

56-1 One Report for the Year 2022

THAI HA PUBLIC COMPANY LIMITED



CERTIFIED
COMPANY



Table of Contents

	Page
Message from the Chairman	3
Part 1 Business Operations and Performance	4
1. Group Structure and Performance	4
2. Risk Management	36
3. Driving Business to Achieve Sustainability	42
4. Management Discussion and Analysis (MD&A)	56
5. General Information and Other Important Information	63
Part 2 Corporate Governance	64
6. Corporate Governance Policy	64
7. Corporate Governance Structure and Important Information about the Board of Directors, Subcommittees, Executives, Employees and Others	74
8. Corporate Governance Key Performance Report	84
9. Internal Control and Connected Transactions	94
Part 3 Financial Statements	105
Addendum 1 Details about Directors, Executives, Controlling Persons, Those Assigned the Highest Responsibilities in Accounting and Finance, Those Assigned the Direct Responsibility for Overseeing the Accounting and the Company Secretary	169
Addendum 2 Details about the Directors of Subsidiaries	185
Addendum 3 Details about the Chief Internal Auditor	186
Addendum 4 Assets Used in Business Operations and Details of Property Appraisal Transactions	188
Addendum 5 Complete Version of the Business Code of Conduct Prepared by the Company	191
Addendum 6 Report of the Audit Committee	216

Message from the Chairman



2022 was a challenging year in adapting to strategies and differentiating products to keep up with rapidly changing circumstances while creating stability, sustainable growth and prosperity for all stakeholders.

Overall, in 2022, the Company's strategy continued to focus on selling highly profitable products. This was coupled with the continuous development of products of Kaset brand, focus on healthy products and use of clean energy in the production process to deliver valuable products to consumers. The Company also collaborated with leading business partners, expanding B2C sales channels through vending machines to bring products of Kaset brand to customers quickly and conveniently.

The Company invested in the use of automated inventory linked to shipping to increase competitiveness and support the growth of the Company's various businesses both domestically and internationally.

In the field of personnel, the Company continues to focus on developing ideas and attitudes on the condition of intense economic competition to make people aware of the present and happy from within to create good work to give back to society.

On behalf of the Board of Directors, THAI HA Public Company Limited would like to thank the shareholders, all commercial partners, business partners, management and employees who have always worked together to support the Company's operations well. This is key to driving the Company's sustainable and stable growth. In closing, I would like to dedicate every aspect of my ability to conducting business carefully, steadily, while adhering to good corporate governance and governance forever.



Mrs. Pattama Tangpiroonthum

Chairman of the Board of Directors



First Lady

Imperial Taste
รสเลิศในราชสำนัก



Part 1

Business Operations and Performance

1. Group Structure and Performance

1.1 Policy and Business Overview

THAI HA Public Co., Ltd. is an expert and market leader in agricultural products, processed agricultural products and semi-finished food products such as bagged Thai jasmine rice, bean vermicelli and value-added products such as instant porridge, instant bean vermicelli and coco rolls under the Kaset brand. In 2020, the Company had a nationwide distribution channel of more than 30,000 stores, including online trading channels and vending machines (B2C) with expansion of its export base to more than 80 countries worldwide. In 2020, the company has a revenue ratio of domestic and international customers at the ratio of 40:60, with products certified by high international food standards such as BRC, US FDA and HALAL. In addition, the Company is engaged in holistic management with the use of standardized information systems that emphasize accuracy, speed, transparency and accountability.

1.1.1 Vision, Objectives, Goals or Operational Strategies

Vision	Become a global brand.
---------------	------------------------

Strategy	The presence of a wide range of processed agricultural products is in demand in the market in addition to an efficient production base with competitive costs by using the Company's brand and reliability in marketing with management of distribution and distribution channels under a rapid information management system.
-----------------	--

Goals	<p>The Company has the following 5-year business goals and guidelines.</p> <ol style="list-style-type: none">(1) Expand the e-commerce and vending machine businesses, which are B2C businesses, to increase revenue to 100 million baht per year within the next 5 years.(2) Expand the snack and health product businesses to consumers to increase revenue and generate profit of 60 million baht within the next 5 years.(3) To become a leader in Thai Hom Mali rice export business by building a strong global brand. The company aims to expand its customer base to 90 countries by 2023 with plans to expand to potential markets such as European countries, the United States, the People's Republic of China and African countries.
--------------	--

1.1.2 Major Changes and Developments

2022

- The Company issued and offered subordinated debentures with equity-like characteristics at a total value of no more than 70 million baht for the Company's directors, and/or shareholders to use the proceeds to repay loans from financial institutions and/or use as working capital in the business.
- The Company registered the dissolution of its subsidiary in the Lao People's Democratic Republic (Kaset Lao Company Limited).
- The Company implemented the Thaiha Business Intelligence Process system to gather information and knowledge within the organization in one place to generate net profit to meet targets and cover 85 items of the COSO internal control system.
- The first phase of the Thaiha Intelligent Farm project has been completed. Through the use of various technologies, it has been able to increase the crop yield to 1,400 kilograms per rai from the previous 800 kilograms per rai.
- The Company's revenue from vending machines (VDM) increased from 2021 by 96%.
- The Company's revenue from sales through e-commerce channels including Shopee, Lazada, Facebook and JD Central increased from 2021 by 155%.

2021

- The Company established Thaiha Innovation Foods Co., Ltd., a new subsidiary in Thailand. To support the expansion of the food production and distribution business, including plant-based foods, vegetables, fruits and mushrooms and instant foods. The Company and/or its newly formed subsidiaries have acquired land, buildings, machinery and equipment from Albatross Co., Ltd. and Albatross Foods Co., Ltd.
- The Company expanded its business into the distribution channel business, importing and installing more than 200 vending machines (VDM) to sell the Company's instant and semi-finished products in accordance with modern society with its needs for convenience and speed and needs during the pandemic. The Company had growth in the VDM business sector from 2020 at 125%.
- The Company cooperated with the Extraordinary Commission for Honoring the Monarchy, the Senate, government agencies, the private sector, and farmers in implementing the Thaiha Intelligent Farm system to develop integrated agriculture in order to continue and build on the royal aspirations in the Royal Initiatives at the site of the first land title deed in Thailand. Moo 1, Wat Yom Subdistrict, Bang Pa-in District, Phra Nakhon Si Ayutthaya Province, to increase efficiency and productivity, reduce costs and generate more profit, which will give the Company competitive capacity.
- The company markets through e-commerce: KASETSKOP ONLINE and more customers order products through this channel.

- Instant is the Company's new product line with high sales through delivery and e-commerce.
- The Company participated in donations to hospitals and medical centers.
- The Company modernized the office building to suit GEN Y and GEN Z personnel.

2020

- The company received the 100% quality rice award from the Department of Internal Trade, Ministry of Commerce.
- The company received an award from the THAI SELECT project from the Department of International Trade Promotion, Ministry of Commerce
- The Company renewed its BRC (British Retail Consortium) Grade A certification from the BSI Institute and the GMP HACCP quality system for rice, instant bean vermicelli and instant rice porridge products.
- The Company developed a snack product, rice berry puffed rice under the brand "Bubble Riz" through both domestic and international distribution channels.
- The Company encourages individuals to develop skills in using technology in their work and increase their abilities to suit the current situation, such as live product presentations and product presentations via VDO CALL.
- In terms of corporate social responsibility activities (CSR), the Company continuously considers sharing and helping fellow Thais by donating products of Kaset brand in major projects such as the Talad Jai Su Pak Tai project, the Thamdee project and the #Save Mor (Doctors), # Save Us project, etc. This includes expressing the intention to share in other ways by both executives and employees participating in blood donation projects with the Thai Red Cross Society.

2019

- The company has created a new look for its instant rice porridge with a larger package of Real Thai instant rice porridge package than before, and the addition of a modern packaging design that provides good energy, representing young customers. childhood and family
- The company has developed semi-finished vermicelli products under the brand "Kaset" in the form of cups in 2 new flavors, namely spicy stir-fried bean vermicelli with Korean sauce and Tom Yum Yen Ta Pho to meet the needs of today's customers.
- The Company offers snack products to both domestic and international distribution channels to serve the needs of all customer groups worldwide through the brand "Kaset" with new flavors, namely the ebi shrimp and grilled squid flavors.
- The Company places great importance on teamwork and business growth in the market with partners from the world's leading companies. Therefore, we have cooperated with

DKSH (Thailand) Co., Ltd. to deliver products of Kaset brand to customers widely and efficiently.

- The Company began to expand its export of low-sugar 4 Kor. Khor. fragrant rice products in sizes of 50 LBS and 20 LBS to international markets
- The Company expanded the channel of sale of products of Kaset brand through vending machines.
- The Company developed the ERP system, adjusting the system through SAP S/4 HANA to use technology to increase work efficiency, speed and accuracy.
- The Company renewed its BRC (British Retail Consortium) Grade A certification from Intertek Institute and GMP HACCP quality systems for rice, instant bean vermicelli and instant rice porridge products.

2018

- The company received an award from the THAI SELECT project from the Department of International Trade Promotion, Ministry of Commerce
- The Company received the 100% quality rice award from the Department of Internal Trade, Ministry of Commerce.
- The Company has joined the government's program as an agent in the production and distribution of K.B.43 fragrant rice products, which is a medium to low glycemic index rice formed by the breeding of single hybrid rice between Suphanburi fragrant rice and Suphanburi Variety 1 through research by the Department of Rice Ministry of Agriculture and Cooperatives and Faculty of Medicine Ramathibodi Hospital, Mahidol University, to make soft rice a healthy alternative and certified by the Rice Department, Ministry of Agriculture and Cooperatives. There are 2 types of production and distribution: 1 kg and 5 kg.
- The Company introduced one new flavor of snack products, namely wasabi flavor, under the brands "Coco Riz, Coco Jas and Coco Rice" and distributed in international channels.
- The Company invested in innovations to improve quality and reduce production costs, such as solar power generation projects, investments in rice and snack production machinery as well as the development of bean vermicelli production machinery.
- The company has increasingly shifted its advertising format to social media, both in Facebook and YouTube
- In the area of corporate social responsibility activities (CSR), the Company has expressed its intention with "Ajarn Yak", Mr. Wiwat Salyakamthorn, Deputy Minister of Agriculture and Cooperatives, to support the cessation of paraquat use in Thailand for the prevention and eradication of pests that are harmful to farmers who use it and leave consumers exposed to toxic residue.

- The Company sponsored the Supreme Chonburi-E.Tech Club Team Women's Volleyball Thailand League tournament to support Thailand's athletes and donate money and supplies to the schools, temples and the elderly in need.

2017

- The Company joined the Thai Private Sector Collective Action Coalition against Corruption (CAC) by becoming certified as a member of the CAC. The Company is responsible for setting an example by announcing Zero Tolerance on Any Form of Corruption Policy and establishing an Anti-Corruption & Bribery Procedures Standards with the duty of expanding anti-corruption practice guidelines for customers and agents in the supply chain of its business operations for them to join with the Company in cooperating with the government, civil society, the media and international organizations to drive for the implementation of anti-corruption measures, disclosure of information and setting of clean business standards with emphasis on competition with market systematic marketing mechanisms.
- The company offers snack products through both domestic and international distribution channels to meet the needs of all customer groups worldwide with two types and 3 flavors without fillings (pandan, coconut milk and durian) and 1 flavor with chocolate filling the Company imported from abroad to achieve premium quality under the brands of "Coco Riz Roll" and "Coco Jas Roll".
- The Company received the Super Brands Award 2017 from Superbrand Thailand, an organization that works in measuring and evaluating the success of brand building through nationwide marketing surveys to select brands under the most trusted product categories. This award is like the Oscar for brand building and the Kaset brand received the most votes by consumers nationwide.
- The Company participated in the Campaign of Preventive Measures for Occupational Safety to Develop a Management System for Safety, Occupational Health and Working Environment in The Workplace to be effective. It has also been evaluated as a company with work and safety standards. The Company received an honorary certificate from the Department of Labor Protection and Welfare, Nakhon Sawan Province.

2016

- The Company renewed its BRC (British Retail Consortium) Grade A certification from Intertek Institute for rice products and GMP HACCP quality system for rice products, instant bean vermicelli and instant rice porridge.
- The Company was certified for rice exports to the People's Republic of China (PRC) by the General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ).
- For Good Corporate Governance, the Company scored 100 points based on the quality assessment of the 2016 Shareholders' Meeting 2016.
- In the corporate social responsibility activities (CSR), the Company set up a booth to play games and give away bicycles as gifts on Children's Day, 9 January 2016, in

collaboration with the Ayutthaya Provincial Bicycle Police Club at a Bike for School event to promote and support the distribution of bicycles to students in need in Phrae Province for travel and a better quality of life.

2015

- The Company offered 22,308,724 newly issued shares for private placement in the amount of 63.8 million baht. As a result, the Company has paid-up capital in the amount of 278,000,000 baht.
- In the field of good corporate governance, the Company received a score of 100 points from the quality assessment of the Annual General Meeting of Shareholders 2015.

2014

- The Company signed a declaration of intent to become a member of the Collective Action Coalition Against Corruption (CAC), which is driven by the Thai Institute of Directors Association (IOD).
- The Company offered 45,000,000 shares to existing shareholders at a price of 2.80 baht per share, with 30,691,276 shares exercised. As a result, the Company has paid-up capital in the amount 255,691,276 baht.

2013

- The Company registered a subsidiary in the Lao People's Democratic Republic (Kaset Lao Company Limited) in which the Company holds 100% shares for the purpose of operating a mill, rice quality improvement plant and exports rice.

2012

- The Company is one of 17 companies listed on the Stock Exchange of Thailand with over 600 companies receiving the Investors' Choice Award from the Thai Investors Association as assessed by the shareholders' meeting with 100 points for the 4th consecutive year (2009-2012) by the Company that received the said award, such as PTT Public Company Limited (PTT), Electricity Generating Public Company Limited (EGCO), Bank Krung Thai Public Company Limited (KTB).
- The Company offers semi-finished bean vermicelli products in bowl form to export channels. To meet the needs of international customers, there are 6 flavors, namely tom yum prawn, seafood bean vermicelli, baked shrimp bean vermicelli, padthai flavor, crab stir-fried black pepper, and chicken soup flavors under the brand "Smart Chef Sensai".
- The Company expanded its procurement and production channels to markets in the Asian Economic Community (AEC) to increase the Company's potential as a leader in agricultural products and support the opening of AEC free markets.

2011

- The Company offered 27,000,000 shares to private placement, resulting in the Company's paid-up capital amounting to 225,000,000 baht.
- In the field of good corporate governance, the Company received a score of 100 points for the third consecutive year based on the quality assessment of the Annual General Meeting of Shareholders 2011.
- The company renewed its BRC (British Retail Consortium) Grade A certification from the SGS Institute for rice products, instant bean vermicelli and instant rice porridge for the second consecutive year.
- In terms of corporate social responsibility activities (CSR), the Company continues to donate funds to schools, which continues annually. In addition, the Company also donated funds and products to help flood victims through various agencies such as the Stock Exchange of Thailand, the Chaipattana Foundation and Channel 3, etc.

2010

- The Company introduced popular semi-finished products such as vermicelli cups in packet form. The Company entered into several marketing channels to better suit the lifestyles of the new generation with 3 flavors, namely tom yum shrimp, seafood bean vermicelli and suki yaki, as well as expanding the production capacity of bean vermicelli to 1,700 tons to support business growth.
- In the field of good corporate governance, the Company scored 100 points for the second consecutive year and is one of 63 companies listed on the Stock Exchange of Thailand based on the quality assessment of the Annual General Meeting of Shareholders 2010.
- The company renewed its BRC (British Retail Consortium) Grade A certification from the SGS Institute for rice, instant bean vermicelli and instant rice porridge products.

2009

- In terms of excellent product quality, the Company received a consistent quality shield for its Thai jasmine rice products for the sixth consecutive year from the Department of Internal Trade, Ministry of Commerce.
- In the field of good corporate governance, the Company scored 100 points and is one of 41 companies listed on the Stock Exchange of Thailand based on the quality assessment of the Annual General Meeting of Shareholders 2009 and the Corporate Governance Survey of listed companies for 2009. The level is "Very Good".
- In the field of good corporate governance, the Company scored 100 points and is one of 41 companies listed on the Stock Exchange of Thailand based on the quality assessment of the Annual General Meeting of Shareholders 2009 and the 2009 Corporate Governance Survey of listed companies. The level was "very good".

2008

- The Company received BRC (British Retail Consortium) certification from the SGS Institute.

2006

- The Company was awarded the Prime Minister Award for Best Exporter by the Department of Export Promotion, Ministry of Commerce, and was certified by the US FDA.

2005

- On 9 December 2005, the Company was listed on the MAI Stock Exchange.
- In 2005, the Company invested 100% in Thaiha Australia Co., Ltd. with the objective of operating the Company's consumer distribution business with access to wholesale and retail channels in Australia. At present, the Company has already registered for dissolution because the Company already has a new dealer.

2004

- The Company increased its registered capital to 198 million baht and transformed into a public company in addition to investing in Cheer Trading Co., Ltd. to expand its domestic consumer distribution business and HORECA.
- The Company was awarded the Prime Minister Award in the category of Brand Name by the Department of Export Promotion, Ministry of Commerce, and Hom Malitra Agricultural Rice products, making the Company a leader in the modern retail market in Thailand. (Source: AC Nielsen Retail Audit Thailand).

2003

- The Company increased its registered capital to 115 million baht to support the expansion of rice production capacity to the equivalent of 150,000 tons of paddy rice per year and to invest more in the mung bean vermicelli production plant in Takhli, Nakornsawan.
- The Company was certified with ISO 9001:2000 system by SGS.

2002

- The Company improved the quality of production until it was certified for food safety standards from various systems in both factories such as HALAL, GMP, HACCP, THAILAND BRAND and the standards of the Department of Internal Trade, the Ministry of Commerce, as well as the Standards of the Department of Foreign Trade, the Ministry of Commerce. It is also the first company to receive the Certificate of Excellence in Quality Control and Fair Advertising from the Office of the Consumer Protection Board (OCPB).

2000

- The Company increased its registered capital to 100 million baht for the construction of a factory in Amphur Sampran, Nakornpathom, which enabled the Company to increase its production capacity by 300% to the equivalent of 120,000 tons of paddy rice in response to the rapid growth in rice sales.

1.1.3 Is the use of the proceeds from the equity offering in accordance with the objectives?

- None-

1.1.4 Obligations the Company has pledged in the Registration Statement and/or the Terms of Authorization of the Office (if any) and/or the conditions for receiving securities of the SET (if any).

-None-

1.1.5 General Company

Company Name	:	THAI HA Public Company Limited
Company Registration No.	:	0107547000311
Type of Business Operations	:	Producer and distributor of agricultural products for domestic and international sales
Main Office Address	:	No. 140 Moo 5, Tambon Bangkratuek, Amphur Sampran, Nakornpathom 73210
Telephone	:	066-115-9381
Homepage	:	http://www.kasetbrand.co.th
Registered Capital	:	292,500,000 common shares valued at 1 per share for a total of 292,500,000 baht.
Paid-up Shares	:	278,000,000 common shares valued at 1 baht per share for a total of 278,000,000 baht.

1.2 Type of Business Operations

1.2.1 Revenue Structure

Revenue Structure of the Company and Its Subsidiaries

Business Group	2022		2021		2020	
	Monetary Amount (million baht)	%	Monetary Amount (million baht)	%	Monetary Amount (million baht)	%
- Rice	307.23	65.70	385.86	71.97	444.21	72.90
- Raw Materials	37.83	8.09	44.23	8.25	45.74	7.51
- Semi-finished Products	29.39	6.29	21.25	3.96	30.12	4.94
- Trading	60.38	12.92	57.73	10.77	69.84	11.46
- Snacks	32.79	7.00	27.05	5.05	19.45	3.19
Total	467.62	100.00	536.12	100.00	609.36	100.00

The Company's ratio of total domestic sales revenue to exports in 2022 was 40 : 60.

1.2.2 Product Information

(1) Product or Service Characteristics and Business Innovation Development

(1.1) Company Products

The Company focuses on the business of manufacturing and selling raw materials, bagged Thai jasmine rice and processed agricultural products such as bean vermicelli products. These can be divided into 2 main product groups, namely agricultural products and processed agricultural products as follows:

(1.1.1) Agricultural Products

Agricultural products, including raw materials and bagged rice, which can be divided into 5 main groups as follows:

(A) Thai Jasmine White Rice Group

The Company has Thai jasmine rice products that have been standardized by the Department of Internal Trade and the Department of Foreign Trade, Ministry of Commerce with the following three products:



- (A.1) 100% Thai Jasmine Rice (International) under the brands "KASET BRAND", "SMART CHEF", "IMPERIAL TASTE" and "FIRST LADY".
- (A.2) Kaset100% White Rice (Special Selection) is the highest quality Thai jasmine rice and the same grade of Thai jasmine rice exported to foreign countries.
- (A.3) Kaset 100% White Rice (Standard) is a Thai jasmine rice with higher quality than the level of quality specified by the Department of Internal Trade, i.e. no other type of rice is mixed. All of the rice is 100% 105 Thai Jasmine Rice.



Thai jasmine rice products are products for which the Company has been able to build a reputation of acceptance by consumers since the Company entered the market and the quality of bagged rice products has been constantly improved, particularly concerning the machinery that helps remove bad rice grains from good quality grains. In the international market, the Company currently exports bagged rice to 85 countries around the world. The Company is currently focused on producing Thai white jasmine rice, because it wants to make a name for the brand's products to win global acceptance, which is also a another means of making a good name to hom mali (jasmine) rice for Thailand.



(B) Mixed Rice Group

The products in this group are fragrant rice mixed with Kaset Thung Kula Rice.

(C) White Rice Group

The products in this group are Kaset 100% white rice from the central region of Thailand with high quality.

(D) Healthy Rice Group

The product in this group is RD43 rice, which has a rather low glycemic index, a healthy alternative. It is a single hybrid between Suphanburi Fragrant Rice (mother variety) and Suphanburi 1 (father variety) at the Suphanburi Rice Research Institute and has been approved by the Varietal Committee, Department of Rice, Ministry of Agriculture and Cooperatives.



(E) Other Types of Rice

Other types of rice are niche market rice, which tends to grow at a high rate, such as in the health products and the industry of processed confectionery made from jasmine rice, such as healthy rice like riceberry, red cargo rice, black jasmine rice, black sticky rice and 100% fragrant jasmine brown rice, etc., and snacks containing rice as an ingredient such as coco rice roll, and ready-to-eat such as rice on trays, etc.

(1.1.2) Processed Agricultural Products Group

Processed agricultural products are products from agricultural produce that are processed into processed products. These include bean vermicelli, instant bean vermicelli, instant congee, vegetable oil, and snacks.

(A) Bean Vermicelli

The Company's vermicelli is divided into 2 brands and can be divided into 3 main markets as follows:



- (A.1) Kaset Brand 100% mung bean vermicelli (green bag) is the best quality vermicelli for sale in the premium market.
- (A.2) Grade A Kaset mung bean vermicelli (blue bag) is a vermicelli with good quality for standard markets.
- (A.3) 100% mung bean vermicelli (overseas) under the "KASET BRAND" and "SMART CHEF", is the best quality vermicelli for exporting.
- (A.4) Charcoal vermicelli (black bag) is a black straight-cut vermicelli where mung bean vermicelli is mixed with charcoal powder (Japanese bamboo charcoal powder) to increase detox properties and enable the absorption of toxins in the digestive tract and intestines. It is suitable for health lovers.

Most vermicelli is available in 500 grams, 200 grams, 80 grams, 70 grams, 40 grams and 35 grams. The charcoal vermicelli is available in 100-gram packages, as well as the hot pot vermicelli, for suitability in consumption by each customer group.

(B) Instant Vermicelli



Instant vermicelli is a value-added product for the vermicelli raw material, which is the Company's product. The product contains vermicelli with complete seasonings, which is suitable for modern social conditions, especially for young women and the working age who often care about their own health. The products are packaged in cups and six flavors are available: Tom Yum Kung Flavor, Roasted Shrimp Vermicelli Flavor, Seafood Vermicelli Salad Flavor, Stewed Pork Boat Noodle Flavor, Stewed Beef Boat Noodle Flavor, and Yentafo Flavor, which have been well received by consumers. Additionally, there are two new flavors: Korean Spicy Stir-fry and Tom Yum Yentafo flavors, which are suitable for the lifestyles of modern people. Furthermore, products in bag packages include two flavors: Tom Yum Kung and Seafood Vermicelli Salad flavors, which have been well received both domestically and internationally, especially with export channels. The Company has introduced a new type of packaging, displayed carton, for instant vermicelli to meet the needs of international customers.

(C) Instant Rice Porridge



Instant Rice Porridge is a value-added product for rice raw materials, which is the Company's product. The product contains rice ingredients with complete seasonings, which is suitable for today's social conditions. The product is available in both cup and bag packages and include five flavors: pork, chicken, fish, and spicy flavors, and the RD43 brown rice pork flavor developed from brown rice pork flavor. The Company also takes consumers' health into account by not adding MSG and adding omega-3s.

(D) Vegetable Oils



The Company purchases palm oil and refined soybean oil from all domestic producers to produce and prepare recipes available in different sizes, and distribute them, taking into account the quality and suitability based on the needs of customers such as restaurants and diners, etc. This is because customers will mainly consider the quality of use.

The Company's vegetable oils are divided into two types: Cheer Brand soybean oil and Cheer Brand palm olein oil. The Company's main market is the diners and restaurants (IHORECA) which use the products in their production processes for domestic consumption and exporting. The size of vegetable oil containers will be large for the industrial

market, up to 13.75 liters, 18 liters and 200 liters. However, the Company distributes enough vegetable oil to meet the needs of its customers, both domestically and internationally. Therefore, the Company does not analyze data for marketing, competitiveness and industrial conditions related to vegetable oil.

(E) Snack Group

Snacks are premium products that select the finest ingredients to create unique crispy baked snacks using innovative ideas that use jasmine rice to enhance the most popular flavors and create Coco Rolls which are fragrant, crispy, delicious and suitable snacks. More importantly, Coco Rolls use 100% natural, preservative-free ingredients and is a beneficial and healthy snack. At present, there are three well-received brands: "Coco Riz", "Coco Jas" and "Coco Rice", available in two types: with premium imported chocolate filling and without filling, which include six flavors: coconut milk, durian, pandan, wasabi, and the new ebi shrimp and grilled squid flavors. In addition, the Company has also developed puffed rice snacks by using the benefits and colors of riceberry to make a new product called Bubble Riz.



(1.2) Business Innovation Development

The Company invests in innovations to improve quality and reduce production costs, such as using solar drying systems to produce vermicelli, which is clean, safe and does not damage the environment. Moreover, the Company also develops machinery for producing vermicelli, rice and snack products.



In addition, the Company has invested in the SAP S/4 HANA system, which will enable all departments to plan, coordinate and receive information quickly and in a timely manner with investment. The automated warehouse is linked to the product shipping to increase competitiveness and support the growth of various aspects of the Company's business both domestically and internationally. Furthermore, the Company has increased its B2C sales channel through the use of vending machines to bring Kaset Brand products to customers quickly and conveniently.

(2) Marketing and Competition

(2.1) Target Groups for Company Products

The Company's target groups have the following characteristics:

(2.1.1) End Consumer Group

Gender: 80% women, 20% men

Age: 15 years & up

SES: A – C (Social and Economic Status)

Status: All statuses

Geographic: Bangkok and cities in other provinces.

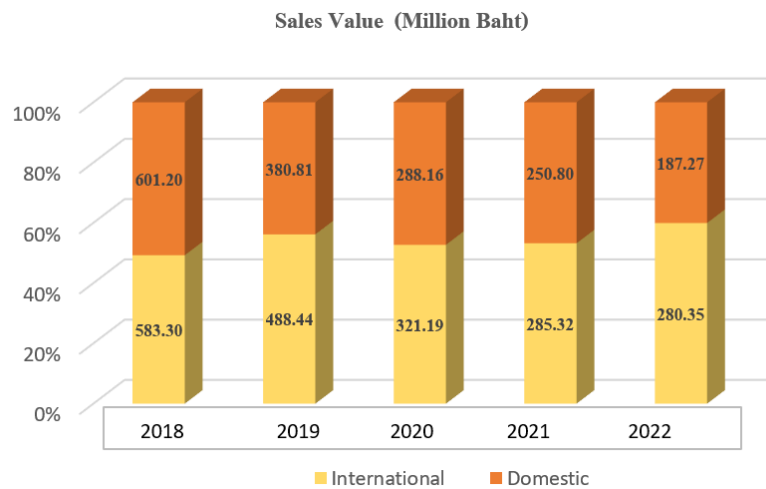
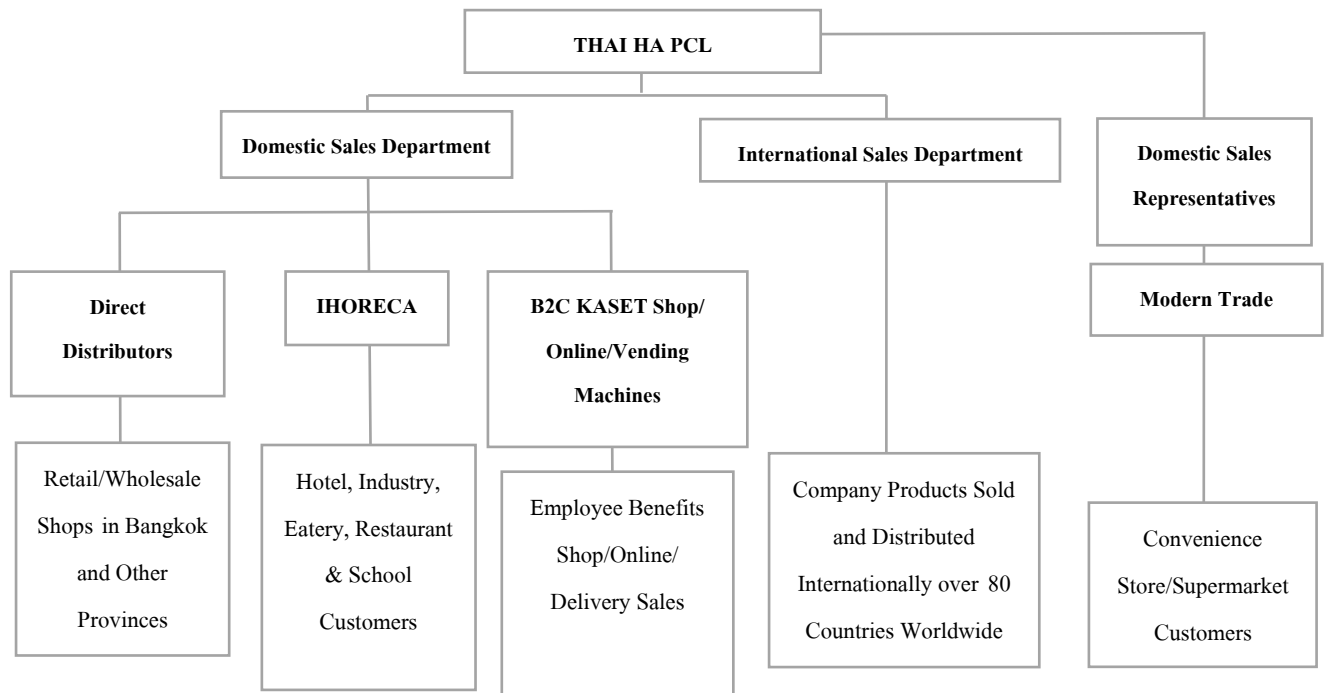
(2.1.2) Industrial, Hotel and Restaurant Customers: The majority of these customers are entrepreneurs who use the Company's products for production or industrial use and distribute them to end consumers.

(2.1.3) Asian consumers living in different countries around the world prefer to eat Thai jasmine rice, which has a different taste than other types of rice.

(2.2) Distribution and Distribution Channels of the Company's Products

At present, the Company has 2 main distribution channels: domestic sales/distributors and international sales.

Product Distribution Channels for THAI HA PCL and Subsidiaries



(2.3) Bagged Rice Industry

(2.3.1) Bagged Rice Industry Structure

The structure of the bagged rice industry is divided into 2 markets: the domestic bagged rice market and the export bagged rice market.

(A) Domestic Bagged Rice

The consumption of bagged rice occurred about 20 years ago due to the changing consumption habits of Thai people who prefer to consume rice with quality control in terms of cleanliness and good standards, as well as taking into account the consistent quality of cooked rice. Meanwhile, the market for sack rice is getting smaller and smaller due to its diminishing popularity. Consumers prefer to eat Thai jasmine rice due to the characteristics of Thai jasmine rice that is white, soft, and fragrant so operators in the bagged rice industry must develop product quality to be consistent throughout the year. The government is also developing new rice varieties, such as RD43 fragrant rice, to increase nutritional benefits and add value. Nowadays, the trend of consuming healthy or homeopathic foods has led consumers to pay more attention to the consumption of brown rice and organic rice due to their high nutritional value and health benefits. Manufacturers have also turned their attention to products in terms of packaging, branding, quality and distribution channels.

In addition, the consumption of bagged rice is due to a change in consumer behavior in Bangkok due to the smaller family conditions. Places of purchase changed from grocery stores to supermarkets. Due to the need for convenience and speed in purchasing and transportation, as well as the use of less space for storage, the bagged rice market is growing every year.

(B) Exported Bagged Rice

The competitive situation of rice exporters in the global market in the 2022/2023 production year continues to be characterized by fierce competition and a global economic slowdown due to the Covid-19 pandemic. World rice production in 2022/2023 is projected to be 509.83 million tons of rice, decrease from 513.97 million tons in 2021/2022, or reduce 8%. The export of Thai fragrant jasmine rice from January to December of 2022, or twelve months, was 1.25 million tons, an increase of 8.7% compared to the previous year. It was valued at USD 1,098.50 million, increase by 7.78% due to lower jasmine rice prices. However, Thai jasmine rice has maintained good export levels in countries that still consider quality first, namely the United States, Canada, Singapore and Hong Kong, despite the higher prices than competitors and under the circumstances of the COVID-19 pandemic that has affected the global economy.

(2.3.2) Factors Affecting Business Operations

- (A) Factors affecting the success of the bagged rice industry:
 - (A.1) The quality of products meeting acceptable standards.
 - (A.2) A strong brand that requires a high budget and expertise to build.
 - (A.3) Distribution channels that are convenient for consumers.
 - (A.4) Capital that requires high volume in the procurement of raw materials.
 - (B) Risk factors entrepreneurs in the bagged rice business must take into account in their business operations:
 - (B.1) The business has a low unit profit because rice is an agricultural product; its prices change seasonally and rely on selling in large quantities as well as other essential consumer goods.
 - (B.2) high capital is required to purchase raw materials for storage, quality improvement, and waiting for bagging for further distribution.
 - (C) Factors providing opportunities for the domestic bagged rice industry:
 - (C.1) The business is attractive, both in terms of size and market growth rate.
 - (C.2) There is popularity of consumption as it is a staple food of Thai people.
 - (C.3) It is an industry that has received attention and support from the government to open new markets abroad and encourage foreigners to eat Thai fragrant jasmine white rice.
 - (D) Factors obstructing the bagged rice market industry
 - (D.1) Risks associated with fluctuating raw material prices.
 - (D.2) Risks from government interference in the rice market.
- (More details are contained in Section 1, Clause 2 on "Risk Management".)

(E) Market Conditions and Competition

(E.1) Market conditions and domestic market competition among bagged rice producers.

At present, the competitive conditions in the bagged rice market are with large producers who have continuous marketing promotion activities. Small producers will not play much of a role in the market and will only promote a specific segment of their marketing.

In addition, competition in the bagged rice market depends on many factors, such as rice export factors for each year. If in any year rice exports are favorable, the price of rice in the country will also be favorable. The competition in the domestic bagged rice market will not be very intense. However, if in any year rice exports decline, the price of rice in the country will also fall. Entrepreneurs in the rice business will also turn to marketing more in the country. Competition will intensify for both existing producers and exporters. In addition, the annual output is also a factor. If there is a large amount of rice produced in any year, it will cause the price of rice to fall, and if drought occurs in any year, the price of bagged rice will rise.

After the government took measures to standardize the quality of bagged rice and seriously inspected the bagged rice sold in the market by the Office of the Consumer Protection Commission, the retail price of bagged rice better reflects true cost and quality. As a result, the gap between each grade of rice quality will not be very big.

(E.2) Market conditions and international market competition among bagged rice producers.

The company's rice export market is competitive. There are competitors both from Thailand and from other rice exporting countries such as Vietnam, Cambodia and Laos, etc., and the fragrant rice of the main competitors such as Vietnam has more rice varieties, such as ST24 rice that won the World's Best Rice award, etc. Therefore, the Thai rice strategy will focus on producing all seven types of rice to meet the market demand, including fragrant jasmine rice, Thai fragrant rice, soft rice, hard rice, steamed rice, sticky

rice, and special quality rice. In addition, the Company will develop at least 12 varieties of rice to compete in the global market. Thai jasmine rice was awarded the "World's Best Rice Award 2020" from the world's largest rice contest held annually at the World Rice Conference organized by The Rice Trader. Thai rice continues to gain an advantage in terms of the reliability of world rice trade and the export of standard "Thai Jasmine Rice" has interesting markets, namely, the EU, Senegal, USA, Canada, China, Hong Kong, Australia and Singapore.

At the same time, the Company mainly focuses on international marketing for jasmine rice and special varieties of fragrant rice by focusing on the quality of jasmine rice that is not adulterated with other types of rice to gain the acceptance and trust of customers. Having the highest production BRC certification standards, and implementing a promotional strategy by providing premium to customers will allow overseas customers to know the brand and be able to make decisions when purchasing the Company's products. In addition, the Company has expertise in exporting and understands the different needs of overseas customers in each country.

