14001: 2015 for sustainable growth. All executives and employees are committed to the following policies.

1) The company complies with the law on environmental requirements and other regulations. The company is strictly involved and is committed to achieving goals and environmental objectives set by the company.

2) The company implements and creates awareness among employees in the organization and stakeholders to realize the importance of resource consumption and embeds a culture to conserve the environment.

3) The company fosters understanding and encourages the use of resources and energy as well as the efficient use of production technology, resulting in a quality product that is environmentally friendly or has the least impact on the environment. Moreover, the company monitors, evaluate and implements waste management that arises from the operation professionally.

4) The company analyzes environmental issues, which focuses on preventing problems. The company aims to reduce the severity of climate change, including setting guidelines for the continuous improvement of environmentally friendly products and services.

5) The company sets and announces policies and guidelines to the stakeholders of the organization and to the public.

The company operates business while well aware of the impact that may have an impact on the environment both inside and outside the company. The main strategy is to cultivate consciousness and comply with laws to maintain and prevent emissions into the environment. In addition, the company set a goal to reduce energy consumption. By developing and improving the product manufacturing process to be more environmentally friendly, the company plans to operate the business with an emphasis on developing and creating value with the community as follows:

1) As one of the core businesses of the company is manufacturing air conditioners that use refrigerants which may have an effect on global climate change, the company has developed a product category using a new refrigerant (R32), which will reduce the impact on ozone depletion. In addition, the company has set a target to reduce its carbon footprint by 2,000 tons of carbon by using more solar rooftop panels on the factory roof, which allows the use of electric energy to be more efficient while reducing the cost of electricity consumed by the company.

2) To make the environment within the company more livable and eco-friendlier, the company has therefore focused on the 5S: clean, convenient, hygienic, and habitual. Moreover, the company has organized activities to campaign for employees to realize the impact on the environment, including activities to increase green areas. "SNC Green Thumb," a project based on reusing resources under the "3 R" principle, which consists of Reduce, Reuse, and Recycle, the company aims to reduce the use of plastic water bottles and single-use plastics, etc.

3.3.2 Environmental practices

Environmental Care

The company pays close attention to environmental protection by operating the business with consideration of the potential impact on the environment, including adhering to guidelines in accordance with laws related to the preservation of the environment. The company has set up practice guidelines as follows:

1) Assigned a responsible person for controlling the operation not to cause an impact on the environment that exceeds the specified standards. Responsible and committed to the preservation of the environment in order to make the best use of resources.

2) Conduct activities to contribute to society, community, and environment on a regular basis in order for the communities where the company is located to have a better quality of life.

3) The company has a risk assessment and set measures to prevent accidents and control emissions of waste to an acceptable standard level, including having policies and measures to reduce the occurrence of waste and arrange for the disposal of the waste produced by appropriate methods.

4) Respond quickly and efficiently to events that affect the environment and community due to the operations of the company by cooperating with government officials and related agencies.

5) Encourage employees of the company to have awareness and responsibility towards society and the environment within the environmental management system (ISO 14001) and promote efficient use of resources.

Energy Conservation

The company has established a carbon footprint policy for all executives and employees to be committed to conducting business by taking into account the environmental impact both inside and outside the company. Within the group of companies, SNC considers methods for the efficient use of electricity resources with a solar roof installed on the factory roof at Rayong province with a total of 6 factories. We plan on a long-term goal of reducing the amount of carbon by 2,000 tons of carbon each year. The advantages are as follows:

- 1) To make the most use of electricity
- 2) Reduce the company's electricity consumption cost
- 3) Reduce the cause of pollution as it is clean energy and environmentally friendly

The company has continuously collected electricity usage data, and the result showed lower electricity costs.



From the installation of the Solar Rooftop, the company has been collecting data on the electricity produced, which the reduction amount of carbon since the month January-December 2022 was 1,740 tons of carbon, representing 87 percent of the target at 2,000 tons of carbon.

The Solar Rooftop Project is a long-term project for the company that not only reduces the impact of environmental pollution but also helps the company with energy cost savings. The table below shows that the company has more electricity generated from solar energy compared to the year 2021, with the company still operating and continuously keeping the results

	2561		2562		2563		2564		2565	
	ปริมาณการใช้ไฟฟ้า KW	T	ปริมาณการใช้ไฟฟ้า KW	T	ปริมาณการใช้ไฟฟ้า KW	T	ปริมาณการใช้ไฟฟ้า KW	T	ปริมาณการใช้ไฟฟ้า KW	T
มกราคม	179,982.81	100.97	189,052	106.06	238,846	133.99	260,229	145.99	308,125	172.86
กุมภาพันธ์	222,404.00	124.77	221,888	124.48	248,552	139.44	255,139	143.13	252,346	141.57
มีนาคม	268,798.03	150.80	280,972	157.63	269,264	151.06	286,831	160.91	290,769	163.12
เมษายน	168,666.22	94.62	207,821	116.59	250,666	140.62	159,167	89.29	293,443	164.62
พฤษภาคม	173,620.23	97.40	206,838	116.04	209,257	117.39	244,869	137.37	255,335	143.24
มิถุนายน	189,739.21	106.44	201,748	113.18	233,370	130.92	278,289	156.12	232,411	130.38
กรกฎาคม	176,867.28	99.22	195,164	109.49	250,180	140.35	249,441	139.94	233,062	130.75
สิงหาคม	186,044.00	104.37	220,145	123.50	254,062	142.53	200,913	112.71	243,775	136.76
กันยายน	116,003.00	65.08	170,447	95.62	208,571	117.01	202,721	113.73	181,097	101.60
ตุลาคม	118,047.00	66.22	236,070	132.44	199,788	112.08	229,495	128.75	305,848	171.58
พฤศจิกายน	162,370.00	91.09	218,631	122.65	249,254	139.83	261,251	146.56	244,685	137.27
ธันวาคม	125,884.00	70.62	198,861	111.56	218,856	122.78	310,141	173.99	260,787	146.30
ปริมาณรวม	2,088,425.78	1,172	2,547,637.00	1,429	2,830,666.00	1,588	2,938,486.00	1,648	3,101,680	1,740
เป้าหมาย		2,000		2,000		2,000		2,000		2,000
%		58.58		71.46		79.40		82.42		87.00

An assessment of emissions of greenhouse gases from business operations

Apart from the solar rooftop project to enhance the quantity of power supplied by solar energy and a tree planting initiative to absorb greenhouse gases produced by the company's operations.

At the end of the year 2022, the company started to collect data and research to assess where the origins of greenhouse gases emission and where they are stored. The data will also be collected from the machinery and equipment used in the manufacturing processes so that the organization can determine how much energy is consumed overall and provide parameters for additional energy-saving measures.

Efficient Resource Management

In 2021, SNC Group had a summary of electricity consumption from January to December at 40,266,605.98 kWh, which is equivalent to 149,755,667 baht.; the company has set a target to reduce electricity consumption, which for the long-term target was to reduce by 4 percent, and the short-term was set at 2 percent. The company promoted all employees to take into account energy consumption, for example, turning off the lights during break time, and turning off the air conditioner outside working hours. Apart from that, the company has a policy to use electricity from renewable energy, which is a solar power system on the factory roof of 3.4 MW.

Electricity consumption in 2022 was 47,876,645.43 kWh, which is equivalent to 188,167,128 baht, increasing from the previous year. The main reason for an increase in electricity consumption was due to more activities from sales growth. The electricity consumption per income is reduced, calculated to be 0.25 percent in the year 2022 while the consumption in the year 2021 was at 0.26 percent.



Fuel consumption

The company controls the fuel consumption for diesel and gasoline. In 2022, the company's fuel consumption decreased, despite an increase in manufacturing activities; diesel consumption was 79,385 liters, while gasoline consumption was 29,181 liters, with a reduction of 9% and 34%, respectively, compared to fuel consumption in 2021.

The guidelines that the company has established are as follows:

- Delivering goods both internal and external, each vehicle's cargo space must be efficiently calculated to be fully loaded, with no less than a truckload so there will be no empty space inside the container to control the number of cars used and maximize the use of each cargo.
- Minimize the rounds of delivering documents and move forward to a paperless organization, which the company has been trying to minimize the use of paper and use more of online document transfer and submission.
- The amount of LPG consumption in the production line was 1,320,000 kilograms in 2022, which increased by 19 percent from the previous year due to the company's increasing operating activities.

Waste management

The organization realizes the importance of waste management throughout the production process, including any other activities. The company established a waste management procedure that includes a method for segregating non-hazardous and hazardous waste. In 2022, the total amount of non-hazardous waste was 15,120 tons while the amount of recycled waste was 6,252 tons, and the total amount of hazardous waste was 583 tons. The company has been implementing a proper waste management program and strictly conducts measurements at least once a year to prevent any effects to society and the environment.

Water supply

Due to the lack of water supply around the factory area in Rayong province during the dry season, to reduce the risk which might affect production and consumption, the company, therefore, invested in building its own water storage and installing water pipelines to be used in the production processes and to help communities in case of drought.

In the year 2022, the company expanded the reservoir to support the growth of the business into a total of 4 reservoirs with a volume of over 361,700 cubic meters. The company's subsidiaries located in Rayong province consumed 183,185 cubic meters of water from its own reservoirs to be used in the company's business processes in the year 2022, which increased by 8,477 cubic meters compared to the previous year, while in the year 2021, the company consumed 174,708 cubic meters. However, the water consumption rate decreased by 15.42 percent when compared to the water consumption and sales volume in the previous year in 2021. The company's subsidiaries in Samutprakarn province consumed 106,231 cubic meters of water in the year 2022, which was a decrease of 8,147 cubic meters compared to the previous year, while in the year 2021 the company consumed 114,378 cubic meters. The company aims to reduce the cost of water consumption by 2% each year.



3.4 Sustainability management in the social dimension

3.4.1 Policy and ways of practice on the social aspect

The company has guidelines to implement or control to comply with applicable laws and regulations and be responsible for society. Also, ensure to cooperate, help, support, and volunteer in activities that benefit the community and society to promote economic strength and social and cultural rejuvenation. In addition, the Company provides channels for stakeholders and related parties to express their opinions on the Company's operations and to complain in the event of unfairness regarding any Company's action through the channels listed in the Anti-Corruption Policy.

3.4.2 The outcome of the social activities

The company has organized various activities, which continuously develop its community and society. For example, to donate the surgical masks produced by the company to the community and various agencies in the provinces and the surrounding areas where the companies are located; to continue the scholarship program to support students in both vocational and higher education levels. The company also continuously promotes and supports activities for the benefit of society and the environment. Examples of projects the company has performed in the past include:

Mask manufacturing and donation

During the time of the Covid-19 virus outbreak in 2019, surgical masks were very hard to find; also, the selling price went up sharply. The company, therefore, intended to mitigate the effects by building a factory and starting to manufacture masks which the factory and production lines were completed in May 2020, mainly to support the people who were seriously in need: medical staff, people in need through the public and private sector, including the company's employees. As of the end of December 2022, more than 8,000,000 pieces of mask were donated.





SNC Free Vaccine

From the outbreak situation of the Covid-19 virus that has spread widely around the world as well as the rapid spread with high severity in Thailand, the company is aware of the seriousness in case of the virus-infected, which may affect the lives of the employees or employee's families or the person whom the employee lives with, including community. Therefore, the company decided to seek and provide vaccines for employees and stakeholders of the organization; as of December 31, 2022, the number of employees that were vaccinated with the booster dose was 447 people while there was a total number of 4,133 doses of the vaccines that have been provided by the company for employees and surrounding communities.



Educational support

The company realizes the importance of education and intends to be a part of increasing opportunities to access the necessary of educational resources and the necessary items for schools surrounding the company (within a radius of 5 kilometers) to begin with, in 2565 the company donated money with the total amount of 60,000 baht to Wat Lat Wai School while providing necessary schools items.



The company has been a part of giving scholarships to the Din Daeng Volunteer Defense Corps's family members, Chonburi province, with a total amount of 163,000 baht.



4. Management Discussion and Analysis: MD&A

4.1 Analysis of operating results and financial positions

Revenues	2020		2021		2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sales:						
Revenue from OEM (OEM)	5,605.8	62.6	11,120.8	72.2	14,447.1	75.8
Electronic appliance parts (PART)	2,579.7	28.8	3,427.0	22.3	3,677.7	19.3
Automobile parts (AUTO)	772.0	8.6	850.0	5.5	946.1	5.0
Other income	3.0	0.0	0.0	0.0	0.0	0.0
Total revenues	8,960.5	100.0	15,397.8	100	19,070.9	100.0
EAT	407.7	4.5	636.4	4.1	723.5	3.8
EBITDA	856.0	9.6	1,274.5	8.2	1,581.8	8.3



In 2021 - 2022, the Company has focused on a sustainable growth therefore, we have done many activities to increase the Company's potential for long-term sustainability, including finding new customers to diversify the risk of relying on major customers, investing in factory expansion, purchasing machinery to modernize the production line, investing in water shortage prevention, investing in personnel development and quality of life improvement.

The Company is in the process of applying technologies in the production line to increase product's quality and production efficiency to create competitive opportunities. Since the Company is aware of the importance of adapting technologies to support our businesses, during the past year, the Company has invested in business expansion and applied technology to improve the production line to create more stability and long-term sustainability. In addition, as Rayong province, the area where the Company's main business is located, has experienced a drought and water shortages, causing the Company's production line to temporarily cease, the Company therefore, invested more to build a water reservoir of more than 361,700 cubic meters on an area of 71 rai and installed a water supply system for the Company's plant usage to alleviate the water shortage during the dry season. The Company can also provide help to the community around the Company in the event of a severe drought. Other situations that could threaten the Company's sustainable operations is the outbreak of the COVID-19 and the shortage of skilled personnel. Therefore, the Company has implemented various projects to deal with these situations to maintain our a long-term sustainability as follows: 1) For the outbreak of the COVID-19: the Company built a field hospital and donate to Nikhom Pattana hospital and operated the SNC field hospital center in the SNC area at Nikhom Pattana District, Rayong Province. The Company also built a factory to produce surgical masks to distribute to employees to help prevent the spread of the disease. The Company also activity procured and provided vaccines and ATK test kits to the Company's employees in both Samutprakarn and Rayong provinces. In addition, the Company donated the vaccines and surgical masks to the communities around the Company throughout the COVID-19 outbreak duration. 2) For the shortage of skilled personnel: the Company has been implementing a project to improve the skills of personnel and support education

under the concept of "We create people asset as a key to Social Development". The Company was able to increase its operating results in the years 2021 - 2022, partly also because of such projects.

Revenues

In 2022, total sales revenue increased by 3,673.2 million Baht or 23.9% compared to the same period of last year from each business group as follows: 1) OEM: the revenue increased 3,326.3 million Baht due to the increase in the orders of air-conditioner and heat pump for water heater, and Thai Baht depreciation; 2) PART: the revenue increased by 250.8 million Baht due to the increase in the orders of air-conditioner and electric appliance parts, and the price adjustment to reflect the higher cost of material. 3) AUTO: the revenue increased by 96.1 million Baht due to the increase in the orders after the recovery of COVID-19 situation, and the production for the new models.

In 2021, total sales revenue increased by 6,437.3 million Baht or 71.8%. The increase is a result from the following: 1) OEM: the revenue increased by 5,514.5 million Baht due to the increase in the orders of air-conditioner, TV, and heat pump for water heater, the price adjustment of toolbox products to better reflect the cost structure, and Thai Baht depreciation as compared to the previous year 2) EA PART: the revenue increased by 846.4 million Baht due to the increase in the orders of air-conditioner and electric appliance parts, and the price adjustment to reflect the higher material cost. 3) AUTO: the revenue increased by 78 million Baht due to the increase in the orders after the recovery of COVID-19 situation, and the price adjustment to reflect the higher material cost.

In 2020, sale revenue increased by 2,334.9 million Baht or 35.2% due to the sale growth in OEM for air-conditioners and toolbox, while the sale from PARTS and AUTO declined due to the impact of COVID-19.

EAT

In 2022, EAT increased by 90.8 million Baht compared to the last year due to the increase in sales. EAT was 727.2 million Baht. EAT margin was 3.8%.

In 2021, due to the increase in the profit from the increased sales, EAT of the Company was Baht 636.4 million, increased by 228.7 million Baht. EAT margin was 4.1%.

In 2020, due to the increase in profit from the increased sales and the business adjustment to control expenses during the COVID-19 outbreak, EAT of the Company was 407.7 million Baht, increased by 68.4 million Baht. EAT margin was 4.5%.

Financial positions analysis

Particulars	31 December 2020		31 December 2021		31 December 2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets	7,769.7	100.0	13,946.7	100	13,657.2	100.0
Liabilities	4,191.6	53.9	9,036.0	64.8	8,397.8	61.5
Equity	3,578.1	46.1	4,910.7	35.2	5,259.4	38.5

Assets

As at 31 December 2022, the total assets was 13,657.2 million Baht (2021: 13,946.7 million Baht), decreased by 289.5 million Baht, equal to 2.1 % due to the followings:

- Cash and cash equivalents increased by 199 million Baht from the payment of accounts receivable.
- Accounts receivable increased by 371 million Baht, varied according to the OEM's sale increase.
- Inventory decreased Baht by 1,541 million Baht, which is in accordance with the OEM's sale.
- Land, buildings, and equipment increased by 402 million Baht due to the purchase of lands, the factory building, and the purchase of machinery in Rayong.

As at 31 December 2021, the total assets was 13,946.7 million Baht (2020: 7,769.7 million Baht) increased by 6,177 million Baht, equal to 79.5% due to the followings:

- Cash and cash equivalents increased by 1,094.5 million Baht from financing, to be used as working capital.
- Accounts receivable increased by 1,557 million Baht, varied according to the OEM's sale increase.
- Inventory increased by 1,953 million Baht, which is in accordance with the OEM's revenue.
- Land, buildings, and equipment increased by 1,738 million Baht due to the factory building, and the purchase of machinery in Rayong.

As at 31 December 2020, the total asset was 7,769.7 million Baht (2019: 5,396.9 million Baht) increased by 2,372.8 million Baht, equal to 44% due to the followings:

- Account receivable increased by 153.3 million Baht, varied according to the OEM's and toolbox's sale increase.
- Inventory increased by 861.3 million Baht, which is in accordance with the OEM's revenue. The turnover period in year 2020 was 43 days (Year 2019: 25 days).
- Land, buildings, and equipment increased by 543.5 million Baht due to the business expansion, the factory building, and the purchase of machine in Rayong.
- Right-of-use assets over factory lease increased by 294.4 million Baht, according to TFRS 16: lease.

Liabilities

As at 31 December 2022, the total liabilities was 8,397.8 million Baht (2021: 9,036.0 million Baht) decreased by 638.2 million Baht, equal to 7.1% due to the followings:

- Account payable decreased by 1,364.6 million Baht due to the normal scheduled payment.
- Short-term loans decreased by 196.9 million Baht due to the normal scheduled payment.
- Long-term loans from financial institutions increased by 977.3 million Baht, to be used for the investment in factories and machines to support production capacity.

As at 31 December 2021, the total liabilities was 9,036.0 million Baht (2020: 4,191.6 million Baht), increased by 4,844.4 million Baht, equal to 115.6% due to the followings:

- Account payable increased by 3,254.56 million Baht due to increase in purchase of material and sales.
- Short-term loans increased by 825.1 million Baht, to be used as working capital, and for expanding the business of building factories and ordering machinery.

- Long-term loans from financial institutions increased Baht 669.8 million for investment in factory and purchase of machine for production capacity expansion.

As at 31 December 2020, the total liabilities was 4,191.6 million Baht (2019: 1,999.1 million) increased by 2,192.5 million Baht, equal to 109.7% due to the followings:

- Account payable increased by 971.6 million Baht, varied according to the increase in the purchase of raw material, and the sale increase.
- Short-term loans in 2020 increased by 541.0 million Baht, to be used as working capital and maintain liquidity during the Company's impact on the Covid-19.
- Long-term loans from financial institutions increased by 669.8 million Baht, to be used for investment in factory and purchase of machine for production capacity expansion.

Equity

Shareholders' equity consisted of fully paid-up share capital, share premium, and retained earnings. As at 31 December 2020-2022, the shareholders' equity (equity attributable to owners of the parent) was 3,482.7 million Baht, 4,785.4 million Baht and 5,110.5 million Baht respectively. The increase is mainly from the capital increase and net profit of the Company (equity attributable to owners of the parent) deducted with dividend payment.

Capital structure

As at 31 December 2020-2022, the Company's debt to equity ratio were 1.2 times, 1.8 times and 1.6 times respectively.

In 2022, the Company's debt to equity ratio decreased to 1.6 times due to the decrease in account payable from the normal scheduled payment.

In 2021, the Company's debt to equity ratio increased to 1.8 times due to the increase in account payable in 4th Quarter, resulting from the sales increase, and the increase in short-term and long-term loans from financial institutions.

In 2020, the Company's debt to equity ratio increased to 1.2 times due to the increase in short-term and long-term loans from financial institutions, to be used as a working capital in the business and support the business expansion in OEM of electronic appliances.

4.2 Major factors and influences that may affect future results of operations or financial position.

Major factors that may have a significant effect on the Company's operations are the relocation of customer production base and international war which affects the global economy, details as follows:

Relocation of customer production base

At present, the main customers of electrical appliance manufacturing and assembly business are overseas electrical appliance brand owners who want to expand the production base in Thailand. However, if in the future, the customer relocated their production base, which may cause from the lower production cost than Thailand, change in trade policy and tax policies that may arise in the future, this may result in the termination of contracts with the Company.

Russia and Ukraine war

Russia and Ukraine war affects the economies of European countries. Russia, a major natural oil and gas exporter, has cut off gas supply, therefore, natural gas prices have surged accordingly. The company produces heat pumps used in electric water heaters and exports to European countries. The heat pump sales are approximately 5% of total sales. The increase in natural gas prices has resulted in consumers in Europe countries turning to use more of the Company's heat pump water heaters. In addition, the rise of oil prices also affects freight costs. However, the company uses the cost-plus method to determine a selling price where the customers absorb the freight cost. Therefore, the Company has not been significantly affected by the rising of freight costs.

US economic

The Federal Reserve (the Fed) raises the interest rate to fight inflation, resulting in US economic slowed down. This event may affect the purchasing power of consumers and may cause a delay in orders from the US market. However, the company estimates that this impact is likely to be a short-term impact (not more than 1 year).

4.3 Significant financial ratios analysis

		2020	2021	2022
Liquidity ratio	times	1.2	1.1	1.2
Average debt collection	days	37	42	53
Average sales period	days	43	60	53
Average payment day	days	78	98	99
Cash cycle	days	2	4	7
Dividend payment ratio	%	52.9	51.2	52.3

Liquidity ratio

As at 31 December 2020-2022, the Company's liquidity ratio were 1.2 times, 1.1 times, and 1.2 times, respectively. An increase in liquidity ratio is due to the increase in short-term bank loans to create liquidity, and the decrease in inventory and account payables.

Cash cycle

In 2020-2022, the Company's cash cycle were 2 days, 4 days, and 7 days, respectively.

In 2022, the cash cycle increased to 7 days as the company had purchased goods and raw materials in a larger amount to support the production in 2023, thus increasing the average sales period.

In 2021, the cash cycle increased to 4 days as the company had purchased goods and raw materials in a larger amount to support the production in early 2022, thus increasing the average sales period.

In 2020, the cash cycle of the Company is 2 days as the company had purchased goods and raw materials to support the production in early 2021.

Dividend payment

The Company set a dividend policy of not less than 50% of net profit after tax and legal reserve. In 2020-2022, the company has paid dividends from its operations in each year of 0.75 Baht per share, 0.90 Baht per share and 1.05 Baht per share, totaling 215.8 million Baht, 325.99 million Baht and 380 million Baht, respectively. The dividend payout ratios were 52.9%, 51.2% and 52.3% of net profit, respectively.

Cash flow and liquidity analysis

The changes in the Company's cash flow during the year 2020 - 2022 can be summarized as follows:

Cash flow (unit: Million Baht)	2020	2021	2022
Net cash flow from (used for) operations	618.4	920.6	1,441.7
Net cash flow from (used for) investing	(1,129.7)	(1,755.9)	(1,430.8)
Net cash flow from (used for) financing	908.3	1,906.3	234.4
Net cash and cash equivalent increase (decrease)	397.1	1,071.0	245.3
Impact from exchange rate	1.2	23.6	(46.1)
Cash and cash equivalent at beginning	836.8	1,235.0	2,329.6
Cash and cash equivalent at ending	1,235.1	2,329.6	2,528.8

In 2022, the Company had the net cash flow from operating activities, amounting to 1,441.7 million Baht, and the net cash flow used in investing activities, amounting to 1,430.8 million Baht, most of which are investments to expand factories to support the business of manufacturing and assembling electrical appliances in Rayong plant. Cash received in financing activities was 234.4 million Baht, being the loans from financial institutions to be used for expanding the business and working capital. As a result, in the year 2022, the Company had an increased net cash flow of 245.3 million Baht, and cash and cash equivalent as of 31 December 2022 was 2,528.8 million Baht.

In 2021, the Company had net cash flow from operating activities amounting to 920.6 million Baht, and the net cash flow used in investing activities, amounting to 1,755.9 million Baht for the investments in factories to support manufacturing and assembly of electrical appliances and toolbox in the Rayong factory. Cash received from financing activities was 1,906.3 million Baht, being the loans from financial institutions to be used for expanding the business and working capital. As a result, in the year 2021, the Company had an increased net cash flow of 1,071.0 million Baht, and cash and cash equivalents as of 31 December 2021 was Baht 2,329.6 million.

In 2020, the Company had net cash flow from operating activities, amounting to 618.4 million Baht, and the net cash flow used in investing activities, amounting to Baht 1,129.7 million for the investments in factories to support manufacturing and assembly of electrical appliances and toolbox in the Rayong factory. While the company has invested in land buildings and equipment for expanding plastic production lines and metal sheet parts. Cash received from financing activities was Baht 908.3 million due to loans repayment. As a result, in the year 2020, the company had an increased net cash of Baht 397.1 million and cash and cash equivalents as of 31 December 2020 was 1,235.1 million Baht.

Significant financial information

Summary of auditor's report

The auditor has expressed opinions in the auditor's report on the consolidated financial statements of the Company for the year 2020- 2022 as follows:

Financial statements	Auditor's report
Financial statements for the year ended 31 December 2022	- Ms. Marisa Tharatornbunpun, Certified Public Accountant Registration No. 5752 from KPMG Phoomchai Audit Co., Ltd., approved by the Office of the SEC. - The unqualified audit opinion: the accompanying consolidated financial statements as at 31 December 2022 presents fairly in all material respects. The Company's performance and cash flow for the same financial year end is correct and in accordance with Thai Financial Reporting Standards.
Financial statements for the year ended 31 December 2021	- Ms. Marisa Tharatornbunpun, Certified Public Accountant Registration No. 5752 from KPMG Phoomchai Audit Co., Ltd., approved by the Office of the SEC. - The unqualified audit opinion: the accompanying consolidated financial statements as at 31 December 2021 presents fairly in all material respects. The Company's performance and cash flow for the same financial year end is correct and in accordance with Thai Financial Reporting Standards.
Financial statements for the year ended 31 December 2020	- Ms. Marisa Tharatornbunpun, Certified Public Accountant Registration No. 5752 from KPMG Phoomchai Audit Co., Ltd., approved by the Office of the SEC. - The unqualified audit opinion: the accompanying consolidated financial statements as at 31 December 2020 presents fairly in all material respects. The Company's performance and cash flow for the same financial year end is correct and in accordance with Thai Financial Reporting Standards.

Summary of the Company's financial statements

Statement of financial position as at 31 December 2020 – 2022

Statement of financial position	Consolidated financial statements					
	31 December 2020		31 December 2021		31 December 2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
Cash and cash equivalent	1,235.0	15.9	2,329.6	16.7	2,528.8	18.5
Accounts receivables and other receivables	1,099.9	14.2	2,656.9	19.1	2,981.5	21.8
Short-term loans to related parties	27.4	0.4	25.6	0.2	25.6	0.2
Inventories	1,408.2	18.1	3,361.0	24.1	1,820.5	13.3
Other current assets	116.7	1.5	158.9	1.1	138.1	1.0

Statement of financial position	Consolidated financial statements					
	31 December 2020		31 December 2021		31 December 2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Total current assets	3,887.2	50.0	8,532.0	61.2	7,494.6	54.9
Other non-current financial assets	28.5	0.4	31.3	0.2	53.6	0.4
Investments in associate	-	-	-	-	-	-
Investments properties	226.8	2.9	41.9	0.3	348.9	2.6
Property, plant and equipment	3,174.4	40.9	4,912.0	35.1	5,314.2	38.9
Right-of-use assets	294.4	3.8	244.7	1.8	224.0	1.6
Intangible assets	53.3	0.7	45.0	0.3	46.9	0.3
Rights to service under concession arrangement	-	-	35.8	0.3	65.5	0.5
Deferred tax assets	50.8	0.7	36.4	0.3	24.0	0.2
Other non-current assets	54.4	0.7	67.6	0.5	80.5	0.6
Total non-current assets	3,882.6	50.0	5,414.7	38.8	6,157.6	45.1
Total assets	7,769.8	100.0	13,946.7	100.0	13,657.2	100.0
Liabilities						
Short-term borrowings from financial institutions	710.0	9.1	1,535.1	11.0	1,338.2	9.8
Account payable and other payable	2,249.9	29.0	5,504.4	39.5	4,139.8	30.3
Current portion of deferred income	2.2	-	2.2	-	2.2	0.0
Accounts payable - acquisition of assets due in 1 year	44.7	0.6	189.6	1.4	249.9	1.8
Current portion of long-term borrowings from financial institutions due in 1 year	202.2	2.6	278.6	2.0	567.4	4.2
Current portion of lease liabilities due in 1 year	28.4	0.4	27.5	0.2	37.0	0.3
Current income tax payable	28.7	0.4	42.0	0.3	70.3	0.5
Other current financial liability	0.9	-	0.6	-	4.8	0.0
Other current liabilities	10.6	0.1	15.1	0.1	14.3	0.1
Total current liabilities	3,277.6	42.2	7,595.1	54.5	6,423.9	47.1
Other non-current payables	-	-	7.3	0.1	7.8	0.1
Deferred income	46.0	0.6	43.8	0.3	41.5	0.3
Non-current accounts payable - acquisition of assets	-	-	127.8	0.9	-	-
Long-term borrowings from financial institutions	545.0	7.0	976.5	7.0	1,665.0	12.2

Statement of financial position	Consolidated financial statements					
	31 December 2020		31 December 2021		31 December 2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Lease liabilities	272.7	3.5	230.1	1.6	191.1	1.4
Deferred tax liabilities	-	-	-	-	-	-
Provisions for employee benefits	50.3	0.6	55.4	0.4	59.0	0.4
Other non-current liabilities	-	-	-	-	9.5	0.1
Total non-current liabilities	914.0	11.8	1,440.9	10.3	1,973.9	14.5
Total liabilities	4,191.6	53.9	9,036.0	64.8	8,397.8	61.5
Equity						
Registeres share capital	287.8	3.7	400.0	2.9	400.0	2.9
Issued and paid-up share capital	287.8	3.7	362.2	2.6	362.2	2.7
Share premium	1,213.6	15.6	2,086.4	15.0	2,086.4	15.2
Retained earnings						
Legal reserve	75.7	1.0	50.5	0.4	50.5	0.4
Unappropriated	1,910.0	24.6	2,281.3	16.1	2,621.2	19.2
Other components of equity	(4.4)	(0.1)	(6.1)	-	(9.8)	(0.1)
Equity attributable to owners of the parent	3,482.7	44.8	4,785.4	34.3	5,110.5	37.4
Non-controlling interests	95.5	1.2	125.3	0.9	148.8	1.1
Total equity	3,578.2	46.1	4,910.7	35.2	5,259.4	38.5
Total liabilities and equity	7,769.8	100.0	13,946.7	100.0	13,657.2	100.0

Statement of comprehensive income 2020-2022

Statement of comprehensive income	Consolidated financial statements					
	2020		2021		2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sales	8,960.5	98.6	15,397.8	98.9	19,071.0	98.7
Other income	128.2	1.4	165.3	1.1	248.4	1.3
Total Revenues	9,088.7	100.0	15,563.1	100.0	19,319.4	100.0
Cost of sales	8,166.2	89.8	14,197.6	91.2	17,757.1	91.9
Distribution costs	158.1	1.7	212.6	1.4	201.7	1.0
Administrative expenses	286.6	3.2	332.8	2.1	363.8	1.9

Statement of comprehensive income	Consolidated financial statements					
	2020		2021		2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Direct expenses arising from investment properties	1.6	-	1.7	-	2.0	0.0
Gain (loss) on sale of investment in associate	4.2	-	-	-	-	-
Total expenses	8,616.7	94.8	14,744.7	94.7	18,324.6	94.8
Profit from operating activities	472.0	5.2	818.4	5.3	994.8	5.2
Finance costs	48.7	0.5	70.6	0.5	109.7	0.6
Profit before income tax expense	423.3	4.7	747.8	4.8	885.1	4.6
Tax expense	10.7	0.1	97.7	0.6	134.1	0.7
Profit for the year	412.6	4.5	650.1	4.2	751.0	3.9
Profit for the year after adjustment of extra items	412.6	4.5	650.1	4.2	751.0	3.9
Other comprehensive income						
<i>Items that will not be reclassified to profit or loss</i>					(9.5)	
Gain (loss) on remeasurements of defined benefit plans	2.2	-	-	-	-	-
Loss on investments in equity instruments designated at FVOCI	(2.1)	-	(2.1)	-	7.3	-
Income tax relating to items that will not be reclassified	-	-	0.4	-	(1.5)	-
Other comprehensive income for the year, net of tax	0.1	-	(1.7)	-	(3.7)	-
Total comprehensive income for the year	412.7	4.5	648.4	4.2	747.3	3.9
Profit attributable to:						
Owners of the parent	407.7	4.5	636.4	4.1	727.2	3.8
Non-controlling interests	4.9	-	13.7	0.1	23.8	0.1
Profit for the year	412.6	4.5	650.1	4.2	751.0	3.9
Total comprehensive income attributable to:						
Owners of the parent	407.7	4.5	634.7	4.1	723.5	3.7
Non-controlling interests	5.0	-	13.7	0.1	23.8	0.1
Total comprehensive income for the year	412.7	4.5	648.4	4.2	747.3	3.9
Basic earnings per share						
Basic earnings per share (Baht)	1.42		2.02		2.01	

Statement of comprehensive income	Consolidated financial statements					
	2020		2021		2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Weighted average number of shares (million shares)	287.7		315.5		315.5	

Statement of cash flow for the year ended 31 December 2020 - 2022

Statement of cash flow	Consolidated financial statements		
	2020	2021	2022
	Million Baht	Million Baht	Million Baht
Cash flow from operating activities			
Profit for the year	412.6	650.1	751.0
<i>Adjustments to reconcile profit to cash receipts (payments)</i>			
Tax expense	10.7	97.7	134.1
Finance costs	48.7	70.6	109.7
Depreciation of property, plant and equipment	377.7	457.7	598.0
Depreciation of investment properties	1.7	1.7	1.9
Depreciation of right-of-use assets	32.2	30.9	33.8
Amortisation of intangible assets	9.6	10.4	10.9
(Reversal of) provision for employee benefit	(15.9)	5.7	5.4
Unrealised gain on foreign exchange	(2.1)	(10.6)	(91.8)
Unrealised loss on forward exchange contract	0.9	(0.4)	1.8
Gain (loss) on disposal of investment in associate	-	-	-
Share of loss of associate accounted for using equity method, net of tax	4.3	-	-
(Reversal of) Doubtful debts expenses	0.4	-	-
(Reversal of) losses on inventories devaluation	7.0	84.0	(59.4)
Gain (Loss) on disposal of property, plant and equipment	0.1	(1.1)	(2.6)
Loss from disposal of investment properties	-	-	-
Gain on sale of assets held for sale	-	-	-
Loss on written-off of property, plant and equipment	4.4	5.4	1.9
Difference arising from rent concession	0.2	(2.9)	(5.2)
Gain on loss of control from dissolution of subsidiary	-	-	-
Loss on written-off of intangible assets	-	-	-
Interest income	(8.4)	(2.5)	(2.4)
	884.1	1,396.7	1,487.1

Statement of cash flow	Consolidated financial statements		
	2020	2021	2022
	Million Baht	Million Baht	Million Baht
Changes in operating assets and liabilities			
Accounts receivable	(156.8)	(1,553.1)	(418.4)
Other receivables	(57.7)	(1.0)	46.8
Inventories	(868.2)	(2,036.8)	1,599.9
Other current assets	17.7	(42.3)	20.8
Current non-cash financial assets pledged as collateral	(5.0)	-	0
Other non-current assets	(36.6)	(13.1)	(18.0)
Account payable and other payables	961.7	3,238.2	(1,179.7)
Employee benefits paid	(10.0)	(0.8)	(1.7)
Other current liabilities	(2.7)	4.6	(0.8)
Deferred income	(10.5)	(2.2)	(2.2)
Other non-current liabilities	(4.4)	-	0.4
Tax paid	(93.2)	(69.6)	(92.5)
Net cash from (used in) operating activities	618.4	920.6	1,441.7
Cash flows from investing activities			
Proceeds from increasing in share capital of non-controlling	-	15.0	-
Acquisition of other long-term investment	(7.5)	(5.0)	(15.0)
Proceeds from sale of investment properties	-	-	-
Acquisition of investment properties	(148.7)	-	(295.9)
Proceeds from sale of investments in associate	-	-	-
Proceeds from sale of investments in associate	2.6	2.2	14.3
Acquisition of property, plant and equipment	(974.7)	(1,759.5)	(1,094.1)
Acquisition of intangible assets	(10.1)	(2.0)	(12.9)
Acquisition of rights to service under concession arrangement	-	(11.0)	(29.6)
Loans to related parties	-	-	-
Short-term loan to other	(63.0)	-	-
Proceeds from repayment of short-term loan to other	63.0	-	-
Proceeds from repayment of loans to related parties	8.0	1.8	-
Loans to related parties	(8.0)	-	-
Interest received	8.7	2.6	2.4
Net cash from (used in) investing activities	(1,129.7)	(1,755.9)	(1,430.8)
Cash flows from financing activities			

Statement of cash flow	Consolidated financial statements		
	2020	2021	2022
	Million Baht	Million Baht	Million Baht
Proceeds from change in ownership interest in subsidiaries without a change in control	(15.1)	-	(0.2)
Proceeds from borrowings from financial institutions	-	947.2	-
Repayment of borrowings from financial institutions	4,864.4	4,365.8	2,093.7
Repayment of loans from financial institutions	(3,654.2)	(3,032.1)	(1,318.4)
Payment of lease liabilities	(38.9)	(37.1)	(48.4)
Dividends paid to owners of the Company	(201.4)	(278.1)	(398.4)
Dividends paid to non-controlling interests	(13.0)	-	-
Interest paid	(33.4)	(59.4)	(93.9)
Net cash from (used in) financing activities	908.4	1,906.3	234.4
Net increase (decrease) in cash and cash equivalents, before effect of exchange rate changes	397.1	1,071.0	245.3
Effect of exchange rate changes on cash and cash equivalents	1.2	23.6	(46.1)
Net increase (decrease) in cash and cash equivalents	398.3	1,094.6	199.2
Cash and cash equivalents at 1 January	836.7	1,235.0	2,329.6
Cash and cash equivalents at 31 December	1,235.0	2,329.6	2,528.8

Key financial ratio

Key financial ratio	unit	2020	2021	2022
Liquidity Ratio				
Current Ratio	time	1.2	1.1	1.2
Quick Ratio	time	0.7	0.6	0.9
Cash flow liquidity ratio	time	0.2	0.2	0.3
Account Receivable Turnover	time	9.7	8.6	6.9
Debt Collection Period	day	37	42	53
Inventory Turnover ^{/1}	Time	8.4	6.0	6.9
Inventory Turnover Period	Day	43	60	53
Accounts Payable Turnover	%	4.6	3.7	3.7
Payment Period	day	78	98	99
Cash Cycle	day	2	4	7
Profitability Ratio				
Gross Profit Margin	%	8.7	7.7	6.8
Operating profit margin	%	3.9	4.2	3.9

Key financial ratio	unit	2020	2021	2022
Other profit margin	%	1.4	1.1	0.3
Cash-to-profit ratio ^{/2}	%	177.7	141.0	193.2
Net profit margin	%	4.5	4.2	3.9
Net profit margin after extra items ^{/3}	%	4.5	4.2	3.9
Return on Equity ^{/4}	%	12.2	15.4	15.0
Efficiency ratio				
Return on assets ^{/5}	%	6.3	6.0	6.1
Return on fixed assets ^{/6}	%	27.2	27.4	28.0
Assets turnover ^{/7}	Time	1.4	1.4	1.6
Financial Policy Ratio				
Debt to equity ratio	Time	1.2	1.8	1.6
Interest coverage ratio ^{/7}	Time	9.7	11.6	9.1
Debt service coverage ratio (Cash basis) ^{/8}	Time	0.1	0.2	0.5
Debt service coverage ratio (Cash basis) adjust ^{/9}	Time	3.8	1.2	1.3
Dividend payout ratio	%	52.9	51.2	52.3

Remarks

^{/1} Inventory turnover is calculated based on Cost of sales divided by average inventories.

