



Form 56-1 One Report

ANNUAL REPORT 2021

Taokaenoi Food & Marketing
Public Company Limited



จัสท์ ดริงค์ JUST DRINK 純萃喝

จัสท์ดริงค์ ชานม เอ็กซ์ตร้า ซิลอน

หอมอร่อยมีสไตล์แบบเอ็กซ์ตร้า

ใหม่!



#เติมรสชาติความเป็นเรา
มีจำหน่ายแล้วที่





ไม่ต้องฝืนมือระดับมิชลิน
ก็วันทุกความอร่อย!



Content

Part

1

Business and Operation Result

01 Structure and Operation of the Group

Page 2

02 Risk Management

Page 41

03 Business Development for Sustainability

Page 45

04 Management's Discussion and Analysis

Page 65

05 General and other important information

Page 74

Part

2

Corporate Governance

06 Corporate Governance Policy

Page 78

07 Corporate Governance Structure and Important Information about the Board of Directors Committees, Executives, Employees and Others

Page 104

08 Report of Significant Operation of the Corporate Governance

Page 130

09 Internal Control and Related Transactions

Page 135

Part

3

Financial Statements

Financial Statements

Page 142

Attachment

Attachment

Page 211



Message from the Board Chairman

To the shareholders

Coronavirus disease 2019 (COVID-19) continues to affect our living and business operations in almost every industry and country. The Company's business was affected by this pandemic since 2020 until 2021. Normally, the Company's international sales would account for approximately 60%, and not less than 60% of international sales represented exports to China. Given the impact of the pandemic, sales declined. Our distributor in China could not achieve sales target, so we appointed additional distributors to expand our distribution channels, and as such, sales in China improved during the second half of 2021.

Sales in the United States of America in 2021 were also affected while domestic sales that mainly depend on Chinese tourists were zero, thereby resulting in the Company's closure of its subsidiary's points of sales on lease in department stores to minimize costs. As a result, the Company recognized the impairment of assets invested in those points of sales, and proceeded with clearance sales to avoid the impairment of stocks due to expiry. These arrangements have been made to minimize and cease any contingent damage in the future, despite its impact on our profitability in 2021.

The Company tried to increase its revenues by new product launch in 2021. Sales of new product, Just Drink, helped increase sales by approximately 6.38% of total revenue in 2021. The Company's separate total revenue amounted to Baht 3,535 Million, decreased from Baht 3,860 Million in 2020 or by approximately 8.43%. The consolidated total revenue of the Company and its subsidiaries decreased from Baht 3,999 Million in 2020 to Baht 3,644 Million in 2021 or by approximately 8.87%. The costs of sale and the selling and administrative expenses, e.g., marine shipment costs, increased, thereby resulting in the net profit margin in 2021 equal to 6.69% of total revenue, decreased from 8.74% in 2020. The net profits in 2021 amounted to Baht 236.35 Million, as compared to Baht 337.38 Million in 2020, representing a decrease by nearly 30% from the previous year.

Despite the impact from external factors which caused both sales and net profits to decline in 2021, it should be noted that during those 2 years of impact, the Company has to remarkably adapt itself by reducing and controlling the costs of sale, controlling costs and volume of raw materials, replacing labor with more machinery, relocating its production base to the primary factory, and caring and supervising staff to stay safe from the disease, so as to ensure continued production and performance. These arrangements have incurred costs which affected the net profits, although the results were more worthwhile to ensure positive impact and stability in the long run.

The Company anticipates that the economic situations in 2022 will continue to be affected by the pandemic, inflation not only in Thailand, the war crisis between Russia and Ukraine. In 2022, the Board of Directors primarily focuses on risk management, due care and prudent decision-making on new investments, as well as improvement of management efficiency to control the costs of sales and enhance the net profit margin.

It's another year in which we would like to express our gratitude to sponsors and supporters in the Company's operations, whether they be customers, business partners, financial institutions, government agencies and all stakeholders, and praise to and thank our management and all staff for their dedication to overcome obstacles, and manage various problems successfully, in order to bring about wealth and sustainability to the benefit of stakeholders and all parties concerned in the coming days.



A handwritten signature in white ink, consisting of a stylized 'Y' followed by a series of loops and a horizontal line at the end.

Mr. Yuth Vorachattarn
Chairman of the Board



A handwritten signature in white ink, featuring a stylized 'I' followed by a series of loops and a horizontal line at the end.

Mr. Itthipat Peeradechapan
Chief Executive Officer





Part 1

Business and Operating Results



1

Structure and Operation of the Group



1. Structure and Operations of the Group

Business Policy and Overview

Taokaenoi Food and Marketing Public Company Limited or “TKN” and/or (“the Company”) manufactures and distributes crispy seaweed snack and other food such as Whey protein products, supplementary products, ready-to-drink milk tea, a crispy snack made from fish, pellet milk. The products are distributed locally and overseas.

TKN has four subsidiaries, namely :



1. Taokaenoi Restaurant and Franchise Company Limited (“TKNRF”)

conducts souvenir shop, offering crispy snacks to tourists under the store named “Taokaenoi Land.” TKNRF also establishes a quick-service restaurant (QSR) under the brand name “Hinoya” and the food kiosk franchise “Bomber Dog”



3. NCP Trading and Supply Company Limited (“NCP”)

manufactures and distributes seasoning powder to Taokaenoi Group.



2. Taokaenoi USA Inc. (“TKNUS”)

Distributes seaweed snacks and products from Taokaenoi Food and Marketing Company Limited within North America (the USA and Canada) under the trademark “Taokaenoi” and “NORA.”



4. Taokaenoi Care Company Limited (“TKNC”)

resells the products, mainly health care products.

VISION

“To become a **company that brings about food**, generating happiness to consumers worldwide.”

MISSION

- To develop innovative products without boundaries.
- To achieve a world-class manufacturing standard and adhere to the environmental-friendly concept.
- To create happiness and bonding with the organization.
- To respond to the change and carry on the development for sustainable growth.
- A trustworthy organization due to good governance and sustainable development.

STRATEGY

Go Global

To expand business toward the future, seek opportunities and develop existing business, and add new targets and channels for sustainable growth.

Go Broad

To enlarge our core business, distribute income and customer base sources under diversification risk policy.

Go Firm

To leverage our core business's profit, to re-prioritize, to adjust the business model and working procedures to stabilize and strengthen our core business.

Long-term goals in operation 3-5 years

Taokaenoi Food & Marketing PCL, strives to become an entity of food innovation that creates the savory food for a better life quality. With our goal to sustain business success, Taokaenoi aims to boost net sales to THB 6,000 million and reach net profit of THB 700 million within 2025.

Such figure means that the sales volume must have compound annual growth rate (CAGR) 14%. At present, the Company has implemented the 3Go strategy for business operation, as follows:

1. Go Firm: To leverage the profit of our core business, to re-prioritize, to adjust business model and working procedures with an aim to strengthen core business and fundamental.
2. Go Broad: To enlarge our core business, distribute sources of income and customer base under diversification risk policy.
3. Go Global: To expand business toward the future, seek for New S-Curve and develop existing business, to add up new channels for long-term sustainability.

The three strategies are laid with operation plan to accomplish the goal based on 5P as follows:

1. People Happiness
2. Product
3. Productivity & Automation
4. Planet & ECO Friendly
5. Partnership

In 2021-2022, the Company focuses on the Go Firm mainly and has re-prioritised to strengthen the business and yield more profit, which consists of 4 major parts, as follows:

1. Rebound our sales growth: While the sales growth is recovering, we continued to boost the growth in China market and escalate the market shares in every channel.
2. Building a strong portfolio and NPD: Create new products or categories to meet consumers' demand.
3. Improve product margin: Create robust product margin.
4. Productivity: Maintain proper investment figure, reduce the cost continuously and focus on automation production



Major changes and developments

History

Taokaenoi Food and Marketing Public Company Limited was registered as a limited company with the Ministry of Commerce on 21 September 2004 with initial registered capital of THB 1 million to manufacture and distribute processed seaweed products under the brand “Taokaenoi”.

Taokaenoi, from time to time, increased its capital to support business growth. On 10 May 2013, the Company converted into a public company. On 30 November 2015, the Company registered its paid-up capital (increase capital) to THB 345 million upon issuance of 360 ordinary shares as a public offering at the par value of 0.25 THB each. The public offering was a part of the funding for machine development and to add up the Company’s working capital.

In 2020, the Company had two factories, namely “Nopphawong (NPW)” located at Pathum Thani province and “Rojana (RJN)” located at Ayudhaya province to accommodate consumers’ demand locally and internationally. Taokaenoi also set up a sales office in the United States.



Major Developments

Significant Developments of the Company regarding business operation from the date of incorporation are as follows.

2004

- The Company was registered to manufacture and distribute processed seaweed products under the brand “Taokaenoi” with the initial registered capital of THB 1 million. The Company established a manufacturing factory at Tha It Office and Neerawan Villa. The first batches of products were distributed at 7-11 convenience stores.



2005

- The Company received a Halal Certificate to certify that its food production process was in conformity with the Islamic rules allowing consumption by the Muslims.
- The Company was accredited with CODEX GMP by Global Certification Service Limited. The standard certification is for a factory that passes standard quality evaluation by the Food and Drug Administration, Ministry of Public Health.
- The Company started distributes its products abroad via Thai exporters to the first overseas market - Singapore.



2006

- The Company relocated its factory from Tha It to Bang Bua Thong. The land was under the lease from the third party, located at no. 48/124-134, village no. 6, Bang Kruai - Sai Noi Road, Bang Rak Yai road, Bang Bua Thong district, Nonthaburi district (Bang Bua Thong Office). Eventually, Taokaenoi increased its registered capital from THB 3 million by issuing 20,000 ordinary shares at the par value of THB 100 each.

2007

- The Company obtained Thailand's Brand, which accredits exported goods' quality, building trust among global consumers toward products from Thailand.

2008

- The Company has accredited ISO 9001:2008 standard certification (previously ISO9001:2000), a standard set for international standard quality management system under the International Organization for Standardization operation.
- The Company obtained Hazard Analysis and Critical Control Point (HACCP Codex Alimentarius) TAS 9024-2007 and General Principles of Food Hygiene (GMP Codex Alimentarius) TAS 9023-2007, which focuses on food safety to consumers.
- The Company expanded the production capacity in response to the increasing demand among customers and to support new customers in the future by opening the second factory, “Noppahawong.” The project was under the land lease from the third party, locating at no. 12/1, the village no. 4, Na Mai sub-district, Lat Lum Law district, Pathum Thani province (Noppahawong Office).
- The Company added up its registered capital from THB 3 million to THB 5 million by issuing 20,000 ordinary shares at the par value of THB 100.
- The Company received Pai Po Business Award from Sasin Graduate Institute of Business Administration and Siam Commercial Bank for Outstanding Medium and Small Business Operator.
- The Company generated over THB 1,000 million of income per year.



2009

- The Company established Taokaenoi Restaurant & Franchise Company Limited (TKNRF), in which the Company held 99.99% of paid-up capital. TKNRF distributes snacks under the brand “Taokaenoi Land,” with branches established in major tourist cities such as Bangkok, Chiang Mai, Pattaya, Phuket.

2010

- The Company acquired shares in Want More Industry Company Limited, which accounted for 99.99% of the paid-up capital. At present, the said Company has changed its name to “Taokaenoi Care Company Limited.”
- The Company added up its registered capital from THB 5 million to THB 35 million and THB 160 million respectively by issuing 1,550,000 ordinary shares at the par value of THB 100.

2011

- The Company acquired shares in the proportion of 99.99% of paid-up capital in NCP Trading and Supply Company Limited (“NCP”) from a third party considered an unrelated person. The Company manufactures and distributes seasoning powder.
- The Company earned over THB 2,000 million per year from the sales of products.

2013

- The Company converted into a public company under the name “Taokaenoi Food & Marketing Public Company Limited” and passed a resolution to change the par value of ordinary shares from THB 100 to THB 1. Eventually, the Company resolved to increase its registered capital from THB 160 million to THB 300 million by issuing 140 million ordinary shares at the par value of THB 1. From total capital increase shares, 60 million shares were offered to existing shareholders, and 80 million shares were allocated for IPO.
- The Company changed its head office from 93/5-7 Village No. 5, Rattanathibeth road, Bang Rak Noi sub-district, Mueang Nonthaburi District, Nonthaburi province 11110, to no. 12/1, village no. 4, Na Mai sub-district, Lat Lum Keo district, Pathum Thani province 12140.



2014

- The Company passed a resolution to allocate the capital increase shares value THB 140 million by offering to exist shareholders at the amount THB 95 million and THB 45 million for IPO. Eventually, the Company registered the change of capital to THB 300 million and the paid-up capital to THB 255 million.



2015

- The Company commenced construction of the new factory at Rojjana Industrial Park.
- The Company passed a resolution to change the registered capital with the Ministry of Commerce at THB 345 million and allocated 90 million shares for initial public offering.
- The Company passed a resolution to change the par value for its ordinary shares with the Ministry of Commerce on 3 September 2015 from the par value of THB 1.00 to THB 0.25. As a result, the Company's registered capital was 1,380 million shares.
- The Company offered 360 ordinary shares for the capital increase at the par value of THB 4 to the public. Accordingly, the said capital increase shares were all paid up at the sum of THB 1,440 million. There were direct expenses related to the share offering that amounted to THB 34.6 million, as shown in the deduction from the surplus of ordinary shares in the financial position statement. The Company registered the increase of paid-up capital with the Ministry of Commerce on 30 November 2015.
- The Company's securities were first traded in the Stock Exchange of Thailand on 3 December 2015.
- The Company generated over THB 3,000 million of income per year from the sales.

2016

- The Company's second factory in Rojana Industrial Park started operation to enhance the production capacity, to accommodate market growth locally and abroad continually.
- The Company generated over THB 4,000 million of income per year from the sales.



2019

- The Company collaborated with ORION Group, the company group run business in China for over 40 years. In such a matter, PAN ORION Corp. Limited acquired 3.5% of the Company's shares and appointed as an exclusive sales representative in China.
- The Company adjusted work procedures in Taokaenoi USA Inc. from factory and distribution into a regional sales office in the USA.



2017

- The Company acquired GIM Factory Inc. (now changed the name to Taokaenoi USA Inc.), a manufacturer of roasted seaweed located in California, USA. Taokaenoi USA Inc. was the third factory and the first overseas factory of the Company.
- The Company earned revenue from sales over THB 5,000 million per year.

2018

- The Company opened a representative office in Shanghai, China, to support China's sales and marketing activities.

2020

- The Company ceased the representative office in Shanghai, China. Eventually, all communication would be made directly from Thailand.
- The Company received IP Champion 2020 award for Trademark from the Department of Intellectual Property, Ministry of Commerce.
- The Company merged a factory in Nopphawong and Rojana Industrial Estate and relocated the manufacturing base to Rojana Industrial Estate.

2021

- The Company appoints one distributor in China to manage traditional trade and online sales in China.



Funding history and the fund spending

Unfinished fund spending details

- None

Finished fund spending details

Taokaenoi Food & Marketing Public Company Limited (“the Company”) offered 360,000,000 ordinary shares for IPO at the par value of THB 4 on 3 December 2015 as a part of the capital increase. The net earnings after expenses deduction amounted to THB 1,394.50 million. The spending on the fund ended as planned as of 31 December 2017 as follows:

Purposes	Estimated amount	Amount spent
1. For expansion the production capacity of the new factories (Rojana Industrial Park)	THB 560,000,000	THB 577,630,000
2. Purchase of machinery for new production lines	THB 100,000,000	THB 93,380,000
3. Company’s working capital	THB 734,500,000	THB 723,490,000
Total	THB 1,394,500,000	THB 1,394,500,000

Nature of business

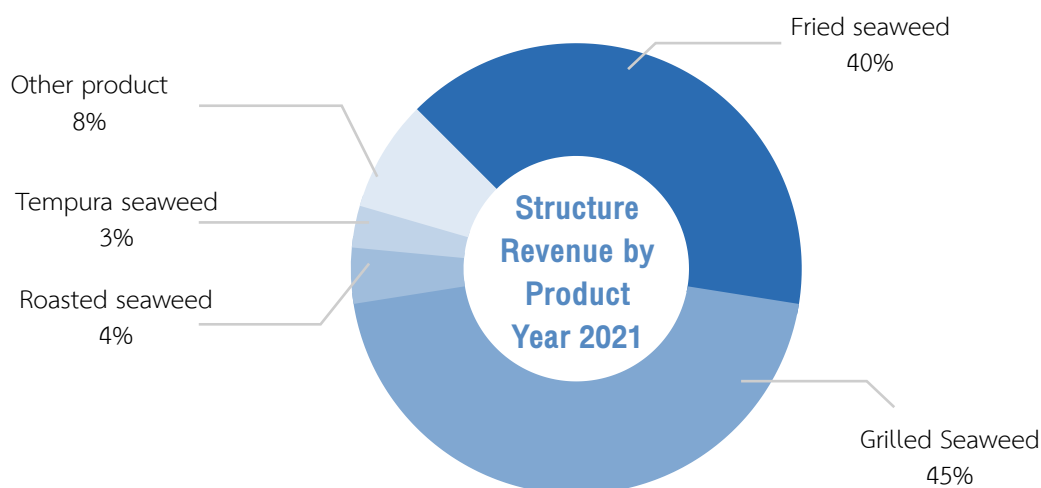
Income Structure

Revenue structure divided by product types

The Company's revenue structure divided by product types within the past 3 years between 2021 - 2019 are as follows :

Item	2021		2020		2019	
	Amount	Percent	Amount	Percent	Amount	Percent
Fried seaweed	1,437.8	40	1,493.4	38	2,079.3	39
Grilled seaweed	1,632.8	45	2,235.8	56	2,398.6	46
Roasted seaweed	131.0	4	89.6	2	151.6	3
Tempura seaweed	115.7	3	89.2	2	143.0	3
Other products ¹	293.6	8	75.1	2	494.3	9
Total revenue	3,610.9	100	3,983.1	100	5,266.8	100

Note: ¹ Revenue from other products includes other products of the Company such as OEM, revenue from Hinoya restaurants, revenue from Bomber Dog, revenue from Just Drink.



Revenue structure categorised by countries

The Group's revenue structure divided by countries within the past 3 years between 2021 - 2019 are as follows:

Trading country	2021		2020		2019	
	THB million	Percent	THB million	Percent	THB million	Percent
Thailand	1,443	40.0	1,275	32.0	2,120	40.2
China	988	27.3	1,514	38.0	1,906	36.2
Other country ¹	1,180	32.7	1,194	30.0	1,241	23.6
Sales revenue	3,611	100.0	3,983	100.0	5,267	100.0

Note : ¹ Other countries include Indonesia, Malaysia, United States, CLMV (Cambodia, Laos, Myanmar, Vietnam).

Product information

The Company and subsidiaries have products divided by product categories/businesses consists of 4 types as follows:

1. Seaweed product is the Company's main products consisting of 4 types which are :

a. Crispy Seaweed



is a processed seaweed that fried with oil seasoned with our unique spice. Crispy seaweed is cut into pieces and packed in a package under the trade name Taokaenoi, Taokaenoi Big Sheet, Konomi, Nora.

b. Grilled Seaweed



is made from dipping seaweed in Taokaenoi's propriety sauce and grilled on a unique design stove. The product is packed in an individual sachet or formed before packing in a sachet. The trade name is Taokaenoi BigRoll, Taokaenoi BigBag.

c. Roasted Seaweed



Roasted seaweed is made from roasting seaweed, powering with spice and pack. The trade name is Taokaenoi Big Sheet.

d. Tempura Seaweed



Tempura seaweed is made by dipping seaweed in flour and fried until crispy and glow in yellow color and powder with spice. The trade name is Taokaenoi Tempura, Taokaenoi Hi-Tempura, Taokaenoi Salted Egg, Nora.

2. **Beverage** includes pasteurized tea flavoured milk “Just Drink”, currently available in 3 flavours

1.milk tea flavor 2. coffee latte flavor 3. extra Ceylon milk tea



3.TKNRF's businesses include stores and restaurants, namely below.

a. Japanese curry on rice “Hinoya”



is a quick-service restaurant that the Company has acquired to run the franchise from Japan.

b. Bomber Dog



is a food kiosk that serves special hot dogs unique with special flour, topped with various season powder and sauces.

To adjust the business to be consistent with corporate growth, the Company has categorized snacks and other products by their properties to release to the market within 3-5 years ahead. The Company plans to increase product proportion in non-seaweed which includes:

- 1.) Plant Base Snack is a plant-based food/snack.
- 2.) Protein Snack- food/snack contain a high volume of protein.
- 3.) Premium Snack is the food/snack that can add value to the products offered at an expensive rate.
- 4.) Supplementary include other supplementary products.

2. Marketing and Competition

Domestic markets



1.) seaweed product market, industrial situation, and competition in 2021

Overall situation of snack market in 2021 was directly affected by the new surge COVID-19 pitbreak. Total market value was THB 35,535 million, a decrease by 0.6% from 2020. Potato Chip remained highest in the market shares at 39.3% while extruded snack ranked the second at 27.2%. The seaweed snack ranked the fifth in market share at 5.5%

Seaweed snack market in 2021 was still under unfavourable impact from the new surge of Covid-19 outbreak especially, the clusters in retail business, hindering product distribution to retail stores. As a result, many product items were at a shortage in the market for a certain duration. After the Covid-19 cluster in production industry in the mid of August 2021, the government imposed the Bubble & Seal measure in the red zone to control risk and prevent the spreading that could affect production and export of national scale. Unfortunately, with the Company's location is within the red zone, the production cannot be at fullest capacity between August – September and the sales volume dropped accordingly. The government's announcement for Work from Home, online schooling affected consumer's confidence where the buying was limited to necessary items. Moreover, the border closure meant there were no tourists all year round, despite of the leading project Phuket Sandbox, only a certain number of arrivals were recorded. Nonetheless, snack market slightly grew at 7% thanks to the continual market boosting and the Half-Half campaign from the government stimulating the growth in retail stores. As a result to the Company has market share 63% of seaweed snack, which is No.1.

2.) Sales Strategy, Channels and Marketing Strategy in 2021

Sales channels, local distributions currently made via three main channels.

- 1. Modern trade** consists of convenience stores, supermarkets, and hypermarkets. The Company conducts a direct trade with each customer by delivering products from the warehouse to customers' product distribution center (D.C.) to forward to different branches.
- 2. Local distributors** The Company trade via local distributors to distribute its products to wholesalers stores and retails stores nationwide, including the supermarkets without product distribution center (D.C.).
- 3. Online stores** The Company establishes its online store on its website, Facebook page and opens online stores via different platforms such as SHOPEE, LAZADA, or JD Central.



Sales Strategy

1. **Expansion of sales channel** To distribute our products thoroughly to target groups via all channels, the Company has assigned a marketing team responsible for all major media, including arranging our business allies to be responsible for product distribution that covers all channels nationwide. The distribution includes modern trades, convenient stores, supermarkets, hypermarkets, and traditional trades, assuring that Taokaenoi's products are available in all stores across the country. Moreover, the Company carries on seeking a new possible platform to reach consumers thoroughly. This year, we distributed products to 128,000 retail stores/grocery stores in Thailand, dividing in Bangkok and the central region 25%/northern region 27%/northeastern region 28% / southern region 20%.
2. **The focus on display on the storefront**
 - 2.1 **In wholesale stores** the aesthetics, attractive and neat product display can draw attention from retailers who purchase for reselling. One of our methods is to arrange display cabinets and dispatch them to wholesalers nationwide or create outstanding product showcases.
 - 2.2 **In modern trades** the products should be arranged in aesthetics, attractive and persuasive, drawing customers' attention. The Company assigns staff to organize products in over 80% of different branches.
3. **Increase e-commerce and online customers** Upon the lockdown announcement during the COVID-19 outbreak, consumers, purchase online products more and more. Eventually, the Company has adjusted its sales strategy by stimulating online platforms, for instance, launching online promotions with modern trades, creating official stores in market places to boost sales directly to consumers, making promotions during various occasions and campaigns of each marketplace/online platform.