(F) Bagged Rice Industry Trends

(F.1) Domestic bagged rice industry trends:

The trend of the domestic bagged rice industry is likely to grow well due to the changing behavior of consumers who want convenience in purchasing goods and want standardized products. This is due to food safety campaigns of the government. As a result, only producers with high production standards can remain in the bagged rice market, and the government is also developing new rice varieties, such as RD43 fragrant rice, to increase nutritional benefits and add value.

(F.2) International bagged rice industry market trends:

The competitive situation of rice exporters in the global market in the 2022/2023 production year remains fierce, with the world rice production for 2022/2023 projected to be 503.69 million tons of rice, reducing 2.21% due to the decrease of in harvesting area of 1,027.75 million rai, a decrease of 1.01%, and

yield per rai of 731 kilograms, a decrease of 1.30%. World rice consumption is estimated at 517.77 million tons of milled rice, decreased by 0.41%. World rice trade is expected to the amount of 52.99 million tons of milled rice, a decrease of 3.72%. Thai jasmine rice exports in 2022 amounted to 1.25 million tons, an increase of 8.6% compared to the previous year, with a value of USD 1,098.50 million, increased by 7.78% due to the increase in the quantity of jasmine rice sold. However, it is considered that Thai jasmine rice still maintains a good export level. The price is still competitive. The price is still in good condition according to the world economy that is expected to return to normal. Especially the export to 4 important markets with a total export ratio of more than 50 percent of all Thai jasmine rice exports, namely the United States, China, Hong Kong and Canada. The export of Thai jasmine rice to these countries increased by 5.13% and the value increased by 4.31%, demonstrating the potential of Thai jasmine rice that remains in demand in the premium rice market with high purchasing power.

(2.4) Bean Vermicelli Industry

(2.4.1) Bean Vermicelli Industry Structure

The vermicelli manufacturing industry in Thailand has been around for more than 40 years, but there are still few manufacturers due to the unique formulations of each plant that are not widely disseminated and the specific production process of each factory, which affects the quality of products and consumer acceptance in each brand. Additionally, the main raw material used in production is mung beans, which requires expertise in purchasing and procuring raw materials, as well as the quantity and quality depending on the seasons of each year.

The vermicelli manufacturing industry is an industry of few manufacturers. This is due to the complex production process that requires high management expertise. The size of the production and consumption market is 25,000 tons per year, with a total market value of 2,000 million baht. It has a market growth rate of about 5% per year. (Source: Company Information)

However, although mung bean vermicelli is not a staple food of Thai people, it is a widely popular food. It can be used to cook a variety of Thai signature dishes, such as vermicelli salad, vermicelli curry and roasted seafood with vermicelli.

(2.4.2) Factors Affecting Business Operations

(A) Factors Affecting Success, Risk Factors, Opportunities and Obstacles of New Competitors

Although the mung bean vermicelli market has few producers. There is mild competition, and the market is growing every year. However, it is difficult to achieve sales success because the consumer behavior of not changing brands once the consumer is familiar with existing brands, in addition to the sales channels of traditional stores that only sell brands that are popular with consumers, and modern trading channels that have limited space for the rise of new traders.

(B) Market Situation and Competition

The vermicelli market can be divided into four characteristics as follows:

(B.1) High quality and high price products (Premium)

(B.2) Good quality and medium prices products.

(B.3) Medium quality products at low cost.

(B.4) Economical quality products at affordable prices.

The company has created new products in the upper and lower vermicelli market, such as cut vermicelli and healthy vermicelli, to increase the ease of cooking and respond to the needs of today's consumers.

Due to the competition in the vermicelli market, there are few competitors, consisting of about 4 large manufacturers, and about 10-15 small and medium-sized manufacturers. (Source: Company Information) Therefore, the Company has decided to invest in production and marketing seriously by distributing "Kaset Brand" vermicelli products for the upper vermicelli market, where the Company will compete in terms of quality as this consumer group prioritizes product quality and have the trend to not change brands if they are satisfied with the existing brands. Meanwhile, the lower vermicelli market will have intense price competition, where the production focuses on medium quality to low quality products by small and medium-sized manufacturers.

However, the Company has also invested in the lower market, selling vermicelli under the brand "Chalad Chim", which is a medium-quality product at an affordable price, to be able to compete in the lower market, which is a consumer market that focuses on price rather than quality. At present, the Company

has an annual production capacity of 936 tons of vermicelli per year.

(C) Bean Vermicelli Industry Trends

The improved economic outlook will inevitably result in higher purchasing power for consumers and the popularity of consuming nutritious and delicious products means the vermicelli industry is likely to expand. There is no product that will replace vermicelli directly, as vermicelli is characterized by its glass-like transparency. While similar products are mee, bamee, Changhai kuaiteaw, or kuaiteaw noodles. However, small and medium-sized producers are likely to experience higher production and sales costs, and the number of manufacturers is likely to decrease in the future.

(3) Procuring/Sourcing Products and Services

The Company has always focused on the quality of its products, which is the main factor that makes its products widely accepted by consumers. The Company has been certified by many food safety standard systems such as HALAL, GMP, HACCP, THAILAND BRAND, and standards by the Department of Internal Trade and Department of Foreign Trade, Ministry of Commerce. It also received the certification for quality control and fair advertisement from the Office of Consumer Protection. Only two manufacturers in the country have received this honor. In addition, the Company has received BRC (British Retail Consortium) Grade A quality standard certification and certification from the USFDA.

The Company has a bagged rice processing plant in Amphur Sampran, Nakornpathom, which has a rice production capacity of 150,000 tons of paddy per year, and a vermicelli factory in Amphur Takhli, Nakornsawan with a production capacity of 936 tons of vermicelli per year.

(3.1) Raw Materials Used in Production

Product	Raw Materials Used	Procurement
Rice	Thai Jasmine Rice, White Rice, Glutinous Rice	50 Suppliers
Bean Vermicelli	Mung Beans	10 Suppliers

Note: The company buys rice directly from rice mills and brokers, and only buys mung beans, which are the raw materials for vermicelli, from brokers. In addition, the Company buys grains such as black glutinous rice, black beans, white sesame seeds and black sesame seeds from mills, cooperative brokers and farmers' brokers.

(3.2) Storage Locations/Storage and Distribution Policies

A 1,000 square-meter area for storing rice, which is in the form of raw materials is located in Amphur Sampran, Nakornpathom. Furthermore, the company has leased an additional 1,500 square meters of warehouse for a total of 2,500 square meters with capacity for storing 4,000 tons of rice raw materials and an area of 1,632 square meters for storing mung beans for use in the production of bean vermicelli in the form of raw materials and finished goods. It is located in Amphur Takhli, Nakornsawan.

The finished goods storage and distribution policy can be divided into 2 types as follows:

(3.2.1) For domestic consumers, the Company will only use the Made-to-Stock policy, which is a normal business activity for consumer goods distributors. The Company has to use said policy because it is not possible to predict the exact amount of consumer demand. The Company has a stock storage space of 2,000 square meters to support consumer demand.

(3.2.2) International customers use the Made-to-Order policy, which involves no inventory.

The Company has no problem storing products and raw materials, which are agricultural crops, as the Company has an effective storage and protection policy. This can be seen from the fact that the Company has received the standards of the Department of Foreign Trade, Ministry of Commerce, such as the Certificate of Good Manufacturing Practice (GMP), and the Hazard Analysis and Critical Control Point (HACCP) system, which is a food safety quality assurance system.

(3.3) Environmentally Related Actions

Due to the Company's business of producing rice, vermicelli, vegetable oil, and grains, which are consumer products derived from natural raw materials, the production process is simple, does not introduce toxic substances to the environment, and can handle by-products such as rice bran, which comes from the production of bagged rice, or fresh and dried mung bean meal and dried mung bean protein from vermicelli production. The manufacturing company can use it as raw material and/or farmers buy it for animal feed or natural fertilizer.

In addition, the bean vermicelli factory in Amphur Takhli, Nakornsawan, has a standardized effluent treatment system to protect the environment that can treat effluent with minimal energy. In addition, the treated water can be used for agricultural purposes as well.

(4) Assets Used in Business Operations

(4.1) Key characteristics and value of the main fixed assets used in business operations.



List of Assets	Ownership (Owned/Leased by the Company)	Net Accounting Value (Thousand Baht)	Obligations
1. 1 Land Plot Location: Amphur Sampran, Nakornpathom Total Area: 9 rai, 2 ngan, 31 sq.wa.	Owned by the Company	81,499	No Collateral Obligations
2. 9 Land Plots Location: Amphur Takhli, Nakornsawan Total Area: 37 rai, 6 ngan, 193 sq.wa.	Owned by the Company	26,124	No Collateral Obligations
3. 2 Land Plots Location: Amphur Thamuang, Kanchanaburi Total Area: 23 rai, 2 ngan, 17 sq.wa.	Owned by the Company	20,807	No Collateral Obligations
4. Office Building Location: Amphur Sampran, Nakornpathom	Owned by the Company	43,210	No Collateral Obligations
5. Office Building Location: Amphur Takhli, Nakornsawan	Owned by the Company	7,606	No Collateral Obligations
6. Office Building Location: Amphur Thamuang, Kanchanaburi	Owned by the Company	8,260	No Collateral Obligations
7. 2 Factories for Producing Rice and Instant Products	Owned by the Company	43,230	No Collateral Obligations

List of Assets	Ownership (Owned/Leased by the Company)	Net Accounting Value (Thousand Baht)	Obligations
Location: Amphur Sampran, Nakornpathom			
8. 1 Factory for Producing Glass Noodles Location: Amphur Takhli, Nakornsawan	Owned by the Company	39,603	No Collateral Obligations
9. 1 Factory for Finished Goods Location: Amphur Takhli, Nakornsawan	Owned by the Company	9,281	No Collateral Obligations
10. Machinery	Owned by the Company	67,398	No Collateral Obligations

(4.2) Important Characteristics of Key Intangible Assets

The Company has registered trademarks covering all brands sold both in Thailand and abroad. There are a total of nine trademarks registered in Thailand and five trademarks registered overseas in 14 countries.

The Company's major trademarks are as follows:

Trademark	Owner's Name	Product/Service Type	Reg. No. / Registration Type	Period of Coverage
 “ตราเกษตร” Trademark	THAI HA PCL.	Instant Rice, Porridge, Bean Vermicelli	161101597 / Thailand	10 years from 4 February 2015 to 3 February 2025
 “KASET BRAND” Trademark	THAI HA PCL.	Instant Rice, Porridge, Bean Vermicelli	161101596 / Thailand	10 years from 4 February 2015 to 3 February 2025

(4.3) Investment Policy in Subsidiaries

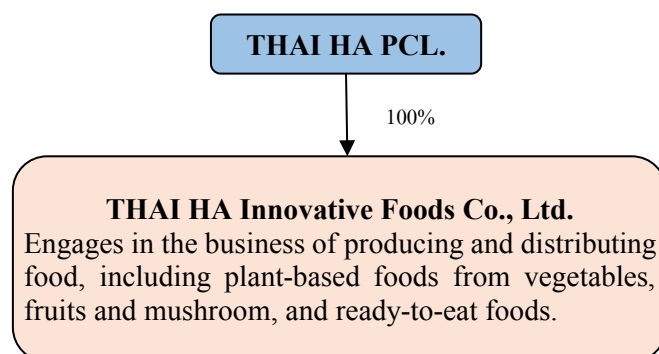
The Company has a policy to invest in businesses that are related to or support the growth or increase of the Company's production potential, or businesses that are believed to have good business growth prospects, whereby the Company will invest only in companies that it can gain control of and have directors or executives of the Company involved in the management of such subsidiaries to ensure that the policies of such subsidiaries are in line with the Company's policies.

(5) Undelivered Work

- None-

1.3 Shareholding Structure of the Company Group

1.3.1 Group Shareholding Structure of the Company Group (As of 31 December 2022)



(1) THAI HA Innovative Foods Co., Ltd.

The Company foresees trends in its food production and distribution business, including plant-based foods from vegetables, fruits and mushroom, and instant foods. After receiving approval from the Board of Directors in 2021, the Company established THAI HA Innovative Foods Co., Ltd., a new subsidiary in Thailand to support the expansion and growth of such food production and distribution business.

(2) Kaset Laos Sole Co., Ltd.

After receiving approval from the Board of Directors' Meeting No. 3/2565, Kaset Laos Sole Co., Ltd. was dissolved and liquidated for non-operation. Therefore, the Company completed the registration of the subsidiary's dissolution by March 2022. The dissolution of the subsidiary does not affect the Company's business operations in any way.

(3) Information about Juristic Persons in Which the Company Holds 10% or More of the Total Number of Shares Sold by the Company

Name : THAI HA Innovative Foods Co., Ltd.
Main Office Address : No. 140 Moo 5, Tambon Bangkratuek,
 Amphur Sampran, Nakornpathom 73210
Business Type : Engaged in the instant food and rice business
 for domestic and international sales.
No. of Common Shares Issued : 400,000 shares
Company Shareholding : 400,000 shares
Shareholder Equity of THAI HA PCL as of 31 December 2022 : 100%

1.3.2 People with Potential Conflicts of Interest in the Company's Subsidiaries or Affiliates

- None—

1.3.3 Relationships with the Business Groups of Major Shareholders

- None—

1.3.4 Shareholders

List of Top 10 Shareholders as of 14 March 2023

List of Shareholders	No. of Shares Held (shares)	Shareholder Equity (%)
1. Cheer Group Holdings Co., Ltd.	115,664,300	41.61
2. Mr. Thaveechat Chulangkul	13,500,000	4.86
3. Mr. Vorravuth Tangpiroonthum	12,641,300	4.55
4. Mrs. Pattama Tangpiroonthum	11,717,892	4.22
5. Mr. Somroek Tangpiroonthum	10,422,612	3.75
6. Miss Prinda Tangpiroonthum	10,295,010	3.70
7. Mr. Vich Withayathanakorn	4,000,000	1.44
8. Mr. Natthapong Panrattamongkon	2,020,200	0.73
9. Mr. Pawit Kinprathum	2,000,000	0.72
10. Miss Vichayasuda Hemakul	1,716,000	0.62

The shareholding structure of Cheer Group Holdings as of 14 March 2023 is as follows:

List of Shareholders	No. of Shares Held (shares)	Shareholder Equity (%)
1. Tangpiroonthum Group	25,766,049	78.08
2. Withayathanakorn Group	6,350,506	19.24
3. Mrs. Rattana Janthornphitak	532,909	1.62
4. Ms. Vilai Tangsin	234,900	0.71
5. Ms. Suparat Sakworarat	85,636	0.26
6. Miss Titima Orsiriwikorn	30,000	0.09
Total	33,000,000	100.00

- Remarks:
1. Tangpiroonthum Group consists of Mrs. Pattama Tangpiroonthum, Mr. Somroek Tangpiroonthum, Miss Prinda Tangpiroonthum, and Mr. Vorravuth Tangpiroonthum.
 2. Withayathanakorn Group consists of Mr. Phueanrak Nakhob, Ms. Worathida Withayathanakorn, Ms. Issara Withayathanakorn, Ms. Sararat Withayathanakorn, Ms. Woranut Withayathanakorn, Ms. Aranya Withayathanakorn, Mr. Chakrin Withayathanakorn, Mr. Chanwit Withayathanakorn, Mr. Suphachai Withayathanakorn, Ms. Sudarat Withayathanakorn, Mr. Wichai Withayathanakorn, Mr. Watchara Withayathanakorn, Mr. Aphisit Withayathanakorn, Mr. Phumphiphat Withayathanakorn, and Mr. Khuna Withayathanakorn.

1.4 Amounts of Registered and Paid-up Capital

The Company has a registered capital of 292,500,000 baht, paid-up 278,000,000 baht, divided into 278,000,000 ordinary shares with a par value of 1.00 baht each.

1.5 Issuance of Other Securities

Type of Debentures	Subordinated debentures with capital-like characteristics requiring one-time principal repayment upon dissolution of the Company or when the issuer exercises the right to early redemption of the debentures. The issuer has the right to defer interest payments along with the accumulation of unpaid interest on any date to the debenture holders for an unlimited period and number of times at the sole discretion of the issuer. Such debentures are debentures of the type specified in the name of the holder. There is no guarantee, no conversion, no representative of the debenture holders, and the issuer has the right to redeem the debentures before maturity
Limit of Issued Debentures	The total offering value is not more than 70 million baht.
Debenture Age and Interest Rate	<p>There is no perpetual maturity period and there is a floating interest rate which is as follows:</p> <ul style="list-style-type: none">• Years 1-5: Fixed rate of 5.25% per annum.• Years 6-25: Equal to the product of A) 5-year government bond yield, B) Initial credit spread, and C) 0.15% per annum.• Years 26-50: Equal to the product of A) 5-year government bond yield, B) Initial credit spread, and C) 1.00% per annum.• Years 51 and over: Equal to the product of A) 5-year government bond yield, B) Initial credit spread, and C) 2.00% per annum. <p>The initial credit spread is 3.14% per annum (calculated from the 5-year government bond yield calculated by the Thai Bond Market Association as of 3 August 2022) and the 5-year government bond yield refers to the yield interpolation of the 5-year government bond yield line at the end of the business day two business days prior to any interest rate adjustment date prepared by the Thai Bond Market Association.</p> <p>The 5-year government bond yield will be adjusted every five years to reflect the current interest rate conditions.</p>
Interest Payment Interval	Interest is paid every three months.

Early Redemption	The issuer has the right to redeem the entire amount of debentures as deemed appropriate on the first day on which their debenture redemption right can be exercised (maturity date is 5 years from the date of issuance of the debentures) or each interest due date after the first day that the right to redeem the debentures can be exercised or under the conditions stipulated in the terms and conditions.
Collateral	None
Type of Offer	No more than 10 cornerstone investors in any 4-month period to the directors and/or major shareholders of the Company.
Maturity Date	Redemption upon dissolution of the Company (Perpetual) or the issuer exercising the right of redemption in accordance with the rules and procedures set forth in the terms of rights.
Purpose of Use of Funds	To repay financial institution loans and/or use them as working capital in the business.
Consultant on the Issuance of Subordinated Debentures with Capital-like Characteristics	UBO Public Co., Ltd.
Legal Advisor	Araya & Partners Co., Ltd.

1.6 Dividend Payment Policy

The Company has a policy to pay dividends at the rate of no less than 50% of the net profit in the consolidated financial statements after deducting all types of reserves required by law and the Company. Dividend payments take into account the following various factors for consideration, e.g., include the Company's operating results and financial position, its liquidity, and its financial performance. The dividend payment mentioned above must be approved by the Board of Directors and the Shareholders' Meeting.

Dividend Payment Information for the Past 3 Years

Description of Dividend Payments	2022	2021	2020
Net Profit per Share (baht per share)	(0.10)	(0.25)	(0.09)
Dividend Rate per Share (baht per share)	No Payment	No Payment	No Payment
Dividend Payment Ratio to Net Profit (%)	No Payment	No Payment	No Payment

2. Risk Management

2.1 Risk Management Policy and Plan

The Company has established risk management policies and plans by preparing and assessing various risks both from external factors and internal operations, as well as establishing guidelines for risk administration and management to an acceptable level. Communication is also provided to employees.

2.2 Risk Factors for the Company's Business Operations

2.2.1 Business Risks

(1) Risks from the Covid-19 Pandemic

Due to the Covid-19 pandemic, the Company may be affected in production due to the problem of interrupted work due to employees being infected. At the same time, the closure of international borders prevented shipment from being transported normally and caused delays.

In addition, the Company may be affected by changing consumer behaviors and needs, such as concerns about infection from community facilities, causing consumers to avoid leaving their homes. As a result, there has been a slowdown in orders from hotel and restaurant customers who use the ingredients in food production.

Therefore, the Company has appointed a working group to monitor the situation and report relevant information in a timely manner, and to establish guidelines for managing and responding to such crises for maximum efficiency, as well as to take preventive measures in various areas such as managing the inventory level of raw materials, packaging and other production factors appropriately for orders and shipments abroad. The use of information technology as a tool to communicate with partners and customers, as well as to educate employees on the maintaining their own health and strictly complying with the cleanliness measures as announced by the Ministry of Public Health. Information technology is also used in work, such as online meetings.

(2) Risks from the Russo-Ukrainian War

The war between Russia and Ukraine is a violent event that could affect economies around the world, putting pressure on economic recovery after having to face the Covid-2019 pandemic for over 3 years.

The unrest between the two countries is likely to escalate and expand into a regional conflict, so there is also a chance that the trade impact will extend to European countries and affect Thailand. The European region is considered an important region for imports and exports of Thai products. In 2022, Thailand's trade with European countries was valued at about 10% of the country's total trade value.

With the rising trend in product prices due to shortages, the price of many types of products has increased significantly. This includes agricultural products, industrial

products, and energy products, which also contribute to the rise in oil prices in the global market.

In addition, Russia and Ukraine are considered major producers of chemical fertilizers. Thailand relies almost entirely on imports of chemical fertilizers from abroad, with around 5 million tons imported each year from the Middle East, China, Russia and Canada, among others. When the war started between the two nations, combined with the effect of rising oil prices in the global market, the cost of chemical fertilizer production rose by 36% - 49% compared to 2021, or nearly 100 percent. This will have a chain effect on distributors and farmers who need to use the products to start the upcoming crop seasons.

For the impact on the Thai economy due to the decline in global trade, Thailand's shipment volume is likely to be less than expected. Meanwhile, inflation accelerated. As a result, Thailand's economy is likely to expand at a lower rate than expected.

The situation of tensions in Ukraine is highly uncertain and can affect the global economy through multiple channels when coupled with the global economy that has recently started recovering from the Covid-19 crisis and the accelerating inflation problem, hostilities between Russia and Ukraine, as well as sanctions by Western countries, the fragility of the global economy could be aggravated, adding to the risk of a global recession.

(3) Risks from Changes in Raw Material Prices

Rice and flour, which are the Company's main raw materials for the production of bagged rice and vermicelli, are agricultural products whose prices change seasonally. Changes in raw material prices may affect the Company's performance.

The Company has a policy to closely monitor the price of raw materials. Short-term and long-term purchase agreements are agreed upon with both small and large the manufacturers and importers at the beginning of the season and measures are in place to check the quality and maintain standardized rice and flour storage. In addition, among the higher-end customers, the Company can adjust the price to compensate for the difference because consumers trust in the quality of jasmine rice under the Company's brand. This is especially true in international markets where there is no sales price regulator.

In addition, the Company has adjusted its production and distribution management system throughout the process, resulting in the Company having accurate and fast information to support decisions to adjust the operation plan effectively and allow for a significant reduction in operating costs and expenses. This enables the Company to compete with the global market in both the short and long term.

(4) Government Policy Risks

Rice is an agricultural product that has a significant impact on Thailand's economy. As a result, the government has several policies that may affect the Company's operations, such as the policy of setting the price of rice mortgage to help farmers, causing the price

of Thai rice to be higher than the world market price. This may result in the Company's overseas customers ordering substitute goods or reducing the number of orders.

However, the Company focuses on selling fragrant jasmine rice, which Thailand is the main producer in the world and the rice is a Thai variety that cannot be grown well in other countries. In addition, overseas consumers also have confidence in the quality of jasmine rice, and the Company focuses on opening up the market for agricultural products with trading partners as well.

In addition, the Company monitors and analyzes various government policies and their impact on the Company, and plans to support such policies by cooperating with government agencies, including attending meetings and seminars with government agencies to provide information and closely monitor movements.

(5) Export Risks

The Covid-19 pandemic has resulted in a decrease in the country's economy and purchasing power. This, coupled with the continued strengthening of the Thai Baht exchange rate, as well as the development of rice varieties by competing countries, may affect the Company's rice orders and increase competition in the rice market.

However, since consumers still believe in the quality of fragrant jasmine rice under the Company's brand, the Company is still able to retain its target customers, and the Company adopts a Made-to-Order policy for export products, so there will be no inventory. In addition, to reduce the original cost of producing fragrant jasmine rice, the Company has entered into contract farming with farmers to jointly develop new rice varieties.

(6) Environmental Impact Risks

The Company has established guidelines for the implementation and follow-up of environmental management related matters both inside and outside the factory, using the 3R concept: Reuse, Reduce, and Recycle. As a result, it is possible to reduce the amount of waste in the production process, reduce the disposal of waste materials and reduce the cost of waste disposal. The production process has been improved to reduce energy consumption, especially electricity consumption. The Company uses solar drying systems to produce vermicelli, which is a clean, safe and environmentally-friendly energy, and improves the production process to reduce dust and odor, as well as monitors the impact regularly. In the past year, the Company has passed all industry standards. It does not affect or damage the environment and community resources.

(7) Risks from Social Change

Continuous changes in society, including technological advancement caused the lifestyle of human beings in this modern era to change dramatically, especially those in big cities. Therefore, consumption habits change accordingly. In addition, due to the Covid-19 outbreak and social distancing measures, there has been a change in shopping habits from in-store shopping to online shopping. If the Company does not adapt to society and technology, it may affect business operations due to reduced competitiveness.

To handle the situation, the Company has used information technology as a tool to communicate with partners and customers in addition to increasing its outreach to customers on various online media such as the Company's website and Facebook, as well as expanding its business in the e-commerce segment and selling products through vending machines, which is a B2C business, as well as participating in food delivery services via various applications. Moreover, the Company has expanded its ready-to-eat, snack and health product businesses for added revenue and to generate profit for the Company.

(8) Corporate Governance Risks

The persons holding the positions of Chairman of the Board of Directors Chief Executive Officer of the Company belong to the same family, which may make it seem that the Company does not have a balance of power between the Board of Directors and management.

Nevertheless, the Company recognizes the importance of good corporate governance and, therefore, has clearly separated the powers and duties of the Chairman of the Board of Directors and the Chief Executive Officer. This makes the division of roles and responsibilities between the Board of Directors and management clear and properly balanced. In addition, the Company appoints directors without giving any person or group the power to make decisions based solely on one person or group. In order to effectively manage the work and create a counterbalance mechanism, the Company has a management structure with clearly distributed chain of command. The management and decision-making powers are decentralized to the parties within the Company as appropriate, so the decision-making and management power does not lie solely with the Chief Executive Officer.

(9) Corruption Risks

To reduce the risk of corruption, the Company has established anti-corruption policies and measures, including an internal control system that systematically defines operational procedures, compliance with relevant laws and monitoring the strict compliance of employees. In addition, the Company has invested in the implementation of the SAP S/4 HANA system and a smart warehouse system in management, production, sales and marketing, which will allow all departments to systematically plan and coordinate their work and enable them to receive accurate and timely information, which will help in risk management and reduce corruption, especially in the prevention of damaged and lost goods.

In this regard, The Company has been certified as a member of the Thai Private Sector Collective Action Coalition Against Corruption (CAC) project by the Thai Institute of Directors (IOD).

(10) Cyber Threat Risks

Risks from cyber threats are important and affect the Company's operations, particularly important systems such as networking, financial and accounting systems, internal management system and human resources, which also contain personal information owned by the Company. If there is a problem with the Company's

information technology system, access to the personal data held by the Company will affect the Company's operations and reputation.

Therefore, the Company has planned and invested in developing a work system to support new technologies and prevent risks from cyber threats, such as improving the computer network system to make it ready to avoid failure of the network system and server to ensure that the system can work continuously, prevent network access and establish strict security control measures such as a firewall system and setting up a network as a backup center to support emergencies, so the business can continue to operate.

2.2.2 Production Risks

- (1) Risks associated with the government's salary and minimum wage policies.

Due to the fact that the Company's production and distribution processes require a large number of day-to-day workers and office workers, the announcement of a minimum wage hike and raise in salaries of undergraduate employees in line with government policy has significantly increased the company's production and operating costs

To handle this situation, the Company has been working to improve the work system to be connected throughout the process to reduce unnecessary operational procedures. Training is provided to improve the skills of employees and automate the production process by adding machinery to the production line, which has made it possible to partially reduce the need for labor.

- (2) Flood Risks

Since the massive flooding in late 2011, the company has purchased disaster insurance to hedge the risks and invested in landscaping around the locations of all facilities. In addition to the original flood protection line for use as a new line of defense. This also includes canceling the rental of certain establishments in risky and difficult-to-protect areas in the future.

2.2.3 Financial Risks

- (1) Risk of Fluctuations in Foreign Currency

The Company has policy to give greater importance to international marketing. The goal is to establish the company's brand as a global brand. Meanwhile, the Company's exports to foreign countries accounted for 60% of the combined sales of the Company and its subsidiaries in 2022. The Company has focused on preparations for production readiness, distribution and marketing under the "KASET BRAND", "SMART CHEF", "IMPERIAL TASTE", "FIRST LADY", "COCO RIZ ROLL" and "COCO JAS ROLL" brands by delivering products to consumers in a wide range of countries, so there are risks from exports in terms of fluctuations in the dollar currency or other currencies which the Company incurs in selling the Company's products.

Nevertheless, the Company is hedging these risks by providing working capital in dollars proportionately to no more than the expected amount from exports in order to reduce the risk of changes in currency. In addition, the Company has purchased

currency forward contracts on the date of delivery to customers with some commercial banks, and will record the sales in Thai baht according to the exchange rate of the commercial bank on that date. This allows the company to recognize certain revenue and cost prices. Therefore, it reduces the volatility of foreign currency income.

2.2.4 Risks Affecting the Rights or Investments of Security Holders

(1) Risks from the Company Having Major Shareholders with Equity Exceeding 25%.

Cheer Group Holdings Co., Ltd. is a shareholder of the Company at 41.61%¹ of the total number of shares sold, thus allowing Cheer Group Holdings Co., Ltd. to exercise its right to object or disapprove of the resolutions at the shareholders' meetings on matters required by the Company's Articles of Association or related laws, which require at least three-fourths of the total number of votes of shareholders present at the meeting and entitled to vote.

Note: ¹Information as of 14 March 2023

(2) Risks from Having Accumulated Losses, Resulting in the Potential Inability to Payout Dividends in the Near Future

In the fiscal year 2022, the Company had a net loss (excluding subsidiaries) of 50.84 million baht. This is the company's fourth consecutive year of net loss and it has resulted in the Company's accumulated loss (unallocated) at the end of 2022 amounting to 149.98 million baht. The Company has accumulated losses over the past four years. This is partly due to the Covid-19 pandemic, while the Company is experiencing high competition. As a result, the Company's sales and net profit ratio decreased. As a result, the Company is unable to pay dividends to shareholders in accordance with the law and shareholders are at risk of not receiving dividends in accordance with the dividend payment policy.

However, at the moment, the Company is in the process of adjusting its marketing strategy. The Company expects that the implementation of such plans will increase product sales and enable the Company to start profiting.

3. Driving Business to Achieve Sustainability

3.1 Sustainability Management Policy and Goals

The Company aims to operate its business to be prosperous and grow stably and sustainably, creating wealth for all stakeholders in a balanced manner. Other than the determination to drive the business to achieve success in a legal manner, the Company also takes into account and participates in social and environmental stewardship within the framework of good business ethics, respect to international human rights principles and adhere to the principles of good corporate governance, along with the development of personnel in various aspects, including positive ideas and attitudes, which create initiatives to create good work and give back to society in order to achieve the Company's vision and mission as follows:

Vision	Become a Global Brand
---------------	-----------------------

Mission	<ul style="list-style-type: none">(1) Producing good quality, safe and legal products under high international food standards.(2) Continuously creating added value for various agricultural products and processed agricultural products.(3) Creating maximum customer satisfaction.(4) Continuous development of personnel capabilities and enhancement of personnel quality of living.(5) Committing to continuously giving back to the society and community.
----------------	---

3.2 Management of Impact to Stakeholders in the Business Value Chain

3.2.1 Business Value Chain

(1) Primary Activities

Managing Production Factors

Since the Company's products are agricultural and processed agricultural products, it is difficult to control the quality to be stable and consistent. Therefore, the Company places great importance on selecting the source of local raw materials with quality and safety, incoming inspections of raw materials, and production control processes to ensure the highest satisfaction of consumers. The Company buys rice directly from the rice mill and brokers. Mung beans are the only ingredients for vermicelli production that are purchased entirely from brokers. Grains, such as black sticky rice, black beans, white sesame seeds and black sesame seeds are purchased from the mill, cooperatives' brokers and farmers' brokers. As for palm and soybean oils, the Company buys refined raw materials from all domestic manufacturers. In addition, the Company has entered into contract farming with farmers to jointly develop new rice varieties. In the procurement process, the Company has established guidelines and procedures for procurement, and criteria for selecting trade partners clearly to ensure fairness and independence between the Company and its partners in a transparent and accountable sourcing system.

Operations

Due to the Company's business of producing rice, vermicelli, vegetable oils and grains being consumer goods derived entirely from natural raw materials, the production process is simple and environmentally friendly and can handle by-products from the production of products such as rice bran, which comes from the production of bagged rice, or fresh and dry mung bean meal, and dried green bean protein from vermicelli production, which the Company can use as raw materials and/or farmers can buy it for animal feed or natural fertilizer.

Moreover, the vermicelli factory in Amphur Takhli, Nakornsawan, has a standard wastewater treatment system to preserve nature. The system can treat water with minimal energy and the treated water can be used well for agriculture.

The Company has an effective policy for storing and protecting products and raw materials that are agricultural produce. This can be seen in the fact that the Company has received certification from the Department of Foreign Trade, Ministry of Commerce, namely the Certificate for Good Manufacturing Practice (GMP) and the Hazard Analysis and Critical Control Point (HACCP), which is a food safety quality assurance system.

Product and Service Distribution

The Company uses the SAP S/4 HANA system to link with automated warehouse systems and transportation systems for modernity and speed to meet the needs of customers and the Company's business expansion in the future. In addition, the Company also uses standards to control food safety during loading and transportation processes.

Marketing and Sales

The Company determines the price of goods appropriately and provides accurate and complete information about goods and consumption.

The Company proactively conducts marketing activities by adding new product lines to meet the needs of potential markets. The Company has a policy to fulfill sections of the market that is vacant and has growth potential, for example, by adding new products such as new flavors of instant vermicelli, new packaging for instant congee, vermicelli wraps for health lovers with charcoal vermicelli, which makes a difference in the market, and snacks that resonate with consumers

The Company uses a mixed marketing strategy to build brand loyalty, differentiating itself and gaining advantages by, for example, using electronic advertising materials or public relations such as the Company's website and Facebook, as well as participating in exhibitions and giving freebies with the products.

After Sales Service

The Company gives importance to customer satisfaction and therefore has set up an agency that handles customer complaints through various channels such as telephone, email, website and Facebook of the Company in order to provide advice and expedite the resolution of customer problems as soon as possible.

(2) Support Activities

Technology Development

The Company cooperates with the government and farmers to develop new rice varieties, such as K.B.43 fragrant rice, to increase nutritional benefits and increase value.

The Company has invested in using the SAP S/4 HANA system in the existing ERP (Enterprise Resource Planning) system management, production, accounting and finance, sales and marketing, which will allow all units to make plans, coordinate work and perceive information rapidly and promptly.

Human Resource Management

The Company manages its human resources by structuring the organization as a low-tier chain of command, making speedy response to the management's policies, performance reporting and adjustment to market situations is possible.

3.2.2 Analysis of Stakeholders in the Supply Chain of the Business

Stakeholders	Stakeholders' Expectations	Response to Stakeholders' Expectations
Stakeholders in the Organization		
Shareholders	<ul style="list-style-type: none">Adapting strategies in line with changes for sustainability.Increasing competitiveness and continuous business growth.Operating with transparency and accountabilityPerforming activities with responsibility to society, communities and the environment.Offering regular returns on investment.	<ul style="list-style-type: none">Improve product quality as well as introduce new products to generate good performance.Analyze and manage potential risks occurring in the future.Operate within the framework of the law, business ethics and good corporate governance.Disclose information through the Company's website and the Stock Exchange of Thailand.Support activities that are in the public interest.Comply with the Company's dividend payment policy.

Stakeholders	Stakeholders' Expectations	Response to Stakeholders' Expectations
Employees	<ul style="list-style-type: none"> Developing employee potential for career advancement. Treating employees with fairness. Commensurate remuneration, privileges and benefits. 	<ul style="list-style-type: none"> Encourage all employees to have knowledge and ability by training and promoting learning in the field. Take care of employees equally and fairly. Evaluate performance fairly and provide appropriate remuneration and benefits.
Stakeholders Outside the Organization		
Trade Partners	<ul style="list-style-type: none"> Treating trade partners with fairness. Acting in compliance with trade terms Promoting and developing raw materials together. Participating in problem-solving. Combatting corruption. 	<ul style="list-style-type: none"> Adhere to conducting business with business partners with fairness, equality and mutual benefits. Strictly comply with the terms and conditions of trade agreements entered. Solve problems together in a friendly way. Engage in transparent and accountable procurement The guidelines and procedures for procurement and selection criteria must be clearly defined to ensure fairness and independence between the Company and its partners.
Customers	<ul style="list-style-type: none"> Delivering quality products Products are safe and environmentally friendly. Understanding customer needs. Contacting, monitoring and having post-sale services 	<ul style="list-style-type: none"> Be attentive and responsible to customers by producing quality and standardized products. Develop products with safe and environmentally friendly innovations, such as using solar drying systems to produce bean vermicelli. Have a unit responsible for receiving customer complaints to take corrective action as soon as possible. Maintain the confidentiality of all customers.

Stakeholders	Stakeholders' Expectations	Response to Stakeholders' Expectations
	<ul style="list-style-type: none"> Maintaining customer confidentiality. 	
Competitors	<ul style="list-style-type: none"> Compliance with applicable rules, regulations and laws 	<ul style="list-style-type: none"> Operate within a framework of good competition rules. Maintain the norms of the competition code of conduct. Avoid dishonest methods that would destroy competitors. Comply with applicable rules, regulations and laws.
Creditors	<ul style="list-style-type: none"> Compliance with terms and agreements. 	<ul style="list-style-type: none"> Adhere to business practices with principles and discipline. Strictly comply with any contracts, agreements or conditions with creditors.
Communities	<ul style="list-style-type: none"> Mitigation of negative impacts from operations. Promoting and supporting social activities that benefit communities and society. 	<ul style="list-style-type: none"> Adhere to the responsibility policy for the environment of the community and society as an important policy of the Company. Monitor and improve factory systems, such as maintaining the effluent treatment system to meet environmental standards, which can be done with minimal energy. Various Types of Social Assistance: Recognizing the importance of improving the education of Thai youths, the Company awards scholarships to schools around the factory in Phutthamonthon and nearby areas on an annual basis. Support money or products for various activities of government agencies, schools, temples and other charities on a regular basis.