^{/2} Cash to profit ratio is calculated based on cash flows from operation after adjust the gain from disposal of assets/operating profit

^{/3} Net profit margin after extra items is calculated by adjustment the gain from disposal of factory and written of leasehold improvement, staff compensation, and reserve for retirement benefit according to the labor law.

^{/4} Return on equity is calculated based on net profit of parent company after adjust the gain from disposal of assets divided by shareholder equity of parent company

^{/5} Return on asset is calculated based on net profit of parent company after adjust the gain from disposal of assets divided by average total assets

^{/6} Return on fixed asset is calculated based on net profit after adjust the gain from disposal of assets plus staff compensation plus depreciation and divided by average fixed assets

^{/7} Interest coverage ratio is calculated based on profit before interest and tax (EBIT) divided by interest expense.

^{/8} Debt service coverage ratio (cash basis) is calculated based on cash flows from operation divided by the aggregate amount of (1) cash paid to interest bearing debt (2) cash paid for acquisition of fixed asset and investment properties and (3) dividend paid (Paid for debt + investment + purchase of fixed assets + dividend paid)

^{/9} Debt service coverage ratio (cash basis) is calculated based on cash flows from operation divided by the aggregate amount of (1) cash received and paid to interest bearing debt (2) cash paid for acquisition of fixed asset and investment properties and (3) dividend paid (Paid for debt + investment + purchase of fixed assets + dividend paid)

5. General information and other important information**5.1 General information of other references**

- | | | | |
|-----|---------------|---|---|
| (1) | Registrar | : | Thailand Securities Depository Company Limited |
| | Address | : | 62 The Stock Exchange of Thailand Building Ratchadapisek Road
Khlongtoey Bangkok |
| | Telephone No | : | 02-009-9999 |
| | Fax No. | : | 02-009-9992 |
| (2) | Auditor | : | KPMG Phoomchai Audit Company Limited |
| | Address | : | Empire Tower, 1 South Sathorn, Yannawa, Bangkok 10120 |
| | Telephone No. | : | 02-677-2000 |
| | Fax No. | : | 02-677-2222 |

5.2 Other important information**5.2.1 Other information that may materially affect the decision of investors**

- None -

5.2.2 Restrictions on foreign shareholders

- None –

5.3 Legal dispute

As at December 31, 2022, the Company had no legal disputes which are categorized below:

- Legal dispute which may have a negative impact on assets of the Company or its subsidiaries.
- Legal dispute which may have a significant impact on the Company's business operation.
- Legal dispute which does not arise from normal course of business.

5.4 Illegal history

In the past 10 years, none of the directors and executives of the Company has been dismissed, discharged, or accused of any corruption or prosecution of bankruptcy or conviction of criminal case or dispute or undergoing lawsuit judgment.

5.5 Secondary market

- None –

5.6 Financial institution that regularly contact (Only for the company that issues debt instruments)

- None -

6. Corporate Governance Policy

6.1 Corporate Governance Overview and Guidelines

The Board of Directors believes that good corporate governance is essential, which demonstrates efficient management, transparency, and accountability that helps build reliability for shareholders, investors, stakeholders, and all related parties that leads to success in business operations and adds value and promotes the Company's sustainable growth. Therefore, the Board of Directors agreed to set a code of conduct policy and business ethics for the Board of Directors Executives, management, and employees according to the corporate governance. The Company's corporate governance policy was set to be aligned with listed companies' corporate governance principles as a practice guideline.

6.2 Business Code of Conduct

The Company is committed to conducting business with ethics, morality, honesty, and transparency and to operate the business under the good corporate governance principle to create sustainability for businesses and protect the interests of stakeholders and society. The principles are as follows:

Principle	1. Honesty and Transparency	2. Knowledge and Competence in operating Business
	3. Corporate Social Responsibility	4. Responsibility to Shareholders
	5. Responsibility to Customers	6. Responsibility to Competitors
	7. Responsibility to Business Partners	8. Responsibility to Employees
	9. Conflict of Interest	10. Maintaining the Financial Status
	11. Treatment of Creditors	12. Non-Violation of Human Rights to Those Involved
Code of Conduct for the Board of Directors, Executives, and Employees	1. Code of Conduct for the Board of Directors	
	2. Code of Conduct for Executives	
	3. Code of Conduct for Employees	

Note: Details of Business Code of Conduct as per Attachment 4

6.3 Significant Changes and Developments of Policy, Practices, and Corporate Governance System in the year 2022

6.3.1 The Company's operations adhere to the principles of good corporate governance by realizing the importance and responsibility towards the shareholders and stakeholders of the Company continually. The Board of Directors realizes the importance of good corporate governance practices to increase shareholders, investors, and all related parties' confidence. Therefore, the Company established the corporate governance policy, ethical guidelines, code of business conduct, and policies and operational manuals for guidance. In 2022, the Board of Directors, the Executives, and the Management reviewed policies and guidelines as follows:

Corporate Governance Policy

The Company has reviewed the policy of good corporate governance and updated to be in line with the regulations that the Securities and Exchange Commission issued good corporate governance principles for listed

companies in 2017 (Corporate Governance Code: “CG Code Year 2017”). The Code of Conduct for the Board of Directors are as follows:

1. Recognize the Board of Directors roles and responsibilities as a corporate leader who creates sustainable value for the business
2. Determine the business objectives and main goals for sustainability
3. Strengthen the efficient committees
4. Recruit and develop senior executives and personnel management
5. Promote innovation and responsible business practices
6. Ensure that there is appropriate risk management and internal control system
7. Maintain financial credibility and information disclosure
8. Encourage participation and communication with shareholders

The Company has stipulated additional guidelines that the Company should take corrective actions to suit its circumstances and have the Board of Directors to review the suitability of the CG Code before applying it throughout all processes.

Ethics and Code of Conduct

The Company has reviewed the ethics and code of conduct to comply with the corporate governance policy so that the Company's directors, executives, and all employees conduct as a guideline to operate the business in ethics, morality, transparency, and under the corporate governance principles to create businesses sustainability and protect the interests of stakeholders and society.

Board of Directors code of conduct and operating policy

The Company reviewed the code of conduct and operating policies in various fields to follow good corporate governance. It is essential to demonstrate an efficient, transparent, and verifiable management system that helps build confidence among shareholders, investors, stakeholders, and all related parties. It will lead to business operations success, add value, and promote the Company's sustainable growth. The full policies are presented on www.sncformer.com

Anti-Corruption Policy

Giving gifts, property, gratuity, or any other may create an image of support or have an obligation with each other, which possibly affects decisions in performing duties and may ultimately cost the Company its benefits. The Company shall not support such action. Therefore, the Company has established guidelines not to accept gifts, assets, gratuities, and any other uses for further practice. In the past year, the Company carried out various fraud activities, such as communicating information to customers, partners, and stakeholders about the "No gift policy." The full report is described on www.sncformer.com



Whistleblowing & Complaints

This channel is set to provide shareholders and stakeholders the opportunity to express opinions and make complaints directly to the Board of Directors in case of unfairness or suffering from the Company's actions. Besides, all employees must report any misconduct or suspected to be inaccurate or any violation to the Company's good governance, rules, regulations, or any laws to the authorized person. The Company set the channel for employees to consult or report the incident through the following channels:

1. The Chairman of the Board of Directors's email: satit.ck@gmail.com, or
2. The Chairman of the Executive Committee's email: somchai@sncformer.com, or
3. The Chairman of the Audit Committee's email: sirote@fspri.org, or
4. The Company's website: <http://www.sncformer.com> (Whistleblowing), or
5. Telephone number: 02-108-0360-66 (Public Relations Department/Company Secretary), or
6. Red Box to receive Whistleblowing (located at the head office and Rayong)

The Company is also open to the public to make complaints when they find inappropriate behavior of directors, executives, and employees or contrary to the Company's business ethics to the audit committee. The Company shall consider all complaints equally, transparently, attentively, and relatively to all parties. An appropriate period of taking action is set to be confidential, which complainants can be sent directly to an email of the Chairman of the Audit Committee: sirote@fspri.org

- In 2022, there were no complaints in the event of violations of corporate governance, regulations, or laws from stakeholders.
- No director resigned due to the issue of corporate governance.
- There were no instances of the Company's negative reputation due to a failure to perform the board's oversight duties.

Social Responsibility Policy

The Company established a social responsibility policy. The objective is to promote directors, executives, and employees at all levels to operate with morality and ethics, responsible to society and the public for sustainable business growth therefore, a social responsibility policy has been set up with details below (please see full policy on www.sncformer.com)

1. Fair business operation
2. Anti-corruption
3. Human rights
4. Fair labor practices
5. Responsibility to consumers
6. Care for the environment
7. Community or social development
8. Innovation and dissemination of innovation

6.3.2 Matters According to Good Corporate Governance

The Stock Exchange of Thailand awarded SNC Former Public Company Limited with the Best Investor Relations Awards of the year 2022. Mr. Somchai Ngamkitcharoenlap, Vice Chairman of the Executive Committee as a company's representative to receive the award at the Stock Exchange of Thailand on 28 October 2022.



Best Investor Relations Awards 2022

รับรางวัลจาก: ตลาดหลักทรัพย์แห่งประเทศไทย
บริษัท : เอส เอ็น ซี ฟอรัมเมอร์ จำกัด (มหาชน)

The Stock Exchange of Thailand awarded SNC Former Public Company Limited with the Outstanding Investor Relations Awards of the year 2022. Mr. Somchai Ngamkitcharoenlap, Vice Chairman of the Executive Committee as a company's representative to receive the award at the Stock Exchange of Thailand on 28 October 2022.



Outstanding Investor Relations Awards 2022

รับรางวัลจาก: ตลาดหลักทรัพย์แห่งประเทศไทย
บริษัท : เอส เอ็น ซี ฟอรัมเมอร์ จำกัด (มหาชน)

The Stock Exchange of Thailand awarded SNC Former Public Company Limited with Thailand Sustainability Investment (THSI) Awards of the year 2022 on 10 October 2022.



6.3.3 Compliance with CGR and Quality Assessment Program for AGM

Corporate Governance Report (CGR)

Corporate Governance Report of Thai Listed Companies 2022, **The Company** has followed the evaluation criteria divided into five categories: 1. Rights of shareholders 2. Equitable treatment of shareholders 3. Roles of stakeholders 4. Disclosure of information and transparency 5. Responsibilities of the Board of Directors.

In 2020-2022, the Company received an excellent rating (CG 5 stars).

	2565	2564	2563
SNC	2022	2021	2020
	93%	90%	92%



Quality Assessment Program for AGM

In 2022, the Company adhered to the Quality Assessment Program for AGM of listed companies prepared by the Thai Investors Association. The objective was to encourage listed companies to give importance to the Annual General Meeting of shareholders and maintain the annual shareholder meeting's standard and to be recognized internationally. The Company complied with the rules and regulations in organizing AGM. The Company was rated 100/100 points for the AGM Checklist in 2022.

Policy for holding directorship in listed companies.

The Board of Directors agrees to make sure that directors can devote their time to taking care of the Company business effectively so directors should not hold directorship positions in more than five listed companies. The detail of holding directorship in listed companies is disclosed in Attachment 1 and on the website of the Stock Exchange of Thailand (www.set.or.th). Currently, there is no director holding directorship of more than five listed companies.

Director Development Plan

The Company encourages all directors to attend training courses in accordance with the recommendations of the Securities and Exchange Commission organized by the Thai Institute of Directors Association (IOD) such as the Directors Accreditation Program (DAP), Directors Certification Program (DCP), Audit Committee Program (ACP) etc. Currently, all the Company's directors have passed the required training courses. However, the Company secretary will inform additional training courses to all directors including new directors regularly.

No	Name	Position	IOD Program
1	Mr. Satit Chanjavanakul	Independent Director	DCP 83/2007, DAP 39/2005
2	Dr. Somchai Thaisanguanvorakul	Director	DCP 55, DAP 31
3	Mr. Wisan Wutthisaksilp	Independent Director	DCP 125/2019
4	Mr. Chaisak Angkasuwan	Independent Director	DCP 129/2010, DAP 51/2006
5	Mrs. Chanisa Chutipat	Independent Director	DCP 71
6	Pol.Lt.Gen. Maj Nopsak Poovatanasedj	Independent Director	DAP 180/2021
7	Mr. Sirote Swasdipanich	Independent Director	DCP 23/2002
8	Mr. Somjai Chaopanich	Independent Director	DAP 180/2021
9	Dr. Schitt Laowattana	Independent Director	DCP 93/2007, ACP 29/2009
10	Mr. Lec Sioravit	Director	DCP42/2004, ACP17/2007
11	Mr. Somchai Ngamkitcharoenlap	Director	DAP 89/2011
12	Ms. Sineenart Thaisanguanvorakul	Director	DCP303/2021
13	Mr. Rattapoom Nuntapatawee	Director	DAP 118/2015

IOD Program attendance in the year 2022

1. Miss. Sineenart Thaisanguanvorakul

Program: Corporate Governance for Executives (CGE), Thai Institute of Directors Association (IOD)

Orientation for new directors

The Board of Directors requires an orientation for all new directors to have a well-understanding of the Company's business and operations and to inform the directors' duties. At the same time, the Company has a policy to enhance the knowledge and new perspectives of all directors in terms of corporate governance industrial conditions technology business, and new innovations to support the effective performance of the directors.

In 2022, there is one new director as follows:

1. Mr. Rattapoom Nuntapatawee

Board Meetings

The Board of Directors shall set the meeting schedule in advance each year, and the meeting must be held not less than one time per quarter. In 2022, the Board of Directors meetings were held nine times, and the Company notified the directors in advance so members of the board could manage their time to attend the meetings. For urgent cases, the Company may call for an additional meeting.

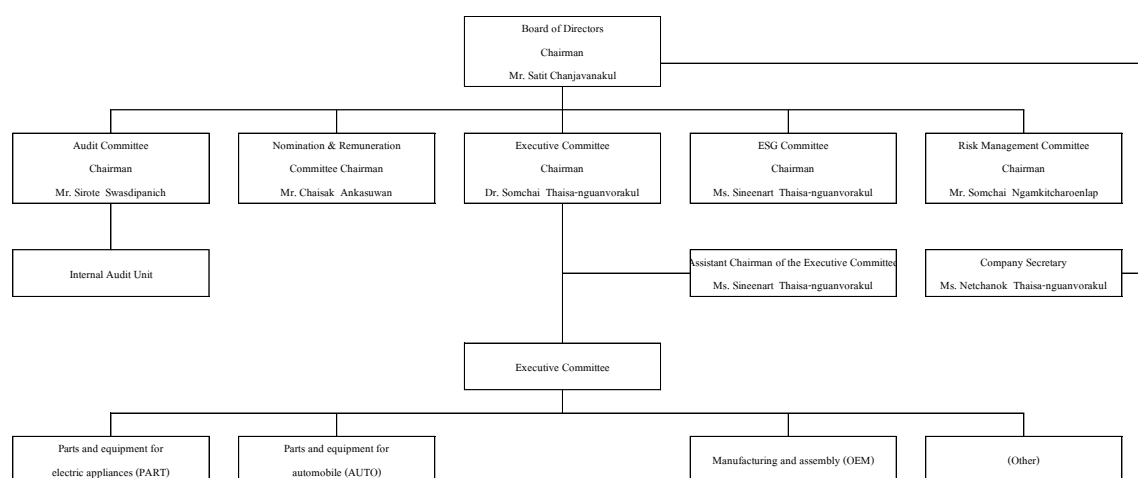
The Company has set the Schedule of the year 2023 Board of Directors Meeting in advance, as follows:

No.1/2023 Friday, January 20, 2023	No.4/2023 Friday, May 12, 2023
No.2/2023 Friday, February 17, 2023	No.5/2023 Friday, August 11, 2023
No.3/2023 Friday, March 31, 2023	No.6/2023 Friday, November 10, 2023

In addition, the Non-Executive Committee meeting will be held annually without executive directors. They can discuss any interesting topics independently from the executive directors. In the year 2022, a meeting without management was held on January 20, 2023.

7. Corporate governance structure and important information about the board Sub-committees, Management, Employees, and others

7.1 Corporate governance structure As of December 31, 2022



^{/1} Mr. Rattapoom Nuntapatawee has been appointed as director instead of Dr. Apichart Thongyou since November 4, 2022.

7.2 Board information

7.2.1 Composition of the Board of Directors

As of December 31, 2022, the Company's Board of Directors has 13 directors, consisting of eight (8) independent directors (more than half of the Company's Board of Directors) and nine (9) non-executive directors (69% of the Company's Board of Directors) and one (1) female independent director which is Mrs. Chanisa Chutipat.

7.2.2 Information of the board of directors

No.	Name	Position
1	Mr. Satit Chanjavanakul	Chairman of the Board of Directors and Independent Director
2	Dr. Somchai Thaisanguanvorakul	Chairman of the Executive Committee and Director
3	Mr. Wisan Wutthisaksilp	Independent Director
4	Mr. Chaisak Angkasuwan	Independent Director
5	Mrs. Chanisa Chutipat	Independent Director
6	Pol.Lt.Gen. Maj Nopsak Poovatanasedj	Independent Director
7	Mr. Sirote Swasdipanich	Independent Director
8	Mr. Somjai Chaopanich	Independent Director
9	Dr. Schitt Laowattana	Independent Director
10	Mr. Lec Sicoravit	Director
11	Mr. Somchai Ngamkitcharoenlap	Vice Chairman of the Executive Committee and Director
12	Ms. Sineenart Thaisanguanvorakul	Executive Assistant to the Chairman of the Executive Committee and Director
13	Mr. Rattapoom Nuntapatawee	Senior Managing Director and Director
	Ms. Netchanok Thaisanguanvorakul	Company Secretary

The definition of the Company's director's independence is more stringent than those provided by the Capital Market Supervisory Board as follows:

1) Holding shares not more than 0.5% of the total shares with voting rights of the Company, its subsidiaries, which shall be inclusive of the shares held by related persons.

2) Not being or having previously been a director who takes part in the management, an employee, a staff member or advisor who receives a regular salary, or a controlling person of the Company, its subsidiaries unless the termination of being in such position had occurred at least 2 years before an appointment as the Company's independent director.

3) Not being a person related by blood or registration under laws in the form of fatherhood, motherhood, spouse, sibling, and child as well as the child's spouse, of its executives, its major shareholders, its controlling persons or such other persons who will be nominated to be executives or controlling persons of the Company or its subsidiaries.

4) Having no current or previous business relationship with the Company, its subsidiaries, its major shareholders, or its controlling persons which may interfere with his /her independent discretion, and not being or having previously been a major shareholder or controlling person of the company which has a business relationship

with the Company, its subsidiaries, its major shareholders or its controlling persons unless the termination of being in such position had occurred at least 2 years before the appointment as the Company's independent director.

5) Not being or having previously been an auditor of the Company, its subsidiaries, its major shareholders, or its controlling persons and not being a major shareholder or partner of the audit office of the auditor of the Company, its subsidiaries, its major shareholders or its controlling persons unless the termination of being in such position had occurred at least 2 years before the appointment as the Company's independent director.

6) Not being or having previously been any professional service provider including the legal advisor or financial advisor who receives more than 2 million baht annually from the Company, its subsidiaries, its major shareholders, or its controlling persons and not being a major shareholder, controlling person or partner of such professional service provider unless the termination of being in such position had occurred at least 2 years before the appointment as the Company's independent director.

7) Not being a director appointed as a representative of the Company's directors, major shareholder, or a shareholder who is related to the Company's major shareholder.

8) Not operating any business which has the same nature and significance in competition with the Company, its subsidiaries or not being a major shareholder in a partnership or a director who takes part in the management, an employee, a staff member, or advisor who receives a regular salary or holding shares more than 1% of total shares with voting rights of other company who operates the same business and significantly competes with the Company and its subsidiaries.

9) Having no characteristics that may affect the giving of independent opinions on the operation of the Company and its subsidiaries.

Authorized Directors

The Company's authorized directors are Dr. Somchai Thaisanguanvorakul jointly with Mr. Somchai Ngamkitcharoenlap or Ms. Sineenart Thaisanguanvorakul, altogether two of the three people are authorized person to sign on behalf of the Company with the Company's seal affixed.

7.2.3 Information on the roles and responsibilities of the Board of Directors

The Board of Directors has power, duty, and responsibility in management the company business in accordance with the law, regulation, objective, and articles of association, including the resolutions from the shareholders' meeting with honesty in order to protect the benefit of the company and shareholders. The delegation of power must not make the Board, Sub-Committee, Chairman of the Executive Committee, or Managing Directors, involved in the related transaction of the Company or subsidiaries (if any) that have a conflict of interests except if the transaction has proceeded in conformity with the company policy and charters that considered and approved by the Board, showing in the Company's website <https://www.sncformer.com/th/sustainability/corporate-governance/company-policy>.

7.3 Information of Sub-committee

7.3.1 Sub-committee consists of

1. Audit Committee
2. Remuneration and Nomination Committee
3. Executive Committee
4. Risk Management Committee
5. Environmental, Social, and Governance Committee

The committee structure has been checked and balanced sufficiently, not only by the Audit Committee and clearly authorized each committee by

1. Having a clearly written of all the minutes of the committee's meetings.
2. Clearly clarify the scope of authority of the attorney.

- The scope does not include approvals for transactions that the attorney have a conflict of interest with this transactions.

- The scope of the authority of each committee, especially the Executive Committee and the Chief Executive Officer has been stated clearly, i.e. the type of transaction that can authorize and the budget of each transaction. However, the scope of authority is not too wide. For example, the committees have to operate within the law, company regulations, and shareholders meeting resolution. The Sub-Committee Charter has been announced in the company website: <https://www.sncformer.com/th/sustainability/corporate-governance/charter>

7.3.2 List of Sub-Committee

1. Audit Committee

Audit Committee is responsible for controlling the company's internal systems to comply with the code of business ethics, including reviewing financial reports to be accurate, and reliable, in accordance with the regulations and laws of the Stock Exchange of Thailand. The Committee is also required to investigate corruption and other violations of the company's code of conduct, including preparing reports for disclosure in the Company's annual report.

As of December 31, 2022, the Audit Committee consists of:

Name – Surname	Position
1. Mr. Sirote Swasdipnich	Chairman of the Audit Committee and Independent Director
2. Mr. Chaisak Ankasuwan	Audit Committee and Independent Director
3. Mrs. Chanisa Chutipat	Audit Committee and Independent Director
Mr. Pornchai Sirikitpanichkul	Secretary of the Audit Committee

Mrs. Chanisa Chutipat, the Audit Committee and Independent Director, has sufficient knowledge and experience in accounting and finance to audit the reliability of the company's financial statement. Mrs. Chanisa Chutipat graduated with a bachelor's degree and master's degree from the Faculty of Commerce and Accountancy, Thammasat University.

2. Remuneration and Nomination Committee

The Nomination and Remuneration Committee is responsible for recruiting qualified persons to serve as a member of the Board of Directors and for setting up appropriate, transparent, and consistent criteria and policies for the remuneration of directors, sub-committee, and executives both short-term and long-term incentives as well as report the results to be disclosed in the Company's annual report.

As of December 31, 2022, the Nomination and Remuneration Committee consists of:

Name – Surname	Position
1. Mr. Chaisak Ankasuwan	Chairman of the Remuneration and Nomination Committee
2. Mr. Wisan Wuttisaksin	Remuneration and Nomination Committee
3. Pol.Gen.Lt. Nopsak Poovatanasedj	Remuneration and Nomination Committee
Mr. Rattapoom Nuntapatawee	Secretary of the Remuneration and Nomination Committee

January-October 2022, Mr. Rattapoom Nuntapatawee is Secretary of the Remuneration and Nomination Committee.

November-December 2022, Ms. Netchanok Thaisanguanvorakul is Secretary of the Remuneration and Nomination Committee.

3. Executive Committee

The Executive Committee is responsible for managing the Company's affairs in accordance with the objectives, policies, rules, and regulations, and giving advice and suggestions to the Executive Chairman in making strategy decisions, business direction, investment plan, budget, and resource allocation for the Company and its subsidiaries Including creating the work system of the Company and its subsidiaries to go in the same direction.

The Chairman of the Executive Committee is responsible for managing and supervising the operations related to the general administration of the company in order to comply with the objectives, policies, rules, and regulations of the company, including purchase approval and expenses Related to the operations of the company.

As of December 31, 2022, the Executive Committee consists of

Name – Surname	Position
1. Dr. Somchai Thaisanguanvorakul	Chairman of the Executive Committee
2. Mr. Somchai Ngamkitcharoenlap	Vice Chairman of the Executive Committee
3. Ms. Sineenart Thaisanguanvorakul	Executive Assistant to the Chairman of the Executive Committee
4. Mr. Surachai Chainarong	Senior Managing Director
5. Mr. Rattapoom Nuntapatawee	Senior Managing Director
Ms. Achara Nivongsa	Secretary of the Executive Committee

4. Risk Management Committee

The Risk Management Committee is responsible for determining the Company's risk management policy and framework, including the strategies for risk management, monitoring, and evaluation of the company's performance. The responsibility includes the review and development of the system as well as preparing, analyzing, and evaluating risk factors that may occur that affect the operation of the company both from the inside and outside risks.

As of December 31, 2022, the Risk Management Committee consists of

Name – Surname	Position
1. Mr. Somchai Ngamkitcharoenlap	Chairman of the Risk Management Committee
2. Mr. Surachai Chainarong	Risk Management Committee
3. Mr. Rattapoom Nuntapatawee	Risk Management Committee
Mr. Pornchai Sirikitpanichkul	Secretary of the Risk Management Committee

5. Environmental, Social and Governance Committee

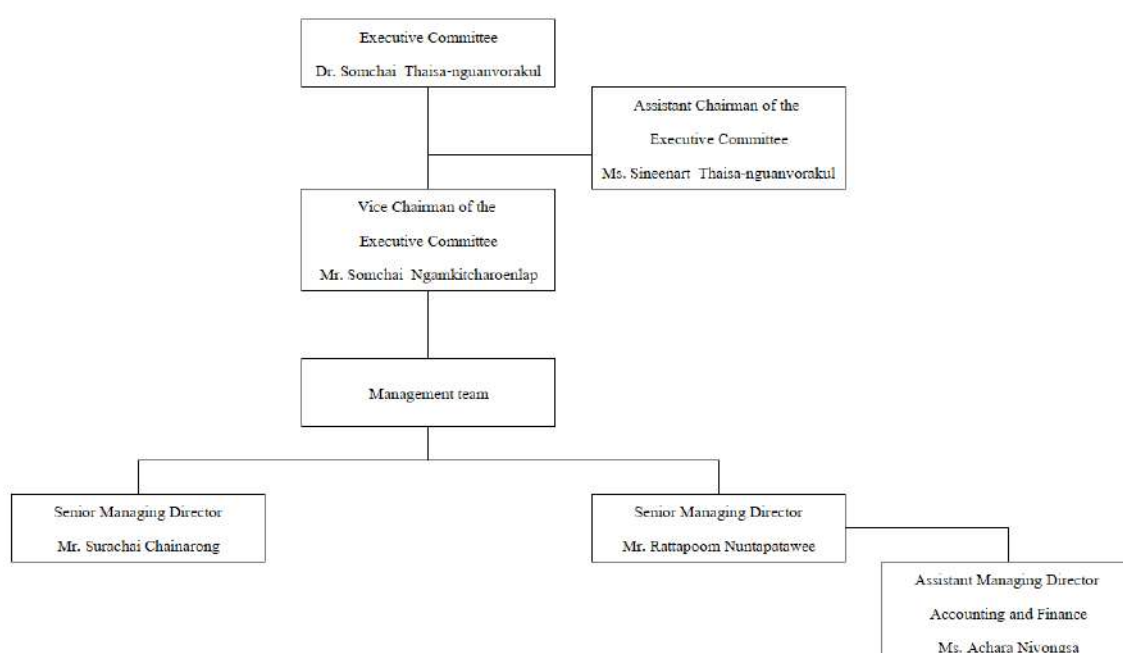
The Environment, Society and Corporate Governance Committee is responsible to perform duties in accordance with the principles of corporate governance of regulatory institutions such as the Stock Exchange of Thailand by taking into account social and environmental responsibility, promoting the dissemination of good corporate governance culture Participation in social and environmental activities for sustainable development to be understood at all levels.

As of December 31, 2022, the Good Governance Promotion Committee Society and environment consist of

Name – surname	Position
1. Ms. Sineenart Thaisanguanvorakul	Chairman of the ESG Committee
2. Mr. Somchai Ngamkitcharoenlap	ESG Committee
3. Mr. Surachai Chainarong	ESG Committee
Ms. Khanittha Suwannapha	Secretary of the ESG Committee

7.4 Management information

7.4.1 Names and positions of executives



As of December 31, 2022, the Company group consists of six (6) executives as follows:

Name	Position
1. Dr. Somchai Thaisanguanvorakul	Chairman of the Executive Committee
2. Mr. Somchai Ngamkitcharoenlap	Vice Chairman of the Executive Committee
3. Ms. Sineenart Thaisanguanvorakul	Executive Assistant to the Chairman of the Executive Committee
4. Mr. Surachai Chainarong	Senior Managing Director
5. Mr. Rattapoom Nuntapatawee	Senior Managing Director
6. Ms. Achara Nivongsa	Assistant Managing Director of Accounting and Finance

7.4.2 Remuneration for Executive Directors and Executives

The Company determines the remuneration for executive directors and executives according to qualifications, knowledge, and competence criteria in accordance with the Company's criteria, and stipulates remunerations such as salary, position vehicle, welfare, telephone bill, contributions to the provident fund, and social security fund contribution, etc.

7.4.3 Total remuneration for Executive Directors and Executives

7.4.3.1 Monetary compensation

The company paid monetary compensation to the management as follows:

Compensation	2020 ^{/2}		2021		2022	
	Number (Person)	Compensation (Million Baht)	Number (Person)	Compensation (Million Baht)	Number (Person)	Compensation (Million Baht)
Salary and bonus	12	21.5	6	18.7	6	24.6
Other ^{/1}	12	2.5	6	5.3	6	6.0
Total		24.0		24.0		30.6

^{/1} Other compensation includes the vehicle's location, welfare, telephone, contributions to the provident fund, and social security contributions.

^{/2} An Executive in 2020, Mr. Somboon Kerdlin resigned from the Company on May 13, 2020, in which the company appointed Mr. Somchai Ngamkitcharoenlap to be an Executive Director, Effective from May 13, 2020. Also, Mr. Suraphon Yamkasem resigned from being an employee of the company on June 1, 2020.

7.4.3.2 Other compensation

-None-

7.4.3.3 Number of shares held by directors and executives

	Name	No. of Shares			
		December 31, 2021	During the year		December 31, 2022
			Buy	Sell	
1	Mr. Satit Chanjavanakul	-	-	-	-
	Spouse and underage children	-	-	-	-
2	Dr. Somchai Thaisanguanvorakul	16,591,418	30,525	-	16,621,943
	SNC Holding Company Limited	91,000,100	-	-	91,000,100
	Spouse and underage children	1,698,300	-	-	1,698,300
3	Mrs. Chanisa Chutipat	-	-	-	-
	Spouse and underage children	-	-	-	-
4	Mr. Chaisak Ankasuwan	-	-	-	-
	Spouse and underage children	-	-	-	-
5	Mr. Wisan Wuttisaksin	-	-	-	-
	Spouse and underage children	-	-	-	-
6	Pol.Lt.Gen. Nopsak Poovatanasedj	-	-	-	-
	Spouse and underage children	-	-	-	-
7	Mr. Sirote Swasdipanih	-	-	-	-
	Spouse and underage children	-	-	-	-
8	Mr. Somjai Chaopanich	-	-	-	-
	Spouse and underage children	-	-	-	-
9	Dr. Apichart Thongyou	-	-	-	-
	Spouse and underage children	-	-	-	-
10	Dr. Schitt Laowattana	-	-	-	-
	Spouse and underage children	-	-	-	-
11	Mr. Somchai Ngamkitcharoenlap	4,700	30,310	-	35,010
	Spouse and underage children	-			
12	Ms.Sineenart Thaisanguanvorakul	10,027,795	11,425	-	10,039,220
	Spouse and underage children	-			
13	Mr. Surachai Chainarong	23,714	23,505	-	47,219
	Spouse and underage children	-			
14	Mr.Rattapoom Nuntapatawee	28,478	26,157	-	54,635
	Spouse and underage children	-			
15	Ms. Achara Nivongsa	33,275	18,880	-	52,155
	Spouse and underage children	-	-	-	-

7.5 Employees information

Number of employees

As of December 31, 2020 - 2022, the employees of the Company and subsidiaries can be classified as follows:

Department	No. of employees		
	31 Dec 2020	31 Dec 2021	31 Dec 2022
1. Production	1,514	2,668	2,760
2. Maintenance	28	46	75
3. Marketing	-	7	6
4. Supply Chain	90	89	61
5. Quality Assurance	9	23	21
6. Accounting and Finance	25	25	29
7. Human Resource	29	36	35
8. Technology and Information Management	16	19	27
9. Internal Audit	4	6	6
Total	1,715	2,919	2,872
Outsource	484	383	148
Total	2,199	3,302	3,020
No. of the male employees	1,215	1,452	1,523
No. of the female employees	984	1,850	1,497
Total	2,199	3,302	3,020

Employee Compensation

The Company and its subsidiaries pay various types of compensation to their employees, such as salary, bonus, and other employee benefits such as contributions to provident funds, contributions to the Social Security Fund, etc., which are in accordance with the employment policy of the Companies. In 2020-2022, the Company and its subsidiaries paid monetary compensation to employees (excluding executives) details as follows:

Employee Compensation (Million Baht)	2019	2020	2021
Salary and Bonus	457.1	665.3	755.2
Others ^{/1}	333.0	375.5	389.5
Total	790.1	1,040.8	1,144.7

^{/1} Other compensation includes overtime, welfare allowances, contributions to the provident fund, and social security contributions.

Provident fund

The company joined the provident fund with Krung Thai Sinsmongkong, registered on January 31, 2005, having Krung Thai Asset Management Company Limited as a fund manager. The objective is to build morale and

encouragement to employees and to motivate employees to work with the company for the long run in accordance with the Provident Fund Act B.E. 2530 (as amended).

Provident Fund	2020	2021	2022
No. of the total employees	2,199	3,302	3,020
No. of employees joining the provident fund	311	381	506
Percentage of employees joining the provident fund	14%	12%	17%

Major labor disputes over the last 3 years

-None-

Human Resource Management and Development Policy

The Company realizes the importance of human resources which is the most important in business cooperation that will enable the company to achieve its goals. The Company has therefore established a policy focusing on skills development and educating employees to continuously increase the efficiency of work in all aspects of employees at all levels, resulting in a creative concept to add innovative value to the Company. This is one of the most important strategies of the Company. The Human Resource Management department is responsible for recruiting new employees. Maslow's Hierarchy of Needs Theory has been applied as the foundation of personnel management to comply with employees as well as designed and surveyed the need of the annual training courses: daily management and policy management. The Company also let the employees know the Company's goals and required quality of work and uses the Radar Chart as a measurement to assess the employees' performance. the HR department also has its duty in evaluating its training efficiency, developing employees of all levels to have multi-skill and multifunction and be able to present a project, supervise and train their successors, providing training courses on leadership skills along with adding new knowledge, and retaining employees with good performance and high potential under the policy of 4Q which are (1) Quality of Product, (2) Quality of Service, (3) Quality of Environment, and (4) Quality of work life.