Marketing strategy and adjustment of the domestic sales and marketing to cope with the Covid situation

The prolonged outbreak of Covid-19 has significantly deviated lifestyle and consumer's behavior. People are now working from home more in business and government sector. Witnessing the leaping growth of online platform and food deliver, Taokaenoi has implemented the following strategies.



1. Using an online media and online marketing including KOLs, youTuber and review pages for direct communication to target customer base. These media provide content, knowledge, product introduction, promotion and marketing activities to raise audience recognition and stimulate the purchase. Thanks to the continual marketing and online communication, Taokaenoi received the Best Brand Performance on Social Media, for Food category by Thailand Social Award.



2. Under the continued co-branding with flavored fish snack - Taro to draw attention to the seaweed and snack market, plus to reach new customer group, Taokaenoi has released a co-product with the concept ‘when the two kings of ocean meet, the taste is unbeatable’. Another co-branding is with The Pizza Company, releasing Taokaenoi Tempura with popular dipping sauce made by The Pizza Company. In the same time, The Pizza Company releases Tom Yum Kung Pizza and Shrimp Spaghetti with Taokaenoi seaweed topping as an enhancement to the product combination.



3. The release of a new product to stimulate the market and to build a new customer group is divided into two major groups, which are:
 - 3.1 Snack product emphasises on releasing fried, grilled snacks to escalate the sales, for instance, launching of Big Roll One Shot and Big Roll Finger- Smoke Sausage flavored for the grilled snack. Having rich taste to catch with the consumer trend such as Tom Yum Shrimp Paste, Smoke Burger, Double Chilli in fried snacks.
 - 3.2 Beverage : to continue from the success of Just Drink, the Taiwanese milk tea, the Company has released another 2 flavors, Just Drink Latte-the coffee with milk to reach coffee lovers and Just Drink Extra Ceylon Milk Tea - giving the delicatd smell of the Ceylon, mild sweetness for those who love to try new products.
 - 3.3 Other product includes Taokaenoi Topping, launched to stimulate new way of eating seaweed as a topping on their favourite dish to enrich the taste, enhance the variety of food and meet the today consumer lifestyle where most of them are attending online class or Work-from-Home. Taokaenoi Topping can be added to steamed rice, instant noodles or any dish to add value and taste to the simple meal.

4. The strategy to reach consumers: To reach target customers of various group, the Company has created multiple approaches below.

4.1 Presenter: To reach the target group in wide ranges and timely, Taokaenoi has introduced the new presenter - Win Methawin Opasiamkhachon, the famous actor from popular series. The selection criteria bases on presenter reputation, feedback of the target groups and presenter personality which consistent to Taokaenoi direction which presents the product of good quality, good mood and good health.

4.2 Sponsoring series and TV programs: The Company sponsors series and different TV programs with GMM and Star Hunder to present the Company's product and direct target the target group in a braod range.

4.3 Joining Hands with PUBG Games to reach the target group which prefer gaming: Taokaenoi coordinates with Tencent - the giant game producer from China under the Global Campaign "Savour the Tase... Win all The Battles" in Thailand and another 7 countries namely Indonesia, Malaysia, Singapore, Vietnam, Cambodia, Lao and Hong Kong.









5. Sales Strategies and Sales Channels: Upon the Covid-19 effect on most of our sale channels, the Company sees the growth opportunity in traditional trade, and adds intermediary for product distribution for broader and deeper distribution scale. In the same time, online marketing continues operation, for instance, product sales on popular online platforms such as Shopee, Lazada, promotion joined under various campaign such as 11.11 or 12.12.



6. Strategy to become a part of the society: Having a policy to help always help society with the consideration that the Company is an integral part of the community and social member, Taokaenoi has assisted communities, state agencies and medical facilities, especially during the Covid-10 situation, for instance providing Sinopharm vaccine to Pathum Thani province to help those without reach to the vaccination.

3.) Launch of new products in 2021 in Thailand included

Group	Brand	SKU	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Fried seaweed	Taokaenoi, Big Sheet	10 SKUS												
		Name		Big Sheet 3.5g, 12g Tomyum Shrimp Paste					Crispy 12g, 30g PUB G				Big Sheet 3.5g and Crispy 10g Smoked Burger and Double Chilli	
		Channel		DKSH, Wholesale, Agent, 7-11, Jiffy, Big C, Lotus, Familymart, Tops					DKSH, Wholesale, Agent, 7-11, Jiffy, Big C, Lotus, Familymart, Tops, The mall, Foodland				DKSH, 7-11, Big C, Lotus	
Roasted Seaweed	Taokaenoi	2 SKUS												
		Name						Roasted 8g Shrimp Roe Mayo						
		Channel						7-11						
Grilled Seaweed	Taokaenoi, Big Roll One Shot, Big Roll Finger	7 SKUS												
		Name	Big Roll One Shot 0.9g Classic(x 12)		Crispy 12gx Taro Classic and Spicy	Big Roll One Shot 0.9g Classic (x 6)	Finger Roll Smoked Sausage Big Roll One Shot 0.9g Classic (x12)					Fager Roll 4.5g Classic and Spicy		
		Channel	DKSH, 7-11, Durbell		7-11	7-11	7-11, Big C, Lotus, DKSH 7-11, Makro, Big C, Tesco					DKSH, Makro		

Group	Brand	SKU	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Tempura seaweed	Taokaenoi	4 SKUS												
		Name	Tempura 18g Hinoya and Tomyan Shrimp Paste				Tempura Dip 30g Tomato Chili and Spicy Cocktail							
		Channel	Big C, Lotus, Tops, TKNL				7-11							
Furikake	Taokaenoi Topping	2 SKUS												
		Name					Topping 12g Sated Egg and Kung Seab							
		Channel					7-11, TKNL							
Beverages Product	Just Drink													
		Name	Just Drink Milk Tea				Just Drink Latte					just drink extra ceylon		
		Channel	7-11, Lotus, Big C, CJ				7-11					7-11		

4.) Marketing activities in 2021

First quarter/2021



Event Chinese New Year Pak Nam Pho

Taokaenoi set a booth in Pak Nam Pho Chinese New Year every year to reach customers and to introduce all products.

Taokaenoi has been nominated for the “Thailand Zocial Awards” for Food category.

Thailand Zocial Awards is a reward granted to an active brand that having highest engagement in main platforms such as Facebook, Tweeter, Instagram and Pantip. Taokaenoi Brand is awarded for Best Brand Performance on Social Media in food category.



Second quarter/2021



Taokaenoi x Taro

Crispy Taro x Taokaenoi, two deliciousness in one pack.

Premier Marketing Public Company Limited under collaboration with Taokaenoi Food and Marketing Public Company Limited develop the perfect combination of the two products in which the relishing taste of the 2 great sea product - crispy Taro x Taokaenoi seaweed. The rich scent and crispness snack has 2 flavors which are rich taste crispy Taro and spicy grilled seaweed and crispy BBQ Taro and classic fried seaweed, making the new product that escalates the abundance and new choice for consumers.





Taokaenoi x The Pizza Company

“the Mixture of New Delicious, Crispy, Fun Dipping”

Taokaenoi joins hands with The Pizza Company developing Tempura Seaweed with Dipping Sauce by The Pizza Company, and offering 2 special promotions: Tom Yum Kung Pizza x topping seaweed from Taokaenoi and Spicy Shrimp Spaghetti x Taokaenoi Seaweed Topping available at all The Pizza Company, to boost the attention and expand customer base.



Online Marketing Activities “Win Gaming Device”

Taokaenoi arranged an online marketing activity encouraging consumers to join and win the Nintendo Switch, the Nintendo’s popular game console for years.



Launching new flavor of Just Drink - Latte flavor

Continuity from the success of Just Drink Milk Tea, the Company releases Just Drink Latte flavor - the delicate scent milk coffee with number 1 rating from Taiwan.

Third quarter/2021



New Presenter

Introducing new presenter of Taokaenoi “Win Methawin Opasiamkhachon” drew great attention in an online media, boosting seaweed product market in Thailand and across Asia with the tagline “Get the Best, Win all the Tastes”



Special Product Label and Augmented Reality (AR)

Just Drink offered the whole new drink product to the market with special collection of label for milk tea product. With the AR label that creates the new experience of drinking milk team, Just Drink truly emphasises its status as a leader of Taiwanese milk tea market.



Fourth quarter/2021



Taokaenoi X PUBG

Taokaenoi in digital marketing In response to consumer's lifestyles where majority of their time is spent online, the marketing strategic plan focuses on e-sport marketing under collaboration with Tencent, the world class e-sport leader 'PUBG MOBILE' in the campaign "Savour the Taste... Win Any Battles"



Online Marketing Activities "TikTok Challenge"

Taokaenoi arranged an activity via the application TikTok in cooperation with the presenter Win Methawin. The activity encouraged audience to show their clip making crunchy noise of 4 various unique noises of the 4 regions together with Win, and get a chance to win special gift set and postcard with Win's autograph.



Promotional activity for series

Taokaenoi enhances the reach to target groups through series sponsorship, aiming to raise the recognition and to add the product as a part of their daily life.

Launching of Just Drink Milk Tea for the new flavor- Extra Ceylon

Just Drink Milk Tea Launching of Extra Ceylon flavor through a marketing activity with Three Man Down as a presenter to boost the trend and product recognition in wide ranges.



Oversea market

The Market in China

The year 2021 was challenging for exporting due to lengthened impact of Covid-19 borders are closed or reopened from time to time, following severity of the Covid-19 situation in each country.

Furthermore, the unfavorable impacts from high surge of Covid cases during the third quarter of 2021 in Thailand affected the production. The logistics was suspended, where goods were delayed for delivery to our customers such as China, US and European countries where the economy recovered, the population or consumers adjusted their lifestyle, behavior to meet the new situation. Another challenges were container shortage, uncertain vessel schedule and leaping freight prices which continued and there was no likelihood of declining or resuming to normal condition. For this reason, it was unavoidable for the Company to rise the selling prices. Meanwhile, our goods were at the shortage in many countries due to the delay in supplying process, especially in the US and European countries.

However, Taokaenoi saw the opportunity amid the challenges thanks to the e-commerce sales in 2020 contributing to the leaping growth in some countries. However, the Company must continue the close-up monitoring on turnover and marketing in some other countries.

During the fourth quarter, the Company released seaweed snack with Furikake topping which classified as a new item. The Furikake is topping power of many flavours, for the main dish or as a choice of snack during rush hour. The product received good feedback expected to show in 2020, after distribution overseas. Seaweed Sandwich is another interesting product we presented as a grilled snack made of delicious grains, a good choice for healthy food. Being outstanding of the competitors in the marketing, Seaweed Sandwich marked the highest growth of TKN turnover abroad and expected to see continual feedback in 2022 as well.

The eminent marketing activity this year was the cooperation between Taokaenoi and the illustrious online game, PUBG Mobile launched in 10 countries at the same time, namely Thailand, Malaysia, Indonesia, Singapore, Hong Kong, Taiwan and CLMV. With redesign of snack packages and screening of characters on the packages released during the event attracting audience attention and reach the new consumer base from online gamers. The event well responded to the current situation.

The Market in China



In 2021 China still encountered situations affecting its economy in many periods, for instance, the great flood, which obstructed inbound logistics and other regions, periodically surge cases of Covid-19 in some counties resulting in border lockdown. Such event did affect the goods distribution in a wide range. Moreover, the Covid19 situation in Thailand affects our production plant due to the restriction on number of people in-out, social distancing requirement. Accordingly, after the adjustment to the government measures and regulation which were clearly shown during the third quarter accumulated the outcome of the Company's turnover.

The Company conducted as assessment on marketing situation and suspension on certain marketing activities in response to the sale volume proportion determined. Despite of the online sale channels, the border closure in come counties affected the goods distribution to consumers, dramatically delaying the product circulation. Furthermore, China imposed the strict regulations to control marketing activities of all brands to ease the product persuasion. For example, prohibition on voting based on purchase value to win the prize limited the opportunity to boost the sales. Both the brand and consumers faced difficulty in reaching each other. All these contributed as a great challenge in China. Nonetheless, the Company has adjusted and planned to cope with the fluctuating situation. In 2021, more products were released, for example, Tempura Seaweed, Roasted Seaweed, more flavours were also added in response to consumers' feedback. After the data research made from consumers to identity behavior and their attitude toward our brand and products, the consumers of Taokaenoi product and not, well recognized the brand identity "child in red", and not mistake with other brands. Such positive response indicated good sign for Taokaenoi brand recognition.

Consumers also saw the importance of reaching Taokaenoi products and required better distribution of products to a wider scope. Such demonstrated a good signal from consumers to our products. Since Taokaenoi product distribution has not been well distributed to consumers in previous years, the Company sees the importance to enhance the product distribution to reach consumers at a wider scope. In 2022, we expected to see the variation during the first half upon the consistent alignment between the product and sale channel to stimulate the reach to product and marketing activity and to create the recognition at the extensive range simultaneously.

In addition to the COVID-19 spreading crisis, the Company also faced the container shortage during the fourth quarter when the freight cost increased significantly. Despite of the FOB, where buyer is responsible for goods transportation, the increase of freight cost gave the Company higher cost as well. However, such did not affect selling prices for consumers.

To summarise the Chinese marketing, the year 2021 still be the year where we managed to cope with different changes. In the same time, the Company has learnt and understood consumers from distinctive aspects, showing the direction and strategy to boost the business growth in China with stability and sustainability.



The consumption demand in the US, following the market recovery in 2021. Our products dispatched to the mainstream channels both Nora and Taokaenoi receive a very good feedback from new consumer base including Asian, American, Mexican and Hawaiian. We also extended the sales to an online platforms, healthy product group, large retail stores where the consumer feedback was accomplished.

With the container shortage issue in logistics business around the world, the export of goods were not inconsistent through major channels plus shortfall of product, the Company managed to find containers at the best price to make the deliver as quick as possible to the channel of the most urgent necessity according to prioritised tasks to maintain the on shelf space. Taokaenoi suspended marketing activities, postponed release of new products, postpone the import of new channels to meet with current situation and to minimise expense in marketing activities. Package sizes were reduced to increase capacity within a container for the most efficient arrangement, to reduce the shipping cost per unit and to reduce costs for the long term solution.

Nora Brand



Nora is a brand of which the Company plans to launch a marketing via mainstream market in USA and Canada. Nora product include seaweed snacks and tempura seaweed. We launched spicy flavor- a new flavor last year in response to the growth of Nora's fried seaweed consumers.

Taokaenoi Brand



Taokaenoi is a brand of which the Company plans to launch marketing that targets Asian-American. The product includes fried, grilled, roasted, and tempura seaweed, and non-seaweed products such as Z-Roll-Farm (crispy potato wrapped with seaweed), Taokaenoi Coconut Roll.



Sales channels in the United States

Taokaenoi product distribution and sales accounts 60% of the Ethnic Asian stores. Eventually, the Company tried targeting the mainstream via Costco, Safeway (California), 99 cents, Tokyo Central including online platforms via Amazon and Yamibuy.com.

It is certain that the COVID-19 pandemic affected our new product release in many channels such as Costco and it directly affected our turnover in Hawaii-the world class tourism landmark. To cope with the unfavorable situation, the Company added more online platforms such as Amazon which could become a major lead in the future.

It is certain that the COVID-19 pandemic affected our new product release in many channels such as Costco and it directly affected our turnover in Hawaii-the world class tourism landmark. To cope with the unfavorable situation, the Company added more online platforms such as Amazon which could become a major lead in the future.

Sales channels in Canada

Taokaenoi product distribution and sale accounts 60% of Ethnic Asian stores through mainstream platforms such as Loblaw and Sobey with positive feedback and continual purchase orders. Nora Seaweed is also added to the mainstream platform such as Loblaws, Ambrosia Markets. With the container shortage issue in logistics business around the world, cost of logistics soars over 5 times compared to 2019, the Company has been unable to deliver the products as scheduled, experiencing product shortfall, losing trading opportunity in many channels where the on shelf products were not available. The Company managed to find containers at the acceptable price, reduce prices of certain products to minimize the end price. Package sizes were reduced to increase capacity within a container for the most efficient arrangement, to reduce the shipping cost per unit and to reduce costs for the long term solution.



Other overseas markets



The proactive approach on the e-commerce in 2021, including marketing activities, for instance, sales promotion and creating brand recognition in each channel, continual brand engagement with the consumer in each channel result as the leaping growth in Singapore, Malaysia, Hong Kong, Taiwan while other countries show improved adjustment. However, the Company must concentrate on creating the marketing activity to match with sales volume for balanced and to ensure the figure is truly from consumer demand.

In Indonesia, Taokaenoi launches a booth to promote Korean style Seaweed products which is on high demand. The product is released to the mainstream channel which is over 20,000 branches of convenient stores, generating turnover to set off the reduced figure of existing product due to closure of many branches upon the Covid-19 effect. Moreover, the Company continuously arranges different activities to raise product recognition among consumers.

For Malaysia, Taokaenoi turnover is higher than the target with more profit recorded thanks to the addition of sales channel for profitable products and marketing activities to stimulate demand in the market. According to the ratio between Chinese and Muslim consumer 30:70, the Company has initiated marketing activities to reach Muslim consumer which is the large scale that must be studied and attended to. Taokaenoi had Malaysian brand ambassador in 2020, but this year, there is no presenter. In stead, to extend this consumer group, the Company carries on various and intensive activities especially during Hari Raya Haji festival, the important event for Islamic. However, also maintains the relationship with existing consumers.

Market in CLMV This year, our marketing activities emphasises sales promotion and premium products, especially in Vietnam, where there is more investment in e-commerce, boosted with marketing activities to build new consumers. The Company also hosts lived activity through e-commerce and social media to keep up with today trend. Nonetheless, the demand is still volatile after the marketing activity is finished.

For other overseas markets, the Company carried on launching activities as considered appropriate for COVID-19 situation in each country. The Company inspected sales volumes, inventory, updated with vendors closely to meet the current situation as much as possible.

New product release oversea in 2021 included



Furikake Topping Seaweed
Singapore, China



Grilled Seaweed Sandwich
China



Grilled Seaweed Sandwich Fried Seaweed with Potato
Chicken Soup, Burger, Honey BBQ Flavored
Hong Kong, Laos, Cambodia, Singapore



Korean roasted seaweed
Indonesia, Malaysia, Singapore



Tempura seaweed Truffle flavored
Malaysia

3. Procurement of raw materials

1. Seaweed

Seaweed is the main raw material of the Company's manufacturing process. The Company will require two or three overseas manufacturers and distributors to quote the price. After that, the Company will make contracts with manufacturers and distributors for seaweed supply annually. The conditions in the contract will specify the level of seaweed's quality, prices, and quantity, as well as the year of purchasing. However, the Company will issue a purchase order (PO), which specifies that manufacturers and distributors must ship each time. Before shipment, the manufacturers and distributors must send a seaweed sample for inspection to see if it is up to the Company's criteria. If the seaweed meets every Company's criterion, the manufacturers and distributors then ship that seaweed batch to the Company. The manufacturers and distributors will need to give 45-60 days of credit term to the Company. Currently, the Company mainly purchases seaweed from manufacturers and distributors in South Korea.

2. Palm Oil

Suppliers must send samples to the Company's Quality Assurance Department (QA) to be inspected for its palm oil supply quality. If it passes quality inspection, more than two or three suppliers will then quote the comparison price. After suppliers are selected, the Company will make a contract and specify the price and quantity to be delivered. The contract will be made in advance periodically according to the market situation, and a purchasing order (PO) will be issued to the suppliers. The Company currently purchases palm oil from three major suppliers for the reasonable prices they offered, and their previous batch of oil had good quality. These suppliers give about 30 days of credit term to the Company. Palm oil price changes throughout the year according to the price mechanism. The Company prevents the risk from these changes by making advance contracts for palm oil at a reasonable price and within acceptable cost. The contracts may have three to six months term depending on the price at that time.

3. Seasoning powder

Starting with a new product development process, the Research and Development Department (R & R&D) will coordinate with suppliers to develop seasonings according to the specifications and price that the Company requires. The suppliers will need to keep the price valid for a particular period. For purchasing, the purchase will be made in accordance with the demand in each month. The Company currently purchases seasoning products from various suppliers prioritizing quality first and prices second. In secret recipe seasonings, the Company purchases them from NCP (a subsidiary company), which opened for its manufacturing seasonings. A purchase order will be issued in each purchase according to lead time conditions that each supplier specifies within 15-45 days.

4. Package

Suppliers send samples to the Quality Assurance Department (QA) for inspection. If the samples pass the inspection, more than two or three suppliers will quote the comparison price. After suppliers are selected, the suppliers will need to keep the price valid for a particular period. For purchasing, the purchase will be made in accordance with the demand in each month. The Company currently purchases packages that include packets, plastic film rolls, boxes, and cardboard boxes from various suppliers to reduce the risk of deliveries that miss deadlines. The purchase will be made in the form of issuing a purchase order (PO) according to lead time conditions that each supplier specifies, which is within 15-45 days. The suppliers need to give about 30-60 days of credit term to the Company.

5. Other Main Raw Materials

Suppliers send samples to the Quality Assurance Department (QA) for inspection. If the samples pass the inspection, more than two or three suppliers will quote the comparison price. After suppliers are selected, the suppliers will need to keep the price valid for a particular period. The purchase will be made in accordance with the demand in each month.

6. Product Transportation

For finished goods, the Company outsources transportation providers since it wants the products to be transported to the clients thoroughly and correctly. The criteria for procurement and employment of third-party transportation providers are specified below.

In the process of transportation provider selection, the Company accepts bidding annually. The criteria include the cost of transportation, number of vehicles in the fleet, types of vehicle provided, route coverage, a guarantee of products, services, and service mind. For risk management in product transportation, the Company will select three or four transportation providers that meet these criteria.

The transportation contract comprises two original copies of the contract (the original and the duplicate) and an addendum to the contract (the list of freight rates) (the original and the duplicate). The Company will issue the contract and send it to the transportation company and the addendum. After that, the contract will be sent back to the Company to be signed by authorized persons. After both parties signed the contract and the appendix, the transportation company can start its service. The Company has procedures in managing transportation concerning risk management and lawfulness so that the finished goods can be correctly and duly shipped to the clients.

Factories and Manufacturing Capacity Utilization

As of 31 December 2021, the Company has two manufacturing factories as follows :



Noppawong Factory (NPW)

located at 12/1 Moo 4, Na Mai,
Lat Lum Kaeo, Pathum Thani 12140



Rojana Factory (RJN)

located 55/5 Moo 5 Sam Bandit,
Uthai, Phra Nakhon Si Ayudhaya 13210

Overall, in 2021, the maximum capacity was 9,602 tons, while the manufacturing capacity utilization rate was 37 percent.