3.3 Sustainability Management in Environmental Dimensions

3.3.1 Environmental Policies and Practices

The Company's bagged rice, bean vermicelli, vegetable oil and grain production businesses produce consumer products made entirely from natural raw materials. There is a simple production process that does not release toxic substances into the environment. Nevertheless, the Company recognizes and gives importance to environmental protection and natural resource conservation. Therefore, the Company has established the following policy guidelines:

- (1) The Company is committed to strict compliance with environmental laws and standards.
- (2) The company aims to develop production processes using natural energy.
- (3) The Company focuses on reducing energy and resources within the Company by cultivating awareness and campaigning for employees to know how to protect the environment and conserve natural resources such as the following:
 - (3.1) Campaign to save electricity and water supply by turning it off when it is out of use, controlling air conditioner temperatures at 25 degrees and sorting garbage and waste.
 - (3.2) Encourage data collection by scanning data in electronic file formats instead of paper document storage, as well as encouraging cost-effective use of paper such as front-back printing or reuse to reduce printing and paper consumption.
 - (3.3) Choose eco-friendly products or refillable packaging.

3.3.2 Environmental Performance Results

(1) Energy Management

In line with its policy of developing production processes by using natural energy, the Company has invested in innovations such as the use of a solar drying system to produce bean vermicelli that is clean, safe and does not damage the environment. In addition to the policy of reducing energy consumption and resources within the Company, the Company is able to manage energy efficiently, including both lighting and air conditioning systems, by installing and maintaining the control equipment of the related electrical systems. As a result, the Company can reduce electricity consumption as follows:



Table Showing Electricity Use

Unit: THB

Location	2022	2021	Increase (Decrease)	Proportion (%)
Office & Factory Buildings Amphur Sampran, Nakornpathom	1,777,199.20	2,149,279.28	(372,080.08)	(17.31%)
Office & Factory Buildings Amphur Takhli, Nakornsawan	2,480,581.18	2,069,511.40	411,069.78	19.86%
Total	4,257,780.38	4,218,790.68	38,989.70	0.92%

The increase in electricity used at Amphur Takhli, Nakornsawan is due to the expansion of the factory and increased production capacity from the year 2021.

(2) **Water Management**

Water resources are an important factor in production. Collecting water usage data enables the Company to develop and improve water resource management effectively in order to reduce the cost of business operations and reduce the risk of shortage of quality water resources. The Company constantly performs repairs and maintenance in addition to inspecting the conditions of the water supply system for the production process to ensure that it meets standards. For office buildings, the Company has adjusted the flow rate of water at the washbasin and sanitary ware inside the building, in addition to effectively managing the effluent, which can be treated with minimal energy. This amount can also be used for agricultural purposes.

Table Showing Water Use

Unit: THB

Location	2022	2021	Increase (Decrease)	Proportion (%)
Office & Factory Buildings Amphur Sampran, Nakornpathom	133,303.00	290,520.00	(157,217)	(54%)
Office & Factory Buildings Amphur Takhli, Nakornsawan	-	-	-	-
Total	133,303.00	290,520.00	(157,217)	(54%)

(3) Garbage, Waste and Pollution Management

The Company can handle by-products from the production of products such as rice bran, which comes from the production of bagged rice or fresh mung bean meal, dried mung bean meal and dried mung bean protein from vermicelli production, which the manufacturing company can use as raw material and/or farmers can buy for animal feed or bio-fertilizer.

In addition, the Company systematically manages garbage and waste in its business operations in accordance with the 3-R principle (Reduce-Reuse-Recycle). There is an efficient waste sorting system along with raising awareness of participation among employees and stakeholders. Furthermore, the Company performs environmental quality measurements in factories and around the workplace at least once a year. In 2022, odors, sounds and lighting were within the normal range as required by law.

(4) Management to Reduce Greenhouse Gas Problems

The Company focuses on managing to reduce greenhouse gas problems. The Company's activities may have an impact on greenhouse gas emissions in terms of energy consumption, such as the use of electricity from air conditioners. Nevertheless, the Company is in the early stages of considering, studying and collecting data for setting guidelines and strategies to reduce greenhouse gas problems in the future, which will be disclosed in the implementation period.

3.4 Sustainability Management in the Social Dimension

3.4.1 Social Policies and Practices

The Company has set business policy by taking into account corporate social responsibility and stakeholders as follows:

(1) Fair Business Practices

In order to operate the business in the best interests of shareholders, the Company is committed to conducting business legally under the framework of good business ethics and adherence to the principles of accountability, transparency and fair treatment of all parties in order to achieve its vision and mission.

(2) Responsibility to Consumers

Recognizing the importance of customer satisfaction to its business success, the Company intends to constantly seek ways to meet customer needs more efficiently and effectively, which is defined as the Company's quality policy that "We are committed to producing good quality, safe and legal products and services with continuous improvement to win the hearts of customers." Therefore, the guidelines are defined as follows:

- (2.1) Strive to build satisfaction and confidence for customers to receive good quality products and services at reasonable prices by continuously and seriously raising standards.

- (2.2) Completely, accurately and promptly disclose information about products and services without exaggerating the facts in a way that would mislead customers about quality, any quantity or condition of goods or services.
 - (2.3) Strictly comply with the conditions with customers. In case of failure to comply with any of the conditions, we must immediately notify customers in order to jointly consider solutions to the problem.
 - (2.4) Meet customer needs with speed and punctuality for maximum customer satisfaction.
 - (2.5) Maintain customer confidentiality seriously and regularly, including not using customer information illegally for personal benefit or the benefit of others.
 - (2.6) Provide systems and processes that allow customers to file complaints about the quality, quantity and safety of goods and services, including the speed of response or delivery, and the utmost action to ensure that customers receive a quick response.
 - (2.7) Respect customers and interact with customers with courtesy, efficiency and trustworthiness.
- (3) Respect for Human Rights

The Company requires that directors, executives and all employees respect the Universal Declaration of Human Rights as follows:

- (3.1) The Company encourages employees to exercise their rights as citizens in accordance with the Constitution and the law.
 - (3.2) The Company will maintain the confidentiality of the personal information of employees, such as biography, health history, work history, etc. The disclosure or transfer of employees' personal information to the public will only be done with the approval of the employee. Any violation will be considered a disciplinary offense, unless committed in compliance with company regulations or the law.
 - (3.3) The Company does not support activities that violate international human rights principles or corruption.
 - (3.4) All employees must refrain from committing any acts that would be violating or threatening, whether in word or deed against others, on the basis of race, gender, religion, age, physical or mental disability.
- (4) Fair Treatment of Workers

The Company recognizes that employees are an important factor of sustainability and, therefore, it is the Company's policy to provide fair treatment in terms of opportunity, remuneration, appointment, transfer and capacity building in accordance with the United Nations Guiding Principles on Business and Human Rights ("UNGPs"). The guidelines are defined as follows:

- (4.1) Treat employees with politeness, respect for individuality and human dignity
- (4.2) Provide fair remuneration based on knowledge, competence, responsibility and performance.
- (4.3) Ensure that the working environment is always safe for the lives and property of employees.
- (4.4) Appointments and transfers, including employee awards and penalties, are done in good faith and based on the knowledge, competence and suitability of the employees.
- (4.5) Give importance to the development, transfer of knowledge and abilities of employees by providing opportunities for all employees on a regular basis.
- (4.6) Listen to opinions and suggestions from employees at all levels equally and equitably.
- (4.7) Strictly comply with all laws and regulations relating to employees.
- (4.8) Create and maintain an atmosphere of unity and solidarity among employees. Avoid any actions that may affect the company's reputation and image or subsequently cause problems for the Company.

(5) Community or Social Development

The Company places importance on business development for stability along with commitment to continuously giving back to society and communities. The following guidelines have been established:

- (5.1) Support activities that benefit the community and society in an appropriate way.
- (5.2) Provide assistance or donations of goods and property to victims of various disasters as appropriate.
- (5.3) Consider alternatives for utilizing resources sparingly with minimal impact on the damage to communities, the environment and people's quality of life.

3.4.2 Social Performance

(1) Employees and Workers

The Company adheres to human rights principles from employment to the care of employees and personnel to ensure that all employees and personnel feel attached in the same family as the organization. In 2022, the Company conducted the following key activities with employees:

(1.1) Hiring

As of 31 December 2022, the Company had a total of 149 employees and workers, with remuneration in 2022 amounting to 37.91 million baht, which includes salaries, social security fund contributions, provident fund contributions, and other remuneration such as overtime, travel and allowances,

etc. The number of employees and workers of the Company can be divided by main line of work as follows:

Main Line of Work	No. of Employees (people)
1. Factory	90
2. Sales/Marketing	20
3. Management and Technical Support	4
4. Accounting, Finance, Administration and Human Resources	35
Total	149

The numbers of employees and workers of the Company are divided by gender as follows:

Description	No. of Employees (people)	
	Male	Female
Regular Employees (daily)	24	58
Regular Employees (monthly)	31	34
Disabled Employees	1	1
Total	56	93

The Company does not have a trade union. There are no child labor or human rights violations.

(1.2) Human Resource Development

The Company has policy to retain knowledgeable and capable personnel with the organization. The practice guidelines are as follows:

- (1.2.1) The Company selects people who are knowledgeable, capable and suitable for their respective positions.
- (1.2.2) Training is held upon entry to work as a means of familiarization before starting work.
- (1.2.3) Training is held regularly in specialized knowledge and techniques. The training is conducted both on and off site in order to gain more skills at certain jobs and improve the quality of employees to keep up with the current situation. In addition, the Company has dispatched personnel to study at various places that provide knowledge and technology in certain areas, as well as hiring qualified personnel with knowledge and expertise from various sources to train employees. In 2022, the Company held training in various areas for an average of 8 hours per employee per year.

- (1.2.4) The Company has planned a training path to prepare and develop personnel to work toward achieving the mission of the organization by developing personnel to have competency as specified.
- (1.2.5) The Company has criteria for determining salary as appropriate for the organization and its personnel to please both parties. In order to incentivize the selection of high-quality and suitable individuals for their respective duties, be comparable to other companies and the labor market, the Company has an attractive hiring rate compared to organizations of the same level.
- (1.2.6) The Company provides various good benefits for employees, considering them to be part of the organization.
- (1.2.7) The Company has established a provident fund for employees, which is considered to take care of employees in the long term, whereby employees can accumulate money at the rate of 2% of their salary; the Company contributes at the same rate.

(1.3) Occupational Safety, Health and Working Environment

In 2022, the Company continuously developed and improved safety and operational efficiency to reduce the risk of work-related injury, illness or death and properly took care of the quality of life of workers or employees. The key operations were as follows:

- (1.3.1) Strict compliance with applicable safety laws
- (1.3.2) Preparation of safety manuals for work and provision of training for employees.

In 2022, no cases of work-related injuries requiring leave from work were detected.

(1.4) Employee Commitment

In 2020, the Company made plans to improve employee commitment by providing various benefits to employees, such as modernizing office buildings and improving public utilities, amenities and landscaping surrounding the offices and factories. Furthermore, various activities were held such as vegetable planting activities and kitchen gardens along the walls of the facilities. In 2020, companies had no significant change in the number of employees and there were no major labor disputes.

(2) Customers

The Company continuously develops products to meet customer satisfaction with responsibility, honesty and ethics. In 2022, no complaints were filed on significant issues.

(3) Community & Society

The Company operates its business with responsibility to the community and society, focusing on minimizing environmental impacts and avoiding operations with potentially negative impact the quality of life of the communities surrounding the establishment. In 2020, no complaints filed by the community were found on social or environmental issues.

In addition, the Company is also involved in improving quality of life and society through commercial activities, reduced prices, and helping people.



4. Management Discussion and Analysis (MD&A)

4.1 Analysis of Operations and Financial Position

4.1.1 Performance Analysis

The Company manufactures and sells agricultural products, processed agricultural products and semi-finished foods such as bagged Thai jasmine rice, bean vermicelli, and value-added products such as instant rice porridge, instant bean vermicelli and coco rolls produced by THAI HA Innovative Foods Co., Ltd., a new subsidiary in Thailand that manufactures and sells foods including foods made from vegetables, fruits and mushrooms (plant-based foods) and instant foods.

(1) Revenue

The revenue structure of the Company and its subsidiaries consists of the revenue from the sale of goods as follows:

Revenue from Product Sales	2022 (million baht)	2021 (million baht)	Increase (Decrease)	
			Amount (million baht)	Ratio (%)
Rice	307.23	385.86	(78.63)	(20.38)
Raw Materials	37.83	44.23	(6.40)	(14.47)
Semi-finished Products	29.39	21.25	8.14	38.31
Trading	60.38	57.73	2.65	5.59
Snacks	32.79	27.05	5.74	21.22
Total	467.62	536.12	(68.50)	(12.78)

In 2022, the Company and its subsidiaries had total revenue of 467.62 million baht. The growth rate decreased by 12.78% compared to 2021, which was due to lower sales volumes due to the adjustment of the strategy of selling more finished and semi-finished products, temporary reduction of the proportion of rice sales in international sales channels during drought and the COVID-19 outbreaks.

(2) Gross Profit Margin

Gross Profit Margin was increased from 15.23% in the year 2021 to 16.24% in 2022 caused by the sale of TIF's products, which started production and sale in 2022.

(3) Sales and Administrative Expenses

Selling expenses decreased from 80.65 million baht in the year 2021 to 57.43 million baht in 2022, decreased by 23.22 million baht or -28.79% due to decreased in export costs. In addition, as a result of the termination of the product agreement and

distribution contract with a distributor during the year 2022, resulting in decreased distribution costs.

Administrative expenses increased from 65.41 million baht in the year 2021 to 68.39 million baht in 2022, increased by 2.98 million baht or 4.56%, due to TIF's operations during the year 2022.

4.1.2 Analysis of Financial Position

(1) Assets

The total assets of the Company and its subsidiaries in 2022 amounted to 788.05 million baht, an increase of 16.12% from 2021 due to an increase in investments in subsidiaries and fixed asset investments.

(2) Liabilities

According to the detailed analysis of the composition of the Company's and its subsidiaries' liabilities shown in the table below, it was found that out of the total debt burden, the proportion of interest-bearing liabilities in 2022 is approximately 224.00 million baht, or approximately 58.43%.

Description	Company & Subsidiaries (Consolidated)			Company (Separated)		
	2022	2021	2020	2022	2021	2020
Liabilities with Interest Burden (million baht)	224.00	311.14	236.00	224.00	311.14	236.00
Liabilities with No Interest Burden (million baht)	113.24	111.54	73.05	109.19	104.46	73.01
Liabilities with Interest Burden/Total Liabilities	58.42%	71.76%	72.11%	59.90%	72.95%	72.12%
Liabilities with No Interest Burden/Total Liabilities	29.54%	25.72%	22.32%	29.20%	24.49%	22.31%
Current/Total Liabilities	87.96%	97.48%	94.43%	89.10%	97.44%	94.43%

The structure of the debt burden is mainly current liabilities in accordance with the Company's money management policy as stated above. The ratio of current liabilities to total liabilities is also shown in the table above.

(3) Shareholder Equity

In 2022, total shareholders' equity amounted to 394.66 million baht. This was an increase of 66.92% from 2021 as a result of the Company's net loss of 69.59 million baht in 2022.

(4) Liquidity

The Company and its subsidiaries had net cash used in operating activities in 2022 of 17.11 million baht.

4.2 Key factors or events that may significantly affect financial or operational position in the future (Forward Looking)

- 4.2.1 The Company will continue to adhere to the principle of strong branding coupled with caution in business operations by increasing operational efficiency and reducing production costs, as well as using financial costs efficiently. The company seeks to look for opportunities to increase its products to cover a wider range of target groups and increase distribution channels to be more diverse in order to balance revenue sources.
- 4.2.2 Concerning possible uncertainties, such as the price and quantity of raw materials, which vary depending on weathering and government policies, as well as fluctuations in foreign exchange rates potentially affecting the Company's operations, the Company will continue to closely monitor the situation, and also has futures contracts to mitigate risks.
- 4.2.3 In terms of the policy of stockpiling raw materials, especially rice, which is the Company's main product, the management takes into account the following factors, namely, the price trend of non-milled rice, sales volume of bagged rice in the market, factory production rates, and money market interest rates to forecast the storage quantity to obtain the right quantity and stock price of raw materials.
- 4.2.4 Current oil price uncertainty, which affects economic and consumer conditions, will inevitably affect the sales of the Company and its subsidiaries. However, the management of the Company and its subsidiaries continues to implement policies to maintain market shares and find new international markets to meet the increased production capacity as well as maintaining margins above 10%. Therefore, promotional expenses will continue to be incurred to achieve this policy.
- 4.2.5 In managing the cash flows of the Company and its subsidiaries, the management seeks to increase cash flow from operations, especially in terms of increasing debt collection efficiency, managing stock storage and reducing the use of cash flow in investments due to the significant investment in production expansion earlier. Excess liquidity will also be used to pay off debts to reduce interest burdens in the event of rising interest rates.

4.3 Information from Financial Statements and Important Financial Ratios

According to the auditor's report, Ms. Chintana Mahawanit, Certified Public Accountant License No. 4687 from C&A Audit Office Co., Ltd. audited the consolidated financial statements and the Company-specific financial statements for 2022. The operating results and cash flows are as accurate as they should be in essence in accordance with generally accepted accounting principles.

Summary of Financial Statements

(Thousand Baht)

Balance Sheet	Consolidated Financial Statements			Separate Financial Statements		
	2022	2021	2020	2022	2021	2020
Current Assets						
Cash and Deposits for Financial Institutions	17,122	31,143	36,345	16,193	23,768	36,267
Trade Receivables and Other Receivables	149,572	224,679	109,649	149,389	224,319	109,653
Inventories	152,375	121,481	187,909	150,956	121,481	187,909
Other Current Assets	4,226	3,619	18,771	3,990	3,619	18,771
Total Current Assets	323,295	380,922	352,674	320,528	373,187	352,600
Investments in Related Businesses	25,000	0	0	25,000	25,000	0
Land, Plant and Equipment - Net	427,312	258,889	235,333	380,162	237,966	235,333
Intangible Assets - net	25,934	27,388	37,947	23,230	25,970	37,947
Other Non-current Assets	1,509	2,839	1,668	976	2,839	1,668
Total Non-current Assets	454,755	289,116	274,948	429,368	291,775	274,948
Total Assets	778,050	670,038	627,622	749,896	664,962	627,548
Current Liabilities						
Short-term Loans from Financial Institutions	224,000	311,141	236,000	224,000	311,141	236,000
Short-term Loans from Related Businesses	6,875	6,875	0	0	0	0
Trade Creditors and Other Creditors	102,388	98,938	66,719	105,244	98,732	66,667
Other Current Liabilities	3,974	5,722	6,335	3,941	5,722	6,335
Total Current Liabilities	337,237	422,676	309,054	333,185	415,595	309,002

Balance Sheet	Consolidated Financial Statements			Separate Financial Statements		
	2022	2021	2020	2022	2021	2020
Deferred Tax Liabilities	43,495	8,581	12,043	38,286	8,581	12,043
Reserve Long-term Employee Benefits	2,656	2,349	6,192	2,474	2,349	6,192
Total Non-current Liabilities	46,151	10,930	18,235	40,760	10,930	18,235
Total Liabilities	383,388	433,606	327,288	373,945	426,525	327,237
Registered Capital	292,500	292,500	292,500	292,500	292,500	292,500
Issued and Paid-up Capital	278,000	278,000	278,000	278,000	278,000	278,000
Share Premium	24,542	24,542	24,542	24,542	24,542	24,542
Perpetual Bond	69,590	0	0	69,500	0	0
Accumulated Profit (Loss) – Unallocated	(131,273)	(103,223)	(52,236)	(149,983)	(99,231)	(51,204)
Allocated – Legal Reserves	803	803	803	803	803	803
Other Components of Shareholders' Equity	153,000	36,310	49,224	153,000	34,323	48,170
Total Shareholders' Equity	394,662	236,432	300,334	375,951	238,437	300,311
Total Shareholders' Debt and Equity	778,050	670,038	627,622	749,896	664,962	627,548

Income Statement	Consolidated Financial Statements			Separate Financial Statements		
	2022	2021	2020	2022	2021	2020
Revenue from Sales	467,623	536,119	609,355	461,552	536,119	609,355
Gains on Exchange Rate	20,835	0	0	0	0	0
Other Revenue	8,414	1,564	10,666	6,127	2,489	10,663
Total Revenue	496,872	537,683	620,021	467,679	538,608	620,018
Cost of Sales	391,691	454,467	529,745	390,152	454,467	529,745
Excess Production Overhead Costs from Below-Normal Production Capacity	125,824	151,282	109,748	121,151	149,247	109,705

Income Statement	Consolidated Financial Statements			Separate Financial Statements		
	2022	2021	2020	2022	2021	2020
Selling and Administrative Expenses	517,515	605,749	639,493	511,303	603,714	639,450
Total Expenses	7,639	4,405	4,117	7,362	4,405	4,880
Interest Paid	144	3,461	0	144	3,461	0
Income (Expenses) from Income Tax	(28,138)	(69,010)	(23,589)	(50,841)	(66,050)	(31,027)
Net Profit (Loss)	467,623	536,119	609,355	461,552	536,119	609,355

Cash Flow Statements	Consolidated Financial Statements			Separate Financial Statements		
	2022	2021	2020	2022	2021	2020
Cash Derived from (Used in) Operations	17,533	(38,881)	38,941	21,788	(36,278)	38,940
Cash Derived from (Used in) Investments	(13,390)	(45,388)	(53,977)	(10,527)	(47,480)	(53,977)
Cash Derived from (Used in) Financing	(18,467)	78,116	(1,016)	(18,467)	71,241	(1,016)

Financial Ratios	Consolidated Financial Statements			Separate Financial Statements		
	2022	2021	2020	2022	2021	2020
Liquidity Ratio						
Liquidity Ratio (Times)	0.96	0.90	1.14	0.96	0.90	1.14
Quick Ratio (Times)	0.51	0.61	0.53	0.51	0.60	0.53
Cash Flow Liquidity Ratio (Times)	0.05	0.11	0.13	0.07	0.10	0.13
Trade Receivable Turnover Ratio (Times)	3.13	3.09	4.86	3.09	3.09	4.86
Average Collection Period (Days)	117	118	75	118	118	75
Inventory Turnover Ratio (Times)	12.75	35.25	26.55	13.13	35.25	26.55
Average Inventory Period (Days)	29	10	14	28	10	14

Financial Ratios	Consolidated Financial Statements			Separate Financial Statements		
	2022	2021	2020	2022	2021	2020
Account Payable Current Ratio (Times)	4.74	6.6	7.9	4.53	6.6	7.9
Payment Period (Days)	77	56	46	80	56	46
Cash Cycle (Days)	69	72	43	66	72	43
Profitability Ratios						
Gross Profit Margin	16.24%	15.20%	13.06%	15.47%	15.20%	13.06%
Operating Margin	(4.15%)	(12.7%)	(4.64%)	(9.33%)	(12.1%)	(4.64%)
Cash-to-Profit Ratio	(84.93%)	57.10%	(137.09%)	(49.95%)	55.70%	(137.35%)
Net Profit Margin	(5.66%)	(12.8%)	(3.87%)	(10.87%)	(12.3%)	(3.87%)
Return on Equity	(7.13%)	(25.7%)	(7.54%)	(13.52%)	(24.5%)	(7.54%)
Operating Efficiency Ratios						
Return on Assets	(3.62%)	(10.6%)	(3.76%)	(6.78%)	(10.2%)	(3.76%)
Return on Fixed Assets	(6.59%)	(21.0%)	(10.02%)	(13.37%)	(20.9%)	(10.02%)
Asset Turnover Rate (Times)	0.64	0.83	0.86	0.62	0.83	0.86
Financial Policy Analysis Ratios						
Debt to Equity Ratio (Times)	0.97	1.83	1.09	0.99	1.79	1.09
Interest Coverage Ratio (Times)	(2.70)	(10.56)	(8.42)	(5.93)	(10.02)	(8.42)
Debt Service Coverage Ratio (Times)	0.17	0.15	0.12	0.22	0.14	0.12
Dividend Payout Rate	-	-	-	-	-	-

5. General Information and Other Important Information

5.1 General Information

Securities Registrar : Thailand Securities Depository Co., Ltd.
The Stock Exchange of Thailand Building
93 Ratchadaphisek Rd., Din Daeng, Din Daeng, Bangkok 10400
Tel. 02-009-9000
Fax. 02-009-9991

Auditor : Miss Jintana Mahavanich, CPA No. 4687
C&A Audit Office Co., Ltd.
53 Naradhiwas Rajanagarindra Rd., Chong Nonsi, Yannawa,
Bangkok 10120
Tel. 02-678-0750

5.2 Other Important Information

- None -

5.3 Legal disputes

- None -

5.4 Secondary Market

- None -

Part 2

Corporate Governance

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policy and Guidelines

The Company gives great importance to corporate governance based on the belief that corporate governance is a system that provides processes and structures of leadership and control to ensure responsibility for duties with transparency and to promote competitiveness to maintain capital and increase value for shareholders in the long run within the framework of good ethics, taking into account other stakeholders and society as a whole.

In order to ensure the continued growth of the Company's business operations and build confidence for investors and all related parties, the Company has established a corporate governance policy to be observed by the Board of Directors as follows:

- (1) Manage work with caution and be responsible for performing duties with sufficient competence and efficiency to maximize the benefits for shareholders.
- (2) Operate with transparency, accountability, and adequate disclosure of information to all parties involved.
- (3) Always conduct business with consideration to the risks to ensure an appropriate level of risk control and management.
- (4) Take care not to cause conflicts of interest and take responsibility for one's own decisions and actions.
- (5) Treat all shareholders and stakeholders equally and fairly.

The Company has prepared code of conduct regarding the ethics of the Board of Directors, management and employees in writing, and the Company has notified the directors, management and all employees so that they can use the code as a guideline.

The Company is committed to conducting its business under the principles of good corporate governance in accordance with the Corporate Governance Code (CG Code) for listed companies in 2017 of the Stock Exchange of Thailand. The major corporate governance operations can be summarized in five sections as follows:

Section 1: Shareholder Rights

The Company recognizes and values the rights of shareholders and therefore establishes various course of action to ensure that the basic rights of shareholders are protected, such as the right to trade or transfer shares, receive adequate news and information, attend shareholders' meetings to exercise voting rights on important Company matters, and have profit shares, etc. The following activities are carried out:

- (1) The Company holds the Annual General Meeting of Shareholders within 4 months from the closing date of the annual balance sheet, and sends the notice of the shareholders' meeting and supporting documents to the shareholders 14 days prior to the meeting. Supporting documents for the meeting include details for meeting

agendas, supporting documents for meeting agendas and opinions of the Board on each agenda, all letters of authorization as specified by the Ministry of Commerce, and the name list of all independent directors so that shareholders can choose to authorize them to attend the meeting on their behalf, as well as a map of the location of the meeting. The invitation letter provides details of the documents that must be presented on the day of the meeting to maintain the right to attend the meeting, as well as the Company's regulations regarding the shareholders' meeting. In addition, the meeting invitation is published on the Company's website to give shareholders the opportunity to do their research 21-30 days prior to the meeting. The Company opens for shareholders to register at least one hour in advance of the meeting.

- (2) Prior to starting the meeting, the Chairman shall clarify the voting and vote counting methods, and clearly display the summary of the voting results on all agendas in the meeting room.
- (3) The Chairman shall allocate sufficient meeting time and conduct the meeting appropriately and transparently. During the meeting, shareholders will be given the opportunity to express their opinions and ask questions thoroughly before voting and concluding the resolutions for each agenda of the meeting. In addition, the Company gives shareholders the opportunity to submit questions about the meeting to the Board in advance of the meeting.
- (4) All directors are to attend the shareholders' meeting, including sub-committee chairpersons, to clarify the relevant details of the agendas, as well as to answer shareholders' questions (if any).

Section 2: Equitable Treatment of Shareholders

The Company gives importance and ensures that all shareholders are treated equally and fairly as follows:

- (1) The Company gives shareholders the opportunity to propose matters to be included in the agenda of the shareholders' meeting or nominate qualified persons to be elected as directors in advance of the meeting date, which is publicly announced through the channels of the Stock Exchange of Thailand and also published on the Company's website.
- (2) The Company conducts the shareholders' meeting in the order of the agenda notified in the invitation letter and does not add agendas to the meeting without prior notice to the shareholders.
- (3) The Company nominates all independent directors to give shareholders the opportunity to choose a proxy from any of the independent directors in the letter of authorization that can determine the voting direction.
- (4) The Company provides voting ballots and encourages shareholders to use them on all agendas, especially when there are disagreements or abstentions.

- (5) The Company has a policy to control the company's personnel from disclosing internal information to others, including for personal gain. The Company's policy and methods for overseeing the directors and executives are as follows:
 - (5.1) Educating directors and executives in various departments about their obligations to report their securities holdings and those of their spouse and children who are minors, and including penalties under the Securities and Exchange Act B.E. 2535 (1992) and in accordance with the regulations of the Stock Exchange of Thailand.
 - (5.2) Requiring directors and executives to report changes in their securities holdings to the Securities and Exchange Commission ("SEC") and provide a copy of such report to the Company on the same day as the date of submission of the report to the SEC.
 - (5.3) Sending newsletters informing the directors and executives that the directors and executives who have been informed of material inside information that can impact stock prices must refrain from buying securities of the Company for one month before the financial statements or inside information of the Company are publicly disclosed, and must prevent the disclosure of material information to third parties.

Section 3: Roles of Stakeholders

The Company gives importance to the rights of all stakeholders. The details are as follows:

- (1) Employees: The Company recognizes that employees are an important factor of sustainability of the Company, therefore, the Company supports the development of all employees to be highly knowledgeable and capable. Furthermore, the Company oversees the employees with equality, fairness and provides appropriate compensation and welfare.
- (2) Partners: The Company is committed to conducting business with partners, taking into account equality and mutual benefits, and having transparent and straightforward procurement methods. The Company has established clear guidelines and procedures for procurement and criteria for selecting partners to ensure fairness and independence between the Company and its partners in a transparent and traceable sourcing system.
- (3) Customers: The Company cares and shows responsibility toward customers, produces quality and standardized products, maintains customer confidentiality, and has an agency responsible for receiving customer complaints in order to take corrective action for customers as soon as possible. The Company gives importance to customers as shown in the Company's quality policy as follows:

 "We are committed to producing good quality, safe and legally compliant products and services with continuous improvement to win the hearts of our customers."
- (4) Competitors: The Company behaves in accordance with good competition rules, maintain a standard code of conduct in competition, and avoid dishonest methods to damage competitors.

- (5) Creditors: The Company adheres to conducting business with principles and discipline, including complying with contracts, agreements or conditions with creditors.
- (6) Communities: The Company takes responsibility toward the environment of the communities and society, which is an important policy of the Company in taking into account the environment and society, including providing social assistance in various aspects. The Company recognizes the importance of developing education for Thai youths and so provides scholarships for the schools near factories in the Phutthamonthon and surrounding areas every year. It also provides support in terms of money or products for activities of government agencies, schools, temples, and other charities on a regular basis.

The Company complies with the requirements of relevant laws and regulations to ensure that the rights of these stakeholders are well maintained.

Section 4: Information Disclosure and Transparency

The Board of Directors recognizes that the Company's financial and non-financial information have an impact on the decision-making of investors and stakeholders of the Company. Therefore, the Company has a policy for management to disclose information that will affect investors' decisions completely, Accurately, reliably and in a timely manner the channels of the Stock Exchange of Thailand and the Company's website in both Thai and English. The Company has no plans to establish an investment relations unit in the near future, but will assign the CEO the duty to contact shareholders, analysts, and related government agencies.

In addition, the Company has disclosed the roles and duties of the Board of Directors and sub-committees and the number meeting attendances by each director, as well as disclosed the remuneration policy for directors and senior executives in this report.

Section 5: Responsibilities of the Board of Directors

- (1) Structure of the Board of Directors

The Company's Board of Directors consists of eight directors as follows:

- (1.1) 2 Executive Directors
- (1.2) 3 Non-executive Directors
- (1.3) 3 Independent Directors

The Company has three independent directors or 1/3 of the entire Board of Directors, which is considered to be an appropriate counterbalance.

The Company appoints directors without giving any person or group the sole power to make decisions in order to ensure an effective management and create a counterbalance system. The Company has a clear management structure with a clear division of the chain of command. The management and decision-making powers are decentralized to the departments within the Company as appropriate so that the decision-making and management powers do not lie solely with the

CEO. Meanwhile, the Company has a Chairman of the Board to represent the major shareholders who is not the same person as the CEO, and although the Chairman and the CEO have a biological relationship as mother and son, the Company has clearly divided the powers and duties of the Chairman of the Board and the CEO.

Directors can hold directorship positions in other companies. However, this must not be an obstacle to the performance of directors' duties. This is determined by the dedication of time to perform duties for the Company, regular attendance, and comments that are beneficial to the Company.

The term of office for members of the Board of Directors is fixed at three years.

(2) Subcommittees

The Board of Directors has appointed an audit committee consisting of independent directors to assist in corporate governance. The names and responsibilities of the Audit Committee are stated in Section 7 of Part 2, "Audit Committee", whereby the Audit Committee shall meet every three months and report to the Board of Directors.

(3) Roles, Duties and Responsibilities of the Board of Directors

The Company has defined the scope, duties and responsibilities of the Board of Directors, which are discussed in Section 7 of Part 2, "Roles and Responsibilities of the Board of Directors". The Board of Directors also has management policies in various areas as follows:

(3.1) Internal Control and Audit System

The Company has a policy to provide effective, adequate and appropriate internal controls to protect the Company's assets from misuse or being used without sufficient authority by the management. The Audit Department shall monitor the internal controls periodically and regularly to improve the various control measures to be suitable for changing situations, environment and risks by having an internal control system that covers financial and operational matters to ensure compliance with laws and regulations, and providing an effective check-and-balance mechanism. In addition, the Company has an independent internal audit unit, and has hired an external company to conduct internal audits to ensure that the company's core operations and financial activities are carried out in accordance with the specified guidelines. The Board of Directors requires the company hired to perform such internal audit to report the audit results directly to the Audit Committee and to jointly consider the internal audit plan with the Audit Committee.

(3.2) Risk Management

The Company gives great importance to risk management. The Company regularly determines and assesses the risks of the business, whether they business or financial risks. The Company holds monthly meetings of the

Board of Directors and related departments. Other than risk assessment, the management will also determine the strategies and measures for mitigating risks, as well as assign relevant units to continuously monitor such risks and report progress to the Company's Board of Directors.

(3.3) Conflict of interest

For the approval procedures for transactions that may have conflicts of interest or other connected transactions, the Company assigns the relevant parties to gather information related to such transactions for presentation to the Audit Committee in order to consider and comment on such transactions and determine whether they are in accordance with the general business characteristics and at a fair price, and then present them to the Board of Directors for consideration. The Company strictly complies with the laws on securities and the stock market, as well as any regulations, announcements, orders, or requirements of the Securities Exchange of Thailand. Any stakeholders in such transactions shall not have the right to vote to approve them.

Connected transactions that have been approved by the Board of Directors' meeting for their suitability shall be disclosed in this report.

(4) Board Meetings

The Company has scheduled the dates of the Board of Directors' meetings in advance throughout the 2022, with meetings scheduled on a quarterly basis within 45 days after the last day of every quarter (except the first meeting of the year). The Chairman of the Board and the CEO will jointly consider the agenda according to significance and necessity. The Company always sends the meeting invitation along with the agendas and information to the directors for consideration in advance of the meeting. Each director can propose an agenda by notifying the Secretary of the Board of Directors.

Each Board meeting normally lasts about 2-3 hours and where senior executives are required to attend Board meetings to clarify additional information as they are directly related to the issues. In addition, the Secretary of the Board of Directors attends every meeting to record and prepare the minutes of the meetings. The minutes of the meeting cover all significant issues and the opinions of the meeting and related statements, including resolutions of the Board, are recorded. The system has been established for storing the minutes to the Board meetings in a good, safe and easy-to-find manner.

In addition to the aforementioned meetings, independent directors also held one meeting without management attending in February 2022.

(5) Remuneration

The Company has clearly and transparently defined the remuneration policy of directors. The remuneration is at the same level as the industry of similar types and sizes, and is high enough to attract and retain directors with the desired

qualifications. Directors assigned to more duties and responsibilities will receive compensation appropriate to the duties and responsibilities assigned to them. The Annual General Meeting of Shareholders for the 2022 approved the remuneration of the Board of Directors and the Audit Committee for the 2022 as follows:

- (5.1) Meeting allowance for the Chairman : 30,000 baht/person/meeting of the Audit Committee
- (5.2) Meeting allowance for audit directors : 20,000 baht/person/meeting
- (5.3) Meeting allowance for directors : 15,000 baht/person/meeting
- (5.4) Annual gratuity of the Board of Directors : Not exceeding 1,000,000 baht/year (If the Company has a net profit.)

The remuneration of executives is in accordance with the principles and policies set by the Board of Directors, and although the Company does not currently have a remuneration subcommittee, the Company has an appropriate remuneration consideration process by using the remuneration data from other companies in the industry with similar types and sizes, and linking it to the Company's performance and the performance of each executive for consideration in order to incentivize the executives to lead the organization to achieve both short- and long-term goals.