7.6 Other important information

The Company Secretary

Name : Miss Netchanok Thaisanguanvorakul
 Tel : 089-184-1111
 E-mail : Netchanok@sncformer.com

*Note: Details are in Attachment 1.

Duties and responsibilities

1. Prepare and keep documents such as the company's directors' registration, a notice of the Board of Directors Meetings, minutes of Board of Directors meetings, annual reports of the company, and invitation letters and minutes of the Shareholders' meetings.
2. Set the system for keeping documents and evidence related to the data disclosure, including supervising the accuracy and completeness of all documents or evidence.
3. Keep and maintain the report of the interests of Directors, Executives, and Stakeholders reported by the Board of Directors or Executives.
4. Provide basic advice on legal matters and company regulations regarding the Board of Directors' requests.
5. Arrange the shareholders' meeting and the Board of Directors' meeting to be in accordance with relevant laws, regulations, and best practices.
6. Take minutes of the Shareholders' meetings and the Board of Directors' meetings.
7. Supervise and disclose the disclosure of information and reports to the related agencies, including the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC).
8. Supervise the activities of the Board of Directors and other activities to be in accordance with the law and/or the requirements by the Capital Market Supervisory Board, and/or requirements by Directors.
9. Proceed with any other requirements assigned by the Capital Market Supervisory Board.

Accountant

Name : Miss. Parichat Hemvipat
Tel : 086-570-9694
E-mail : Parichat@sncformer.com

*Note: Details are in Attachment 1.

Head of an internal audit of the company

Name : Mr. Pornchai Sirikijpanichakool
Tel : 081-761-8117
E-mail : Pornchai@sncformer.com

*Note: Details are in Attachment 3.

Head of Compliance of the company

Name : Miss Chanisara Thaisanguanvorakul
Tel : 02-1080360
E-mail : Chanisara@sncformer.com

*Note: Details are in Attachment 3.

Investor relations

Name : Miss Sineenart Thaisanguanvorakul or Mr. Rattapoom Nuntapatawee

Tel : 086-517-0260 or 081-901-0061

E-mail : Sineenart@sncformer.com or Rattapoom@sncformer.com

Audit Fee

For the fiscal year of 2021, the Company and its subsidiaries paid the audit fees of THB 3,955,000 to KPMG Phoomchai Audit Limited.

Company and its subsidiaries	Baht
SNC Former Public Company Limited	880,000
<u>Direct subsidiaries</u>	
SNC Creativity Anthology Co., Ltd.	700,000
SNC Cooling Supply Co., Ltd.	350,000
Immortal Parts Co., Ltd.	350,000
SNC Pyongsan Evolution Co., Ltd.	360,000
Paradise Plastic Co., Ltd.	255,000
SNC Atlantic Heat Pump Co., Ltd.	210,000
Odin Power Co., Ltd.	50,000
<u>Indirect subsidiaries</u>	
Infinity Parts Co., Ltd.	360,000
Meisou SNC Precision Co., Ltd.	140,000
Yala Fah saard Co., Ltd.	150,000
SSM Automation Co., Ltd.	50,000
Odin Myanmar Co., Ltd.	50,000
Mercury Transform Co., Ltd. (MERQ)	50,000
Total	3,955,000

Other service fees (Non-Audit Fee)

The Company and its subsidiaries do not receive any other services from the audit firm that the auditor is affiliated with or from a person or business related to the auditor and the accounting firm that the auditor is affiliated with* in the past fiscal year

* Persons or businesses related to the auditor and the accounting firm that the auditor is affiliated with, including

1. Spouse and dependent children of the auditor
2. Businesses that have control over the audit firm, businesses that are controlled by an audit firm, and businesses under the same control as the audit firm either directly or indirectly
3. Businesses that are significantly influenced by the audit firm
4. Partner or the equivalent of the audit firm
5. Spouse and children who are still dependent or dependent on persons under (4)

6. Businesses in which the auditors, persons under (1), (4) or (5) have control or significant influence, either directly or indirectly.

8. Key Performance Reports on Corporate Governance

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

The Board of Directors plays a vital role in formulating policies and strategies that possibly increase competitiveness, build corporate culture and values, including enhancing efficiency supervision of the adequacy of the internal control system, manage corporate risk management or giving other opinions that are beneficial to the organization's development.

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

Regarding an appointment of directors, The Nomination and Remuneration Committee, which consists of 3 independent directors, is responsible for selecting and screening qualified persons according to the Company's policy and nominate those who have appropriate qualifications to acquire professional and diverse directors based on the structure, size, and composition of the Board. The Board of Directors must consist of independent directors of at least one-half of the entire board and propose opinions to the Board of Directors to seek approval from the directors. The aforementioned list of directors shall then be proposed to the shareholders' meeting to elect directors according to the prescribed criteria. The Nomination and Remuneration Committee has considered the nature of the business and the future plans. Therefore, the qualifications of directors are determined using the Skill matrix tool. Besides, the Nomination and Remuneration Committee has provided opportunities for shareholders to participate in nominating qualified directors.

Regarding the top management recruitment, the Board of Directors has assigned the Nomination and Remuneration Committee to consider and select qualified persons to hold the Chief Executive Officer position, consider selecting those who are suitable in the field of knowledge, experience, and expertise, define qualifications, knowledge, and competence criteria using the Skill matrix tool to propose the list to the Board of Directors and/or the shareholders' meeting for further appointment.

The Committee has managed to have self-assessment by the committees and also individual assessment and performance evaluation for CEO. The procedures for those assessments include the following:

1. Nomination and Remuneration Committee reviews the assessment form to ensure its completeness and compliance with the criteria and requirements.
2. The Committee evaluates performance on a yearly basis.
3. The Secretary summarizes the assessment and reports to the Board.
4. The Committee causes to have improvement of working system to achieve more effectiveness.

Board of Directors Assessment

Board of Directors assessment aims to employ the assessment to improve the Board's performance. The assessment criteria are as follows:

4 = Excellent Operation

3	=	Good Operation
2	=	Fair Operation
1	=	Minimal Operation

The Board of Directors conducts the Board self-assessment annually to discuss and consider the performance and problem for further improvement. The topics of the self-assessment are clearly defined in order to be benchmark for performance comparing.

The Board self-assessment comprises of 6 topics which are 1) structure and qualification of the Board 2) scope, duty and responsibility of the Board 3) the Board's meeting 4) the Board's duty 5) the relationship with the management 6) the development of the directors and executives.

The summary outcome of the overall Board self-assessment of 6 topics was shown that most of the operations were excellent and proper.

Sub-Committee Assessment

The Board of Directors has set sub-committee assessment annually in addition to the assessment of the entire Board of Directors as follows:

4	=	Excellent Operation
3	=	Good Operation
2	=	Fair Operation
1	=	Minimal Operation
0	=	No Operation

The summary outcome in 2022

1. Audit Committee was shown that most of the operations were excellent and proper
2. Remuneration and Nomination Committee was shown that most of the operations were excellent and proper
3. Risk Management Committee was shown that most of the operations were excellent and proper
4. ESG Committee was shown that most of the operations were excellent and proper
5. Executive Committee was shown that most of the operations were excellent and proper

Individual sub-committees assessment

Besides, the Board of Directors has set the Individual sub-committees assessment annually in addition to the assessment of the entire Board of Directors. The assessment criteria in 2022 are as follows:

4	=	Excellent Operation
3	=	Good Operation
2	=	Fair Operation
1	=	Minimal Operation
0	=	No Operation

The result of the assessment in 2022, each director is qualified and has performed duties and responsibilities excellently and properly in accordance with director guideline.

Chairman of Executive Committee Assessment (CEO)

The Board of Directors will assess performance of Chairman of Executive Committee annually by comparing to target achievement at the Company level and capability at the individual level. The assessment criteria in 2022 are as follows:

4	=	Excellent Operation
3	=	Good Operation
2	=	Fair Operation
1	=	Minimal Operation
0	=	No Operation

The result of the assessment in 2022, Chairman of Executive Committee is qualified and has performed duties and responsibilities excellently and properly in accordance with director guideline.

8.1.2 Meeting Attendance and Remuneration for the Board of Directors Individually

List of the Board of Directors	Number of Attendance / All Meetings					
	2021			2022		
	Times	AGM	EGM	Times	AGM	EGM
1. Mr. Satit Chanjavanakul	13/13	attend	attend	9/9	attend	attend
2. Mr. Somchai Thaisanguanvorakul	13/13	attend	attend	9/9	attend	attend
3. Mr. Chaisak Ankasuwan	13/13	attend	attend	9/9	attend	attend
4. Mr. Wisan Wuttisaksin	13/13	attend	attend	9/9	attend	attend
5. Pol. Lt. Gen. Nopsak Poovatanasedj	13/13	attend	attend	9/9	attend	attend
6. Mr. Sirote Swasdipanich	12/13	attend	attend	9/9	attend	attend
7. Mrs. Chanisa Chutipat	13/13	attend	attend	9/9	attend	attend
8. Mr. Somjai Chaopanich	12/13	attend	attend	7/9	attend	Leave
9. Mr. Somchai Ngamkitcharoenlap	13/13	attend	attend	9/9	attend	attend
10. Ms. Sineenart Thaisanguanvorakul ^{/1}	11/11	attend	attend	8/9	attend	Leave
11. Mr. Suchat Boonbanjersri ^{/6}	12/12	attend	attend	-	-	-
12. Dr. Apichart Thongyou ^{/5}	4/4	-	-	6/6	attend	-
13. Dr. Schitt Laowattana ^{/2}	4/4	-	-	9/9	attend	attend
14. Mr. Lec Sidoravit ^{/3}	-	-	-	8/9	attend	Leave
15. Mr. Rattapoom Nuntapatawee ^{/4}	-	-	-	2/2	-	attend
Ms. Netchanok Thaisanguanvorakul Company Secretary						

^{/1} Ms. Sineenart Thaisanguanvorakul has been appointed as a director at in the Annual Extraordinary Meeting of Shareholders No.1/2021 on January 26, 2021.

^{/2} Dr. Schitt Laowattana has been appointed as a director at in the Annual Extraordinary Meeting of Shareholders No.2/2021 on June 14, 2021.

^{/3} Mr. Lec Sidoravit has been appointed as a director from the Board of Directors Meeting No. 10/2021 on December 20, 2021.

^{/4} Mr. Rattapoom Nuntapatawee has been appointed as a director from the Board of Directors Meeting No. 7/2022 on November 4, 2022 for replacement of Dr. Apichart Thongyou

^{/5} Dr. Apichart Thongyou has been appointed as a director at in the Annual Extraordinary Meeting of Shareholders No.2/2021 on June 14, 2021 and resigned from the position of Independent Director on September 23, 2022.

^{/6} Mr. Suchat Boonbanjersri has resigned from the position of Independent Director and Chairman of the Audit Committee on December 20, 2021.

The Board of Directors' structure consists of 8 independent directors from a total of 13 directors. Mr. Satit Chanjavanakul, the Chairman of the Board of Directors, has qualifications as an independent director, which shall increase efficiency and transparency in management. There is a balance of power for the board of directors to vote for consideration in various agendas to comply with good corporate governance principles. Most of the Company's directors have passed the Director Certified Program (DCP) or Director Accredited Program (DAP) from the Thai Institute of Directors Association.

Monetary Remuneration

The 2022 Annual General Meeting of Shareholders held on March 31, 2022, set the remuneration policy to the Board of Directors, Audit Committee, and the Nomination and Remuneration Committee as follows:

Position	2021 (Baht)		2022 (Baht)	
	Meeting Allowance/Time	Monthly Remuneration	Meeting Allowance/Time	Monthly Remuneration
Chairman of the Board	20,000	60,000	20,000	60,000
Director	10,000	30,000	10,000	30,000
Executive Committee	5,000	-	5,000	-
Chairman of the Audit Committee	20,000	-	20,000	-
Audit Committee	10,000	-	10,000	-
Chairman of the Nomination and Remuneration Committee	20,000	-	20,000	-
The Nomination and Remuneration Committee	10,000	-	10,000	-
Chairman of the Sub-Committees ^{/1}	-	-	-	-
Sub-Committee Member	-	-	-	-

^{/1} The sub-committee consists of the Risk Management Committee and the Environmental, Social, and Governance Committee.

The Company had paid remuneration to the directors for the year 202 in monetary as detailed below.

List of Directors	2022 (Baht)						Total
	Meeting allowance for Director	Meeting allowance for Audit Committee	Meeting allowance for Nomination and Remuneration Committee ^{/4}	Meeting allowance for Risk Management Committee	Meeting allowance for Environmental, Social, and Governance Committee	Other monetary remuneration	
1. Mr. Satit Chanjavanakul	160,000	-	-	-	-	1,110,000	1,270,000
2. Mr. Somchai Thaisanguanvorakul	40,000	-	-	-	-	-	40,000
3. Mr. Wisan Wuttisaksin	80,000	-	20,000	-	-	360,000	460,000
4. Pol. Lt. Gen. Nopsak Poovatatanasedj	80,000	-	20,000	-	-	360,000	460,000
5. Mr. Chaisak Ankasuwan	80,000	40,000	40,000	-	-	360,000	520,000
6. Mrs. Chanisa Chutipat	80,000	40,000	-	-	-	360,000	480,000
7. Mr. Sirote Swasdipanich	80,000	80,000	-	-	-	360,000	520,000
8. Mr. Somjai Chaopanich	60,000	-	-	-	-	360,000	420,000
9. Mr. Somchai Ngamkitcharoenlap	40,000	-	-	-	-	-	40,000
10. Ms. Sineenart Thaisanguanvorakul	35,000	-	-	-	-	-	35,000
11. Dr. Schitt Laowattana	80,000	-	-	-	-	360,000	440,000
12. Mr. Lec Sidoravit	70,000	-	-	-	-	360,000	430,000
13. Mr. Rattapoom Nuntapatawee ^{/1}	5,000	-	-	-	-	-	5,000
14. Dr. Apichart Thongyou ^{/2}	50,000	-	-	-	-	270,000	320,000
Total	940,000	160,000	80,000	-	-	4,260,000	5,440,000

^{/1} Mr. Rattapoom Nuntapatawee has been appointed as a director from the Board of Directors Meeting No. 7/2022 on November 4, 2022 for replacement of Dr. Apichart Thongyou

^{/2} Dr. Apichart Thongyou has been appointed as a director at in the Annual Extraordinary Meeting of Shareholders No.2/2021 on June 14, 2021 and resigned from the position of Independent Director on September 23, 2022.

Other Remuneration

-None-

8.1.3 Supervision of Subsidiaries and/or Associated Companies

The Company establishes a policy to supervise the operations of subsidiaries and associated companies. The objective is to define direct and indirect measures and mechanisms for the Company to oversee and manage subsidiaries and associated companies' affairs. Monitor and supervise the subsidiary and associated companies to comply with the Civil and Commercial Code, Securities Laws, and related laws, as well as notification, regulations, and rules to protect the interests of the investment of the Company in the said subsidiary and associated companies by stipulating policies on supervision as follows:

1. Supervision of operations of subsidiaries and associated companies, the Company shall represent the director and/or management in the subsidiary and associated companies. The person appointed as directors and/or management in subsidiaries or associated companies is responsible for performing their duties for that subsidiary or associated company's best interests and following the business policy set by the Company, including closely monitoring its business operations. Then, report the financial status and operating results of subsidiaries or associated companies to the Board of Directors.

Besides, in the case of a subsidiary, the appointed person must ensure that the subsidiary has rules and regulations on the related transactions consistent with the Company. The information and accounting records are kept accommodating the Company to audit and compile to prepare the consolidated financial statements on time as well.

2. The board of directors and management of each subsidiary and/or associated companies shall have the significant scope, authority, and responsibility under the relevant laws, such as disclosing information on financial status and operating results to the Company, by applying the relevant notification of the Capital Market Supervisory Board and the notification of Thailand's Stock Exchange *mutatis mutandis*, as well as disclose and submit personal interests information and related persons to the Board of Directors to acknowledge the relationship and transactions with the Company, subsidiaries, and/or associates companies in a manner that may create a conflict of interest.

3. The Company shall set up a plan and take the necessary action to ensure that the subsidiary and/or associated companies disclose the information about operating results and financial status. In addition, the Company shall take necessary action and monitor the subsidiary and/or associated companies to have sufficient and appropriate information disclosure and internal control systems in their business operations.

8.1.4 Monitoring Compliance with Corporate Governance Policies and Practices

The Company places importance on good corporate governance by establishing relevant policies and practices in the Company's corporate governance policy and code of business conduct, including promoting real action to build confidence among all stakeholders.

The Company monitored compliance with good corporate governance in the past year, covering 1) employee treatment and non-discrimination, 2) anti-unfair competition, 3) environmental, health, and safety stewardship in the organization 4) information security. The follow-up results showed that the Company had followed the guidelines of each issue entirely.

Also, the Company has followed up to achieve the four issues of good corporate governance as follows:

1. Prevention of Conflicts of Interest

The Company has determined a policy that the board of directors, executives, and employees must perform their duties for the Company's best interests. Suppose any person has an interest or is involved in the consideration, the said person must notify the supervisory authority of the matter and not involved in a consider of that transaction. In 2022 the company examined the and no conflicts of interest.

2. Use of insider information to benefit

The Company has supervised the use of insider information under the law and good corporate governance principles. It is set out in writing in the insider trading policy. The whole version of the policy has been disclosed on the company website <https://www.sncformer.com/en/sustainability/corporate-governance/company-policy>

3. Anti-Corruption

The Company has the policy complies with the laws to encourage its employees to perform duties with morality and ethics, including promoting the Company's business partners to conduct their business with accuracy and transparency, build awareness, values, and the right attitude at all levels, provide efficient checks and balances and internal control systems, no conflicts of interest so that the Company's anti-corruption policy can be treated concretely. The Company has announced the Anti-corruption Policy and to be regarded as the work regulations of the Company that all employees must adhere to practice. In addition, the company has jointly declared its intention to act under the Collective Action Coalition of Thailand (CAC), which is a collaboration of 8 leading organizations are Thai Institute of Directors Association (IOD), the Thai Chamber of Commerce, the Joint Foreign Chambers of Commerce in Thailand (JFCCT), Thai Listed Companies Association, Thai Bankers' Association, Federation of Thai Capital Market Organization, the Federation of Thai Industries, and the Tourism Council of Thailand since May 29, 2014. The Company was certified as a CAC's member on October 16, 2015 and is recertified every 3 years.

The Company has an ideology of conducting business with integrity, honesty, and transparency, without corruption, by adhering to corporate social responsibility and all stakeholders under good corporate governance and code of conduct, including policies and practices towards various the Company groups' stakeholders to ensure that the Company has a policy of defining responsibility, guidelines, and appropriate operational requirements to prevent corruption in the Company's business activities both inside and outside the organization to ensure that business decisions and actions that may be subject to corruption risks are carefully considered and acted upon, the Company has established the Anti-Corruption Policy, which can be accessed through the Company's website: <https://www.sncformer.com/th/sustainability/corporate-governance/anti-corruption>

4. Whistleblowing

To operate the business of the Company is correct, appropriate, fair, and verifiable. Therefore, the Company has set up a policy to have a channel for complaints or whistleblowing from violating the laws or code of conduct or the anti-corruption policy or behavior that may result in corruption or misconduct of individuals in the organization. Any person who observes an action that is considered to be corrupt or implicate fraud directly or indirectly affects the Company and its subsidiaries must not ignore and should report such behavior/action through the channel provided under a complaint and whistleblowing policy. The complainant must specify details of the matter of the complaints with name, address, and telephone number of the person submitting the complaint and submit to the channels as follows:

1. Submit through the Chairman of the Board's email: satit.ck@gmail.com, or
2. Submit through the Chairman of the Executive Board's email: somchai@sncformer.com, or
3. Submit through the Chairman of the Audit Committee's email: sirote@fispri.org, or
4. Submit through the Company's website: <http://www.sncformer.com> (Title: Whistleblowing), or
5. Through telephone number: 02-108-0360-66 (Public Relations Department/ Company Secretary), or
6. Through the Red Box for receiving whistleblowing (Located at the head office and Rayong province)

However, if the whistleblower or complainant has a complaint on the executive committee, managing director, or vice-chairman, please submit a complaint directly to the Audit Committee. Persons who can report a clue or complaints about corruption are all the Company's stakeholders, such as shareholders, customers, competitors, creditors, government sector, community, society, management, and employees.

8.1.5 Succession Plan for High-Level Executive

The Company realizes the necessity and importance of the succession of high-level executive. If there is a vacancy of executive, the company will appoint the Nomination and Remuneration Committee to nominate, select and propose qualified person to be director and high-level executive. The Company also prepares succession plan for high-level executive by selecting appropriate persons as successors. The Company also has set a succession plan on the Chief Executive Officer, Managing Director, Management in a critical position and prepared the working team to be ready for the succession, which will be in accordance with the Company's business strategy and succession plan. The Company also creates a plan for recruiting executives and training employees in advance, including selecting, evaluating performance, and assessing the potential of executives and employees to determine suitability, and also developing skills of managers and employees who are expected to be successors. The whole version of the policy has been disclosed on the company website: <https://www.sncformer.com/th/sustainability/corporate-governance/company-policy>

Report of the Board of Directors' Responsibilities for Financial Statements

The Board of Directors is responsible for the consolidated financial statements of the Company and its subsidiaries and financial information stated in the One Report. The financial statements are prepared in accordance with generally accepted accounting principles in Thailand by using the appropriate accounting policy and performing on a regular basis with thoroughly consideration and best estimation including the disclosure of sufficient information in the notes of the financial statements to ensure the transparency and benefit to shareholders and general investors.

The Board of Directors provides, preserves the appropriateness and efficiency of the risk management system and internal control to ensure that accounting information is correct, complete and sufficient to maintain the Company's assets and protect the Company from any fraud or material improper operation.

The Board of Directors appointed the Audit Committee who are independent directors to oversee and responsible for the quality of financial statements and internal control system. The opinion of the Audit Committee regarding this issue is disclosed in this One Report under the section of the Audit Committee Report.

The Board of Directors viewed that the internal control system of the Company and its subsidiaries is at the satisfactory level and can assure the reliability of the consolidated financial statements of the Company and its subsidiaries as at December 31, 2022.



Dr. Somchai Thaisa-nguanvorakul
Chairman of Executive Committee



Mr. Satit Chanjavanakul
Chairman of the Board of Directors

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

8.2.1 Number of meetings and attendances of individual Audit Committee's meetings

Name-Surname	Position	Number of meetings attended / total number of meetings	
		2021	2022
1. Mr.Sirote Swasdipnich	Chairman of the Audit Committee (Inauguration on 20/12/2021)	-	4/4
2. Mr.Chaisak Ankasuwan	Audit Committee	4/4	4/4
3. Mrs. Chanisa Chutipat	Audit Committee	4/4	4/4

Having Mr. Pornchai Sirikijpanichkul as a secretary of the audit committee.

8.2.2 Performance of the Audit Committee

The Audit Committee, together with auditors and internal auditors have performed their duties in accordance with the scope of duties and responsibilities assigned by the Board of Directors which can be summarized as follows:

1. Reviewed quarterly and yearly financial statements for the year 2022 with the management and auditors. The objectives were to ensure that the financial statements of the Company and its subsidiaries were prepared correctly according to the financial reporting standards, disclose sufficient and reliable information, and provide notes and acknowledge the solutions to problems for the benefit of the Company.

2. Ensured the appropriateness and effectiveness of the Company's internal control and internal audit system and determine the independence of the Internal Audit Unit as well as approved the appointment, transfer, or dismissal of the Internal Audit Unit.

3. Ensured the Company to operate according to laws and regulations of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET) relating to the Company's business.

4. Considered and selected the auditor based on their performance, experience, independence, and fees following the notifications of SEC. then, presented and proposed a resolution approving to the Board of Directors to consider and seek approval from the shareholders' meeting to appoint an auditor. In addition, attended the meetings with the company's auditors and considered the scope of the annual audit plan.

5. Reviewed the connected transaction or transaction that might cause the conflict of interest and managed them to comply with laws and notifications of the SET to ensure the reasonableness and utmost benefit for the Company.

6. Reviewed the self-evaluation tool for countering bribery regarding the policies of the Collective Action Coalition Against Corruption Committee (CAC) which the company passed the 2nd recertification as a member of the Private Sector Collective Action against Corruption (CAC) on January 6, 2022. Also, to ensure that the company had an optimal control system in protecting against fraud & corruption risks.

The Audit Committee followed up the operation of the year 2022 according to the assigned scope of duties and responsibilities. The Committee approved that the company prepared the financial statements correctly in all material respects according to the general accounting principles and disclosed sufficient related transactions or conflict

of interest transactions. The company possessed the proper internal control system and risk management that fit with its business situation and operated according to the laws and regulations of the SET and the other related laws.

Audit Committee Report

SNC Former Public Company Limited has appointed the audit committee which comprises Mr. Sirote Swasdipanich, the Chairman of the Audit Committee, Mr. Chaisak Ankasuwan and Mrs. Chanisa Chutipat, the member of the Audit Committee.

The Audit Committee performs according to the scope of duties and responsibilities as assigned by the Board of Directors. In 2022, there were 4 meetings held together with the auditor and the internal auditor as appropriate which can be summarized as follows:

1. Reviewed the quarterly and the financial statements of the year 2022 with the management and auditor to ensure that the financial statements of the Company and its subsidiaries were prepared correctly according to the generally accepted accounting principles, disclosed sufficient and reliable information, provided notes and acknowledged the guideline to solve problem for the benefit of the Company.
2. Ensure the appropriateness and effectiveness of the Company's internal control and internal audit system and determine the independence of the Internal Audit Unit as well as approve the appointment, transfer, or dismissal of the Internal Audit Unit.
3. Ensured the Company to operate according to laws and regulations of the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET) relating to the Company's business.
4. Considered and selected the auditor based on their performance, experience, independence, and fees following the notifications of SEC. then, presented and proposed a resolution approving to the Board of Directors to consider and seek approval from the shareholders' meeting to appoint an auditor. In addition, attended the meetings with the company's auditors and considered the scope of the annual audit plan.
5. Reviewed the connected transaction or transaction that might cause the conflict of interest and managed them to comply with laws and notifications of the SET to ensure the reasonableness and utmost benefit for the Company.
6. Reviewed the self-evaluation tool for countering bribery regarding the policies of the Thai Private Sector Collective Action Coalition Against Corruption Committee (CAC) which the Company has passed the 2nd recertification as a member of the CAC on January 6, 2022. Also, to ensure that the Company had an optimal control system in protecting against fraud & corruption risks.

The Audit Committee followed up on the operation of the year 2022 according to the scope of duties and responsibilities as assigned and viewed that the Company prepared the financial statements correctly in all material respects according to the generally accepted accounting principles and disclosed them sufficiently on the related transactions or conflict of interest transactions. The Company possessed the proper internal control system and risk management that fit with its business situation and operated according to the laws and regulations of the SET, and related laws.



(Mr. Sirote Swasdipanich)

Chairman of the Audit Committee

8.3 Summary of the performance of other sub-committees

The summary of the performance of the Nomination and Remuneration Committee, the Executive Committee, the Risk Management Committee, and the Environmental, Social, and Governance Committee.

1) Nomination and Remuneration Committee

In the past year, the Nomination and Remuneration Committee had been in charge of recruiting qualified persons to serve on the Board of Directors; and setting the criteria and policy on remunerations to directors, sub-committee, and senior management to be appropriate, transparent, and consistent with the principles of supervision and audit of the company. The objectives were to operate the company in accordance with good corporate governance principles that will lead the company to sustainable success and build up confidence among shareholders and investors by attending the meetings as follows:

Name-Surname	Position	Number of meeting attendance / Total of meetings	
		Year 2021	Year 2022
1. Mr. Chaisak Ankasuwan	Chairman of Nomination and Remuneration Committee	2/2	2/2
2. Mr. Wisan Wutthisaksilp	Director of Nomination and Remuneration Committee	2/2	2/2
3. Pol.Lt.Gen. Noppasak Phuwananaset	Director of Nomination and Remuneration Committee	2/2	2/2

January-October 2022, Mr. Rattapoom Nuntapatawee is Secretary of the Remuneration and Nomination Committee.

November-December 2022, Ms. Netchanok Thaisanguanvorakul is Secretary of the Remuneration and Nomination Committee.

2) Executive Committee

In the past year, the Executive Committee had performed the duties as assigned by the Board of Directors with efficiency and effectiveness, aiming to maximize the company's benefits and comply with the good corporate governance policy. The Executive Directors attended the meeting as follows:

Name-Surname	Position	Number of meeting attendance / Total of meetings	
		Year 2021	Year 2022
1. Mr.Somchai Thaisanguanvorakul	Chairman of Executive Committee	9/9	15/15
2. Mr.Somchai Ngamkitcharoenlarp	Director of Executive Committee	9/9	15/15
3. Ms.Sineenart Thaisanguanvorakul	Director of Executive Committee	9/9	15/15
4. Mr. Rattapoom Nuntapatawee	Director of Executive Committee	-	15/15

Having Ms. Achara Nivongsa as the secretary of the Executive Committee.

3) Risk Management Committee

In the past year, the Risk Management Committee supported and operated the fundamental principles of good corporate governance to ensure that the company's business is growing sustainably; which links to the vision, mission, and goals of the organization and has a framework for organizational risk management according to international guidelines. The Committee also consistently promoted and supported to have the risk management throughout the organization and cultivated them to be part of the group's culture to ensure the stakeholders of the organization with the reasonable assurance that the group's strategic operations are moving towards the effective and efficient objectives and goals of the company by attending the meeting as follows:

Name-Surname	Position	Number of meeting attendance / Total of meetings	
		Y 2021	Y 2022
1. Mr.Somchai Ngamkitcharoenlarp	Chairman of Risk Management Committee	4/4	2/2
2. Ms.Sineenart Thaisanguanvorakul	Director of Risk Management	4/4	2/2

Having Mr. Pornchai Sirikijpanichakool as a secretary of the risk management committee

4) Environmental, Social, and Governance Committee

In the past year, the Environmental, Social, and Governance Committee has promoted the operation of the SNC group in accordance with the principles of good corporate governance to increase the confidence of shareholders, investors, and all stakeholders as well as create value-added and promote sustainable growth by attending the meeting as follows:

Name-Surname	Position	Number of meeting attendance / Total of meetings	
		Y 2021	Y 2022
1. Miss Sineenart Thaisanguanvorakul	Chairman of ESG Committee	3/3	3/3
2. Mr.Somchai Ngamkitcharoenlarp	Director of ESG Committee	3/3	3/3

Having Mr. Pornchai Sirikijpanichakool as a secretary of the Environmental, Social, and Governance Committee.

Nomination and Remuneration Committee Report

SNC Former Public Company Limited had set up the Nomination and Remuneration Committee, consisting of 3 independent members as follows:

- | | | |
|---|-----------------------------------|---|
| 1 | Mr. Chaisak Angsuwan | Chairman of Nomination and Remuneration Committee |
| 2 | Mr. Wisan Wutthisaksilp | Director of Nomination and Remuneration Committee |
| 3 | Pol. Lt. Gen. Noppasak Phuwanaset | Director of Nomination and Remuneration Committee |

The Nomination and Remuneration Committee has performed its function under the scope of duties and responsibilities assigned by the Company's Board of Directors. During 2022, the Nomination and Remuneration Committee had 2 meetings, all of which were attended by all members of the Committee, and their subject matter can be concluded as follows:

- 1) Determined criteria for selecting a qualified person to fill the position of the company's director and found and proposed to the Board of Directors such qualified persons before nominating them to the shareholders' meeting for an appointment.
- 2) Determined amount and pattern of remuneration, both monetary and non-monetary, for the Committee and subcommittee and proposed to the shareholders' meeting for approval.
- 3) Determined criteria for selecting a qualified person to take a position of executive and found such qualified person and nominated to the Board of Directors for approval.
- 4) Determined amount and pattern of remuneration, both monetary and non-monetary, for executives and proposed to the Board of Directors for approval.
- 5) Promoted and allowed minor shareholders to propose in advance an agenda and name of a person to substitute a director whose term of office has expired between 4 November 2022 and 4 February 2023.



(Mr. Chaisak Angsuwan)

Chairman of Nomination and Remuneration Committee

Executive Committee Report

SNC Former Public Company Limited had set up an Executive Committee consisting of Dr. Somchai Thaisanguanvorakul, as the Chairman of the Executive Committee. The Executive Committee had performed its function under the scope of duties and responsibilities assigned by the Company's Board of Directors. During 2022, the Executive Committee had 15 meetings, all of which were attended by all members of the Committee, and their subject matter can be concluded as follows:

1. Managing the business of the company in accordance with the objectives, regulations, policies, rules, regulations, and resolutions of the board meeting and/or the resolution of the shareholders' meeting of the company.
2. Providing advice and suggestions to the Chief Executive Officer. In making strategic decisions, business direction, investment plan, budget, allocation of resources to the company and its subsidiaries, and establishing the working system of the company and its subsidiaries in the same direction.
3. Prioritizing the outcome of the board of directors' decisions to lead to action, including considering the allocation of human and financial resources to the company and its subsidiaries.
4. Following up on the performance of the company to comply with the policies of the Board of Directors and the goals, and supervising the operation to have quality and efficiency.
5. Considering and approving the operations that are normal business transactions of the company, such as various investments in accordance with the investment budget or the budget approved by the Board of Directors, etc. The amount for each transaction was in accordance with the approval power table approved by the Board of Directors.
6. Borrowing or raising money or obtaining a bank loan or financial aid for business operation and investment.
7. Defining the organizational structure of Business administration, human resource systems, information systems, and organizational management authority, including hiring, transferring, terminating, wage assigning, and approving bonuses and benefits of employees. The authority's scope was in accordance with the approval power schedule approved by the Board of Directors.
8. Determining policies for human resource management.
9. Determining risk management policies, including rules, announcements, and various requirements, was a company's normal business transaction.
10. Earning the power to authorize one or more persons to perform any action under the control of the Executive Committee. Or may permit such person to have the power as the Executive Committee within the period that the Executive Committee deems appropriate. The Executive Committee may cancel, revoke, change, or amend the authorized person or delegate that power as it deems appropriate. However, such delegation must not assign its attorney to approve any item that he or she may have a conflict of interest with the company's interests and/or its subsidiaries.
11. Forbidding directors, executives, and employees from trading securities of the company and its subsidiaries for their benefit using internal information of the company that has not yet been disclosed to the public. Also, stipulating in the company's code of conduct that the directors, executives, and staff have to avoid or refrain from trading the securities of the company and its subsidiaries in the 1 month before the public disclosure of the financial statements.

12. Performing any other acts as assigned by the Board of Directors from time to time.

A handwritten signature in blue ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Dr. Somchai Thaisanguanvorakul
Chairman of the Executive Committee

Risk Management Committee Report

SNC Former Public Company Limited had set up Risk Management Committee, consisting of Mr. Somchai Ngamkitcharoenlarp as the Chairman of the Committee.

The Risk Management Committee performed its function under the scope of duties and responsibilities assigned by the Company's Board of Directors. During 2022, Risk Management Committee had 2 meetings, all of which were attended by all members of the Committee, and their subject matter can be concluded as follows:

1. Determining policy and operation framework for the management of all kinds of risk possibly exposed by the company.
2. Designing risk management structure, determining strategies used for risk management, and setting forth warning systems for all risk types. The purpose was to control the risks to remain under the tolerable range and in accordance with the company's risk management policy.
3. Supervising, monitoring, and evaluating the company's operation to review and develop an efficient risk management system as well as managing to have analysis and assessment of potential risk factors that may affect the company's operation both from external and internal sources.
4. Communicating and clarifying the understanding with the sub-committee of the risk management.
5. Evaluating the situation from time to time to ensure the company's risk management's adequacy and suitability and implemented continually to achieve the required targets and optimize benefits for the company, shareholders, and other stakeholders.



(Mr. Somchai Ngamkitcharoenlarp)

Chairman of Risk Management Committee

ESG Committee Report

SNC Former Public Company Limited had set up an ESG Committee consisting of Miss Sineenart Thaisanguanvorakul, as the Chairman of the Committee.

The ESG Committee performed its function under the scope of duties and responsibilities assigned by the Company's Board of Directors. During 2022, ESG Committee had 3 meetings, all of which were attended by all members of the Committee, and their subject matter can be concluded as follows:

1. Reviewed the policy on corporate governance and corporate social responsibility on a regular basis to ensure that they meet international standards and requirements prescribed by relevant authorities.
2. Reviewed the important matters that might affect stakeholders in many aspects, including social, environmental, and supply chains, then determined the objectives and strategies accordingly.
3. Followed and Supervised the Company's operations to ensure that they align with the corporate governance's objectives and methodology.
4. Supervised the company's responsibilities on the social and environmental to ensure that they meet the corporate governance guideline assigned by regular bodies such as the Stock Exchange of Thailand and the Office of Securities and Exchange Commission.
5. Applied the ESG guidelines from the SEC, the SET, and the OECD (OECD Principles of Corporate Governance) to the company's operations on the following sample issues: rights of shareholders and stakeholders, impartial shareholder treatments, information disclosure, and the transparency and accountability of the Board of Directors.
6. Promoted the organizational culture with good corporate governance and participated in ESG activities for sustainable development.
7. Reviewed the yearly performance, compared with the targets, and set the company's future direction to ensure meeting the company's ESG policies.



(Ms. Sineenart Thaisanguanvorakul)

Chairman of ESG Committee

9. Internal Control and Connected Transactions

9.1 Internal Control

The Company pays great attention to the establishment of an excellent internal control system to be in accordance with good corporate governance principles, that is, the performance of various duties with transparency, fairness, reliability, and verifiable counterbalance mechanism, which will lead to the best interests of shareholders, employees, and all stakeholders. The Board of Directors assigned the Audit Committee to review and ensure that the Company has a proper internal control system and internal audit system including review the Company's performance to be appropriate and efficient to ensure a business system in line with the guidelines of the Stock Exchange of Thailand and the Securities and Exchange Commission.