For a summary of manufacturing capacity and manufacturing capacity utilization from 2019 to 2021, the Company had the manufacturing capacity (ton/year) as the following details:

	Manufacturing Capacity (Ton)			Manufacturing Capacity Utilization (Ton)			% of Manufacturing Capacity Utilization		
	2021	2020	2019	2021	2020	2019	2021	2020	2019
Crispy seaweed	4,192	4,104	3,995	1,844	1,837	2,834	44%	45%	71%
Grilled seaweed	4,643	3,735	3,645	1,389	2,058	2,289	30%	55%	63%
Tempura seaweed	665	406	337	308	326	291	46%	80%	86%
Roasted seaweed	102	198	195	29	19	35	29%	10%	18%
Total	9,602	8,443	8,172	3,570	4,240	5,449	37%	50%	67%

4. Operating assets

Type of Asset	Book Value			Ownership	Obligation
	As of 31 December 2021	As of 31 December 2020	As of 31 December 2019		
1. Land and Land Improvements					
1.1. Muang Thong Thani Office, 88 Tarang Wah (352 sqm.) of land in Nonthaburi Province	17.83	17.83	17.83	Owned	None
1.2. Factory at Rojana Industrial Park	63.98	63.98	63.98	Owned	None
1.3. Theppanom Warehouse, 300 Tarang Wah (1,200 sqm.) of land in Nonthaburi Province	10.50	10.50	10.50	Owned	None
1.4. Right-of-Use Asset	0.00	0.00	0.17	Leased	None
Total	92.31	92.31	92.48		
2. Building and Building Improvements					
2.1. Muang Thong Thani Office Building	59.75	63.82	67.85	Owned	None
2.2. Noppawong Factory,NCP	52.33	78.60	93.03	Owned	None
2.3. Theppanom Warehouse Building	1.94	2.11	2.27	Owned	None
2.4. Bang Bua Thong Warehouse Building	0.00	0.84	0.94	Owned	None
2.5. Rojana Factory	438.97	395.65	414.90	Owned	None
2.6. TKN China Office Building	0.00	0.00	0.82	Leased	None
Total	552.99	541.02	579.81		
3. Machines and Equipment - Noppawong	41.67	74.31	99.94	Owned	None
4. Machines and Equipment - Rojana	122.32	91.97	92.20	Owned	None
5. Furniture and Office Equipment - Noppawong	14.66	43.74	55.52	Owned	None
6. Furniture and Office Equipment - Rojana	28.22	21.53	26.95	Owned	None
7. Vehicles	3.34	8.75	15.11	Owned	None
8. Assets under Installation and Construction - Noppawong	1.38	13.12	21.97	Owned	None
9. Assets under Installation and Construction - Rojana	167.30	117.68	58.45	Owned	None
10. Furniture and Office Equipment-TKN China	0.00	0.00	0.15	Leased	None
Total	378.89	371.10	370.29		
Total Fixed Assets	1,024.19	1,004.42	1,042.61		
Impairment of Assets	(24.90)	(21.83)	(23.86)		
Estimated Demolition	0.10	0.31	-		
Total Fixed Assets-Net	999.38	982.90	1,018.75		

5. Incentives

The Group receives incentives from investment through earning the investment promotion certificates from Thailand Board of Investment under Investment Promotion Act B.E. 2520 (1977). The Group must adhere to the terms and conditions specified in the investment promotion certificates. As of 31 December 2021, three investment promotion certificates are remained in effect as follows:

Certificate No.	Dated	Incentives and Conditions of the Project
1433/2553 (Noppawong Factory)	9 April 2010	<p>For investment in seaweed products manufacturing business</p> <p>Incentives of the Project</p> <ul style="list-style-type: none"> Permitted to bring expatriate technicians or experts (Myanmar, Laos, and Cambodia not included), their spouses, and both individuals' dependents to the Kingdom for the numbers and time as specified. Exempted from import duties of machinery. (The incentives ended on 9 October 2015) Exempted from import duties of raw materials and materials required to be imported overseas to manufacture for export. (The right can be exercised until 9 January 2023)¹ Exempted from import duties of items for re-export. (The right can be exercised until 9 January 2023)¹ <p>Conditions of the Project</p> <ul style="list-style-type: none"> Have the manufacturing capacity to manufacture seaweed products of about 2,700 tons per year, such as crispy seaweed, roasted seaweed, and tempura seaweed. (Working time of 8 hours/day: 300 days/year) Must use new machinery in the promoted businesses. Must set up a factory in the area of Pathum Thani Province. The Company is granted permission to be operated in accordance with the conditions on 29 July 2016
2155(2)/2554 (Rojana Factory)	20 September 2011 (Permitted to relocate business operations from Lat Bua Luang to Rojana Industrial Park, Phra Nakhon Si Ayutthaya Province on 25 November 2014.)	<p>For investment in seaweed products manufacturing business</p> <p>Incentives of the Project</p> <ul style="list-style-type: none"> Permitted to bring expatriate technicians or experts (Myanmar, Laos, and Cambodia not included), their spouses, and both individuals' dependents to the Kingdom for the numbers and time as specified. Exempted from import duties of machinery. (The incentives ended on 20 March 2017) Exempted from import duties of raw materials and materials required to be imported overseas to manufacture for export. (The right can be exercised until 9 January 2023)¹ Exempted from import duties of items for re-export. (The right can be exercised until 9 January 2023)¹ Exempted from corporate income tax on net profit from all of the promoted businesses, which not exceed 100 percent of the investment. The cost of land is not included, and the term of circulating capital is seven years. Exempted from including dividends from the promoted businesses that exempted from corporate income tax in calculating income tax. <p>Conditions of the Project</p> <ul style="list-style-type: none"> Have the manufacturing capacity to manufacture seaweed products of about 9,400 tons per year, such as crispy seaweed, roasted seaweed, and tempura seaweed. (Working time of 24 hours/day: 345 days/year)² The amount of tax exempted from corporate income tax for seven years must not exceed 670,747,603.37 Baht. Must use new machinery in the promoted businesses. Must set up a factory in the industrial park of Rojana Industrial Park Public Co., Ltd. in Phra Nakhon Si Ayutthaya Province. Must earn ISO 9000 or ISO 14000 quality assurance certification or another equivalent international standard within two years from the starting date of operation according to the conditions. The results were reported, and the permission was granted on 7 February 2019. Permitted to be operated in accordance with the conditions on 12 December 2018

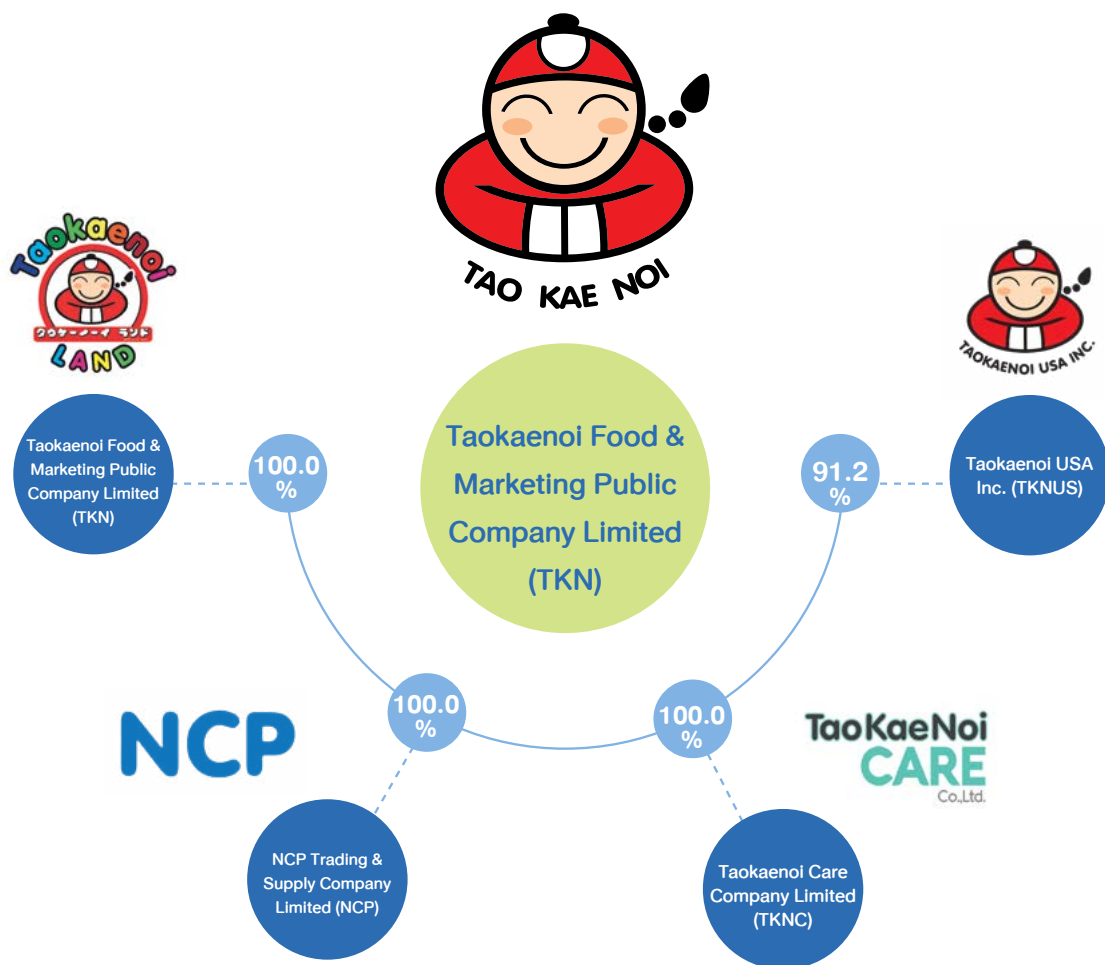
Certificate No.	Dated	Incentives and Conditions of the Project
63-1161-1-00-1-0 (Rojana Factory)	20 October 2020	<p>For investment in seaweed products manufacturing business</p> <p>Incentives of the Project</p> <ul style="list-style-type: none"> Permitted to bring expatriate technicians or experts (Myanmar, Laos, and Cambodia not included), their spouses, and both individuals' dependents to the Kingdom for the numbers and time as specified. Exempted from import duties of machinery. (The incentives will end on 20 April 2023) Exempted from import duties of raw materials and materials required to be imported from overseas to use in the manufacture for export. (The right can be exercised until 7 November 2022)¹ Exempted from import duties of items for re-export. (The right can be exercised until 7 November 2022)¹ Exempted from corporate income tax on net profit from all of the promoted businesses, which not exceed 100 percent of the investment. The cost of land is not included, and the term of circulating capital is six years. Exempted from including dividends from the promoted businesses that exempted from corporate income tax in calculating income tax. Permitted to bring or remit money out of the Kingdom in foreign currencies. <p>Conditions of the Project</p> <ul style="list-style-type: none"> Have the manufacturing capacity for the manufacture of seaweed products of about 2,366 tons per year. (Working time of 24 hours/day: 345 days/year)² The amount of tax exempted from corporate income tax for seven years must not exceed 126,830,000 Baht. Must use new machinery in the promoted businesses Must set up a factory in the industrial park of Rojana Industrial Park Public Co., Ltd. in Phra Nakhon Si Ayutthaya Province. Must obtain ISO 9000 or ISO 14000 quality assurance certification or another equivalent international standard within two years from the starting date of operation according to the conditions.

Remarks :

- For raw materials and materials required to be imported from overseas to use in the manufacture for export and import duties exemption for items imported for re-export, the import period can be continually extended with two-year permission for each time.
- Corporate income tax amount is subject to change according to the actual investment value on starting operation (set to be on 20 October 2023).



Shareholder Structure of the Group



Subsidiary

At present, the Company holds shares in four subsidiaries, namely below.

1. Taokaenoi Restaurant and Franchise Company Limited (TKNRF)



Company Registration No. : 0125552015842

Head office : 469 Bond Street, Bang Phut,
Pak Kret, Nonthaburi

Tel. : 0 2960 1477

Fax : 0 2960 1486

Registered capital : 35,000,000 Baht

Issued and paid-up capital : 35,000,000 Baht

Shareholding (%) : 100 percent

Tao Kae Noi Restaurant & Franchise Company Limited is a company under the retail store business and quick-service restaurant business. The number of branches has changed in the past three years as follows :

Business	2021	2020	2019
1. Tao Kae Noi Land business	-	5	19
2. “Hinoya Curry” Japanese curry rice restaurant business	8	9	4
3. Bomber Dog: a snacks business	32	1	-

TKNRF Retail Store Business



Tao Kae Noi Land operates souvenir stores that mainly target tourist customers. The products include seaweed products and snacks of Taokaenoi Food & Marketing Public Company Limited, consigned goods, and house brand products that TKNRF especially developed to meet such customers' needs. The Company intended to make “Tao Kae Noi Land” a channel for souvenir shopping among tourists and a channel to advertise and make Tao Kae Noi brand products known for consumers through developing house brand products to differentiate itself.

In 2021, Tao Kae Noi Land stores were directly affected by COVID-19 pandemic especially tourists which are the main target as there is no arrivals to Thailand. All Tao Kae Noi Land have been shut down. However, the Tao Kae Noi Land brand will be kept and may be resumed once the tourism situation recovers.

TKNRF Restaurant Business

“Hinoya Curry,” a Japanese curry rice restaurant, is a curry rice restaurant franchise from Japan that won first place from Kanda Curry Grand Prix 2013, a curry rice competition in Japan. The restaurant also continuously developed ‘Only in Thailand’ menus to serve Thai customers’ needs, such as Taokaenoi Nori Seaweed Curry Rice, Fried Pork Belly Curry Rice, and Beef Hamburger Curry Rice.

There are two types of Hinoya Restaurant: a regular standalone restaurant located inside department stores and an express kiosk that mainly sells in food courts.



A Restaurant Type of Hinoya



An Express Type of Hinoya

Hinoya Restaurant Group started its operation in 2019. The number of a restaurant has been changed as follows :

2021	2020	2019
1 Cosmo Bazaar Lifestyle Mall Branch	1 The Market Bangkok Branch	1 The Market Bangkok Branch
2 The Promenade Branch	2 Cosmo Bazaar Lifestyle Mall Branch	2 Cosmo Bazaar Lifestyle Mall Branch
3 Central World Branch	3 The Promenade Branch	3 The Promenade Branch
4 Seacon Square Srinagarindra Branch	4 Central World Branch	4 Central World Branch
5 The Mall Ngamwongwan Branch (Express)	5 Seacon Square Srinagarindra Branch	
6 The Platinum Fashion Mall Branch (Express)	6 Megabangna Branch (Express)	
7 Line Man Kitchen Sukumvit	7 The Mall Ngamwongwan Branch (Express)	
8 Line Man Kitchen Kasat Nawamin	8 The Platinum Fashion Mall Branch (Express)	
	9 Terminal 21 Branch	



Hinoya, Central World Branch



Hinoya, The Mall Ngamwongwan Branch (Express)



Bomber Dog Snack Shop is a food kiosk franchise that the Company developed from the idea of a street food restaurant that sells tasty food and is easy to access. The shop sells hot dogs with a unique flour recipe topped with seasonings and a variety of sauces. The soft opening of a model branch started in December 2020 in the Gourmet Market Zone of Terminal 21 Department Store.



Bomber Dog at The Mall Department Store



Bomber Dog at PTT Petrol Station



Bomber Dog at Banchak Petrol Station

2021 (Company's store)	2021 (franchise)
1 Gourmet, Terminal 21 Asok	1 Ramindra KM. 9
2 PTT, Phutthamonthon Sai 4	2 Ratchada 32
3 PTT Theparak	3 Under Wat Bua Khwan Temple Expressway
4 PTT Hatairat	4 PTT 345 Bang Khu Wat
5 Banchak Sukhapiban 5	5 PTT Wat Lat Pradook Temple
6 PTT Thawee Wattana	6 PTT Nern Samlee Rayong
7 Gourmet The Mall Ngamwongwan	7 Patchion Rayong
8 PTT Din Daeng	8 Terminal 21 Pattaya
9 Plaza Lagoon	9 PTT Baan Kluai Sai Noi
10 PTT Mueang Pathum	10 PTT Map Yang Porn Rayong
11 Porto Go Bang Pa-in	
12 Gourmet The Mall Bangkok	
13 PTT Rama 5	2020
14 PTT Sai Yai	1 Terminal 21
15 PTT Lam Luk Ka Klong 4	
16 PTT Kingkaew	
17 PTT Phutthamonthon Sai 5	
18 PTT Kheha Bangplhi	
19 Gourmet The Mall Bang Khae	
20 PTT Nak Sawat Banna-Trad	
21 PTT Pecharawan Suksawat 64	
22 PTT Klong Luang KM. 6	
23 PTT Borommarajajonni	

2. Taokaenoi USA Inc. (“TKNUS”)



Head office : 11688 South Street #201,
Artesia, CA 90701
Tel. : +1 562 402 0005
Fax : +1 562 402 0007
Registered capital : 4,070,000 US Dollar
Issued and paid-up capital : 4,070,000 US Dollar
Shareholding (%) : 91.21 percent

Taokaenoi USA Inc. operates the distribution of seaweed snack products from Taokaenoi Food & Marketing Public Company Limited to sell in the United States and Canada.

3. NCP Trading and Supply Company Limited (“NCP”)



Company Registration No. : 0125549009489
Head office : 469 Bond Street,
Bang Phut, Pak Kret, Nonthaburi
Tel. : 0 2960 1999
Fax : 0 2960 1501
Registered capital : 1,000,000 Baht
Issued and paid-up capital : 1,000,000 Baht
Shareholding (%) : 100 percent

NCP Trading & Supply Co., Ltd. operates seasonings, manufacture, and sale for the Group to be the ingredients in the manufacture of seaweed snacks and other goods. The seasonings use an exclusively developed recipe that allows the Company to control manufacturing quality from the beginning and quickly create various new flavors.

4. Tao Kae Noi Care Company Limited (TKNC)*



Company Registration No. : 0125551000787
Head office : 469 Bond Street,
Bang Phut, Pak Kret, Nonthaburi
Tel. : 0 2960 1999
Fax : 0 2960 1501
Registered capital : 5,000,000 Baht
Issued and paid-up capital : 5,000,000 Baht
Shareholding (%) : 100 percent

Tao Kae Noi Care Company Limited operates merchandising business that currently sells health care products for customers.

*The Company registered a change of company name from Want More Industry Company Limited with Ministry of Commerce on 6 February 2018.

Persons with potential conflicts who hold more than 10 percent of shares are entitled to vote in subsidiary companies or associated companies.

- None -

Relation with a business group of the major shareholders

- None -

Shareholders

List of Major Shareholders

Taokaenoi Food & Marketing Public Company Limited, Symbol: TKN

- Started trading on 3 December 2015
- 345 million Baht registered capital
- 345 million Baht of issued and paid-up capital which comprises 1,380 million common stocks with the value of 0.25 Baht per stock
- The Company does not have other types of stock apart from common stocks.

Shareholders

The first 10 shareholders as appear on the shareholder registration book as of 30 December 2021 are as follows:

Series	Name	Amount of shares	Percent
1	Peeradechapan Holding Company Limited	360,000,000	26.09
2	Mr. Itthipat Peeradechapan	317,196,200	22.99
3	Thai NVDR Company Limited ¹	85,165,673	6.17
4	Ms. Orrapat Peeradechapan	60,755,000	4.40
5	Mr. Nutchatpong Peeradechapan	60,100,500	4.36
6	Thailand Securities Depository Company Limited for Depositors ²	48,964,530	3.55
7	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	14,972,565	1.08
8	Mr. Attawat Sirisittongchai	6,450,000	0.47
9	Registered Employee Provident Fund in the Agriculture and Agricultural Cooperatives Bank	6,174,100	0.45
10	KGI Securities (Thailand) Public Company Limited	6,034,000	0.44
11	Institutional and individual investors	414,187,432	31.01
Total		1,380,000,000	100.00

¹ Thai NVDR Company Limited is a subsidiary of The Stock Exchange of Thailand, or SET, responsible for issuing Non-Voting Depository Receipts (NVDR), listed security in SET, to sell investors. The money derived from the sale of NVDRs will be used to invest in SET. Investors who hold NVDRs will receive the same dividends as shareholders who directly invest in registered companies but do not have voting rights. NVDR holders' information can be found in www.set.or.th.

² Thailand securities depository company limited for depositors, or tsd, are security deposit accounts which tsd will transfer the deposited securities under the name of tsd on behalf of persons who make a deposit or customers of such the said persons who own such securities

The group of major shareholders as appear on the shareholder registration book as of 30 December 2021 are as follows :

Series	Name	Amount of shares	Percent
1	Peeradechapan Holding Company Limited	360,000,000	26.09
2	Mr. Itthipat Peeradechapan	317,196,200	22.99
3	Ms. Orrapat Peeradechapan	60,755,000	4.40
4	Mr. Nutchatpong Peeradechapan	60,100,500	4.36
Total		798,051,700	57.83

For Foreign Limit, the Company set the foreign shareholding limit at 49 percent of the registered capital.

Issuance of other securities

- The Company has not issued any additional securities.

Dividend Policy

The Company has a dividend payment policy that provides not less than 40% of net profit as appeared in the separate financial statement after deduction of tax and legal reserves and other reserves (if any). However, the dividend payment is subject to changes depending on operation result, financial status, liquidity, necessity to use working capital for business operation, investment plan and future business expansion, market condition, feasibility and other factors relating to business operation and management. However, the dividend payment must be under the condition that the Company shall have sufficient cash for business operation and such generates highest benefits to shareholders as the Board of Directors and/or shareholders will deem reasonable. The Board of Directors' resolution on the dividend payment must be proposed to the shareholders' meeting for approval, except the interim dividend payment in which the Board of Directors has the authority to approve and eventually report to shareholders in the next extraordinary meeting of shareholders.

Year	Dividends (THB / share)			Dividend paid (THB)	Payout rate (Percent) ¹
	Interim	Last payment	Total		
2019	0.26	-	0.26	358,800,000	83.58
2020	0.11	0.10	0.21	289,800,000	85.90
2021 ²	0.05	0.09	0.14	193,200,000	81.74

¹ Payout rate is calculated from dividend paid to net profit according to the separate financial statement.

² The right to receive dividend payment of the Company is not clearly determined, awaiting the approval from the shareholders' ordinary meeting for the year 2022.

2

Risk Management



2.1 Risk Management Policy and Plan

With adherence to business ethics, the Management and employees of all levels comply and adheres to business philosophy and ethics. Under appropriate managerial structure, authority and responsibility are determined clearly, policy, rules, procedures or work operation are set in a written form. The Company has in place a good management and fair treatment to stakeholders, taking into account fairness among employees, vendors, trade account payables, business competitors, shareholders, society and environment. Furthermore, the Company provides trainings to employees of all levels to raise the awareness and understanding on risk management. The Company arranges activities, assessment and risk management in a systematic approach continually in order to properly determine risk at acceptable level.

The Company has determined scope of risk management for effective implementation as follows :

A.) Determine objectives

The Company determines corporate objectives and targets which include strategic plan, work plan/operation activity of each department. The objective should consist of the expectation of each corporation or organization and therefore, it should indicate the ultimate goal thereof. The Risk Management Committee will consider the corporate objective in consistent with the strategic plan set forth in order to determine risk management plan to be in the acceptable level amid the changing situation or risk factors.

B.) Identifying event or risk factor

Identifying event or risk factor is a search for risk caused by internal and external factor that may affect the Company's accomplishment toward corporate objective and goal or corporate operation and activity result. Types of risk are categorized as follows.