(6) Development of Directors and Executives

Each newly appointed director will be sufficiently informed of the Company's information, rules and regulations and relevant business information to perform their duties. In addition, the Company has arranged for new directors to have orientation by attending the Director Accreditation Program (DAP) of the Thai Institute of Directors (IOD) to ensure that the new directors are knowledgeable in the following matters:

- (6.1) Roles of directors and legal responsibilities.
- (6.2) Guidelines for performing directors' duties in accordance with the rules and regulations of the SET and SEC, as well as the principles of good corporate governance.

In addition, the Company requires directors to continuously train and develop their knowledge to enable them to efficiently perform their duties and oversee the Company's business. The training history of each director is disclosed in Addendum 1 of this report.

(7) Self-assessment of the Board of Directors

The Company requires an annual self-assessment of the Board of Directors' performance to serve as a framework for auditing and improving the duties of the Board of Directors.

(8) Governance of Subsidiaries' Operations

The Company requires that people who will hold the position of director, executive or controlling person in subsidiaries must obtain approval from the Board of Directors. Such people have the duty to operate business with consideration to the best interest of such subsidiaries. Furthermore, they must supervise matters relating to connected transactions, the acquisition and sale of assets, and the disclosure of relevant information. This includes supervising the storage of data and recording or the subsidiaries' accounts for the Company to audit and compile financial statements in a timely manner.

Anti-Corruption

In addition to the above corporate governance operations, the Company is also committed to combating every form of corruption, and requires directors, executives, employees, and those involved in the Company's business operations to strictly follow the anti-corruption policy as follows:

- (1) Directors, executives and employees are responsible for complying with the anti-corruption policy, and the Board of Directors assigns the management to communicate and implement anti-corruption measures.
- (2) The Company communicates its anti-corruption policy, including whistleblowing or complaint channels within the Company, through the Company's communication channels such as e-mail, intranet system, new employee orientation course, etc., so that the measures are strictly implemented.
- (3) The Company communicates its anti-corruption policy, including whistleblowing or complaint channels, to the public, subsidiaries, business representatives, relevant business partners and stakeholders through channels such as the Company's website and annual reports for their acknowledgement and so that the measures are strictly implemented.
- (4) In procurement process, the Company's protocol must follow with transparency and accountability.
- (5) Expenses on business banquets and other expenditures related to compliance with business contracts can be made. However, the expenses must be reasonable and verifiable.
- (6) It is prohibited for executives and employees to demand or accept gifts, assets or other benefits from partners, contractors, customers, consultants or business associates of the Company, unless it is the acceptance of customary gifts that will not impact the decision-making related to the performance of duties in a biased or distressed manner or in a way that causes conflicts of interest.
- (7) On occasions or festivals where it is traditionally practiced by people in general, the acceptance of items or benefits must not influence any decisions that would result in unfair performance. Such actions are to be reported and submitted to the recipient's most senior superior for use in the organization's business within seven days.

- (8) Executives and employees should avoid giving or receiving banquets in an excessive manner from any person with whom the Company does business.
- (9) Executives and employees are prohibited from offering any benefits to government officials, customers, or any third parties in order to incentivize wrongdoing.
- (10) Giving or accepting donations or grants must be transparent and legal to ensure that donations or grants are not used as an excuse for bribery.
- (11) If any action is discovered to be corrupt or implies corruption involving the Company directly or indirectly, the behavior must not be neglected or ignored and the executive officer is to be informed immediately or through whistleblowing channels as stipulated in this policy.

The Company has expressed its intention to participate in the Thai Private Sector Collective Action Against Corruption (CAC), of which the Company has become a member and given its pledge in order to acknowledge the agreement in accordance with the declaration of intent of the coalition to combat all forms of corruption.

6.2 Business Code of Conduct

The Company defines it as a duty and responsibility of all directors, executives and employees to understand and strictly comply with the policies and requirements set out in the Business Code of Conduct, which are not voluntary and such personnel cannot be claimed to be unaware of these established practices.

Executives at all levels in the organization must take responsibility and consider it important to ensure that the employees under their chain of command are informed and understand and comply with the Business Code of Conduct seriously. If an employee commits a violation of the Business Code of Conduct, disciplinary action will be taken strictly.

The Company expects its employees to help each other monitor and oversee compliance with the Business Code of Conduct by encouraging inquiries in case of doubts or grievances about the Company's business ethics, as well as allowing all employees to file a complaint when they find a behavior that is inappropriate or contrary to the Company's Code of Conduct at the following channels:

By post: Office of the Director or Company Secretary

THAI HA Public Company Limited

No. 140 Moo 5, Tambon Bangkratuek,

Amphur Sampran, Nakornpathom 73210

By e-mail: whistleblower@kasetbrand.co.th

The Company will listen to all complaints equally, transparently and fairly to all parties. The appropriate duration of the investigation will be determined and the complainant's name will be kept confidential.

6.3 Key Changes and Developments in Policies, Guidelines and Corporate Governance System in the Past Year

In 2022, the Board of Directors has reviewed the policies, guidelines and corporate governance system. The summary of the sections to which changes have been made in the past year include the addition of communication channels, training and education for both new and existing employees in order for them to be more aware of important policies and practices.

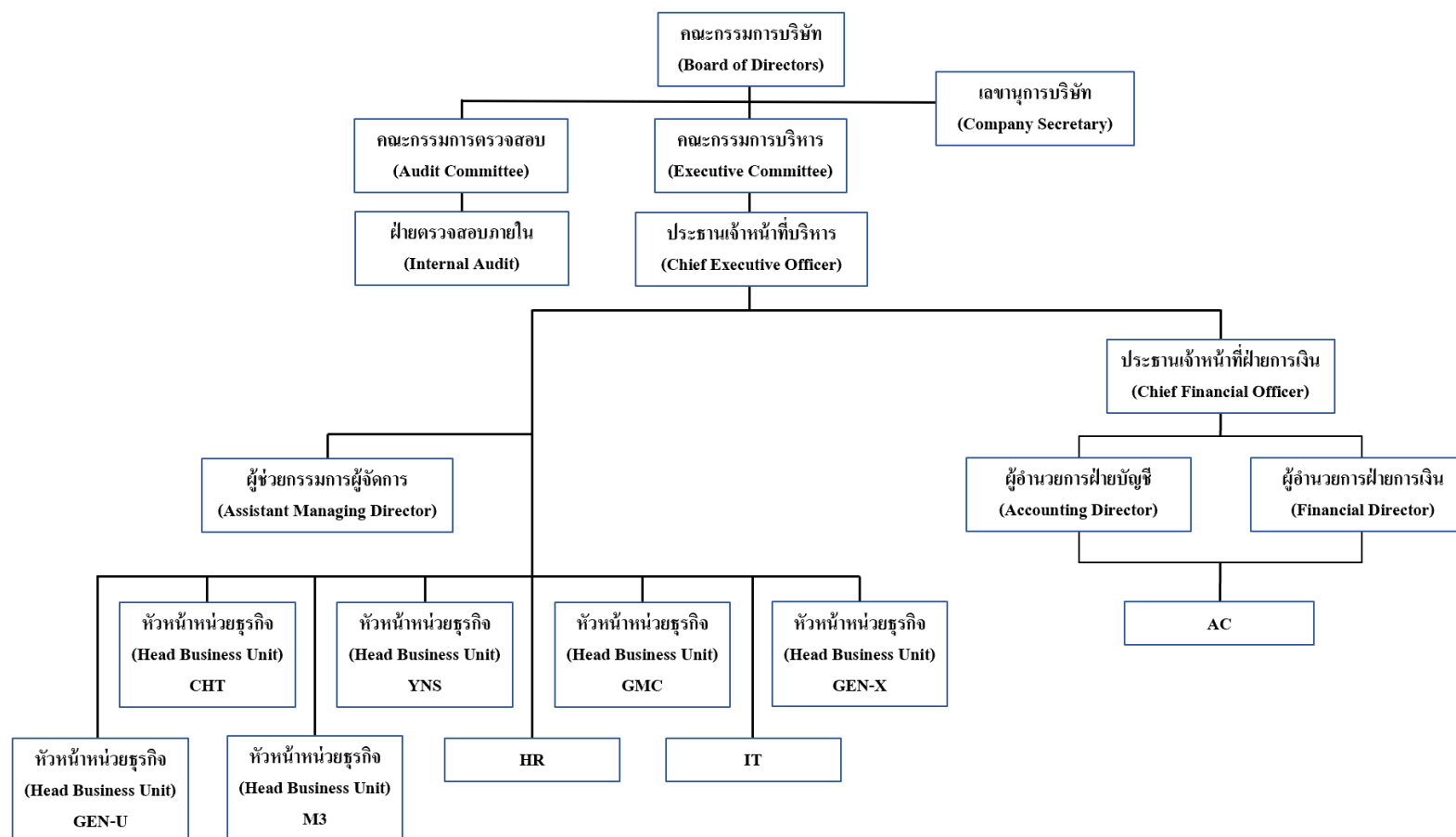
For good corporate governance policies that the Company has not yet implemented, the Company will continue to review and implement appropriate measures such as: (A) A policy limiting the number of years in the terms of independent directors to no more than nine years. The Company has not established such a policy because the Company believes that all independent directors have the knowledge, skills and experience that are useful to the Company's business operations; or (B) The Company's has not formed subcommittees because the Board of Directors continues to pay close attention and supervise such functions; or (C) The requirement for the Board of Directors to hold meetings to acknowledge the Company's performance at least six times a year, and requiring the directors to attend every meeting, etc.

The results of compliance with good corporate governance principles for the 2022 can be summarized as follows:

- (1) The Company received a score of 99 points from the quality assessment of the 2022 Annual General Meeting of Shareholders, up from the previous 98 points in 2021, according to an assessment by the Thai Investors Association.
- (2) The Company received an overall average score of 74% for compliance with the corporate governance principles of listed companies according to an assessment by the Thai Institute of Directors with the support of the Stock Exchange of Thailand and the SEC.

7. Corporate Governance Structure and Important Information about the Board of Directors, Subcommittees, Executives, Employees and Others

7.1 Corporate Governance Structure (As of 31 December 2022)



7.2 Information about the Board of Directors

7.2.1 Composition of the Board of Directors

The Board of Directors and executives of the Company consist of qualified persons under Section 68 of the Public Limited Companies Act, B.E. 2535 (1992), and according to the Notification of the Capital Market Supervisory Board No. Thor. Chor. 39/2559, Re: Application for permission and approval to offer newly issued shares, effective as of 16 November 2016 in all respects.

As of 31 December 2022, the Company has eight members of the Board of Directors consisting of two executive directors, three non-executive directors, three independent directors, which makes up more than one-thirds of the total number of directors and is, therefore, considered an appropriate counterbalance to the directors.

7.2.2 Information about the Board of Directors (As of 31 December 2022)

No.	Name	Position
1	Mrs. Pattama Tangpiroonthum	Chairman of the Board
2	Associate Professor Dr. Buddhagarn Rutchatorn	Chairman of Audit Committee and Independent Director
3	Dr. Danai Chanchaochai	Member of Audit Committee and Independent Director
4	Mr. Santi Opaspakornkij	Member of Audit Committee and Independent Director
5	Mr. Purnrux Nacob	Director and Executive Director
6	Mr. Somroek Tangpiroonthum	Director, Executive Director, CEO and CFO
7	Miss Prinda Tangpiroonthum	Director
8	Mr. Vorravuth Tangpiroonthum	Director

The Chairman of the Board of Directors represents major shareholders without being the same person as the CEO, and although the Chairman is not an independent director and the Chairman and the CEO have a biological relationship as mother and son, the Company has clearly divided the powers and duties of the Chairman and the CEO. In addition, the Company has a measure for counter-balancing the power between the Board of Directors and the management by appointing an independent director to consider the agenda of the Board of Directors.

7.2.3 Roles and Responsibilities of the Board of Directors

The Board of Directors has the authority, duties and responsibilities to manage the Company in accordance with the laws, objectives and regulations of the Company, as well as the lawful resolutions of the shareholders' meetings.

Summary of Important Details of the Authority of the Board of Directors

- (1) Formulating key business policies, financial policies, fundraising and capital management policies, and risk management policies of the Company.
- (2) Considering and approving the Company's budget and investment projects, and supervising the implementation of the projects in accordance with the plan.
- (3) Supervising the Company's operations to achieve or exceed set goals, and formulating solutions in case of obstacles in achieving said goals.
- (4) Providing accurate reporting of general and financial information of the Company to shareholders and general stakeholders accurately, in a timely manner, and as required by law.
- (5) Acknowledging important audit reports and setting guidelines for corrective actions if material errors are found.
- (6) Reviewing the adequacy and appropriateness of the Company's internal control and risk management systems.
- (7) Establishing a succession plan for senior management.
- (8) Overseeing and monitoring the Company's daily operations in accordance with the business plan approved by the Board of Directors.

The Board of Directors may assign the power of attorney to the Board of Directors to approve financial transactions on one or more matters within its jurisdiction as the Board considers appropriate. In the event that a director may have an interest or stake or conflict of interest with the Company, such stakeholder director shall not have voting rights.

In the following cases, the approval of the Board of Directors' Meeting must be obtained by a majority vote of the directors attending the meeting and from the shareholders' meeting by a vote of not less than three-quarters of the total number of shareholders attending the meeting with voting rights prior to the operation:

- (A) Sale or transfer of all or part of the Company's business to a third party.
- (B) Acquisition or transfer of the business of other companies or private companies to the Company.
- (C) Amendments to the Memorandum of Association or regulations.
- (D) The increase or decrease of the Company's capital or the issuance of debentures.
- (E) A merger or dissolution of the Company.

Summary of Important Details of the Authority of the Chairman of the Board of Directors

- (1) Calling the Board of Directors' meeting, presiding over the Board of Directors' meeting and shareholders' meeting, and having a role in setting the agendas with the CEO;
- (2) Controlling meetings efficiently, allocating enough time for management to present information, supporting and allowing directors to ask questions and express their opinions freely, controlling the discussion points and summarizing the resolutions of the meeting;
- (3) Encouraging directors to comply with good corporate governance principles, participating in promoting an ethical corporate culture, and practicing good corporate governance.
- (4) Communicating important information to the Board of Directors.
- (5) Supervising, monitoring, and ensuring that the Board's duties are performed efficiently and that the organization's main objectives and goals are achieved.
- (6) Strengthening good relationships between executive directors and non-executive directors, and between the Board and management.

7.3 Information about Subcommittees

The Board of Directors' structure consists of two subcommittees: the Audit Committee and the Executive Committee.

7.3.1 Audit Committee

The Audit Committee is an independent organization that will provide support and act on behalf of the Board of Directors to review the financial information presented to the shareholders and related parties, to review the internal control system established by the Board of Directors, to manage the internal audit process, and to communicate with the Company's auditors.

As of 31 December 2022, the Audit Committee consists of three directors as follows:

No.	Name	Position
1	Associate Professor Dr. Buddhagarn Rutchatorn	Chairman of Audit Committee and Independent Director
2	Dr. Danai Chanchaochai	Member of Audit Committee and Independent Director
3	Mr. Santi Opaspakornkij ¹	Member of Audit Committee and Independent Director

Remarks: ¹ Mr. Santi Opaspakornkij is a person who has knowledge and experience in reviewing financial statements.

Summary of Important Details of the Authority and Duties of the Audit Committee

- (1) Reviewing the Company's financial reporting to ensure that it is accurate and adequately disclosed;
- (2) Reviewing the Company's internal control system and internal audit system to ensure that they are appropriate and effective, and considering the independence of the internal audit unit, as well as approving the appointment, transfer, dismissal of the head of the internal audit unit or any other units responsible for internal audit;
- (3) Reviewing the Company's compliance with the laws governing securities and exchange, regulations of the Stock Exchange of Thailand, or laws relating to the Company's business;
- (4) Considering, selecting and nominating an independent person to act as the Company's auditor and proposing their remuneration, as well as attending meetings with the auditor without management attending the meeting at least once a year;
- (5) Considering connected transactions or transactions that may have conflicts of interest in accordance with the laws and regulations of the Stock Exchange of Thailand. This is to ensure that such transactions are reasonable and in the best interest of the Company;
- (6) Preparing the audit committee's report and disclosing it in the Company's annual report. The report is to be signed by the Chairman of the Audit Committee and must contain at least one of the following pieces of information:
 - (6.1) Opinions on the accuracy, completeness, and reliability of the Company's financial reports.
 - (6.2) Opinions on the adequacy of the Company's internal control system.
 - (6.3) Opinions on compliance with securities and exchange laws, regulations of the Stock Exchange of Thailand, or laws relating to the Company's business.
 - (6.4) Opinions on the suitability of the auditor.
 - (6.5) Opinions on transactions that may have conflicts of interest.
 - (6.6) The number of Audit Committee meetings and attendance of each audit director.
 - (6.7) Overall opinions or observations received by the Audit Committee in the performance of its duties in accordance with the Charter.
 - (6.8) Other reports that shareholders and general investors should be aware of within the scope of the duties and responsibilities assigned by the Board of Directors.
- (7) Performing any other tasks as assigned by the Board of Directors with the approval of the Audit Committee.

Term of Office of the Audit Committee

To ensure continuity in the performance of the Audit Committee, the term of office for the Audit Committee is three years.

7.3.2 Executive Committee

As of 31 December 2022, the Executive Committee consisted of three executive directors as follows:

No.	Name	Position
1	Mr. Purnrux Nacob	Director and Executive Director
2	Mr. Somroek Tangpiroonthum	Director, Executive Director, CEO and CFO
3	Miss Titima Orsiriwikorn	Executive Director and Deputy Managing Director

Summary of Important Details of the Authority and Duties of the Executive Committee

- (1) Planning and formulating policies, directions, strategies, plans and organizational structures and the main management structure of the Company's business operations in accordance with economic and competitive conditions in the market in order to propose to the Board of Directors for approval.
- (2) Planning and formulating business plans, annual budgets, and management powers in various functions of the Company to propose to the Board of Directors for approval.
- (3) Inspecting and monitoring the implementation of the Company's policies and management guidelines to be effective and conducive to business conditions.
- (4) Having the authority to approve operations for normal transactions of the Company's business, such as purchasing raw materials, goods, materials, tools, equipment, appliances, etc., within the limit of 50 million baht, or an equivalent amount, as approved by the Board of Directors, and presenting them to the Board of Directors for acknowledgement.
- (5) Having the power to approve and authorize the disbursement for capital expenditure for the benefit of the Company within the limit not exceeding 25 million baht, or an equivalent amount, as approved by the Board of Directors, and presenting them to the Board of Directors for acknowledgement.
- (6) Having the authority to approve financial operations for various activities of the Company, financial loans, and provision of credit lines within the limit not exceeding 80 million baht, or an equivalent amount, as approved by the Board of Directors, and presenting them to the Board of Directors for acknowledgement.
- (7) Having the power to hire and terminate executive-level employees of the Company, except for personnel in executive positions who are also Board members.

- (8) Supervising and monitoring the Company's daily performance in accordance with the business plan approved by the Board of Directors.
- (9) Performing other duties as assigned by the Board of Directors on occasion.

In addition, the Executive Committee has no authority to take any action in or with respect to connected transactions, acquisition or disposition of important assets of the Company, and/or transactions or matters in which it may have a conflict, stake or conflict of interest in other ways with the Company and its subsidiaries (if any). In such cases, such transactions or matters shall be presented to the Audit Committee for comments and presented to the Board of Directors and/or the Shareholders' Meeting (as the case may be) for approval.

In addition, in the event that the Company or its subsidiaries agree to enter into a connected transaction or transaction relating to the acquisition or disposition of assets of the Company or its subsidiaries within the definition prescribed by the Notification of the Stock Exchange of Thailand applicable to connected transactions of listed companies or the acquisition or disposition of assets of listed companies, as the case may be, the Company shall comply with the rules and procedures prescribed in each respective announcement.

7.4 Information about Executives

7.4.1 List of Names, Positions, and Authorities and Duties of the CEO

In 2022, the Company had four executives as follows:

No.	Name	Position
1	Mr. Somroek Tangpiroonthum	Executive Director, CEO and CFO
2	Miss Titima Orsiriwikorn	Executive Director and Deputy Managing Director
3	Miss Nitchada Kaewnet	Accounting Supervisor and Acting Finance Supervisor ¹
4	Miss Nitchaya Maniphak	Accounting and Finance Supervisor ²

Remarks: ¹ Miss Nitchada Kaewnet served as Accounting Supervisor and Acting Finance Supervisor until 28 February 2022.

² Miss Nitchaya Maniphak serves as Accounting and Finance Supervisor from 21 September 2022 until 9 December 2022.

Summary of Important Details of the Authority and Duties of the CEO

- (1) Managing and supervising the business operations related to the general administration of the Company.
- (2) Performing the duties assigned by the Board of Directors.
- (3) Having the authority to hire, appoint, transfer, dismiss, terminate, determine wages, give rewards, and increase salary, remuneration, and bonuses of all employees of the

Company in positions below the executive level, as well as appointing employer representatives in the Provident Fund Committee of the Company.

- (4) Having the authority to approve operations for normal transactions of the Company's business, such as purchasing raw materials, goods, materials, tools, equipment, appliances, etc., within the limit of 25 million baht, or an equivalent amount, as approved by the Board of Directors, and presenting them to the Executive Committee for acknowledgement.
- (5) Having the authority to approve and authorize disbursement for capital expenditure for the benefit of the Company within the limit of 10 million baht, or an equivalent amount, as approved by the Board of Directors, and presenting them to the Executive Committee for acknowledgement.
- (6) Having the authority to approve financial operations for the Company's business, financial loans, and provision of credit lines within the limit of 20 million baht, or an equivalent amount, as approved by the Board of Directors, and presenting them to the Executive Committee for acknowledgement.
- (7) Having the authority to issue orders, regulations, announcements, and records to ensure compliance with the Company's policies and interests and to maintain work discipline within the organization.
- (8) Having the authority to act and represent the Company to third parties in businesses that are related to and beneficial for the Company.
- (9) Having the authority to approve the appointment of consultants in various areas necessary for operations.
- (10) Performing other duties as assigned by the Board of Directors or the Executive Committee on occasion.
- (11) Having the authority to assign other persons that the CEO deems appropriate to perform duties and management on the CEO's behalf in various operations within the scope of the CEO's authority.

The CEO shall be under the command of and report directly to the Executive Committee and the CEO shall comply with the guidelines and policies set forth by the Executive Committee.

The CEO has no authority to take any action in or with respect to connected transactions, acquisition or disposition of important assets of the Company, and/or transactions or matters in which it may have a conflict, stake or conflict of interest in other ways with the Company and its subsidiaries (if any). In such cases, such transactions or matters shall be presented to the Audit Committee for comments and presented to the Board of Directors and/or the Shareholders' Meeting (as the case may be) for approval.

In addition, in the event of entering into a connected transaction or transaction relating to the acquisition or disposition of assets of the Company or its subsidiaries within the definition prescribed by the Notification of the Stock Exchange of Thailand applicable to connected transactions of listed companies or the acquisition or disposition of assets of listed companies, such transactions must be approved by the Shareholders' Meeting and/or any other operations

in accordance with the rules and procedures prescribed by the announcements regarding such matters in order to comply with the requirements of the Stock Exchange of Thailand.

7.4.2 Remuneration Policy of Executive Directors and Executives

The Company has established a policy for the remuneration of executive directors and executives in accordance with their experience, duties, scope of roles and responsibilities, and performance, including their knowledge and ability to support the Company's operations.

7.4.3 Remuneration of Executive Directors and Executives

In 2022, the Company paid salaries to four executive directors and executives in the total amount of 6.82 million baht.

7.5 Information about Employees

In 2022, the Company did not significantly change the number of employees. There were no major labor disputes, and no unions.

As of 31 December 2022, the Company had a total of 149 employees and workers. The remuneration in 2022 amounted to 37.91 million baht, which consisted of salaries, contributions to the Social Security Fund, provident fund contributions, and other remuneration such as for overtime, travel, and allowances, etc.

The number of employees and workers of the Company can be divided by their main line of work as follows:

Main line of work	Number of Employees (Persons)
1. Factory Department	90
2. Sales/Marketing Department	20
3. Executive and Technical Support	4
4. Accounting, Finance, Administration and Personnel Department	35
Total	149

7.6 Other Important Information

7.6.1 Persons Assigned Direct Responsibility for Supervising the Accounting

In 2022, Miss Nitchada Kaewnet was assigned direct responsibilities to supervise the Company's accounting, serving until 28 February 2022. Additionally, from 21 September 2022 to 9 December 2022, and Miss Nitchaya Maniphak was directly responsible for performing such duties. The details and information of the person assigned the direct responsibilities for supervising the accounting are shown in Addendum 1.

7.6.2 Company Secretary

For good corporate governance of the Company, at the Board of Directors' Meeting No. 1/2563 on 17 January 2020, the Board of Directors resolved to appoint Tien and Partners Co., Ltd. with Ms. Kamfai Suaprae serving as Company Secretary since 17 January 2020. The details and information of the Company Secretary are shown in Addendum 1.

The Company Secretary is responsible for organizing Board meetings and shareholders' meetings, maintaining documents and information as required by law, providing initial consultation and recommendations to the Board on laws, rules and regulations, as well as overseeing and conveying the resolutions of the Board of Directors to relevant parties.

7.6.3 Internal Auditor

The Company outsources the internal audit to P&L Corporation Co., Ltd., with Ms. Monnapat Phumirattanajarin, the Vice President, serving as the Company's Chief Internal Auditor. The Audit Committee considered the qualifications of P&L Corporation Co., Ltd., and Ms. Monnapat Phumirattanajarin, and is of the opinion that they were suitable enough to perform such duties as they are independent and have 27 years of experience in internal auditing, and have attended courses related to internal audit operations. (Information and background are shown in Addendum 3.)

The consideration and approval, appointment, removal, and transfer of the Company's Chief Internal Auditor must be approved by the Audit Committee.

7.6.4 Investor Relations

Shareholders, institutional investors, general investors, and analysts can contact the Company at Tel. 066-115-9381.

7.6.5 Remuneration of Auditors

The remuneration paid by the Company and its subsidiaries to the auditors, divided into audit fees and non-audit fees, is as follows:

(Unit: THB)	2022	2021
Audit Fee	Not Exceeding 1,155,000	Not Exceeding 1,050,000
Non-Audit Fee	None.	None.

8. Corporate Governance Key Performance Report

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

The Board of Directors plays an important role in formulating the management's business policies and strategies, including providing advice and supporting business operations to increase business efficiency, increase competitiveness and manage risks, and encourage the Board of Directors to perform their duties to the fullest extent of the scope of their authority, responsibilities and principles of good corporate governance by encouraging all directors to participate in meetings and allowing each director to express their opinions and vision freely, as well as overseeing the adequacy of the Company's internal control system.

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

(1) Nomination of the Board of Directors

The Company has not established a Nominating Committee to select persons to be appointed as directors. However, the Company has established guidelines and criteria for the appointment of directors, where the person who will be nominated as a director must go through the screening process or careful consideration by the Board of Directors. The selection will be made by the committee based on competence, experience, vision, and credibility. In addition, the Company takes into account the importance of shareholders and promotes corporate governance with the aim to treat shareholders equally. Hence, the Company has increased the channels for shareholders to nominate directors in advance from 23 December 2022 to 23 January 2023 by notifying shareholders through the notification channels of the Stock Exchange of Thailand and the Company's website, and with criteria to allow minor shareholders to nominate directors in advance. Furthermore, director nomination forms are displayed on the Company's website.

Every Annual General Meeting of Shareholders, according to Company regulations, one-third of the directors shall be removed from their positions, and if the directors who have been removed from their positions must be appointed director again, it must be approved by the shareholders' meeting. In voting to select such directors, the Company requires shareholders to use the ballot to elect directors individually by allowing shareholders to vote using all of their voting rights to elect each nominated director candidates.

If a director position becomes vacant for reasons other than the term of office, the Board of Directors shall select persons who are qualified and do not have any prohibited characteristics under the Law on Public Limited Companies as acting director in the next Board meeting, unless only two months is left in the director's term. The person appointed as acting director shall hold the position only for the remainder of the term of the replaced director. Such resolution of the Board meeting shall consist of a vote of not less than three-quarters of the remaining directors.

(2) Nomination of the Audit Committee

The Board of Directors shall appoint at least three audit directors from the Company's independent directors who have the qualifications according to the laws governing securities and exchange, including announcements, requirements and/or regulations of the Stock Exchange of Thailand that define the qualifications and scope of operation of the Audit Committee. Additionally, at least one audit director must have knowledge of accounting and finance.

Independent Director Selection Criteria

Qualifications of Independent Directors

- (2.1) Holding no more than 1% of the total voting shares of the Company, its parent company and subsidiaries, joint-venture companies, major shareholders or controlling persons of the Company, including the shareholdings of related persons of such independent directors.
- (2.2) Not being or having been a director who has been involved with the management, employees, staff, consultants who receive regular salaries, or controlling persons of the Company, its parent company and subsidiaries, joint-venture companies, subsidiaries of the same level, major shareholders, or controlling persons of the Company, unless the person has been removed from such characteristics for at least two years prior to the date of appointment as independent director. Such prohibited characteristics do not include cases where an independent director has been a government official or advisor of a government agency who is a major shareholder or a controlling person of the Company.
- (2.3) Not being a person with a biological relationship or a legally registered parent, spouse, sibling, and child, including being a spouse of a child of another director, executive, major shareholder, controlling person, or person nominated as director, executive or controlling person of the Company or its subsidiaries.
- (2.4) Not having or having ever had a business relationship with the Company, its parent company and subsidiaries, joint-venture companies, major shareholders, or controlling persons of the Company in such a way as to impede the independent exercise of one's judgment, including not being or having been a significant shareholder or controlling person who has business relationships with the Company, its parent company and subsidiaries, joint-venture companies, major shareholders, or controlling persons of the Company, unless the person has been removed from such characteristics for at least two years prior to the date of appointment as independent director.

The business relationships under paragraph one includes commercial transactions that are normally conducted for business operations, renting or leasing a property, transactions relating to assets or services, or providing or receiving financial assistance through loaning or lending, guarantees, giving assets to be used as debt collateral, and other similar behaviors that would

cause the Company or its contract parties to have a debt obligation to the other party of at least 3% of the Company's net tangible assets, or of 20 million baht or more, whichever is lower. The calculation of such debt obligations shall be in accordance with the method of calculating the value of connected transactions in accordance with the Notification of the Capital Market Supervisory Board on the criteria for permitted connected transactions. However, in the consideration of such debt obligations, debt obligations incurred within one year prior to the date of the business relationship with the same person shall be counted.

- (2.5) Not being or having been an auditor of the Company, its parent company and subsidiaries, joint-venture companies, major shareholders, or controlling persons of the Company, and not being a significant shareholder, controlling person, or partner of the audit firm associated with the auditors of the Company, its parent company and subsidiaries, joint-venture companies, major shareholders, or controlling persons of the Company, unless the person has been removed from such characteristics for at least two years prior to the date of appointment as independent director.
- (2.6) Not being or having been a professional service provider, including provider of legal or financial consultation services, who has received service fees in excess of two million baht per year from the Company, its parent company and subsidiaries, joint-venture companies, major shareholders, or controlling persons of the Company, and not being a significant shareholder, controlling person, or partner of such professional service provider, unless the person has been removed from such characteristics for at least two years prior to the date of appointment as independent director.
- (2.7) Not being a director appointed to represent a Company director, major shareholder, or shareholder who is related to major shareholders.
- (2.8) Not operating a business with the same conditions and in significant competition with the business of the Company or its subsidiaries, or not being a significant partner in a partnership, or a director who is involved with the management, employees, staff, consultants who receive regular salaries or hold more than 1% of the total number of voting shares of another company which operates in the same conditions and in significant competition with the business of the Company or its subsidiaries.
- (2.9) Having no other characteristics that prevent independent opinions on the Company's operations.

(3) Nomination of Top Executives

In the nomination of candidates for the position of the highest executive, namely, the CEO, the Executive Committee will conduct a preliminary consideration in the selection of a person who is completely qualified, suitable, knowledgeable, skilled and experienced and is beneficial to the Company's operations and has a good understanding of the Company's business and can manage to achieve the objectives and

goals set by the Board of Directors, and then nominate the person to the Board of Directors for further approval.

8.1.2 Attendance and Remuneration of Individual Board Members

(1) Attendance

In 2022, the Company held the meetings of the Board of Directors and the Audit Committee. The details of the attendance of each director are as follows:

No.	Name	Position	Audit Committee Meeting in 2022 (Attendance/ Meeting Rights)	Board of Directors' Meeting in 2022 (Attendance/ Meeting Rights)	Annual General Meeting of Shareholders in 2022 (Attendance/ Meeting Rights)	Extraordinary General Meeting of Shareholders (Attendance/ Meeting Rights)
1	Mrs. Pattama Tangpiroonthum	Chairman		6/6	1/1	1/1
2	Associate Professor Dr. Buddhagarn Rutchatorn	Chairman of the Audit Committee and Independent Director	5/5	6/6	1/1	1/1
3	Dr. Danai Chanchaochai	Audit Director and Independent Director	5/5	6/6	1/1	1/1
4	Mr. Santi Opaspakornkij	Audit Director and Independent Director	5/5	6/6	1/1	1/1
5	Mr. Purnrux Nacob	Director		5/6 ¹	1/1	1/1
6	Mr. Somroek Tangpiroonthum	Director		6/6	1/1	1/1
7	Miss Prinda Tangpiroonthum	Director		6/6	1/1	1/1
8	Mr. Vorravuth Tangpiroonthum	Director		6/6	1/1	1/1

Remarks: ¹ Did not attend the meeting due to being unavailable.

(2) Remuneration of Directors

(2.1) Monetary Remuneration

The 2022 Annual General Meeting of Shareholders approved the remuneration of the Board of Directors and the Audit Committee for 2022 as follows:

Chairman of the Audit Committee's Meeting Allowance	30,000 baht/person/meeting
Audit Committee's Meeting Allowance	20,000 baht/person/meeting
Director's Meeting Allowance	15,000 baht/person/meeting
Board of Directors' Annual Gratuity	Not exceeding 1,000,000 baht/year (If the Company has net profit.)

The monetary remuneration of the Directors consists of meeting allowances, which are paid according to the number of meetings attended as follows:

No.	Name	Remuneration in 2022 (THB)					
		Audit Committee's Meeting Allowance ¹	Board of Directors' Meeting Allowance ²	Annual General Meeting of Shareholders' Meeting Allowance	Extraordinary General Meeting of Shareholders' Meeting Allowance	Annual Gratuity	Total
1	Mrs. Pattama Tangpiroonthum		60,000	15,000	15,000	-	90,000
2	Associate Professor Dr. Buddhagarn Rutchatorn	120,000	120,000	30,000	30,000	-	300,000
3	Dr. Danai Chanchaochai	80,000	80,000	20,000	20,000	-	200,000
4	Mr. Santi Opaspakornkij	80,000	80,000	20,000	20,000	-	200,000
5	Mr. Purnrux Nacob		45,000	15,000	15,000	-	75,000
6	Mr. Somroek Tangpiroonthum		60,000	15,000	15,000	-	90,000
7	Miss Prinda Tangpiroonthum		60,000	15,000	15,000	-	90,000

No.	Name	Remuneration in 2022 (THB)					
		Audit Committee's Meeting Allowance ¹	Board of Directors' Meeting Allowance ²	Annual General Meeting of Shareholders' Meeting Allowance	Extraordinary General Meeting of Shareholders' Meeting Allowance	Annual Gratuity	Total
8	Mr. Vorravuth Tangpiroonthum		60,000	15,000	15,000	-	90,000

Remarks: ¹ In 2022, the Company held five audit committee meetings, of which one meeting had no meeting allowance.

² In 2022, the Company held six meetings of the Board of Directors, of which two meetings had no meeting allowance.

(2.2) Other Remuneration

In 2022, the Company did not pay any other remuneration to directors.

8.1.3 Governance of Subsidiaries and Joint-venture Companies

The Company has a policy to invest in businesses that are relevant to or support the growth or increase the production capacity of the Company, or businesses that are believed to have good business growth prospects. The Company will invest only in companies which the Company can gain control and have directors or executives of the Company involved in the management of subsidiaries to ensure that the policies of such subsidiaries are in line with the Company's policies.

In the governance of subsidiaries, the Company shall send directors or executives with qualifications and experience suitable for the business operation of the subsidiaries in proportion to the shareholding and in accordance with the terms of office of the subsidiaries' directors without conflict of interest with the business of those subsidiaries as representatives of those subsidiaries' business management, as well as to establish significant policies and controlling the business operations of such subsidiaries. In addition, the Company shall ensure that the subsidiaries have an appropriate internal control system and mechanisms for supervising various aspects of the business under the same criteria as the Company. Directors or executives representing the Company are responsible for supervising subsidiaries to manage or operate operations in accordance with the policies set by the Company, and shall exercise their discretion in accordance with the resolutions of the Board of Directors' meeting and/or the shareholders' meeting on important matters involving the subsidiaries in order to maximize the benefits and create sustainable growth for such subsidiaries.

In addition, directors or executives representing the Company shall ensure that the subsidiaries have complete and accurate regulations regarding connected transactions, the acquisition or disposition of assets, or any other important transactions of such companies, and ensure that rules relating to the disclosure of information and transactions above are used in the same

manner as the Company's rules, including supervising the storage and accounting records of the subsidiaries so that the Company can audit and compile them to prepare the consolidated financial statements in a timely manner.

8.1.4 Monitoring Compliance with Corporate Governance Policies and Practices

The Company gives importance to good corporate governance by establishing relevant policies and practices in the Company's corporate governance policy and code of conduct, while encouraging actual implementation to build confidence among all stakeholders.

In the past year, the Company has been monitoring to ensure good corporate governance compliance covering employee care and non-discrimination, environmental preservation, hygiene and safety in the organization, and IT security, and the results show that the Company has fully implemented the guidelines for each issue.