9.1.1 The Adequacy and Appropriation of the Internal Control System

The Board of Directors evaluated and considered the adequacy of the internal control system under the concept of the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") by inquired the management in various areas covering five elements as follows:

- (1) Control Environment
- (2) Risk Assessment
- (3) Control Activities
- (4) Information & Communication
- (5) Monitoring Activities

The Company has provided sufficient personnel to operate under the internal control system to monitor, and supervise the operation to meet relevant goals, objectives, laws, and regulations effectively, including adequate supervision of transactions with persons who may have conflicts of interest and connected persons and protect the company's assets from being misused by persons who may have conflicts of interest. The Audit Committee also reviews and monitors the operation of the management to ensure compliance with the internal control system and achieve the objectives and goals of the company in accordance with the principles of good corporate governance. In this regard, the Audit Committee assigned Mr. Pornchai Sirikijpanichakool, the internal audit manager, and determine the authority and duties of the internal audit unit as follows:

- (1) Review and evaluate the internal control system
- (2) Review the reliability of accounting information, financial report, accounting recording, and accounting standards
- (3) Maintaining the company's assets and benefits
- (4) Review the compliance with the principles of good corporate governance
- (5) Counseling, suggestion, or comment to follow the operating system set by the company
- (6) Record the minutes of the meeting and follow up to ensure compliance with the resolutions of the Audit Committee meeting
- (7) Review the risk assessment and follow up on risk management

After examining documents, conducting interviews, and asking for information from the Executives, department manager, and relevant employees, the internal auditor prepares an executive summary report of the result of the assessment of the Company's internal control system, then submits the report to the Audit Committee for consideration.

9.1.2 Deficiencies in the Internal Control System

From reviewing and assessing the adequacy of the design and implementation of the Company's internal control system (Control Design) and testing of the operation according to the existing internal control system of the Group (Test of Controls), there are issues found and have made progress of follow-up and remedy as follows:

Findings	Risk Level	Actions
1. Inventories have not yet been well-organized or specified the storing location (SNC Creativity Anthology Co. Ltd.)	Low	Improve the layout, set the storing area for inventories, and make clear and up-to-date product identification signs Status: The action has been taken.
2. Findings three modifications in the program with unofficial approval	Low	The IT team is in the progress of applying the application to officially collect the approval record. 1. Approval of modification request of the program 2. Testing the program modification 3. Approval of data transfer into the actual system instead of approval through E-mail or Line. Status: Pending (To be completed by February 28, 2023)
3. The company has established clear policies/regulations and working procedures but has not updated the contents and some details to be in line with the current operations and documents. From the findings, Infinity Parts Co., Ltd., SNC Serenity Co., Ltd., SNC Former Public Co., Ltd (Branch 2), and Paradise Plastic Co., Ltd have not yet updated their documents to be present in the following areas: the production procedure and machine inspection which	Moderate	Review the policies and update the manual/operational procedures, including document forms to be up-to-date, cover, and correspond to the current operational processes. Status: Pending (To be completed by June 30, 2023)

mainly due to the change of the working system, from the Express and Navision to SAP and the implementation of robots.		
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The Audit Committee acknowledged the assessment report of the adequacy of the internal control system and informed the Company's management to improve and resolve the findings issues. Since the finding risks are evaluated to be in either a low or moderate level, the Audit Committee considered that the Company's internal control system is still at the appropriate level.

In addition, the Company did an internal control self-assessment which the Board of Directors and the Audit Committee found that the Company has an internal control system that is appropriate and sufficient for the business operation.

9.1.3 Opinion of the Audit Committee in case of different opinion from the opinion of the Board of Directors or the auditor has an observation about the internal control

- None -

9.1.4 The Audit Committee's opinion which approved that the Head of the Internal Audit's educational qualifications, experience, and training is appropriate and sufficient to perform the duty.

The company assigned Mr. Pornchai Sirikijpanichakool as the internal audit manager and in charge of the company's internal auditors. Based on the qualifications and experiences of the Company's Head of the Internal Audit, the person is found to be suitable to perform duties. He has experience in internal auditing and obtains several certifies training programs which is sufficient for being the Company's Head of the Internal Audit.

9.1.5 The appointment, dismissal, and transfer of the head of internal audit

The Audit Committee will consider the independence of the internal audit department and approve the appointment, transfer, and termination of the head of the internal audit department or any others responsible persons for the Company's internal audit. (Audit Committee Charter: Scope of Powers and Duties of the Audit Committee)

9.2 Related Parties Transactions (if any)

9.2.1 Specify the name people who may have conflict or relationship characteristics (for example, being a father of a major shareholder or a company in which the major shareholder holds 30% of the total voting rights) and disclose information of the related transactions such as type, quantity, conditions of the related parties transactions, interest rate, buying price, offering price, the value of related parties transactions, or the actual rent as well as stating the appraisal price or rental rates assessed by third parties or shows that it is a fair price. However, the disclosure is not required if it is a related parties transaction with an associated company or a subsidiary with executive directors, major shareholders, and the issuing company's controlling person which holds less than 10 percent of the total voting rights.

-None-

9.2.2 Explain the necessity and reasonableness of the mentioned transaction, whether it is for the Company's best interest or not, by providing the Audit Committee's opinion on the matter as well.

-None-

9.2.3 Describe the policy and trends in the future related parties transactions.

The Company has established the policy of the related transaction in the future as follows: If the Company has a related parties transaction in the future, the Company shall follow the procedures on approval of related parties transactions. For the future related parties transactions, the Company and the related parties will be a typical transaction with a common trade term and a regular business agreement. There will be no transfer of interests between the Company and its related businesses and major shareholders (of more than 10%). For the pricing policy between the Company and its related parties, all prices are determined from the business's normal price, the same as assigned to other unrelated firms or persons. The price of products purchased from subsidiaries is based on the subsidiary's selling price determined from its cost-plus marginal profit, which is comparable to the market price. In this regard, the Company lets the Audit Committee to provide opinions on the transaction, necessity, rationality, and the appropriateness of price and compensation of the issued transaction. In case that the Audit Committee does not have an expertise in considering the transactions, the Company shall arrange a person with special knowledge, independent from the Company, and persons who may oppose, such as auditors or independent appraisers or a law firm to provide opinions on the related parties transactions. Their opinions shall be weighed in decisions of the Audit Committee and/or the Board of Directors or shareholders depending on cases to ensure that such transactions shall not be manipulative or transfer benefits between companies or a subsidiary or a person who may have a conflict of interest in the Company or a subsidiaries. The Company shall also disclose the related parties transactions and connected transactions under the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand as well as to follow the accounting standards regarding the disclosure of the persons or related parties which set by the Federation of Accounting Professions.

For the related parties transactions that may occur in the future, the Company's directors and executives must strictly comply with the associated regulations. They must not participate in the approval of any transactions, which oneself or the person involved entering a stake or having a conflict of interest in any other manner. The Company shall comply with the law on securities and exchange and regulations, announcements, orders, or rules of the Stock Exchange of Thailand as well as complying with the requirements relating to information disclosure, related transactions, and the acquisition or disposition of the Company's assets, and following with accounting standards strictly.

9.2.4 In the case that there is an appraised price attached with the related parties transactions. In that case, the Company shall disclose information about the assets that have been appraised and the appraised price, including attaching information about the said valuation.

-None-

**SNC Former Public Company Limited
and its Subsidiaries**

Financial statements for the year ended
31 December 2022

and
Independent Auditor's Report



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Independent Auditor's Report

To the Shareholders of SNC Former Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of SNC Former Public Company Limited and its subsidiaries (the "Group") and of SNC Former Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2022, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and 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 is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Mangsa



Key Audit Matters

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

Valuation of inventories	
Refer to notes 3(g) and 8 to the financial statements	
The key audit matter	How the matter was addressed in the audit
The Group's inventories are measured at the lower of cost and net realisable value. The Group manufactures parts for automobile and electric appliances. As the industry's sales volumes are highly depends on the production of the manufacturers in the automobile and electric appliances industries, high competition in determining of selling prices, fluctuation of raw materials price, and the current economic conditions, there is the risk that inventories may be slow-moving, long-outstanding and obsolescence and, the cost of inventory may be stated above its net realisable value. Because inventories are material to the financial statements and the estimation of allowance for decline in value of inventories involved management's judgement. I considered this as a key audit matter.	My audit procedures included: • Understanding the Group's policies and procedures relating to estimation of allowance for decline in value of inventories and considering the Group's compliance with the policies; • Testing on sampling basis, the calculation of inventory aging in the inventory aging report with supporting documents; • Evaluating the reasonableness of assumptions the Group applied in estimating allowance for decline in value of obsolescence and slow-moving inventories; • Testing on sampling basis, the net realisable value, including costs necessary to make the sale with relevant sales document, testing calculation; • Considering the reasonableness of historical accuracy of the allowance for decline in value of inventories for evaluating the appropriateness of the assumptions applied in the current year; and • Evaluating the adequacy of the disclosure in accordance with Thai Financial Reporting Standards.

Other Information

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

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

Maarsa



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

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

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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and 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 Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Manisa.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and 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 consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



(Marisa Tharathornbunpakul)
Certified Public Accountant
Registration No. 5752

KPMG Phoomchai Audit Ltd.
Bangkok
17 February 2023

SNC Former Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Assets	Note	2022	2021	2022	2021
		(in Baht)			
<i>Current assets</i>					
Cash and cash equivalents	6	2,528,766,319	2,329,561,282	359,869,438	305,242,042
Trade accounts receivable	5, 7	2,932,134,025	2,560,707,134	46,924,316	65,595,780
Other receivables	5	49,403,589	96,230,413	47,690,083	27,688,295
Short-term loans to related parties	5	25,632,653	25,632,653	30,632,653	55,632,653
Inventories	8	1,820,505,877	3,361,017,959	11,091,537	17,367,006
Other current assets	9	138,117,913	158,892,848	472,240	451,833
Total current assets		7,494,560,376	8,532,042,289	496,680,267	471,977,609
<i>Non-current assets</i>					
Other non-current financial assets	27	53,648,187	31,342,024	53,648,187	31,342,024
Investments in subsidiaries	11	-	-	4,097,045,081	3,721,395,641
Investments in associate	10	-	-	-	-
Investment properties	12	348,945,704	41,928,389	-	-
Property, plant and equipment	13, 18	5,314,199,601	4,912,037,425	172,406,722	188,580,309
Right-of-use assets	15	223,974,320	244,677,289	36,627,531	42,953,006
Intangible assets	16	46,865,258	44,975,475	27,230,383	18,327,057
Rights to service under concession arrangement	14	65,506,103	35,832,469	-	-
Deferred tax assets	24	23,985,049	36,356,289	3,435,338	7,522,270
Non-current financial assets pledged as collateral	18	5,000,000	5,000,000	-	-
Other non-current assets	17	80,524,073	62,547,589	14,565,396	13,044,414
Total non-current assets		6,162,648,295	5,414,696,949	4,404,958,638	4,023,164,721
Total assets		13,657,208,671	13,946,739,238	4,901,638,905	4,495,142,330

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

SNC Former Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity	Note	2022	2021	2022	2021
		(in Baht)			
Current liabilities					
Short-term loans from financial institutions	18	1,338,172,031	1,535,054,087	1,020,000,000	720,000,000
Trade and other payables	5	4,139,801,076	5,504,391,302	79,795,429	89,779,909
Current portion of deferred income		2,187,810	2,187,810	-	-
Accounts payable - acquisition of assets		249,897,764	189,641,599	2,393,532	3,344,720
Short-term loans from related parties	5, 18	-	-	160,000,000	100,000,000
Current portion of long-term loans from financial institutions	18	567,385,534	278,641,103	-	-
Current portion of lease liabilities	18, 27	36,993,690	27,522,002	4,819,033	4,793,158
Current income tax payable		70,299,207	41,966,208	-	-
Other current financial liability	27	4,829,427	558,590	-	-
Other current liabilities		14,305,804	15,148,689	3,752,411	1,845,646
Total current liabilities		6,423,872,343	7,595,111,390	1,270,760,405	919,763,433
Non-current liabilities					
Other non-current payables		7,760,526	7,379,857	-	-
Deferred income		41,568,407	43,756,217	-	-
Non-current accounts payable - acquisition of assets		-	127,849,569	-	-
Long-term loans from financial institutions	18	1,665,036,397	976,456,723	-	-
Lease liabilities	18, 27	191,092,503	230,131,238	33,630,831	39,900,801
Provisions for employee benefits	19	59,038,114	55,355,015	10,417,198	9,452,504
Other current financial liabilities	27	9,474,579	-	-	-
Total non-current liabilities		1,973,970,526	1,440,928,619	44,048,029	49,353,305
Total liabilities		8,397,842,869	9,036,040,009	1,314,808,434	969,116,738

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

SNC Former Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial		Separate financial	
		statements		statements	
		31 December		31 December	
Liabilities and equity		2022	2021	2022	2021
		(in Baht)			
<i>Equity</i>					
Share capital:	20				
Authorised share capital		<u>400,000,000</u>	<u>400,000,000</u>	<u>400,000,000</u>	<u>400,000,000</u>
Issued and paid-up share capital		362,220,339	362,220,339	362,220,339	362,220,339
Share premium on ordinary shares	20	2,086,386,465	2,086,386,465	2,086,386,465	2,086,386,465
Other surpluses		11,079,536	11,079,536	-	-
Retained earnings					
Appropriated					
Legal reserve	21	50,523,587	50,523,587	50,523,587	50,523,587
Unappropriated		2,610,180,163	2,281,327,058	1,087,981,530	1,033,021,582
Other components of equity		<u>(9,840,719)</u>	<u>(6,126,381)</u>	<u>(281,450)</u>	<u>(6,126,381)</u>
Equity attributable to owners of the parent		5,110,549,371	4,785,410,604	3,586,830,471	3,526,025,592
Non-controlling interests		<u>148,816,431</u>	<u>125,288,625</u>	<u>-</u>	<u>-</u>
Total equity		<u>5,259,365,802</u>	<u>4,910,699,229</u>	<u>3,586,830,471</u>	<u>3,526,025,592</u>
Total liabilities and equity		13,657,208,671	13,946,739,238	4,901,638,905	4,495,142,330

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

SNC Former Public Company Limited and its Subsidiaries
Statement of comprehensive income

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2022	2021	2022	2021
		(in Baht)			
Continuing operations					
Revenues from sales of goods and rendering of services	22	19,070,973,010	15,397,750,021	419,580,322	407,025,439
Cost of sales and rendering of services	8	(17,757,140,533)	(14,197,582,285)	(357,866,242)	(345,672,532)
Gross profit		1,313,832,477	1,200,167,736	61,714,080	61,352,907
Interest income		4,046,152	2,567,307	2,851,513	32,674,577
Net foreign exchange gain		189,096,666	-	-	-
Other income		55,249,752	162,807,357	2,268,931	3,868,397
Dividend income from subsidiaries	11	-	-	470,207,450	180,000,000
Distribution costs		(201,694,681)	(212,569,887)	(12,588,781)	(13,346,437)
Administrative expenses		(328,007,736)	(303,982,844)	(40,364,448)	(21,969,417)
Direct expenses arising from investment properties		(2,012,514)	(1,698,273)	-	-
Directors and management benefit expenses	5	(35,748,035)	(28,847,266)	(1,996,976)	(1,672,149)
Profit from operating activities		994,762,081	818,444,130	482,091,769	240,907,878
Finance costs		(109,677,704)	(70,621,279)	(26,124,544)	(25,873,001)
Profit before income tax expense		885,084,377	747,822,851	455,967,225	215,034,877
Tax expense	24	(134,084,096)	(97,730,974)	(2,625,699)	(2,558,403)
Profit for the year		751,000,281	650,091,877	453,341,526	212,476,474
Other comprehensive income					
Items that will be reclassified subsequently to profit or loss					
Gain (loss) on cash flow hedges		(11,949,086)	-	-	-
Income tax relating to items that will be reclassified	24	2,389,817	-	-	-
Total items that will be reclassified subsequently to profit or loss		(9,559,269)	-	-	-
Items that will not be reclassified to profit or loss					
Gain (loss) on investments in equity instruments designated at FVOCI		7,306,164	(2,144,849)	7,306,163	(2,144,849)
Income tax relating to items that will not be reclassified	24	(1,461,233)	428,970	(1,461,232)	428,970
Total items that will not be reclassified to profit or loss		5,844,931	(1,715,879)	5,844,931	(1,715,879)
Other comprehensive income (expense) for the year and net of tax		(3,714,338)	(1,715,879)	5,844,931	(1,715,879)
Totai comprehensive income for the year		747,285,943	648,375,998	459,186,457	210,760,595

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

SNC Former Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
		2022	2021	2022	2021
		<i>(in Baht)</i>			
Profit attributable to:					
Owners of the parent		727,234,683	636,352,193	453,341,526	212,476,474
Non-controlling interests		23,765,598	13,739,684	-	-
Profit for the year		751,000,281	650,091,877	453,341,526	212,476,474
Total comprehensive income attributable to:					
Owners of the parent		723,520,345	634,636,314	459,186,457	210,760,595
Non-controlling interests		23,765,598	13,739,684	-	-
Total comprehensive income for the year		747,285,943	648,375,998	459,186,457	210,760,595
Basic earnings per share	25	2.01	2.02	1.25	0.67

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

SNC Former Public Company Limited and its Subsidiaries
Statement of changes in equity

Consolidated financial statements										
	Note	Retained earnings			Other components of equity			Equity attributable to owners of the parent	Non-controlling interests	Total equity
		Issued and paid-up share capital	Share premium	Other surpluses (deficits)	Legal reserve	Unappropriated (in Baht)	Fair value reserve			
Year ended 31 December 2021										
Balance at 1 January 2021		287,777,339	1,213,596,360	12,124,121	30,140,324	1,943,445,491	(4,410,502)	3,482,673,133	95,504,356	3,578,177,489
Transactions with owners, recorded directly in equity										
Contributions by and distributions to owners										
Issue of ordinary shares	20	74,443,000	872,790,105	-	-	-	-	947,233,105	-	947,233,105
Dividends to owners of the Company	26	-	-	-	-	(278,087,363)	-	(278,087,363)	-	(278,087,363)
Total contributions by and distributions to owners		74,443,000	872,790,105	-	-	(278,087,363)	-	669,145,742	-	669,145,742
Changes in ownership interests in subsidiaries										
Acquisition of non-controlling interests without a change in control		-	-	(1,044,585)	-	-	-	(1,044,585)	16,044,585	15,000,000
Total changes in ownership interests in subsidiaries		-	-	(1,044,585)	-	-	-	(1,044,585)	16,044,585	15,000,000
Total transactions with owners, recorded directly in equity		74,443,000	872,790,105	(1,044,585)	-	(278,087,363)	-	668,101,157	16,044,585	684,145,742
Comprehensive income for the year										
Profit		-	-	-	-	636,352,193	-	636,352,193	13,739,684	650,091,877
Other comprehensive income		-	-	-	-	-	(1,715,879)	(1,715,879)	-	(1,715,879)
Total comprehensive income for the year		-	-	-	-	636,352,193	(1,715,879)	634,636,314	13,739,684	648,375,998
Transfer of legal reserve		-	-	-	20,383,263	(20,383,263)	-	-	-	-
Balance at 31 December 2021		362,220,339	2,086,386,465	11,079,536	50,523,587	2,281,327,058	(6,126,381)	4,785,410,604	125,288,625	4,910,699,229

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

Statement of changes in equity

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

SNC Former Public Company Limited and its Subsidiaries
Statement of changes in equity

		Separate financial statements				
		Retained earnings			Other components of equity	
		Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated reserve	Fair value reserve
	<i>Note</i>					
Year ended 31 December 2021						
Balance at 1 January 2021		287,777,339	1,213,596,360	30,140,324	1,119,015,734	(4,410,502)
Transactions with owners, recorded directly in equity						
<i>Contributions by and distributions to owners</i>						
Issue of ordinary shares	20	74,443,000	872,790,105	-	-	-
Dividends to owners of the Company	26	-	-	-	(278,087,363)	-
Total contributions by and distributions to owners		74,443,000	872,790,105	-	(278,087,363)	-
Comprehensive income for the year						
Profit		-	-	-	212,476,474	-
Other comprehensive income		-	-	-	-	(1,715,879)
Total comprehensive income for the year		-	-	-	212,476,474	(1,715,879)
Transfer of legal reserve		-	-	20,383,263	(20,383,263)	-
Balance at 31 December 2021		362,220,339	2,086,386,465	50,523,587	1,033,021,582	(6,126,381)
						3,526,025,592

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

SNC Former Public Company Limited and its Subsidiaries
Statement of changes in equity

Separate financial statements							Other components of equity	
				Retained earnings				
	Issued and paid-up share capital	Share premium	Legal reserve	Unappropriated reserve	Fair value reserve	Total equity		
Note				(in Baht)				
Year ended 31 December 2022								
Balance at 1 January 2022	362,220,339	2,086,386,465	50,523,587	1,033,021,582	(6,126,381)	3,526,025,592		
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Dividends to owners of the Company	26	-	-	(398,381,578)	-	(398,381,578)		
Total contributions by and distributions to owners		-	-	(398,381,578)	-	(398,381,578)		
Comprehensive income for the year								
Profit		-	-	453,341,526	-	453,341,526		
Other comprehensive income		-	-	-	5,844,931	5,844,931		
Total comprehensive income for the year		-	-	453,341,526	5,844,931	459,186,457		
Balance at 31 December 2022	362,220,339	2,086,386,465	50,523,587	1,087,981,530	(281,450)	3,586,830,471		

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

SNC Former Public Company Limited and its Subsidiaries

Statement of cash flows

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2022	2021	2022	2021
		(in Baht)			
Cash flows from operating activities					
Profit for the year		751,000,281	650,091,877	453,341,526	212,476,474
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Tax expense	24	134,084,096	97,730,974	2,625,699	2,558,403
Finance costs		109,677,704	70,621,279	26,124,544	25,873,001
Depreciation of investment properties	12	1,938,047	1,688,692	-	-
Depreciation of property, plant and equipment	13	597,951,148	457,740,444	21,770,132	24,034,463
Depreciation of right-of-use assets	15	33,849,635	30,906,514	5,232,504	5,369,126
Amortisation of intangible assets	16	10,962,242	10,392,903	3,032,074	2,428,534
Provisions for employee benefits	19	5,380,539	5,681,214	964,694	950,287
Unrealised gain on exchange		(91,809,229)	(10,580,328)	-	-
Unrealised (gain) loss on forward exchange contract		1,796,331	(366,965)	-	-
(Reversal of) expected credit loss	5, 7	-	(15,086)	-	-
(Reversal of) losses on inventories devaluation	8	(59,414,079)	84,044,948	(105,536)	368,028
(Gain) loss on disposal of property, plant and equipment		(2,566,936)	(1,066,400)	83,718	(18,747)
Loss on written-off of property, plant and equipment		1,930,253	5,383,690	1,746,591	-
Loss on written-off of intangible assets		22,963	-	-	-
Difference from lease modification	15	(5,213,118)	(2,997,261)	(394,226)	-
Dividend income	11	-	-	(470,207,450)	(180,000,000)
Interest income		(2,441,114)	(2,567,307)	(2,851,513)	(32,674,577)
		1,487,148,763	1,396,689,188	41,362,757	61,364,992
Changes in operating assets and liabilities					
Trade receivables		(418,458,961)	(1,553,063,739)	18,671,464	(14,365,767)
Other receivables		46,755,942	(1,005,330)	(20,035,150)	(25,178,089)
Inventories		1,599,926,161	(2,036,818,858)	6,381,005	(3,668,826)
Other current assets		20,774,935	(42,305,462)	(20,407)	(96,773)
Other non-current assets		(17,976,484)	(13,089,511)	(1,520,982)	(4,542,914)
Trade and other payables		(1,179,679,798)	3,238,152,371	(9,107,415)	12,074,535
Employee benefits paid		(1,697,440)	(761,560)	-	-
Other current liabilities		(842,885)	4,572,786	1,906,765	733,424
Deferred income		(2,187,810)	(2,187,801)	-	-
Other non-current payables		380,669	-	-	-
Net cash generated from operating		1,534,143,092	990,182,084	37,638,037	26,320,582
Taxes paid		(92,451,272)	(69,624,123)	-	(11,453,704)
Net cash from operating activities		1,441,691,820	920,557,961	37,638,037	14,866,878

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

SNC Former Public Company Limited and its Subsidiaries

Statement of cash flows

		Consolidated financial statements		Separate financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2022	2021	2022	2021
		(in Baht)			
Cash flows from investing activities					
Acquisition of shares increasing in subsidiaries	11	-	-	(374,649,740)	(2,135,001,500)
Proceeds from increasing in share capital of non-controlling interests	11	-	15,000,000	-	-
Acquisition of invesment in subsidiary	11	-	-	(999,700)	-
Acquisition of other equity securities		(15,000,000)	(5,000,000)	(15,000,000)	(5,000,000)
Acquisition of investment properties		(295,893,852)	-	-	-
Proceeds from sale of property, plant and equipment		14,332,278	2,206,339	7,676,432	290,000
Acquisition of property, plant and equipment		(1,094,117,667)	(1,759,425,052)	(16,054,473)	(26,394,168)
Acquisition of intangible assets		(12,875,000)	(2,035,334)	(11,935,400)	(715,000)
Acquisition of rights to service under concession arrangement	14	(29,673,633)	(11,038,168)	-	-
Proceeds from repayment of loans to related parties	5	-	1,800,000	38,000,000	1,628,507,512
Loans to related parties	5	-	-	(13,000,000)	(320,000,000)
Dividend income	11	-	-	470,207,450	180,000,000
Interest received		2,393,495	2,571,740	2,884,875	36,055,269
Net cash from (used in) investing activities		(1,430,834,379)	(1,755,920,475)	87,129,444	(642,257,887)
Cash flows from financing activities					
Proceeds from change in ownership interest in subsidiaries		(237,792)	-	-	-
Proceeds from issue of shares, net of relating direct expenses	20	-	947,233,105	-	947,233,105
Proceeds from loans from financial institutions		2,093,741,231	4,365,794,825	300,000,000	2,800,000,000
Repayment of loans from financial institutions		(1,318,406,837)	(3,032,147,445)	-	(2,790,000,000)
Payment of lease liabilities		(48,434,276)	(37,102,894)	(6,499,998)	(6,600,000)
Proceeds from loans from related parties		-	-	60,000,000	430,000,000
Repayment of loans from related parties		-	-	-	(330,000,000)
Dividends to owners of the Company	26	(398,381,578)	(278,087,363)	(398,381,578)	(278,087,363)
Interest paid		(93,881,069)	(59,385,256)	(25,258,509)	(23,368,735)
Net cash from (used in) financing activities		234,399,679	1,906,304,972	(70,140,085)	749,177,007
Net increase in cash and cash equivalents,					
before effect of exchange rate changes		245,257,120	1,070,942,458	54,627,396	121,785,998
Effect of exchange rate changes on cash and cash equivalents		(46,052,083)	23,592,464	-	-
Net increase in cash and cash equivalents		199,205,037	1,094,534,922	54,627,396	121,785,998
Cash and cash equivalents at 1 January		2,329,561,282	1,235,026,360	305,242,042	183,456,044
Cash and cash equivalents at 31 December		2,528,766,319	2,329,561,282	359,869,438	305,242,042

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

SNC Former Public Company Limited and its Subsidiaries

Statement of cash flows

	Consolidated financial statements		Separate financial statements	
	Year ended 31 December		Year ended 31 December	
	2022	2021	2022	2021
	<i>(in Baht)</i>			
Non-cash transactions				
Liabilities from construction of plant and purchase of equipment	112,825,340	175,187,915	35,800	260,600
Transfer other receivables to rights to service under concession arrangement	-	1,333,110	-	-
Transfer investment properties to property, plant and equipment	-	183,137,718	-	-
Transfer property, plant and equipment to investment property	13,061,511	-	-	-
Transfer property, plant and equipment to rights to service under concession arrangement	-	11,923,521	-	-
Transfer property, plant and equipment to inventories	-	13,272,000	-	4,172,000
Changes in right-of-use assets	13,146,666	17,658,883	(1,092,971)	-
Changes in lease liabilities	7,933,548	18,819,435	(1,487,197)	-
Changes in rights to service under concession arrangement	-	4,157,813	-	-

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

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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the Board of Directors on 17 February 2023.

1 General information

SNC Former Public Company Limited, the “Company”, is incorporated in Thailand and was listed on the Stock Exchange of Thailand in October 2004. The Company’s registered office at 333/3 Moo 6, Bangphriang sub district, Bang bo district, Samutprakarn. The Company has 2 branches in Samutprakarn.

The Company’s major shareholder was SNC Holding Company Limited (25.1% shareholding), incorporated in Thailand and Kittanamongkolchai family group (14.4% shareholding).

The principal activities of the Company and its subsidiaries (the Group) are engaged in the manufacturing of component parts for cooling machines, component parts for air conditioners for automobile, contract manufacturing and assembly of air conditioners for household use, manufacturing of heat pump for water heat pump and manufacturing of insulation copper price kit used for the installation of cooling machine and foam pipe insulation. Details of the Company’s subsidiaries and associate as at 31 December 2022 and 2021 are given in notes 10 and 11.

2 Basis of preparation of the financial statements

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in the note 3, have been applied consistently to all periods presented in these financial statements.

New and revised TFRS are effective for annual accounting periods beginning on or after 1 January 2022. The initial application of these new and revised TFRS has no material impact on the financial statements in the period of initial application.

In addition, the Group has not early adopted a number of new and revised TFRS, which are not yet effective for the current period in preparing these financial statements. The Group has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

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3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associate.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree. In addition, when there is a change in the Group’s interest in a subsidiary that does not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received from the acquisition or disposal of the non-controlling interests with no change in control is accounted for as other surplus/deficit in shareholders’ equity.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

The Group recognised investments in associates using the equity method in the consolidated financial statements in which the equity method is applied. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements in which the equity method is applied include the Group’s dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised gains arising from transactions with associates are eliminated against the investment to the extent of the Group’s interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Investments in subsidiaries and associates

Investments in subsidiaries and associates in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Group’s right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the weighted average method. Gains and losses on disposal of the investments are recognised in profit or loss.

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(c) Foreign currencies

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date.

Foreign currency differences are generally recognised in profit or loss.

(d) Financial instruments

(d.1) Classification and measurement

Financial assets and financial liabilities (except trade accounts receivables (see note 3 (l)) are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

Equity investments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Group's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(d.2) Derecognition and offset

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

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Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(d.3) Derivatives

Derivatives are recognised at fair value and remeasured at fair value at each reporting date. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss, except where the derivatives qualify for cash flow hedge accounting, in which case recognition of any resultant gain or loss depends on the nature of the item being hedged (see note 3(d.4)).

(d.4) Hedging

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in interest rates.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the risk, the economic relationship between the hedged item and the hedging instrument, including consideration of the hedge effectiveness at the inception of the hedging relationship and throughout the remaining period to determine the existence of economic relationship between the hedged item and the hedging instrument.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

For all other hedged forecast transactions, the amount accumulated in the cash flow hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the cash flow hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the cash flow hedging reserve are immediately reclassified to profit or loss.

(d.5) Impairment of financial assets other than trade accounts receivables

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

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The Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group takes action such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

(d.6) Write offs

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(d.7) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability.

(e) Cash and cash equivalents

Cash and cash equivalents comprise cash balances, call deposits and highly liquid short-term investments which have maturities of three months or less from the date of acquisition.

(f) Trade accounts receivable

A trade receivable is recognised when the Group has an unconditional right to receive consideration. A trade receivable is measured at transaction price less allowance for expected credit loss. Bad debts are written off when incurred.

The Group estimates lifetime expected credit losses (ECLs), using a provision matrix to find the ECLs rates. This method groups the debtors based on shared credit risk characteristics and past due status, taking into account historical credit loss data, adjusted for factors that are specific to the debtors and an assessment of both current economic conditions and forward-looking general economic conditions at the reporting date.

(g) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost is calculated using the weighted average cost principle. Cost includes direct costs incurred in acquiring the inventories. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

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(h) *Investment properties*

Investment properties are measured at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed assets includes capitalised borrowing costs.

Depreciation is calculated on a straight-line basis over the estimated useful lives of buildings and recognised in profit or loss.

Buildings	15 - 30 years
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No depreciation is charged on freehold land.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

Reclassification to property, plant and equipment

When the use of a property changes such that it is reclassified as property, plant and equipment, its book value at the date of reclassification becomes its cost for subsequent accounting.

(i) *Property, plant and equipment*

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs, and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of property, plant and equipment are recognised in profit or loss.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at book value.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land and assets under construction.

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The estimated useful lives are as follows:

Land improvement	5 - 30 years
Buildings	20 - 30 years
Building improvement	5 - 30 years
Machinery, tool and equipment	5 - 20 years
Office equipment	5 years
Vehicles	5 years

(j) Rights to service under concession arrangement

Rights to service under concession arrangement is right derived from service concession arrangements for waste-to-energy plant construction and management from the government. Amortisation of rights to service under concession arrangement is calculated on a straight-line basis over the concession arrangement for a period 20 years and recognised in profit or loss.

Service concession arrangements are arrangements between government (the grantor) and a private sector entity (an operator) which involve the operator constructing the infrastructure used to provide the public service or upgrading it, operating and maintaining that infrastructure for a specified period of time. The operator is paid for its services over the period of the arrangement. The grantor controls or regulates that services that the operator must provide with the infrastructure, to whom it must provide them, and service fee and the grantor control-through ownership, beneficial entitlement or otherwise - any significant residual interest in the infrastructure at the end of the term of the arrangement.

If the Group as the operator provides construction or upgrade services, revenue and costs relating to construction or upgrade services shall be accounted for based on the stage of completion on the construction contract. The consideration received or receivable by the operator shall be recognised at its fair value of a financial asset or an intangible asset.

The Group shall recognise financial assets to extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor for the construction services and recognise an intangible asset to the extent that it receives a right (a licence) to charge users of the public service. Revenue and costs relating to operation services shall be recognised when service is provided by reference to the contract term.

Contractual obligations to maintain or restore infrastructure, except for any upgrade element shall be recognised and measured at the best estimate of expenditure that would be required to settle the present obligation at the end of the reporting period.

Currently, the Group has service concession arrangements recognised rights to service under concession arrangement as intangible assets.

(k) Intangible assets

Intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software licenses	5 - 10 years
Production licenses	10 years

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(i) Leases

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

As a lessee

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. For the leases of property the Group has elected not to separate non-lease components and accounted for the lease and non-lease components wholly as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as an expenses on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification, or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract, the Group allocates the consideration in the contract to each component on the basis of their relative standalone prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

The Group recognises lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as other income in the accounting period in which they are earned.

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(m) *Impairment of non-financial assets*

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount.

The recoverable amount is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss of asset recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(n) *Deferred income*

Deferred income is recognised in profit or loss on a systematic basis over the useful life of the asset over 25 years.

(o) *Employee benefits*

Defined contribution plans

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligations is discounted to the present value, which performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognizes costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the end of the reporting period, then they are discounted.

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Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(p) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

(q) 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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(r) Revenue from contracts with customers

Revenue recognition

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts and volume rebates.

Revenue from sales of goods is recognised on the date on which the goods are delivered to the customers. For the sales that permit the customers to return the goods, the Group estimates the returns based on the historical return data, does not recognise revenue and cost of sale for the estimated products to be returned.

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

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(s) Other income

Other income comprises dividend, interest income and others. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established.

(t) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Earnings per share

Basic earning per share (EPS) is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(v) Related parties

A related parties is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that is under common control or under the same significant influence as the Group; or a person or entity over which the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making.

(w) Segment reporting

Segment results that are reported to the Group's executive committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

4 Acquisition of subsidiary

Acquisition of Pattana Phaendinthong Asset Management Co.,Ltd.

SNC Former Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

On October 3, 2022, the Group has acquired 99.97% of the shares of Pattana Phaendinthong Asset Management Co.,Ltd. The consideration consisted of a cash payment of Baht 999,700. The principal activity of Pattana Phaendinthong Asset Management Co.,Ltd. is buying and as a lessor of real estate, and its identifiable asset is mainly cash. The transaction was accounted as an acquisition of assets rather than a business combination, given that substantially all of the fair value of the gross assets is concentrated in a group of similar identifiable assets.

<i>Identifiable assets acquired and liabilities assumed</i>	<i>(in thousand Baht)</i>
Cash and cash equivalents	1,000
Other liabilities	(40)
Net	960
Net cash acquired with the subsidiary	1,000
Cash paid	(999)
Net cash outflows	1

5 Related parties

Relationships with subsidiaries and associate are described in notes 10 and 11.

<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	201
	<i>(in thousand Baht)</i>			
Subsidiaries				
Sales of goods	-	-	2,514	12,885
Purchases of goods	-	-	748	12,539
Rendering of services	-	-	203	907
Receiving of services	-	-	7,928	1,508
Rental income	-	-	425	-
Sales of machinery and equipment	-	-	4,411	290
Purchases of machinery and equipment	-	-	634	1,852
Interest income	-	-	1,649	31,193
Interest expense	-	-	6,597	3,081
Dividend income	-	-	470,207	180,000
Associate				
Sales of goods	977	1,058	-	-
Rendering of services	13,502	12,374	-	-
Receiving of services	1,959	1,764	-	-
Rental income	7,968	6,600	-	-
Interest income	979	988	979	988

	<i>(in thousand Baht)</i>			
Directors and management				
Acquisition of investment	-	-	999	-

SNC Former Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

	Consolidated		Separate	
Significant transactions with related parties	financial statements		financial statements	
Year ended 31 December	2022	2021	2022	201
Directors and management personal compensation				
Short-term benefits	35,112	28,225	1,978	1,654
Post-employment benefits	636	622	19	18
Total directors and management personal compensation	35,748	28,847	1,997	1,672
Balance with related parties				
At 31 December				
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
	(in thousand Baht)			
Trade accounts receivable				
Subsidiaries	-	-	953	7,731
Associate	36	118	-	-
Total	36	118	953	7,731
Less allowance for expected credit loss	-	-	-	-
Net	36	118	953	7,731
Other receivables				
Subsidiaries	-	-	35,942	19,186
Associate	2,483	2,538	-	-
Total	2,483	2,538	35,942	19,186
Less allowance for expected credit loss	-	-	-	-
Net	2,483	2,538	35,942	19,186
Loans to				
Subsidiaries	-	-	5,000	49,605
Associate	25,633	25,633	25,633	25,633
Total	25,633	25,633	30,633	75,238
Less allowance for expected credit loss	-	-	-	(19,605)
Net	25,633	25,633	30,633	55,633
Trade accounts payable				
Subsidiaries	-	-	-	781
Total	-	-	-	781
Other payables				
Subsidiaries	-	-	1,698	831
Associate	353	310	-	-
Total	353	310	1,698	831
Loans from				
Subsidiaries	-	-	160,000	100,000
Total	-	-	160,000	100,000

In June 2022, the Company written off loans to subsidiary which is SNC Santec Co., Ltd. The company had fully set allowance for expected credit loss of such loans amounting to Baht 19.60 million.