1. Strategic Risk
2. Operational Risk
3. Financial Risk
4. Compliance Risk
5. Fraud Risk

C.) Risk assessment, risk rating and risk management

After identifying event/activity and type of corporate risk that may occur whether in terms of strategic, operational, financial aspects and non-compliance with requirement/law, the Board of Directors will analyse if any party involved in the event or activity, called as Risk Owner.

The Risk Owner Unit will identify their own activity that involves such risk including to conduct likelihood assessment and impact severity from such risk as a supporting factor to risk management decision.

D.) Follow-up

To ensure that the risk management is of fine quality and appropriate, the Company has hired internal audit party to follow up the result under coordination with department executive, Risk Management Unit and Risk Management Committee.

2.2 Risk factors to business operation

2.2.1 Risk of business operation

Major risks in the Company's business operation for the year 2021 include :

Strategic Risks

Potential changes that may affect business operation in the next 3-5 years (emerging risk)

Upon Covid-19 pandemic, the Company has reviewed potential risks that may occur to business operation, including emerging risk as well as to search for prevention to cope with such risk in a timely manner. However, should there be another pandemic in the future, the Company is ready to manage the situation. One of our solution is the 'work from home' measure. With comprehensive devices for an online meeting. Our employees can attend the meeting or contact external party just like working in the office. We implement bubble and seal measure including other measures in our manufacturing plant, to cope with the changes of situation without delay.

Taokaenoi has implemented new and various technologies into the production process to enhance production capacity and to minimise the use of labour under the Go Firm policy, as an alternative option to reduce the spreading of Covid-19 in the event of another outbreak surge.

Changes in consumer behaviour

For seaweed products, the Company emphasises the creation of new flavours and styles and shifting regularly, based on researches and observation on consumers' behaviour of different group.

Non-seaweed product According to the Company's regular study on consumers' behaviour, the Company realises the changes and market trend. Our Business Development is responsible for developing new products to the market constantly in order to boost revenue from new products via new channels and to enlarge customer base. At the end of 2020, the Company launched Taiwanese pasteurised milk tea to support the food innovation company concept in the future. Revenue from seaweed product in 2021 was 92% and the non-seaweed product was 8% of sale revenue. The revenues of the non-seaweed product increased by 6% of sale revenue from 2020.

Dependency on major customers or certain customers

Our major business is production and distribution of seaweed snacks in Thailand and abroad. In 2021, sales volume in Thailand reached THB 1,443 million, in China THB 988 million and other countries THB 1,180 million. The Company's sales channels are distributed on various platforms and through many sales representatives to avoid clustering to particular customer, and to reduce the risk of contract termination, which will significantly affect turnover.

Our sale in Thailand To avoid depending on a particular customer, the Company implement sale strategy to distribute products via 3 main channels which are 1. Modern Trade 2. Local distributor 3. Online stores

In China, after adding a new vendor, there are now 2 vendors in China. The first vendor supervises modern trade sale, and another vendor manages an online sale, including local marketing. Our sales volume in China represented 27% of the Company's total sales volume in the previous year. To minimise the risk from pending on a particular customer, the Company continues to look for new vendors. Having a firm relationship with customers from the beginning, the Company has in place the risk management plan which follows the risk management approach as follows :

1. Prepare sales and marketing plan with customers including review of sales volume and product quantity of each platform on a monthly basis.
2. Supervise and manage risk to minimise impacts on overall export business by imposing proactive measure to manage all risk items to minimise the risk events. Impose defensive measure to accommodate risk, preventing impacts on corporate goal. Prepare management plan for various scenarios.
3. Expand trade platforms in which the Company remains the control and supervision such as online platforms.
4. Maintain pricing at reasonable range in each channel.
5. Add up online and offline marketing activities through social media, digital media.

Operational Risks

Shortage of raw materials or manufacturing factors

We import the seaweed, which is the main raw material from South Korea, through an annual sale contract made with a distributor. The Covid-19 outbreak in 2021 resulted in container shortage and leaping logistic costs, causing difficulty in importing seaweed. Nonetheless, with the policy to maintain seaweed inventory for 4 months, the Company calculates the amount of seaweed used every month to ensure sufficient raw material for continual production, and to make an order from seaweed distributor to deliver within required timeframe.

Risk of labour shortage

Due to the fact that the Company is a manufacturer of processed seaweed snacks, where some products requires skilled labours, to prevent risk, the Company hires external party to outsource the labour for convenience, rapid procedures and to minimise duties in daily recruitment of the labour fields where the workforce are unstabilised. Furthermore, the Company has determined a competitive rate for labour, with attractive welfare and emolument for new labour and to keep existing experienced workforce. The Company always seeks for new technologies for production, i.e., the machine for filling, temperature control device for frying stove, or optimisation of working environment in production line factory to allocate efficient labour management which has direct impact on production quality while maintaining equivalent productivity.

Risk management for safety, occupational health and environment in factory operation

For safety, occupational health and environmental management within the factory, the Company has implemented the safety and health management system which meet international standard namely Occupational Health and Safety Standard (OHSAS 18001). The Company also plans to expand the safety and health management to its vendors. In the future, the Company will apply for the ISO14001 standard to enhance the environmental management performance.

Risk management from operation suspension caused by force majeure

The Company's business operation may be interrupted due to problems in production process or the damages to main operating assets or severe impacts from natural disaster and other events such as political unrest, severe accident, and terrorism.

The Company has in place the impact prevention and mitigation to business operation due to force majeure based on proper risk analysis that covers the entire production process and the control over occupational health within the factory. The Company assigns Quality Management Representative (QMR) to give advice and review the quality management procedures and effectiveness of quality control. The QMR is also responsible to arrange factory and power system inspection and the big cleaning activity on an annual basis to minimize the occurrence of such force majeure. In addition to the business continuity plan, the Company has applied for insurances including business interruption insurance with insurance company that has strong financial status, and experience in undertaking insurance to business entities.

Compliance Risks

Changes in regulations and law related to business operation

Manufacturing of processed seaweed snacks involves different significant regulations and laws in which have an influence on business operation and business opportunity, from importing raw materials, production, distribution and delivery to consumers.

With attention to potential risks, the Company prioritises compliance with the regulation and law, selection of raw materials including quality control in the production process to ensure the product will meet standard and hygienic requirement. In this matter, the Legal Department supervises to ensure compliance with the relevant regulations and law and the Production while the Production and Quality Control oversees to ensure the product meet required standard.

Financial Risks

Fluctuations in exchange rates/interest rates/inflation

The import of seaweed as a main raw material in the production process is proceeded in US Dollar currency. For this reason, the Company is at risk of fluctuating currency exchange from importing raw materials and exporting the products for sale. The contract made for raw material purchase is made under US Dollar while the export contracts mainly are also made in US Dollar, and Singapore Dollar. In 2021, sales volume overseas reached 60% of total sales volume.

Financial Risk Management The export rate is partially made in USD and other currencies, therefore, the strong THB will decrease a part of income from product sales while the cost of raw materials is also dropped. On the contrary, the weak THB will increase revenue from sales and the cost of raw materials. The cost of seaweed and selling prices are likely to change likewise and such stabilize the Company's gross profit margin from business operation. Moreover, the Company has applied a financial instrument to prevent such risk from exchange rate fluctuation by entering the forward exchange contract with domestic financial institutions. Most of the contract is valid for one year. Such approach minimizes the exchange rate fluctuation at a certain level and maintains the risk in acceptable level. The Company also monitors closely and regularly the movement of currencies with the banks.

2.2.2 Risk in the securities's holders' investment

Risk from that fact that the Company's major shareholders is more than 50%

As of 30 December 2021, Peeradechapan Group, holding 798,051,770 shares or 57.83% of total subscribed shares. Such proportion means that the Peeradechapan can control almost the entire resolutions in the shareholders' meeting including the appointment of directors, dividend payment or seeking for a resolution that require a majority vote in the shareholders' meeting except the matter in which the law or articles of association requires to have the third-fourth votes of the shareholders' meeting. Hence, other shareholders cannot collect votes to audit and to balance the vote in the matter which the said major shareholder group will propose in the meeting.

Regarding risk management, the Company has appointed 3 independent directors from total 8 members of the board. At present, the three directors are a member of the Audit Committee having responsibility to audit the Company's operation. For this reason, the management authority is maintained at proper level, leading to transparency and accountability system. Moreover, the Company has assigned an independent Internal Audit Unit to perform the auditing as deemed appropriate and under direct supervision of the Audit Committee. The main duty is to supervise internal control system and internal audit.

2.2.3 Risk from investment in foreign securities

The Company does not invest in any foreign securities.

3

Business Development for Sustainability



Taokaenoi Food & Marketing Public Company Limited (“the Company”) has in place the sustainability policy that is in conformity with the vision to lead become the food innovation company that brings about happiness to consumers around the globe and the aim to deliver great value to consumers as a “product” of “innovation”, as well as to create consumption culture that adjust to the time. Furthermore, the Company would like to deliver other value aspects to stakeholders in the form of compensation and value from attending activity together. This includes creating valuable products to consumers, the design of production process that is environmentally-friendly. building a good relationship with surrounding communities or conduct a research and development on raw materials resource with raw material manufacturer. The Company’s concept and policy on sustainability are as follows:

SUSTAINABLE DEVELOPMENT GOALS

Sustainable Development Goals

Upstream: Progress forward with stakeholder as a vendor



Considering business operation, every procedures from upstream to downstream involves stakeholders. Therefore, moving forward together with stakeholder especially the one who being our vendor is essential. It is the Company’s commitment to conduct business with fairness, building engagement and deliver value for each other. All in all. These efforts is to ensure our vendors will be proud to be a part of process to deliver the value of “Taokaenoi” product to consumers.

- Main supplier of raw materials: The Company strives to collaborate in developing raw materials which is the raw seaweed with seaweed manufacturers to increase production and minimise environmental impact. The Company aims to develop the seaweed spicy that give the highest yield with better quality.
- Raw material vendors and other products: The Company determines to promote and select manufacturers of raw materials and packages that have environmental friendly production process. The Company adheres to the fair trade.

Along the way: Every employee contributes to the delivery of happiness to consumers.



- Every employee is the person who drive our sustainable growth. The Company promotes the awareness on sustainable development of our corporation among employees, with the concentration on understanding toward society and environment in which affect everyone’s existence. When all employees realise the outcome of sustainable operation, our products will be great and ready for delivery to consumers at our greatest pride.
- The Company promotes corporate bonding to encourage employees that they are a part of our growth. It is the Company’s policy to continually develop its personnel, with fair assessment system, reasonable incentive and welfares.
- Promoting understanding toward sustainability: The Company has set forth the sustainable development into the key performance for the executive rank from director and higher in all departments to encourage the sharing to the entire corporation and to stakeholders from upstream to downstream.

On the way: Production process and environmentally-friendly products including the seek for alternative innovation for sustainability



- At present, most of the raw materials in food industry are from nature. Having production process that generate minimal impact to environment and nature will maintain the sustainable growth of our business. Taking into consideration that nature and environment allow everything to grow, the Company has emphasised to develop a production process that is modern, reducing the waste emission to nature, including wastewater treatment, reducing waste in production process or seeking for alternative energy, for instance using solar cells in production process, joining the assessment for various production standard i.e., ISO, BRC to build trust among stakeholders and to affirm that our products will deliver to consumers the value to environment, great taste and nutrition.



- Due to limited resource, global uncertainty, emerging risks such as COVID-19 pandemic, European heat waves and many more events that could damage agricultural products and result in shortage, the Company has a policy to study variety of alternative resources including innovation, i.e., plant based food, packages from natural product which is environmentally-friendly to diversify business while adhering to the Company's vision to become the world food innovation company.

Downstream: Enhance value, experience and consumption of our product with happiness



- The core of our business is to deliver the innovative products and offer the experience of having good food to consumers which include happiness of consumption, nutrition and product safety. The Company emphasises the research, development to have modern technology for production process and deliver products to consumers, and to communicate to consumers the value of our product toward society and environment. It is our endeavor to let consumers feel proud for being a part of consuming good food that brings about benefit to themselves and also to the society and environment.

Preparing sustainability plan and strategy

Taokaenoi and stakeholders always realise related matters, whether in short, medium or long term which covering economic, social and environmental dimensions with an aim to bring about sustainability and to cultivate into corporate sustainability. The Company has established the Sustainable Development Goal (SDGs) following the United Nation international principle which covers 3 aspects namely economy, society, and environment to effectively endure the corporate sustainability under the supporting activity within the value chain to ensure the business sustainability, the good corporate governance where the entire business chain is connected.

The Company has appointed a working group for sustainability operation to implement in accordance with strategy and plan set forth, to achieve the target set forth. There is analysis and identification on major stakeholders, important matters and priority thereof in each year in order to determine sustainability operation approach for corporate sustainability.

Sustainability Strategy

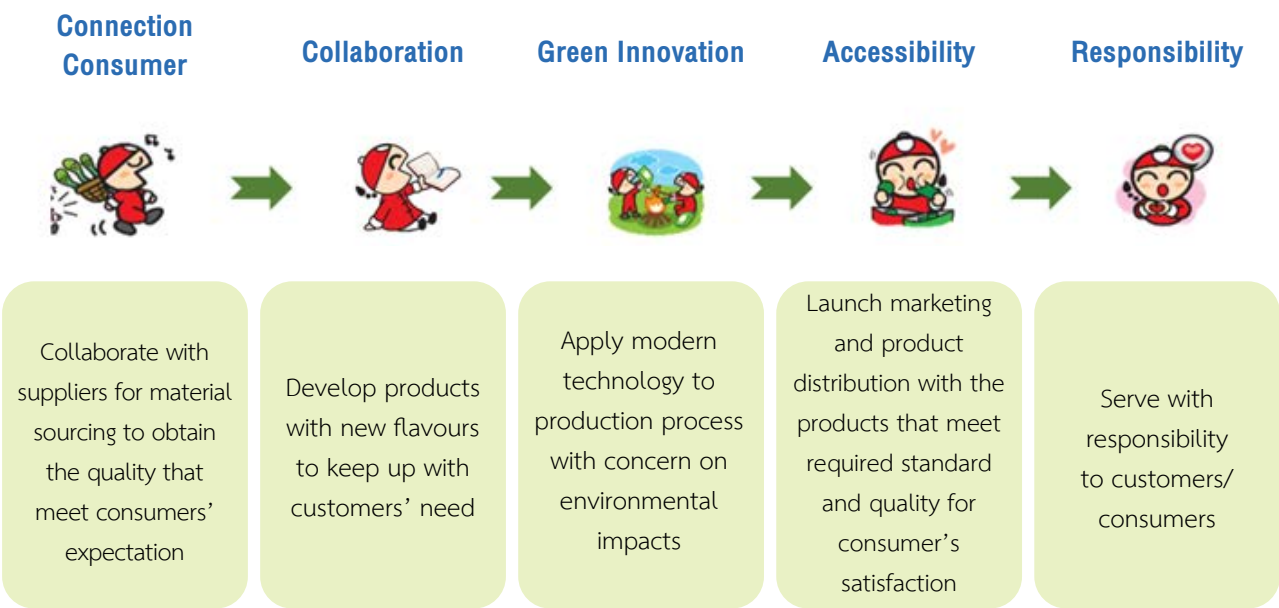


Sustainable Value Chain Management

Business Value Chain

The Company’s main business is manufacturing and distributing seaweed snacks where the business value chain begins at the source of raw materials, through a party that processing into dried seaweed and deliver to our factory to process into various seaweed snacks including fried sewage, grilled seaweed, roasted seaweed, and tempura seaweed. Raw materials will be tested for quality control before each purchase order to assure the quality and value for our customers. The Company also discusses with suppliers regarding providing and planning the raw materials delivery to the Company to assure the supply of raw materials for continued production.

After production, our snacks are distributed to dealers which include modern trade and retail stores, online channels before reaching consumers. The Company also coordinates with customers for sales promotion to boost turnover among stores and to deliver Taakaenoi’s products thoroughly to consumers.



Stakeholder Engagement Process

The main value chain when our seaweed has reached consumers, there are related party along the journey of our products. According to the analysis on our business value chain, related persons are as follows:

stakeholder group	participation	expectation	response
shareholder / investor	<ul style="list-style-type: none"> o annual shareholders' meeting o Disclosures through corporate communication channels o Opportunity Day o Disclosure of information through the Stock Exchange of Thailand 	<ul style="list-style-type: none"> o good return on investment o Continued growth and security o Equality for shareholders and maintaining shareholders' benefit o There is inspection system, good corporate governance and risk management in business operation. 	<ul style="list-style-type: none"> o Reasonable dividend payout that consistent to operation result and the Company's policy o Governance with transparency, fairness and accountability o Establish Investor Relations to provide accurate information and build relation with shareholders.
Employees	<ul style="list-style-type: none"> o Internal announcement o Company activities o Employee satisfaction survey on welfare 	<ul style="list-style-type: none"> o Fair treatment o The Company receives information and suggestions for improvement and development continually. 	<ul style="list-style-type: none"> o Fair compensation and assessment o Respect to human right and fair treatment o Provide appropriate welfares, comply with labour law
Customer / Consumer	<ul style="list-style-type: none"> o Complaint channel o Take a survey on releasing new product to meet customers' need. 	<ul style="list-style-type: none"> o Product value o Taste o The popular brand among consumers 	<ul style="list-style-type: none"> o Present the food innovative product of good quality and health to consumers o Responsibility for the product o Disclose product information accurately
Trading partners	<ul style="list-style-type: none"> o Meeting with suppliers o Satisfaction survey 	<ul style="list-style-type: none"> o Fair treatment o Cooperation for product development 	<ul style="list-style-type: none"> o Fair selection of supplier o Support the growth among suppliers o Policy-based payments, payment made in accordance with agreement
Product and service distribution representative	<ul style="list-style-type: none"> o Questionnaire 	<ul style="list-style-type: none"> o Delivery valuable products o Commercial support 	<ul style="list-style-type: none"> o Presenting valuable product, meeting consumer's demand o Appropriate trading agreement and conditions o Helping distribution representative when encountering product sales problems.
Community, Society, and Environment	<ul style="list-style-type: none"> o Establish Sustainability Report on the Company website o Create multimedia and publish on many websites o Meet with the community (community relations) 	<ul style="list-style-type: none"> o Avoid causing any impacts to environment and surrounding community o Disclose sustainability to corporation and create sustainable brand recognition o Good environment around the factory o The harmonious living between the community and factory 	<ul style="list-style-type: none"> o No complaint on environmental impact is filed. o The factory complies with environmental regulating law. o Apply modern technology to reduce resource consumption. o Send corporate staff to arrange an community supporting activity regularly, and hear the potential problems for timely solution.
Government agency	<ul style="list-style-type: none"> o Meeting government officials in various occasions o Follow up with revision of the law and/or regulation 	<ul style="list-style-type: none"> o Compliance with the law 	<ul style="list-style-type: none"> o Always monitor for newly imposed law related to business operation

Assessment of material issue

1. Identification

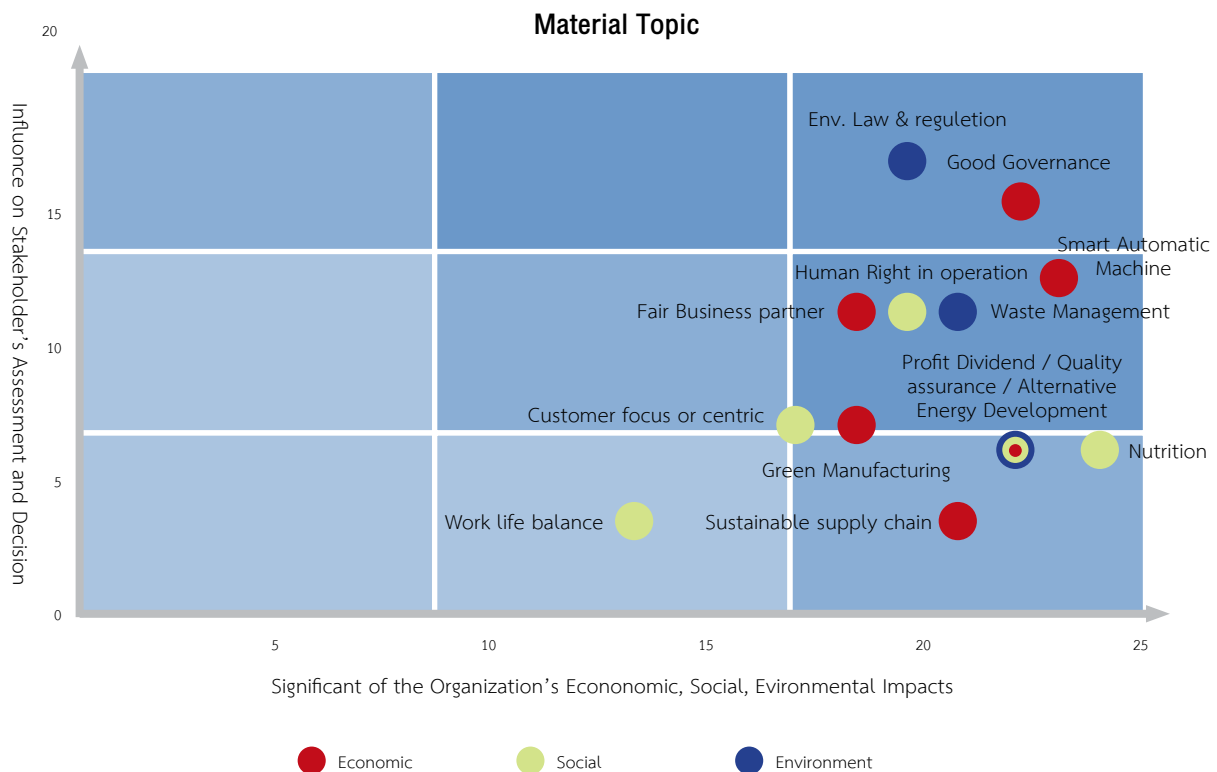
The Company considers material issue by collecting information for stakeholders internally and externally to cover all aspects such as economy, society and environment, and build the scope of corporate sustainability framework.

2. Prioritization

Identification and prioritisation of the material issue base on opportunity and impact to enterprise business operation including opportunity and impacts on stakeholders.

3. Review

Stakeholders' suggestion is brought forward for sustainable development and improvement through various channels for acknowledgement among stakeholders.



After assessment of material issue on 3 dimensions of sustainability which include economy, society and environment, from total 14 topics, the Company has selected 10 important issue for implementation with the strategic plan for the year 2021 as follows:

Sustainability Management		
Economic dimension	Social dimension	Environmental dimension
Corporate Governance	Human rights operation	Compliance with environmental law
Generating return to shareholders and investors	Employee care	Waste and spoilage management
Fair treatment to supplier	Consumer responsibility	Energy operation
Production innovation		

Economic dimension

Corporate Governance

The Company has established and issued Corporate Governance Policy as an ethical guidelines, which was published in 2015. The policy applies to the Board of Directors, executives and all employees to comply with, and has been constantly revised. The Company aims to develop its organization with good corporate governance for stable and sustainable growth of all stakeholders, and also operates with fairness and transparency which ultimately creates long-term value for shareholders.