In addition, the Company has monitored the implementation of good corporate governance in four areas as follows:

(1) Conflict of Interest Prevention

The Company has established measures to prevent conflicts of interest that may arise from connected transactions between the Company and persons who may have conflicts. The principle is that the consideration of any transaction, including the approval of such transactions, must comply with the securities and exchange laws and regulations, and announcements or requirements related to the SEC, Capital Market Supervisory Board and the Stock Exchange of Thailand. The Company requires the concerned parties to gather information relating to such transaction for presentation to the Audit Committee for consideration and opinion on whether they comply with the general trading conditions and in accordance with the Company's normal trading characteristics, taking into account the best interests of the Company and its shareholders as a whole and avoiding acts that cause conflicts of interest, and presenting them to the Board of Directors for consideration. In addition, the Company requires directors and executives who have a stake or connection with the transactions to notify the Company of their relationship or connection with them and the related parties prior to the consideration of the agenda of the Board of Directors' meeting, and such directors and executives must not participate in the approval of such transactions and will not have the authority to approve such transactions. The Audit Committee shall supervise to ensure compliance with the regulations related to the operations and the complete and accurate information disclosure of transactions with potential conflicts of interest.

In the past year, the Company had no conflicts of interest.

(2) Exploitation of Inside Information

The Company has a policy to control its personnel from disclosing internal information to others, including for personal gain. The Company has policies and methods for overseeing directors and executives as follows:

- (2.1) Educating directors and executives in various departments about their obligations to report their securities holdings, including the holdings of their spouse and children who are minors, as well as the penalties under the Securities and Exchange Act, B.E. 2535 (1992) and in accordance with the regulations of the Stock Exchange of Thailand.
- (2.2) Requiring directors and executives to report changes in their securities holdings to the SEC and submit a copy of the report to the Company on the same day as the submission date of the report to the SEC.
- (2.3) Sending newsletters to the directors and executives to notify them that directors and executives who are informed of material inside information that can cause changes in securities prices must refrain from trading assets of the Company for one month prior to the public disclosure of the financial statements or inside information of the Company, and prohibiting the disclosure of such material information to third parties.

(3) Anti-Corruption

The Company is committed to combating all forms of corruption, and requires that its directors, executives, employees, staff, and those involved in the Company's business operations strictly follow the following anti-corruption policy:

- (3.1) Directors, executives and employees are responsible for complying with the anti-corruption policy, and the Board of Directors assigns the management to communicate and implement anti-corruption measures.
- (3.2) The Company communicates its anti-corruption policy, including whistleblowing or complaint channels within the Company, through the Company's communication channels such as e-mail, intranet system, new employee orientation course, etc.
- (3.3) The Company communicates its anti-corruption policy, including whistleblowing or complaint channels, to the public, subsidiaries, business representatives, relevant business partners and stakeholders through channels such as the Company's website and annual reports for their acknowledgement and so that the measures are strictly implemented.
- (3.4) In the procurement process, the Company's protocol must follow with transparency and accountability.
- (3.5) Expenses on business banquets and other expenditures related to compliance with business contracts can be made. However, the expenses must be reasonable and verifiable.
- (3.6) It is prohibited for executives and employees to demand or accept gifts, assets or other benefits from partners, contractors, customers, consultants or business associates of the Company, unless it is the acceptance of customary gifts that will not impact the decision-making related to the performance of duties in a biased or distressed manner or in a way that causes conflicts of interest.

- (3.7) On occasions or festivals where it is traditionally practiced by people in general, the acceptance of items or benefits must not influence any decisions that would result in unfair performance. Such actions are to be reported and submitted to the recipient's most senior superior for use in the organization's business within seven days.
- (3.8) Executives and employees should avoid giving or receiving banquets in an excessive manner from any person with whom the Company does business.
- (3.9) Executives and employees are prohibited from offering any benefits to government officials, customers, or any third parties in order to incentivize wrongdoing.
- (3.10) Giving or accepting donations or grants must be transparent and legal to ensure that donations or grants are not used as an excuse for bribery.
- (3.11) If any action is discovered to be corrupt or implies corruption involving the Company directly or indirectly, the behavior must not be neglected or ignored and the executive officer is to be informed immediately or through whistleblowing channels as stipulated in this policy.

The Company has expressed its intention to participate in the Thai Private Sector Collective Action Against Corruption (CAC), of which the Company has become a member and given its pledge in order to acknowledge the agreement in accordance with the declaration of intent of the coalition to combat all forms of corruption.

In 2022, the Company did not receive any whistleblowing or complaints about corruption.

(4) Whistleblowing

The Company has opened channels for stakeholders to report clues and complaints through e-mail and post. The Audit Committee, which is independent of the management, will review and the Company Secretary will screen such clues and complaints.

In the past year, there were no complaints of corruption or violation of the Company's corporate governance policy.

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

8.2.1 Number of Meetings and Attendance of Individual Audit Committee Members

In 2022, the Company held five Audit Committee meetings. The details about the attendance of individual directors are as follows:

No.	Name	Position	Audit Committee Meeting in 2022 (Attendance/Meeting Rights)
1	Associate Professor Dr. Buddhagarn Rutchatorn	Chairman of the Audit Committee and Independent Director	5/5
2	Dr. Danai Chanchaochai	Audit Director and Independent Director	5/5
3	Mr. Santi Opaspakornkij	Audit Director and Independent Director	5/5

8.2.2 Performance of the Audit Committee

The Audit Committee performs its duties according to the scope of duties and responsibilities assigned by the Board of Directors. In 2022, the Audit Committee held five regular meetings, and in 2023 held one meeting on 27 February 2023, all of which all audit directors attended. In the meetings, the Audit Committee considered and reviewed important matters as specified in the Audit Committee's report (Addendum 6).

In addition to reporting on the performance of duties as specified in the Audit Committee report, the Audit Committee also provided recommendations and suggestions that are useful for the Company's management and governance in accordance with the changing socio-economic situation and conditions.

9. Internal Control and Connected Transactions

9.1 Internal control

9.1.1 Opinions of the Board of Directors on the Company's Internal Control System

At the Board of Directors' Meeting No. 1/2566 held on 27 February 2023, attended by all three independent directors and audit directors, the Board evaluated the internal control system of the Company and its subsidiaries by requesting information from the management and considering it together with the Company's internal audit report, which was prepared by the auditor of the internal control system. It was summarized that an assessment was conducted on five elements of the internal control system of the Company and its subsidiaries: internal control of the organization, risk assessment, performance control, IT system and information communication, and monitoring system. The Company is of the opinion that the internal control system of the Company and its subsidiaries is adequate and suitable. The Company and its subsidiaries have enough personnel that comply with the system efficiently and have an internal control system for monitoring the control of the Company's operations, allowing the Company and its subsidiaries to prevent misuse or unauthorized use of assets by directors or executives, as well as transactions with persons who may have conflicts and connected persons. The Audit Department will monitor the results of internal controls periodically to improve the control measures to be suitable for changing situations, environment and risks. The internal control system covers aspects such as finance, performance, compliance with related laws, regulations and procedures, and provides an effective check-and-balance mechanism. In addition, the Company has an independent internal audit unit and has hired an external company to conduct an internal audit to ensure that the Company's core operations and financial activities are carried out in accordance with the specified guidelines. The Board of Directors has asked the company responsible for such internal audit to report the audit results directly to the Audit Committee and to jointly consider the internal audit plan with the Audit Committee. For other internal control topics, the Board of Directors is of the opinion that they are also sufficient.

Regarding the flaws of the internal control system in the past, it was found that for the second element, risk assessment, the Company has already established an anti-corruption policy. However, the risk assessment has not been conducted throughout the organization in accordance with the COSO-ERM principles in the form of a risk report. The Board has tasked the management with compiling the operational plans and policies related to risks that have previously been prepared. In addition, issues reported by internal auditors to the Audit Committee in each quarter are mostly related to human errors which may have resulted from a lack of deep understanding of the operational process and a lack of clear communication, which are not considered major errors that could cause the internal control system to be inefficient.

9.1.2 Opinions of the Audit Committee on the Appointment of a Chief Internal Auditor

The Company outsources the internal audit to P&L Corporation Co., Ltd., with Ms. Monnapat Phumirattanajarin, the Vice President, serving as the Company's Chief Internal Auditor. The Audit Committee considered the qualifications of P&L Corporation Co., Ltd., and Ms. Monnapat Phumirattanajarin, and is of the opinion that they were suitable enough to perform such duties as they are independent and have 27 years of experience in internal auditing, and have attended courses related to internal audit operations. (Information and background are shown in Addendum 3.)

The consideration and approval, appointment, removal, and transfer of the Company's Chief Internal Auditor must be approved by the Audit Committee.

9.2 Connected Transactions

9.2.1 Details of Connected Transactions

Details of transactions between the Company and persons who may have conflicts of interest occurring in 2020 – 2022, for the years ending 31 December 2020 – 2022, respectively, are as follows:

Persons Who May Have Conflicts (Person/Juristic Person)	Relationship Characteristics	Transaction or Contract Details	Value of Connected Transactions (Thousand Baht)			Pricing and Conditions	Necessity and Reasonableness of the Transactions
			As of 31 Dec 2022	As of 31 Dec 2021	As of 31 Dec 2020		
A. Between THAI HA PLC and Thai Vegetable Oil PLC (TVO)	Mr. Vorravuth Tangpiroonthum is a director and shareholder in THAI HA PLC and Thai Vegetable Oil PLC, holding 9,000,000 shares, or 1.01%, of the paid-up capital of Thai Vegetable Oil PLC.	<p>Purchase: THAI HA PLC buys vegetable oil products from Thai Vegetable Oil PLC to be used as raw materials for production and buys finished products for sale.</p> <ul style="list-style-type: none"> - Purchase Amount - Trade Creditors 	<p>15,670</p> <p>1,355</p>	<p>14,156</p> <p>1,600</p>	<p>13,233</p> <p>1,764</p>	<p>THAI HA PLC pays the minimum market price and receives credit terms for 2 periods as follows:</p> <ul style="list-style-type: none"> - 15 days in case of purchase of raw materials for production. - 30 days in case of purchase of finished goods for sale. 	<p>THAI HA PLC purchased soybean oil from Thai Vegetable Oil PLC for use in production, by using said raw material in extractions and recipes.</p> <p>THAI HA PLC buys vegetable oil in containers for sale through domestic customer distribution channels.</p> <p>* The Audit Committee is of the opinion that such purchases are normal business transactions with general trading conditions and in accordance with the Company's normal trading characteristics.</p>

Persons Who May Have Conflicts (Person/Juristic Person)	Relationship Characteristics	Transaction or Contract Details	Value of Connected Transactions (Thousand Baht)			Pricing and Conditions	Necessity and Reasonableness of the Transactions
			As of 31 Dec 2022	As of 31 Dec 2021	As of 31 Dec 2020		
B. Between THAI HA PLC and Cheer Group Holdings Co., Ltd.	Cheer Group Holdings Co., Ltd. is the parent company of THAI HA PLC, holding 41.61%, of the paid-up capital of THAI HA PLC.	1. Warehouse Rental: THAI HA PLC rents warehouses from Cheer Group Holdings Co., Ltd.				THAI HA PLC rents warehouses on Phutthamonthon Sai 5 Rd. with an area of 3,000 sq. m. as of 1 April 2012 onward from Cheer Group Holdings Co., Ltd. at market rental prices.	* The Audit Committee is of the opinion that such warehouse rentals are normal business transactions with general trading conditions and in accordance with the Company's normal trading characteristics.
		1.1 Warehouse Rental Fee	7,800	7,800	7,200		
		1.2 Rental security Deposit	680	650	650	THAI HA PLC put down a rental security deposit for one months.	* The Audit Committee is of the opinion that such security deposits are under general trading conditions and in accordance with the Company's normal trading characteristics.
		1.3 Advance Payment of Warehouse Rent	4,080	1,950	1,950	THAI HA PLC pays an advance payment for the warehouse rent every six months	* The Audit Committee is of the opinion that such advance payments are under general trading conditions and in accordance with the

Persons Who May Have Conflicts (Person/Juristic Person)	Relationship Characteristics	Transaction or Contract Details	Value of Connected Transactions (Thousand Baht)			Pricing and Conditions	Necessity and Reasonableness of the Transactions
			As of 31 Dec 2022	As of 31 Dec 2021	As of 31 Dec 2020		
						(according to the lease agreement).	Company's normal trading characteristics.
		2. Use of Trademark: THAI HA PLC uses the trademarks of Cheer Group Holdings Co., Ltd. 2.1 Compensation for using the "Cheer Brand" Trademark. 2.2 Accrued Expenses	10 13	73 0	176 11	THAI HA PLC pays compensation for the use of the trademark under the contract at the monthly payment rate of 1% of the total sales of goods produced and sold under the trademarks "Cheer" and "The Moon Brand".	* The Audit Committee is of the opinion that the use of such trademarks is in support of normal business with general trading conditions and in accordance with the Company's normal trading characteristics.
		3. Product Sales: THAI HA PLC sells products to Cheer Group Holdings Co., Ltd. 3.1 Product Sale	21	34	59	THAI HA PLC sells products to Cheer Group Holdings Co., Ltd. at prices that are no different from what the Company provides to regular individuals.	* The Audit Committee is of the opinion that such product sales are normal business transactions with general trading conditions and in accordance with the

Persons Who May Have Conflicts (Person/Juristic Person)	Relationship Characteristics	Transaction or Contract Details	Value of Connected Transactions (Thousand Baht)			Pricing and Conditions	Necessity and Reasonableness of the Transactions
			As of 31 Dec 2022	As of 31 Dec 2021	As of 31 Dec 2020		
		3.2 Trade Receivables	0	0	18		Company's normal trading characteristics.
		4. Sale of Debentures: THAI HA PLC sells subordinated debentures with similar capital characteristics to Cheers Group Holdings Co., Ltd.	30,000	0	0	Compliant with the terms and conditions for debenture issuance.	* The Audit Committee is of the opinion that such transactions are connected transactions of the financial assistance type, which have been approved by the Board of Directors.
C. Between THAI HA PLC and Chama Asset Co., Ltd.	The directors of THAI HA PLC are executives and shareholders in Chama Asset Co., Ltd.	Product Sales: THAI HA PLC sells products to Chama Asset Co., Ltd. - Product Sale - Trade Receivables	168 53	145 27	50 6	THAI HA PLC sells products to Chama Asset Co., Ltd. at prices that are no different from what the Company provides to regular individuals.	* The Audit Committee is of the opinion that such product sales are normal business transactions with general trading conditions and in accordance with the Company's normal trading characteristics.

Persons Who May Have Conflicts (Person/Juristic Person)	Relationship Characteristics	Transaction or Contract Details	Value of Connected Transactions (Thousand Baht)			Pricing and Conditions	Necessity and Reasonableness of the Transactions
			As of 31 Dec 2022	As of 31 Dec 2021	As of 31 Dec 2020		
D. Between THAI HA PLC and Mrs. Pattama Tangpiroonthum	Mrs. Pattama Tangpiroonthum is a director of THAI HA PLC.	Sale of Debentures: THAI HA PLC sells subordinated debentures with similar capital characteristics to Mrs. Pattama Tangpiroonthum.	40,000	0	0	Compliant with the terms and conditions for debenture issuance.	* The Audit Committee is of the opinion that such transactions are connected transactions of the financial assistance type, which have been approved by the Board of Directors.
E. Between THAI HA PLC and Mr. Somroek Tangpiroonthum	Mr. Somroek Tangpiroonthum is a director, CEO and CFO of THAI HA PLC.	1. Product Sales: THAI HA PLC sells products to Mr. Somroek Tangpiroonthum				THAI HA PLC sells products to Mr. Somroek Tangpiroonthum at prices that are no different from what the Company provides to regular individuals.	* The Audit Committee is of the opinion that such product sales are normal business transactions with general trading conditions and in accordance with the Company's normal trading characteristics.
		1.1 Product Sale	68	168	171		
		1.2 Trade Receivables	1	0	6		
		2. Land Sales: THAI HA PLC sells land to Mr. Somroek Tangpiroonthum.	0	17,500	0	THAI HA PLC sells land to Mr. Somroek Tangpiroonthum at prices similar to the	* The Audit Committee is of the opinion that such land sales are transactions with the same terms as sale offers to independent third parties,

Persons Who May Have Conflicts (Person/Juristic Person)	Relationship Characteristics	Transaction or Contract Details	Value of Connected Transactions (Thousand Baht)			Pricing and Conditions	Necessity and Reasonableness of the Transactions
			As of 31 Dec 2022	As of 31 Dec 2021	As of 31 Dec 2020		
						book value and market value.	and are reasonable and in the best interests of the Company.
F. Between THAI HA PLC and Mr. Vorravuth Tangpiroonthum	Mr. Vorravuth Tangpiroonthum is a director of THAI HA PLC.	Product Sales: THAI HA PLC sells products to Mr. Vorravuth Tangpiroonthum for donation. - Product Sale - Trade Receivables	61 0	315 0	249 6	THAI HA PLC sells products to Mr. Vorravuth Tangpiroonthum at prices that are no different from what the Company provides to regular individuals.	* The Audit Committee is of the opinion that such product sales are normal business transactions with general trading conditions and in accordance with the Company's normal trading characteristics.
G. Between THAI HA PLC and Miss Prinda Tangpiroonthum	Miss Prinda Tangpiroonthum is a director of THAI HA PLC.	Product Sales: THAI HA PLC sells products to Miss Prinda Tangpiroonthum for donation. - Product Sale - Trade Receivables	10 2	86 0.96	68 6	THAI HA PLC sells products to Miss Prinda Tangpiroonthum at prices that are no different from what the Company provides to regular individuals.	* The Audit Committee is of the opinion that such product sales are normal business transactions with general trading conditions and in accordance with the Company's normal trading characteristics.

Persons Who May Have Conflicts (Person/Juristic Person)	Relationship Characteristics	Transaction or Contract Details	Value of Connected Transactions (Thousand Baht)			Pricing and Conditions	Necessity and Reasonableness of the Transactions
			As of 31 Dec 2022	As of 31 Dec 2021	As of 31 Dec 2020		
H. Between THAI HA PLC and THAI HA Innovative Foods Co., Ltd.	THAI HA Innovative Foods Co., Ltd. is a subsidiary of THAI HA PLC, with THAI HA PLC holding 100% of the total registered capital of THAI HA Innovative Foods Co., Ltd.	1. THAI HA PLC invests in THAI HA Innovative Foods Co., Ltd.	24,999.93	24,999.93	0	THAI HA PLC invested in THAI HA Innovative Foods Co., Ltd. by paying 62.50% of the total 400,000 shares valued at 100 baht per share.	* The transactions are considered an acquisition of assets. However, the size of the transactions does not meet the criteria that would require the acquisition or sale of such assets to be announced.
		2. Product Purchase: THAI HA PLC purchases products from THAI HA Innovative Foods Co., Ltd.				THAI HA PLC pays the minimum market price and receives credit terms for 30 days in case of purchase of finished goods for sale.	* The Audit Committee is of the opinion that such purchases are normal business transactions with general trading conditions and in accordance with the Company's normal trading characteristics.
		2.1 Purchase Amount	13,459	0	0		
		2.2 Trade Creditors	2,517	0	0		
		3. Product Sales: THAI HA PLC sells raw materials to THAI HA				THAI HA PLC sells products to THAI HA Innovative Foods Co., Ltd. at prices that are	* The Audit Committee is of the opinion that such product sales are normal business transactions with general

Persons Who May Have Conflicts (Person/Juristic Person)	Relationship Characteristics	Transaction or Contract Details	Value of Connected Transactions (Thousand Baht)			Pricing and Conditions	Necessity and Reasonableness of the Transactions
			As of 31 Dec 2022	As of 31 Dec 2021	As of 31 Dec 2020		
		Innovative Foods Co., Ltd.				no different from what the Company provides to regular individuals.	trading conditions and in accordance with the Company's normal trading characteristics.
		3.1 Product Sale	602	0	0		
		3.2 Trade Receivables	187	0	0		

9.2.2 Measures or Procedures for Approving Connected Transactions

The Company has established measures for connected transactions between the Company and relevant parties which state that executives and stakeholders are prohibited from taking part in the approval of such transactions. The Company shall have the Audit Committee express its opinions on the necessity and appropriateness of such transactions by considering various conditions to ensure compliance with normal business transactions and general trade conditions or fair prices. This can be verified by comparing with transactions with third parties. However, if no market prices can be used for the comparison, the Company will seek approval from the Audit Committee of the Company. Furthermore, if the Audit Committee does not have the expertise required to consider potential connected transactions, the Company shall have independent experts or auditors of the Company give their opinions on such connected transactions so that the opinions can be used in the decisions of the Board of Directors or shareholders, as the case may be.

The Board of Directors shall ensure that the Company complies with the securities and exchange laws and regulations, announcements, orders or requirements of the Stock Exchange of Thailand, including compliance with the disclosure of information on connected transactions, and the acquisition or disposition of the key assets of the Company or its subsidiaries.

9.2.3 Policies or Trends for Future Connected Transactions

Due to the nature of the business that the Company is conducting with connected parties, namely, Thai Vegetable Oil PLC (TVO), Cheer Group Holdings Co., Ltd., Chama Asset Co., Ltd. and THAI HA Innovative Foods Co., Ltd., there will continue to be connected transactions in the future. The Company, therefore, has a key policy to ensure that future connected transactions with such companies must be based on necessity and reasonableness in order to benefit the Company and its shareholders. Moreover, the prices must be fair prices that can be compared with transactions made with third parties. Additionally, the Company's management and major shareholders will not conduct business in a manner that will compete with the Company.

Part 3

Financial Statements

(Financial Statements for the Year Ending 31 December 2022)

Thai Ha Public Company Limited and Its Subsidiaries

**The financial statements
and
Auditor's report**

As at December 31, 2022

C&A AUDIT OFFICE
YOUR ASSURANCE PARTNER



C&A AUDIT OFFICE
YOUR ASSURANCE PARTNER

C&A Audit Office Co., Ltd
53 Narativatrachanakarin Rd., Chongnonsee,
Yannawa, Bangkok 10120, Thailand

T : +66 2678-0751-2
E : cna@cnaaudit.com

Independent Auditor's Report

To the Shareholders of Thai Ha Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Thai Ha Public Company Limited and its subsidiary (the Group), and of Thai Ha Public Company Limited, which comprise the consolidated and separate statements of financial position as at December 31, 2022, and the related consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in shareholders' equity and consolidated and separate statements of cash flows for the year then ended, and the notes to the consolidated and separate financial statements, which include significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated and separate financial position of Thai Ha Public Company Limited and its subsidiaries, and of Thai Ha Public Company Limited, respectively, as at December 31, 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

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

Measuring the fair value of fixed assets

Risk

As described in Note to Financial Statements No. 5, during the year 2022, the Company has changed the method of valuation of buildings. From the cost method, changed to the revaluation method. Including the review of the value of the land. As a result, in the financial statements of the Group, the value of fixed assets has increased significantly. The Group has appointed an external independent appraiser. to assess the fair value of such assets. Because determining and evaluating fair values requires judgment in determining important assumptions. I considered this matter as a key audit matter.

Audit procedures

I have established audit procedures to provide a reasonable assurance regarding appropriateness of accounting for fixed assets, the following are:

- Understanding and evaluating the basis upon which the group identified and assessed the fair value of assets.
- Evaluating the independence, qualification and competence of the valuer of the group and read the terms of engagement letter between the valuer and the group.
- Using the work of external expert in considering the reasonableness of measurement basis and key assumptions used for estimating fair value of assets.
- Considering the key assumptions by comparing assumptions in appraisal report with actual occurrence and testing calculation.
- Considering the adequacy of the disclosures in accordance with Thai Financial Reporting Standards.

Business acquisitions

Risk

As described in Note to Financial Statements No. 13, During the year 2022, the Subsidiary acquired a domestic business. Which is a domestic company, cost of a business acquisition amounts 25 million baht. The Group assessed the fair value of identifiable assets acquired and liabilities and recognised the difference between fair value above with cost of business acquisition as gain from acquisition of business at price less than fair value amounts 20.84 million baht in the statements of comprehensive income for the year ended 31 December 2022.

Due to accounting for business combination is complicate and should to significant judgment required in determining the fair value of identifiable assets acquired and liabilities including the significant of the transactions, I considered this matter as a key audit matter.

Audit procedures

I have established audit procedures to provide a reasonable. In order to gain proper assurance regarding appropriateness in accounting records relating to business combinations, the following are:

- Have checked the terms and conditions in the business purchase agreement In addition, inquiring with the management about the nature and purpose of the transaction to assess whether the acquisition is in line with the definition of a business combination under IFRS 3 (revised 2019), Re: business combination or not.

- I have reviewed the value of the acquisition and the supporting documents for the acquisition and payment to ensure that the value is correct at the fair value of the consideration transferred. It considers the appropriateness of the method used by management in recording the acquisition and determines the appropriateness of recording the initial difference from the acquisition.
- Evaluating appropriateness of the identification of identifiable assets acquired and liabilities assumed and evaluating appropriateness of the assumptions and valuation approach used in determining fair value of identifiable assets acquired and liabilities assumed.
- Verify the completeness and accuracy in the disclosure of information about the purchase transaction in the notes to the financial statements.

Other information

Management is responsible for the other information. The other information comprises the Annual Report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The Annual Report for the year 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 do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the 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 for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the financial statements

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

In preparing the financial statements, management is responsible for assessing the Group 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 and the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

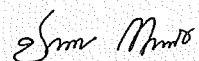
- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. 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 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.
- 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 cause significant doubt on the Group 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 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 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 and the Company to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group and the Company audit. I remain solely responsible for my audit opinion.

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

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

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

C&A Audit Office Co., Ltd.



(Miss. Jintana Mahavanich)

Certified auditor no. 4687

Bangkok : February 27, 2023

Thai Ha Public Company Limited and Its Subsidiaries

Statement of Financial Position

As at December 31, 2022

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Assets					
Current assets					
Cash and cash equivalents	9	17,121,814.36	31,143,128.91	16,192,682.69	23,768,182.40
Trade and other current receivables	10	149,572,236.46	224,679,158.99	149,388,821.80	224,319,385.81
Inventories	11	152,375,123.23	121,480,876.26	150,956,292.28	121,480,876.26
Other current financial assets	26	693,249.17	-	693,249.17	-
Other current assets	12	3,532,216.80	3,619,179.74	3,297,453.16	3,619,179.74
Total current assets		323,294,640.02	380,922,343.90	320,528,499.10	373,187,624.21
Non-current assets					
Loan from related party	6	-	-	-	-
Investments in subsidiary	13	-	-	24,999,875.00	24,999,875.00
Property, plant and equipment	14,19	427,311,909.67	258,889,172.16	380,161,831.07	237,965,653.71
Intangible assets	15	25,934,153.05	27,387,442.62	23,230,394.16	25,970,242.59
Other non - current assets	16	1,508,544.51	2,839,345.37	975,524.79	2,839,345.37
Total non-current assets		454,754,607.23	289,115,960.15	429,367,625.02	291,775,116.67
Total assets		778,049,247.25	670,038,304.05	749,896,124.12	664,962,740.88

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

Thai Ha Public Company Limited and Its Subsidiaries

Statement of Financial Position

As at December 31, 2022

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term					
loans from financial institutions	17	224,000,000.00	311,140,547.60	224,000,000.00	311,140,547.60
Trade and other current payables	18	102,388,224.34	98,938,012.51	105,244,213.16	98,732,470.54
Short-term borrowings	6	6,875,000.00	6,875,000.00	-	-
Other current financial liabilities	26	-	448,553.82	-	448,553.82
Other current liabilities		3,973,244.81	5,274,369.58	3,940,980.17	5,273,942.49
Total current liabilities		337,236,469.15	422,676,483.51	333,185,193.33	415,595,514.45
Non-current liabilities					
Deferred tax liabilities	19	43,494,881.84	8,580,823.01	38,286,050.59	8,580,823.01
Non - current provisions for					
employee benefit	20	2,656,240.51	2,349,032.30	2,473,591.40	2,349,032.30
Total non-current liabilities		46,151,122.35	10,929,855.31	40,759,641.99	10,929,855.31
Total liabilities		383,387,591.50	433,606,338.82	373,944,835.32	426,525,369.76

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

Thai Ha Public Company Limited and Its Subsidiaries

Statement of Financial Position

As at December 31, 2022

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Shareholders' equity					
Share capital					
Registered					
292,500,000 ordinary shares,					
at Baht 1 each		292,500,000.00	292,500,000.00	292,500,000.00	292,500,000.00
Share capital					
278,000,000 ordinary shares,					
at Baht 1 each		278,000,000.00	278,000,000.00	278,000,000.00	278,000,000.00
Premium on ordinary shares		24,542,638.07	24,542,638.07	24,542,638.07	24,542,638.07
Perpetual subordinated debentures	21	69,590,000.00	-	69,590,000.00	-
Retained earnings					
Appropriated - Legal reserve		802,632.25	802,632.25	802,632.25	802,632.25
Unappropriated		(131,273,851.82)	(103,223,315.16)	(149,984,218.77)	(99,231,191.23)
Other components of shareholders' equity		153,000,237.25	36,310,010.07	153,000,237.25	34,323,292.03
Total shareholders' equity		394,661,655.75	236,431,965.23	375,951,288.80	238,437,371.12
Total liabilities and shareholders' equity		778,049,247.25	670,038,304.05	749,896,124.12	664,962,740.88

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

Thai Ha Public Company Limited and Its Subsidiaries

Statements of Comprehensive Income

For the year ended December 31, 2022

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	December 31, 2022	December, 2021	December 31, 2022	December, 2021
Revenues					
Revenue from sales		467,622,474.26	536,118,868.07	461,552,123.40	536,118,868.07
Other income		8,413,963.94	1,563,900.52	6,127,477.37	2,489,472.97
Gain from acquisition of business at price less than fair value	13	20,835,325.02	-	-	-
Total revenues		496,871,763.22	537,682,768.59	467,679,600.77	538,608,341.04
Expenses					
Cost of sales		391,690,732.24	454,467,660.34	390,152,173.19	454,467,660.34
Distribution costs		57,426,500.45	80,651,020.14	57,195,202.34	80,651,020.14
Administrative expenses		68,392,382.50	65,405,788.95	63,950,263.95	63,370,971.52
Other expenses		5,216.32	5,225,186.87	5,216.32	5,225,186.87
Total expenses		517,514,831.51	605,749,656.30	511,302,855.80	603,714,838.87
Profit (loss) from continuing operations		(20,643,068.29)	(68,066,887.71)	(43,623,255.03)	(65,106,497.83)
Finance costs		7,639,483.05	4,405,347.46	7,361,787.19	4,405,347.46
Profit (loss) before corporate income tax		(28,282,551.34)	(72,472,235.17)	(50,985,042.22)	(69,511,845.29)
Income tax income (expenses)	22	143,965.08	3,461,738.00	143,965.08	3,461,738.00
Profit (loss) for the period		(28,138,586.26)	(69,010,497.17)	(50,841,077.14)	(66,050,107.29)

Thai Ha Public Company Limited and Its Subsidiaries

Statements of Comprehensive Income

For the year ended December 31, 2022

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	December 31, 2022	December, 2021	December 31, 2022	December, 2021
Other comprehensive income					
Item that will be reclassified sbusequently to profit or loss					
Foreign Exchange differences from translation					
of financial statements		672,093.08	932,366.04	-	-
The portion transferred to profit (loss) due to the					
dissolution of the subsidiary	13	(2,658,811.12)	-	-	-
Item that will not be reclassified subsequently profit or loss					
Profit on revaluation of assets - net tax	14,22	119,396,770.66	-	119,396,770.66	-
Actuarial (profit) losses arising					
from post-employment benefits	20	284,457.03	4,176,385.01	284,457.03	4,176,385.01
Other comprehensive income profit(loss) for the year		117,694,509.65	5,108,751.05	119,681,227.69	4,176,385.01
Total comprehensive income profit(loss) for the year		89,555,923.39	(63,901,746.12)	68,840,150.55	(61,873,722.28)
Profit (loss) attributable to:					
Profit (loss) on basic earnings per share (Baht per share)		(0.1012)	(0.2482)	(0.1829)	(0.2376)

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

Thai Ha Public Company Limited and Its Subsidiaries

Statements of Changes in Shareholders' Equity

For the year ended December 31, 2022

(Unit : Baht)

		Consolidated financial statements								
							Other components of shareholders' equity			
				Retained earnings		Subordinated	Exchange differences		Total other	
		Issued and		Appropriated to		perpetual	financial	Surplus on	components of	Total
		Paid-Up	Premium on	legal reserve		debentures	statements in	revaluation	shareholder's	shareholders'
Notes		Share Capital	ordinary share		Unappropriated		foreign currency	of assets	equity	equity
									</	

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

Thai Ha Public Company Limited and Its Subsidiaries

Statements of Changes in Shareholders' Equity

For the year ended December 31, 2022

(Unit : Baht)

Separate financial statements							
Notes	Issued and Paid-Up Share Capital	Premium on ordinary share	Subordinated perpetual debentures	Retained earnings		Other components of shareholders' equity	Total shareholders' equity
				Appropriated to legal reserve	Unappropriated	Surplus on revaluation of assets	
Balance as at January 1, 2022	278,000,000.00	24,542,638.07	-	802,632.25	(99,231,191.23)	34,323,292.03	238,437,371.12
Total Comprehensive income for the period	14	-	-	-	(50,841,077.14)	119,396,770.66	68,555,693.52
Actuarial (gains) losses arising							
from post-employment benefits	20	-	-	-	284,457.03	-	284,457.03
Issuance of subordinated perpetual debentures	21	-	69,590,000.00	-	-	-	69,590,000.00
Interest paid on perpetual debentures	21	-	-	-	(916,232.87)	-	(916,232.87)
Transfer surplus on revaluation							
of assets to retained earnings	14	-	-	-	719,825.44	(719,825.44)	-
Balance as at December 31, 2022	278,000,000.00	24,542,638.07	69,590,000.00	802,632.25	(149,984,218.77)	153,000,237.25	375,951,288.80
Balance as at January 1, 2021	278,000,000.00	24,542,638.07	-	802,632.25	(51,204,420.95)	48,170,244.03	300,311,093.40
Total Comprehensive income for the period		-	-	-	(66,050,107.29)	-	(66,050,107.29)
Actuarial (gains) losses arising							
from post-employment benefits	20	-	-	-	4,176,385.01	-	4,176,385.01
Transfer surplus on revaluation							
of assets to retained earnings	14	-	-	-	13,846,952.00	(13,846,952.00)	-
Balance as at December 31, 2021	278,000,000.00	24,542,638.07	-	802,632.25	(99,231,191.23)	34,323,292.03	238,437,371.12

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

Thai Ha Public Company Limited and Its Subsidiaries

Statements of cash flows

For the year ended December 31, 2022

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Cash flows from operating activities				
Profit (Loss) for the year	(28,282,551.34)	(72,472,235.17)	(50,985,042.22)	(69,511,845.29)
Adjustments to reconcile profit (loss) before tax				
to net cash flows from (used in) operating activities:				
Depreciation and amortization	21,778,618.29	29,259,598.41	20,366,128.34	28,691,952.12
Allowance for expected credit losses (reverse)	(1,724,373.08)	1,610,669.53	(1,724,373.08)	1,610,669.53
Allowance for declining in value of inventories (reverse)	414,204.19	323,147.58	414,204.19	323,147.58
Loss (gains) from sale of property, plant and equipment	5,216.32	1,132,000.00	5,216.32	1,132,000.00
Loss (gains) from forward foreign exchange				
contract liabilities	(693,249.17)	448,553.82	(693,249.17)	448,553.82
Unrealized (gain)loss on exchange rate	301,018.25	(505,960.41)	301,018.25	(505,960.41)
Loss (gains) on exchange rate translation of financial				
statements due to dissolution of subsidiary	(2,658,811.12)	-	-	-
Gain from acquisition of business at price				
less than fair value	(20,835,325.02)	-	-	-
Employee benefit obligations	556,664.63	399,286.95	374,015.52	399,286.95
Interest income	(23,931.44)	(10,261.22)	(20,807.28)	(10,261.22)
Interest expenses	7,639,483.05	4,405,347.46	7,361,787.19	4,405,347.46
Profit from operating activities before changes				
 in operating assets and liabilities	(23,523,036.44)	(35,409,853.05)	(24,601,101.94)	(33,017,109.46)
Operating assets (increased) decreased				
Trade and other current receivables	77,002,508.43	(101,017,224.21)	76,826,149.91	(100,652,878.62)
Inventories	(31,308,451.16)	66,104,917.61	(29,889,620.21)	66,104,917.61
Other current financial assets	-	1,183,808.00	-	1,183,808.00
Other current assets	106,890.19	(588,296.94)	341,653.83	(588,296.94)
Other non-current assets	1,737,820.58	(1,171,284.11)	1,863,820.58	(1,171,284.11)
Operating liabilities increased (decreased)				
Trade and other current payables	3,398,178.64	33,590,189.15	6,556,194.88	33,435,548.41
Other current financial liabilities	(448,553.82)	-	(448,553.82)	-
Other current liabilities	(1,406,679.91)	2,774,712.88	(1,438,517.46)	2,774,755.69

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

Thai Ha Public Company Limited and Its Subsidiaries

Statements of cash flows

For the year ended December 31, 2022

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Cash flows from operating activities	25,558,676.51	(34,533,030.67)	29,210,025.77	(31,930,539.42)
Cash paid for employee benefit obligations	(96,000.00)	-	(96,000.00)	-
Cash paid for corporate income tax	(426,946.97)	(27,430.45)	(19,927.25)	(27,430.45)
Cash received from interest income	23,931.44	10,261.22	20,807.28	10,261.22
Cash paid for finance cost	(7,507,996.99)	(4,330,700.45)	(7,326,786.58)	(4,330,700.45)
Net cash from operating activities	17,551,663.99	(38,880,900.35)	21,788,119.22	(36,278,409.10)
Cash flows from investing activities				
Cash paid for investment in subsidiaries	-	-	-	(24,999,875.00)
Cash paid for property, plant and equipment	(11,284,410.62)	(59,388,142.30)	(9,958,300.40)	(37,939,777.53)
Cash paid for intangible assets	(2,124,000.00)	(3,499,900.00)	(585,000.00)	(2,039,900.00)
Proceeds from sales of property, plant and equipment	-	17,500,000.00	16,342.47	17,500,000.00
Net cash from (used in) investing activities	(13,408,410.62)	(45,388,042.30)	(10,526,957.93)	(47,479,552.53)
Cash flows from financing activities:				
Increased (decrease) in bank overdrafts				
and short-term loans from financial institutions	(87,140,547.60)	75,140,547.60	(87,140,547.60)	75,140,547.60
Cash received for short-term borrowings	-	6,875,000.00	-	-
Cash paid for lease liabilities	-	(3,900,000.00)	-	(3,900,000.00)
Cash paid for issuance of subordinated perpetual debentures	69,590,000.00	-	69,590,000.00	-
Interest paid on perpetual debentures	(916,232.87)	-	(916,232.87)	-
Net cash from (used in) financing activities	(18,466,780.47)	78,115,547.60	(18,466,780.47)	71,240,547.60
Difference in exchange rates on translation				
of financial statement increase (decrease)	672,093.08	932,366.85	-	-
Effect from foreign exchange in cash and cash equivalents	(369,880.53)	18,919.52	(369,880.53)	18,919.52
Net cash and cash equivalents increased (decreased)	(14,021,314.55)	(5,202,108.68)	(7,575,499.71)	(12,498,494.51)
Cash and cash equivalents at the beginning of the year	31,143,128.91	36,345,237.59	23,768,182.40	36,266,676.91
Cash and cash equivalents at the end of the year	17,121,814.36	31,143,128.91	16,192,682.69	23,768,182.40

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

Thai Ha Public Company Limited and Its Subsidiaries
Notes to the Consolidated and Separate Financial Statements
For the year ended December 31, 2022

1. General information

Thai Ha Public Company Limited is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of agricultural products, processed agricultural products and instant products. The registered office of the Company is at 140 Moo 5, Tambol Bangkratuek, Amphur Sampran, Nakornpathom. Its factory located at 589 Moo 1, Tambol Chong-kae, Amphur Ta-kee, Nakornsawan.