SNC Former Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Cash on hand	446	275	83	58
Cash at banks	2,405,641	2,187,078	359,786	305,184
Highly liquid short-term investments	122,679	142,208	-	-
Total	2,528,766	2,329,561	359,869	305,242

7 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<i>At 31 December</i>	<i>(in thousand Baht)</i>			
Within credit term	2,916,714	2,307,251	46,924	65,596
Overdue**				
1 – 30 days	9,314	247,154	-	-
31 – 60 days	13	1,320	-	-
61 – 90 days	4	896	-	-
More than 90 days	6,450	4,447	-	-
Total	2,932,495	2,561,068	46,924	65,596
Less allowance for expected credit loss	(361)	(361)	-	-
Net	2,932,134	2,560,707	46,924	65,596

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<i>Allowance for expected credit loss</i>	<i>(in thousand Baht)</i>			
At 1 January	361	376	-	-
Reverse	-	(15)	-	-
At 31 December	361	361	-	-

The normal credit term granted by the Group ranges from 30 days to 150 days.

* Within credit terms means that it was not over the date that the Company and the customer agreed to receive payment.

** Overdue means that the Company is not yet receive payment after the date of payment agreed by the Company and customer.

Information of credit risk is disclose in note 27 (b.1)

SNC Former Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

8 Inventories

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Finished goods	558,815	1,577,721	7,172	10,196
Work in progress	227,004	367,153	461	653
Raw materials	691,979	775,825	3,593	6,705
Factory supplies	16,810	43,738	405	458
Goods in transit	380,287	710,385	-	-
Total	1,874,895	3,474,822	11,631	18,012
Less : allowance for decline in value of inventories	(54,389)	(113,804)	(539)	(645)
Net	1,820,506	3,361,018	11,092	17,367
Inventories recognised in 'cost of sales of goods':				
- Cost	17,816,556	14,113,537	357,972	345,305
- Write-down to net realisable value	-	84,045	-	368
- Reversal of write-down	(59,415)	-	(106)	-
Net	17,757,141	14,197,582	357,866	345,673

9 Other current assets

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Revenue department receivable	124,346	144,563	-	-
Withholding tax	40	191	-	-
Import customs clearance receivable	-	3,329	-	-
Others	13,732	10,810	472	452
Total	138,118	158,893	472	452

SNC Former Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

10 Investments in associate

Consolidated financial statements									
Type of business	Ownership interest		Paid-up capital		Cost		At equity method		Dividend Income for the year
	2022	2021	2022	2021	2022	2021	2022	2021	
	(%)		(in thousand Baht)						
Associate									
SNC Atlantic Water Heater Asia Co., Ltd.	26.00	26.00	105,000	105,000	27,300	27,300	-	-	-
Total					27,300	27,300	-	-	-

SNC Former Public Company Limited and its Subsidiaries
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	Separate financial statements							
	Ownership interest		Paid-up capital		Cost		Impairment	
	2022	2021	2022	2021	2022	2021	2022	2021
	(in thousand Baht)							
Associate								
SNC Atlantic Water Heater Asia Co., Ltd.	26.00	26.00	105,000	105,000	27,300	27,300	(27,300)	(27,300)
Total					<u>27,300</u>	<u>27,300</u>	<u>(27,300)</u>	<u>(27,300)</u>

Associate was incorporated and operate in Thailand.

None of the Group and the Company's associate is publicly listed and consequently do not have published price quotations.

The Group has not recognised losses relating to certain investments accounted for using the equity method where its share of losses exceeds the carrying amount of that investments. As at 31 December 2022, the Group's cumulative share of unrecognised losses was Baht 51.48 million (31 December 2021: Baht 29.29 million), of which Baht 22.19 million were the Group's share of losses for the year (2021: Baht 19.19 million). The Group has no obligation in respect of these losses.

Impairment of investment in associate

Management reviewed and tested impairment in an associate in which impairment indicator existed by determining recoverable amount of investment from the value in use of the factories which are cash-generating unit. The discounted cash flow projections ("DCF") have been prepared with reference to forecasted performance results considering historical data adjusted with projected revenue growth. The Group has fully impairment of investment in associate.

SNC Former Public Company Limited and its Subsidiaries
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For the year ended 31 December 2022

11 Investments in subsidiaries

Separate financial statements												
	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		Dividend income for the year		
		(%)				(in thousand Baht)						
		2022	2021	2022	2021	2022	2021	2022	2021			
Direct subsidiaries												
SNC Pyongsan Evolution Co., Ltd.	Manufacturing of cooling parts and manufacturing and assembly of cooling machines	99.99	99.99	1,220,000	1,220,000	1,212,010	1,212,010	-	-	1,212,010	150,060	-
SNC Cooling Supply Co., Ltd.	Manufacturing automotive air conditioner parts	99.99	99.99	30,000	30,000	30,000	30,000	-	-	30,000	-	45,000
Immortal Parts Co., Ltd.	Production of cooling parts	99.99	99.99	70,000	70,000	70,000	70,000	-	-	70,000	55,000	65,000
Paradise Plastic Co., Ltd.	Manufacturing plastic parts for electric appliance and automobile	99.99	99.99	30,000	30,000	29,999	29,999	-	-	29,999	30,000	70,000
SNC Creativity Anthology Co., Ltd.	Manufacturing household and automotive air conditioner parts	99.99	99.99	1,934,758	1,934,758	2,192,008	2,192,008	-	-	2,192,008	235,147	-
SNC Atlantic Heat Pump Co., Ltd.	Manufacturing of heat pump for water heat pump	74.00	74.00	45,000	45,000	33,300	33,300	-	-	33,300	-	-
Odin Power Co., Ltd.	Investing in alternative power plant	65.00	65.00	250,000	250,000	154,079	154,079	-	-	154,079	-	-
Mercury Transform Co., Ltd.	Electric vehicle	99.99	-	350,650	-	350,650	-	-	-	350,650	-	-
Pattana Phaendinthong Asset Management Co., Ltd.	Purchase and transfer of assets	99.99	-	25,000	-	24,999	-	-	-	24,999	-	-
SNC Santac Co., Ltd.	Liquidation	-	80.00	-	20,000	-	16,000	-	(16,000)	-	-	-
Total						4,097,045	3,737,396	-	(16,000)	4,097,045	3,721,396	180,000

SNC Former Public Company Limited and its Subsidiaries
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Separate financial statements									
Type of business	Ownership interest (%)		Paid-up capital		Cost		Impairment (in thousand Baht)		Dividend income for the year
	2022	2021	2022	2021	2022	2021	2022	2021	
Indirect subsidiaries									
Infinity Parts Co., Ltd.	99.99	99.99	20,000	20,000	-	-	-	-	-
Meisou SNC Precision Co., Ltd.	99.99	99.99	100,000	100,000	-	-	-	-	-
SSM Automation Co., Ltd.	99.99	99.99	360,000	360,000	-	-	-	-	-
Yalatasaard Co., Ltd.	65.00	65.00	150,000	150,000	-	-	-	-	-
Odin Myanmar Co., Ltd.	-	39.00	-	1,000	-	-	-	-	-
Ultimate Parts Co., Ltd.	-	99.00	-	40,000	-	-	-	-	-
Total					-	-	-	-	-

All subsidiaries were incorporated and operate in Thailand.

SNC Former Public Company Limited and its Subsidiaries
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Material movement

Year ended 31 December

	Separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Establish and increase capital of Mercury Transform Co.,Ltd.	350,650	-
Acquire investment in Pattana Phaendinthong Asset Management Co.,Ltd.	999	-
Increase capital of Pattana Phaendinthong Asset Management Co.,Ltd.	24,000	-
Increase capital of Odin Power Co.,Ltd.	-	35,000
Increase capital of SNC Creativity Anthology Co.,Ltd.	-	1,100,002
Increase capital of SNC Pyongsan Evolution Co.,Ltd.	-	1,000,000

Acquisition of subsidiaries

On 18 January 2022, a new company was established under the name “Mercury Transform Co.,Ltd.” with authorised share capital 10,000 shares, par value at Baht 100 per share. The Company had invested in these company 99.97% of authorised share capital, amounting to Baht 1 million. Later on 18 August 2022, Mercury Transform Co.,Ltd. registered additional ordinary shares from 10,000 shares to 10,000,000 shares, with a par value of Baht 100 per share and with a call payment of 35%. The Company had invested in these additional shares, amounting to Baht 350 million. The proportion of ownership increase from 99.97% to 99.99%.

On 3 October 2022, The Group acquired interest in Pattana Phaendinthong Asset Management Co.,Ltd. from related party with 9,997 shares, totalling Bath 999,700. The Company had invested in these company 99.97% of authorised share capital for future business opportunities. Later on 5 October 2022, Pattana Phaendinthong Asset Management Co.,Ltd. registered additional ordinary shares from 10,000 shares to 250,000 shares, with a par value of Baht 100 per share. The Company had invested in these additional shares, amounting to Baht 24 million. The proportion of ownership increase from 99.97% to 99.99%.

On 22 March 2021, Odin Power Co.,Ltd. increased its registered capital of 2,000,000 shares, with a par value of Baht 100 per share, with a called payment of Baht 25 per share. The Company had invested in these additional shares, amounting to Baht 35 million, increasing its ownership from 60% to 65%. The Group recognised a increase in non-controlling interests of Baht 16.05 million and decrease in other surpluses of Baht 1.05 million.

On 31 August 2021, SNC Creativity Anthology Co.,Ltd. registered additional ordinary shares of 16,923,100 shares, with a par value of Baht 65 per share. The Company had invested in these additional shares, amounting to Baht 1,100 million. The proportion of ownership remain unchanged.

On 3 September 2021, SNC Pyongsan Evolution Co., Ltd. registered additional ordinary shares of 100,000,000 shares, with a par value of Baht 10 per share. The Company had invested in these additional shares, amounting to Baht 1,000 million. The proportion of ownership remain unchanged.

Writing off investment in subsidiary

On June 2022, the Company written off investment in subsidiary which is SNC Santec Co., Ltd. The Company had fully set allowance for impairment of such investment amounting to Baht 16 million.

On August 2022, liquidation process of two subsidiaries company, Odin Myanmar Co., Ltd. and Ultimate Parts Co., Ltd. has been completed.

Partial business transfer between Meisou SNC Precision Co., Ltd. and SNC Creativity Anthology Co., Ltd.

SNC Former Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

At the extraordinary meeting of the shareholders of Meisou SNC Precision Co., Ltd, the subsidiary, held on 25 May 2021, the meeting approved a resolution to transfer production line of injected plastic mold and pump steel mold to SNC Creativity Anthology Co., Ltd., another subsidiary. Therefore, on 30 June 2021, the business transferrer company transferred net assets in amount of Baht 27.36 million. The business transferee company will pay the compensation in amount of Bath 27.36 million.

12 Investment properties

		Consolidated financial statements	
	<i>Note</i>	2022	2021
		<i>(in thousand Baht)</i>	
Cost			
At 1 January		53,216	236,354
Additions		295,895	-
Transfer from (to) property, plant and equipment	13	13,061	(183,138)
At 31 December		362,172	53,216
Depreciation and impairment losses			
At 1 January		11,288	9,599
Depreciation charge for the year		1,938	1,689
At 31 December		13,226	11,288
Net book value			
At 31 December		348,946	41,928

Transfer from property, plant and equipment

During the year 2022, the Group transferred property, plant and equipment to investment property with the carrying amount of Baht 13 million as the Group allow the associate leased out land and building.

Transfer to property, plant and equipment

During the year 2021, the Group transferred investment property to property, plant and equipment with the carrying amount of Baht 183 million as the Group used some area of land for the Group's internal usage.

During the year 2022, the Group purchase land held which has not yet been specify the purpose of use amounting to Baht 295.89 million.

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Information relating to leases are disclosed in note 15.

<i>Year ended 31 December</i>	Consolidated financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Amounts recognised in profit or loss</i>		
Rental income	7,800	6,600

Investment properties comprise of land held by the Group which has not yet been specify the purpose of use amounting to Baht 296.89 million and the rest are land, building and factories lease out to an associate. Each of the leases contains an initial non-cancellable period of 1 year (*2021: 1 year*). Renewals are negotiated with the lessee. No contingent rents are charged.

The fair value of land and factory lease out to an associate had fair value of Baht 85.65 million, which comprised of fair value of the factory of Baht 73.84 million and land of Baht 11.81 million, determined by independent professional valuers at open market values on an existing use basis for land and discounted cash flow using risk-adjusted discount rates for factory. The fair value of investment property has been categorised as Level 2 and 3 fair values, respectively.

The fair value of land held which has not yet been specify the purpose of use amounting to Baht 295.89 million was determined at market values on an existing use basis. The fair value of investment property has been categorised as Level 3 fair value.

Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<i>Discounted cash flows:</i> The valuation model considers the present value of net cash flows to be generated from the property, taking into account expected rental growth rate. The expected net cash flows are discounted using risk-adjusted discount rates. Among other factors, the discount rate estimation considers the quality of a building and its location (prime vs secondary), tenant credit quality and lease terms.	Discount rates 12%	The estimated fair value increase (decrease) if: The discount rate was lower (higher).

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13 Property, plant and equipment

Consolidated financial statements									
		Land and land improvement	Buildings and building improvement	Machinery	Tool and equipment <i>(in thousand Baht)</i>	Office equipment	Vehicles	Assets under construction and installation	Total
<i>Cost</i>									
At 1 January 2021		458,824	1,398,512	3,024,289	544,607	97,666	31,571	350,478	5,905,947
Additions		197,809	235,804	255,692	84,989	16,522	19,770	1,233,413	2,043,999
Transfers from investment properties	12	183,138	-	-	-	-	-	-	183,138
Transfers to inventories		-	-	-	-	-	-	(13,272)	(13,272)
Transfer to rights to service under concession arrangement	14	(10,245)	-	-	-	-	-	(1,679)	(11,924)
Transfers		21,338	211,491	87,507	10,242	2,054	424	(333,056)	-
Disposals		-	(7,957)	-	(1,636)	(450)	(2,192)	-	(12,235)
At 31 December 2021 and 1 January 2022		850,864	1,837,850	3,367,488	638,202	115,792	49,573	1,235,884	8,095,653
Additions		11,766	430,779	120,402	60,023	31,030	16,475	356,394	1,026,869
Transfers to investment properties	12	(946)	(12,115)	-	-	-	-	-	(13,061)
Transfers		12,532	887,508	265,094	15,561	600	-	(1,181,295)	-
Disposals		-	(1,687)	(2,529)	(42,579)	(5,897)	-	(4,886)	(57,578)
At 31 December 2022		874,216	3,142,335	3,750,455	671,207	141,525	66,048	406,097	9,051,883

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	Consolidated financial statements						
	Land and land improvement	Buildings and building improvement	Machinery	Tool and equipment (in thousand Baht)	Office equipment	Vehicles	Assets under construction and installation
Depreciation and impairment losses							
At 1 January 2021	39,978	330,024	1,806,665	459,988	75,532	19,399	2,731,586
Depreciation charge for the year	17,594	79,935	301,409	44,062	9,205	5,536	457,741
Disposals	-	(2,319)	-	(750)	(450)	(2,192)	(5,711)
At 31 December 2021 and 1 January 2022	57,572	407,640	2,108,074	503,300	84,287	22,743	3,183,616
Depreciation charge for the year	25,098	143,012	360,250	49,392	11,916	8,283	597,951
Disposals	-	(1,180)	(4,643)	(32,190)	(5,871)	-	(43,884)
At 31 December 2022	82,670	549,472	2,463,681	520,502	90,332	31,026	3,737,683
Net book value							
At 31 December 2021	793,292	1,430,210	1,259,414	134,902	31,505	26,830	4,912,037
Owned assets	793,292	1,430,210	1,259,414	134,902	31,505	26,830	4,912,037
At 31 December 2022	791,546	2,592,863	1,286,774	150,705	51,193	35,022	5,314,200
Owned assets	791,546	2,592,863	1,286,774	150,705	51,193	35,022	5,314,200

The gross amount of the Group's fully depreciated property, plant and equipment that was still in use as at 31 December 2022 amounted to Baht 452.45 million (2021: Baht 372.23 million).

Capitalised borrowing costs relating to the construction of the new buildings for the Group are amounted to Baht 2.98 million (2021: Baht 5.04 million), with a capitalization rate of 2.55-3.50 %, respectively (2021: rate 3.55% - 4.8 %).

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Restriction under loan agreements with bank

The Group entered into loan agreements with several local banks. The agreements specified that the Group committed to the banks that the Group will make no commitment with third parties related to the Group's machineries for these aforesaid loan agreements (*note 18*).

Pledge

The subsidiaries has pledged land building on land and machine with the carrying amount is Baht 1,476.00 million (*2021: Baht 1,441.96 million*) as collateral for long-term borrowings from a commercial bank (*note 18*).

Agreement

On 12 August 2016, the Group has entered into an International consortium agreement with Sharp Corporation to build a solar rooftop system to reduce greenhouse gas emissions and obtaining the subsidy from the Global Environment Center foundation (GEC) for construction under the requirements of the JCM project. The Group received a grant of JPY 187 million. The Group is obligated to submit JCM credit in a minimum 50% reduction of greenhouse gases to the Japanese government for a period of 10 years, starting within one year from the date of registration for the JCM project.

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	Separate financial statements					
	Land and land improvement	Buildings and building improvement	Machinery	Tool and equipment (in thousand Baht)	Office equipment	Vehicles
						Assets under construction and installation
						Total
Cost						
At 1 January 2021	31,103	119,038	265,856	25,893	17,286	4,189
Additions	-	1,626	5,619	2,280	634	4,280
Transfers	-	-	4,274	-	-	-
Disposals	-	-	-	-	-	(330)
At 31 December 2021 and 1 January 2022	31,103	120,664	275,749	28,173	17,920	8,139
Additions	275	3,887	840	1,440	2,422	2,097
Transfers	-	-	-	170	23	-
Disposals	-	(1,687)	(6,960)	-	(662)	-
At 31 December 2022	31,378	122,864	269,629	29,783	19,703	10,236
						17,678
						500,206
						15,103
						-
						(14,038)
						501,271
Depreciation and impairment losses						
At 1 January 2021	825	43,838	205,724	21,958	13,158	2,147
Depreciation charge for the year	109	4,116	15,390	1,939	1,477	1,004
Disposals	-	-	-	-	-	(59)
At 31 December 2021 and 1 January 2022	934	47,954	221,114	23,897	14,635	3,092
Depreciation charge for the year	147	4,358	12,980	1,652	1,552	1,080
Disposals	-	(1,180)	(2,713)	-	(638)	-
At 31 December 2022	1,081	51,132	231,381	25,549	15,549	4,172
						-
						311,626
						21,769
						(4,531)
						328,864

SNC Former Public Company Limited and its Subsidiaries
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For the year ended 31 December 2022

	Separate financial statements					
	Land and land improvement	Buildings and building improvement	Machinery	Tool and equipment <i>(in thousand Baht)</i>	Office equipment	Vehicles
<i>Net book value</i>						Assets under construction and installation
At 31 December 2021						Total
Owned assets	30,169	72,710	54,635	4,276	3,285	5,047
	<u>30,169</u>	<u>72,710</u>	<u>54,635</u>	<u>4,276</u>	<u>3,285</u>	<u>5,047</u>
						18,458
						<u>18,458</u>
						<u>188,580</u>
						<u>188,580</u>
At 31 December 2022						
Owned assets	30,297	71,732	38,248	4,234	4,154	6,064
	<u>30,297</u>	<u>71,732</u>	<u>38,248</u>	<u>4,234</u>	<u>4,154</u>	<u>6,064</u>
						17,678
						<u>17,678</u>
						<u>172,407</u>
						<u>172,407</u>

The gross amount of the Company's fully depreciated property, plant and equipment that was still in use as at 31 December 2022 amounted to Baht 50.38 million (2021: Baht 45.56 million).

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Notes to the financial statements
For the year ended 31 December 2022

14 Rights to service under concession arrangement

The movements of rights to service under concession arrangement for waste-to-energy plant construction and management for the year 2022 were as follows:

	Note	Consolidated financial statements	
		2565	2564
		<i>(in thousand Baht)</i>	
<i>Cost</i>			
At 31 January		35,832	-
Addition		29,674	23,908
Transfer from property, plant and equipment	13	-	11,924
At 31 December		65,506	35,832

Waste-to-energy plant construction and management contract Yala municipality

On 11 June 2021, Yala Fahsaard Company Limited, a subsidiary, entered into contract with Yala municipality to construct and manage waste disposal by waste-to-energy project for a period 20 years starting from the commercial operation date (CoD). As specified in the contract, the subsidiary must construct a project and install machinery and electrical equipment. When the contract ends, the project and its extension area and related equipment will be transferred to Yala municipality without any charges. The subsidiary has to comply with any relevant conditions as specified in the agreements.

The aforesaid subsidiary must pay the return benefit not less than 10% of profit before tax. If the 10% of profit before tax is less than Baht 0.50 million, the subsidiary will pay the return benefit to Yala municipality amounting to Baht 0.50 million for that year. The Group recognised the minimum payment for return benefit as rights to service under concession arrangement amounting to Baht 7.38 million.

Land lease agreement

On 11 June 2021, Yala Fahsaard Company Limited, a subsidiary, entered into a lease agreement with Yala municipality to lease a partial of land to use as sanitary landfill for burying the bottom ash from the project, to protect the public from cross-contamination and reserve water supply for waste-to-energy project for a period 20 years. The rental rate is Baht 0.30 million per year. The Group recognised the lease agreement as rights to service under concession arrangement amounting to Baht 4.16 million.

15 Leases

<i>Right-of-use assets</i>	Consolidated financial statements		Separate financial statements	
<i>At 31 December</i>	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Buildings	201,061	244,237	36,628	42,953
Equipments	22,040	-	-	-
Vehicles	873	440	-	-
Total	223,974	244,677	36,628	42,953

In 2022, the right-of-use assets of the Group increase amounting to Baht 27.60 million (2021: No addition).

The Group leases several warehouses and plants for 1-3 years, with extension options at the end of lease term. The rental is payable monthly as specified in the contract.

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The Group leases several warehouse equipment for 1-3 years, with option to purchase assets under lease agreement. The purchase price was fixed as specified in the contract.

Extension options

The Group has extension options on property leases exercisable up to one year before the end of the contract period. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options and will regularly reassess so.

In 2022, the Group exercised the extension options in leases with the formerly lessors and reducing rental rate. The Group recorded gain from lease modification amounting to Baht 5.2 million in the consolidated statement of comprehensive income for the year ended 31 December 2022 (2021: Baht 3 million). Right-of-use assets and lease liability of the Group decreases amounting to Baht 14.45 million (2021: Baht 18.82 million) and Baht 19.67 million (2021: Baht 21.82 million), respectively.

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Amounts recognised in profit or loss</i>				
Depreciation of right-of-use assets:				
- Buildings	28,723	30,530	5,233	5,369
- Equipments	4,345	-	-	-
- Vehicles	782	377	-	-
Interest on lease liabilities	10,152	11,375	1,743	2,006
Expenses relating to short-term leases	44,175	57,239	3,606	4,219
Expenses relating to leases of low-value assets	1,115	1,212	156	156

In 2022, total cash outflow for leases of the Group and the Company were Baht 48.43 million and Baht 6.50 million, respectively (2021: Baht 37.1 million and Baht 6.6 million, respectively).

As a lessor

The leases of investment properties comprise a number of property and plant that are leased to associates under operating leases. Each of the leases contains an initial non-cancellable period of 1 year. Subsequent renewals are negotiated with the lessee. For all investment property leases, the rental income is fixed under the contracts.

<i>Lease payment to be received from operating lease At 31 December</i>	Consolidated financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Within 1 year	8,400	6,600
Total	8,400	6,600

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Notes to the financial statements
For the year ended 31 December 2022

16 Intangible assets

Consolidated financial statements				
	Software licenses	Production licenses <i>(in thousand Baht)</i>	Software under installation	Total
<i>Cost</i>				
At 1 January 2021	64,781	52,887	6,779	124,447
Additions	1,116	400	520	2,036
Transfers	6,779	-	(6,779)	-
At 31 December 2021 and 1 January 2022	72,676	53,287	520	126,483
Additions	12,875	-	-	12,875
Transfers	920	(400)	(520)	-
Disposals	(292)	-	-	(292)
At 31 December 2022	86,179	52,887	-	139,066
<i>Amortisation</i>				
At 1 January 2021	30,183	40,931	-	71,114
Amortisation for the year	5,372	5,022	-	10,394
At 31 December 2021 and 1 January 2022	35,555	45,953	-	81,508
Amortisation for the year	6,040	4,922	-	10,962
Disposals	(269)	-	-	(269)
At 31 December 2022	41,326	50,875	-	92,201
<i>Net book value</i>				
At 31 December 2021	37,121	7,334	520	44,975
At 31 December 2022	44,853	2,012	-	46,865

SNC Former Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

	Separate financial statements		
	Software licenses	Software under installation <i>(in thousand Baht)</i>	Total
Cost			
At 1 January 2021	24,893	744	25,637
Additions	195	520	715
Transfers	744	(744)	-
At 31 December 2021 and 1 January 2021	25,832	520	26,352
Additions	11,935	-	11,935
Transfers	520	(520)	-
At 31 December 2022	38,287	-	38,287
Amortisation			
At 1 January 2021	5,596	-	5,596
Amortisation for the year	2,429	-	2,429
At 31 December 2021 and 1 January 2022	8,025	-	8,025
Amortisation for the year	3,032	-	3,032
At 31 December 2022	11,057	-	11,057
Net book value			
At 31 December 2021	17,807	520	18,327
At 31 December 2022	27,230	-	27,230

The amortisation of production licenses is allocated to the cost of inventory and is recognised as cost of sales as inventory is sold; the amortisation of other intangible assets is included in administrative expenses.

17 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Land and factory rental deposit	37,988	36,547	8,502	8,502
Revenue department receivable	42,524	23,148	6,063	4,542
Advance payments for equipment	-	2,841	-	-
Others	12	12	-	-
Total	80,524	62,548	14,565	13,044

SNC Former Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

18 Interest-bearing liabilities

Consolidated financial statements					
2022					
	Effective interest rate (% per annum)	Secured	Unsecured (in thousand Baht)	Total	
Short-term loans from financial institutions	2.75 - 3.70	-	1,338,172	1,338,172	
Current portion of long-term loans from financial institutions	2.29 - 4.87	567,386	-	567,386	
Long-term loans from financial institutions	2.29 - 4.87	1,665,036	-	1,665,036	
Current portion of lease liabilities	2.85 - 4.25	10,547	26,447	36,994	
Lease liabilities	2.85 - 4.25	5,191	185,902	191,093	
Total interest-bearing liabilities		2,248,160	1,550,521	3,798,681	
2021					
	Effective interest rate (% per annum)	Secured	Unsecured (in thousand Baht)	Total	
Short-term loans from financial institutions	2.00 - 2.75	-	1,535,054	1,535,054	
Current portion of long-term loans from financial institutions	2.69 - 3.87	278,641	-	278,641	
Long-term loans from financial institutions	2.69 - 3.87	976,457	-	976,457	
Current portion of lease liabilities	4.25	-	27,522	27,522	
Lease liabilities	4.25	-	230,131	230,131	
Total interest-bearing liabilities		1,255,098	1,792,707	3,047,805	
Separate financial statements					
2022					
	Note	Effective interest rate (% per annum)	Secured	Unsecured (in thousand Baht)	Total
Short-term loans from financial institutions		2.90 - 3.70	-	1,020,000	1,020,000
Short-term loans from related party	5	4.81	-	160,000	160,000
Current portion of lease liabilities		4.25	-	4,819	4,819
Lease liabilities		4.25	-	33,631	33,631
Total interest-bearing liabilities			-	1,218,450	1,218,450
2021					
	Note	Effective interest rate (% per annum)	Secured	Unsecured (in thousand Baht)	Total
Short-term loans from financial institutions		2.50 - 2.75	-	720,000	720,000
Short-term loans from related party	5	3.69	-	100,000	100,000
Current portion of lease liabilities		4.25	-	4,793	4,793
Lease liabilities		4.25	-	39,901	39,901
Total interest-bearing liabilities			-	864,694	864,694

SNC Former Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

<i>Assets pledged as security for liabilities At 31 December</i>	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2022	2021 (in thousand Baht)	2022	2021
Property, plant, and equipment	13	1,475,997	1,441,963	-	-
Non-current financial assets pledged as collateral		5,000	5,000	-	-
Total		1,480,997	1,446,963	-	-

Long-term loan of the aforesaid subsidiary was pledged by the Company and another subsidiary and also committed to the bank that there will no commitment made by the subsidiaries with third parties related to the subsidiaries's equipment.

As at 31 December 2022, the Group had unutilised credit facilities totalling Baht 182 million and the Company had fully utilised credit facilities (31 December 2021: Baht 77 million).

Short-term borrowings from financial institutions

The Group and the Company have short-term borrowings from commercial banks under promissory notes and trust receipt amounting to Baht 1,338 million and Baht 1,020 million, respectively (2021: Baht 1,535 million and Baht 720 million, respectively) at an interest rate of 2.75% - 3.70% per annum (2021: 2.00% - 2.75% per annum), which will become due during January until March 2023.

Long-term borrowings from financial institutions

On 5 January 2022, a subsidiary entered into a loan agreement with a commercial bank amounting to Baht 650 million at an interest rate of 3.5% per annum, which will be paid in monthly instalment start from April 2022 until March 2027. The aforesaid subsidiary drew down the loan amounting to Baht 650 million.

On 22 April 2022, a subsidiary entered into a loan agreement with a commercial bank amounting to Baht 316 million at an interest rate of 3.6% and 3.9% per annum, which will be paid in monthly instalment start from May 2022 until April 2026. The aforesaid subsidiary drew down the loan amounting to Baht 207 million.

On 8 August 2022, a subsidiary entered into a loan agreement with a commercial bank amounting to Baht 32 million at an interest rate of 2% per annum for the 1st – 24th month and for the 25th month onwards, the interest rate is MLR - 2% per annum, which will be paid in monthly instalment start from March 2023 until September 2027. The aforesaid subsidiary drew down the loan amounting to Baht 29 million.

In August 2022, a subsidiary entered into a loan interest rate amendment agreement with a commercial bank amounting to Baht 440, 220 and 620 million. From a floating interest rate to a fixed interest rate with an interest rate of 4.15-4.35% per annum and adjusting the financial ratio in the loan agreement from DE Ratio to IBD/E not more than 1.5 times starting in 2022.

On 12 October 2022, a subsidiary entered into a loan agreement with a commercial bank amounting to Baht 60 million at a fixed interest rate of 4.8% per annum, which will be paid in monthly instalment start from November 2022 until October 2027. The aforesaid subsidiary drew down the loan amounting to Baht 60 million.

On 12 October 2022, a subsidiary entered into a loan agreement with a commercial bank amounting to Baht 71 million at an interest rate of MLR – 1.5% per annum, at a time of contract, the interest rate was 4.22%, which will be paid in monthly instalment start from January 2024 until December 2027. The aforesaid subsidiary drew down the loan amounting to Baht 13 million.

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On 12 October 2022, a subsidiary entered into a loan agreement with a commercial bank amounting to Baht 395 million with an interest rate of Complex average THOR interest rate plus an interest rate of 1.37% per annum, which will be paid in monthly instalment start from November 2022 until October 2027. The subsidiary entered into an interest swap contract with the lender for a fixed interest rate at the rate of 4.8% per annum.

On 12 October 2022, a subsidiary entered into a loan agreement with a commercial bank amounting to Baht 45 million at a fixed interest rate of 4.8% per annum, which will be paid in monthly instalment start from January 2023 until December 2027.

On 22 December 2022, a subsidiary entered into a loan agreement with a commercial bank amounting to Baht 15 million at an interest rate of 2% per annum for the 1st – 24th month and for the 25th month onwards, the interest rate is MLR - 2% per annum, which will be paid in monthly instalment start from July 2023 until August 2027.

On 19 March 2021, a aforesaid subsidiary entered into a loan agreement with a commercial bank amounting to Baht 220 million at an interest rate of MLR - 2% and MLR - 1.75% per annum, which will be paid in monthly instalment start from April 2021 until March 2026. And later in August 2022, a subsidiary entered into an agreement to amend the interest rate of long-term loans from a commercial bank from floating interest rates to fixed interest rates, whereby the received interest rate is 4.15% per annum and fix the ratio. The financial limit in the loan agreement from DE Ratio to IBD/E is not more than 1.5 times, effective in 2022.

On 27 July 2021, a subsidiary entered into a long-term loan agreement with a commercial bank under promissory notes, amounting to Baht 220 million at an interest rate of 2.00% - 7.00% per annum, which will become due in July 2026.

On 10 August 2021, a subsidiary entered into a credit facility agreement with a commercial bank amounting to Baht 1,500 million. The aforesaid credit facility agreement was pledged by the Company and the Group has mortgaged lands of another subsidiary. The building improvement of such subsidiary will be mortgaged within 31 December 2021. On 31 December 2021, the carrying number of lands and building improvement is Baht 131.58 million and Baht 779.87 million, respectively.

On 24 November 2021, a subsidiary entered into a long-term loan agreement with a commercial bank, amounting to Baht 13 million at an interest rate of 3.4% and MLR - 3.5% per annum, which will be paid in monthly instalment start from January 2022 until December 2026.

On 24 November 2021, a subsidiary entered into a long-term loan agreement with a commercial bank, amounting to Baht 17 million at an interest rate of 3.4% and MLR - 3.5% per annum, which will be paid in monthly instalment start from January 2022 until December 2026.

In addition, the subsidiaries must maintain the required financial ratios and other terms as stated in the agreements such as maintaining the debt-to-equity ratio and leverage ratio.

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For the year ended 31 December 2022

19 Provision for employee benefit

	Consolidated financial statements		Separate financial statements	
<i>At 31 December</i>	2022	2021	2022	2021
		(in thousand Baht)		
Post-employment benefits	59,038	55,355	10,417	9,453

Defined benefit plan

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

<i>Present value of the defined benefit obligations</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
		(in thousand Baht)		
At 1 January	55,355	50,435	9,453	8,502
<i>Recognised in profit or loss:</i>				
Current service cost	4,688	4,924	850	844
Interest on obligation	692	758	114	107
	<u>5,380</u>	<u>5,682</u>	<u>964</u>	<u>951</u>
Benefit paid	(1,697)	(762)	-	-
At 31 December	<u>59,038</u>	<u>55,355</u>	<u>10,417</u>	<u>9,453</u>

<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
			(%)	
Discount rate	1.13 - 1.92	1.05 - 1.92	1.15 - 1.25	1.13 - 1.26
Future salary growth	4.25	4.25	4.25	4.25
Employee turnover	0 - 27	0 - 27	0 - 27	0 - 27

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2022, the weighted-average duration of the defined benefit obligation was 9 - 21 years (2021: 10 - 22 years).

Sensitivity analysis

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

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<i>Effect to defined benefit obligation</i>	Consolidated financial statements		Separate financial statements	
	<i>(in thousand Baht)</i>			
	Increase	Decrease	Increase	Decrease
As 31 December 2022				
Discount rate (0.5% movement)	(2,799)	3,005	(391)	415
Future salary growth (1% movement)	6,901	(6,053)	1,002	(900)
Employee turnover (10% movement)	(2,453)	2,784	(238)	270
As 31 December 2021				
Discount rate (0.5% movement)	(2,753)	2,966	(400)	425
Future salary growth (1% movement)	6,218	(5,458)	909	(817)
Employee turnover (10% movement)	(2,186)	2,473	(210)	237

20 Share capital

	Par value per share (in Baht)	2022 Number Baht (thousand shares /in thousand Baht)		2021 Number Baht	
Authorised shares					
At 1 January					
- ordinary shares	1	400,000	400,000	287,777	287,777
Increase of new shares	1	<u>-</u>	<u>-</u>	<u>112,223</u>	<u>112,223</u>
At 31 December					
- ordinary shares	1	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>	<u>400,000</u>
Issued and paid-up shares					
At 1 January					
- ordinary shares	1	362,220	362,220	287,777	287,777
Increase of new shares	1	<u>-</u>	<u>-</u>	<u>74,443</u>	<u>74,443</u>
At 31 December					
- ordinary shares	1	<u>362,220</u>	<u>362,220</u>	<u>362,220</u>	<u>362,220</u>

At the extraordinary shareholders meeting of the Company No. 1/2021 held on 26 January 2021, the shareholders approved the additional registered shares from Baht 287 million to Baht 400 million by issuing ordinary shares of 112,222,661 shares, with a par value of Baht 1 per shares. The Company registered its incremental authorised shares with the Ministry of Commerce on 16 February 2021. There will be an allotment of capital incremental shares for Public Offering.

At the extraordinary shareholders meeting of the Company No. 2/2021 held on 14 June 2021, the shareholders approved to change the purpose of increasing in share capital by Public Offering from the original to be used for construction the factories and warehouses for rent to other party, construction warehouse for internal use in the Group, relocation the production line, using as working capital and repayment of borrowings approximate amounting to Baht 1,400 million to use for expanding the production capacity of original business which are manufacturing and assembly of electric appliances, manufacturing of component parts of electric appliances and manufacturing of component parts for automobile use and supporting the new business opportunities approximate amounting to Baht 1,155 million, the remaining cash from share increasing use as working capital and repayment of borrowings, etc.