The Company provides various channels for notification, complaints, comments or suggestions that concern the stakeholders' risk and effects that may cause damage to all groups of stakeholders from the company's business operations or from the practice of the Company's employees regarding illegal or ethical acts. This includes behaviours that may imply corruption, unequal treatment, and the act of carelessness and indiscretion. The complaints can be made through the following channels:

1. Website www.taokaenoi.co.th
2. E-mail whistleblower@taokaenoi.co.th
3. Mail **Via one of the directors**
TAOKAENOI FOOD & MARKETING PUBLIC COMPANY LIMITED
337 Bond Street, Bangpood Pakkret Nonthaburi 11120

Taokaenoi has in place complaint management process when employees or stakeholders report whistleblowing, complaints, comments or suggestions through the specified channel. Then, the Company will investigate and make investigation record in writing with no disclosure of the information regarding whistleblowers for confidentiality and protection of the whistleblowers. In the event that supporting evidences were found, the investigation committee will be set up to determine and consider the punishment, and make further report to the Audit Committee and the Board of Directors.

For the year 2021, the Company has been ranked Very Good (4 star) for the assessment of corporate governance of Thai listed company (CGR) by the Thai Institute of Directors (IOD).

Generating return to shareholders and investors

Recognising that shareholders and investors are major stakeholders, the Company has provided communication channel for publishing and share information to them. For example, arranging of shareholders' meeting, Opportunity Day and information disclosure via the Stock Exchange of Thailand to acknowledge and regularly update shareholders and investors for our operation. There is also Investor Relations to provide information and answers questions for shareholders or investors via ir@taokaenoi.co.th or telephone: 02 984 0666 ext 316.

The Company maintains regular dividend payout to shareholders, following the Company dividend payment policy. In 2021, the dividend payout is 0.14 baht per share or total 193.2 baht. The payout accounts 82% of net profit according to the separate financial statement after tax and legal reserves and other reserve (if any).

Retrospect dividend payment

Year	Dividends (THB / share)			Dividend paid (THB)	Payout rate (Percent) ¹
	Interim	Last payment	Total		
2019	0.26	-	0.26	358,800,000	83.58
2020	0.11	0.10	0.21	289,800,000	85.90
2021	0.05	0.09	0.14	193,200,000	81.74

Fair treatment to supplier

Taokaenoi prioritises the importance of supplier selection to assure that the raw materials received will meet required standard, safe for consumers. In procurement process, the Company will make a comparison in terms of product quality and price to obtain the reasonable quality and prices as well as adequate amount for continual production process. In 2021, there was no complaint about any unfair treatment from our suppliers.

Innovation

Recognising the importance of corporate development, creating new innovation, applying modern technology into the organisation to enhance competitiveness and so sustain the Company, the Company hosted the project “Taokaenoi Thinks and Makes It Happen” with an aim to build the enterprise of innovation and to encourage the coordination among personnel from each department, to promote creative thinking for continued innovation invented within the organisation. The project also enhances production efficiency, create safety environment at workplace, minimise environmental impact and lead to sustainable business operation.

Followings are our operation on innovative production process :

1. Implementing technology to enhance production capacity

The Company has implemented an automated system to the production process of seaweed snack to leverage performance, to minimise waste from production process as well as to reduce the loss from production process for instance, using automatic cutter to efficiently utilise transparent tape.



Automatic Cutter

2. Use of alternative energy

With awareness on efficient consumption of energy and environmental problem and limited natural resource, the Company has applied alternative energy into the process with continual production process development. Energy consumption performance is constantly under improvement where the alternative energy is used more under environmental friendly approach. To initiate utmost energy management, the Solar Rooftop project with total production capacity 1.6 MW has been built on total installation area 14,931 sq.m., dividing into Rooftop 1,400 KWp and Carport 200 KWp, rooftop of production facilities, warehouse and parking facilities at the front side of the factory. The Solar Rooftop project escalates our opportunity to operate new electricity business, reduce the use of energy and costs, reduce carbon dioxide emission and concentration of the greenhouse gas, while supporting the government policy by adding up the proportion of renewable energy consumption.

3. Promoting innovative creation from within the organisation

The Company organised the project “Taokaenoi Thinks and Makes It Happen” allowing employees to think of an idea and apply their own working experience in creating the innovation that escalates production performance and personnel potentiality as well as to reduce cost of production. Followings are our projects:

- The campaign for reducing the use of chemicals in wastewater treatment process

Taokaenoi has installed the equipment to separate solid waste and oil contaminated in washing process in production to minimise amount of solid waste in treatment process. Such concept will reduce amount of chemicals used in wastewater treatment process while the oil extracted can be resold.

- Development Projects for Employees in Production Process

The Company has improved production process by adjusting employee procedures concerning process and machinery operation to be more systematic. The information received will be for analysis and development for production, enhancing efficiency for individual employee.

4. Implementing technology to reduce contacting

Since Covid-19 pandemic has hindered convenience at work place among employees, the Company has developed a working process to facilitate and enhance performance at work for the employees who work from home, and to reduce the use of paper. Moreover, to minimise the contact among employees who work in the office and factory, the Company has installed face scanning device to record the entry-exit time to replace the fingerprint scanning device with an intention to reduce the risk of Covid-19 spreading.

Social Operation

Respect to Human Right

Policy

Taokaenoi recognises the matter of the law and respect to human right in all of personnel aspects, including society and community of each country. The Company treats every party with relevance to equal human right principle, without discrimination as to promote among personnel their awareness and correct compliance with the law, society, and community. These will build positive reputation to the organization and the Company.

Fair Treatment to Labour

Policy

With recognition on the employee relevance, deeming that they are the core of our sustainable business growth, the Company values the importance of fundamental human rights to promote respect for rights and freedom, as well as no discrimination against sexes and classes for equality. The Company demonstrates a clear and unwavering intention not to support or conduct business with entrepreneurs who are involved in human rights violations. Taokaenoi treats its employees equally and fairly by providing welfare that is equal to or exceeds the laws minimum limits as deemed appropriate. This includes maintaining safety and hygiene in the workplace, training, and education to develop potential and provides more opportunities for employees to enhance their working skills in other areas, appropriate remuneration, as well as treatment of the employees according to the labor laws and respective regulations.

Employment

Taokaenoi adheres to experience, knowledge, skill as consideration convention when recruiting personnel. Compensation rate and welfares are in the equivalent standard as general companies or as stipulated by law.

Employment of the Person with Disabilities

The Company provides equal opportunity in employment, and accepts the disabled person as stipulated by law, with the belief that such will leverage their life quality, reducing the inequality and promoting the chance for the disabled person to reach welfares and government services, to help them having own career that support themselves and family with dignity, free of discrimination.

Employment for the elderly/retired person

To support the aging society and certain nature of work, the Company has extended the working hours, employment scope based on position which is necessary and in shortage of personnel. The consideration criteria includes knowledge, skill and specific competence of each person.

Transaction	Unit	2021	2020	2019
Total Employees	person	2,494	2,711	3,639
-Men	person	1,139	1,199	1,577
-Women	person	1,355	1,512	2,062
Monthly employee	person	619	648	702
-Men	person	255	258	276
-Women	person	364	390	426
Daily employee	person	1,875	2,063	2,937
-Men	person	884	941	1,301
-Women	person	991	1,122	1,636
Number of employee classified by ages	person			
Executive	person	15	14	12
- Under 30 years	person	-	-	-
- Between 30-50 years	person	6	6	5
- Over 50 years	person	9	8	7
Employees	person	2,479	2,697	3,627
- Under 30 years	person	953	1,070	1,693
- Between 30-50 years	person	1,408	1,509	1,793
- Over 50 years	person	114	112	130
Employment of people with disabilities	person	4	6	11
Total employee compensation	million baht	38.2	36.8	42.4
Number of employees being a member of the provident fund	person	377	406	476

Personnel development

With strong determination to always support development employee potentiality, Taokaenoi believes that quality employee will be able to deliver the quality product. Under the current situation where business context is fluctuated and approaching the New Normal Era, it is necessary that corporation must deviate the direction in response to current and future situation. Hence, Future skills are important and crucial in personnel development, including learning platforms, access to appropriate source of knowledge in timely manner to keep up with the changes and to accomplish the goal set forth. In 2021, the Company has set the goal to arrange a training course for improving skill, knowledge and ability for employees at the minimum 6 hours per person per year.

Performance of Personnel Development

In 2021, the Company arranged the 201 training courses with an intention to improve skill, knowledge, ability to employees, dividing into categories as follows:

1. Mandatory is the training course stipulated by law.
2. Fundamental is the training course related to basic information of the corporation, quality work system and basic safety knowledge.
3. Functional is the training according to the duties in each work line.
4. Leadership is the training course for building leadership, in preparation to becoming a modern leader. The course is also for training to be the leader of changes.
5. Additional change is the training course focusing on vision, mission, corporate strategy including potential changes.

Personnel Development outcome	Unit	2021	2020	2019
Number of training courses	courses	201	241	280
Training hours/employee	Hour/Person/Year	13.11	11.71	10.90
Total employee attending the training courses	Person	2,470	2,635	6,832
Employee development costs	Million Baht	1.59	3.75	3.40

Occupational health, safety and working environment

Prioritising the importance of health and hygiene, safety and work environment for all employees within the organisation, deeming that the employee is a major stakeholder that drive the company toward sustainable success, the Company has determined policy on occupational health, safety and environment which strives and supports the health and hygiene, safety and good environment at work for all employees. Taokaenoi commits in compliance to the law, international management standard, regulations and related requirement.

Action during Covid-19 outbreak

Upon intense situation of Covid-19 in Thailand 2021, number of confirmed cases surged. The Company considers employee's health as a primary concern and supports employees to receive vaccination to build immunity. All of Taokaenoi employees are vaccinated. During the vaccination, the Company arranged accommodation, food, test expense for a weekly basis and other related matters. Additional welfares and supports are provided during the spreading crisis, such as rescue bags, facial mask, alcohol gel and necessary items for employees to help them minimising daily expenses. The Company applies for Covid-19 insurance for employees which cover the infection and allergy to the vaccine. To assure the work process will continue with efficiency, the Company has prepared a measure to prevent against contagion within the Company, office area and factor as follows:

- Measure 1 Educate employees about Covid-19 and prevention
- Measure 2 Get vaccination against Covid-19
- Measure 3 Cleaning and disinfection (workplace, canteen, shuttle bus, staff dormitory)
- Measure 4 Screening point for visitor and employees
- Measure 5 Code of Conduct
- Measure 6 Assisting employees
- Measure 7 100% proactive testing for Covid-19

Our 2 factories are under the Bubble and Seal measure as stipulated by the government regarding the Good Factory Practice (GFP) to assure employees safety from the virus spreading. All of our employees are vaccinated to have 100% immunity, plus ATK test every week. As a result of our effort, the Company receives the Model Factory for Covid-10 Prevention Management Standard Ayudhaya Model on 17 September 2021.

Safety and environment

Safety and working environment for employees are also another primary factor that help in prevention, reduce and control risks in all work process and business operation which may lead to loss of lives, injury and illness from work, therefore, the Company has arranged safety training for new employees or when they change workplace or position. For example, training for security guards at the factory. Taokaenoi realises the importance of supplier in supply chain, and also arranges safety training course for all contractors who performing work within the factory to assure their compliance to the rules, regulation and their safety at work.

For working environment, the Company has measure working environment within workplace in terms of lights, noise and heat. The measurement result in 2021 were within standard range.

Taokaenoi launches a campaign to reduce accident occurrence, communicates to employees to raise their awareness on accident prevention and increase awareness on safety to those who performing work on site.

Accident statistics

Type of accident	Unit	2021	2020	2019
Property Damaged	Time	0	14	13
First Aid case	Time	23	72	77
Medical Treatment case	Time	18	15	11
Loss Time Accident	Time	11	14	19

Promotion of relationship and engagement among employees

The Company conducts assessment for employee engagement every year, under the Heartbeat Survey theme to hear opinions of every employee and to bring the result for improvement and development to meet the employee best satisfaction and happiness at work.

Employee engagement assessment result	2021	2020	2019
Employee engagement to the organisation	76%	72%	70%
Employee turnover rate	1.82%	1.68%	2.18%

New employees	Unit	2021	2020	2019
Number of new employee	person	58	1,230	1,285
- Monthly	person	16	75	172
- Daily	person	42	1,155	1,113
Average cost of recruiting new employees	Million baht	0.17	1.69	1.74

Complaint/suggestion from employees about labour practice	Unit	2021	2020	2019
Number of complaint made by employees about labour practice	Time	0	0	0
Number of complaints resolved	Time	0	0	0
Number of complaints in progress	Time	0	0	0

Responsibility to customers

With understanding on the importance of keeping customer data, the Company has implemented the Privacy Policy to inform customers of their personal data protection assuring them that the information that can identify a person whether directly or indirectly according to Personal Data Protection law is of the highest priority of the Company. There is data protection and management under appropriate security measure. Taokaenoi has appointed a Data Protection Office (DPO) to coordinate about personal data protection, according to the Personal Data Protection law as a communication channel for customers as below.

Data Protection Officer: DPO

E-mail: DPO@taokaenoi.co.th

Location: 337 Bond Street, Bangpood Pakkret Nonthaburi 11120

Participation with community and society

One of the major policies of the Company is to conduct business with adherence to corporate social responsibility (CSR) to lead to sustainable development. At corporate scale, the Company manages its business operation with transparency and effectiveness under the corporate governance principles. For customers and business partners, the Company maintains product quality, manufactures products that contains value to consumers. The Company also realises the importance of supporting social and community activity. Followings are our code of practices.

Performance with community and society

With continued spreading of Covid-19 in 2021, in addition to compliance with the government measure to prevent the spreading and contagion within the organisation, the Company recognise the being of communities and societies around the two factories, and provided them with Covid-19 vaccine, testing kit, food, drinks and rescue bags for medical facilities, medical personnel, villagers to show our support and encouragement for working and to prevent the spreading of virus.

Giving vaccines against COVID-19

24 December 2021, the Company under collaboration with Pathum Thani Province, arrange the vaccination event against Covid-19 to those who have not been vaccinated. The project “Taokaenoi joins hand with Pathum Thani Province giving 1,090 doses of Sinopharm” to vulnerable residents in Pathum Thani and disadvantaged groups in various communities.





Giving Covid-19 test kits

On 21 October 2021, Taokaenoi Food& Marketing Public Company Limited coordinates with Rueng Lao Chao Nee program helping those who affected by Covid-19 situation” by giving 3,000 test kits for Covid-19, total value 750,000 baht.

Support to Medical Personnel

On 31 May 2021, Taokaenoi Food & Marketing PCL takes part in supporting medical personnel, nurses and related authority including communities by giving new product! 18,700 bottles of Just Drink pasteurized milk, Latte flavour as our encouragement.

1. 10,000 bottles distributed to communities under Sharing Project
2. 4,500 bottles to Chulalongkorn Hospital, Thai Red Cross Society
3. 2,800 bottles to Thammasat University Hospital
4. 1,200 bottles to the field hospital, Impact Muang Thong Thani
5. 200 bottles for site vaccination spot, University of the Thai Chamber of Commerce

Taokaenoi would like to send support to everyone to pass through this crisis together



On 14 June 2021, Taokaenoi Food & Marketing PCL takes part in supporting medical personnel, nurses and related authority including 10 communities by giving new product! 30,000 bottles of Just Drink pasteurized milk, Latte flavour. Mr. Itthipat Peeradechapan, CEO, chaired the event.

- Field Hospital at Bang Sue Central Station
- Institute of Neurology
- Royal Thai Air Force Hospital (Sikan)
- Sirindhorn National Medical Rehabilitation Institute
- Central Chest Institute of Thailand
- Srithanya Hospital
- Bamrasnaradura Infectious Diseases Institute
- Phranangklaio Hospital
- Phramongkutklao Hospital
- Krathum Baen Hospital
- Ministry of Public Health
- Sharing Project for many communities
- Phra Pinklao Hospital
- University of the Thai Chamber of Commerce

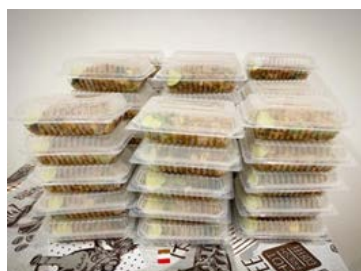


On 5 August 2021, Taokaenoi Food & Marketing PCL takes part in supporting medical personnel, nurses and related authority including communities by giving new product! 9,000 bottles of Just Drink pasteurized milk, Latte flavour. Mr. Itthipat Peeradechapan, CEO, chaired the event.

- Field hospital, Bussarakham Hospital
- Phranangklaio Hospital
- Phramongkutklao Hospital
- Bamrasnaradura Infectious Diseases Institute



10 November 2021, Taokaenoi Caring Project demonstrated encouragement to frontline medical staff at Veteran Hospital as a support for their devotion in fighting against Covid-19 situation.



Caring for the community



On 9 July 2021, Taokaenoi gave survival bags to surrounding communities at Noppawong Factory through the village headman with an aim to help and share necessary items for surviving during Covid-19 situation.



Taokaenoi Care and Share (We are Together)

On 21 May 2021, Taokaenoi Food & Marketing PCL under collaboration with Association of Promotion and Development of the Person with Disabilities, donated products for cooking to field hospital for the Covid-19 cases under treatment in U Thong district, Song Pee Nong district and Bang Pla Ma district.



1 August 2021, the Company sent caring message to the community through lunch boxes to Klong Toey community and adjacent communities within Taokaenoi manufacturing factory.



On 2 August 2021, Taokaenoi gave survival bags to staff dormitory at Rojana Industrial Park, Ayudhaya, with an aim to help and share necessary items for surviving during Covid-19 situation.

Sending encouragement to employees

10 November 2021, Taokaenoi Food & Marketing PCL, Muang Thong Thani Office arranged “Taokaenoi Sending Love to All Colleagues” as a support to every one at workplace to carry on amid the changes of working style.



Environmental performance

Environmental Policies and Practices

Taokaenoi Food & Marketing Public Company Limited has determined environmental policy to support environmental management with endeavor to conserve environment and natural resources in a sustainable approach, to accomplish international sustainable goal, based on environmental responsibility. Followings are our environmental operation.

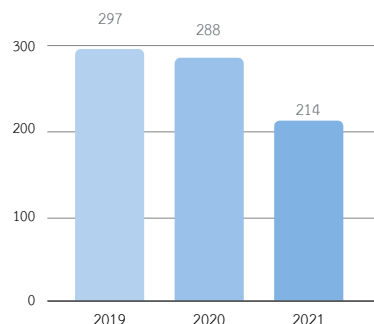
- **Implementing production process that reduce the loss while saving energy** : Determine production process that reduces waste from production while saving energy, returning positive impact to environmental and economic dimension. The production process is reviewed by a team of specialist and consultant. The Company determines to have the report on production line performance, regular preventive maintenance to assure the highest efficiency and effective use of energy.
- **Waste management and waste from production process** : Waste and waste from production process are subject to management as stipulated by regulation and other requirement related to environment. The Company emphasises the recycle and reuse of the waste, for example, the seaweed scrap is turned into organic fertilizer, treated wastewater from production process is reused for another purpose, such as for cleaning sanitary ware, for watering plants.

Waste management

With importance to the management of waste from production process to reduce amount, the Company has replaced the landfilling for seaweed waste with turning into fertilizer, circulating the waste for alternative use, minimising costs of waste management from production process. Taokaenoi sets the goal to reduce the waste from production process by 20% when compared to 2020 by the year 2023.

Waste volume from production process equivalent to 1 Ton FG

Unti : Kg.



Water management

The Company water consumption within the Rojana factory bases on water utility and Noppawong Factory bases on groundwater. The groundwater is processed for adjustment of properties to suit to production process under regular maintenance and inspection of equipment. The water consumption effectively, efficiently with sensor installed at the washing basins to reduce amount of water and to avoid hand contacts. Moreover, the Company has arranged a campaign for saving water in washing process within production line, with the emphasis on effective and efficient use of water while maintaining the quality of performance which meet cleanliness and sanitary concept and meet the required standard.

Amount of water consumption	2021		2020		2019	
	Volume (m ³)	compared to 1 Ton FG	Volume (m ³)	compared to 1 Ton FG	Volume (m ³)	compared to 1 Ton FG
Tap water – Rojana Factory	77,105	25.97	60,407	33.54	59,452	30.39
Groundwater – Noppawong Factory	39,008	93.27	53,276	26.36	n/a	n/a

Remark The water consumption data at Noppawong Factory is collected in 2020.

The Company monitors quality of wastewater on a monthly basis to ensure the quality meet legal standard. Accordingly, the Company can reduce amount of chemical used in treatment tank properly and reduce the cost of treatment in each month.

Wastewater volume	Unit	2021	2020	2562
Wastewater volume - Rojana Factory	m ³	61,378	41,148	n/a
Wastewater volume - Noppawong Factory	m ³	31,201	42,619	n/a
Wastewater treated	m ³	100%	100%	n/a

Remark The Company collected wastewater data in 2020.

Energy Management

Taokaenoi realises the efficient use of energy from limited existing resources, with an aim to reduce impact to environment and electricity cost. The Company has implemented the technology related to alternative energy to lessen the cost in production process. Alternative energy is one of the environmental-friendly choice of energy that also reduce greenhouse gas emission.

In 2021, the Company initiated solar power project with the installation of solar panels on the rooftop of the production building and parking facilities. The project completion and power generation is expected for completion within the third quarter of 2022. Upon Solar Rooftop commencement, the Company projects to cut the use of electricity from electricity authority by 30%.

Electricity consumption	2021		2020		2019	
	Volume (Kilowatt)	compared to 1 Ton FG	Volume (Kilowatt)	compared to 1 Ton FG	Volume (Kilowatt)	compared to 1 Ton FG
Rojana Factory	10,802,602	3,638	7,430,177	4,125	6,757,794	3,454
Noppawong Factory	2,643,962	6,322	6,598,560	3,264	n/a	n/a

Remark The electricity consumption data at Noppawong Factory is collected in 2020.

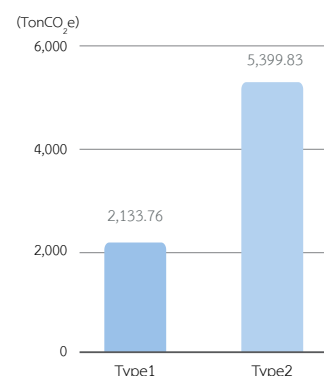
Greenhouse Gas Management

At present, the global warming is the matter that everyone around the world is experiencing. The global warming is caused by the greenhouse gas emission from human activities, especially the industry sector where abundant amount of the greenhouse is emitted. The problem poses effect to all sectors. Nowadays, the government and private sector, the public attend to the global warming issue more, and more coordination around the world is happening with an aim to reduce the effect.

Seeing the global warming problem, the Company has determined the sustainability policy to conform with the United Nations mission and the corporate greenhouse management approach, with intention to launch an effective management and reduce the greenhouse gas emission continually. At present, there are important project in progress - the Solar Rooftop which expected to be completed and generate electricity within 2022. Relevant authority will assess the greenhouse gas emission and absorption from the Company as well

In 2021, the Company conducted measurement on greenhouse gas emission type 1 and 2. Type 1 is emission and direct absorption of the greenhouse gas from production factory, warehouses, maintenance building, and type 2 is indirect greenhouse gas emission from energy consumption measured by electricity consumption from external entity. The Company had SGS (Thailand) Co., Ltd to audit and review the information

The amount of greenhouse gas emissions in 2021



Remark Type 1 is direct emission and absorption of the greenhouse gas
Type 2 is the indirect emission of the greenhouse gas from energy consumption

• **Setting KPI for environmental aspect** : The Company has determined environmental objectives and goals to minimise and control the risk in all work procedures and business operation that may lead to environmental impacts. The Company strives to have a control to ensure strict practice and continual development as to create corporate culture toward environment. The Company also reviews, analyses and improves environmental operation result to ensure consistency with the objectives and goal set forth.