“The Company” represents Thai Ha Public Company Limited,” while “The Group” represents “Thai Ha Public Company Limited and its subsidiaries.”

The parent is a Cheer (Thailand) Co., Ltd

2. Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Thai Financial Reporting Standards (TFRS) under the Accounting Act B.E. 2543 being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547 and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

The financial statements have been prepared under the historical cost convention except some transactions are valued at fair price as disclosed in the accounting policies below.

An English version of the financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2.2 Presentation currency

The financial statements are prepared and presented in Thai Baht.

2.3 Use of estimates and judgements

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the effect on the amount recognised in the financial statements is included in the following notes :

2. Basis of preparation (continue)

2.3 Use of estimates and judgements

2.3.1 Revenue from contracts with customers

Identification of performance obligations

In identifying performance obligations, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted separately.

Determination of timing of revenue recognition

In determining the timing of revenue recognition, the management is required to use judgement regarding whether performance obligations are satisfied over time or at a point in time, taking into consideration terms and conditions of the recognises revenue over time in the following circumstances:

- The Customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity performs
- The Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- The Group's performance does not create an asset with an alternative use to the group and the group has an enforceable right to payment for performance completed to date

Where the above criteria are not met, revenue is recognised at a point in time. Where revenue is recognised at a point in time, the management is required to determine when the performance obligation under the contract is satisfied.

2.3.2 Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgment in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease, considering all relevant factors and circumstances that create an economic incentive for the Group to exercise either the extension or termination option. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

2.3.3 Allowance for expected credit losses of trade receivables

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

2.3.4 Depreciation of plant and equipment

In determining depreciation of plant and equipment and right-of-use assets and amortisation of intangible assets, the management is required to make estimates of the useful lives and residual values (if any) and to review useful lives and residual values when there are any changes.

The Group measures the value of the land and Plant at the revalued amount. The revalued price was assessed by an independent appraiser. The valuation requires certain assumptions and estimates.

2. Basis of preparation (continue)

2.3 Use of estimates and judgements (continue)

2.3.4 Depreciation of plant and equipment

In addition, the management is required to review the impairment of the land, building and equipment. An impairment loss is recorded when the recoverable amount is expected to be lower than the carrying amount of the asset. Management is required to make judgments concerning forecasts of future income and expenses in connection with the asset.

2.3.5 Post-employment benefits under defined benefit plans

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary incremental rate, mortality rates and other demographic factors. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality tables for the country. Actual post-retirement costs may ultimately differ from these estimates.

2.4 Basis of consolidation

2.4.1 The accompanying consolidated financial statements include the financial statements of "The Company" represents "Thai Ha Public Company Limited" and "Subsidiaries" represents its subsidiaries. The details of subsidiaries are as follows :

Company's Name	Nature of Business	Country of incorporation	Percentage of shareholding (%)	
			As at December 31, 2022	As at December 31, 2021
<u>Subsidiaries</u>				
Kaset Laos Sole Co., Ltd.	Conduction rice mill business, rice processing plant including sale and exporting rice. (Notes to the financial statements no.13)	Laos	-	100
Thai Ha Innovative Foods Co.,Ltd.	Producing, processing, preparing and imported food products Ready-to-eat food, fresh food, dry food (Notes to the financial statements no.13)	Thailand	100	100

2.4.2 Significant accounting policies about Basis of consolidation (Notes to the financial statements no. 4.23)

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

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

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

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

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

The management of the Group is currently in process of evaluating the plan to be executed and considering the impact of these standards on the financial statements in the year when they are adopted.

4. Significant accounting policies

4.1 Revenue and expenses recognition

Revenue from sales of goods

Sales of goods are recognised at the point in time when control of the asset is transferred to the customer. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Interest Income

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

Other income and other expenses

Other income and other expenses are recognized on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents are carried on the statement of financial position at cost. Cash and cash equivalents comprise cash on hand, deposits held at call at banks and other short-term highly liquid investments with maturities of three months or less from the date of acquisition and are not used as collateral.

4.3 Trade accounts receivable

Accounts receivables shown all total amount that customers need to pay as usual. The Group record accounts receivable initially at the amount of consideration that is unconditional unless that is involved significantly financing factors, The Group record it as present value.

4. Significant accounting policies (continue)

4.3 Trade accounts receivable (continue)

The Group use Simplified under TFRS9 Approach for measuring expected credit losses all over the time and recognize losses since the first time that accounts receivables have been recorded. Accounts receivables would be grouped by due of payment.

The rates are based on the payment profiles and the corresponding historical credit losses which are adjusted to reflect the current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The Group show impairment losses in profit/loss statement as a part of administrative expenses

4.4 Inventories

Finished goods, work-in-process and raw material are stated at the lower of cost or net realizable value. Cost's calculated by Weighted average cost method.

The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. The costs of conversion above include an appropriate share of production overheads based on normal production capacity.

The cost of purchase comprises both the purchase price and costs directly attributable to the acquisition of the inventory, such as import duties, transportation charges and other direct costs incurred in acquiring the inventories less all trade discounts, allowances or rebates.

The net realizable value of inventory is estimated from the selling price in the ordinary course of business less the estimated costs to complete production and the estimated costs to complete the sale.

Allowance is made, where necessary, for obsolete, slow-moving and defective inventories.

4.5 Investments

Investments in subsidiaries undertaking are accounted for in the seperate financial statements by using the cost method of accounting less an allowance for impairment in value. Under the cost method, income from investments in subsidiaries will be recorded when dividends are declared.

4.6 Property, plant and equipment

During the year 2022, the Group has to changed the new method of valuing buildings from the original year 2021 using the cost method to use the revalued method. Describing the details of such changes (Notes to the financial statements no. 5)

Year 2022

- Land and plant are stated at the revalued amount less accumulated depreciation. and allowance for loss on impairment of assets (if any).
- Equipment are stated at cost amount less accumulated depreciation and allowance for loss on impairment of assets (if any).

Year 2021

- Plant and equipment are stated at cost amount less accumulated depreciation and allowance for loss on impairment of assets (if any).

4. Significant accounting policies (continue)

4.6 Property, plant and equipment (continue)

Revalued method

The building is recognized at fair value. The fair value is derived from an appraisal by an independent external appraiser.

The appraisal of such assets will be reviewed regularly, to ensure the carrying value will not be materially different from the fair value at the end of the reporting period.

Buildings or constructions are appraised using the cost approach, which means the estimated cost of building a new building replacement based on the current price less depreciation based on useful life.

Land is started at the revalued amount which is based on the price estimation of an independent appraiser. Land is initially recorded at cost on the acquisition date, and the Company has subsequently revalued by an independent appraiser and recorded such assets at the revalued amount. Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from the fair value at the end of the reporting period.

Differences arising from the assets revaluation are recorded in other comprehensive income and the cumulative increase is recognised in shareholders' equity under the heading of "Surplus on revaluation on assets". However, if the assets's carrying amount is decreased as a result of a revaluation and The Group recognized as expense in statement of comprehensives income, the increase from revaluation shall be recognized in profit or loss to the extent that it reverses a revaluation decreases of the same asset previously recognized in profit or loss. Assets's carrying amount is decreased as a result of a revaluation; the decrease is recognized as an expense in the statement of comprehensive income. However, if the asset's carrying amount is increased as a result of a revaluation and the balance to shareholders' equity under the heading of "Surplus on revaluation on assets" to the extent that the decrease does not exceed the amount held in the "Surplus on revaluation on assets" in respect of those same assets, and the remaining amount is to be recognized as an expense in the statement of comprehensive income.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Other (losses)/gains – net' in profit or loss.

Disposal of assets The surplus on revaluation of assets is transferred to retained earnings.

Depreciation of plant and equipment is calculated on the straight-line basis over the following estimated useful life:

Land improvement	29 years
Buildings	42 - 50 years
Buildings improvement	29 years
Machinery and equipment	2 - 20 years
Tool and equipment	2 - 20 years
Furniture, fixtures and office equipment	3 - 30 years
Motor vehicle	5 - 10 years

Property, construction in progress and assets under installation are stated at cost and no depreciation is provided.

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

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

4. Significant accounting policies (continue)

4.6 Property, plant and equipment (continue)

Repairs and maintenances are charged to statements of comprehensive income during the financial period in which they are incurred. The cost of major renovations is included in the carrying amount of the assets when it is probable that future economic benefits in excess of the originally assessed standard of performance of existing asset will flow to the Company. Major renovations are depreciated over the remaining useful life of the related asset.

4.7 Intangible assets

The intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses (if any).

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

Amortization of intangible asset is calculated by reference to their costs, on the straight-line basis over the following estimated useful life:

Production recipe and trademark	10 years
Computer software	5 - 10 years

4.8 Impairment of 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. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year, at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of a non-financial asset 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.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increases in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets that are equity securities, the reversal is recognised in other comprehensive income.

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists.

An impairment loss 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 amortization, if no impairment loss had been recognised.

4. Significant accounting policies (continue)

4.9 Provision

Provision are recognized when the group has a present legal or constructive obligation as a result of past event, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimation of the amount can be made. Where the company expects a provision to be reimbursed, the reimbursement is recognized as a separate asset but only when the reimbursement is virtually certain.

4.10 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the group. The fund's assets are separated from trust fund and the group, and recognised as expenses when incurred.

Post-employment benefits (continue)

Defined benefit plans employee benefits

The Group has obligations in respect of the severance payments which pay to employees when their retirement have incurred under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary, using the projected unit credit method. Such determination is made based on various assumptions, including discount rate, future salary increase rate, staff turn over rate, mortality rate, and inflation rates.

Actuarial gains and losses arising from post-employment benefits are recognised in other comprehensive income and all expenses related to defined benefit plans in profit or loss.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Group recognizes restructuring-related costs.

4.11 Ordinary shares

Ordinary shares are classified as equity.

4.12 Perpetual subordinated debentures

Perpetual subordinated debentures are recognised as equity when the Group has the sole right and discretion to early redeem the debentures per conditions as stipulated in the terms of the debentures and to defer interest and cumulative interest payment without time and deferral amount limitation and the coupon payments are discretionary. Accordingly, any coupon payments are accounted for as dividends and are recognised directly in equity at the time the payment obligation arises. Coupon payments are recognised in the statement of cash flows in the same way as dividends to ordinary shareholders.

4. Significant accounting policies (continue)

4.13 Legal reserve

Parent company

Section 116 of the Public Companies Act B.E. 2535 requires that the Company shall allocate not less than 5 percent of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

Subsidiaries company in Thailand

The subsidiaries companies shall allocate not less 5 percent of its annual net profit each time a dividend is declared, to a reserve account (“legal reserve”) until the reserve reaches 10 percent of authorized share capital. The legal reserve is not available for dividend distribution.

4.14 Dividends

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

4.15 Income tax

Income tax

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

Current tax

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

Deferred tax

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

Deferred tax is not recognised for the following temporary differences : the initial recognition of goodwill; 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 and jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

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

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

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

4. Significant accounting policies (continue)

4.15 Income tax (continue)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

4.16 Leases

At the start of the lease The group assesses whether a contract is a lease or consists of a lease. The contract is either a lease or consists of a lease. If the contract provides for control over the use of the identifiable asset for a period of time. In exchange for compensation.

The Group assesses the lease term for the non-cancellable period specified in the lease or for the remaining term of the existing lease. Include the option period to extend the lease term if there is reasonable certainty to exercise that option and the option period to terminate the lease. If there is reasonable certainty not to exercise that option, taking into account the effects of changes in technology and/or changes in the environment related to the renewal of the lease, for example.

Right-of-use assets

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying assets. If a lease transfers ownership of the underlying assets or the cost of the right-of-use assets reflects that the Group expects to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

Lease liability

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

4.17 Foreign currency translation

Functional and presentation currency

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

4. Significant accounting policies (continue)

4.17 Foreign currency translation (continue)

Transactions and balances

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are translated to Thai Baht at the exchange rate prevailing at the statement of financial position date. Gains and losses resulting from the settlement of foreign currency transactions, and from the translation of monetary assets and liabilities denominated in foreign currencies, are recognised in the profit or loss.

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

The Group

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

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each [statement of comprehensive income or income statement] are translated at average exchange rates; and
- All resulting exchange differences are recognised as a separate component of equity.

4.18 Management benefit expenses

Management benefit expenses represents the benefits paid to the company's management such as salaries and related benefits including the benefit paid by other means. The Company's management is the persons who are defined under the Securities and Exchange Act.

4.19 Basic earnings per share

Basic earnings per share is determined by dividing the net earnings for the period by the weighted average number of issued and paid-up of common stock during the period.

4.20 Operating segments

Operating Segments is requires the presentation and disclosure of segment information based on the internal reports regularly reviewed by the company's chief operating decision maker in order to assess each segment's performance and to allocate resources to those segments.

4.21 Fair value measurement

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

4. Significant accounting policies (continue)

4.21 Fair value measurement (continue)

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

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

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

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

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

4.22 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets at FVTPL

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

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest. Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

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

4. Significant accounting policies (continue)

4.22 Financial instruments (continue)

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the assets have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the assets.

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

Impairment of financial assets

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

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

Offsetting of financial instruments

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

Derivatives

The Group initially recognized derivative contracts at fair value on the execution date and subsequently measured at fair value at the end of the reporting period. When the derivative contract expires available for sale or discontinuation

The Group recognizes the gain or loss on changes in the fair value of the derivative contracts in profit or loss.

4.23 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 associates and joint ventures (if any).

Business combinations

The Group applies the acquisition method for all business combinations when control is transferred to the Group.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that currently are exercisable. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the whether control is transferred from one party to another.

4. Significant accounting policies (continue)

4.23 Basis of consolidation (continue)

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

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The Group measures any non-controlling interest (NCI) at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the Group incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expense as incurred.

Subsidiaries

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 affecting 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.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group.

Loss of control

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 interests retained in the former subsidiary is measured at fair value when control is lost.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised incomes or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees 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.

Non-controlling interests

Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

5. Changes in accounting policy

During the year 2022, the Group has changed its accounting policy for the valuation of buildings. Using the immediate replacement method the Group has changed the method of valuing buildings from valuing buildings of cost method to valuing buildings of revalued method. Management is of the opinion that Building valuation using the revalued method gives It is more beneficial to the users of the financial statements than the recognition by the cost method. Therefore, the revalued method is used.

Change in accounting policy has been applied since October 1, 2022.

The impact of change in estimates on the financial statements as follows:

(Unit : Baht)			
Consolidated financial statements			
	Impacts from		
	changes in		
	accounting		
	policy		
	Cost method		Revaluation method
As at October 1,2022			
Statement of Financial Position			
<u>Non-current assets</u>			
Buildings and improvement	58,677,443.32	82,536,700.22	141,214,143.54
<u>Non-current liabilities</u>			
Deferred tax liabilities - Buildings and improvement	-	16,507,340.04	16,507,340.04
<u>Shareholders' equity</u>			
Other components of shareholders' equity - Buildings and improvement	-	66,029,360.18	66,029,360.18
For the period ended October 1,2022			
<u>Statements of Comprehensive Income</u>			
Profit on revaluation of Buildings and improvement - net tax	-	66,029,360.18	66,029,360.18

5. Changes in accounting policy (continue)

(Unit : Baht)

	Separate financial statements		
	Cost method	Impacts from changes in accounting policy	Revaluation method
As at October 1,2022			
Statement of Financial Position			
<u>Non-current assets</u>			
Buildings and improvement	51,114,099.77	82,536,700.22	133,650,799.99
<u>Non-current liabilities</u>			
Deferred tax liabilities - Buildings and improvement	-	16,507,340.04	16,507,340.04
<u>Shareholders' equity</u>			
Other components of shareholders' equity - Buildings and improvement	-	66,029,360.18	66,029,360.18
For the period ended October 1,2022			
<u>Statements of Comprehensive Income</u>			
Profit on revaluation of Buildings and improvement - net tax	-	66,029,360.18	66,029,360.18

6. Related party transactions

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

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

6. Related party transactions (continue)

The relationship between the Company and the related companies are as follows :

Company's Name	Country of incorporation	Nature of relationship
Cheer (Thailand) Co., Ltd.	Thailand	The parent company
Kaset Laos Sole Co., Ltd. (See Notes 13)	Laos	Subsidiaries
Thai Ha Innovative Foods Co.,Ltd.	Thailand	Subsidiaries
Thai Vegetable Oil PCL.	Thailand	Associate of the Company by direct holding and common director
Chama Asset Co., Ltd.	Thailand	Associate of the Company by direct holding and common director
Thai Ha Trading Limited Partnership	Thailand	Associate of the Company by direct holding and common director

The pricing policies for particular type of transactions are explained further below:

Transactions	Pricing policy
Sales of goods	Cost plus margin determined by management by comparison with market price, which is 'the lower than the control price of a government agency and close to transactions with good customer of the Company.
Sales of assets	Based on contract
Other income	Based on contract
Purchase of goods	Agreed price, which is determined by the management to provide an adequate return to cover operating expenses.
Purchase of assets	Based on contract
Rental expense	Based on contract
Commission	Based on contract
Trademark license fee	Based on contract
Other expenses	Based on contract

6. Related party transactions (continue)

6.1 Revenue and expense transactions as follows :

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2022	2021	2022	2021
<u>Transactions with parent company</u>				
Sales of goods	-	17,950.00	-	17,950.00
Other income	-	16,000.00	-	16,000.00
Right of used trademark	-	77,621.39	-	77,621.39
Rental expense	7,800,000.00	7,800,000.00	7,800,000.00	7,800,000.00
<u>Transactions with subsidiaries</u>				
Purchase of goods	-	-	13,458,741.61	-
Sales of goods	-	-	602,158.62	-
Purchase of assets	-	-	16,342.47	-
<u>Transactions with Related companies</u>				
Sales of goods	168,475.94	137,221.37	168,475.94	137,221.37
Other income	-	12,000.00	-	12,000.00
Purchase of goods	15,670,000.00	14,156,430.00	15,670,000.00	14,156,430.00
Other expense	-	107,476.65	-	107,476.65
<u>Transactions with directors</u>				
Sales of goods	169,084.99	759,679.92	169,084.99	759,679.92
Other income	-	3,644.86	-	3,644.86
Sale of assets	-	17,500,000.00	-	17,500,000.00
Other expense	745,000.00	1,027,596.15	745,000.00	1,027,596.15
Interest expense	277,695.86	-	-	-

6. Related party transactions (continue)

6.2 Asset and liability with related entities as follows :

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,			
	2022	2021	2022	2021
Trade receivables				
Subsidiary company	-	-	187,055.47	4,226.82
Related parties	52,970.75	30,888.35	52,970.75	30,888.35
Director	3,240.14	45,024.19	3,240.14	45,024.19
Total	56,210.89	75,912.54	243,266.36	80,139.36
Accrued interest receivable				
Subsidiary company	-	-	-	318,094.19
<u>Less</u> Allowance for expected credit losses	-	-	-	(318,094.19)
Total	-	-	-	-
Prepaid rental expense				
The parent company	4,080,000.00	3,900,000.00	4,080,000.00	3,900,000.00
Total	4,080,000.00	3,900,000.00	4,080,000.00	3,900,000.00
Term loans to related parties				
Subsidiary company	-	-	-	3,660,915.00
<u>Less</u> Allowance for expected credit losses	-	-	-	(3,660,915.00)
Total	-	-	-	-

As at December 31, 2022 loan to the related company is the loan to Kaset Laos Sole Co., Ltd. which is the subsidiary in the amount of 100,000 USD and 117,000,000 LAK. The interest rate is 4% per annum with the repayment period within 30 months. The Company has set the allowance for expected credit losses from such loans in the full amount.

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,			
	2022	2021	2022	2021
Rental deposits and guarantee				
The parent company	680,000.00	650,000.00	680,000.00	650,000.00
Total	680,000.00	650,000.00	680,000.00	650,000.00

6. Related party transactions (continue)

6.2 Asset and liability with related entities as follows : (continue)

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,			
	2022	2021	2022	2021
Trade and other current payables				
Subsidiary company	-	-	3,973,961.31	-
Related parties	1,355,155.00	1,599,917.50	1,355,155.00	1,599,917.50
Director	106,301.83	-	106,301.83	-
Total	1,461,456.83	1,599,917.50	5,435,418.14	1,599,917.50
Accrued interest expenses				
Director	96,485.45	-	-	-
Total	96,485.45	-	-	-
Loans to related parties				
Director	6,875,000.00	6,875,000.00	-	-
Total	6,875,000.00	6,875,000.00	-	-

6.3 Management benefit expenses

(Unit : Baht)

	Consolidated and Separate financial statements	
	For the year ended December 31,	
	2022	2021
Short-term benefits	6,776,720.00	8,206,579.24
Post-employment benefits	47,031.18	45,614.16
Total	6,823,751.18	8,252,193.40

7. Supplementary disclosure of cash flow information

The Group has the following significant non-cash transaction :

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2022	2021	2022	2021
Purchase of fixed assets with credit line	54,752.34	-	54,752.34	-
Surplus from revaluation	149,245,963.32	-	149,245,963.32	-

8. Additional information of expenses by nature

Expenses classified by nature consist of the following important expenses as follow :

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2022	2021	2022	2021
Employee expenses	41,718,338.63	39,263,186.21	36,016,997.30	39,263,186.21
Depreciation and Amortization	21,778,618.29	29,259,598.41	20,366,128.34	28,691,952.12
Promotion and advertising costs	17,551,927.47	27,240,868.08	17,551,927.47	27,240,868.08
Freight	38,836,575.57	52,743,943.49	38,602,207.30	52,743,943.49
Cost of outsourcing	129,619,948.83	93,638,512.08	129,619,948.83	93,638,512.08
Raw materials and supplies used	114,715,478.29	149,159,216.89	109,358,717.08	149,159,216.89
Finished goods and work in progress	(13,303,840.16)	8,200,886.45	(12,303,499.52)	8,200,886.45

9. Cash and cash equivalent

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Cash	367,000.00	301,362.00	367,000.00	301,362.00
Bank deposit	16,754,814.36	30,841,766.91	15,825,682.69	23,466,820.40
Total	17,121,814.36	31,143,128.91	16,192,682.69	23,768,182.40

Bank deposits has interest at the floating rate according to bank notification.

10. Trade and other current receivables

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Related parties				
Trade receivables	56,210.89	75,912.54	243,266.36	80,139.36
Other current receivables	4,080,000.00	-	4,080,000.00	318,094.19
<u>Less</u> Allowance for expected credit loss	-	-	-	(318,094.19)
Net	4,080,000.00	-	4,080,000.00	-
Total	4,136,210.89	75,912.54	4,323,266.36	80,139.36

10. Trade and other current receivables (continue)

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Unrelated parties				
Trade receivables	143,907,244.86	222,970,164.83	143,907,244.86	222,970,164.83
<u>Less</u> Allowance for expected credit loss	(14,537,211.43)	(16,261,584.51)	(14,537,211.43)	(16,261,584.51)
Net	129,370,033.43	206,708,580.32	129,370,033.43	206,708,580.32
Other current receivables	21,210.00	1,040,865.80	21,210.00	1,040,865.80
Department receivables	236,212.53	3,776,391.68	134,288.71	3,412,391.68
Prepaid expenses	12,035,193.68	8,179,413.46	12,035,193.69	8,179,413.46
Advance payment for goods	3,773,375.93	4,875,301.59	3,504,829.61	4,875,301.59
Others	-	22,693.60	-	22,693.60
Total	145,436,025.57	224,603,246.45	145,065,555.44	224,239,246.45
Total trade and other current receivables	149,572,236.46	224,679,158.99	149,388,821.80	224,319,385.81

Trade receivables can be separated by the over due as follow :

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Related parties				
Undue	29,494.86	6,022.01	138,696.02	6,022.01
Over due				
Less than 3 months	9,268.48	18,270.49	87,122.79	18,270.49
3 - 6 months	17,447.55	2,140.00	17,447.55	2,140.00
6 - 12 months	-	13,415.82	-	13,415.82
Over 12 months	-	36,064.22	-	40,291.04
Total	56,210.89	75,912.54	243,266.36	80,139.36

10. Trade and other current receivables (continue)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Unrelated parties				
Undue	53,312,265.71	76,232,653.17	53,312,265.71	76,232,653.17
Over due				
Less than 3 months	28,092,837.47	62,815,619.89	28,092,837.47	62,815,619.89
3 - 6 months	14,030,176.31	45,844,527.37	14,030,176.31	45,844,527.37
6 - 12 months	25,066,481.82	18,436,719.12	25,066,481.82	18,436,719.12
Over 12 months	23,405,483.55	19,640,645.28	23,405,483.55	19,640,645.28
Total	143,907,244.86	222,970,164.83	143,907,244.86	222,970,164.83
<u>Less</u> Allowance for expected credit loss	(14,537,211.43)	(16,261,584.51)	(14,537,211.43)	(16,261,584.51)
Net	129,370,033.43	206,708,580.32	129,370,033.43	206,708,580.32
Total trade receivables	129,426,244.32	206,784,492.86	129,613,299.79	206,788,719.68

11. Inventories

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Finished goods	21,189,133.41	13,476,509.89	20,188,792.77	13,476,509.89
Work-in-process	9,528,512.45	3,937,295.81	9,528,512.45	3,937,295.81
Raw materials	86,626,615.18	70,467,246.17	86,389,901.79	70,467,246.17
Packing materials	32,980,011.06	31,320,742.73	32,933,953.66	31,320,742.73
Spare parts and factory supplies	2,788,202.90	2,602,229.24	2,652,483.38	2,602,229.24
Total	153,112,475.00	121,804,023.84	151,693,644.05	121,804,023.84
<u>Less</u> Allowance for declining in				
value of inventories	(737,351.77)	(323,147.58)	(737,351.77)	(323,147.58)
Net	152,375,123.23	121,480,876.26	150,956,292.28	121,480,876.26

12. Other current assets

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Undue input VAT	2,522,293.50	3,247,228.42	2,489,432.80	3,247,228.42
Withholding tax	47,278.57	27,351.32	47,278.57	27,351.32
Others	962,644.73	344,600.00	760,741.79	344,600.00
Total	3,532,216.80	3,619,179.74	3,297,453.16	3,619,179.74

13. Investments in subsidiaries

13.1 Affect investment in subsidiaries

(Unit : Baht)

	Separate financial statements	
	As at December 31,	
	2022	2021
Investments in subsidiaries as at January 1, 2022	24,999,875.00	-
<u>Add</u> Increase investment	-	24,999,875.00
Investments in subsidiaries as at December 31, 2022	24,999,875.00	24,999,875.00

13.2 Detail of investment in subsidiaries

Company's Name	Separate financial statements					
	Paid-up capital (Baht)		Shareholding percentage		Cost (Baht)	
	As at December 31,		As at December 31,		As at December 31,	
	2022	2021	2022	2021	2022	2021
Kaset Laos Sole Co., Ltd.	-	4,079,691.00	-	100	-	4,079,691.00
Allowance for impairment loss of investments					-	(4,079,691.00)
Thai Ha Innovative Foods Co.,Ltd.	24,999,875.00	24,999,875.00	100	100	24,999,875.00	24,999,875.00
Book value according to cost method - Net					24,999,875.00	24,999,875.00

13. Investments in subsidiaries (continue)

13.2 Detail of investment in subsidiaries (continue)

- (1) According to the resolution of the Board of Directors Meeting No. 3/2022 held on March 18, 2022, it was resolved to approve the dissolution and liquidation of the Agricultural Lao Company Limited ("KL") because KL was no longer operating and no one interested to buy KL's shares. The liquidation of KL did not affect the Company's business operations. In this regard, the Company authorized its directors to have the authority to manage and take action for liquidation of the Company. KL completed the registration, dissolution, and liquidation processes effective from June 30, 2022 onwards. Therefore, the Company eliminated transactions related to net assets from the separate financial statements and consolidated financial statements as it was the date that the Company terminates its subsidiary relationship with KL. In addition, in the consolidated financial statements, the Company transferred foreign exchange differences from the translation of financial statements previously recognized in other comprehensive income (losses) and other components of equity to the statement of income.
- (2) According to the Board of Directors Meeting No. 4/21 dated July 30, 2021, it was resolved to approve the matters as followed;
 - (2.1) To set up a new subsidiary in Thailand to support the expansion of food production and distribution business including foods made from plants, vegetables, fruits and mushrooms (Plant-Based Food) and ready meals for the elderly and the sick
 - (2.2) To provide a new subsidiary to be set up to support the expansion of the food production and distribution business as follows:
 - Company name: Thai Ha Innovative Foods Company Limited with registered capital of 40,000,000 baht .
 - The Company's shareholding proportion is not less than 80.00%, and the executives and/or the existing shareholders of Albatross Company Limited ("AB"). Albatross Foods Co., Ltd. ("ABF") hold shares not more than 20%
 - (2.3) The newly established company will purchase land and buildings with machinery and equipment ("Acquired assets") from AB and ABF is not a related person of the Company. The total value of this transaction was not more than 30,000,000 baht.
- (3) During 2021, the Group proceeded as followed;
 - (3.1) On August 5, 2021, a new subsidiary was registered as Thai Ha Innovative Foods Company Limited ("TIF") with a registered capital of 40 million baht with the 400,000 ordinary shares at the par value 100 baht per share)
 - (3.2) On October 11, 2021, the Company purchased 399,998 shares of Thai Ha Innovative Foods Company Limited from the existing shareholder who is a director of the Company with a total price of 9.99 million baht. By considering the value of the paid-up shares, the Company has a 99.99% of the total registered capital of the said company. Subsequently, on October 12, 2021, Thai Ha Innovative Foods Co., Ltd. called for additional paid-up capital amounted to Baht 14.99 million and the Company paid on October 14, 2021. The total of the paid-up capital was 62.50% of the total registered shares.
 - (3.3) During 2021, Thai Ha Public Company Limited entered into a joint investment contract with the juristic person and the significant matters were as followed;
 - (3.3.1) To jointly invest and become a strategic partner in the business of TIF between Thai Ha Public Company Limited called Group A and the Group of juristic person called "Group B." for 87.50% and 12.50%, respectively. Group B have the right to additionally invest in TIF not more than 7.5% of the total shares after the joint venture within 6 months starting from December 31, 2021. During 2021, Group B have not yet acquired shares in TIF because they could not be able to complete the terms and conditions in the investment agreement.

13. Investments in subsidiaries (continue)

13.2 Detail of investment in subsidiaries (continue)

(3.3.2) Group B shareholders have duties and responsibilities as follows:

- To transfer the rights and benefits in the licenses necessary for the business of the joint venture company to the joint venture company. (in the case of transferable)
- To assist and support the joint venture company to apply for a license of the business until the completion with TIF is responsible for actual expenses.
- To provide the machinery, tools, equipment, personnel and others that necessary for joint venture to start the business
- To operate the food production and distribution business including day-to-day operations of joint venture company

(3.3.3) According to the terms of the joint venture agreement, TIF is required to pay for the acquired assets and management fee to Group B in relation to land and buildings, machinery and equipment, product formula, and factory license application fees totaling 23.5 million baht. In 2021, TIF paid to Group B in accordance with joint venture agreement. However, TIF has to pay approximately 6.5 million baht more under the joint venture agreement when Group B completed the recruitment process of skilled personnel and obtaining a business license for TIF in accordance with the joint venture agreement.

(3.3.4) In 2021, TIF has not yet done the process of transfer personnel from the original company company as it was being in the process of getting the final conclusion. Therefore, TIF recognizes the above items as asset purchase.

(4) Thai Ha Innovative Foods Company's financial statements have been included in the consolidated financial statements of the Group since the date the Group took control on April 1, 2022 ("Date of Acquisition"). Details of the acquisition are as follows :

(4.1) Cost of acquisition of business according to the terms of the contract 30 million baht The present, The company has paid for acquisition of business 25 million baht The remaining money to be paid according to the agreement to the group B shareholders 5 million baht The company will pay the money only when Group B shareholders have completed the process of obtaining a business license as agreed in the joint venture agreement. But because the almost all licensing operations are carried out by the Company. Therefore, the management estimates that the remaining amount of 5 million baht, the company has no obligation to pay in the future. The present, The company is in the process of updating the new agreement as detailed in clause 2.3.2.

13. Investments in subsidiaries (continue)**13.2 Detail of investment in subsidiaries (continue)**

(4.2) Fair value of net assets acquired at the date of business acquisition The details of the business acquisition are as follows:

	(Unit : Baht)
Land and improvement	21,902,265.17
Buildings	17,259,046.97
Machinery and equipment	7,910,999.99
Intangible assets	2,881,200.06
Deferred tax liabilities	(5,208,831.25)
Fair value of net assets received	44,744,680.94
<u>Add</u> Other expenses	1,090,644.08
<u>Less</u> Cost of acquisition a business	(25,000,000.00)
Gain from acquisition of business at price less than fair value	20,835,325.02

Consolidated financial statements

[illegible]

Separate financial statements

[illegible]

14. Property, plant and equipment (continue)

As at December 31, 2022 and 2021, the Group has the cost of fixed assets which were fully depreciated and still in use total amount of 249.78 million baht and 239.67 million baht, respectively.

During the year, the Group arranged for an independent appraiser the value of land and building as follows:

- Land appraised using Market Approach, the fair value is level 2.
- Buildings or construction are evaluated using the cost value (Cost Approach), which means the estimated cost of building, new building replacement at the current price less depreciation according to useful life. The fair value of the building is level 3.

The details of the land and building carried on the revaluation basis is as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Land and improvements				
Cost Price	57,125,675.98	43,904,335.71	35,313,758.04	35,634,642.00
Surplus from revaluation	109,548,590.53	42,904,115.04	109,548,590.53	42,904,115.04
Revalued amount	166,674,266.51	86,808,450.75	144,862,348.57	78,538,757.04
Buildings and improvements				
Cost Price	57,718,925.44	-	50,059,384.71	-
Surplus from revaluation	90,999,995.21	-	81,881,662.41	-
Revalued amount	148,718,920.65	-	131,941,047.12	-

Surplus on revaluation of assets

The Group has movements in surplus from asset revaluation as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Land and improvement				
Net of deferred tax liabilities	34,323,292.03	48,170,244.03	34,323,292.03	48,170,244.03
<u>Add</u> Revaluations during the period	53,367,410.48	-	53,367,410.48	-
<u>Less</u> Transfer surplus on revaluation of assets to retained earnings	(64,787.61)	(13,846,952.00)	(64,787.61)	(13,846,952.00)
Net of deferred tax liabilities	87,625,914.90	34,323,292.03	87,625,914.90	34,323,292.03

14. Property, plant and equipment (continue)

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Buildings and improvement				
<u>Add</u> Revaluations during the period	66,029,360.18	-	66,029,360.18	-
<u>Less</u> Transfer surplus on revaluation of assets to retained earnings	(655,037.83)	-	(655,037.83)	-
Net of deferred tax liabilities	65,374,322.35	-	65,374,322.35	-
Total deferred tax liabilities	153,000,237.25	34,323,292.03	153,000,237.25	34,323,292.03

This represents surplus arising from revaluation of land building or construction surplus on revaluation of assets Building or construction assets are gradually amortized the straight-line method over their remaining useful lives. and transferred directly to retained earnings

The surplus on revaluation of assets cannot be offset against accumulated losses and cannot be paid as dividends.