SNC Former Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

At the Company's Board of Directors meeting No. 7/2021 held on 6 August 2021, the Board of Director approved the offering price for newly issued shares of Baht 13 per share with the offering period from 9 August 2021 to 11 August 2021. The filing was approved by the Securities and Exchange Commission on 6 August 2021. The number of offering shares is Baht 74.44 million, amounting to Baht 967.76 million before deducting any related expenses. The Company registered the change of issued and paid-up capital with the Ministry of Commerce on 13 August 2021. The trading day of the Company's ordinary shares on the Stock Exchange of Thailand was on 18 August 2021.

Expenses directly related to the issuance of Public Offering shares amounting to Baht 20.53 million are deducted from the share premium received as at 31 December 2021 and in 2021 the Company had the share premium of Baht 2,086.39 million.

21 Legal reserve

Section 116 of the Public Limited Companies Act B.E. 2535(1992) Section 116 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

22 Segment information and disaggregation of revenue

Management determined that the Group has three reportable segments which are the Group's strategic divisions for different products and services, and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Manufacturing of component parts for automobile use.
- Segment 2 Manufacturing and assembly of electric appliances.
- Segment 3 Manufacturing of component parts of electric appliances.

None of other operations meets the quantitative thresholds for determining reportable segments in 2022 or 2021.

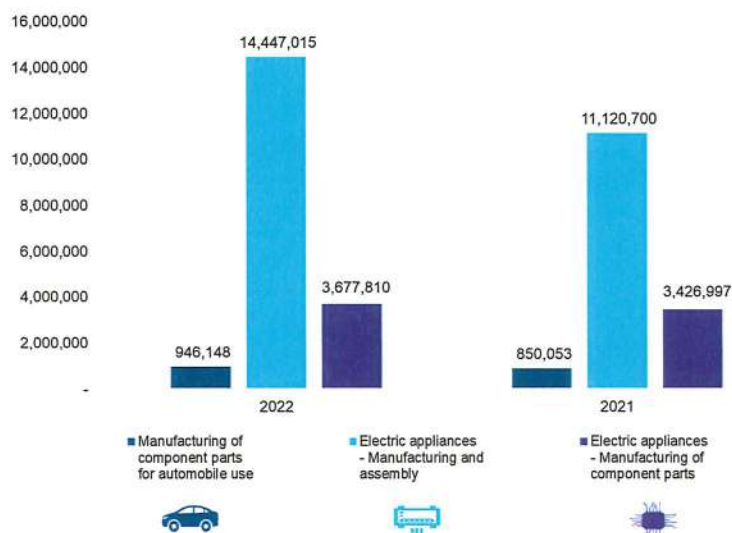
Each segment's performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

The Group's main revenue is derived from sale of component parts for automobile use, component parts of electric appliances and assembly of electric appliances, which revenue recognition is at a point in time.

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Revenue from external customers by segment in Consolidated financial statements
for the year ended 31 December

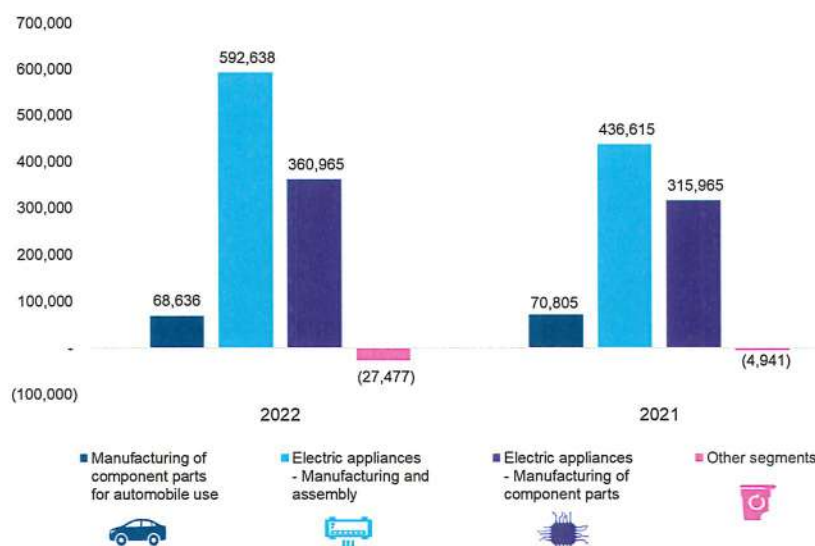
Unit: in thousand Baht



Inter-segment revenue	2022	2021
Manufacturing of component parts for automobile use	3,111	2,862
Electric appliances - Manufacturing and Assembly	136,380	283
Electric appliances - Manufacturing of component parts	2,555,473	1,407,809
Eliminations	(2,694,964)	(1,410,954)

Profit by segment in Consolidated financial statements
for the year ended 31 December

Unit: in thousand Baht

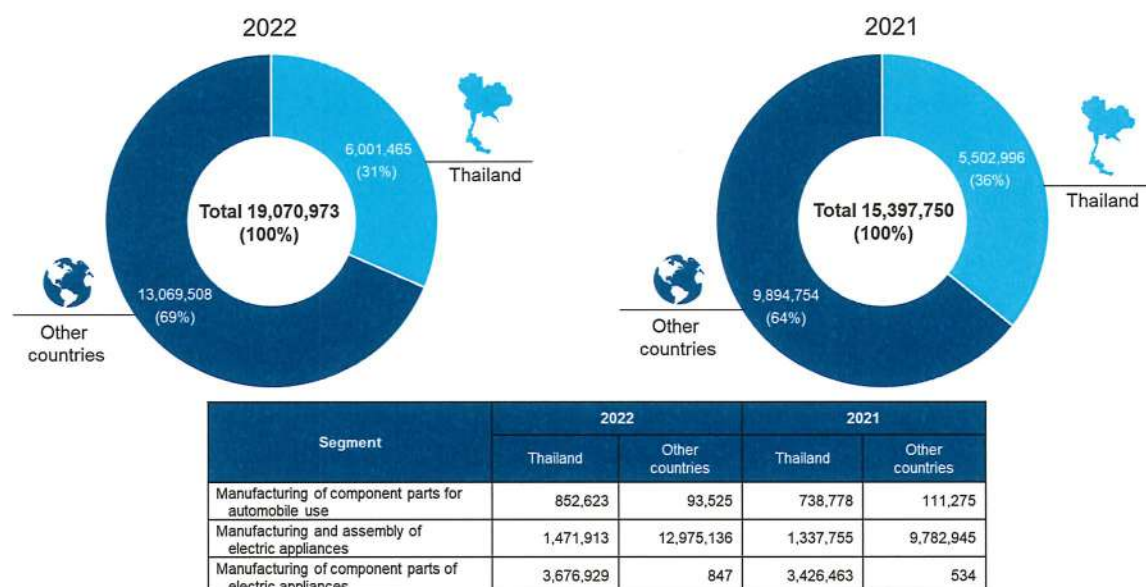


Year	2022	2021
Segment results	994,762	818,444
Less Finance costs	(109,678)	(70,621)
Less Tax expense	(134,084)	(97,731)
Profit for the period	751,000	650,092

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Disaggregation of revenue by primary geographical markets in Consolidated financial statements
for the year ended 31 December

Unit: in thousand Baht



Major customer

In 2022, revenues from five major customers of the Group's manufacturing and assembly of electric appliances segment and manufacturing of component parts of electric appliances segment represent approximately Baht 14,238 million (2021: Baht 10,913 million) of the Group's total revenues.

Promotional privileges

The Group has been granted promotional certificates by the Office of the Board of Investment as the following table. The Group has been granted several privileges including exemption from payment of income tax on the net profit derived from promoted operations with certain terms and conditions prescribed in the promotional certificates.

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Certificated no.	Promoted business	Exemption of corporate income tax commencing from	Exemption of corporate income tax for the period of	Accumulated loss during the exemption period be deducted from net income after the exemption period for
SNC Cooling Supply Co., Ltd.				
62-0639-1-05-1-0	Manufacturing of steel products and steel parts	1 July 2019	3 years	5 years
Immortal Parts Co., Ltd.				
63-0890-1-05-1-0	Manufacturing of parts for electrical appliances	15 August 2020	3 years	5 years
SNC Creativity Anthology Co., Ltd.				
2167(1)/2556	Research and development	Not commenced operations	8 years	5 years
	Manufacturing of electrical appliances and part of electrical appliances	-	-	-
60-0046-0-00-0-2				
	Manufacturing of electrical appliances and audio-visual product	-	-	-
63-0527-1-00-0-0				
63-0590-1-00-1-0	Manufacturing of Smart Electrical Appliances	7 June 2020	5 years	5 years
63-1306-1-00-1-0	Manufacturing of steel and parts for steel	3 December 2020	3 years	5 years

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Certificated no.	Promoted business	Exemption of corporate income tax commencing from	Exemption of corporate income tax for the period of	Accumulated loss during the exemption period be deducted from net income after the exemption period for
64-0034-1-00-1-0	Manufacturing of air conditioner, refrigerator, freezer, washing machine, clothes dryers	8 January 2021	3 years	5 years
64-0584-1-00-1-0	Manufacturing of steel and parts for steel	4 June 2021	3 years	5 years
64-0827-1-00-1-0	Manufacturing of air conditioner	-	3 years	5 years
65-0171-0-00-1-2	Manufacturing of machinery, equipment, and parts*	12 October 2015	8 years	5 years
S S M Automation Co., Ltd.			100% of net profit of the first 3 years and 50% of net profit of the year 4 th to 8 th	
62-0743-0-00-1-2	Manufacturing of steel and parts for steel	3 August 2016		

*Transfer certificated from Meisou SNC Precision Co., Ltd.

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Summary of revenue from promoted and non-promoted businesses:

Consolidated financial statements						
Year ended 31 December	2022			2021		
	Promoted businesses	Non- promoted businesses	Total	Promoted businesses	Non- promoted businesses	Total
			(in thousand Baht)			
Export sales	1,343,734	11,725,774	13,069,508	1,553,183	8,341,570	9,894,753
Local sales	1,241,299	4,760,166	6,001,465	416,832	5,086,165	5,502,997
Total revenues	2,585,033	16,485,940	19,070,973	1,970,015	13,427,735	15,397,750

Separate financial statements						
Year ended 31 December	2022			2021		
	Promoted businesses	Non- promoted businesses	Total	Promoted businesses	Non- promoted businesses	Total
			(in thousand Baht)			
Local sales	-	419,580	419,580	-	407,025	407,025
Total revenues	-	419,580	419,580	-	407,025	407,025

23 Expenses by nature

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Changes in finished goods and work in progress		1,159,055	(1,500,097)	(3,216)	(2,839)
Raw materials and consumables used		15,487,766	13,822,050	254,414	244,793
Employee benefit expenses		1,144,680	1,040,793	90,083	83,238
Depreciation	12, 13, 15	633,739	490,336	27,003	29,404
Amortisation of intangible assets	16	10,962	10,393	3,032	2,429
Lease-related expenses		115,439	111,117	5,162	6,271

24 Income tax

Income tax recognised in profit or loss	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Current tax expense				
Current year	119,293	81,578	-	3,145
Adjustment for prior years	1,491	1,315	-	160
Deferred tax expense				
Movements in temporary differences	13,300	14,838	2,626	(747)
Total income tax expense	134,084	97,731	2,626	2,558

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Consolidated financial statements						
	Before tax	2022 Tax benefit	Net of tax (in thousand Baht)	Before tax	2021 Tax benefit	Net of tax
Income tax						
<i>Recognised in other comprehensive income</i>						
Cash flow hedge reserve	(11,949)	2,390	(9,559)	-	-	-
Financial assets at FVOCI	7,306	(1,461)	5,845	(2,145)	429	(1,716)
Total	(4,643)	929	(3,714)	(2,145)	429	(1,716)

Separate financial statements						
	Before tax	2022 Tax benefit	Net of tax (in thousand Baht)	Before tax	2021 Tax benefit	Net of tax
Income tax						
<i>Recognised in other comprehensive income</i>						
Financial assets at FVOCI	7,306	(1,461)	5,845	(2,145)	429	(1,716)
Total	7,306	(1,461)	5,845	(2,145)	429	(1,716)

Reconciliation of effective tax rate					Consolidated financial statements			
					2022		2021	
	Rate (%)	(in thousand Baht)			Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		885,084				747,823		
Income tax using the Thai corporation tax rate	20	177,017			20	149,565		
Income not subject to tax		(39,627)				(30,958)		
Expenses not deductible for tax purposes		2,006				1,266		
Expenses that can be deductible for tax purposes		(17,709)				(17,984)		
Recognition of previously unrecognised tax losses		(154)				(7,920)		
Current year losses for which no deferred tax asset was recognised		11,060				2,447		
Under (over) provided in prior years		1,491				1,315		
Total	15	134,084			13	97,731		

Reconciliation of effective tax rate					Separate financial statements			
					2022		2021	
	Rate (%)	(in thousand Baht)			Rate (%)	(in thousand Baht)	Rate (%)	(in thousand Baht)
Profit before income tax expense		455,967				215,035		
Income tax using the Thai corporation tax rate	20	91,193			20	43,007		
Income not subject to tax		(94,628)				(36,904)		
Expenses not deductible for tax purposes		297				813		
Expenses that can be deductible for tax purposes		(1,033)				(4,518)		
Current year losses for which no deferred tax asset was recognised		6,797				-		
Under provided in prior years		-				160		
Total	1	2,626			1	2,558		

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<i>Deferred tax</i> <i>At 31 December</i>	Consolidated financial statements				Separate financial statements			
	Assets		Liabilities		Assets		Liabilities	
	2022	2021	2022	2021	2022	2021	2022	2021
	<i>(in thousand Baht)</i>				<i>(in thousand Baht)</i>			
Total	43,606	57,292	(19,621)	(20,936)	8,086	12,559	(4,651)	(5,037)
Set off of tax	<u>(19,621)</u>	<u>(20,936)</u>	<u>19,621</u>	<u>20,936</u>	<u>(4,651)</u>	<u>(5,037)</u>	<u>4,651</u>	<u>5,037</u>
Net deferred tax assets (liabilities)	<u>23,985</u>	<u>36,356</u>	<u>-</u>	<u>-</u>	<u>3,435</u>	<u>7,522</u>	<u>-</u>	<u>-</u>

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	Consolidated financial statements (Charged) / Credited to:			Consolidated financial statements (Charged) / Credited to:		
	At 1 January 2021	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 December 2021	At 1 January 2022	Profit or loss (in thousand Baht)
Deferred tax						
Deferred tax assets						
Trade and other receivables (doubtful accounts)	75	(3)	-	72	72	-
Inventories (allowance for decline in value)	5,952	17,108	-	23,060	23,060	(12,183)
Investments in subsidiaries (impairment losses)	8,660	-	-	8,660	8,660	(3,200)
Property, plant and equipment (impairment losses)	423	-	-	423	423	(423)
Property, plant and equipment (the difference of useful life and increase in revaluation)	-	1,468	-	1,468	1,468	1,274
Right-of-use assets	-	1,817	-	1,817	1,817	(400)
Financial assets measured at FVOCI (decrease in fair value)	1,102	-	429	1,531	1,531	-
Provision employee benefit	10,087	984	-	11,071	11,071	729
Deferred income	9,626	(436)	-	9,190	9,190	(412)
Derivatives	-	-	-	-	-	-
Loss carry forward	37,385	(37,385)	-	-	-	-
Total	73,310	(16,447)	429	57,292	57,292	(14,615)
						929
						43,606
Deferred tax liabilities						
Property, plant and equipment (the difference of useful life and increase in revaluation)	(21,218)	282	-	(20,936)	(20,936)	1,315
Right-of-use assets	(1,327)	1,327	-	-	-	-
Total	(22,545)	1,609	-	(20,936)	(20,936)	1,315
						-
						(19,621)
Net	50,765	(14,838)	429	36,356	36,356	(13,300)
						929
						23,985

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	Separate financial statements (Charged) / Credited to:			Separate financial statements (Charged) / Credited to:		
	At 1 January 2021	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 December 2021	At 1 January 2022	Profit or loss (in thousand Baht)
Deferred tax						
Deferred tax assets						
Inventories (allowance for decline in value)	55	74	-	129	129	(21)
Investments in subsidiaries (impairment losses)	3,200	-	-	3,200	3,200	(3,200)
Investments in associate (impairment losses)	5,460	-	-	5,460	5,460	-
Financial assets measured at FVOCI (decrease in fair value)	1,102	-	429	1,531	1,531	-
Right-of-use assets	-	348	-	348	348	16
Provision for employee benefit	1,700	191	-	1,891	1,891	193
Total	11,517	613	429	12,559	12,559	(3,012)
						8,086
Deferred tax liabilities						
Property, plant and equipment (the difference of useful life)	(4,978)	(59)	-	(5,037)	(5,037)	386
Right-of-use assets	(193)	193	-	-	-	-
Total	(5,171)	134	-	(5,037)	(5,037)	386
						(4,651)
Net	6,346	747	429	7,522	7,522	(1,461)
						3,435

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<i>Unrecognised deferred tax assets</i>	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Tax losses	28,866	26,731	6,797	-
Total	28,866	26,731	6,797	-

The tax losses expire in 2023-2027. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Group can utilise the benefits therefrom.

25 Earnings per share

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2022	2021	2022	2021
	<i>(in thousand Baht/thousand shares)</i>			
<i>Profit attributable to ordinary shareholders</i>				
Profit attributable to ordinary shareholders of the Company (basic)	727,235	636,352	453,342	212,476
<i>Ordinary shares outstanding</i>				
Number of ordinary shares outstanding at 1 January	362,220	287,777	362,220	287,777
Effect of shares issued on (18 August)	-	27,738	-	27,738
Weighted average number of ordinary shares outstanding (basic) at 31 December	362,220	315,515	362,220	315,515
Earnings per share (basic) (in Baht)	2.01	2.02	1.25	0.67

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26 Dividends

The dividends paid by the Group to the shareholders are as follows:

<u>Dividend</u>	<u>Approved by</u>	<u>Dividend paid (in thousand Baht)</u>	<u>Dividend rate per share (in Baht)</u>	<u>Dividend payment date</u>
SNC Former Public Company Limited				
2022				
Interim dividend paid from the profit of first six months of 2022	Board of Director's Meeting on 5 August 2022	<u>235,407</u>	0.65	2 September 2022
Annual dividend paid from the profit of last six months of 2021	Annual General Meeting of shareholders on 31 March 2022	<u>162,975</u>	0.45	27 April 2022
2021				
Interim dividend paid from the profit of first six months of 2021	Board of Director's Meeting on 13 August 2021	<u>162,976</u>	0.45	10 September 2021
Annual dividend paid from the profit of last six months of 2020	Annual General Meeting of shareholders on 31 March 2021	<u>115,111</u>	0.40	27 April 2021

27 Financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

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	Consolidated financial statements						Fair value
	Carrying amount		(in thousand Baht)				
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Total	Level 1	Level 2	Level 3	
<i>At 31 December 2022</i>							Total
<i>Financial asset</i>							
Other financial asset:							
Non-marketable equity instruments	-	53,648	53,648	-	-	53,648	53,648
Total other financial asset	-	53,648	53,648				
<i>Financial liability</i>							
Other financial liability:							
Forward exchange contracts	(2,355)	-	(2,355)	-	(2,355)	-	(2,355)
Interest rate swaps used for hedging	-	(11,949)	(11,949)	-	(11,949)	-	(11,949)
Total other financial liability	(2,355)	(11,949)	(14,304)				
<i>2021</i>							
<i>Financial asset</i>							
Other financial asset:							
Non-marketable equity instruments	-	31,342	31,342	-	-	31,342	31,342
Total other financial asset	-	31,342	31,342				
<i>Financial liability</i>							
Other financial liability:							
Forward exchange contracts	(559)	-	(559)	-	(559)	-	(559)
Total other financial liability	(559)	-	(559)				

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	Carrying amount	Separate financial statements			
	Financial instruments measured at FVTPL	Total	Level 1 <i>(in thousand Baht)</i>	Level 2	Level 3
<i>At 31 December 2022</i>					Total
Financial asset					
Other financial asset:					
Non-marketable equity instruments	53,648	53,648	-	-	53,648
Total other financial asset	53,648	53,648			
2021					
Financial asset					
Other financial asset:					
Non-marketable equity instruments	31,342	31,342	-	-	31,342
Total other financial asset	31,342	31,342			

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The following tables present valuation technique of financial instruments measured at fair value in the statements of financial position:

Type	Valuation technique
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Interest Rate Swap	<i>Swap models:</i> The present value of estimated future cash flows, using an observable yield curve.
Non-marketable equity instruments	The adjusted net asset value as of the reporting date

Most of financial assets and liabilities of the Group were short-term. The fair value of financial assets and liabilities is taken to approximate the carrying value as determined in the statement of financial position.

(b) *Financial risk management policies*

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(b.1) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

(b.1.1) Trade accounts receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate. Detail of concentration of revenue are included in note 22.

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The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's commercial terms and conditions are offered. The Group's review includes financial statements, industry information and in some cases bank references. Sale limits are established for each customer and reviewed annually. Any sales exceeding those limits require approval from the risk management committee.

The Group limits its exposure to credit risk from trade accounts receivables by establishing a maximum payment period of 5 months. Outstanding trade receivables are regularly monitored by the Group. An impairment analysis is performed by the Group at each reporting date. The provision rates of expected credit loss are based on days past due for groupings of various customer segments with similar credit risks to reflect differences between economic conditions in the past, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

Information relevant to trade accounts receivables are disclosed in note 7.

(b.1.2) Cash and cash equivalent and derivatives

The Group's exposure to credit risk arising from cash and cash equivalents and derivative assets is limited because the counterparties are banks which the Group considers to have low credit risk.

(b.1.3) Guarantees

The Group's policy is to provide financial guarantees for subsidiaries' liabilities. At 31 December 2022, the Group has issued a guarantee to certain bank in respect of credit facilities granted to six subsidiaries (*2021: four subsidiaries*) (see note 18), in addition, the Group entered a financial guarantee agreement for Forth Vending Co., Ltd.'s liability which the Company holds 3.8% of shares in such company amounting to Baht 25.6 million.

(b.2) Liquidity risk

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

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<i>At 31 December</i>	Consolidated financial statements				
	Contractual cash flows				
	Carrying amount	1 year or less	More than 1 year but less than 5 years (in thousand Baht)	More than 5 years	Total
2022					
<i>Non-derivative financial liabilities</i>					
Short-term loans from financial institutions	1,338,172	1,344,235	-	-	1,344,235
Trade and other payables	4,139,801	4,139,801	-	-	4,139,801
Accounts payable	249,898	249,898	-	-	249,898
- acquisition of assets					
Current portion of long-term loans from financial institutions	567,386	643,831	-	-	643,831
Long-term loans from financial institutions	1,665,036	-	1,838,651	-	1,838,651
Current portion of lease liabilities	36,994	46,654	-	-	46,654
Lease liabilities	191,093	-	144,745	72,882	217,627
	<u>8,188,380</u>	<u>6,424,419</u>	<u>1,983,396</u>	<u>72,882</u>	<u>8,480,697</u>
<i>Derivative financial liabilities</i>					
Other financial liability:					
Forward exchange contracts	2,355	2,355	-	-	-
Interest rate swaps used for hedging	11,949	2,474	9,475	-	11,949
	<u>14,304</u>	<u>4,829</u>	<u>9,475</u>	<u>-</u>	<u>14,304</u>
2021					
<i>Non-derivative financial liabilities</i>					
Short-term loans from financial institutions	1,535,054	1,542,246	-	-	1,542,246
Trade and other payables	5,504,391	5,504,391	-	-	5,504,391
Accounts payable					
- acquisition of assets	189,642	189,642	-	-	189,642
Non-current accounts payable					
- acquisition of assets	127,850	-	127,850	-	127,850
Current portion of long-term loans from financial institutions	278,641	313,860	-	-	313,860
Long-term loans from financial institutions	976,457	-	946,321	97,082	1,043,403
Current portion of lease liabilities	27,522	37,943	-	-	37,943
Lease liabilities	230,131	-	150,699	116,907	267,606
	<u>8,869,688</u>	<u>7,588,082</u>	<u>1,224,870</u>	<u>213,989</u>	<u>9,026,941</u>

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Consolidated financial statements					
Contractual cash flows					
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years (in thousand Baht)	More than 5 years	Total
Derivative financial liabilities					
Other financial liability:					
Forward exchange contracts	559	-	-	559	559
Separate financial statements					
Contractual cash flows					
<i>At 31 December</i>	Carrying amount	1 year or less	More than 1 year but less than 5 years (in thousand Baht)	More than 5 years	Total
2022					
Non-derivative financial liabilities					
Short-term loans from financial institutions	1,020,000	1,024,851	-	-	1,024,851
Trade and other payables	79,795	79,795	-	-	79,795
Accounts payable			-	-	
- acquisition of assets	2,394	2,394			2,394
Short-term loans from related party	160,000	160,000	-	-	160,000
Current portion of lease liabilities	4,819	6,360	-	-	6,360
Lease liabilities	33,631	-	25,440	12,720	38,160
	<u>1,300,639</u>	<u>1,273,400</u>	<u>25,440</u>	<u>12,720</u>	<u>1,311,560</u>
2021					
Non-derivative financial liabilities					
Short-term loans from financial institutions	720,000	723,360	-	-	723,360
Trade and other payables	89,780	89,780	-	-	89,780
Accounts payable			-	-	
- acquisition of assets	3,345	3,345	-	-	3,345
Short-term loans from related party	100,000	100,000	-	-	100,000
Current portion of lease liabilities	4,793	6,600	-	-	6,600
Lease liabilities	39,901	-	26,400	19,800	46,200
	<u>957,819</u>	<u>923,085</u>	<u>26,400</u>	<u>19,800</u>	<u>969,285</u>

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(b.3) Market risk

The Group is exposed to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is as follows:

(b.3.1) Foreign currency risk

The Group is exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies. The Group primarily utilizes forward exchange contracts with maturities of less than one year to hedge such financial assets and liabilities denominated in foreign currencies. The forward exchange contracts entered into at the reporting date also relate to anticipated purchases and sales, denominated in foreign currencies, for the subsequent period.

<i>Exposure to foreign currency At 31 December</i>	Consolidated financial statements	
	2022	2021
	United States Dollars (in thousand Baht)	United States Dollars
Cash and cash equivalents	535,478	803,730
Trade and other receivables	2,626,917	1,763,322
Trade and other payables	(3,156,828)	(4,426,406)
Accounts payable - acquisition of assets	(141,384)	(136,741)
Net statement of financial position exposure	(135,817)	(1,996,095)
Forward exchange purchase contracts	141,881	375,190
Forward exchange selling contracts	(70,340)	(397,379)
Net exposure	(64,276)	(2,018,284)

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

<i>Impact to profit or loss</i>	Movement (%)	Consolidated financial statements	
		Strengthening (in thousand Baht)	Weakening
2022			
United States Dollars	10	(247)	247
Euro	10	2	(2)
Swedish Krona	10	(9)	9
Chinese Yuan	10	(62)	62
		(316)	316
2021			
United States Dollars	10	(5,810)	5,810
Euro	10	(7)	7
Swedish Krona	10	(1)	1
		(5,818)	5,818

SNC Former Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

(b.3.2) Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows because loan interest rates are mainly variable. The Group is primarily exposed to interest rate risk from its borrowings (see note 18). The Group mitigates this risk by ensuring that the majority of its borrowings are at fixed interest rates and uses derivatives, principally interest rate swaps, to manage exposure to fluctuations in interest rates on specific borrowings.

Exposure to interest rate risk

At 31 December

	Consolidated	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Financial instruments with variable interest rates</i>		
Financial liabilities	1,555,865	1,239,440
Net statement of financial position exposure		
Interest rate swaps	(381,820)	-
Net exposure	1,174,045	1,239,440

Interest rate swap contract

During the year 2022, the Group entered into an interest rate swap agreement for a long-term loan amounted of Baht 395 million swapping a floating interest rate of THOR plus 1.37% to a fixed interest rate of 4.8% per annum, with settlement every month starting on 20 October 2022 until 31 October 2027.

Cash flow sensitivity analysis for variable-rate instruments

A reasonable possible change of 1 % in interest rates at the reporting date; this analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Consolidated	
	1% increase in interest rate	1% decrease in interest rate
	<i>(in thousand Baht)</i>	
<i>Impact to profit or loss</i>		
2022		
Financial instruments with variable interest rate	(11,740)	11,740
2021		
Financial instruments with variable interest rate	(12,394)	12,394

28 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

SNC Former Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

29 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Capital commitments				
<i>Contracted but not provided for:</i>				
Buildings and other constructions	4,807	122,670	86	-
Machinery and equipment	45,454	31,615	1,614	281
Intangible assets	3,420	-	-	-
Total	53,681	154,285	1,700	281
Other commitments				
Short-term lease commitments	10,802	8,310	4,015	4,800
Unused letters of credit to guarantee payments due to creditors	385,215	1,249,281	-	-
Bank guarantees for land rental, electricity used and others	27,334	22,021	5,748	5,748
Total	423,351	1,279,612	9,763	10,548

At 31 December 2022, The Group and the Company have purchase orders for goods or supplies amounting to Baht 904.20 million and Baht 15.87 million, respectively.

30 Events after the reporting period

- (a) On 5 January 2023, SNC Pyongsan Evolution Co., Ltd. has changed the company name to SNC Serenity Co., Ltd.
- (b) On 27 January 2023, SNC Former Public Company Limited issued the debentures. These debentures are name-registered, unsubordinated, and secured debentures with debenture holders Representative of the company in total value of Baht 1,000 million offered to the institutional investors: the 5-year maturity issue date on 27 January 2023, the maturity date is on 27 January 2028 with a fixed interest rate of 3.10% per annum, which will be paid on 27 July and 27 January of every year.
- (c) At the Company's executive committee 1/2023 held on 27 January 2023, the executive committee approval are as follows:
 - d.1 Establish a new company
 The executive committee approved to establish a new company under the name "99 Innovation Cooperation Co., Ltd." with authorised share capital 10,000 shares, par value at Baht 100 per share. The Company had invested in these company 99.97% of authorised share capital, amounting to Baht 1 million for future business opportunities. Later on 30 January 2023, a new company was established.
 - d.2 Acquisition of ordinary shares
 The executive committee approved to acquire 9,997 ordinary shares of. Hermes Cooperation Co., Ltd., amounting to Baht 999,700. The Company had invested in these company 99.97% of authorised share capital for future business opportunities which was established on January 30, 2023.

SNC Former Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

- (d) At the Company's Board of Director 1/2023 held on 20 January 2023, the Board of Directors resolved to approve SNC Former Public Company Limited to acquisition investments in ordinary shares of Infinity Parts Co.,Ltd. from SNC Serenity Co.,Ltd. (formerly SNC Pyongsan Evolution Co., Ltd.), then SNC Former Public Company Limited to hold shares directly in Infinity Parts Co.,Ltd. 99.99% and later on 7 February 2023, SNC Former Public Company Limited has complete acquisition investment process.
- (e) At the Company's Board of Director 2/2023 held on 17 February 2023, the Board of Directors approved to pay a year-end dividend of Baht 0.40 per share in respect of the operating result of 2022, or a total of Baht 144.89 million. The dividend payment is scheduled for 27 April 2023.

Attachment 1

Details of directors, sub-committees, management, controlling persons, chief of accounting and finance, person who is assigned a direct responsibility for accounting, and company secretary are as follows:

Details of Directors

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
1.	Mr. Satit Chanjavanakul - Chairman of the Board of Directors and Independent Director, appointed at the AGM No. 27/2021 on 31 Mar. 2021 - 2 years in the director position - Number of BoD meeting attended in 2022: 9/9 times.	74	- Master of Business Administration, Thammasat University - Master of Science in Textile Technology, University of Leeds, the UK - Bachelor of Industrial Engineering, Chulalongkorn University Training certificates - Director Certification Program (DCP) Class 83/2007	None	None	None	Public Company		
							2009 - present	- Chairman of the Board of Director	SNC Former Public Company Limited parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold
							2009 - present	- Audit Committee	Crown Seal Public Company Limited Crown Seal for Packaging industry business

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			Thai Institute of Directors Association (IOD) - Director Accreditation Program (DAP) Class 39/2005 Thai Institute of Directors Association (IOD) - Board Nomination and Compensation Program Class 7/2019 (BNCP) Thai Institute of Directors Association (IOD) - Corporate Governance for Capital Market Intermediaries Class 7/2015 (CGI) Thai Institute of Directors Association (IOD) - Top Executive Program in Commerce and Trade (TEPCOT), Class 1 University of the Thai Chamber of Commerce - Capital Market Academy, Class 5 Capital Market Academy				2013 - present	- Audit Committee	Thai Agro Energy Public Company Limited <i>Manufacturing and distribution of ethanol business</i>
							2009 - present	- Audit Committee	Lalin Property Public Company Limited <i>Real estate development business</i>
							2004 – Jul 2020	- Audit Committee	Asia plus Group Holdings Public Company Limited <i>Financial business</i>
							Other Company		
							1991 - present	- Director	SPC Home Ideas Company Limited <i>Home decoration business</i>
							2015 – Jul 2020	- Independent Director	Asia Plus Securities Public Company Limited <i>Financial business Securities broker</i>
							2013 – May 2019	- Director	Witcorp Company Limited <i>Wholesale business of industrial chemicals</i>

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			- International Advanced Management Program Massachusetts Institute of Technology, the USA 2006 - National Defence Course for the Joint State- Private Sector, Class 4414 - Planning & Resource Management Massachusetts Institute of Technology, the USA 1985						
2.	Dr. Somchai Thaisanguanvorakul - Director, appointed at the AGM No. 27/2021 on 31 Mar. 2021 - 2 years in the director position - Number of BoD meeting attended in 2022: 9/9 times. - Chairman of the Executive Committee, appointed at the BoD No. 1/2004 on 19 Apr. 2004	66	- Doctor of Philosophy Program in Public Administration, Ubon Ratchathani University - Honorary Doctorate degree in Business Administration in Finance, Rajamangala University of Technology Isan - Honorary Doctor of mechatronics engineering, Suranaree University of Technology - Honorary Doctor of Philosophy,	4.59%	Father of Ms. Sineenart Thaisanguanvorakul , Ms. Netchanok Thaisanguanvorakul , and Ms. Chanisara Thaisanguanvorakul	None	Public Company		
							2004 - present	- Chairman of the Executive Committee - Director	SNC Former Public Company Limited/ <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							2018 - present	- Audit Committee - Independent Director	Thai Union Feedmill Public Company Limited/ <i>Manufacture aquaculture feed products</i>

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			King Mongkut's University of Technology Thonburi - Honorary Doctor of Engineering, Rajamangala University of Technology Thanyaburi - Master of Public and Private Management, National Institute of Development Administration (NIDA) - Honorary Bachelor of Technology, Institute of Vocational Education Northeastern Region 3 - Bachelor of Political Science, Ramkhamhaeng University Training certificates - Director Certification Program (DCP) 55/2005 Thai Institute of Directors Association (IOD)					- Chairman of Nomination and Remuneration Committee	
							Other Company		
							2004 - present	- Director	SNC Serenity Co., Ltd. <i>Manufacture industrial refrigerating and freezing equipment</i>
							2004 - present	- Director	SNC Cooling Supply Company Limited <i>Manufacture parts and accessories for motor vehicles</i>
							2010 - present	- Director	Immortal Part Company Limited <i>Manufacture of industrial refrigerating or freezing equipment</i>
							2011 - present	- Director	Paradise Plastic Company Limited <i>Manufacture plastics parts</i>
							2012 - present	- Director	SNC Creativity Anthology Company Limited

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			Director Accreditation Program (DAP) Class 31/2005 Thai Institute of Directors Association (IOD) - Director Certification Program Update (DCPU) Class 2/2014 Thai Institute of Directors Association (IOD) - Advanced Audit Committee Program (AACP) Class 25/2017 Thai Institute of Directors Association (IOD) - Capital Market Academy Leader Program (CMA) Class 10 Capital Market Academy - The Senior Executive Program (SEP) Class 19 Sasin Graduate Institute of Business Administration of Chulalongkorn University						Manufacture parts for automotive and assemble electrical appliances
							2014 - present	- Director	SNC Atlantic Heat Pump Company Limited <i>Manufacture heat pump</i>
							2014 - present	- Director	Odin Power Co., Ltd <i>Investing in alternative power plant</i>
							2011 - present	- Director	Infinity Part Company Limited <i>Manufacture industrial refrigerating and freezing equipment</i>
							2011 - present	- Director	SSM Automation Company Limited <i>Metal stamping</i>
							2016 - present	- Director	Yala fah saard Company Limited <i>Electricity generation and distribution</i>
							2014 - 2022	- Director	Meisou SNC Precision Company Limited <i>Manufacture mold</i>

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			- Leadership Development Program (LDP) Thai Listed Companies Association - Advanced Master of Management (AMM) Class 1 NIDA				2013 - present	- Director	SNC Atlantic Water Heater Asia Company Limited <i>Manufacture water heater</i>
							1999 - present	- Director	Zeus Energy Company Limited Electricity generation and distribution
							2020 - present	- Director	Siam Environmental Technologies Company Limited <i>Treatment and supply services of water for household and industrial purposes</i>
							2017 - present	- Director	ECOT Enterprise Company Limited <i>Employer's Confederation of Thailand, provide training and consulting program</i>
							2003 - present	- Director	SNC Holding Company Limited <i>Controlling stock or membership interests in subsidiaries</i>
							2015 - present	- Director	Hercules oil Company Limited <i>Automotive etailer and wholesaler of fuel</i>

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
							2020 - present	- Director	Hygea & Laso Cooperation Company Limited <i>Wholesale of machinery and equipment</i>
							2021 – present	- Director	Pattana Phaendinthong Asset Management Co., Ltd. <i>Non performing Asset Management</i>
							2022 - present	- Director	Mercury Transform Company Limited <i>production and sale, repairs, maintains, inspects, alters, corrects, provides consultations related to electric vehicles. Converting a combustion engine car to an electric vehicles and other related businesses</i>
							2022 - present	- Director	Hermes Cooperation Co., Ltd. <i>Industrial Park</i>

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
							2022 - present	- Director	99 Innovation Cooperation Co., Ltd. <i>Operations in the production of machines, robots and equipment for automation systems.</i>
							2010 - 2022	- Director	Ultimate Part Company Limited <i>Manufacture industrial refrigerating and freezing equipment</i>
							2017 - 2022	- Director	Odin Power Co., Ltd <i>Investing in alternative power plant</i>
3.	- Mr. Somchai Ngamkitcharoenlap - Director, appointed at the AGM No. 28/2022 on 31 Mar. 2022 - 1 year in the director position - Number of BoD meeting attended in 2022: 9/9 times. - Vice Chairman of the Executive Committee, appointed at the BoD No. 1/2021 on 26 Jan. 2021	56	- Master of Engineering Shizuoka University, Japan - Bachelor of Eelectrical Eengineering, Chulalongkorn Uuniversity Training certificates - Director Accreditation Program (DAP) Class 89/2011	0.01%	None	None	Public Company		
							2020 - present	- Director	SNC Former Public Company Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							Other Company - None -		

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
	- Chairman of Risk Management Committee, appointed by the BoD No. 2/2023 on 17 Feb. 2023 - ESG Committee, appointed at the BoD No. 2/2023 on 17 Feb. 2023		Thai Institute of Directors Association (IOD)				2020 - present	- Director	Infinity Part Company Limited <i>Manufacture industrial refrigerating and freezing equipment</i>
							2012 - present	- Director	SNC Creativity Anthology Company Limited <i>Manufacture parts for automotive and assemble electrical appliances</i>
							2020 - present	- Director	SNC Serenity Co., Ltd. <i>Manufacture industrial refrigerating and freezing equipment</i>
							2014 - present	- Director	SNC Atlantic Heat Pump Company Limited <i>Manufacture heat pump</i>
							2013 - present	- Director	SSM Automation Company Limited <i>Metal stamping</i>

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
							2021 - present	- Director	Odin Power Co., Ltd <i>Investing in alternative power plant</i>
							2022 - present	- Director	Mercury Transform Company Limited <i>production and sale, repairs, maintains, inspects, alters, corrects, provides consultations related to electric vehicles. Converting a combustion engine car to an electric vehicles and other related businesses</i>
							2021 - present	- Director	Pattana Phaendinthong Asset Management Co., Ltd. <i>Non performing Asset Management</i>
							2022 - present	- Director	Hermes Cooperation Co., Ltd. <i>Industrial Park</i>

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
							2023 - present	- Director	99 Innovation Cooperation Co., Ltd. <i>Operations in the production of machines, robots and equipment for automation systems.</i>
4.	Mr. Chaisak Ankasuwan - Independent Director, appointed at the AGM No. 28/2022 on 31 Mar. 2022 - 1 year in the director position. - Number of BoD meeting attended in 2022: 9/9 times. - Chairman of Nomination and Remuneration Committee, appointed by the BoD No. 2/2023 on 17 Feb. 2023 - Audit committee, appointed at the BoD No. 2/2023 on 17 Feb. 2023	73	- Master of Public Administration, Public and Private Management Program, National Institute of Development Administration (NIDA) - Bachelor of Law, Thammasat University Training certificates - Director Accreditation Program (DAP) Class 51/2006 Thai Institute of Directors Association (IOD) - Director Certification Program (DCP) Class 129/2010	None	None	None	Public Company		
							2014 - present	- Independent Director - Chairman of Nomination and Remuneration Committee - Audit committee	SNC Former Public Company Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							2016 - present	- Independent Director - Audit committee	Rich Sport Public Company Limited <i>Import and distribute fashion products</i>
							2013 - 2020	- Vice Chairman - Audit Committee - Chairman of the Corporate	One to One Contacts Public Company Limited <i>Wired and wireless internet service</i>

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			Thai Institute of Directors Association (IOD) - Top level management, Batch 10, Capital Market Academy - Advanced Master of Management Program 1 National Institute of Development Administration (NIDA) - The National Defense College (NDC 4414) - Training program - Business commissioning for directors and top level management of state enterprise and Public, Batch 2, Public Director Institute (PDI)					Governance Committee	
							2009 - 2011	- Director	Thai Airways International Public Company Limited <i>Aviation Business</i>
							2005 - 2008	- Director	Airports of Thailand Public Company Limited <i>AOT is the operator of airport business in Thailand</i>
							Other Company		
							2021 - present	- Director	Civil Aviation Board under the law on air navigation Civil Aviation Authority of Thailand
							2009 - 2011	- Vice Chairman	The Transport Co., Ltd. <i>Transportation by cars and buses in Thailand</i>
							2005 - 2011	- Chairman	Aeronautical Radio of Thailand Co., Ltd.