Air Quality Management

The Company monitors air quality emitted from the chimney and prepares a report to follow up to ensure compliance with the law related to Department of Industrial Works. Monitoring details in 2021 are summarized as follows

Date	Standard Monitoring location	Parameter (measured value)				Result
		TSP (mg/m ³) 400	CO (ppm) 870	NOx (ppm) 200	SO2 (ppm) 500	
26-27/10/2021	Canteen chimney	0.207	0	0	0	Pass
	Chimney of the dryer room	0.445	0	0	0	Pass
	Chimney of the seasoning room, Frying Line	0.393	3	0	0	Pass
	Chimney of the Frying Room	0.788	2	0	0	Pass
	Chimney of Seaweed roasting room	0.681	0	0	0	Pass
	Chimney of grilling room	0.962	11.46	2.62	0	Pass
	Chimney of the seasoning room, Grill Line	24.3	2	1	0	Pass
	Chimney of the Laboratory	12.4	3	0	1	Pass

The Company has monitored the odor released out of the factory and prepares the report to ensure compliance with the law and to prevent the complaints from surrounding communities. Monitoring result in 2021 are summarized as follows.

Date	Monitoring location	Parameter		Result
		Standard TOB (OU)	(Measured value) TOB (OU)	
12/7/2021	Chimney of grand seasoning room,	<1000	173	Pass
	Chimney of small seasoning room,	<1000	547	Pass
	Waste water treatment	<30	<10	Pass

According to the Company policy and practice guideline on environment, all of our operations are under the environmental law with the emphasis to avoid impact to employees, surrounding communities and stakeholders, there is no complaint or environmental dispute in the previous year.

4

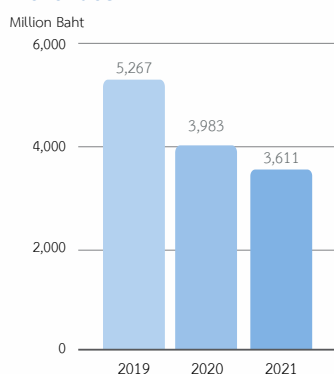
Management Discussion and Analysis



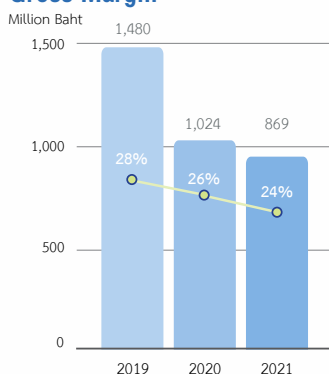
Performance overview for the year 2021

	2021		2020		2019	
	THB million	Percent	THB million	Percent	THB million	Percent
Sales revenue	3,611	100.0%	3,983	100.0%	5,267	100.0%
Cost of sales	2,742	75.9%	2,959	74.3%	3,786	71.9%
Cost of distribution	400	11.1%	442	11.1%	768	14.6%
Administrative expenses	298	8.3%	307	7.7%	344	6.5%
Corporate income tax	10	0.3%	31	0.8%	11	0.2%
Profit attributable to the parent company	182	5.0%	243	6.1%	366	7.0%

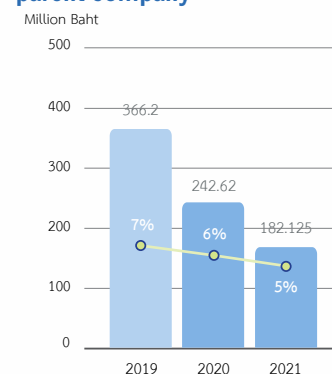
Revenues



Gross Margin



Profit attributable to the parent company



Business Overview

Taokaenoi Food & Marketing Public Company Limited manufacturer and distributor of seaweed snack under the brand “Taokaenoi”. Seaweed snack consists of 4 groups which are crispy seaweed, grilled seaweed, roasted seaweed and tempura seaweed. In addition to the Company’s main products, there are also non-seaweed products such as pasteurized milk in milked tea flavour and Latte flavour “Just Drink”, Hinoya, restaurant of Taokaenoi’s associated company, Bomber Dog, the Korean street food franchise and Taokaenoi USA Inc., our product distributing business in North America and Canada.

Impacts from COVID-19 pandemic

In 2021, the Company still copes with the Covid-19 effect prolonged from 2020, divided in 3 parts below.

1.) Operation

- Taokaenoi continues the work from home progress at certain period to avoid and prevent virus spreading. ATK test kit is provided for employees before entering offices and factories to minimise risk of contagion.
- Since August 2021, our 2 factories are under the Bubble and Seal measure as stipulated by the government regarding the Good Factory Practice (GFP) to assure employees safety from the virus spreading. All of our employees are vaccinated to have 100% immunity, plus ATK test every week during intensive infection rate. All these efforts are to assure our consumers that the products are manufactured with the safe procedures, with consideration on quality as a primary concern. As a result of the good management measure, the Company receives the Model Factory for Covid-10 Prevention Management Standard Ayudhaya Model on 17 September 2021 for the proactive management against Covid-19.
- All branches of Taokaenoi Land have been closed down in the mid of 2021 to lessen the loss from operation of affiliated company following the fact that tourist which is the main customer were unable to enter Thailand.

2.) Financial

Despite of the decreased turnover and eventually lessen profit, the Company's liquidity remained in moderate level with sufficient cash for management and in preparation in case of lockdown. The Company has available source of fund in emergency case. The Company continued to comply with the loan contracts, provide dividend payment at over 80% to shareholders which was only slightly different from the previous year.

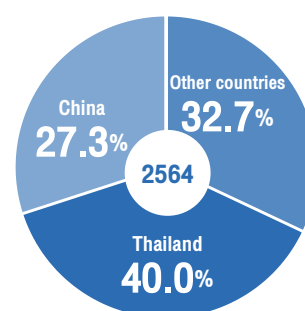
3.) Balance sheet and performance

- The spread of Covid-19 causes decrease of the Company's turnover, while production capacity dropped and fixed cost per unit increases.
- Overall, snack market, especially seaweed continue shrinking due to economic situation and Covid-19. However, the Company sees the growth of open trade in provincial region where the product distribution reach a wider range of consumers in 2021.
- The spread of Covid-19 continue to affect the cost of vessel freight which has been leaping while container shortage has an influence on the Company's export volume.

Sales revenue

Revenue from sales during the past 3 years were THB 3,611 million in 2021, THB 3,983 million in 2020 and THB 5,267 million in 2019 respectively. The sales revenue in 2021 declined by 9% when compared to 2020 due to the second year of Covid-19 outbreak, affecting both local and oversea markets and strategic adjustment in China during the first half of the year. The revenue dropped in 2020 by 24% when compared to 2019 was the result of the first year of Covid-19 outbreak, where the income from tourists vanished.

Trading country	2021		2020		2019	
	THB million	Percent	THB million	Percent	THB million	Percent
Thailand	1,443	40.0	1,275	32.0	2,120	40.2
China	988	27.3	1,514	38.0	1,906	36.2
Other countries ¹	1,180	32.7	1,194	30.0	1,241	23.6
Sales revenue	3,611	100.0	3,983	100.0	5,267	100.0



Note: ¹ Other country include Indonesia, Malaysia, the USA, and CLMV countries (Cambodia, Laos, Myanmar, Vietnam).

Taokaenoi recorded THB 1,443 million of **revenue from domestic sales** in 2021 or 40% of total sale revenue with the growth rate raised by 13% when compared to 2020. The overall growth contributed by launch of new product “Just Drink” in 2021, with marketing started in the end of 2020 and received positive feedback. Sale revenue from seaweed product slightly declined due to the lock down measure at some periods last year, where the main channel affected were convenient stores and modern trade.

Total domestic sale in 2020 was THB 1,275 million, representing 32% of total sale revenue, a decrease by 40% when compared to THB 2,120 million in 2019. The main reason was negative impact from the first year of Covid-19 outbreak, and the government measure imposed to suspend the entry-exit of the country to control the virus spreading, especially Chinese tourists who accounted around one fourth of domestic sale volume. Domestic revenue gradually dropped since Chinese New Year festival.

Revenue from overseas sales in 2021 recorded THB 2,168 million, a decrease by 20% when compared to 2020, following the 35% drop of income from China market which accounted 27% of total revenue when compared to last year. The decline of sales revenue in the first half was due to the strategic adjustment for market expansion in China. The new sale representative in China commenced operation with sales channel enhancement and marketing approach in July 2021, increased product distribution to traditional trade and e-commerce and covered wider range of target groups, surging the sale volume in China during the fourth quarter. Sales volume in other countries recorded slightly decrease at 1.1% due to the container shortage problem throughout the year, especially in Europe and US. Overseas sales revenue having a positive growth were Indonesia, Malaysia, Singapore and Taiwan.

In 2020, total overseas sales volume was THB 2,708 million, a decrease of 14% compared to 2019 due to the 20.5% cutback of sales volume in China market which represent 38% of total sales revenue.

Cost of sales

Cost of sales within the past 3 years were THB 2,742 million in 2021, THB 2,959 million in 2020 and THB 3,786 million in 2019 or 75.9%, 74.3% and 71.9% of sales revenue respectively. Cost of sales proportion in 2021 added to 1.6% from 2020 mainly due to the increasing cost per unit as a result of lessen utilisation rate at 37%, following the declined sales volume when compared to utilisation 50% in 2020. Furthermore, there was additional expenses recorded during the third quarter of 2021, for Bubble and Seal measure implementation during the intensive spreading of Covid-19 which severely affected all industries.

To prepare for the growth and reduce cost of labour in the future, Taokaenoi has combined seaweed production base to Rojana and additional machine, production capacity of the two factories in 2021 increased to 9,600 tonnes, when compared to 2020 where total production capacity was approximately 8,443 tonnes and 8,171 tonnes in 2019.

In 2020, cost of sales proportion raised by 2.4 when compared to 2019 due to increasing cost per unit, while the production capacity lessen after shrinkage of sales volume. Reasons were Covid-19 pandemic cutback tourists, and disposal of expired packages during the fourth quarter.

Cost of distribution

Distribution cost in 2021, 2020 and 2019 were THB 400 million, THB 442 million and THB 768 million respectively, representing 11.1%, 11.1% and 14.6% of sales revenue respectively.

The Company maintained distribution cost in 2021 to be the same rate as in 2020 at 11.1% of revenue despite of container shortage in the previous year caused leaping price of freight thank to the robust expense management and selling expense and marketing administration which conformed to sales volume and the concentration on activity for consumers, as well as expansion to new sales channels.

For 2020, the Company has adjusted marketing activity strategy and sales promotion to maintain distribution cost to be consistent with the sales volume and the fluctuation of situation. The full focus on online marketing which well matched the target group cutback the distribution cost by 3.5% when compared to 2019

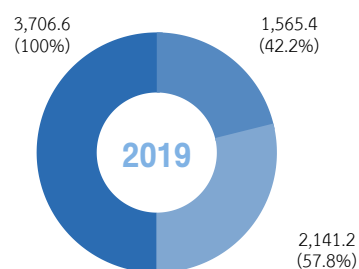
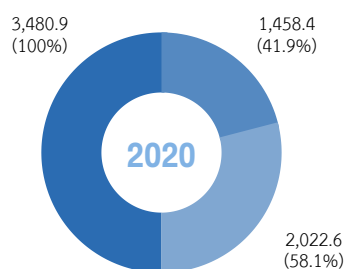
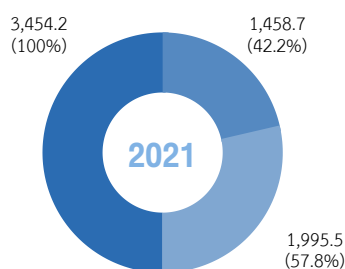
Administrative expenses

Administrative expenses in 2021, 2020 and 2019 accounted THB 298 million, THB 307 million in 2019 and THB 344 million or 8.3%, 7.7%, and 6.5% of sales revenue. The majority of administrative expense were fixed expenses which included salary and wages. When considering the value, the administrative expense recorded the lowest within the past three years as a result of effective correlation between expenses and decreased sales volume.

Profit attributable to the parent company

The Company's major profit in 2021, 2020, and 2019 were THB 182 million, THB 243 million in 2019 and THB 366 million 5.0%, 6.1% and 7.0% of sales revenue respectively. The decrease of profit followed contraction of sales revenue, and additional expenses rising out of the Bubble and Seal measure implementation to carry on production process amid the wide spreading of virus. Meanwhile, the Company continued its new product development following the corporate strategy, focusing on local and overseas marketing expansion, especially e-commerce in response to consumer behavior which deviated to online channels, optimising cost and expense structure. The Company expects improved net profit margin once the Covid-19 situation will ease up.

Consolidated financial statements						
2021			2020		2019	
THB million	Percent	THB million	Percent	THB million	Percent	
Assets						
Current Assets						
Cash and cash equivalents	223.4	6.5	208.6	6.0	162.3	4.4
Temporary Investment	-	-	-	-	7.6	0.2
Trade receivables and other receivables	574.3	16.6	436.3	12.5	919.2	24.8
Inventory	1,056.0	30.6	1,258.7	36.2	1,332.6	36.0
Other current financial assets	253.5	7.3	274.6	7.9	-	-
Other current assets	21.3	0.6	23.5	0.7	47.2	1.3
Total current assets	2,128.5	61.6	2,201.7	63.2	2,468.9	66.6
Non-current Assets						
Investment in the joint venture	-	-	-	-	-	-
Real estate for investment	39.7	1.2	39.7	1.1	39.7	1.1
Property, plant and equipment	999.4	28.9	982.9	28.2	1,018.7	27.5
Right-of-use model	105.9	3.1	87.7	2.5	-	-
Goodwill	12.8	0.4	11.5	0.3	11.5	0.3
Intangible assets other than goodwill	53.3	1.5	55.7	1.6	51.0	1.4
Asset of deferred income tax	92.9	2.7	75.8	2.2	65.8	1.8
Other non-current assets	22.2	0.6	26.0	0.7	50.9	1.4
Total non-current assets	1,325.7	38.4	1,279.2	36.8	1,237.7	33.4
Total assets	3,454.2	100.0	3,480.9	100.0	3,706.6	100.0



● Assets

● Liabilities

● Shareholders' equity

Consolidated financial statements					
2021		2020		2019	
THB million	Percent	THB million	Percent	THB million	Percent

Liabilities and shareholders' equity

Current liabilities						
Short-term loan from the financial institutions	502.0	14.5	690.2	19.8	854.7	23.1
Trade and other current payables	606.0	17.5	568.3	16.3	603.8	16.3
Current portion of lease liabilities	30.9	0.9	25.2	0.7	-	-
Short-term loans	16.6	0.5	14.6	0.4	24.1	0.6
Accrued corporate income tax	13.1	0.4	21.3	0.6	11.8	0.3
Other current liabilities	38.9	1.1	38.1	1.1	45.6	1.2
Total current liabilities	1,207.5	34.9	1,357.7	39.0	1,539.9	41.5
Non-current liabilities						
Long-term borrowings from financial institutions	134.1	3.9	-	-	-	-
Long-term loans	-	-	4.5	0.1	-	-
Lease liabilities	77.9	2.3	63.2	1.8	-	-
Estimated non-current liabilities for employee benefits	37.1	1.1	31.3	0.9	25.5	0.7
Other non-current liabilities	2.1	0.1	1.7	0.0	-	-
Total non-current liabilities	251.2	7.3	100.7	2.9	25.5	0.7
Total liabilities	1,458.7	42.2	1,458.4	41.9	1,565.4	42.2
Shareholders' equity						
Capital shares						
Registered capital						
1,380,000,000 common shares, par value of THB 0.25	345.0	10.0	345.0	9.9	345.0	9.3
1,380,000,000 common shares, par value of THB 0.25 Fully paid	345.0	10.0	345.0	9.9	345.0	9.3
Premium on ordinary share	1,315.4	38.1	1,315.4	37.8	1,315.4	35.5
Capital surplus from changes of shareholding in subsidiaries	1.2	0.0	1.2	0.0	1.2	0.0
Retained earnings						
Appropriated						
Legal reserve	34.5	1.0	34.5	1.0	34.5	0.9
Unappropriated	306.4	8.9	331.3	9.5	449.5	12.1
Other component of shareholders' equity	(5.3)	(0.2)	(4.4)	(0.1)	(4.7)	(0.1)
Included parent company's equity	1,997.2	57.8	2,023.0	58.1	2,140.9	57.8
Non-controlling interests	(1.7)	(0.0)	(0.4)	(0.0)	0.3	0.0
Included shareholders' equity	1,995.5	57.8	2,022.6	58.1	2,141.2	57.8
Total liabilities and shareholders' equity	3,454.2	100.0	3,480.9	100.0	3,706.6	100.0

Financial position

Assets

According to the Company's combined financial statement, total assets as of the end of 2021, 2020, 2019 were THB 3,454 million, THB 3,481 million and THB 3,707 million respectively. The reduction of total assets in 2021 was due to reduction of inventory, especially the quantity of seaweed raw material remained less than in 2020, but at sufficient amount to feed the production. Moreover, the Company had the contract importing seaweed to ensure sufficient supply throughout the year.

Current Assets

- **Cash and cash equivalents**

The Company's cash and cash equivalent as at the year end of 2021, 2020, and 2019 were THB 223.4 million, THB 208.6 million and THB 162.3 million respectively. The increasing rate of cash and cash equivalent in 2021 amid the decreased of sales volume was in support of cash reservation for COVID-19 impact and the improved performance of debt collecting management from domestic trade receivables.

- **Trade receivables**

Trade receivables aging table (within the past three years)

Trade accounts receivable age	Consolidated financial statements (UNIT: THB MILLION)		
	31 December 2021	31 December 2020	31 December 2019
Incoming	367.7	320.1	408.8
1-90 day overdue	140.4	48.8	129.0
91-180 day overdue	0.7	0.6	0.2
181-270 day overdue	1.6	0.6	-
Overdue for 271 days or more	26.2	28.9	25.0
Total trade receivables	536.6	397.9	562.9
Less allowance for doubtful accounts	(19.2)	(19.8)	(15.6)
Trade receivables - net	517.4	378.1	547.3

- As of 31 December 2021, the Company's net trade receivables was THB 517.4 million, decreased by THB 139.3 million from the previous year. Incoming payment accounted 71.1% of total trade receivables. The account overdue for 1-90 days accounted 27.1%. The growth of sales volume at the year end when compared to 2020 increased number of receivables, but within normal billing period. Total accrued receivables were the Company's allowance list and continual demand schedule.
- Account receivables turnover ratio in 2021 was 7.73 times, with average debt collection 47 days, an improvement from 2020 at 8.29 times with average debt collection 44 days.
- The Company's policy on doubtful accounts are as follows:

Policies implemented before 1 January 2020

Trade receivables and other current receivables are shown according to the net realizable value. The Company Group records doubtful accounts for the estimated loss in case of unsuccessful debt collection. In general, the estimation is based on collection history and debt aging analysis.

Policies implemented from 1 January 2020

Trade receivables and other current receivables value areas based on the invoice less allowance for expected credit loss. The expected credit loss (ECL) is disclosed in the Note to Financial Statement (TFRS9).

- **Inventory**

The Company's inventory as of the year end of 2021, 2020 and 2019 were THB 1,056.0 million, THB 1,258.7 million, THB 1,332.6 million or 30.6%, 36.2%, and 36.0% total assets respectively. The inventory as of year end of 2021 decreased to THB 207.2 million or 16.1% from the previous year. The primary cause was the dwindled import of seaweed and the gradual use of existing raw materials which has been in storage from the previous year.

However, the Company has the policy to set allowance for inventory impairment by 100 % under the following criteria.

Type of inventory	100% allowance when due
Seaweed and other raw materials	12 months
Seasoning powder	6 months
Packages - sachets from Thailand	12 months
Packages - sachets from oversea	12 months

- o The allowance is subject to additional range if it is at risk of deterioration or sale cancellation, or changes of the packaging upon the executive's approval. The allowance for inventory deterioration as of 31 December 2021 is subject to the allowance policy mentioned above.

- **Other current financial assets**

Other current assets in 2021 valued at THB 253.6 million, which included the investment in short-term fixed-income funds as a reserve for emergency during the COVID-19 outbreak.

Non-current Assets

As of 31 December 2021, the Company's consolidated financial statement reported property, plant and equipment amounted to THB 999.4 million, or 28.9% of total asset, an increase by THB 16.5 million or 1.7% when compared to previous year. The addition of asset value contributed by purchase of assets for the factories and improvement of Rojana factory, Phra Nakhon Si Ayudhaya to accommodate the factory combination.

Liabilities and shareholders' equity

The Company's total liabilities in 2021, 2020, and 2019 were THB 1,458.7 million, THB 1,458.4 million, THB 1,565.4 million, respectively. The debt to equity ratio was 0.73, 0.72, and 0.73 times respectively. The Company's liabilities divided into the followings:

- **Current liabilities**

Current liabilities in 2021 accounted 83% of total liabilities. Majority of the current liabilities consisted of short-term loans from financial institutions to use as a working capital. Current liabilities in 2021, 2020, and 2019 were THB 502 million, 690 million, and THB 855 million respectively. Trade payables and other current payables in 2021 2020, and 2019 were THB 606 million, THB 568 million, and THB 604 million respectively. Average payable day in 2021 was approximately 29 days.

- **Non-current liabilities**

Non-current liabilities in 2021 accounted 17% of total liabilities or THB 77.9 million, mainly contributed by liabilities under lease contract at which was in accordance with the Financial Report Standard Volume 16 Subject: Lease Contract and Employee Benefits, at THB 37.1 million. Further details are in Notes to Financial Statement 3.15.

Liquidity and sources of funds

Unit: THB million

Item	Cash flow statement		
	2021	2020	2019
Net cash from (used in) operating activities	474.0	1,007.1	488.6
Net cash from (used in) investing activities	(163.7)	(390.4)	(78.0)
Net cash from (used in) financing activities	(297.6)	(570.3)	(431.7)
The impact from exchange rates	2.1	(0.0)	4.3
Cash and cash equivalents increase (decrease)-net	14.8	46.3	(16.8)
Cash and cash equivalents as of 31 December	223.4	208.6	162.3

In 2021, the Company and subsidiary company cash and cash equivalent as of 31 December was THB 223.4 million, an increase by THB 14.8 million from 2020 at THB 208.6 million, due to :

- Cash flow received from operating activities THB 474.0 million. The primary transaction is profit before corporate income tax amounted to THB 181.0 million. After adjustments from transactions such as depreciation cost of THB 217.7 million, profit from operation before adjustment of assets and operating liabilities recorded THB 398.7 million. The improved value of assets and operating liabilities at THB 110.8 million were mainly contributed by inventory value, thanks to the enhanced management and cash for tax payment amounted to THB 35.6 million in 2021.
- Net cash flow in investing activities was THB 163.7 million. Major amount of cash was spent in purchasing fixed assets, as a part of combining production base and enhancing performance and machinery improving at Rojana factory.
- Net cash flow in financing activities was THB 297.6 million consisting of long-term loans from financial institutions THB 134 million. The combination of production base project and performance and machinery improvement at Rojana factory including dividend payout recorded THB 206.9 million.