15. Intangible assets

(Unit : Baht)

	Consolidated financial statements		
	Production recipe and trademark	Computer software	Total
Cost			
As at December 31, 2021	17,565,263.16	60,441,683.52	78,006,946.68
Addition	1,500,000.00	624,000.00	2,124,000.00
As at December 31, 2022	19,065,263.16	61,065,683.52	80,130,946.68
Accumulative Amortization			
As at December 31, 2021	16,148,063.13	34,471,440.93	50,619,504.06
Amortization for the year	249,994.35	3,327,295.22	3,577,289.57
As at December 31, 2022	16,398,057.48	37,798,736.15	54,196,793.63
Net booked value			
As at December 31, 2022	2,667,205.68	23,266,947.37	25,934,153.05
As at December 31, 2021	1,417,200.03	25,970,242.59	27,387,442.62

Amortization included in the consolidated statement of comprehensive income

For the year ended December 31, 2022	3,577,289.57
For the year ended December 31, 2021	4,324,743.76

15. Intangible assets (continue)

(Unit : Baht)

	Separate financial statements		
	Production recipe and trademark	Computer software	Total
Cost			
As at December 31, 2021	16,105,263.16	60,441,683.52	76,546,946.68
Addition	-	585,000.00	585,000.00
As at December 31, 2022	16,105,263.16	61,026,683.52	77,131,946.68
Accumulative Amortization			
As at December 31, 2021	16,105,263.16	34,471,440.93	50,576,704.09
Amortization for the year	-	3,324,848.43	3,324,848.43
As at December 31, 2022	16,105,263.16	37,796,289.36	53,901,552.52
Net booked value			
As at December 31, 2022	-	23,230,394.16	23,230,394.16
As at December 31, 2021	-	25,970,242.59	25,970,242.59

Amortization included in the separate statement of comprehensive income

For the year ended December 31, 2022	3,324,848.43
For the year ended December 31, 2021	4,281,943.79

16. Other non-current assets

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Rental deposits and guarantees paid to related party	680,000.00	650,000.00	680,000.00	650,000.00
Other	828,544.51	2,189,345.37	295,524.79	2,189,345.37
Total	1,508,544.51	2,839,345.37	975,524.79	2,839,345.37

17. Bank overdraft and short-term loans from financial institutions

(Unit : Baht)

**Consolidated and Separate
financial statements**

As at December 31,

	Interest rate (%)	Peroid (Month)	2022	2021
Overdraft	MOR	-	-	1,140,547.60
Promissory notes	MRR	1-3	224,000,000.00	310,000,000.00
Total			224,000,000.00	311,140,547.60

18. Trade and other current payables

(Unit : Baht)

Consolidated financial statements

Separate financial statements

As at December 31,

As at December 31,

2022

2021

2022

2021

Trade payables				
Trade payables - related parties	1,461,456.83	1,599,917.50	5,435,418.17	1,599,917.50
Trade payables - unrelated parties	81,138,531.62	79,317,165.43	80,621,731.76	79,317,165.43
Total	82,599,988.45	80,917,082.93	86,057,149.93	80,917,082.93

Other payables

Other payables	18,098,599.25	9,299,045.23	17,858,939.80	9,224,015.23
Other Accrued expenses	1,689,636.64	8,721,884.35	1,328,123.43	8,591,372.38

Total	19,788,235.89	18,020,929.58	19,187,063.23	17,815,387.61
--------------	----------------------	----------------------	----------------------	----------------------

Total trade and other payables	102,388,224.34	98,938,012.51	105,244,213.16	98,732,470.54
---------------------------------------	-----------------------	----------------------	-----------------------	----------------------

19. Deferred tax liabilities

Movements in deferred tax assets and liabilities during the year ended December 31, 2022 and 2021 were as follows:

(Unit : Baht)

Consolidated financial statements

Movement increase/(decrease)

As at

Other comprehensive

As at

January 1, 2022

Profit or loss

income

December 31, 2022

Deferred tax liabilities				
Gain from acquisition of business at price				
less than fair value	-	5,208,831.25	-	5,208,831.25
Surplus from fixed asset revaluation	8,580,823.01	(143,965.08)	29,849,192.66	38,286,050.59
Total	8,580,823.01			43,494,881.84

19. Deferred tax liabilities (continue)

(Unit : Baht)

	Consolidated financial statements			
	Movement increase/(decrease)			
	As at	Other comprehensive		As at
	January 1, 2021	Profit or loss	income	December 31, 2021
Deferred tax liabilities				
Surplus from fixed asset revaluation	12,042,561.01	(3,461,738.00)	-	8,580,823.01
Total	12,042,561.01			8,580,823.01

(Unit : Baht)

	Separate financial statements			
	Movement increase/(decrease)			
	As at	Other comprehensive		As at
	January 1, 2022	Profit or loss	income	December 31, 2022
Deferred tax liabilities				
Surplus from fixed asset revaluation	8,580,823.01	(143,965.08)	29,849,192.66	38,286,050.59
Total	8,580,823.01			38,286,050.59

(Unit : Baht)

	Separate financial statements			
	Movement increase/(decrease)			
	As at	Other comprehensive		As at
	January 1, 2021	Profit or loss	income	December 31, 2021
Deferred tax liabilities				
Surplus from fixed asset revaluation	12,042,561.01	(3,461,738.00)	-	8,580,823.01
Total	12,042,561.01			8,580,823.01

As at December 31, 2022 and 2021, The Group has a list of temporary differences used to deduct tax and tax losses. unused amounted to approximately 164.39 million baht and 132.24 million baht, respectively, that did not record deferred tax assets. This is because the Company considers that it may not have sufficient future taxable profits to utilize the above temporary differences and unused tax losses.

As of December 31, 2022 and 2021, the Company has unused tax losses amounting to 146.18 million baht and 100.97 million baht, respectively. The above losses can be used for no more than 5 periods prior to the current accounting period.

20. Non-current provisions for employee benefit

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Employee benefit obligations as at January 1, 2022	2,349,032.30	6,192,306.37	2,349,032.30	6,192,306.37
<u>Add</u> Employee benefit during the year	556,664.63	399,286.95	374,015.52	399,286.95
Financial cost (interest) during the year	35,000.61	29,823.99	35,000.61	29,823.99
<u>Less</u> Payments employee benefit during the year	-	(96,000.00)	-	(96,000.00)
<u>Add (Less)</u> actuarial (gains) losses arising				
from post-employment benefits	(284,457.03)	(4,176,385.01)	(284,457.03)	(4,176,385.01)
Employee benefit obligations as at December 31, 2022	2,656,240.51	2,349,032.30	2,473,591.40	2,349,032.30

Employee benefit expenses for the year ended December 31, 2022 and 2021 are presented in the income statement as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Cost of sales	307,000.55	188,866.66	160,459.95	188,866.66
Administrative expenses	249,664.08	210,420.29	213,555.57	210,420.29
Total employee benefit expenses	556,664.63	399,286.95	374,015.52	399,286.95

Actuarial gains and losses recognized in other comprehensive income arise from:

(Unit : Baht)

	Consolidated and Separate financial statements	
	As at December 31,	
	2022	2021
Demography	-	(43,664.83)
Financial assumptions	(348,166.62)	197,216.99
Improvement from experience	63,709.59	(4,329,937.17)
Total	(284,457.03)	(4,176,385.01)

20. Non-current provisions for employee benefit (continue)

The principal actuarial assumptions used were as follows :

	Consolidated financial statements		Separate financial statements	
	As at December 31,		As at December 31,	
	2022	2021	2022	2021
Discount rate	3.06-3.33	1.49	3.06	1.49
Future salary increases rate	4	4	4	4
Turn over	1.91-45.84	5.73 - 45.84	5.73-45.84	5.73 - 45.84

Sensitivity analysis

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

(Unit : Baht)

	Consolidated financial statements <input type="checkbox"/>			
	As at December 31,			
	2022		2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	2,547,815.48	2,772,460.24	2,134,764.60	2,598,399.71
Future salary increases rate (1% movement)	2,886,597.91	2,451,567.50	2,614,320.17	2,117,127.98
Turnover rate (20% movement)	2,373,828.78	3,003,421.25	2,004,180.32	2,801,787.74

(Unit : Baht)

	Separate financial statements			
	As at December 31,			
	2022		2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	2,374,641.17	2,579,588.12	2,134,764.60	2,598,399.71
Future salary increases rate (1% movement)	2,683,042.48	2,287,242.77	2,614,320.17	2,117,127.98
Turnover rate (20% movement)	2,202,285.53	2,808,006.58	2,004,180.32	2,801,787.74

Maturity analysis of benefit payments as of December 31, 2022 are as follows:

(Unit : Baht)

	Consolidated financial statements	Separate financial statements
Less than 1 year	222,972.30	222,972.30
More than 1 year, less than 5 years	826,165.86	802,042.80
More than 5 years, not more than 10 years	2,480,888.31	2,235,805.68

20. Non-current provisions for employee benefit (continue)

Amounts of defined benefit obligation for the current and previous four periods are as follows:

(Unit : Baht)

	Defined benefit obligation	
	Consolidated financial statements	Separate financial statements
Year 2022	2,656,240.51	2,473,591.40
Year 2021	2,349,032.30	2,349,032.30
Year 2020	6,192,306.37	6,192,306.37
Year 2019	5,630,955.37	5,630,955.37
Year 2018	4,503,147.00	4,503,147.00

21. Subordinated perpetual debentures

As at September 30, 2022, the consolidated and separate financial statements shown balances of subordinated perpetual debentures amounted to 69.59 million baht. This balance included of issuance cost of 0.41 million baht. The interest rate for the first five years is 5.25% per annum and the rest is the normal interest rate stipulated in the terms and conditions of the issuance and holder subordinated perpetual debentures. In case of default on interest payment, no interest will be charged on this default.

Subordinated perpetual debentures No.1/2022

The debentures were in registered name form, unsecured and unconvertible and do not have bondholders' representative and upon dissolution with the issuer's right to early redemption right pursuant to the terms and conditions of the debentures. The debentures were offered to private placement offering to within 10 investors. The debentures were part of the issuance and offering debentures as approved by the Extraordinary Annual General Meeting of the Company's shareholders on September 22, 2022.

The interest is to be paid quarterly. The Company is entitled to accumulate interest and defer the payment of interest to any day without limitation on deferral period and times based on the Company's discretion. The debenture holders are not entitled to any return on the deferred interest.

If the Company defers the payment of interest, the Company shall not:

- (a) declare or pay any dividend,
- (b) pay any interest or distribute any assets to any holder of Parity Securities or Junior Securities; and
- (c) redeem, reduce, cancel, acquire, or buy-back any of any securities issued by the Company which rank pari passu or junior to the Debentures with compensation.

During the year 2022, the Company paid interest to bondholders in the amount of 0.92 million baht.

As of December 31, 2022, there is accrued interest from the date of issuance of perpetual debentures in the amount of 30,205.49 baht.

22. Income tax income

Corporate income tax was calculated on profit before income tax for the year, using the estimated effective tax rate for the year, were as follows:

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,			
	2022	2021	2022	2021
Current income tax :				
Corporate Income Tax fortaxable profits	-	-	-	-
Deferred tax :				
Relating to origination and reversal of				
temporary differences	143,965.08	3,461,738.00	143,965.08	3,461,738.00
Income tax income reported in the statements				
of comprehensive income	143,965.08	3,461,738.00	143,965.08	3,461,738.00

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the year ended December 31, 2022 and 2021 were as follows :

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31,			
	2022	2021	2022	2021
Accounting profit before tax	(28,282,551.34)	(72,472,235.17)	(50,985,042.22)	(69,511,845.29)
Income tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	(5,656,510.00)	(14,494,447.00)	(10,197,008.00)	(13,902,369.00)
Effect of :				
Temporary differences not recognized as				
deferred tax assets	(143,700.73)	472,585.61	(180,230.55)	472,585.61
Expenses not treated as revenue code expenses	862,398.09	249,063.68	774,205.70	208,444.14
Deductible expenses increased from actual expenses paid.	(82,000.00)	(247,115.64)	(82,000.00)	(247,115.64)
Unrealized tax losses on income tax assets	4,875,847.83	10,558,175.38	9,541,068.21	10,006,716.94
Income tax (income) expense shown in the				
comprehensive income statement.	(143,964.81)	(3,461,737.97)	(143,964.64)	(3,461,737.95)

The Group used income tax rates of 20% for the calculation of corporate income tax for the years ended December 31, 2022 and 2021.

22. Income tax income (continue)

The amounts of income tax relating to each component of other comprehensive income for the period.

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	For the year ended December 31,			
	2022	2021	2022	2021
Deferred tax on surplus on revaluation				
of assets	29,849,192.66	-	29,849,192.66	-

23. Revaluation surplus

This represents surplus arising from revaluation of land and building. The revaluation surplus can neither be offset against deficit nor used for dividend payment.

24. Segment Information

Operating segment information presented according to company's internal report and its subsidiaries where the final decision is made for operating. It is frequently and cautiously reviewed, in order to making decision for resource management and valuate operating performance

Operating segment is producing and distributing agriculture products, processed agricultural products and instant products, sell in territory and other foreign countries. The company and its subsidiaries estimate operating segment by gross profit of each segment. Estimation of profit/loss is similarly estimated. All revenues and gross profit of the company and its subsidiaries for the year ended December 31, 2022 and 2021, shown as follow :

(Unit : Baht)

Consolidated financial statement						
Agricultural products, processed agricultural products and instant products.						
	Producing		Merchandising		Total	
	For the year ended December 31,					
	2022	2021	2022	2021	2022	2021
Revenue from external customer						
Local sales	130,315,716.89	187,096,859.98	56,957,844.78	64,833,817.41	187,273,561.67	251,930,677.39
Foreign sales	263,559,941.97	213,789,884.52	16,788,970.62	70,398,306.16	280,348,912.59	284,188,190.68
Total	393,875,658.86	400,886,744.50	73,746,815.40	135,232,123.57	467,622,474.26	536,118,868.07
Intersegment revenues	10,219,473.81	-	3,841,426.94	-	14,060,900.75	-
Total	404,095,132.67	400,886,744.50	77,588,242.34	135,232,123.57	481,683,375.01	536,118,868.07
Gross profit of the segment	73,842,583.04	62,379,042.23	2,089,158.98	19,272,165.50	75,931,742.02	81,651,207.73
Unallocated income and expense :						
Other income					8,413,963.94	1,563,900.52
Gain from acquisition of business at price less than fair value					20,835,325.02	-
Distribution costs					(57,426,500.45)	(80,651,020.14)
Administrative expenses					(68,392,382.50)	(65,405,788.95)
Other expenses					(5,216.32)	(5,225,186.87)
Financial costs					(7,639,483.05)	(4,405,347.46)
Profit (loss) from continuing operations					(28,282,551.34)	(72,472,235.17)
Income tax income (expenses)					143,965.08	3,461,738.00
Profit (loss) for the year					(28,138,586.26)	(69,010,497.17)

24. Segment Information (continue)

Assets segments

(Unit : Baht)

Consolidated financial statement						
Agricultural products, processed agricultural products and instant products.						
	Producing		Merchandising		Total	
	As at		As at		As at	
	2022	2021	2022	2021	2022	2021
Inventories	146,132,066.73	114,797,753.49	6,243,056.50	6,683,122.77	152,375,123.23	121,480,876.26
Property, plant and equipment	427,311,909.67	258,889,172.16	-	-	427,311,909.67	258,889,172.16
Intangible assets	25,934,153.05	27,387,442.62	-	-	25,934,153.05	27,387,442.62
Other assets					172,428,061.30	262,280,813.01
Total assets					778,049,247.25	670,038,304.05

The Group uses the basis for determining intercompany prices as described in Note 6 to the financial statements.

Information about major customers

Consolidated financial statement					
For the year ended December 31,			For the year ended December 31,		
2022			2021		
2022	2021	Amount	Percentage of	Amount	Percentage of
		(million baht)	Net Income (%)	(million baht)	Net Income (%)

The Group has revenue from sales

From major customers

From total sales	2 cases	2 cases	125.69	27.08	204.86	37.21
------------------	---------	---------	--------	-------	--------	-------

25. Commitments and contingent liabilities

The company has obligations and liabilities that may arise as follows:

25.1 Contractual lease commitments

As at December 31, 2021, the Company has a warehouse lease agreement with a lease term of not more than 1 year, which the Group chooses not to recognize. Lease a liability under the lease agreement amounting to 3.90 million baht and have a service contract amount 0.63 million baht.

25. Commitments and contingent liabilities (continue)

25.2 Letters of guarantee

As at December 31, 2022, and December 31, 2021, the Company has letters of guarantee issued by banks on behalf of the Company amount to 4.85 million baht which are related to certain performance obligations in the normal course of business of the Company. This consists of a letter of guarantee for the use of electricity of 0.85 million baht and a letter of guarantee for the performance of a sugar sales contract with a private company of 4.00 million baht.

26. Financial Instruments

26.1 Credit risk

The Group and its subsidiaries is exposed to credit risk primarily with respect to trade and other receivables. The Company and its subsidiaries manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company and its subsidiaries does not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables as stated in the statement of financial position.

26.2 Interest rate risk

The Group and its subsidiaries is exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts and short-term borrowings. However, since most of the Company and its subsidiaries is financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

26.3 Foreign currency risk

The Company and its subsidiaries is exposure to foreign currency risk arises mainly from trading transactions that are denominated in foreign currencies. The Company and its subsidiaries seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate. Generally, the forward contracts mature within one year.

As at December 31, 2022, the Company and its subsidiaries has the forward contracts in which mainly has the duration 3 months were as follows :

	Consolidated and Separate financial statements		
	Forward contract		Fair value of derivative
	Million US dollar	Million Baht	liabilities (Million Baht)
The selling contract			
- US Dollar	0.74	26.27	0.69

26. Financial Instruments (continue)

26.3 Foreign currency risk (continue)

As at December 31, 2021, the Company and its subsidiaries has the forward contracts in which mainly has the duration 3 months were as follows :

	Consolidated and Separate financial statements		
	Forward contract		Fair value of derivative assets (Million Baht)
	Million US dollar	Million Baht	
The selling contract			
- US Dollar	2.17	72.15	(0.45)

The balances of financial assets and liabilities denominated in foreign currencies are summarized below.

	Foreign currency (Million)	Consolidated and Separate financial statements	
		As at	
		December 31, 2022	December 31, 2021
Financial Assets			
Cash and cash equivalents	US Dollar	0.15	0.12
Trade and other current receivables	US Dollar	1.81	2.99
	LAK	-	118.42
Financial Assets			
Trade and other current payables	US Dollar	0.03	0.18
Other current financial liabilities	US Dollar	0.74	2.17
Other current liabilities	US Dollar	0.09	0.15

26. Financial Instruments (continue)

26.4 Fair values financial Instruments

Most of the financial assets and liabilities are short-term, and most of the loans carry interest-bearing market rates. The Group management Therefore, the fair value of such financial assets and financial liabilities is estimated to approximate the carrying amount in the statement of financial position.

As at December 30, 2022 and December 31, 2021, the Group has liabilities that are measured at fair value. The fair value disclosures are presented in the fair value hierarchy as follows :

(Unit : Baht)

	Consolidated financial statements			Separate financial statements		
	As at December 31, 2022					
	Amortised			Amortised		
	FVPL	cost	Total	FVPL	cost	Total
Financial assets						
Cash and cash equivalents	-	17,121,814.36	17,121,814.36	-	16,192,682.69	16,192,682.69
Trade and other current receivables	-	149,572,236.46	149,572,236.46	-	149,388,821.80	149,388,821.80
Other current financial assets	693,249.17	-	693,249.17	693,249.17	-	693,249.17
Total financial assets	693,249.17	166,694,050.82	167,387,299.99	693,249.17	165,581,504.49	166,274,753.66
Financial liabilities						
Bank overdrafts and short-term						
loans from financial institutions	-	224,000,000.00	224,000,000.00	-	224,000,000.00	224,000,000.00
Trade and other current payables	-	102,388,224.34	102,388,224.34	-	105,244,213.16	105,244,213.16
Short-term loans	-	6,875,000.00	6,875,000.00	-	-	-
Total financial liabilities	-	333,263,224.34	333,263,224.34	-	329,244,213.16	329,244,213.16

26. Financial Instruments (continue)

26.4 Fair values financial Instruments (continue)

(Unit : Baht)

	Consolidated financial statements			Separate financial statements		
	As at December 31, 2021					
	Amortised			Amortised		
	FVPL	cost	Total	FVPL	cost	Total
Financial assets						
Cash and cash equivalents	-	31,143,128.91	31,143,128.91	-	23,768,182.40	23,768,182.40
Trade and other current receivables	-	224,679,158.99	224,679,158.99	-	224,319,385.81	224,319,385.81
Total financial assets	-	255,822,287.90	255,822,287.90	-	248,087,568.21	248,087,568.21
Financial liabilities						
Bank overdrafts and short-term						
loans from financial institutions	-	311,140,547.60	311,140,547.60	-	311,140,547.60	311,140,547.60
Trade and other current payables	-	98,938,012.51	98,938,012.51	-	98,732,470.54	98,732,470.54
Short-term loans	-	6,875,000.00	6,875,000.00	-	-	-
Other current financial liabilities	448,553.82	-	448,553.82	448,553.82	-	448,553.82
Total financial liabilities	448,553.82	416,953,560.11	417,402,113.93	448,553.82	409,873,018.14	410,321,571.96

26. Financial Instruments (continue)

26.4 Fair values financial Instruments (continue)

Fair value hierarchy

As at December 31, 2022, and 2021, The Group has assets that are measured at fair value and liabilities that are disclosed at fair value. They are presented in the fair value hierarchy as follows:

(Unit : Baht)

	Consolidated and Separate financial statements			
	As at December 31, 2022			
	Fair value hierarchy			
	Level 1	Level 2	Level 3	Total
Financial assets				
Forward foreign exchange				
contract assets	-	693,249.17	-	693,249.17

(Unit : Baht)

	Consolidated and Separate financial statements			
	As at December 31, 2021			
	Fair value hierarchy			
	Level 1	Level 2	Level 3	Total
Financial Liabilities				
Forward foreign exchange				
contract liabilities	-	448,553.82	-	448,553.82

The Group estimates fair value of foreign exchange forward contracts measurement is determined using a valuation technique and model. The inputs to this model are derived from observable market data, taking into consideration of exchange rate, discount rate, maturity, the underlying price and the volatility of the underlying item.

During the current period, The Group has not transfers. And assumptions used to estimate the fair value of financial instruments and there are no transfers between the fair value hierarchy.

26.5 Capital management

The primary objective of the Company's capital management is to provide good returns to shareholders and benefits to other stakeholders and to maintain an optimal capital structure in order to support asset management plan and new investment opportunities which will create value and strengthen financial position for the whole group.

26. Financial Instruments (continue)

26.6 Liquidity risk

As of 31 December 2022 and 2021 the Group has of the liabilities, which will mature within one year, based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded the risk is low. Furthermore, the Group has access to a sufficient variety of sources of funding.

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

(Unit : Baht)

Consolidated financial statements					
As at December 31, 2022					
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Financial liabilities					
Bank overdrafts and short-term loans from					
financial institutions	-	224,000,000.00	-	-	224,000,000.00
Trade accounts and other					
current payables	-	102,388,224.34	-	-	102,388,224.34
Short term loan	6,875,000.00	-	-	-	6,875,000.00
Total	6,875,000.00	326,388,224.34	-	-	333,263,224.34

(Unit : Baht)

Separate financial statements					
As at December 31, 2022					
	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Financial liabilities					
Bank overdrafts and short-term loans					
from financial institutions	-	224,000,000.00	-	-	224,000,000.00
Trade accounts and other					
current payables	-	105,244,213.16	-	-	105,244,213.16
Total	-	329,244,213.16	-	-	329,244,213.16

26. Financial Instruments (continue)

26.6 Liquidity risk (continue)

(Unit : Baht)

Consolidated financial statements

As at December 31, 2021

	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Financial liabilities					
Bank overdrafts and short-term loans					
from financial institutions	-	311,140,547.60	-	-	311,140,547.60
Trade accounts and other					
current payables	-	98,938,012.51	-	-	98,938,012.51
Short term loan	6,875,000.00	-	-	-	6,875,000.00
Total	6,875,000.00	410,078,560.11	-	-	416,953,560.11

(Unit : Baht)

Separate financial statements

As at December 31, 2021

	On demand	Less than 1 year	1 to 5 years	Over 5 years	Total
Financial liabilities					
Bank overdrafts and short-term loans from					
financial institutions	-	311,140,547.60	-	-	311,140,547.60
Trade accounts and other					
current payables	-	98,732,470.54	-	-	98,732,470.54
Total	-	409,873,018.14	-	-	409,873,018.14

27. Approval of financial statement


This financial statement approved by board of company's directors on February 27, 2023.


Addendum 1


Details about Directors, Executives, Controlling Persons, Those Assigned the Highest Responsibilities in Accounting and Finance, Those Assigned the Direct Responsibility for Overseeing the Accounting and the Company Secretary

1. Information about Directors, Executives, Controlling Persons, Those Assigned the Highest Responsibilities in Accounting and Finance, Those Assigned the Direct Responsibility for Overseeing the Accounting and the Company Secretary


1.1 Details about Directors, Executives, Controlling Persons, Those Assigned the Highest Responsibilities in Accounting and Finance, Those Assigned the Direct Responsibility for Overseeing the Accounting and the Company Secretary (As of 14 March 2023)


First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
1. Mrs. Pattama Tangpiroonthum  Age: 80 years President	30 March 2004	- Grade 12 - Director Certification Program (DCP) Class 38/2003, Thai Institute of Directors (IOD)	Mother of Mr. Somroek, Miss Prinda, and Mr. Vorravuth Tangpiroonthum, and older sister of Mr. Phueanrak Nakhob.	4.22	2004 - Present - President, THAI HA Public Co., Ltd. 1988 - Present - President, Cheer Group Holdings Co., Ltd. 1985 - 2012 - Director, Thai Vegetable Oil Public Co., Ltd.


First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
2. Associate Professor Dr. Buddhagarn Rutchatorn  Age: 68 years - Chairman of the Audit Committee - Independent Director	28 April 2006	<ul style="list-style-type: none"> - Ph.D. in Management (International Economics), Keio University, Japan - Cert.in Health Economics, University of York - Master of Economics, Chulalongkorn University - Bachelor of Economics, Chulalongkorn University - Director Accreditation Program (DAP) Class 56/2006, Thai Institute of Directors (IOD) 	None	None	Present - Independent Director and Chairman of the Audit Committee, THAI HA Public Co., Ltd. - Senior Expert, ASEAN Studies Center, Chulalongkorn University 2000 – 2008 - Vice Dean, Faculty of Economics, Chulalongkorn University 1996 – 1999 - Assistant to the Rector, Chulalongkorn University


First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
3. Dr. Danai Chanchaochai  Age: 56 years - Audit Director - Independent Director	9 September 2008	<ul style="list-style-type: none"> - Honorary Doctorate in General Public Relations, Kasem Bundit University - Master of Marketing, Thammasat University and University of Gothenburg, Sweden - Bachelor of Business Administration, Assumption University - Clayton High School, Saint Louis, Missouri, USA (First AFS student from Horwang School) - Director Accreditation Program (DAP) Class 76/2008, Thai Institute of Directors (IOD) 	None	None	Present <ul style="list-style-type: none"> - Chairman of Advisor, DC Consultants and Marketing Communication Co., Ltd. - Chief Executive Officer, DMG Publishing - Chairman, Do-d Foundation 2021 – Present <ul style="list-style-type: none"> - Qualified Board Member and Audit Chairman, Princess Maha Chakri Sirindhorn Anthropology Center (Public Organization) 2016 - Present <ul style="list-style-type: none"> - Executive Committee, Human Capacity Building Institute (HCBI) - Chairman, Super Brands Thailand Council 2015 - Present <ul style="list-style-type: none"> - Chairman of the Audit Committee and Expert Committee, Moral Promotion Center (Public Organization)

First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
					<ul style="list-style-type: none"> - Chairman, Morality Instructor Academy - Former Expert Committee of the Committee, National Public Relations - Former Board of Directors, Plan 8, the Office of Thai Health Promotion Foundation 2013 - Present - Vice President, Palliative Care Thailand Foundation 2011 - Present - Executive of Strategy Committee, Anti-Corruption Organization of Thailand 2014 - Past - Executive Committee, World Kindness Movement 2010 - Past - Member of Committee, Foundation for a Clean and Transparent Thailand


First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
					<ul style="list-style-type: none"> - Member of Subcommittees for higher education development and reform, Office of the Higher Education <p>2008 – Past</p> <ul style="list-style-type: none"> - Advisor, Young Buddhists Association of Thailand
<p>4. Mr. Santi Opaspakornkij</p>  <p>Age: 54 years</p> <ul style="list-style-type: none"> - Audit Director - Independent Director 	29 April 2016	MBA, Babson College, USA	None	None	<p>2022 - Present</p> <ul style="list-style-type: none"> - Committee member, Green Space Steering Committee, Bangkok Metropolitan Administration <p>2020 - Present</p> <ul style="list-style-type: none"> - Advisor, Thai Arboriculture Association (TTA) - Board member, Rak Mai Yai Foundation <p>2019 - Present</p> <ul style="list-style-type: none"> - Member of Audit Committee, Thai Ha Public Company Limited <p>2016 - Present</p> <ul style="list-style-type: none"> - Independent Director, Thai Ha Public Company Limited

First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
					2008 - Present - Director, Ref. Security Administration and Management Co., Ltd.
5. Mr. Purnrux Nacob  Age: 69 years - Director - Authorized Director - Executive Director	30 March 2004	- Honorary PhD in Marketing, Faculty of Business Administration, Ramkhamhaeng University - MBA, Kasetsart University - Bachelor of Arts (Political Science), Ramkhamhaeng University - BBA, Suan Dusit Rajabhat University - Finance for Non-finance Director Program, Thai Institute of Directors (IOD)	Brother of Mrs. Pattama Tangpiroon thum	None	Present - Director and Executive Director, THAI HA Public Co., Ltd. - Director, Prodigy Public Co., Ltd. - President, Management and Psychology Co., Ltd. 2016 - 2020 - President, FN Factory Outlet Public Co., Ltd. 1985 - 2018 - Chairman of the Executive Committee, Director and Managing Director, Thai Vegetable Oil Public Co., Ltd.

First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
		<ul style="list-style-type: none"> - Business Revolution and Innovation Network (BRAIN) Program, Federation of Thai Industries - Director Accreditation Program (DAP) Class 44/2005, Thai Institute of Directors (IOD) 			
6. Mr. Somroek Tangpiroonthum  Age: 55 years - Director	30 March 2004	<ul style="list-style-type: none"> - MBA, Nova University, USA - Director Accreditation Program (DAP) Class 14/2004, Thai Institute of Directors (IOD) - Strategic CFO in Capital Markets Program, Class 9, Stock Exchange of Thailand 	Son of Mrs. Pattama and Mr. Chalongsang Tangpiroonthum	3.75	2021 - Present - President of Econ Chula Association 2018 - Present - Chief Financial Officer, THAI HA Public Co., Ltd. 2012 - Present - Director, Thai Rice Exporters Association 2011 - Present - Honorary Chairman, Thai Rice Packers Association 2004 - Present - Director and Chief Executive Officer, THAI HA Public Co., Ltd.

First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
<ul style="list-style-type: none"> - Authorized Director - Executive Director - Chief Executive Officer - Chief Financial Officer 					2003 - Present - Director, Chama Asset Co., Ltd. 1995 - Present - Director, Cheer Group Holdings Co., Ltd.
7. Miss Prinda Tangpiroonthum  Age: 53 years <ul style="list-style-type: none"> - Director 	30 March 2004	<ul style="list-style-type: none"> - Master's Degree, Human Resources, Nova University, USA - Master's Degree, International Business, Nova University, USA - Bachelor of Economics, International Economics, Thammasat University - Audit Committee Program (ACP 30/2010) Thai Institute of Directors (IOD) 	Daughter of Mrs. Pattama and Mr. Chalong Tangpiroonthum	3.70	2013 – Present - Executive Chairman, Cheer Group Holdings Co., Ltd. 2003 – Present - Founder and Managing Director, Chama Asset Co., Ltd. 1996 – Present - Co-Founder and Executive Director, Thai Ha Public Company Limited 2013 – 2015 - Director, Thai Vegetable Oil Public Company Limited 2004 – 2012 - Vice Executive Chairman, Cheer (Thailand) Co., Ltd.

First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
- Authorized Director		<ul style="list-style-type: none"> - Director Accreditation Program (DAP 14/2004) Thai Institute of Directors (IOD) - Finance for Non-Finance Director (FND 1/2003) Thai Institute of Directors (IOD) - Director Certification Program (DCP 9/2001) Thai Institute of Directors (IOD) 			1995 – 2003 - Deputy Managing Director, Cheer (Thailand) Co., Ltd.

First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
8. Mr. Vorravuth Tangpiroonthum  Age: 48 years - Director - Authorized Director	30 March 1997	<ul style="list-style-type: none"> - National Director Conference 2021 (IOD) - Director Refreshment Program 1/2021 (DRP) (IOD) - Director Diploma, Successful Formulation and Execution of Strategy 33/2020 (SFE) (IOD) - Director Diploma, Boardroom Success Through Financing and Investment 9/2020 (BFI) (IOD) - Director Diploma, Strategic Board Master Class 6/2019 (SBM) (IOD) - Director Diploma, Board Nomination and Compensation Program 4/2018 (BNCP) (IOD) - Director Diploma, Corporate Governance for Capital Market 	Son of Mrs. Pattama and Mr. Chalongsang Tangpiroonthum	4.55	2017 – Present - Board of Directors, Thai Vegetable Oil Public Company Limited 2015 – Present - Board of Directors and Strategic and Investment Committee, Prodigy Public Company Limited 2011 – Present - Chief Executive Officer (CEO), Cheer Group Holdings Company Limited 1997 – Present - Board of Directors, THAI HA Public Company Limited 2016 – 2019 - Board of Directors, Audit Committee and Member of Corporate Governance, Nomination and Remuneration Committee, Major Development Public Company Limited 2007 – 2014 - Chief Financial Officer (CFO) and Chairman of the Risk Management

First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
		<p>Intermediaries 20/2018 (CGI) (IOD)</p> <ul style="list-style-type: none"> - Director Diploma, Advanced Audit Committee Program 23/2016 (AACP) (IOD) - Director Diploma, Family Business Sustainability 4/2016 (FBS) (IOD) - Director Diploma, Monitoring the Internal Audit Function 6/2009 (MIA) (IOD) - Director Diploma, Examination 22/2007 (EXAM) (IOD) - Director Diploma, Director Certification Program 92/2007 (DCP) (IOD) 			<p>Committee, THAI HA Public Company Limited</p> <p>Social and Volunteer</p> <ul style="list-style-type: none"> - Class President of SCBS Infinite Wealth 2016 (IWP3), SCB Securities - Co-Founder of *SASIN FOR FARMER* Program, Sasin Graduate Institute of Business Administration of Chulalongkorn - University and Thai Rice Foundation Under Royal Patronage - Practitioner in Business Finance, Master of Engineering in Innovation & Entrepreneur, Engineer Faculty, Mahidol University - Committee of Commerce & Accountancy of Chulalongkorn University

First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
		<ul style="list-style-type: none"> - Director Diploma, Finance for Non – Finance Directors 35/2007 (FND) (IOD) - Director Diploma, Director Accreditation Program 14/2004 (DAP) (IOD) - Thai Intelligence Investors Program, Thai Investors Association - Professional CFO Diploma, National Institute of Developments Administration (NIDA) - MBA, Concentrate in Finance and Marketing, SASIN Graduate Institute of Business Administration of Chulalongkorn University 			<ul style="list-style-type: none"> - Committee of Selection Candidate MBA, Mahidol University - Fellow Member, The Institute of Directors

First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
		- BBA, Concentrate in Management, Commerce and Accountancy of Chulalongkorn University			
9. Miss Titima Orsiriwikorn Age: 48 years - Executive Director and Deputy Managing Director	24 February 2014	- MBA, Maryville University, USA - Strategic CFO in Capital Markets Program, Class 9, Stock Exchange of Thailand	Married to Mr. Somroek Tangpiroonthum	0.55	2014 - Present - Executive Director, THAI HA Public Co., Ltd. 2019 - 2020 - Acting Company Secretary, THAI HA Public Co., Ltd. 2000 - 2014 - International Affairs Supervisor, THAI HA Public Co., Ltd.
10. Miss Nitchada Kaewnet Age: 46 years - Finance Supervisor (Serving until 28 February 2022) - Acting Finance Supervisor (Serving	1 December 2020	- Bachelor of Accountancy, Accounting, Faculty of Business Administration, South-East Asia University	None	None	2020 – Present - Accounting Director, THAI HA Public Co., Ltd. 2018 – 2020 - Accounting Manager, S.P. Petpack Co., Ltd. 2017 – 2019 - Assistant Accounting Manager, TPBI Public Co., Ltd.

First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
until 28 February 2022)					2015 – 2017 - Accounting and Finance Manager, S.T. Thammaporn Co., Ltd.
11. Miss Nitchaya Maniphak Age: 50 years - Accounting and Finance Supervisor (Serving until 9 December 2022)	21 September 2022	- Master's Degree in Accounting, Ramkhamhaeng University - Bachelor's Degree in Accounting, Ramkhamhaeng University	None	None	2022 - Accounting and Finance Director, THAI HA Public Co., Ltd. 2520 – 2022 - Accounting Director, Win Chance Foods 2019 – 2020 - Accounting Director, Sri Trang Gloves Thailand (STGT) 2017 – 2018 - Accounting Director, NARA Global Co., Ltd.
12. Tien and Partners Co., Ltd., by Miss Kamfai Suaprae Age: 37 years - Company Secretary	17 January 2020	- LL.M. in Commercial Law, University of Bristol, UK - LL.B., Thammasat University - Certificate, Company Secretary Program (CSP), Class 104/2019, Thai Institute of Directors (IOD)	None	None	2020 - Present - Company Secretary, THAI HA Public Co., Ltd. 2018 - Present - Managing Director, Tien and Partners Co., Ltd. 2013 - Present - Legal Advisor, Charin & Associates Co., Ltd.