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No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
									<i>A state enterprise under the Ministry of Transport and Responsible for air traffic control in the territory of Thailand.</i>
							2004 - 2010	- Director	Thai Aviation Industries Co.,Ltd. <i>maintenance of aircraft and aircraft equipment Aircraft Equipment Distributor</i>
							2004 - 2007	- Director	Tourism Authority of Thailand <i>an organization of Thailand under the Ministry of Tourism and Sports</i>
5.	Mr.Wisan Wuttisaksin - Independent Director, appointed at the AGM 28/2022 on 31 Mar. 2022 - 1 year in the director position - Number of the BoD meeting attended in 2022: 9/9 times.	72	- Master of Public and Private Management, National Institute of Development Administration (NIDA) - Bachelor of Laws, Ramkhamhaeng University	None	None	None	Public Company		
							2012 - present	- Independent Director - Nomination and Remuneration Committee	SNC Former Public Company Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
	- Nomination and Remuneration Committee, appointed at the BoD No. 2/2023 on 17 Feb. 2023		Training certificates - Director Certification Program (DCP) Class 125/2009 Thai Institute of Directors Association (IOD) - Financial Statements for Directors (FSD) Class 6/2009 Thai Institute of Directors Association (IOD) - Role of the Compensation Committee (RCC) Class 12/2012 Thai Institute of Directors Association (IOD) - Diploma, National Defence College, The Joint State-Private Sector Course Class of 15 - Politics and Governance in Democratic Systems for Executive Course, Class of 8 King Prajadhipok's Institute - Chief Executive officer Development Program, Fiscal policy Research				2012 - 2013	- Independent Director	Thai Oil Public Company Limited <i>Petroleum Refining and Distribution</i>
							Other Company		
							2011 – 2017	- Advisor	The National Broadcasting and Telecommunication Commission

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			Institute Foundation, The Kellogg School of Management and the Maxwell School of Citizenship and Public Affairs - Senior Executives on Justice Administration, Class of 12 Judicial Training Institute						
6.	Mrs. Chanisa Chutipat - Independent Director, appointed at the AGM no. 26/2020 on 27 Mar. 2020 - 3 years in the director position - Number of the BoD meeting attended in 2022: 9/9 times. - Audit committee, appointed at the BoD No. 2/2023 on 17 Feb. 2023	61	- Bachelor of Commerce and Accountancy, Thammasat University - Master of Business Administration (Accountancy), Thammasat University Training certificates - Director Certification Program (DCP) class 71/2006 Thai Institute of Directors Association (IOD) - Top level management, Capital Market Academy, No.1 - Senior Executive Program No.19	None	None	None	Public Company		
							2014 - present	- Independent Director - Audit committee	SNC Former Public Company Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							Other Company		
							2019 - present	- Director	Bangkok Sky Tower Company Limited <i>Financial service activities</i>

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			Sasin Graduate Institute of Business Administration of Chulalongkorn University - Strategy and Innovation for Business in Asia No.1 CMMU - The Institute of Internal Auditor The Institute of Internal Auditors of Thailand - Corporate Governance for the Regulator of State enterprises and public organizations, class 21 King Prajadhipok's Institute - Risk management program for corporate leaders class 21 Thai Institute of Directors Association (IOD) - Advanced Audit Committee Program class 41 Thai Institute of Directors Association (IOD)				2017 - present	- Director	Bangkok Sky Tower Foundation
							2019 - present	- Independent Director	<i>Small and Medium Enterprise Development Bank of Thailand</i> <i>State financial institution, Ministry of Finance</i>
							2020 – present	- Audit Subcommittee	Mae Fah Luang Foundation under Royal Patronage
							2019	- Advisor	<i>Non-profit organization</i>
							2019 - 2021	- Director	Wor Tor Tor For Society Co., Ltd. <i>Sell Products</i>
							2014 - 2017	- Managing Director	Siam Piwat Company Limited
							2018 - 2020	- Advisor	Renting and operating relevant own real estate or rented from someone other than for housing

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
7.	Pol.Lt.Gen. Nopsak Poovatatanasedj - Independent Director, appointed at the AGM No. 26/2020 on 27 Mar. 2020 - 3 years in the director position - Number of the BoD meeting attended in 2022: 9/9 times. - Nomination and Remuneration Committee, appointed at the BOD No. 2/2023 on 17 Feb. 2023	63	- Doctor of Medicine (M.D.) Mahidol University - Bachelor of Science Mahidol University Training certificates - Director Accreditation Program (DAP) Class 180/2021 Thai Institute of Directors Association (IOD) - Certificate Course in Good Governance for Medical Executives Class 7/2018, King Prajadhipok's Institute and the Medical Council of Thailand - Executive Police Class 27/2007 Police College	None	None	None	Public Company		
							2014 - present	- Independent Director - Nomination and Remuneration Committee	SNC Former Public Company Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							Other Company		
							1988 - 2019	- Doctor	Police Hospital <i>State Hospital</i>
8.	Mr. Sirote Swasdipanich - Independent Director, appointed at the AGM No. 27/2021 on 31 Mar. 2021	74	- Master of Business Administration University of Missouri-Columbia, the USA	None	None	None	Public Company		
							2020 - present	- Independent Director	SNC Former Public Company Limited

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
	- 2 years in the director position - Number of the BoD meeting attended in 2022: 9/9 times. - Chairman of the Audit committee, appointed at the BOD No. 2/2023 on 17 Feb. 2023		- Bachelor's degree (Honor Roll) in Financial and Banking University of Chulalongkorn - Diplomatic in Financial Management by International Monetary Fund (IMF) Washington D.C, the USA. - Diplomatic from Sasin Graduate Institute of Business Administration of Chulalongkorn University Training certificates - Director Certification Program (DCP) Class 23/2002 Thai Institute of Directors Association (IOD)					- Chairman of the Audit Committee	<i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							2020 - present	- Director - Chairman of the Audit Committee	Crown Seal Public Company Limited <i>Crown Seal for Packaging industry business</i>
							2020 - present	- Independent Director - Chairman of the Audit Committee - Chairman of Nomination and Remuneration Committee	Vibhavadi Hospital Public Company Limited <i>Hospital</i>
							2013 - 2019	- Chairman of the Board of Director Chairman of Audit committee	Krungthai-AXA Life Insurance Public Company Limited <i>Insurance business</i>

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
							Other Company		
							2020 - present	- Honorary Director University Council - Chairman of the University Affairs Promotion Committee - Chairman of the Appeal Committee Administrative Unit and complain	Walailuck University <i>State university</i>
							2019 - present	- Audit committee	Rajamangala University of Technology Lanna <i>State university</i>
							2010 - present	- Advisor	Hidaka Yookoo Enterprises Co., Ltd <i>Wholesale of waste, scrap and materials for recycling</i>
							2007 - present	- Advisor	Bang Na Pattanakij Company Limited

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
									<i>Real estate rental and development business</i>
							2003 - present	- Director	Fiscal Policy Research Institute Foundation
							2002 - present	- Director and Assistant Treasurer	Chumkot Panthip Foundation Foundation
							1994 - present	- Director and Manager	Dr. Kor Sawatdphanich Foundation in reading encouragement
							2013 - 2019	- Director Chairman of the Audit Committee	Witcorp Products Ltd. Wholesale of industrial chemicals
9.	MR. Somjai Chaopanich - Independent Director, appointed at the AGM No. 26/2020 on 27 Mar. 2020 - 3 years in the director position - Number of the BoD meeting attended in 2022: 7/9 times.	66	- Master's Degree, Mahasarakham University M.Ed. - Bachelor degree, SukhothaiThammathirat University, Bachelor of Arts Training certificates - Director Accreditation Program (DAP) Class 180/2021	None	None	None	Public Company		
							2020 - present	- Independent Director	SNC Former Public Company Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							Other Company		

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			Thai Institute of Directors Association (IOD)				2019 - present	- Director - Chairman of the Board of Director	Institute of Vocational Education: <i>Northeastern Region 3</i>
							2018 - 2019	- Subcommittee of the Teacher Civil Service and Educational Personnel	Office of the Vocational <i>Education Commission</i>
10.	Ms. Sineenart Thaisanguanvorakul - Director, appointed at the EGM No. 1/2021 on 26 Jan. 2021 - 2 years in the director position - Number of the BoD meeting attended in 2022: 8/9 times. - Assistant Chairman of the Executive Committee, appointed at the BoD No. 1/2018 on 1 Feb. 2018 - Executive Director, appointed at the BoD No. 2/2023 on 17 Feb. 2023	34	- Master of Business Administration, HULT International Business School, MA, the USA - Master of Science in Financial Investment and Risk Management, National Institute of Development Administration - Financial Derivatives, Kelley School of Business, IN, the USA - Bachelor of Economics, Thammasat University.	2.77%	Daughter of Dr. Somchai Thaisanguanvorakul and older sister of Ms. Netchanok Thaisanguanvorakul and Ms. Chanisara Thaisanguanvorakul	None	Public Company		
							2021 - present	- Director	SNC Former Public Company Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							Other Company		
							2020 - present	- Director	SNC Serenity Co., Ltd. <i>Manufacture industrial refrigerating and freezing equipment</i>

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
	- Chairman of the ESG Committee, appointed at the BoD No. 2/2023 on 17 Feb. 2023		Training certificates - Director Accreditation Program (DAP) Class 303/2021 Thai Institute of Directors Association (IOD) - Chief Transformation Officer (CTO) The Stock Exchange of Thailand - Labor Law for Organization Management program "Advanced Labor Law Certificate": Institute of Legal Education of the Thai Bar - Innovation Driven Enterprise to Initial Public Offering (IDE to IPO) Class 1: The Stock Exchange of Thailand - Executive Development Program (EDP) Class 16 Thai Listed Companies Association - Global Reporting Initiative (GRI) G4 Certified Training Course Pricewaterhouse Coopers				2019 - present	- Director	SNC Cooling Supply Company Limited <i>Manufacture parts and accessories for motor vehicles</i>
							2019 - present	- Director	Immortal Part Company Limited <i>Manufacture of industrial refrigerating or freezing equipment</i>
							2019 - present	- Director	Paradise Plastic Company Limited Manufacture plastics parts
							2019 - present	- Director	SNC Creativity Anthology Company Limited <i>Manufacture parts for automotive and assemble electrical appliances</i>
							2019 - present	- Director	Infinity Part Company Limited <i>Manufacture industrial refrigerating and freezing equipment</i>
							2019 – present	- Director	SSM Automation Company Limited <i>Metal stamping</i>

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			- Corporate Governance for Executives (CGE) 19/2022 Thai Institute of Directors Association Thai Institute of Directors Association (IOD) - Integrating the SDGs into Sustainability Reporting, GRI Academy - Introduction to Sustainability Reporting and the GRI Standards 2021 Update, GRI Academy - Reporting on Human Rights with the GRI Standards 2021 Update, GRI Academy - Reporting with the GRI Standards 2021 Update, GRI Academy				2019-2022	- Director	Meisou SNC Precision Company Limited <i>Manufacture mold</i>
							2021 - present	- Director	Yala fah saard Company Limited <i>Electricity generation and distribution</i>
							2021 - present	- Director	Pattana Phaendinthong Asset Management Co., Ltd. <i>Non performing Asset Management</i>
							2022 - present	- Director	Mercury Transform Company Limited <i>production and sale, repairs, maintains, inspects, alters, corrects, provides consultations related to electric vehicles. Converting a combustion engine car to an electric vehicles and other related businesses</i>
							2023 - present	- Director	Hermes Cooperation Co., Ltd. <i>Industrial Park</i>

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
							2023 - present	- Director	99 Innovation Cooperation Co., Ltd. <i>Operations in the production of machines, robots and equipment for automation systems.</i>
							2020 - 2022	- Director	Ultimate Part Company Limited <i>Manufacture industrial refrigerating and freezing equipment</i>
11.	DR. Schitt Laowattana - Independent Director, appointed at the EGM No 2/2021 on 14 Jun. 2021 - 2 years in the director position - Number of the BoD meeting attended in 2022: 9/9 times.	61	- Bachelor of Engineering (Honor Roll) King Mongkut's University of Technology Thonburi - Diplomatic from Kyoto University - Doctor of Engineering Carnegie Mellon University - Diplomatic from Massachusetts Institute of Technology	None	None	None	Public Company		
							2021 - present	- Independent Director	SNC Former Public Company Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			Training certificates - Director Certification Program (DCP) Class 93/2007 Thai Institute of Directors Association (IOD) - Audit Committee Program (ACP) Class 29/2009 Thai Institute of Directors Association (IOD) - The Role of Chairman (RCM) Class 19/2009 - Understanding the Fundamental of Financial Statement (UFS) Class 27/2010 - Improving the Quality of Financial Reporting (QFR) Class MFR 9/2009 - DCP Refresher Course Class MFA 7/2009, MFM 1/2009, MIR 7/2009, FGP 3/2013 - Top level management, Capital Market Academy, Batch 15/2013				2019 - present	- Independent Director	Buriram Sugar Public Co., Ltd. <i>Manufacture and distribute Sugar products such as White Sugar, Gloden Cane Sugar</i>
							Other Company		
							2018 - present	- Independent Director	KTB Computer Services Company Limited <i>IT Consulting Service</i>
							1996 - 2021	- Professor	Institute of field robotics (FIBO) King Mongkut's University of Technology Thonburi

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			- Training program Business commissioning for directors and top-level management of state enterprise and Public, Batch 3/2010						
12.	Mr. Lec Sivoravit - Director, appointed at the AGM No. 28/2022 on 20 Dec. 2022 - 1 year in the director position - Number of BoD meeting attended in 2022: 8/9 times.	65	- MBA Business Administration Tarleton State University, Texas - Bachelor Business Administration Hosei University, Tokyo - Research Business Administration Fellowship Kobei University, Kobe Training certificates - Director Certification Program (DCP) Class 42/2004 Thai Institute of Directors Association (IOD) - Audit Committee Program (ACP) Class 17/2007	None	None	None	Public Company		
							2021 - present	- Director	SNC Former Public Company Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							November 2006 - present	- Independent Director - Audit committee	Siam Steel International PCL. <i>Manufacturing and importing the furniture and part</i>
							2021 – March 2022	- Advisor	Pi Securities PCL (formerly Country Group Securities PCL.) <i>Underwriting business</i>
							Other Company		

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			Thai Institute of Directors Association (IOD)				July 2022 - present	- Advisor	Greenfield Chemicals (Thailand) Co., Ltd. <i>Industry</i>
							1999 - 2021	- Director	Asia Plus Advisory Co., Ltd. <i>Financial Advisor Services</i>
							1991 - 1998	- Assistant Managing Director	I.G.S. Co., Ltd. <i>Industry</i>
							1985 - 1990	- Director	Coopers & Lybrand Associates Co., Ltd <i>Financial Advisor Services / Administration</i>
13.	Mr. Rattapoom Nuntapatawee - Director, appointed at the BoD No. 7/2022 on 4 Nov. 2022 as a replacement of Dr. Apichart Thongyou - 2 years in the director position - Number of the BoD meeting attended in 2022: 1/1 time.	50	- Master of Private and Public Management, National Institute of Development Administration (NIDA) - Bachelor of Accounting, Ramkhamhaeng University Training certificates	0.02%	None	None	Public Company		
							2022 - present 2021 - present 2015 - 2020 2007 - 2015	- Director - Senior Managing Director - Managing Director - Deputy Managing Director	SNC Former Public Company Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
	- Senior Managing Director, appointed on 26 Jan. 2021 - Executive Director, appointed at the BoD No. 2/2023 on 17 Feb. 2023 - Risk Management Committee, appointed at the BoD No 2/2023 on 17 Feb. 2023		- Director Accreditation Program (DAP) Class 118/2015 Thai Institute of Directors Association (IOD) - Executive Development Program (EDP) Class 14/2014 Thai Institute of Directors Association (IOD)				Other Company		
							2022 - present	- Director	Pattana Phaendinthong Asset Management Co., Ltd. <i>Non performing Asset Management</i>
							2019 - present	- Director	Paradise Plastic Company Limited <i>Manufacture plastics parts</i>
							2019 - present	- Director	SNC Cooling Supply Company Limited <i>Manufacture parts and accessories for motor vehicles</i>
							2021 - present	- Director	Odin Power Co., Ltd <i>Investing in alternative power plant</i>
							2005 - present	- Director	2T Audit Co., Ltd <i>Accounting, bookkeeping and auditing activities, tax consultancy</i>

Part 4 Certification of the Correctness of Information

Details about the management of the company and those who are assigned direct responsibility for accounting.

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage	Family relationship with director and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
1.	Mr. Surachai Chainarong - Senior Managing Director, appointed on 26 Jan. 2021 - Executive Director, appointed at the BoD No. 2/2023 on 17 Feb. 2023 - Risk Management Committee, appointed at the BoD No. 2/2023 on 17 Feb. 2023 - Member of the ESG Committee, appointed at the BoD No. 2/2023 on 17 Feb. 2023	49	- Studying Master of Mechanical Engineering (Robotics and Automation) Kasetsart University - Master of Business Administration, Burapha University - Bachelor of Electrical Control Engineering (Associate Electrical Engineer (Power)), Siam University Training certificates Director Accreditation Program (DAP) Class 118/2015 Thai Institute of Directors Association (IOD)	0.01%	None	None	Public Company		
							2021 – present	- Senior Managing Director	SNC Former Public Company Limited
							2017 – 2020	- Managing Director	<i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							2010 – 2017	- Deputy Managing Director	
							Other Company		
							2019 – present	- Director	SNC Cooling Supply Company Limited <i>Manufacture parts and accessories for motor vehicles</i>
							2020 – present	- Director	Immortal Part Company Limited <i>Manufacture of industrial refrigerating or freezing equipment</i>
							2021 – present	- Director	Paradise Plastic Company Limited <i>Manufacture plastics parts</i>

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage	Family relationship with director and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
							2021 – present	- Director	Odin Power Co., Ltd <i>Investing in alternative power plant</i>
2.	Ms. Achara Nivongsa - Assistant Managing Director of Accounting and Finance, appointed on 1 Jun. 2016	47	- Master of Business Administration Kasetsart University - Bachelor of Business Administration Burapha University	0.01%	None	None	Public Company		
							2016 – present	- Assistant Managing Director of Accounting and Finance	SNC Former Public Company Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							2011 – 2016	- Managing Director of	
							2006 – 2011	Accounting and Finance	
							2004 – 2006	- Department manager of Accounting and Finance	
								- Section Manager of Accounting and Finance	
Other Company									
2021 - present	- Director	Odin Power Co., Ltd <i>Investing in alternative power plant</i>							

Details of the Company Secretary

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training courses	No. of shares and shareholding percentage	Family relationship with director and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
1	Ms. Netchanok Thaisa-nguanvorakul - Company Secretary, appointed at the BoD No. 7/2020 on 16 Dec. 2020	32	- Master of Science in Entrepreneurship and Innovation, Queen Mary University of London, the UK - Master of Science in Global Studies and International Relations Northeastern University, the USA - Bachelor of Business Administration Chulalongkorn University	0.6%	Daughter of Dr. Somchai Thaisanguanvorakul and sister of Ms. Sineenart Thaisanguanvorakul and Ms. Chanisara Thaisanguanvorakul	None	Public Company		
							2020 – present	- Company Secretary	SNC Former Public Company
							2019 – present	- Supply Chain Manager	Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							Other Company		
			Training certificates - Director Accreditation Program (DAP 195/ 2022), Thai Institute of Directors (IOD) - Company Secretary Program (CSP 177/ 2021), Thai Institute of Directors (IOD) - Company Reporting Program (CRP 29/ 2021), Thai Institute of Directors (IOD) - Board Reporting Program (BRP 36/ 2021), Thai Institute of Directors (IOD)				2022 - present	- Director	Pattana Phaendinthong Asset Management Co., Ltd. <i>Non performing Asset Management</i>

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training courses	No. of shares and shareholding percentage	Family relationship with director and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			- Effective Minutes Taking (EMT 49/ 2021), Thai Institute of Directors (IOD) - Executive Development Program (EDP) Class 20 Thai Listed Companies Association - Business Strategy in International Markets, The London School of Economics and Political Science, the UK - Family Business: Strategy Essentials (online), University of British Columbia, Canada - Supply Chain Analytics (online), Massachusetts Institute of Technology, the USA						

Part 4 Certification of the Correctness of Information

Details about the bookkeeper

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage	Family relationship with director and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Proposed position	Name / Company / Type of Business
1	Ms. Parichat Hemvipat Accounting and Finance Manager, appointed on 1Dec. 2020	47	- Master of Business Administration Ramkhamhaeng University - Bachelor of Accounting University of the Thai Chamber of Commerce	>0.01%	None	None	Public Company		
							2020 - present	- Accounting and Finance Manager	SNC Former Public Company Limited <i>parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold</i>
							Other Company		
							2015 - present	- Accounting and Finance Manager	SNC Cooling Supply Company Limited <i>Manufacture parts and accessories for motor vehicles</i>

Attachment 2

Directors of the Subsidiaries

NO	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
1.	Mr. Samran Pattanee	54	- Master of Public and Private Management, National Institute of Development Administration - Bachelor of Business Administration, Rajabhat Rajanagarindra University	>0.01%	NO	NO	Public Company -NO-		
							Other Company		
							2010 - Present	- Director	Immortal Part Company Limited Manufacture parts for electric appliances
2.	Mr. Chatchapol Prasopchok	54	- Master of Business Administration Thammasat University - Bachelor of Engineering King Mongkut's Institute of Technology Ladkrabang Training certificates - Director Certification Program (DCP) Course, Class 147/2011 Thai Institute of Directors Association (IOD)	NO	NO	NO	Public Company		
							2020 – Present	- Chairman of the Executive Committee	UAC Global Public Company Limited
							2012 – Present	- Risk Management Committee	Energy business
							2010 – Present	- Executive Director	
							2014 – Present	- Managing director	
							Other Company		
							2017 - Present	- Director	Odin Power Company Limited Energy business
							2019 - Present	- Director	Vientiane Waste Management Company Limited

NO	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			- Director Accreditation Program (DAP) Course, Class 82/2010 Thai Institute of Directors Association (IOD) - TLCA Executive Development Program (EDP) Class 8/2011 - Future Entrepreneurs Forum (FEF) Class 1/2013 Creative Entrepreneurship Development Institute (CEDI) - The Executive Program in Energy Literacy (WorPhorMor) Class 7/2015 Thailand Energy Academy - Leadership Development Program 2015 Thai Institute of Directors Association (IOD) - Leadership Succession Program (LSP) Class 5/2015 Institute of Research and Development for Public Enterprises - Advanced Master of Management Program (AMM) Class 2/2018 GSCM NIDA						Renewable energy business
							2013 - Present	- Director	Solar Energy Roof Power Company Limited Energy business
							2008 - Present	- Director	Bangchak Biofuel Company Limited Biodiesel production business
							2016 - Present	- Director	PPWE Company Limited Energy business
							2017 - Present	- Director	UAC Top Energy Company Limited Energy business
							2011 - Present	- Director	UAC Utilities Company Limited Tap Water business
							2013 - Present	- Director	UAC Energy Company Limited Energy business
							2015- Present	- Director	UAC Advance Polymers and Chemicals Company Limited Chemical distribution business
							2012 - Present	- Director	UAC & TPT Energy Company Limited Biogas production and distribution business

Part 4 Certification of the Correctness of Information

NO	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			- Chief Transformation Officer (CTO Course) 2019 mai Listed Company Association (maiA) - Executive Program Capital Market Academy (CMA.) class 31/2021 Stock Exchange of Thailand (SET)						
							2017 - 2022	- Director	Odin Myanmar Company Limited Energy business
3.	Mr. Pongchai Amatanon	58	- Bachelor of Engineering, King Mongkut's Institute of Technology Ladkrabang Training certificates - Director Accreditation Program (DAP) Course, Class 30/2004 Thai Institute of Directors Association (IOD) - The National Defense Course Class 58 National Defense College - Executive Program Capital Market Academy (CMA.) class 14/2021 Stock Exchange of Thailand (SET)	NO	NO	NO	Public Company		
							2005 – Present	- Director - Risk Management Committee - Chairman of the Executive Committee	Forth Corporation PCL. Electronic parts business
							2017 – Present	- Director - Nomination and Remuneration Committee - Chairman of the Executive Committee	Forth Smart Service PCL Mobile phone top-up service business
							2008 - 2017	- Director	
							Other Company		

NO	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
							2017 - Present	- Director	Odin Power Company Limited Energy business
							2002 - Present	- Director	Genius Traffic System Company Limited Traffic light equipment manufacturing business
							2011 – Present	- Director	Forth Consulting Company Limited Software Consulting Business
							2002 - Present	- Director	Forth Tracking System Company Limited Vehicle tracking device business
							2002 - Present	- Director	Forth Meter Company Limited Manufacturing and distribution of electricity meter equipment
							2013 - Present	- Director	Forth Lighting Company Limited Manufacturing and distribution of electric bulb
							2015 - Present	- Director	Forth Vending Company Limited Vending machine business
							2016 - Present	- Director	Forth Smart Capital Company Limited

Part 4 Certification of the Correctness of Information

NO	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
									Vending machine business
							2020 - Present	- Director	Forth Smart Distribution Company Limited Oil transportation business
							2019 - Present	- Director	Forth Ems Company Limited Electronic circuit board manufacturing and assembly business
							2020 - Present	- Director	Forth MRO Service Company Limited Vehicle repair service business
							2017 - Present	- Director	the Government Pharmaceutical Organization (GPO) Thailand.
							2021 - Present	- Director	Forth MRO Company Limited Business trading import-export which spare parts, equipment and provide repair services. related to aircraft, aircraft, warships
							2021 - Present	- Director	Aerofort Company Limited Business trading and maintenance business
							2008 - Present	- Director	Electronics Source Company Limited

NO	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
									Business distribution electronic equipment and parts
4	Mr. Sebastian Hugh Marie Legarek	45	- Master of Engineering, National school of engineers of Tarbes, France - Master in Fluid Mechanics, University of Nantes, France - Bachelor of Science, Academy of Rennes, France	NO	NO	NO	Public Company -NO-		
							Other Company		
							2015- Present	- Director	SNC Atlantic Heat Pump Company Limited Heating pump manufacturing business
							2015 - Present	- Director	SNC Atlantic Water Heater Asia Company Limited Manufacture and sale of water heaters machines
							2012 - 2015	- Director	Signalisation Lacroix Smart City and Roadsign
5	Ms. Chanisara Thaisanguanvorakul	31	- Master of Laws, London School of Economics and Political Science, the UK - Bachelor of Laws, Thammasat University	0.4%	Daughter of Dr. Somchai Thaisanguanvorakul and sister of Ms. Sineenart Thaisanguanvorakul	NO	Public Company		
							01 Jun 2022 - present	- Compliance manager	SNC Former Public Company Limited parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold

Part 4 Certification of the Correctness of Information

NO	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			Qualification certificate - Barrister at law, Thai Bar Association under the Royal Patronage - Lawyer license, The Lawyers Council under the Royal Patronage - Notarial service attorney, The Lawyers Council under the Royal Patronage Certificates - Director Accreditation Program (DAP) Class 195/2022 Thai Institute of Directors (IOD) - Becoming an Entrepreneur (online) MITx (Massachusetts Institute of Technology, the USA) - Contract Law: From Trust to Promise to Contract (online)		and Ms. Netchanok Thaisanguanvorakul		Other Company		
							12 Apr 2022 - present	- Director	Pattana Phaendinthong Asset Management Co., Ltd. Non performing Asset Management

NO	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			HarvardX (Harvard University, the USA) - Family Business - Strategy Essentials (online) UBCx (University of British Columbia, Canada) - International Principles of Law and Legal English Thai Bar Association under the Royal Patronage						
6	Acting Sub Lt. Chayapa Thaisanguanvorakul	52	- Bachelor of Science, Ramkhamhaeng University - M.B.A.Logistics and Supply Chain Management, Suan Sunandha Rajabhat University	>0.01%	cousin of Dr. Somchai Thaisanguanvorakul	NO	Public Company -NO-		
							Other Company		
							2016 - Present	- Director	SNC Creativity Anthology Company Limited Manufacture parts for automotive and assemble electrical appliances
							2019 - Present	- Director	SNC Serenity Co., Ltd. Manufacture industrial refrigerating and freezing equipment

Part 4 Certification of the Correctness of Information

NO	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
							2019 - Present	- Director	Infinity Part Company Limited Manufacture industrial refrigerating and freezing equipment
							2019 - Present	- Director	SSM Automation Company Limited Metal stamping
							2022 - Present	- Director	Mercury Transform Company Limited production and sale, repairs, maintains, inspects, alters, corrects, provides consultations related to electric vehicles. Converting a combustion engine car to an electric vehicles and other related businesses
							2023 - Present	- Director	Hermes Cooperation Co., Ltd. Industrial Park
							2023 - Present	- Director	99 Innovation Cooperation Co., Ltd. Operations in the production of machines, robots and equipment for automation systems.

Attachment 3

Details of the head of internal audit and compliance.

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
1	Mr.Pornchai Sirikijpanichakool - Internal Audit manager	45	- Bachelor of Business Administration, Accounting, Burapha University Training - Tax Auditor : TA - Certified Professional Internal Auditors of Thailand: CPIAT - Independent Auditor Course Thai Private Sector Collective Action Coalition against Corruption (CAC SME Certification : CAC Auditor) - Forensic Accounting Certificate : FAC - Personal Data Protection Act (PDPA) for Internal Auditors, Institute of Internal Auditors of Thailand - Future trend cyber security in internal audit, Institute of Internal Auditors of Thailand	No	No	No	Public Company		
							2011 - present	- Internal Audit Manager	SNC Former Public Company Limited parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold
							Other Company		
							2009 – 2011	- Special Instructor	Department of Business Administration Burapha University Government agency
							2006 - 2011	- Audit Manager	FASB Auditing and Consulting Company Limited Auditing Business
							1999 - 2005	- Assistant Manager	Thai Account Company Limited Auditing Business

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			- Internal auditor fraud investigation skills and techniques, Institute of Internal Auditors of Thailand - Update taxation and financial reporting standards 2022, The Tax Auditors Association of Thailand						
2	Ms. Chanisara Thaisanguanvorakul	31	- Master of Laws, London School of Economics and Political Science, the UK - Bachelor of Laws, Thammasat University Qualification certificates - Barrister at law, Thai Bar Association under the Royal Patronage - Lawyer license, The Lawyers Council under the Royal Patronage - Notarial service attorney, The Lawyers Council under the Royal Patronage	0.4%	Daughter of Dr. Somchai Thaisanguanvorakul and sister of Ms. Sineenart Thaisanguanvorakul and Ms. Netchanok Thaisanguanvorakul	No	Public Company		
							01 Jun 2022 - present	- Compliance Manager	SNC Former Public Company Limited parts for automobile air conditioner, parts for electric appliances, OEM for electric appliances and toolbox, Other operations such as mold
							Other Company		
							12 Apr 2022 - present	- Director	Pattana Phaendinthong Asset Management Co., Ltd. Non performing Asset Management

Part 4 Certification of the Correctness of Information

No	Name-Surname / Position/ Date of appointment	Age (Years)	Education / Training Courses	No. of shares and shareholding percentage (%)	Family relationship with directors and management	Positions in other companies that may cause a conflict of interest.	Working experience		
							Period	Position	Name of the organization/ Company/ Type of Business
			Certificates - Director Accreditation Program (DAP) Class 195/2022 Thai Institute of Directors (IOD) - Becoming an Entrepreneur (online) MITx (Massachusetts Institute of Technology, the USA) - Contract Law: From Trust to Promise to Contract (online) HarvardX (Harvard University, the USA) - Family Business - Strategy Essentials (online) UBCx (University of British Columbia, Canada) - International Principles of Law and Legal English Thai Bar Association under the Royal Patronage						

Attachment 4

Corporate Governance Policy and Business Ethic and Code of Conduct

Corporate Governance Policy

The Board of Directors of SNC Former Public Company Limited are certain that corporate governance is a vital factor to present an effective, transparent, and valid management system, which helps create confidence and reliability to the shareholder, investor, stakeholder and all trading parties. It will also lead to a successful business operation, increase the Company's value, and produce sustainable growth.

The Board of Directors has prepared a business ethic policy, together with code of conduct for the director, high-level executive, management, and employee, in accordance with the Good Corporate Governance. The Board of Directors also prepare the Company's corporate governance policy that is aligned with a listed company's corporate governance policy. The main points of the corporate governance are concluded as follows:

1. Awareness to the role and responsibility of the Board of Directors as leaders of the organization that create sustainable value to the business.

Code of conduct 1.1

The Company is aware of the role and responsibility of the Board of Directors as the leaders and supervisor of the organization to have a good corporate management. Therefore, the Company provides a guideline regarding the authority and responsibility of the directors, which covers objective, strategy plan, operating policy, including resource management, in order to achieve maximum efficiency, meet the organization's overall objectives and targets, including monitor the outcome in order to analyze and assess the result from the operation, and supervise to be under the Company's regulations and not violate the laws.

Code of conduct 1.2

The Company's Board of Directors shall uphold to the Good Corporate Governance policy that will lead to Governance Outcome and focusing on operating for sustainable growth. The Company prepares code of conduct to provide a written guideline and inform all stakeholders. The Board of Directors determine to manage the business to be competitive and have good turnover, including operate the business by concerning the 3 main factors i.e., economical effect, benefit to the Company's community and the outside community, including develop the environmental-friendly products for long-term sustainable growth and ability to adapt under changing competitive conditions. In addition, the Board of Directors will ensure that the Company operate the business with ethic, respect the rights, and be responsible to the stakeholder and shareholder.