Significant Financial Ratios

	Unit	2021	2020	2019
1. Liquidity ratio				
- Liquidity ratio	Times	1.76	1.62	1.60
- Quick liquidity ratio	Times	0.89	0.69	0.74
2. . Asset efficiency ratio				
- Account receivables turnover ratio	Times	7.73	8.29	8.44
- Account payables turnover ratio	Times	12.73	12.52	12.20
- Inventory turnover ratio	Times	2.37	2.28	2.74
- Asset turnover ratio	Times	1.05	1.14	1.42
- Fixed asset turnover ratio	Times	3.61	4.05	5.17
- Average collection period	Days	47	44	43
+ Domestic trade receivables	Days	87	113	86
+ Oversea trade payables	Days	21	11	17
- Average repayment period	Days	29	29	30
- Average inventory period	Days	15	16	14
- Cash cycle	Days	33	31	27
3. Loan risk ratio				
- Debt to equity ratio	Times	0.73	0.72	0.73
- Interest coverage ratio	Times	16.02	16.10	15.18
4. . Profitability ratio				
- Gross profit margin	%	24.05	25.71	28.11
- Net profit margin	%	5.01	6.07	6.87
- Return on Assets (ROA)	%	5.24	6.95	9.76
- Return on Equity (ROE)	%	9.07	11.96	16.90

5

General and other important information



5.1 General information

Basic information for investors



Taokaenoi Food & Marketing Public Company Limited

Stock Symbol :	TKN
Type of Business :	Manufacturer and distributor of Seaweed Products
Company Registration No.	00107556000337
website :	www.taokaenoi.co.th
Registered capital :	345,000,000 Baht
Issued and paid-up capital :	345,000,000 Baht
Par value :	Ordinary share: THB 0.25 per share
Preferred shares :	- None -
Major shareholders :	As of 30 December 2021, Peeradechapan Group holds 57.83% of shares, the remaining are hold by institutions and general investors.

Other important information : - None -

Factory / Office Location

1. Muang Thong Thani Office

📍 337 Bond Street Road, Bang Phut Subdistrict, Pak Kret District, Nonthaburi, 11120

☎ 0 2984 0666

📠 0 2108 8708

2. Noppawong Factory

📍 12/1 Moo 4, Na Mai, Lat Lum Kaeo, Pathum Thani 12140

☎ 0 2108 6888

📠 0 2108 8704

3. Rojana Factory

📍 Sam Bandit, Uthai, Phra Nakhon Si Ayutthaya 13210

☎ 0 3592 3055

Reference agency



Securities Registrar :

Thailand Securities Depository Co., Ltd

📍 93 The Stock Exchange of Thailand Building,
Ratchadaphisek Road, Din Daeng Sub-district,
Din Daeng District, Bangkok 10110

☎ 0 2009 9999

📠 0 2009 9991

Debenture Registrar : - None -



Auditor :

Deloitte Touche Tohmatsu Jaiyos Audit Company Limited

👤 Mr. Chupong Surachutikarn Certified Public Accountant No. 4325

📍 AIA Sathorn Tower, 23rd – 27th Floor

11/1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120

☎ 0 2034 0000

📠 0 2034 0100



Legal consultant :

Kudun and Partners Company Limited

📍 127 Gaysorn Tower, 23rd Floor, Ratchadamri Road,
Lumpini Sub-district, Pathumwan District, Bangkok 10330

☎ 0 2838 1750

📠 0 2838 1795



Investor Relations :

Investor Relations

👤 Awirut Niyomdech

📍 337 Bond Street Road, Bang Phut Subdistrict, Pak Kret District,
Nonthaburi, 11120

✉ ir@taokaenoi.co.th

☎ 0 2984 0666 Ext 316

📠 0 2094 0118

5.2 Other important information

- None -

5.3 Legal conflicts

- None -



Part 2

Corporate Governance



6

Corporate Governance Policy



Corporate Governance Policy

Taokaenoi Food & Marketing Public Company Limited (“**the Company**”) has started its business in 2004 and has cultivated continuous growth. The Company was listed on the Stock Exchange of Thailand (**SET**) in 2015. From the first day of operation until the present (2021), the Company has been in business for more than 17 years. Its growth includes expansion of production capacity, markets, sales, and profits, with its products exported to various countries worldwide. However, due to the change of social conditions, which reflects on people’s way of life and the economy both domestically and internationally, the Company, therefore, came up with a concept of organizational development for mutual growth of all stakeholder’s value chain.

The Company has established and issued a Corporate Governance Policy as an ethical guideline published in 2015. The policy applies to the Board of Directors, executives, and all employees to comply with and has been constantly revised. The Board of Directors has reviewed the Company’s operations, including the framework for good corporate governance, and amended ethical guidelines and good corporate governance policy. Some of the procedures shall be revised and/or added to comply with the good corporate governance practice required for the listed the Company year 2022. The Company aims to develop its organization with good corporate governance for stable and sustainable growth of all stakeholders and adheres to justice and transparency, creating long-term value for shareholders.

December 2021

Taokaenoi Food & Marketing Public Company Limited's Code of Ethics

Code of Ethics Compliance

1. Those who should comply with the Code of Ethics

Employees at all levels must comply with the principles and practices set by the Company.

2. Suggestions

2.1 Study various principles and practices relating to your work and duties.

2.2 Consult your supervisors when unsure whether the conduct of your activities is ethical or not.

2.3 Communicate with your contacts to understand the practice guidelines in various activities according to the Company's Code of Ethics.

2.4 In case of an encounter with any actions against the Company's Code of Ethics, please proceed with whistleblowing through the Company's available channels to verify and take further corrective actions.

3. Non-compliance with the Code of Ethics

Non-compliance or the act of encouraging others to take unethical actions may be considered a disciplinary or legal violation, resulting in penalties according to the Company's regulations, as the case may be

4. When witnessing the unethical action

Those who witness non-compliance with the Company's Code of Ethics may complain or report through the Company's Whistleblowing System.

5. Whistleblower's Protection and Justice Policy

5.1 Complainants or whistleblowers may choose not to disclose themselves if the disclosure may cause any harm for them. Nevertheless, the details, facts, or evidence reported must be sufficiently clear to show a reasonable cause to believe that dishonest acts or violations of laws, Company regulations, Code of Ethics, and Good Governance Policy have been committed. However, the disclosed identity will accelerate the procedures.

5.2 The Company considers any information related to complaints as confidential and will only discuss if necessary, taking into consideration the safety and damage that might cause the source of information or related persons. Moreover, all parties involved or responsible in all whistleblowing procedures must guard the lead at the highest level of confidentiality and shall never disclose to other people. Violation is considered a disciplinary offense.

5.3 The Board of Directors or assigned persons may impose a measure to protect the complainant as deemed appropriate if the matter is likely to cause damage or unsafe situation to the complainant due to the complaint thereof.

5.4 Employees who treat other people with unfair approach, discrimination, or inappropriate manner or causing damage to another person due to the fact that the other person complains or provides information regarding fraud or non-compliance with laws, regulations, Code of Ethics, or the Company's Good Corporate Governance Policy, including the fact that another person sues, prosecutes, testifies, gives statements or cooperates with any court or government agency, are considered a disciplinary offense which is subject to the penalty and may be subject to the legal penalty if such action violates the law.

5.5 Those who suffer the damages will be mitigated by appropriate and fair approach or procedures.

Compliance Guidance for Business Ethics

1. Human Rights and Labor

The Company values the importance of fundamental human rights to promote respect for rights and freedom and no discrimination against sexes and classes for equality. The Company demonstrates a clear and strong intention not to support or conduct business with entrepreneurs who are infringing human rights. The Company treats its employees equally and fairly by providing welfare that is equal to or beyond the legal requirement as deemed appropriate. This includes maintaining safety and hygiene in the workplace, training, and education to develop potential and progress. The Company allows employees to enhance their working skills in other areas, provides appropriate rates, and treats employees according to the labor laws, regulations with integrity.

2. Environment

The environment is vital to human existence and the cornerstone of sustainable growth. The Company is a manufacturer and distributor of snacks made with natural ingredients. Changes in the world's overall environment will directly affect the Company's quality of raw materials and packaging. The Company conducts environmental impact assessments before its operation and designs the work processes with the least minimal impact on the environment, using adequate technology. The Company aims to restore the biodiversity that has been affected by the business operation, including the release and management of production waste, greenhouse gas emissions, and cultivating environmental-friendly activities for everyone in the organization.

3. Delivering Product Value to Consumers

The Company is committed to the development and delivery of safe products for pleasant consumption, taking into account consumers' health. The product development starts from upstream to downstream management, quality control from the purchase of raw materials, production process, packaging, occupational health, and environment care, ensuring product quality for consumers' safety and health. All employees are also committed to delivering happy, healthy, and safe products to consumers.

4. Anti-corruption

The Company conducts business with related parties transparency and honesty in compliance with applicable laws and standards. The Company has in place the anti-corruption policy and announced it to the public and encourages other companies and business partners to have and inform the anti-corruption policy. In addition, the Company is processing to join Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) project, to build trust and among stakeholders and shareholders.

5. Gifts and Entertainment

Receiving or providing benefits, including property, service, facilitation, or entertainment with business related parties, must be in accordance with each country's customs and local traditions, including relevant laws. The provision must be of an appropriate value and must not create an incentive to commit an unfair decision.

6. Conflict of Interest Management

In all business activities, all employees will perform their duty while considering the Company's best interest under the laws and ethics and refrain from any actions that may create a conflict of interest, affecting decision-making.

7. Vision toward politics

The Company remains neutral toward politics, refrains from offering financial or any other forms of support to political parties, political coalition, or political authority, either directly or indirectly at any level, i.e., local, regional or national politics. The Company respects its employees' right toward politics. Nevertheless, all employees must not put the Company's name on any political matters.

8. Personal Information Management

In compliance with the law, the Company respects and protects the privacy of any information of business, business partners, customers, or employees. Information such as transaction history, contact information, or other personal information will be protected and will not be used, disclosed, or passed on to other people or parties, which violates legal rights.

9. Internal Information Usage

Employees of all levels shall not use internal information under their responsibility for personal interest and must not disclose such internal details to others to exploit their benefit.

10. Utilising and Maintaining Intellectual Property

The Company must respect and does not infringe on others' intellectual property and protect its intellectual property from being used by others.

11. The Information Disclosure and Communication

The disclosure of the Company's information will be made through authorized entities of the Company, based on the principle of accuracy, equality, and verifiability, in accordance with the relevant laws.

12. International Business Operation

The Company's overseas business operations will adhere to the country's laws, regulations, and culture in which the Company operates, which must not conflict with the Company's ethical practices.

13. Trade Competition

The Company adheres to equality, honesty, and transparency in business operations. Thus, the Company does not create an unfair competitive advantage, following an ethical trade competition framework according to the laws and related regulations.

14. Money Laundering Prevention

The Company applies great importance and strictly complies with laws regarding anti-money laundering.

Compliance with good corporate governance policy

Corporate Governance Policy Evaluation Overview for 2021: The Company has always been following the principles of the Good Corporate Governance, both for domestic affairs such as Good Corporate Governance for listed companies of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand Of Thailand (SET). This includes the criteria according to the survey of Corporate Governance Report of Thai Listed Companies (GRC) of the Thai Institute of Directors Association (IOD). The company's Board of Directors has approve implementation of the aforementioned policy and principles. For any additional criteria that has not yet been included in the company's policy or implementation, the management will report to the Committee to review the matter annually.

The Board of Directors has compiled knowledge and practices that are consistent with the principles of corporate governance as guidelines for Code of Ethics and Good Corporate Governance Policy. In 2021, the company has reviewed and revised the policy and the Good Corporate Governance Manual by allowing the directors, executives, and employees to abide by the policy as part of their work.

The compliance guidance on the Code of Conduct, Corporate Governance are published on the Company website (www.taokaenoi.co.th/ir), communicated through internal intranet. Moreover, the Company arranges training course for employees to ensure their acknowledgement and correct practice.

Followings are assessments and awards on corporate governance in 2021:

- Received a very good (4 stars) assessment result of 2021 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors Association (IOD).
- Received 100% scoring from 2021 Annual General Meeting of Shareholders (AGM Checklist) Quality Assessment by the Thai Investors Association.

(1) Rights of Shareholders

The Company realises the great importance of the fundamental rights of all shareholders, including institutional shareholders. All shareholders should exercise their various rights as an investor, such as the right to vote, to appoint a proxy in trading and transfer of shares, to share the profit of the enterprise, to obtain adequate information regarding the Company, to attend the shareholders' meeting and vote, to propose an agenda in advance, to nominate the persons for directors and auditors appointment, to set audit fees, to make crucial decisions that may affect the Company such as the allocation of dividends, regulations and memorandum prescription or revision, capital reduction or increase, and approval of special items. Each share equals one vote.

In addition to the above fundamental rights, the Company also provides important and necessary information for shareholders regarding its business operations in a clear, up-to-date, and equal manner by disclosing information through the SET Link website and the Company's website (www.taokaenoi.co.th/ir) continuously.

Guidelines to support participation and communication with shareholders include :

- 1 The Company provides opportunities for shareholders to propose meeting agendas and make a nomination for directors in advance of the shareholders' meeting, which shall be included in the meeting agenda and directors' election. The Company publishes details on the rules and procedures of the rights above, including nominees' qualifications for directors through the SETLink website and on the Company's website (www.taokaenoi.co.th/ir).
- 2 The Company publishes information regarding details and agendas of the shareholders' meeting together with relevant documents at least 30 days in advance of the meeting. This ensures all shareholders receive clear and sufficient information and allow some time to study the information in advance of the shareholders' meeting. The data is published via the SET Link system and on the Company's website (www.taokaenoi.co.th/ir).
- 3 Regarding shareholders' meeting invitation letter, the Company provides detailed information of date, time, format and venue of the meeting, including each agenda, clearly stating an agenda as acknowledgement or approval. For example, agendas concerning the directors are divided into directors election, directors' remuneration, accompanied by explanation, opinions of the Board of Directors, and information of other meetings such as voting and notification, each share type's rights to vote, and information of independent directors proposed by the Company as a shareholder's proxy. The documents required to present by shareholders before meeting attendance are also included in the invitation letter, such as documents for proxy, registration procedures, and meeting venue map. Attachment of a proxy form and a list of independent directors for the shareholders to appoint a proxy is also made. The Company publishes the meeting invitation letter together with related documents such as registration form, documents required by the attendees before the meeting attendance, and proxy form on the company's website, both in Thai and English in advance of the shareholders' meeting date. The aforementioned documents are delivered to the shareholders in advance through Securities Depository (Thailand) Co., Ltd., the registrar of the Company, for shareholders to study the information before the meeting.
- 4 In the event that the shareholders cannot attend the meeting in person, the Company allows shareholders to appoint independent directors or any person to attend the meeting on their behalf by using the proxy form attached to the meeting invitation letter or the proxy form specified by the Department of Business Development, Ministry of Commerce.
- 5 The Company facilitates shareholders and institutional investors by choosing an appropriate meeting venue with convenient transportation, as well as providing stamp duty for the shareholders to appoint a proxy.
- 6 Shareholders are allowed to propose meeting agenda as well as to nominate a person for directorship in advance. The chairperson will explain number and proportion of shareholders attending in person and proxy holders, voting and counting votes to shareholders before starting the meeting. The meeting sequence is in accordance with the agenda set forth in the invitation letter sent to the shareholders without any sequence changes, as well as no consideration for other matters than those specified in the agendas. The Company assigns a legal advisor to supervise the meeting and to review the votes to ensure compliance with the law and articles of association. There are inspecting person or witness for counting votes in the meeting selected from minor shareholders, legal advisor company, independent auditor and TSD. All matters are recorded in the minutes of the meeting. Shareholders who attend the meeting after the chairman has announced start of the meeting are entitled to the right of voting on agenda items under consideration which no resolution has yet been made. As a result, there may be different voters for each agenda item.
- 7 The Company conducts AGM with transparency and auditable mechanisms. Board of Directors, executives, related personnel, as well as the auditor all attend the meeting to answer questions and acknowledge opinions of the shareholders, including shareholder rights protection volunteers from the Thai Investors Association who attend for observation as well.

- 8 The Company has implemented a barcode system for the registration and vote counting of AGM to help facilitate prompt registration and voting process. Each agenda's vote counting results will be informed to the meeting after the completion of the vote counting of the said agenda. If some agenda takes longer than usual, the chairman of the meeting will proceed with other agendas first in order to ensure the meeting continues, and once the vote counting is finished, the result will be informed to the meeting immediately.
- 9 The Company publishes AGM meeting resolutions to the public on the voting result of each agenda within the shareholders' meeting date or by 9 AM of the next business day as the latest via SET Link system for investors. The minutes of the meeting, including questions, clarifications and opinions of the shareholders submitted at the meeting are fully published within 14 days from the date of the shareholders' meeting (both for the annual general meeting and the extraordinary general meeting of shareholders) submitted through the SET Link system as information for the Stock Exchange of Thailand and on the company's website (www.taokaenoi.co.th/ir).
- 10 Followings are minimum information required in minutes of the meeting :
 - (a) List of directors and executives attending the meeting, proportion of the director attending and absent one, list of person supervising the meeting and inspecting the votes.
 - (b) Voting method and vote counting method, meeting resolution and voting result (agreed, disagreed, abstained of each agenda)
 - (c) Questions and answers made during the meeting, names-surnames of person raising questions and respondent

Summary of the Annual General Meeting of Shareholders (AGM) 2021

The Annual General Meeting of Shareholders 2021 was held on Wednesday, 21 April 2021, 10.00 hours. at the Grand Ballroomani, 5th Floor, S31 Sukhumvit Hotel, No. 545 Soi Sukhumvit 31, Sukhumvit Road, Klongtoey Nuea Sub-District, Wattana District, Bangkok 10110, , which was convenient location. The stamp duty was also prepared to facilitate the shareholders who appointed proxies to attend the meeting, as well as the appointment of a legal advisor of Kudun and Partners Company Limited to supervise the meeting and verify the vote counting in order to comply with the law and the Company's regulations. All directors attended the Annual General Meeting of Shareholders 2021.

Before the shareholders' meeting, the Company discloses the meeting resolutions, meeting date and agenda on the website of the Stock Exchange of Thailand in order to inform shareholders in advance regarding the directors' resolution before sending the meeting invitation letter. Thailand Securities Depository Company Limited, the Company's securities registrar, is responsible for the delivery of the invitation letter with important and necessary supporting Information of the board's decisions and opinions, complete details of past meetings' minutes, annual report, as well as meetings documents, proxy form with clear explanation regarding the use as specified by the Company, all of which shall be delivered to the shareholders at least 14 days in advance before the shareholders' meeting. For 2020 AMG, invitation letters were sent out on 31 March 2021, and was announced in a daily newspaper for 3 consecutive days in order to notify the shareholders in advance for sufficient preparation before attendance. In addition, the Company has disclosed the information of the shareholders' meeting invitation letter and supporting documents on the Company's website prior to the meeting date since 22 March 2021.

In addition, the Company arranged for the use of ballot papers in every agenda vote for the transparency and audibility. The chairman of the meeting inquired whether any shareholders or proxies disagree or wish to abstain from voting, and those shall raise their hands and make a decision on the voting card. The staff then collected and record all votes by scanning the barcode on the voting cards. The shareholders agreeing to vote did so on the voting cards without having to raise their hands, and all cards were collected at the same time after the meeting was over. For shareholders who appointed proxy to independent directors, the Company voted for agree, disagree or abstain according to the wishes of the shareholders. In some agenda where there is a director having interest, the said director will have to leave the meeting room. During the meeting, the chairman of the meeting provided opportunities for shareholders to express opinions, suggestions or inquire on any agenda that they have doubts independently before voting on any agenda in order for shareholders to have sufficient information and details on the said matter.

The Company published the resolutions of the shareholders' meeting including voting results of each agenda to the public through the SET Link system and on the Company's website www.taokaenoi.co.th/ir on 21 April 2021, as well as the publishing of the complete minutes of the meeting, including questions, explanation and opinions which shareholders proposed during the meeting on 5 May 2021.

(2) Equal Treatment of Shareholders

The Company is aware of the duty to protect the interests of all shareholders in every group, whether major shareholders, minor shareholders, ordinary shareholders, institutional investors, Thai or foreign shareholders are all entitled to truly fair and equitable treatment for their best interest in the following matters:

- 1 The Company allows shareholders to propose meeting agendas and nominate candidates for directors election to replace those who are ending their terms by rotation in advance. The Company published through the SETLink system of the Stock Exchange of Thailand and on the Company's website: www.taokaenoi.co.th/ir for consideration by the Nomination and Remuneration Committee. The matter was then presented to the Board of Directors for consideration before adding to the shareholders' meeting agenda and proposing to the shareholders' meeting for further approval.
- 2 Shareholders can send their questions related to the meeting under the criteria disclosed on the Company's website.
- 3 The Company allows shareholders who cannot attend the shareholders' meeting in person to appoint a proxy from the Company's independent directors or other persons to attend and vote on their behalf.
- 4 The Company prepares the proxy form according to the Ministry of Commerce's specification, where the shareholders can determine the direction of their votes. The proxy form is sent out together with the invitation letter. The shareholders can also download the proxy form from the Company's website.
- 5 The Company has prepared ballots for shareholders to vote on various agendas. For agenda concerning directors election, the shareholders can exercise their rights to elect individual directors. The vote counting on each agenda item proceeds openly and transparently.
- 6 The chairman of the meeting conducts the meeting according to the agenda sequence stated in the meeting invitation letter without adding any other agenda not specified in the invitation letters, especially, the important matters where shareholders need time to consider.
- 7 All shareholders are entitled to vote according to the number of shares they hold. One share equals one vote.
- 8 Directors and related executives will attend the meeting to answers the questions from shareholders.
- 9 The Company encourages independent individuals to count or check the votes in the meeting, disclose the voting result of agreeing, disagreeing, and abstaining on each agenda item to the meeting for acknowledgment, with a record in the minutes of the meeting.

Summary of agenda proposals and advance directors nomination of minority shareholders

In 2021, shareholders allowed minor shareholders to propose meeting agenda and list of candidates for the Board members in general meeting of shareholders between 1 December 2021 - 31 January 2022.

The shareholders must submit the form to propose agenda items and/or to nominate candidates for TKN Directors election together with the required evidences through investor relations email address at ir@taokaenoi.co.th. In this regard, the shareholder who wishes to propose the agenda must be one or several shareholders holding TKN's shares at the time of agenda proposal, possessing an aggregate of voting rights not less than 5% of the company's total voting rights. The Nomination and Remuneration Committee will consider and screen the matter before proposing to the Board of Directors' meeting and the shareholders' meeting for further approval.

In 2021, there were no shareholders proposing meeting agendas and/or nomination of candidates for the company's directors in advance of the shareholders' meeting.

Internal Information Usage

The Company has set measures and informed the directors and executives regarding the prohibition of directors, executives, employees at director level or above, as well as personnel concerned with the internal information to trade the Company's securities within one month before the disclosure of financial statements and 48 hours after material information is disclosed (Blackout Period). The Investor Relations Department will notify the relating persons in advance by letter. The penalty is also imposed for any violation of the Company's internal information for personal benefit and others, with penalties ranging from verbal admonition to dismissal.

Directors and executives must report their securities holdings when appointed to the position of director or senior management of the Company for the first time by filing the 59-1 form to the SEC within 30 business days from the date of office, and report any change in the Company's securities holding when buying, selling, transferring or accepting the transfer of the Company's securities by filing the 59-2 form within three business days via the SEC's website since the date of the change.

Summary of 2021 Enforcement of the Information Use Policy

The Company places emphasis on the enforcement of the information use policy within the Company by publishing through the announcement and central e-mail system. During the Blackout Period in each quarter, Investor Relations will announce a list of employees who have access to internal information at different levels as an alarm to comply with the Company's internal information policy, including the Company's penalties relevant laws.