First-Last Name, Age, Position	Appointment Date (First Time)	Educational Background/ Training History	Familial Relationship with Directors and Executives	Total Shareholding Proportion with Voting Rights in the Company (%)	Work Experience for the Past 5 Years
					2007 - 2010 - Legal Advisor, LS Horizon Limited

1.2 Duties and Responsibilities of the Company Secretary

The Company Secretary must perform the duties specified in Sections 89/15 and 89/16 of the Securities and Exchange Act (No. 4), B.E. 2551 (2008), which came into effect on 31 August 2008, with responsibility, care, and honesty, in addition to complying with the laws, objectives, and regulations of the Company, resolutions of the Board, and resolutions of the shareholders' meetings. The duties of the Company Secretary are as follows:

- (1) Compiling and storing the following documents:
 - (1.1) Directors' registration.
 - (1.2) Invitation letters and minutes to Board meetings.
 - (1.3) Invitation letters and minutes to shareholders' meetings.
 - (1.4) Annual reports of the Company.
- (2) Arranging shareholders' meetings and Board meetings.
- (3) Providing preliminary advice and recommendations to the Board on related legal and regulation matters.

2. Information about Positions Held by the Directors, Executives, and Controlling Persons in Subsidiaries, Joint-Stock Companies, or Related Companies

Name	Other Related Companies						
	THAI HA PLC	Thai Vegetable Oil PLC (TVO)	Cheer Group Holdings Co., Ltd.	Chama Asset Co., Ltd.	THAI HA Innovative Foods Co., Ltd.	Prodigy PLC	DC Consultants and Marketing Communication Co., Ltd.
1. Mrs. Pattama Tangpiroonthum	X	-	X	X	-	-	-
2. Associate Professor Dr. Buddhagarn Rutchatorn	IVV, IIV	-	-	-	-	-	-
3. Dr. Danai Chanchaochai	IVV, ///	-	-	-	-	-	*
4. Mr. Santi Opaspakornkij	IVV, ///	-	-	-	-	-	-
5. Mr. Purnrux Nacob	/, //, **	-	-	-	-	/	-
6. Mr. Somroek Tangpiroonthum	/, //, #, **, ***	-	/	/, **	/, **	-	-
7. Miss Prinda Tangpiroonthum	/, **	-	/, +	/, O, **	-	-	-
8. Mr. Vorravuth Tangpiroonthum	/, **	/, **	/, #, **	/, **	-	/, **	-
9. Miss Titima Orsiriwikorn	//, OO	-	-	-	/, **	-	-
10. Miss Nitchada Kaewnet	IV	-	-	-	-	-	-
11. Miss Nitchaya Maniphak	IV	-	-	-	-	-	-

Remarks: 1. X = President, XX = Vice President, / = Director, // = Executive Director, /// = Audit Director, IIV = Chairman of the Audit Committee, IVV = Independent Director, IV = Executive, + = Chairman of the Executive Committee, ++ = Vice Chairman of the Executive Committee, # = Chief Executive Officer, o = Managing Director, oo = Deputy Managing Director, ooo = Senior Supervisor, * = Advisory Chairman, ** = Authorized Signatory, *** = Chief Financial Officer

2. A related company is defined as a juristic entity of a person which may cause a conflict.

Addendum 2
Details about the Directors of Subsidiaries¹

- None -

Remarks: ¹ Subsidiaries refer to significant subsidiaries such as those with revenue that account for more than 10% of the total revenue based on the profit and loss statement.

Addendum 3

Details about the Chief Internal Auditor



Monnapat Phumirattanajarin

Vice President

084-3538555 , 081-7608978 monnapat.ph@plcorporation.com

Education

- Master of Accounting Program Executive Accounting Faculty of Commerce and Accountancy Chulalongkorn University
- Bachelor of Accounting, Accounting Program, Faculty of Accountancy, Dhurakij Pundit University

Certificate

- CAC SME Independent Auditor Certification, Thai Institute of Directors Association (IOD)
- Internal Auditing Certificate Program (IACP), Thailand Federation of Accounting Professions (TFAC)
- Certified Professional Internal Audit of Thailand (CPIAT), The Institute of Internal Auditors of Thailand (IIAT)
- ICDL Data Protection Certification, Digital Skills Development and Testing Institute (DDTI)

Internal auditing work experience

- Initial Public Offering (IPO) ; Hospital and Health care business, Production business (Food, Animal feed, Automotive and Packaging), Hotel and restaurant business, Transportation business (Land, Marine and Airline), Energy business.
- Securities Exchange of Thailand (SET) and Market for Alternative Investment (mai) ; Production business (Food & Non food), Wholesale and Retail business, Personal loan, Debt Audition and Real estate.
- Others ; Education Business, Production and distribution

Work experience

- Vice President, P&L Internal Audit Co., Ltd.
- Senior Internal audit manager, P&L Internal Audit Co., Ltd.
- Internal audit manager, P&L Internal Audit Co., Ltd.
- Marketing Officer, Seamico Securities PLC.
- Assistant Teacher, Dhurakij Phundit University (Accountancy Faculty)
- Accountant staff, Sustainable Energy Association



Monnapat Phumirattanajarin

Vice President

084-3538555 , 081-7608978 monnapat.ph@plcorporation.com

Training

- Ethical Audit, The Institute of Internal Auditors of Thailand (IIAT)
- Techniques for developing the Risk Universe and the Audit Universe - Manufacturing business, The Institute of Internal Auditors of Thailand (IIAT)
- Auditing and audit considerations when an entity uses a computer to process data (2/2561), Thai Federation of Accounting Professions (TFAC)
- Tax Accountant (Full course), Thai Federation of Accounting Professions (TFAC)
- 108 Problems of VAT and Update new tax law (2014-2015), The Revenue Department
- Internal Auditing Certificate Program (17), Thai Federation of Accounting Professions (TFAC)
- Quality Accounting Firm, Department of Business Development (DBD)
- Business Management for Internal Audit In the age Digital 4.0 รุ่นที่ 6, Thai Federation of Accounting Professions (TFAC)
- Working Paper for Better Corruption Prevention, Thai Institute of Directors Association (IOD)
- Financial Statements Review for Internal Auditors รุ่นที่ 1/2560, Thai Federation of Accounting Professions (TFAC)
- Accountant acted legally (1/2560), The Revenue Department
- IPO Focus "Effective Internal Control for Success IPO", Thai Institute of Directors Association (IOD) - NPAE Financial Reporting Standards and the difference from IFRS for SME, Thai Federation of Accounting Professions (TFAC)
- Integrated Audit (1/2561), Thai Federation of Accounting Professions (TFAC)
- Pre-CIA course, Chulalongkorn University
- Training Analysis Fundamental Information in Financial market and stock market, Thailand Securities Institute (TSI)

Addendum 4
Assets Used in Business Operations and Details of Property Appraisal Transactions

1. Assets Used in Business Operations

1.1 Key Characteristics and Value of the Main Fixed Assets used in Business Operations


List of Assets	Ownership (Owned/Leased by the Company)	Net Accounting Value (Thousand Baht)	Obligations
1. 1 Land Plot Location: Amphur Sampran, Nakornpathom Total Area: 9 rai, 2 ngan, 31 sq.wa.	Owned by the Company	81,499	No Collateral Obligations
2. 9 Land Plots Location: Amphur Takhli, Nakornsawan Total Area: 37 rai, 6 ngan, 193 sq.wa.	Owned by the Company	26,124	No Collateral Obligations
3. 2 Land Plots Location: Amphur Thamuang, Kanchanaburi Total Area: 23 rai, 2 ngan, 17 sq.wa.	Owned by the Company	20,807	No Collateral Obligations
4. Office Building Location: Amphur Sampran, Nakornpathom	Owned by the Company	43,210	No Collateral Obligations
5. Office Building Location: Amphur Takhli, Nakornsawan	Owned by the Company	7,606	No Collateral Obligations
6. Office Building Location: Amphur Thamuang, Kanchanaburi	Owned by the Company	8,260	No Collateral Obligations


List of Assets	Ownership (Owned/Leased by the Company)	Net Accounting Value (Thousand Baht)	Obligations
7. 2 Factories for Producing Rice and Instant Products Location: Amphur Sampran, Nakornpathom	Owned by the Company	43,230	No Collateral Obligations
8. 1 Factory for Producing Glass Noodles Location: Amphur Takhli, Nakornsawan	Owned by the Company	39,603	No Collateral Obligations
9. 1 Factory for Finished Goods Location: Amphur Takhli, Nakornsawan	Owned by the Company	9,281	No Collateral Obligations
10. Machinery	Owned by the Company	67,398	No Collateral Obligations

1.2 Key Characteristics of Significant Intangible Assets

The Company has registered trademarks covering all brands sold both in Thailand and overseas with a total of nine trademarks registered in Thailand and five trademarks registered overseas in 14 countries.

The Company's major trademarks are as follows:

Trademark Characteristics	Name of Owner	Product/Service Category	Registration No./Country of Registration	Coverage Period
 “ตราเกษตร” Trademark	THAI HA PLC	Instant Rice, Congee, Glass Noodles	161101597 / Thailand	10 years from 4 February 2015 to 3 February 2025

Trademark Characteristics	Name of Owner	Product/Service Category	Registration No./Country of Registration	Coverage Period
 “KASET BRAND” Trademark	THAI HA PLC	Instant Rice, Congee, Glass Noodles	161101596 / Thailand	10 years from 4 February 2015 to 3 February 2025

2. Details about Asset Appraisal Transactions

- None -

Addendum 5
Complete Version of the Business Code of Conduct Prepared by the Company

CODE OF CONDUCT

Table of Contents

	Page
Message from the Chief Executive Officer.....	1
Section 1: Business Policy and Definitions.....	2
Section 2: Policy on Treatment of Stakeholders.....	4
2.1 Policy on Treatment of Shareholders.....	4
2.2 Policy on Treatment of Employees.....	4
2.3 Policy on Treatment of Customers and Product Quality.....	5
2.4 Policy on Treatment of Trade Partners.....	6
2.5 Policy on Treatment of Creditors.....	6
2.6 Policy on Treatment of Trade Competitors.....	6
2.7 Safety, Occupational Health and Environmental Policy.....	7
2.8 Corporate Social Responsibility and Public Responsibility Policy.....	7
2.9 Policy on Treatment of Governing Agencies.....	8
Section 3: Anti-Corruption Policy.....	9
3.1 Protocol.....	9
3.2 Duties and Responsibilities.....	11
3.3 Operating Measures.....	11
3.4 Anti-Corruption Policy Dissemination	12
Section 4: Financial Reporting, Internal Control System and Internal Audit Policy.....	13
Section 5: Policy on Trading in the Company's Securities and Use of Inside Information	14
Section 6: Policy on Preservation and Use of the Company's Property.....	15
6.1 Protection of the Company's Property.....	15
6.2 Computer and Information Technology Use.....	15

Table of Contents (continued)

	Page
Section 7: Conflict of Interest Policy.....	16
Section 8: Human Rights Policy.....	17
Section 9: Policy on Exercising Political Rights.....	18
Section 10: Compliance Monitoring and Penalties.....	19
Section 11: Acceptance of Complaints and Complainant or Informer Protection Measures	20

Message from the Chief Executive Officer

Thai Ha Public Co., Ltd. (the Company) recognizes the importance of operating businesses and managing work with honesty, morals, ethics and corporate social responsibility in order to lead towards sustainable growth, add maximum value and returns to the Company's shareholders in the long term.

To induce concrete compliance with the corporate governance policy, the Company has prepared the Code of Conduct for directors, executives and employees to use as a guideline for behaviors in performing duties and the Company's mission with honesty, transparency, morals, ethics and be completely against corruption, which is important in enabling the Company to grow continually with security, sustainability and acceptance from all parties involved.

The Code of Conduct is an addition to the Company's work rules, regulations, notifications and directives. If content in the Company's work rules, regulations, notifications and directives conflict with the content of this Code of Conduct, the content of this Code of Conduct is to be used.

The Board of Directors hopes this Code of Conduct will become a work guideline for every director, executive and employee. Therefore, every person is asked to study, understand instructions and behave as a good example in order to achieve the Company's objectives and goals.

-Signature-

(Somroek Tangpiroonthum)

Chief Executive Officer

Code of Conduct

Section 1: Business Policy

In operating the business to create maximum benefit for shareholders, the Company is committed to operating legally under a framework of good business ethics without corruption while adhering to principles of responsibility, transparency and fair treatment of all parties to achieve the Company's outlined vision and missions. The Company's Code of Conduct is applied to company directors, executives, employees and hired workers of the Company and every affiliated company.

Definitions

"Company" means Thai Ha Public Co., Ltd.

"Director" means the Board of Directors, audit directors and directors on other committees or sub-committees appointed by the Board of Directors or the shareholder meeting.

"Executive" means directors and employees at the manager level and up.

"Business Ethics" means work instructions or guidelines for enabling the Board of Directors, executives and all employees and hired workers to perform duties with principles.

"Creditor" means a trade creditor and/or financial officer to whom the Company must make payments or has duties and obligations to comply with specifications, conditions or agreements.

"Corruption" means behaviors with the following four characteristics:

1. Corruption – Any behavior in which employees demanded or asked for money, receptions, donations, gifts or other benefits for employees or colleagues from people who conduct business with the organization directly or indirectly.

2. Bribery – The receiving of money and items with employees' involvement in demanding money, gifts or any other benefits for personal gain which will lead to corruption.

3. Conflicts of Interest – Use of positions and duties for personal gain with family members conducting business with the organization, which influences decisions and affects the organization's benefits and;

4. Receiving Any Items/Benefits – Acceptance of any gifts or benefits out of affection or reward to build good relationships between employees-trade partners, which may influence decisions to perform illegal acts, violate rules or good morals in the course of duties including exercising authority at work to perform any action for personal gain or the benefit of others in order to acquire money, property or any other benefits in the form of money or items illegally.

“**Employee**” means regular employees, temporary employees and employees under special employment agreements and consultant hiring agreements.

“**Gifts**” means any items with monetary value such as cash equivalents, items used to exchange for goods and services (including airplane tickets and discount coupons), traveling costs, lodging costs, food costs, waiving of rights and refusal to accept items which the Company may receive regardless of monetary value.

Vision

Become a Leading Global Brand

Mission

- Manufacture good products with quality and safety according to the law under advanced international food standards.
- Create added value for diverse agricultural products and processed agricultural goods continually.
- Create maximum satisfaction for customers.
- Improve personnel capacity and continually improve personnel quality of life.
- Commit to continually repaying society and communities.

Section 2: Policy on Treatment of Stakeholders

2.1 Policy on Treatment of Shareholders

The Company is committed to accepting responsibility and creating maximum satisfaction for shareholders while considering the organization's growth with sustainability and creating added value for shareholders in the long term. Therefore, the Company requires directors, executives and employees to follow the following guidelines:

- (1) Perform duties with honesty and make decisions on any actions with a pure heart, caution and fairness to major and minor shareholders for the ultimate benefit of shareholders overall.
- (2) Present reports on the Company's status, performance, financial status and information and other reports to shareholders equally, regularly and completely according to the truth.
- (3) Do not seek gains for yourself, family members and others by using any of the Company's information not disclosed to the public or perform any actions that may cause conflicts of interest with the organization and/or benefit for yourself, family members, friends and acquaintances.

2.2 Policy on Treatment of Employees

The Company is well aware that employees are a major factor of the Company's sustainability. Therefore, it is a policy of the Company to have fair treatment in terms of opportunity, returns, appointments, transfers and capacity development. The Company has set the following guidelines:

- (1) Treat employees with politeness, dignity, respect for colleagues and respect for individuality and human dignity.
- (2) Offer appropriate and fair returns based on knowledge, ability, responsibility and performance.
- (3) Ensure safety for the lives and property of employees in work environments.
- (4) Appointments and transfers including rewards are to be done honestly and based on the knowledge, ability and suitability of that employee.
- (5) Place importance on employee development, knowledge transfer and ability by offering employees opportunities with coverage and consistency.

-
- (6) Listen to opinions and recommendations from employees at every level equally.
 - (7) Strictly follow laws and regulations concerning employees.
 - (8) Create and maintain an atmosphere of unity among employees and avoid any actions that may affect the Company's reputation and image or become a problem for the Company afterwards.

2.3 Policy on Treatment of Customers and Product Quality

The Company recognizes the importance of customer satisfaction for the Company's business success. Therefore, the Company intends to seek methods to meet customer needs more effectively at all times by specifying in the Company's quality policy that "We are committed to providing good products and services that have quality, safety and compliance with the law along with making continual improvements to remain in customers' hearts." The Company specified the following guidelines:

- (1) Commit to creating satisfaction and confidence for customers to receive good quality products and services at appropriate prices by improving standards continually.
- (2) Disclose complete, accurate and up-to-date news and information about products and services without exaggeration to cause customers to misunderstand any quality, quantity or conditions of products or services.
- (3) Strictly follow existing conditions with customers. In cases where the Company is unable to meet any condition, customers must be informed urgently to jointly consider solutions.
- (4) Meet customer needs quickly and punctually to maximize customer satisfaction.
- (5) Maintain customers' confidential information and do not use information for personal gain or for the benefit of others.
- (6) Create systems and processes for customers to make complaints regarding quality, quantity and safety of products and services including responding or delivering quickly and working to the fullest to ensure customers receive a fast response.
- (7) Honor and contact customers with politeness, efficiency and trustworthiness.

2.4 Policy on Treatment of Trade Partners

The Company has a policy of equitable and fair treatment of trade partners based on mutual benefit and good business ethics. Therefore, the Company specified the following guidelines:

- (1) Strictly follow the conditions agreed upon. In cases where the Company is unable to follow conditions, trade partners must be notified in advance in order to jointly determine solutions by using the principle of reason.
- (2) Strictly comply with laws, contracts and specifications.
- (3) Provide truthful and accurate information.
- (4) Prepare criteria for selecting and assessing trade partners.
- (5) Do not demand, accept or pay any dishonest benefits in trading with trade partners.

2.5 Policy on Treatment of Creditors

The Company is committed to operating the business with principles and discipline by considering equality, fairness and honesty towards trade creditors and compliance with obligations in loans taken out from banks, financial institutions and payments of prices of products, services, principal sums and interest. Therefore, the Company specified the following guidelines:

- (1) Strictly follow the conditions agreed upon including in terms of repayment and oversight of collaterals and other conditions including not using funds from loans in a manner in conflict with objectives of agreements made with lenders.
- (2) In cases where the Company is unable to comply with any conditions, the Company must notify creditors in advance to jointly solve problems.
- (3) Report the Company's financial status truthfully and accurately.

2.6 Policy on Treatment of Trade Competitors

The Company has a policy to treat trade competitors fairly by adhering to generally accepted international principles. Therefore, the Company specified the following guidelines:

- (1) Follow the framework of rules of good competition that are generally accepted.
- (2) Do not damage the reputation of trade competitors with false accusations. Avoid dishonest means of damaging competitors.
- (3) Do not seek confidential information of trade competitors with dishonest means.
- (4) Do not violate intellectual property of trade competitors.

2.7 Safety, Occupational Health and Environmental Policy

The Company is committed to operating the business on the basis of safety, occupational and good environments. Therefore, the Company specified the following guidelines:

- (1) The Company will organize systems for management, safety, occupational health and environment at work consistent with and no less than criteria prescribed in laws.
- (2) The Company considers it a duty and responsibility of the Company to society and every employee to promote and support work in the area of safety, occupational health and environment at work along with preventing environmental impacts and preserving the environment.
- (3) The Company specifies a policy for every executive and supervisor to have a duty and responsibility to maintain safety, occupational health and work environments for subordinates strictly according to regulations specified by the Company.
- (4) The Company has a policy for every employee and worker to have a duty and responsibility to work in order to create safety, occupational health and work environments according to rules and regulations specified by the Company.
- (5) The Company will supply and provide safe instruments, tools and equipment including safety equipment for workers in addition to providing safe working conditions and methods including providing knowledge for workers and creating motivation for work safety while fully considering prevention of environmental impacts.
- (6) Control and prevent hazards with effects on health from fire, chemicals, electricity, machinery, emergencies and other potential hazards that may occur to employees and those involved at levels with acceptable risks.

2.8 Corporate Social Responsibility and Public Responsibility Policy

The Company places importance on developing the business to have security and sustainability while being committed to continually repay society and communities. Therefore, the Company specified the following guidelines:

- (1) Support activities with an appropriate model that benefit communities and society.
- (2) Provide or donate items and properties to victims as appropriate.

-
- (3) Consider choices in using resources as necessary to have minimum effects on damage to communities, society, the environment and quality of life.

2.9 Policy on Treatment of Governing Agencies

The Company is dedicated to operating the business with principles and discipline by considering compliance with laws and regulations. Therefore, the Company specified the following guidelines:

- (1) Work and control operations strictly according to ideals of laws and regulations issued by governing agencies.
- (2) Work correctly and directly when there is need to contact officials from governing agencies.
- (3) Avoid actions that support or allow the Company to become an instrument for avoiding compliance with laws or regulations.

Section 3: Anti-Corruption Policy

The Company is committed to resisting corruption in every form, whether direct or indirect, and requires the Company's directors, executives and employees including subsidiaries, stakeholders and those involved in the Company's business operations to comply with the following guidelines, policies and measures:

3.1 Protocols

- (1) Directors, executives and employees have a duty to comply with the anti-corruption policy. The Board of Directors assigned the management to communicate and implement anti-corruption measures.
- (2) The Company communicates the anti-corruption policy and channels for reporting clues or complaints in the Company via the Company's communication channels such as email, the Company's intranet and new employee orientation courses, etc., in order to implement measures earnestly.
- (3) The Company communicates the anti-corruption policy including channels for reporting clues or complaints to the public, subsidiaries, business representatives, trade partners and stakeholders via websites and annual reports for acknowledgement and implementation of measures.
- (4) In procurements and employments, the Company's steps and regulations must be followed with transparency and accountability.
- (5) Expenses for business receptions and other expenses related to compliance with business agreements are permitted. However, expenses must be reasonable and accountable.
- (6) Executives and employees are prohibited from demanding, giving or receiving gifts, assets or any other benefits from or to parties of agreements, trade partners, contractors, customers, consultants or those involved in business operations with the Company except for gifts accepted or given according to tradition or trade practices. Gifts must not influence decisions in the course of duties by causing bias or difficulties or conflicts of interest. Gifts must be given or received by representatives of the Company at the manager levels and up and gifts received or given between the Company or both organizations.

-
- (7) Even though directors, executives and employees refuse corruption and cost the Company business opportunities, this will not negatively affect that person's job, duties or result in any punishments.
 - (8) On traditional occasions and according to normal customs, gifts or benefits must not unfairly influence decisions and performance of duties. After receiving gifts, the recipient is to report and deliver gifts to the top supervisor in their branch of work to send gifts on to the Administration Section or the Personnel Department (depending on the case) without delay. The Administration Section or the Personnel Department will collect the aforementioned gifts as common property of the Company and consider gifts for use in the organization's business.
 - (9) Executives and employees should avoid hosting or accepting excessive receptions with individuals who the Company does business with.
 - (10) Executives and employees are prohibited from offering any benefits to government officials, customers or any other outside persons to motivate the aforementioned persons to behave inappropriately or commit corruption.
 - (11) Donations or financial contributions must be given or received transparently and legally with confidence that donations or financial contributions will not be used as an excuse in bribery. Donations or financial contributions must be given or received by only the Company's top executives.
 - (12) The Company has a policy to be committed to political neutrality without supporting use of funds or support in other forms to provide direct or indirect political contributions to political parties. Political contributions means political support or other forms of support in kind such as provision of items or services and advertisement to promote or support political parties, purchases of entrance tickets at events to raise funds or donate money to organizations closely related to political parties and representation of the Company in work connected to political campaigns, etc.
 - (13) If any person witnesses actions that fit the scope of corruption with effects directly or indirectly connected to the Company, that person must not neglect or ignore the aforementioned behaviors. The Chief Executive Officer should be informed immediately or notified via channels for reporting clues specified in this policy.

3.2 Duties and Responsibilities

- (1) The Board of Directors has a duty and responsibility to specify policies and govern to ensure systems that effectively support resistance against corruption.
- (2) The Audit Committee has a duty and responsibility to review financial reporting and accounting systems, the internal control system, the internal audit system and the risk management system to be according to international standards with suitable strictness and effectiveness.
- (3) The Chief Executive Officer, the Managing Director and executives have a duty and responsibility to specify systems, promote and support the anti-corruption policy by communicating the policy to employees and all parties involved along with reviewing system suitability and steps regularly in order to be consistent with business changes and legal requirements.

3.3 Operating Measures

- (1) In any actions according to the anti-corruption policy, use guidelines specified in the corporate governance manual and the code of conduct including any other guidelines specified by the Company in the future and use these anti-corruption measures strictly.
- (2) This anti-corruption policy covers human resource management in personnel recruitment or selection, promotions, training, performance assessments and returns.
- (3) The Company disburses payments by specifying limits, approval authority, objectives, follow-ups and recipients with clear accompanying documents and evidence to prevent corruption in addition to having an audit process from internal audit units.

-
- (4) The Company has prepared processes for auditing sales and marketing work including procurements and contracts which have risk of corruption regularly to comply with regulations on disbursement of payments and procurement.
 - (5) The Company has internal audits to ensure that internal control systems help the Company to achieve goals along with checking operations of every agency to be according to specifications and regulations in addition to discovering deficiencies and weaknesses including providing recommendations in developing work systems to be effective according to corporate governance guidelines.
 - (6) For clarity of operations on topics with high risk of corruption, the Company's directors, executives and employees at every level must work with caution to be transparent and legal.

3.4 Anti-Corruption Policy Dissemination

To ensure every person in the Company acknowledges the anti-corruption policy, the Company takes the following actions:

- (1) The Company advertises the Code of Conduct and the anti-corruption policy in a clearly visible place for every person in the Company to see and read.
- (2) The Company will disseminate the anti-corruption policy via the Company's communication channels such as the Company's email, website, the annual information disclosure report (the 56-1 form) and the annual report (the 56-2 form).
- (3) The Company will provide training on the anti-corruption policy for new employees.
- (4) The Company will regularly review the anti-corruption policy and guidelines.

Section 4: Financial Reporting, Internal Control System and Internal Audit Policy

- 4.1 The Company is responsible for preparation, disclosure and storage of financial reporting reports that are accurate, complete, reliable, on schedule and compliant with generally used and accepted accounting principles and standards.
- 4.2 Prepare effective, sufficient and appropriate internal control and internal audit systems capable of preventing or reducing potential risks under audit by internal auditors and review by the Audit Committee.
- 4.3 Prepare control, audit and approval processes to ensure that financial contributions, donations, payments for gifts, welcoming fees and other expenses given to employees or outside persons are not used in corruption.

Section 5: Policy on Trading in the Company's Securities and Use of Inside Information

The Company considers it a responsibility for directors, executives and employees to strictly preserve the Company's secret information, particularly inside information not publicly disclosed or information with effects on business operations or securities prices. Therefore, the Company specified the following guidelines:

- 5.1 Do not use opportunities or information from being a director, executive or employee to seek gains for themselves, family members, friends and acquaintances and in business competitions with the Company or connected businesses.
- 5.2 Do not use inside information for personal gain in trading the Company's securities or provide inside information for others to benefit purchases/sales of the Company's securities.
- 5.3 Directors and executives have a duty and responsibility to prepare and disclose reports on holdings of securities to send to the Stock Exchange of Thailand and the Securities and Exchange Commission and send copies of this report to the Company.
- 5.4 Directors and executives have duties and responsibilities to report changes in holdings of securities to the Office of the Securities and Exchange Commission pursuant to Article 59 of the Securities and Exchange Act of B.E. 2535 (1992).

Section 6: Policy on Preservation and Use of the Company's Property

The Company's property means movable properties such as office supplies, tools, machines, etc., and real estate such as land and structures including technology, academic knowledge, documents of rights, intellectual property, production formulas, technology and confidential information.

6.1 Protection of the Company's Property

The Company supports executives and employees to use the Company's resources and property with the highest efficiency to increase the ability to compete and provide good services for customers by specifying the following guidelines:

- (1) Employees have a duty and responsibility to use the Company's property and resources conservatively and for maximum benefit.
- (2) Employees must take care to ensure none of the Company's property is depreciated or lost by inappropriate means.

6.2 Computer and Information Technology Use

- (1) Executives and employees are prohibited from revealing passwords used to access the Company's information system to others.
- (2) Executives and employees should use the internet to seek information and knowledge beneficial for work and avoid illegal websites or violation of good morals.
- (3) Executives and employees should use computer and information technology according to the Computer-Related Crimes Act of B.E. 2550 (2007).
- (4) Executives and employees are prohibited from using the Company's email to send messages that accuse, cause disrepute or send messages that are rude, lewd, threatening, disruptive or disturbing to others.

Section 7: Conflict of Interest Policy

The Company considers it a major policy to have directors, executives and employees perform duties with transparency without improperly seeking personal gain. Therefore, the Company specified the following guidelines:

- 7.1 Avoid connected transactions that may create conflicts of interest with the Company.
- 7.2 In cases with need to conduct transactions for the Company's benefit, conduct transactions as though transactions are conducted with outside persons who have normal trade agreements. Directors, executives or employees who are stakeholders in that transaction must not be involved in considering approval.
- 7.3 Directors, executives and employees are prohibited from using the Company's opportunities or information to seek personal gain or seek benefit for family members, friends, acquaintances and conduct business in competition with the Company.
- 7.4 In cases where transactions fit the scope of connected transactions under notifications of the Stock Exchange of Thailand, criteria, methods and disclosure of information on connected transactions of listed companies must be strictly followed.

Section 8: Human Rights Policy

The Company requires all directors, executives and employees to respect universal human rights as follows:

- 8.1 The Company supports employees to exercise legal rights as citizens under the constitution and laws.
- 8.2 The Company will maintain personal information of employees such as biographies, education backgrounds, health backgrounds and work backgrounds, etc. Public disclosure or transfer of employees' personal data is permitted only when approved by that employee. Violations are considered breaches in discipline except when done according to the Company's regulations or laws.
- 8.3 The Company does not support activities that violate universal human rights principles and are corrupt actions.
- 8.4 Employees must not perform any actions that verbally or physically violate or threaten others on the basis of ethnicity, gender, religion, age, physical and psychological impairments.

Section 9: Policy on Exercising Political Rights

The Company supports directors, executives and employees to exercise personal rights as good citizens under the law. However, directors, executives and employees are not to participate in any activities that may create understanding that the Company is involved with or supports any political party by specifying the following guidelines:

- 9.1 Directors, executives and employees are to exercise rights as good citizens under constitutional laws and other relevant laws.
- 9.2 Directors, executives and employees have the right to participate in political activities on their own behalf outside of working hours and not on behalf of the Company. In addition, directors, executives and employees must not use the Company's resources to support political activities of political parties, groups or any politician directly or indirectly. The Politics Department is not permitted to use the Company's resources or projects to organize political activities.
- 9.3 Directors, executives and employees must not use authority and duties to persuade, pressure or force colleagues including subordinates to support any political activities of political parties, groups or politicians directly or indirectly.
- 9.4 The Company has no policy to provide political support for political parties, groups or politicians directly or indirectly.

Section 10: Compliance Monitoring and Penalties

The Company specifies duties and responsibilities for every director, executive and employee to know, understand and follow policies and practices specified in this Code of Conduct strictly. This compliance is not consensual and directors, executives and employees may not claim ignorance of this Code of Conduct.

Executives at every level in the organization must accept responsibility and consider it a major issue to ensure subordinates know, understand and comply with this Code of Conduct. Employees who violate this Code of Conduct will be considered for strict disciplinary actions.

Section 11: Acceptance of Complaints

The Company expects the Company's employees to monitor compliance with the Code of Conduct by supporting inquiries in cases with doubts concerning the Company's Code of Conduct. Furthermore, the Company allows every employee to submit complaints when inappropriate behaviors or behaviors in conflict with the Company's Code of Conduct including corruption were encountered in order to treat stakeholders and all parties equally and fairly according to governance principles. The Company provided channels for accepting complaints or reporting opinions or recommendations concerning effects on stakeholders. Complainants are able to report complaints or clues to a) supervisors at the manager level and up; b) directors or audit directors; c) the Managing Director; or d) the Chief Executive Officer.

Mailing Address: The Chairman of the Board or the Audit Committee or the Directors' Office
Department or the Company Secretary
Thai Ha Public Co., Ltd.
140 Moo. 5, Bang Kra Teuk,
Sam Phran, Nakhon Pathom, 73210

Tel: 02-482-1661-6

Email: jirut_l@kasetbrand.com or;

Contact: Mr. Jirut Latcharot, Tel. 092-789-2363

The Company will hear every complaint equally with transparency and fairness for all parties. The Company Secretary will collect data and documents from the aforementioned channel to summarize recommendations and issues of complaints in order to propose for the Board of Directors to consider facts and specify investigation durations urgently. The complainant's name will be kept secret. If the aforementioned complaint is found to be true, executives will report results to the Audit Committee and the Board of Directors.

Measures for Protecting Complainants or Informants

Complainants or informants will receive protection from the Company as follows:

- a) Complainants or informants have the right to remain anonymous if disclosure will cause danger or damage to complaints, informants, family members or property.
- b) When the Company receives cooperation from complainants or informants in providing facts and information for the Board of Directors to consider and examine facts, the Company will not disclose the informant's first name – last name, address or any other information identifying the informant. The Board of Directors will keep all relevant information confidential.
- c) In cases where the complainant or informant has difficulties or receives damage, the Company will provide support to mitigate damage with appropriate and fair processes.

Addendum 6

Report of the Audit Committee

Dear shareholders of THAI HA Public Co., Ltd.,

In 2022, the Audit Committee of THAI HA Public Co., Ltd. (the "Company") consists of qualified Audit Directors who are independent and experienced, with Associate Professor Dr. Buddhagarn Rutchatorn as Chairman of the Audit Committee, and Dr. Danai Chanchaochai and Mr. Santi Opaspakornkij as audit directors.

The Audit Committee has performed its duties according to the scope of duties and responsibilities assigned to it by the Board of Directors. In 2022, the Audit Committee held five regular meetings and in 2023 held one meeting on 27 February 2023, where every meeting was attended by all audit directors. The meetings had agenda where the Audit Committee consulted with auditors without the attendance of the Executive Department and Management Department. The Audit Committee has considered and reviewed important matters as follows:

- (1) The Audit Committee reviewed the quarterly financial statements and financial statements for 2022 together with the Executive Department and auditors to ensure that the financial reports of the Company and its subsidiaries were prepared correctly in accordance with generally accepted accounting standards, including significant accounting policy changes, and that there was adequate, complete and reliable information disclosure, in addition to making observations and acknowledging solutions to problems that would benefit the Company. Furthermore, the Company has reviewed the disclosure of the transactions between the Company and its subsidiaries, including connected transactions, to ensure that such transactions are reasonable and part of normal business transactions under fair general trading conditions that do not cause the transfer of benefits and are no different from what the Company gives to/receives from regular personnel by using the market price or fair price for the best interest of the Company and in accordance with the laws and criteria of the Stock Exchange of Thailand.
- (2) The Audit Committee has reviewed to ensure that the Company has a suitable, transparent, and effective internal control system. The Audit committee has considered hiring P&L Corporation Co., Ltd. ("P&L"), a company that provides internal audit services, where P&L has no stake in the Company, in order to ensure that the internal audit is done efficiently, effectively, and independently. The Audit Committee shall consider the annual internal audit plan and report on internal audit results, as well as monitor and take corrective actions based on internal audit reports on significant issues, in addition to providing internal audit advice and guidelines so that the Company's departments have an appropriate internal control system that can prevent or reduce potential risks.
- (3) The Audit Committee has reviewed the risk management policy and guidelines and recommended that all parties participate in the management of the risk management system to ensure that the Company has sufficient systems and practices to help prevent and mitigate potential risks, and has also reviewed the approval of transactions and approvals of limits of relevant parties in accordance with the policies and approval powers to make it more efficient and create a connection with the internal control system.

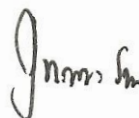
- (4) The Audit Committee has reviewed the Company's compliance with all accounting standards promulgated, regulations of the Stock Exchange of Thailand, and laws relating to the Company's business accurately and completely to ensure compliance with the principles of good corporate governance in order to be transparent and ethical, and to build confidence for shareholders, investors, and all related parties.
- (5) The Audit Committee has considered the performance of the auditors by considering their business knowledge, experience, appropriateness of remuneration and independence by holding a meeting between the Company's Audit Committee and auditors every quarter to discuss auditing issues and find solutions to significant issues promptly.

Moreover, the Audit Committee has proposed to the Board of Directors for approval at the 2022 Annual General Meeting of Shareholders to appoint Mrs. Chintana Techamontrikul (CPA No. 5131) or Miss Jintana Mahavanich (CPA No. 4687) or Mr. Niteepong Techamontrikul (CPA No. 10305) from C&A Audit Office Co., Ltd. as the auditor of the Company and its subsidiaries in 2022 as the audit company is seen as being renowned for its auditing service provision with professional practices that are impartial and independent and have a good understanding of the Company's business. In addition, the audit company has no relationship with and/or stake in the Company, its subsidiaries, executives, major shareholders, or persons related to such persons.

The Audit Committee is of the opinion that, in 2022, the Company has established an adequate and appropriate internal control and internal audit system, as well as a process to ensure that the Company's operations comply with relevant laws, and that the Company's financial reports have been prepared and disclosed accurately, completely, and reliably. Furthermore, the Company has been certified as a member of the Thai Private Sector Collective Action Coalition Against Corruption (CAC) by the Thai Institute of Directors (IOD) to demonstrate its intention to be an anti-corruption organization.

Date: 27 February 2023

On behalf of the Audit Committee



(Associate Professor Dr. Buddhagarn Rutchatorn)

Chairman of the Audit Committee

THAI HA Public Co., Ltd.



THAI HA PUBLIC COMPANY LIMITED

📍 140 Moo5, Tambon Bangkratuek,
Amphur Sampran, Nakornpathom 73210, Thailand

☎ 066-115-9381

🌐 www.kasetbrand.co.th



CERTIFIED
COMPANY

ติดตามเรื่องราวได้ที่



f kasetshoponline