Code of conduct 1.3

The Company specifies that the Board of Directors and the internal audit shall collaborate to supervise that the Company's business operation is in accordance with the laws, regulations, Public Limited Companies Act, Securities and Exchange Act, and other related rules, such as, articles of association, shareholders meeting resolutions.

The directors also establish that all employees shall perform duty with caution and strictly follows all the approved operation procedures, such as, investment, related-person report, dividends distribution, or any transaction that may significantly impact the Company, and to always regard the Company's and stakeholders' interests and with honesty.

Code of conduct 1.4

In order to have the Board of the Directors understand its responsibility, the charter for the Board of Directors, or the corporate governance policy are prepared as guideline to perform the duty and to prescribe the responsibility of the director and managing director in written form. The Board of Directors has duty to monitor and supervise the executive's performance to be in accordance with the assigned role. The Company specified that the charter shall be reviewed and updated at least once a year to be in accordance with the current Company's operation strategy.

2. Set main objectives and target for sustainable business operation.

Code of conduct 2.1

The Board of Directors supervises and participates with the Company to set the Company's main objectives and target such as, vision, mission, including other policy, to be in line with the type of the Company's business operation, including considering any factors that may significantly impact the business such as, environmental factor, competition, changes from technology development, and promote the development of the Company by introducing new adapted innovation to create efficiency, and specialized to generate value that meet the customer's, and stakeholders' needs, including beneficial to the society as a whole.

Code of conduct 2.2

The Company establishes the annual operation strategy by planning a short-term, medium-term, and long-term plan, where the Board of Directors has the duty to supervise and monitor the operation outcome to be in line with the Company's main objectives and target. However, the Board of Directors should consider the resource management and closely monitor the operation and take in to account the appropriateness, conditions, or any risks that may affect the Company's ability to achieve the target. The Board of Directors should also promote the ability to compete by appropriately and safely utilize the technology and innovation and be responsible to the community and environment.

3. Strengthen the Board of Directors' efficiency

Code of conduct 3.1

The Board of Directors has the responsibility to determine and review the structure of the Board of Directors by considering the composition, the ratio of the independent director, the diversity of the directors' qualifications, experiences, skills and knowledges, and specific capabilities that are suitable to perform the duty effectively and help the business operation achieves the main objectives. Also, to disclose the information of the structure of the Board of Directors in the annual report and in the Company's website, such as, age, educational background, working experience, director's terms of service, including the director's position in other listed companies. The Board of Directors shall maintain a proper number of the director in the structure to have at least 5 directors but not more than 12 directors with at least one-two of the entire board of directors are independent directors. The company may adjust the Board of Directors structure according to the size and complexity of the business.

Code of conduct 3.2

The Board of Directors shall select a qualified candidate to fill in the position of the chairman of the Board of Directors. The Company has clearly specified the responsibility of the chairman of the Board of Directors that, in order to balance the business operation power, the Company will keep the position of the chairman of Board of Directors and chairman of the executive committee separated, where such positions shall not be the same person. The chairman of the Board of Directors shall be independent and has no relationship with the management, independent from the control of the executive, and majority shareholders, including has no conflict of interest financially or regarding the business operation, and have the additional qualifications required by the related Notification of Capital Market Supervisory Board.

Code of conduct 3.3

The Board of Directors shall supervise the nomination process of the Remuneration and Nomination Committee to be transparent, by selecting a qualified candidate to be appointed as the Company's Board of Directors, Sub-Committee, and appoint a qualified candidate with suitable knowledge, experience, and expertise, in order to present the list of candidates to the Company's Board of Directors and/or the Shareholders Meeting for appointment.

Code of conduct 3.4

The Company specified that the structure and remuneration of the Board of Directors, Sub-Committee, including the Executive Directors shall be appropriate and shall be presented to the Board of Directors for approval and/or to the Shareholders Meeting to consider. The remuneration for the high-level executive shall be appropriate in order to create incentives to perform the duty, whether short-term or long-term, and shall have a code of conduct as follows:

3.4.1 The Remuneration and Nomination Committee shall nominate and select candidate that has knowledge and skill that meets the Company's needs and suitable for the role and responsibility.

3.4.2 Policy and rules for setting the appropriate remuneration for the Board of Directors shall be considered by the Remuneration and Nomination Committee, which has a duty to specify the remuneration of the directors, Sub-Committee, high-level executives, to be in line with the Company's long-term operation strategy and target, whereas, conform with the responsibility, obligation, and experience, which is comparable to the same or similar business sector.

3.4.3 The Remuneration and Nomination Committee shall set the criteria for the appropriate remuneration, both financial and non-financial, that is clear, transparent, verifiable, and in line with the value that the Company generates for the shareholders. The structure and remuneration of the directors shall be approved by the Shareholder's meeting resolution.

Code of conduct 3.5

The Company has a policy that the Board of Directors shall perform the duty with responsibility, caution honesty, and in accordance with the laws, objectives, articles of association, and Board of Directors resolution, including the Shareholders Meeting resolution. The Board of Directors shall also participate in monitoring the operation to be in accordance with Good Corporate Governance principle and lead the organization to a sustainable success, and growth, including generate long-term value to the shareholders, and be responsible to the Company's stakeholders, and remain independent from the management. Therefore, the Board of Directors shall have the resolution to execute the

Board of Directors charter to use as a standard to perform the duty effectively and efficiently, and to review the charter at least once a year to keep it in line with the Company's direction. Each director shall attend at least 75% of the total Board of Director's meeting held in each year.

Code of conduct 3.6

The Company has a policy to mainly invest in the subsidiaries and associated companies which engage in automobile parts, OEM/ODM for air conditioners, electrical appliance, and in business that related to the Company's existing business operation, in order to strengthen the Company's long-term capability to support its business expansion, and adding value to the Company in the long run. Including considered the privilege granted from the BOI investment promotion as another factor. However, subsidiaries and/or associated companies may consider invest in other business if such business has potential to grow or develop the business opportunity, or beneficial to the Company's group that will help generate return on investment to the Company and the shareholders as a whole.

Code of Conduct 3.7

The Company shall arrange for the performance assessment of the Board of Directors annually, where it is the performance assessment of the entire Board of Directors or individual assessment. The result and opinion of the directors shall be use to improve the Board of Directors' performance in each year, and to help develop the efficiency of the Board of Directors' performance. The Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, CSR and CG Committee, shall perform a self-assessment and present to the Company's Board of Directors meeting at least once a year.

Code of conduct 3.8

The Company always informs the Board of Directors, Sub-Committee, regarding the duty, the information concerning the type of business, business plan, the Company's regulations, and always informs the Board of Directors regarding the news and updated information related to the laws and regulations for the Board of Directors operation. In addition, the Company regularly encourage the Board of Directors to attend additional trainings, in order to strengthen knowledges and skills related to its performance of duty, and presents the Board of Directors training information in the annual report.

Code of Conduct 3.9

The Board of Directors will call for meeting at least once every quarter and may call for additional meeting as deemed necessary. In order to call for the Board of Directors meeting, the chairman of the Board of Directors or the designated person shall send the invitation letter to the director via registered mail, or directly to the directors by hand, or by e-mail, as required by the laws, for no less than 7 days prior to the meeting date, including stating the date, time, place, and the agenda of the meeting. The Company Secretary shall be responsible for preparing a complete Board of Directors minutes, including help support the Board of Directors activities to help facilitate the Board of Directors' and the Company's operation as required by the laws and in line with the Good Corporate Governance policy specified by the Securities Exchange of Thailand.

4. Nomination and Development of High-Level Executives and Human Resource Management

Code of conduct 4.1

The Company clearly specifies the qualification, authorization and obligation of the high-level executives and set the criteria and procedure to nominate a candidate or to approve a candidate to be a high-level executive.

The Nomination and Remuneration Committee shall present the list of candidates to the Company's Board of Directors and/or the shareholders meeting to consider the appointment. In addition, the Company prepare a succession plan by selecting a person to perform duty of such position and develop that person to be ready for that position in the future, in order to provide assurance to the investors, shareholders and staffs that the Company's operation can be passed on promptly.

Code of conduct 4.2

The Board of Directors shall supervise the setting of criteria for scope, policy, and structure of the remuneration to be appropriate, as proposed by the Nomination and Remuneration Committee, in order to create incentives for all level of executives and employees to operate in accordance with the organization's main objectives and target, and in line with the business interest in the long run, nevertheless, comparable to the same or similar business sector.

Code of conduct 4.3

The Board of Directors understands the structure and relationship of the shareholders and will help prevent any future obstacle that may impact the operation of the Board of Directors and high-level executive, including ensure that any material information that may impact the Company's management is disclosed.

Code of conduct 4.4

The Board of Directors are aware of the importance of human resources, which is considered a vital factor to help the business operation achieve the target. The Company, therefore; establish a human resource development policy to develop the staff's skills and knowledges in order to continually develop the staff's capability in all aspect, resulting in creative thinking and adding innovation value to the Company, which is one of the Company's essential strategies.

5. To Support Innovation Business Operation with Responsibility

Code of Conduct 5.1

The company board will support analytic process to develop it to be an innovation in both scales: intra-operation process and inter-operation process in educational, public, and private sectors. The company aims to support any initiation with new process including changing the way of thinking to add more value and changing the way of positive actions for better results for both the organization and the stakeholders. The company also acknowledges the vitality of innovation publishing for the best interest of the society; the company communicates with the stakeholders directly and indirectly via several means of communication to ensure that the company information will reach all the stakeholders. This is extended to the wider society in the future.

Code of Conduct 5.2

The company board is aware of the rights of all groups of stakeholders: internal and external stakeholders. In order to found a good understanding and cooperation between the company and the stakeholders which will benefit the

business and increase confidence as well as improve the capacity of the company in the long term, the company has the practices as the followings:

Shareholders

1. Practice the duty with good faith and the best of the ability and conduct any matter with fairness the all the shareholders.
2. Report situations to the shareholders continuously with all true details
3. Report all positive and negative future trends of the organization with ample supportive reasons.
4. Signify the basic rights of the shareholders:
 - 4.1 Right to sell and transfer the shares.
 - 4.2 Right to receive the profit of the business.
 - 4.3 Right to know sufficient business news and information.
 - 4.4 Right to be present in a meeting in order to cast a vote in any shareholder meeting to appoint or remove a board member, appoint an auditor, and the company-related matters.
 - 4.5 Right to know the rule and process of any shareholder meeting attending
 - 4.6 Rights to opine and inquire in any shareholder meeting.

Staff

1. Rewards and welfare are provided appropriately and fairly as the followings:

Staff transport vehicles covering the staff's residential areas	Marriage welfare for staff at all levels
Hygiene canteen with appropriate prices available in the company	Maternity welfare for staff at all levels
Educational aid fund for staff's children	Death welfare
Scholarship (extended study) for different levels in public institutions	Family member's death welfare for staff at all levels
Provident fund for staff's saving	Residential rent welfare
Annual medical exams	Employer-Employee fund project welfare
Annual bonus	

2. Maintain the working conditions to be safe for the staff's life and belongings.
 3. Staff appointment and transfer, as well as rewarding and punishment, must be conducted with fairness and based on the staff's knowledge, abilities, and suitability.
 4. Signify the staff's knowledge and skills by providing opportunities thoroughly and continuously.
 5. Strictly comply with laws and regulations relate to the staff.
 6. The company provides a channel for the staff to file any potential wrongful act and protection for the staff or the informant.
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Creditor

1. Treat the creditor with fairness and appropriateness on the basis of mutual fair rewarding.
2. Strictly comply with the contract and conditions. In case of failing to comply with any condition, the creditor must inform the partner and/or the staff prior the time in order to mutually find a solution.
3. In any business, refrain from requesting or giving any wrongful business benefit.
4. If there is any evidence of requesting or giving any wrongful business benefit, the details are to be disclosed to the creditor in order to find a solution fairly and swiftly.
5. Report all the right financial information to the creditor on time.

Customer

1. Treat business partners, a factor for successful business, with fairness and basis of mutual benefits.
2. Select business partner with clarity, system, and standard with improvement and sustainable relationship maintenance with the business partner and contractor.
3. Have mutual confidence
4. Strictly comply with the policy with a selection of qualified business partners, comparisons of prices before a purchase order, and assessment of business partner with international standard.

Business Competitor

1. The company supports free and fair market policy.
2. Behave under the rules of good competition.
3. Do not seek the competitor's confidential information with any wrongful or inappropriate act e.g. bribery for the competitor's board or staff.
4. Do not damage the competitor's reputation with any negative accusation.

Community and Society

The company has a guideline to practice or follow in order to comply with the related laws and regulations, be responsible to the society, as well as cooperate, assist, support, and volunteer for activities which benefit the community and the society. This is to strengthen the economy and revitalize the society and culture. Furthermore, the company also provides a channel for the stakeholders and related-individuals to express their opinion about the company's operation and complain the company in case of being treated unfairly via the channel specified in the complaint and corruption informing policy.

In addition, the company has organized activities which continuously develop of the community or society, such as donating masks that produced by the company to communities and agencies in the province where the company is located and neighboring provinces, scholarship program for students both vocational and university that the company has operated continuously, etc.

Environment

1. The company signifies environmental maintenance by operating the business with a consideration toward potentially environmental effects and adhere to environmentally maintaining related law. The company has guidelines as the followings:

2. The company specifies responsible individuals to administrate the business in order to avoid over standard environmental effects. The company is responsible and maintains environmental maintenance for the best benefits of the resource usage.

3. The company proceeds activities for the society and the community continuously for the better life of the community where the company is located via both self and cooperative process as well as respects the local traditions of the area.

4. The company assesses and regulates accident defensive measures and controls the waste release to be in an acceptable level in the standard range. The company also has the policy and the measure to reduce the waste and manage the waste disposal with a suitable mean.

5. The company responds swiftly and effectively to situations affected to the environment and the community which are the result from the company's operation by working with public servants and responsible organizations with full effort.

6. The company encourages the staff to be mindful and responsible to the society and environment within ISO 14001 and use resources effectively.

Moreover, the company specifies carbon footprint policy for all the executive and the staff to have commitment to operate the business by considering environmental effect both inside and outside the company. The company uses electricity effectively by installing solar rooftop on the roof of the company with a long-term aim to release carbon by 2,000 tons.

Code of Conduct 5.3

The board drives the organization and is responsible to plan strategies and policies for the company's business operation, direct, take care, and follow the performance, the administration, and the management of the executive in providing and managing the resources effectively and efficiently with a consideration to the effect and resource development throughout the value chain in order to sustainably achieve the main objectives.

Code of Conduct 5.4

The Board recognizes the importance of supervision, and management of information technology to achieve the application of technology as a supporting tool in business operations to be more flexible, convenient, faster and more accurate data management. Including the company has a policy that It covers the allocation of information resources for people in the company to have access to, and used under safety regulations. In addition, information technology is a matter that senior executives of the company must pay attention to in recruiting personnel with specific knowledge to be operators, to achieve continuous development and to reduce the risks that may occur from using technology in an inappropriate way.

6. To Provide Appropriate Risk Management and Internal Area Control

Code of Conduct 6.1

The board believes that the organization risk management process can help SNC Former Pub Co., Ltd achieve the objectives. Furthermore, it reduces obstacles or in unexpected matter from occurring in aspects of profit, performance, confidence toward the organization from the investors and other stakeholders. The organization resource damage protection responds to business changes effectively with good management and control while increasing confidence and value for the investors, staff, and other related individuals. Organization risk management policies are set be to a guideline as the followings:

1. The company appoints the executives and staff in several departments to in charge of managing the risk with a responsibility to improve the organization risk management and understand duties related to the risk management.
2. The company provides effective risk management at all levels of the process in accordance to good corporate governance principle to reduce the possibility, the damage of the risk, the uncertainty in general performance, and increase success possibility.
3. The company proceeds and supports the risk management to be successful in every part of the organization by using limited resources effectively with appropriate risk identification, assessment, and risk management.
4. The company supports and encourages the risk management to be an organizational culture with everyone being aware of the significance of the risk management.
5. The company board a risk management manual to set a guideline for the organization risk management, duties and responsibilities in the risk management of each sector as well as collect important risk samples and management of the company in the past in order to be a part of the guideline.

Code of Conduct 6.2

The board must appoint a panel of audit committee who can effectively and independently perform with the following practices:

1. The board must appoint a panel of audit committee consisting of at least 3 independent committee with suitable qualification to work in order to achieve the rules of *Securities* and Exchange Commission and The Stock Exchange of Thailand.
 2. The committee must set a written scope of duties and responsibilities of the audit committee with basic responsibilities as the followings:
 - 1) Check whether all the company's financial reports are correct.
 - 2) Check the suitability of the company's internal inspection and set an effective and efficient inspection system.
 - 3) Check the business to ensure that it follows related conditions, rules, and laws.
 - 4) Set a structure of the company's independent risk management as well as approve the appointment, transfer, and dismissal of the chief of the internal inspection department or any other responsible internal inspection department.
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5) Offer, select, and set the structure of the inspection department to be independent and arrange a meeting without management division at least once a year.

6) Set strategies for the risk management and all types of risk alert system to manage risk to be in an acceptable level in order to be in accordance with the company's risk management policies and related laws.

7) Direct, tend, and evaluate the performance to review and develop the risk management to be effective as well as analyze risk factors with potential harm to both internal and external company's operation by following practice guidelines of Thai private sector against corruption.

3. The committee must ensure that the company's information is investigable and accessible for any individuals responsible to the information together with external independent individuals responsible to advise the audit committee.

4. The committee should appoint independent individuals or organizations to check and improve the effectiveness of the internal inspection system and the company's risk management. The committee also should arrange an assessment with a report to the committee and the stakeholders in the annual report.

5. The committee must assess and opine about the quality of the risk management and the company's internal management systems and disclose it in the annual report.

Code of Conduct 6.3

The committee should tend and manage any possible conflict of interest occur between the company and the stakeholders. The committee is responsible to prevent any wrongful exploitation and transaction from the usage of property, information, opportunity of the company with the following practices:

1. The committee should set a system and process for data security and must emphasize and ensure the stakeholders to comply with them strictly. There may be defensive policies and measures on data security to maintain confidentiality, integrity, and availability of the data. Data with effect to market sensitive information should also be managed.

2. The committee should provide a follow-up and set a practice guideline to manage any possible conflict of interest. The committee should also manage and amend the details to comply with disclosure law by mainly emphasizing the benefits of the company and the stakeholders. The stakeholders should not involve with any decision and should refrain from attending any meeting with such the agenda.

3. The committee should provide an interest report and present the report to the meeting as well as record it in the board meeting minute.

Code of Conduct 6.4

The board should supervise and manage the policy and guideline against corruption; moreover, the board communicate and support the officer and people to be aware of the risk with the following guidelines.

1. The board should communicate with the inspective committee for clear policy and agreeable guidelines and connect to the inside control; furthermore, for ensuring the inside control is suitable for managing the risk and the management plan can be practiced.

2. The board should have the policy that covers the personnel management process from personnel selection, promotion, training and employee performance appraisal. Supervisors at all levels communicate with

employees so they can actually follow the policy and there is the publication of an anti-corruption policy in a prominent place. Everyone in the company has access and through the company's communication channel such as electronic mail (E-mail), company website and annual report.

3. The board should provide a project and training for employees for educating about anti-corruption and anti-corruption policies and practices and for supporting and cultivating employees not ignore when seeing the wrong action and have an awareness and understanding in anti-corruption cooperation, the corruption within the company and ready to comply with the law and regulations.

Code of Conduct 6.5

The board should ensure there are the regulation, action step and appropriate mechanisms to receive complaints or pointing out clues with the following guidelines.

1. The board should provide a mechanism to notify supervisors or the person in charge and cooperate in investigating facts including providing easy access channels and two or more secure channels for accepting complaints from both outsiders and internal companies. The channel is notified in the annual report of the company.

2. The board must manage to ensure fairness, protect, and maintain the confidentiality of the person whistleblowing of corruption. It is limited to those who are responsible for conducting the investigation of the complaint only and can access the information.

3. The board should identify the person responsible for receiving the complaint and set clear and appropriate criteria, guidelines and procedures and can be examined in case of whistleblowing. The recipient of information from the performance of duties related to the complaint has a duty to keep information, complaints and evidences of complainants and informants are kept confidential. Do not disclose information to other people. Unless it is a disclosure in accordance with the law.

7. Maintain financial credibility and disclosure

Code of Conduct 7.1

The board ensures that the company discloses important information related to the company, both financial and non-financial, accurately, completely, timely and clearly. The board disseminate information through the SET channel and the Company's website and update the information regularly. This is to provide investors and related people with adequate and equitable decision-making. The disclosures of financial and non-financial information are as follows:

1. Annual Registration Statement (Form 56-1) and Annual Report
 2. Policy of corporate governance and results of implementation of the policy
 3. Policy on environmental and social stewardship and its implementation
 4. The report of the Board of Directors' responsibility for the financial report is presented in conjunction with the auditor's report in the annual report.
 5. Disclosure of roles and duties of the Board and Sub-Committees Number of meetings and number of times that each director has attended the meeting in the past year.
 6. Disclose the remuneration policy for directors and top management.
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In addition, the company has established an investor relations unit for serving as communication and public relations information useful to shareholders, investors, analysts and the general public through various channels, analyst meetings, conference call, answering questions over the phone and through the Company's website.

Code of Conduct 7.2

The Board of Directors monitors the sufficiency of financial liquidity and the ability to pay debts.

1. The board should ensure that the management is followed up for assessing the financial position of the company and regularly reporting the results to the Board of Directors. If there are signs that the company will encounter liquidity problems and reduce the ability to pay debts, the Board of Directors and the management jointly analyze the causes and management guidelines for solving as soon as possible.

2. Approval of any transaction or proposing opinions will be approved in the shareholders' meeting. The board should be confident that making the transaction will not affect the continuity of business, financial liquidity, including the ability to pay the debt of the company.

Code of Conduct 7.3

In the condition that the company has problems with financial liquidity, the Board has a plan or other mechanism for solving the problem by considering the rights of stakeholders.

1. The board should follow up and closely supervise the enterprise to operate the business with care and comply with the disclosure requirements, if there are signs that indicate liquidity problems that affect debt servicing ability.

2. The board should take care and coordinate a solution to the problem and focus on being fair to all stakeholders by providing regular status reports.

3. The board should take cause and effect into consideration and decision that related to the financial problems of the company.

Code of Conduct 7.4

The board considers to prepare a sustainability report as appropriate.

1. Consider the nationally or internationally recognized reporting scope. The company considers the disclosure of information about compliance with the law, business ethics, morality, company directors, executives and employees, anti-corruption policy, treatment of employees and stakeholders, including fair treatment and human rights respect, social and environmental responsibility.

2. The board is responsible for disclosing important information and reflecting the practices that will lead to the creation of sustainable value for the company.

Code of Conduct 7.5

The board should supervise and appoint the company's investor for taking care and communicating and providing relevant information timely, appropriately, and equally to shareholders and other stakeholders, including investors, and analysts.

1. The board assigns a managing director or a related person or those with business knowledge to communicate and disclose information to outsiders in appropriate channels.

2. The board should recruit and appoint a suitable person who has the knowledge about the organization, the ability to communicate, and other related competence in the act of communicating and providing information to individuals and external agencies.

3. The board should provide a scope and a clear duty of investor relations and should stipulate that there is a regular direction to support and look after the investor relations in order to effectively disclose information and good effectiveness to stakeholders and the company.

Code of Conduct 7.6

The board supports using the appropriate information technology for publishing information that is easy to access quickly.

The Board of Directors provides information disclosure in both Thai and English through the Stock Exchange of Thailand, and company website and present up-to-date information such as

- Vision and values of the company
- Nature of business operation of the company
- The list of Board of Directors and Management
- The previous year and current financial statements and reports on financial position and operating results
- Form 56-1 and annual report that can be downloaded
- Shareholding structure and voting rights
- Invitation letter to the ordinary and extraordinary general meeting of shareholders
- Company's articles of association memorandum
- Important policies
- Contact or complaint channels

8. Encourage participation and communication with shareholders

Code of Conduct 8.1

The board recognizes and gives the importance to the rights of all shareholders that are both Thai investors and foreign investors and both small investor and institutional investors and will not do any action that violates or deprives the rights of shareholders. It also does not act in any way that restricts shareholders' opportunities to study information of the company and attend the shareholders' meeting. The basic rights of shareholders are to buy or sell shares, to have a share of the profit of the enterprise, to receive news and adequate information of the enterprise, to attend the meeting to exercise voting rights at the shareholders' meeting to appoint or remove directors, to appoint an auditor and matters that affect the company such as the allocation of dividends, establishment or amendment of regulations and memorandum, capital reduction or capital increase, and approval of special items, etc.

In addition, all shareholders are entitled to equal rights as stipulated in the company's articles of association and related laws as follows:

1. The right to be informed of the date, time, venue, and agenda of the meeting. This includes all information relating to matters that have to be decided at the meeting to shareholders in advance sufficiently and timely in which the company will notify the shareholders of various rules and methods of attending the meeting, authorizing

others to attend the meeting, and the process of voting and includes publishing the information on the Company's website in advance of sending the document. This is to allow the shareholders to have sufficient time to study the information supporting the meeting before receiving the information in document form from the company.

2. The right to attend shareholders' meetings, express opinions, ask questions, make suggestions, and jointly consider making decisions on various important changes. The chairman of the meeting allocates appropriate time and encourages expressing opinions and raising questions which related to the company at the meeting as well as giving opportunities for shareholders to submit questions and proposing the agenda of the meeting and nominating people with knowledge, competence and qualifications to be considered for election as the company's director in advance of the meeting date. All directors of the Company should attend the shareholders 'meeting to answer shareholders' questions on related matters.

Code of Conduct 8.2

The equitable treatment of shareholders

The board organizes the shareholders meeting process in a way that promotes the treatment of all shareholders equally. The company will hold a shareholder meeting at least once a year, within 4 months from the end of the fiscal year of the company. And if there is an urgent need, a special agenda must be proposed. This is a matter that affects or relates to the interests of the shareholders or relates to conditions or rules, law requiring shareholder approval. The company will call an extraordinary general meeting of shareholders on a case-by-case basis.

The company has set a policy to facilitate and encourage shareholders which are both Thai investors and foreign investors, both small investors and institutional investors to participate in attending the shareholders' meeting by the company will proceed as follows:

Before the shareholders' meeting

The company gives all shareholders equal rights to receive documents which support information for the meeting in Thai and English and publish information on the company's website at <http://www.sncformer.com> up to 30 days in advance and before sending the documents to shareholders more than 21 days before the meeting and is announced in daily newspapers consecutively 3 days before the meeting date for notifying the shareholders of the meeting in advance for preparation before attending the meeting. In addition, the company facilitates the shareholders to propose additional agenda items and nominate persons to be appointed as directors at least 3 months in advance of the shareholders' meeting date by setting the clear criteria in advance to consider whether to increase the agenda that the shareholders proposed and determine methods for shareholders to nominate persons to be appointed as directors by nominating them through the Nominating Committee with information for consideration of qualifications and give the consent of the nominees. In this regard, the executive shareholder is not allowed to add an agenda that is not informed in advance unnecessarily, especially important agenda that shareholders have to take time to study information before making a decision. The board provides opportunities for shareholders who are unable to attend the meeting in person can exercise their voting rights by assigning proxies to others to attend the meeting and vote instead. The name of independent director will be nominated. It is an alternative to shareholders' proxies and uses the proxy form in which the shareholders can determine the voting direction for each agenda item.

Date of shareholders' meeting

The company facilitates the shareholders by arranging a staff to welcome them and facilitates the verification of documents for each shareholder who will attend the meeting. In addition, there is a stamp duty to provide convenience to the shareholders who give / receive proxies. Before the meeting starts, the meeting secretary will notify details of the quorum and practice for counting votes. During the meeting, the Company provides opportunities for the meeting attendees to ask questions and express their opinions. The company will answer questions of the shareholders completely, clearly, and pertinently in all questions. The company conducts the meeting according to the order of the agenda. There was no additional agenda besides those specified in the meeting invitation letter. For the agenda of the election, the board will conduct on an individual basis. There will be accurate and complete recordings in every meeting, including the recording of the meeting in the form of a video and published on the website of the company.

Code of Conduct 8.3

The company will send the shareholders meeting report to the Stock Exchange and publish the minutes of the meeting on the company website within 14 days after the completion of the meeting.

Revised and notified on 25 January 2022.



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(Dr. Somchai Thaisa-nguanvorakul)

Chairman of Executive Committee

SNC Former Public Company Limited



.....
(Mr. Satit Chanjavanakul)

Chairman of the Board of Directors

SNC Former Public Company Limited

Business Ethic and Code of Conduct

Business Ethic and Code of Conduct

SNC Former Public Company Limited (the “Company”) determines to conduct business with integrity, moral, honesty, and transparency, including under the Good Corporate Governance policy, in order to create a sustainable business and protect the interest of the stakeholders and society, that will lead to a true Good Corporate Governance, the principles are as follows:

Principles

1. Honesty and transparency

The Company determines to conduct business with integrity, moral and honesty, and to strictly abide by the related laws, rules, and regulations.

2. Knowledge and ability to conduct business.

The Company determines to conduct business using our knowledge, understanding, proficiency, and to attentively perform all duties with efficiency, in order to achieve the business targets and optimized the customer’s benefits.

3. Responsibility to the community and society

The Company determines to maintain the environment and uphold the customs and traditions of the local community that the Company is located. The Company will promptly and proactively respond to the situation that may disturb the local environment and community, including encouraging the effective use of resource.

4. Responsibility to the shareholder

The Company will perform its duties with utmost honesty, ability and will equitably protect the benefit of all majority shareholders and minority shareholders with fairness.

5. Responsibility to the customer

The Company will deliver high quality products per the customer’s request or higher than the customer’s expectations and under the fair conditions. The Company will keep the customer’s confidential information and shall not illegally utilize such information for the interests of the Company or related parties. The Company will promptly respond to the customer’s demand and provide an effective system or channel for the customers to complain about the quality of services and products, including strictly follow the customers policy and selecting using the international standard criteria.

6. Responsibility to the competitors

The Company encourages a free and fair-trade competition, to operate under the rules of competition, and to not unethically or inappropriately seek the competitor’s confidential information, such as, bribing the competitors’ directors or staffs.

7. Responsibility to the trade partner

To provide equitable treatments to the trade partner that is vital factor of the success of the business and always consider mutual business benefits. The Company will transparently and systematically select the trade partner with standard, including continue to maintain and sustain a reliable relationship with the trade partner and contracting party.

The Company will strictly follow the trade partner's policy by selecting only qualified trading partner and perform a pricing comparison before the engagement, by using international standard criteria for the assessment.

8. Responsibility to the employee

Provides appropriate and fair remuneration and welfare to the employee, including ensure a safe working environment.

The appointment and transfer of employee, including rewarding and disciplinary will be perform with good faith and based on the knowledge, capacity, and suitability of the employee, including focusing on the employee's capability and skill. The Company will equally grant the opportunity to the employee, and will strictly abide by the related employment laws and regulations.

The Company provides a channel for the employee to lodge complaint for any wrongful act and set a guideline to protect the employee or the informant.

9. Conflict of Interest

The Company determines to avoid any conflict of interest that may arise in the Company or in the subsidiaries, whether from contacting with trading parties, such as, business partner, customer, competitor, or exploiting any opportunity or information received as being a director or staff of the Company for personal interest. The Company has set a measure to manage the situation that may create a conflict of interest between the Company and the customer, in order to provide a fair service to the customer.

10. Financial status

The Company has a risk assessment for the occurrence that may impact the Company's performance and status, in addition, the Company has a fund allocation plan to support the business operation, any obligations from the business operation and any future risks.

11. Treatments for creditor

The Company provides equitably and fairly treatment to all creditors, and based on a fair and mutual reciprocate compensation, strictly follows the obligation under the contract or any agreed-upon terms, and to consistently provide a complete, and correct financial report to the creditor on time.

12. Non-violation of human rights to all related persons

The Company does not prevent or provide any privileges to any certain individual, the Company does not discriminate against any person's race, nationality, religion, gender, age, or education institution, and will always consider the employee's right to safety regarding body and asset, including allow the freedom of political participation under democracy. The Company provides a channel for related person to lodge complaint and opinion and set a guideline to protect the complainant or the informant.

Ethics of the Board of Directors, executives, and staffs

Ethics of the Board of Directors

1. To perform the duty with honesty, integrity, and act in accordance with the Company's ethics, to set good example to the staffs.

2. To follow the rules, regulations and laws that is related to the business operation, as well as any procedure to maximize interests of the Company or related person.

3. To avoid any actions that may create conflict of interest, in order to effectively and transparently manage the business.

4. To not disclose the Company's confidential information to third parties, and to not exploit the Company's information that has not yet been disclosed to the public for the interests of the Company or related parties.

5. To support and encourage all staffs to have a better understanding and to follow the Company's ethics.

Ethics of the executives

All executives accept and aware of the obligations to ensure the success of the Company's business operation. The Company, therefore; provide a guideline for the executive as follows:

1. The executive shall perform the duty with honesty.

2. The executive shall make any decision with good faith and to manage the Company's business operation with vigilant and caution to ensure the best interest of the Company, customer, shareholder and employee.

3. The executive will provide fair, and equitable remuneration to the employee with good faith, and based on the knowledge and capability that is appropriate to the employee.

4. The executives will support and create opportunity for career advancement, and equally encourage the employee to develop the knowledge and ability, provide a proper welfare, and sincerely respect the rights and opinions of the employee.

5. The executives will display and uphold to the ethics by providing a good example in the workplace that will help encourage an ethical environment.

Ethics of the employee

The Company's business operates based on the trust and reliability from the third-party organization, therefore; the Board of Directors has provided the Company's employee with the ethical guideline as follows:

Treatment to the Company

1. The employee shall strictly follow the Company's rules, orders, and notifications.

2. To perform the duty with honesty, dedication, devotion, and to take good care of the Company's benefit and assets to its optimum potential, and to not utilize for personal interest, whether directly or indirectly.

3. The employee shall be loyal and has good attitude towards the Company, and shall not perform any actions that is competing or creating conflict to the Company's business operation.

4. To optimize the use of the Company's assets and resources economically.

5. The employee shall keep the data and information of the Company's business operation confidential.

6. To have a good attitude towards the Company, and to not unjustly accuse the Company without fact, to maintain the Company's reputation, including carefully express the opinion regarding the Company's reputation and business operation to any third-party.

Treatment to the supervisor

1. The employee shall obey and diligently perform the duty assigned by the supervisor to achieve the result.
2. To promptly report or request suggestion from the supervisor when there is a problem from work.
3. The employee shall respect and honor the supervisor, and shall not impolitely act towards the supervisor.
4. All employees of all level has the duty to report when encounter a violation to the Company's business ethics or code of conduct or has a reason to believe that it was inappropriate and may impact the Company.
5. To not accuse the director, executive, or another employee without fact.

Self-Treatment

1. The employee shall perform the duty with honesty, patience, and endurance, and have business ethics.
2. To strictly follow the rules, and regulations of the Company.
3. The employee shall strictly keep the customer's, competitor's, and the Company's information with caution.
4. To consistently study and research for knowledge to increase the efficiency of working skills.
5. The employee shall not act in a way that may create conflict or damage to the Company.
6. To not abuse the authority, or allow others to abuse the authority, whether directly or indirectly, to exploit the benefit for any personal or other's interest.

Revised and notified on 25 January 2022



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(Dr. Somchai Thaisa-nguanvorakul)

Chairman of Executive Committee

SNC Former Public Company Limited

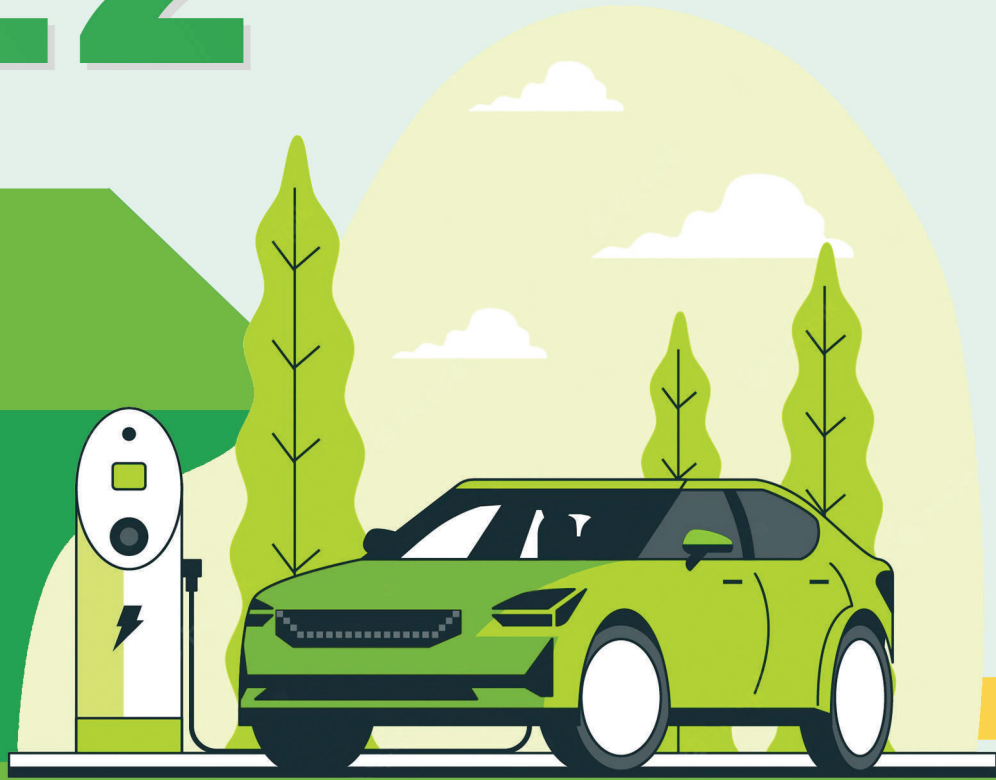


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(Mr. Satit Chanjavanakul)

Chairman of the Board of Directors

SNC Former Public Company Limited

ONE REPORT 2022



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