Guidelines for Internal Information Usage

For equality of information access and prevention of personal use of internal information for the benefits of directors, executives, employees, and workers, the policy also applies to spouses and minors of directors, executives, employees, and workers. To comply with the Good Governance Policy, the Board of Directors has considered and approved the formulation of the policy on the supervision of internal information use with the following details:

- 1 Directors, executives, employees, and workers of the Company must maintain the Company's confidentiality and/or internal information.
- 2 Directors, executives, employees, and workers of the Company must not disclose the Company's confidentiality and/or internal information for personal gain or benefit of any other person, whether directly or indirectly, with or without the return.
- 3 Directors, executives, employees, and workers of the Company must not buy, sell, transfer or accept the transfer of the Company's securities by using confidentiality and/or internal information, including performing any act by using the Company's confidentiality and/or internal information which may cause either direct or indirect damage to the Company. The violation of these regulations will be considered a serious offense.
- 4 The Company has set guidelines for the prevention of insider trading by prohibiting directors, executives, employees at department director level or higher, and other personnel concerned with the internal information with risks of insider trading to trade company securities within 1 month prior to the disclosure of the quarterly and annual financial statements, and 48 hours after material information is disclosed.
- 5 Directors and executives must report on the purchase or sale of the Company's securities and changes made regarding holding such securities to the Company every time and reporting such changes to the SEC. According to Section 59 of the Securities and Exchange Act B.E. 1992 and the amendments ("**Securities Act**")
- 6 The Company prohibits the current and former directors, executives, and employees of the Company to disclose internal information or the Company's confidentiality, as well as the Company's business partners' confidential information that they receive while performing their duties to third parties, regardless of the harm the information disclosure might cause the Company or its business partners.

In this regard, the Company has imposed disciplinary action for those seeking benefits from the use or disclosure of the Company's internal information, which may cause damage. The appropriate punishment will be applied, such as verbal/written admonition, probation, as well as the termination of employment as a discharge or dismissal accordingly. The Company's management must acknowledge the obligation to report their Company's securities holdings, including those of their spouses and minors.

In addition, the violation of the prohibition is an offense under the Securities Act. It is subject to the maximum two year imprisonment or a fine from THB 500,000 to THB 2,000,000, or both.

Summary of offenses relating to the internal information use

In 2021, the Board and management disclosed information on the number of shares held at the beginning and the end of the year, including direct/indirect trades of directors and executives, during the annual report.

Guidelines for Conflicts of Interest Prevention

The Board of Directors establishes a policy to prevent conflict of interest on the principle that any decision involving transactions of the Company must be in the Company's best interest and shareholders. The Company's personnel, including directors, executives, and employees, shall not use the opportunity to act as the Company's personnel for their personal and others' benefits, whether financial or other types of services. They also must try to avoid involvement in any activity that may create a conflict of interest. Any business transactions made by personnel or a juristic person with a stake in connection with the Company, such transactions must be disclosed in accordance with the Company's regulations. It is the duty of the directors, executives, and employees to protect the legitimate interests of the Company by limiting the freedom of activities for directors, executives, and employees with the following guidelines:

- 1 Directors, executives, and employees should refrain from operating businesses of the same nature and compete with the Company's business, whether for personal or others' gain, which may cause direct or indirect damage to the Company. They also shall not become partners, shareholders with decision-making power, directors or executives in businesses that have the same nature and are insignificant competition with the Company's business, unless proven that such action will not affect the Company, and measures will be taken for the Company's and its shareholders' best benefit as a whole. On such occasion, the directors, executives, and employees shall report to the Company Secretary immediately.
- 2 Directors and executives shall disclose private business or business transactions with family, relatives, or dependents that may cause a business conflict of interest with the Company, such as joint investment or having benefits with the Company's business partners or customers. The disclosure includes any position holding or consultant for the Company's business partners or customers, direct goods trade or services to the Company or through others.
- 3 Directors, management, and employees of the Company must make business operation decisions in the best interests of the Company.
- 4 Directors, executives, and employees of the Company must avoid making any personal transactions that may lead to conflicts of interest with the Company. If necessary, any actions and decisions made by the Company's directors, executives, and employees must be based on the Company's best interest and free from the influence of personal needs of themselves or relating persons either by blood or other intimate relation. The prices used must be reasonable and fair as if transactions with third parties. However, when making decisions or approving transactions that may lead to conflicts of interest, such matters must be reported to supervisors for approval or withdrawal from such transactions.
- 5 Directors, executives, and employees of the Company must work full-time to the best of their ability without any personal business that may affect the performance of their duties and the Company's working hours.
- 6 Directors, executives, and employees of the Company must not engage or participate in any business that is in competition with the Company, or become partners, shareholders, directors, or management with decision-making power in competing business or similar business nature, whether for direct or indirect personal benefits.

- 7 Company directors, executives, and employees must avoid any involvement in financial and/or other types of relationships with other third parties, which may cause the Company to lose interest, create a conflict of interest, or hinder its effective operation.
- 8 Directors, executives, and employees of the Company must not provide or use the Company's internal information for one's or others' benefit, regardless of the damage that action might cause the Company. In addition, they must strictly adhere to the Company's internal information usage policy.
- 9 Directors, executives, and employees of the Company must not take any action that is considered the nature of management to undermine the Company's interests or facilitate benefits for any person or juristic person, either for personal or others' benefits.
- 10 Directors and executives must refrain from voting must not participate in the meeting concerning consideration or approval of the transaction item they possess conflicts of interest. Those involved or have a stake in the transaction that may create a conflict of interest with the Company must inform the relationship nature, or their stakes in the Company's said transactions.

Summary of Offenses Relating to Conflicts of Interest

In 2021, the Company required directors and top management to report their or their relevant persons' interests. Furthermore, in the event that any members of the Board of Directors have a stake or are involved in any agenda, the certain directors shall refrain from meeting participation and abstain from voting on that agenda for fair decision making. There have been no offenses committed by the directors or any management regarding the matter.

(3) Responsibility towards Stakeholders

The Company emphasizes the treatment of stakeholders and considers their rights, both within and without the Company. Stakeholders are supervised by the Company, according to the rights entitled under the relevant law. The Company also promotes cooperation between the Company and the stakeholders to create wealth, financial stability, and corporate sustainability. There are numerous groups of stakeholders in the corporate governance system, which can be summarized by the treatment guidelines as follows:

- 1) **Shareholder** the Company attaches great importance to the shareholders as the owners of the Company. Therefore, as the shareholders' representative, the Board of Directors manages and conducts business cautiously and carefully to achieve the Company's goals. The Company treats shareholders equally and fairly, with an arrangement for various disclosure of information consistently, completely, correctly, and equally to all stakeholders. The Board also supervises and prevents the directors, executives, and employees from exploiting the undisclosed information in an unethical manner.
- 2) **Employees** the Company is committed to establishing a fair human resource management system and fair performance assessment. The Company recruits and retains talented employees with operational experience by constantly developing and enhancing the competence of employees, including providing opportunities for their career advancement and stability, as well as equal treatment of all employees in various ways as follows:

Compensation The employee compensation base on knowledge, skill, experience, position, responsibility of each person, including consistence with operation result of the Company in short and long term, in connection with the value created for shareholders, economic and social context. The compensation is provided in form of salary and bonus under appropriate structure. The Company prepares every year the budget for compensation to ensure coherence with the Company's short- and long-term operation result. The short-term operation result based on et profit while the long-term operation result depends on long-term business plan, such as business growth, business expansion and net growth of earnings.

In terms of welfare, the Company provides employees with appropriate welfare and benefits comparable to other companies in the same or similar business and according to the law, such as uniforms, annual health checks, social security, group insurance (life and health insurance), and provident fund.

Long-term employee care, the Company provides its employees the provident fund. Member employees are accumulated monthly to the fund at 3-7% of the employees' remuneration, plus 3-7% of the Company's monthly contribution to the fund at the rate of 3-7% of the employees' wages according to their years' experience.

3) Customers the Company is committed to continuously improving product quality by focusing on consumer safety and satisfaction and taking full responsibility for customers. Various actions are taken to gain customers' confidence and satisfaction in the Company's products with quality and fairness at a reasonable price. The Company has a department responsible for customer relations for advice on products and a channel which customers can report problems regarding product usage, complaints on inappropriate services which can be made via e-mail or call center. This is for immediate and appropriate prevention/problem solving for the customers, including further improvement and development of products and services.

4) Business Partners, Business Competitors, and Creditors the Company adheres to equality and honesty in business operations for mutual benefits based on good business ethics and strict legal compliance to all parties' rules and conditions. The Company aims to create a business alliance while maintaining good relationships with all parties, including legal, equitable, and fair contracting with creditors with no advantage taken. In addition, a framework for honest and transparent trade competition is followed by adhering to the commercial terms and conditions specified and the support for suppliers or business partners who ethically conduct their business with social and environmental responsibility. The Company will not engage in transactions with illegal individuals or entities in a corrupt manner. The purchase price must always remain reasonable and fair, taking into account the quality and service received. Regulations for procurement and operation have been established based on fairness and transparency, focusing on mutual benefits. Regarding fraud prevention, the Company will terminate its relationship with its business partners immediately if fraud, bribe, or benefit of any kind are evident in order to enter into any contract or transaction with the Company.

5) Community, Society, and Environment the Company is aware of its role as a part of the society and community and therefore places great emphasis on the community, society, and environment. The Company provides education and training to cultivate a sense of responsibility towards the community, environment, and society among employees at all levels and encourages the employees to participate in various activities held by the Company.

Community and Society the Company is aware of its responsibility towards society in the form of help and support to give back to the local community. The Company, therefore, helps create jobs and opportunities such as providing scholarships and participating in various activities that contribute to the development of the community's public health. In addition, the Company organizes activities to promote society quality in multiple fields, including continuous donation for public benefit.

Environment the Company places great emphasis on building values and conscience towards environmental conservation and the use of valuable resources through training and various activities. This includes campaigning and cultivating cost-effective use of resources within the organization, such as the office paper reduction campaign, electricity-saving during breaks, and wastewater treatment system in the factory to facilitate an environmental and community-friendly production process.

The Company operates its business focusing on sustainable growth development apart from the emphasis on sales and business returns to maintain the balance of organization growth, business value delivery to stakeholders, and the environment. Once the lack of balance occurs, it will significantly affect the Company's sustainable growth. The Company's operating guidelines take into account the environment, social and governance, which will lead to continuous improvement such as

- knowledge development and profound understanding of employees at all levels towards the importance of sustainable corporate development, which reflects on the Company's values
- Conduct the study of the impact on economic, social, and environment before implementing any company's activities.
- The Company assigns relevant departments to promote sustainable business growth and set the Company's standard by participating in various projects concerning sustainability.

In addition, the Company attaches great importance to fundamental human rights to promote non-discrimination and respect for rights and freedom. It promotes equality, no discrimination between sexes and classes, no child labor, and anti-corruption of all forms as a part of the Company's Corporate Governance Policy. It demonstrates a clear and unwavering intention not to support or conduct business with entrepreneurs involved in human rights abuses. This includes fair and equal treatment towards employees by providing welfare, safety, occupational hygiene, and appropriate compensation and prevention of all forms of child labor.

6) Mass Media the Company places great importance on disclosing information to the media with accuracy, clarity, and audibility, focusing on building good relations with the media as a way to communicate and exchange ideas with relevant parties.

7) Civil Society and Academics the Company operates its business with responsibility towards society and all stakeholders groups. Opinions hearing and exchange for correct information are conducted, including information exchange accuracy as part of the cooperation between the Company and stakeholders towards sustainable mutual growth.

Summary of roles for stakeholders

Our activities for stakeholders arranged in 2021 are as follows:

Shareholders and the mass media: information disclosure were made to shareholders, individual/institutional investors, analysts and stakeholders through various activities of the Investor Relations Department. All information were provided with in an accurate and equitable manner, such as Opportunity Day, where listed companies meet with investors, and shareholders' meetings etc.

Employee Care Employee development includes training course that aim to build skill and new learning process, improving knowledge to cope with the changing situation via various learning platforms. The Company supports employees to receive vaccination against Covid-19, including provision of accommodation, food, expenses rising out of Covid-19 test on a weekly basis, Covid-19 insurance and other related matters. In 2021, the Company received from Khun Panu Yaemsri, the Phra Nakhon Sri Ayudhaya Governor, the certificate for the establishment that participates in development of Ayudhya Model and a model factory for Covid-19 prevention and control under the concept "Progressive Economy, Safety for Ayudhaya, Our Coalition will overcome Covid", on 17 September 2021.

Community, Society, and Environment

Community activities the Company provides health check services for nearby communities and makes donation through the project called "Tao Kae Noi Fights Together" as a contribution to the Covid-19 epidemic relief.

Society The Company recognises the importance of basic human right and refrains from discrimination, while supporting the equality without boundary of genders and classes including the employment of person with disabilities. All employees receive the same and fair treatment.

Environment Taokaenoi concentrates on the concept of environmental-friendly by implementing waste management process to eliminate waste from production process, wastewater treatment system to reduce the use of chemicals in disposal process, initiating solar power project.

Stakeholders Contact Channels

The Company provides various channels for notification, complaints, comments, or suggestions that concern the stakeholders' risk and effects that may cause damage to all groups of stakeholders from the Company's business operations or the Company's employees' practice regarding illegal or ethical acts. This includes behaviors that may imply corruption, discrimination, or negligence, or lack of prudence. The complaints can be made through the following channels:

1. The Company's website www.taokaenoi.co.th
2. E-mail whistleblower@taokaenoi.co.th
3. Post

Via one of the directors

Taokaenoi Food & Marketing Public Company Limited
337 Bond Street Road, Bang Phut Subdistrict, Pak Kret District,
Nonthaburi, 11120

The Company has in place mechanism and managerial procedures (record, follow up progress, remedy, report), for complaints made by stakeholders, including providing more than one channel to receive the complaints conveniently. The complaint channel is disclosed on the Company's website or Annual Report. Followings are our complaint management procedures.

The employees or stakeholders report whistleblowing, complaints, comments, or suggestions through the specified channel. Then, the Company will investigate and make an investigation record in writing with no disclosure of the information regarding whistleblowers for confidentiality and protection of the whistleblowers. In the event that supporting evidence was found, the investigation committee will be set up to determine and consider the punishment and make a further report to the Audit Committee and the Board of Directors.

Summary of whistleblowing, complaints or suggestions

In 2021, no whistleblowing, complaints, opinions, or suggestions were made through such channels.

(4) Information Disclosure and Transparency

Information disclosure

The Company realizes the importance of necessary information disclosure, which must be accurate, complete, current, transparent, straightforward, verifiable, and timely and helpful towards investment and management decision-making of all stakeholders. Therefore, measures for the disclosure of both financial and non-financial information according to the law are crucial. The Company provides information to all concerned parties in a fair, appropriate, correct, reliable, timely manner, ensuring equal access to information of all groups of stakeholders, such as

- 1 Preparation of annual reports which contain complete, accurate, reliable information in a timely manner.
- 2 Publish relevant information in advance in a satisfactory and timely manner via the website before sending out the meeting documents to the shareholders to ensure sufficient time for shareholders to study information in advance of the meeting.
- 3 Require directors and top management to disclose and changes made towards shareholding by revealing the number of shares held at the beginning and the end of the year and report the purchase of the Company's ordinary shares during the year, including their spouses and minor child (ren) in the annual report.
- 4 Any directors involved or interested in any agenda must refrain from voting and attending the meeting on that particular agenda. The said directors and top executives must report their stakes and personal interests, including those of their relevant persons.
- 5 Require the disclosure of performance assessment, including the entire Board and individual evaluation result.
- 6 Require the disclosure of directors' and top management's remuneration, both in the forms of salary and other compensation.
- 7 The corporate objectives and long-term goals must be disclosed in the annual report.
- 8 The development and training of individual directors in the past year are required to be disclosed in the Thai Board of Directors (IOD).

Summary of Information Disclosure

In 2021, the Company has published the Corporate Governance Policy and performance in the annual report, including the disclosure of the Board and Sub-Committees' roles and duties, the number of meetings and each director's attendance, as well as the audit fee and other service fees. The company's Articles of Association were published on the company's website.

Mr. Yuth Vorachattarn, the director attended the Director Leadership Certification Program, (DLCP, the course developed and conducted by the Thai Institute of Directors (IOD).

The Company has a policy that requires the directors and executive officers to report the changes of their securities holding, which include the changes of securities holding of their spouses and minor child (if any), by submitting a copy of changing of securities holding and forward contract (form 59) to the Office of Company Secretary who will collect and propose to the Board's meeting.

A table showing the change of securities holding by directors and executive officers between 2020 and 2021.

Series	Name	Number of shares (TKN)		Variation Increase / (Decrease)
		30 Dec 2020	30 Dec 2021	
1.	Mr. Yuth Vorachattarn	0	0	-
	Spouse/minor child	0	0	-
2.	Mrs. Wanee Thasanamontien	0	0	-
	Spouse/minor child	0	0	-
3.	Mr. Chaoyong Ratanacharoensiri	0	0	-
	Spouse/minor child	0	0	-
4.	Mr. Somboon Prasitjutrakul	0	0	-
	Spouse/minor child	0	0	-
5.	Mr. Itthipat Peeradechapan	317,196,200	322,896,200	(5,700,000)
	Spouse/minor child	0	0	-
6.	Miss Orrapath Peeradechapan	60,755,000	63,255,000	(2,500,000)
	Spouse/minor child	0	0	-
7.	Mr. Jirapong Suntipiromkul	0	0	-
	Spouse/minor child	0	0	-
8.	Miss Porntheera Rongkhasiriphan	0	0	-
	Spouse/minor child	0	0	-
9.	Mr. Nutchatpong Peeradechapan	60,100,500	63,655,000	(3,554,500)
	Spouse/minor child	0	0	-
10.	Mr. Prayut Apisitsareekul	0	116,000	(116,000)
	Spouse/minor child	0	0	-
11.	Mr. Prin Pitchayavijit	0	0	-
	Spouse/minor child	0	0	-
12.	Mr. Woothi Kruanamkhum	0	0	-
	Spouse/minor child	0	0	-
13.	Mrs. Tipnapa Jitjang	80,000	10,000	70,000
	Spouse/minor child	0	0	-
14.	Mr. Pisan Taraphat	0	0	-
	Spouse/minor child	0	0	-

The Company's Information Dissemination Channels

The Company pays great attention to the proper and complete disclosure of information in a timely manner for the benefit of all stakeholders as follows:

- Disclosure of important information through the SET Link system and via the Company's website www.taokaenoi.co.th/ir
- Publish the Company's news through various electronic media forms such as images, articles, advertising media, and social media.
- Disclose the Company's quarterly performance to investors and analysts via the stock market channel on Opportunity Day.
- Arrange for an investor relations unit to contact institutional investors, analysts, and domestic and international investors.
- Organize activities creating opportunities to meet investors both in the country and abroad.

Investor Relations contact channels

Email	ir@taokaenoi.co.th
Website	www.taokaenoi.co.th/ir
Telephone	02 984 06666 #316 contact Investor Relations

The main objectives and goals of the business implemented for sustainability

To ensure objectives and target of the Company are conducted for sustainability, in conformity with the goal of creating value to business, customers, stakeholders and society as a whole, followings are our code of practices:

- 1 The Board of Directors is responsible for ensuring the precise aim practical for business model determination, as well as to communicate such information to stimulate everyone within the organisation toward the same direction. Vision, mission and corporate value or else are established in the same pattern where business will create value to the corporation. The concept focuses on teamwork that utilises technology into business management, attentive performance, adherence to suppliers to demonstrate our products in order to enlarge business growth.
- 2 To achieve the primary objective or goal, the Board of Directors will define the business model that yields value to the business, stakeholders and society as a whole with consideration to the followings:
 - 1) Context and changes of various factors, implementation of innovation and technology to enhance competition efficiency.
 - 2) Consider the need of customers and stakeholders when setting primary objective or goal, to ensure the balance between two sides.
 - 3) Assess the readiness, expertise and competitiveness of business.
 - 4) The efficiency to conduct business that yield returns to stakeholders
- 3 Conducting business with attention to stakeholders and overall society, including relevant factors, the Board of Directors will determine primary objective and goal as well as business model. For instance, the mission of corporation, the target group, profitability or competition, value proposition, business sustainability amid opportunity and risks that may affect business and stakeholders, appropriate and adequate risk management to reduce or control significant risk at an acceptable level.
- 4 The Board of Directors has determined corporate value that reflects the characteristic of good corporate governance which include Integrity, Passion, Goal Oriented, Customer Centric and Caring.
- 5 Eventually, the Board will promote to have communication and cultivate such objective and goal within the context of decision making and performance of personnel of all levels. In other word, any decision will base on the said primary objective and goal, with consideration of potential risk and impact on the organisation, community and environment, which will subsequently become corporate culture.
- 6 The Board of Directors will supervise the preparation of annual strategy and plan to conform with business primary objective and goal, taking into discretion context of business at certain time, opportunities and acceptable risk. The Board will also prepare or review the objective and goal to reassure that the said annual strategy and plan cover the long-term potential impacts and reasonably predictable.

- 7 To determine annual strategy and plan, the Board will analyse context, factors and risks that could occur to related stakeholders throughout the value chain, as well as other risk factors that could pose effect to the business goal. There is the mechanism that enhance the understanding of stakeholders, truly.
 - 1) Precisely specify method, procedures, participation channel or communication channel between stakeholders and the corporation to enable the access and receive issue or need of stakeholder from each group accurately.
 - 2) Identify stakeholders related to business, both internal and external, whether individual, groups of individual, entity such as employees, investors, customers, suppliers, community, society, environment, officials, regulating bodies.
 - 3) Specify issues and expectation of stakeholders for further analysis and to prioritise base in significance and impact occurred on business and stakeholders. The purpose is to select important matter as to create value together with stakeholders and to bring into effective operation.
- 8 When determining strategy, the Board will supervise to ensure the promotion on innovation and implementation of innovation and technology in augment competitiveness and response to stakeholder's need while remaining on social and environmental responsibility.
- 9 The Board of Directors determines the target that concurs with business context and potentiality, including financial and non-financial target. The Board also considers the risks of setting the target that may lead to an unlawful act or unethical conduct.
- 10 The Board of Directors supervises to ensure the objective and target will be passed on through the strategy and work plan for compliance of the entire corporation.
- 11 The Board of Directors oversees the resource allocation and appropriate operation control, monitors compliance with strategy and annual operation plan. In some cases, there will be a delegation for a person to manage, prepare the action plan on the budget in accordance with strategic plan and annual operation, duration, success indicator and performance monitoring. As specified by the executive, the meeting is held to monitor operation progress on a regular basis, to consider any adjustment to keep up with current situation.

(5) Directors' Responsibilities

1. The Board of Directors's responsibility covers business operation, corporate governance that is in compliance with policy, operation plan, strategy, objectives, articles of association, including performing the board's duties toward the Company and shareholders. With awareness on roles, duties and responsibility as a supervisor to ensure the Company's management, the Board of Directors' role cover the followings:
 - 1) Setting objectives and goals
 - 2) Set strategy, operation policy and allocation of important resources to achieve the target and goal set forth.
 - 3) Monitoring, assessing and overseeing the performance report

Guidelines for compliance with the Code of Conduct

The Board's responsibility is clearly described in the Board of Directors Charter where the main function is to determine objective, goal, policy and primary strategy of business operation, allocation of different resources. Directors realise their role, duty, advantage and the good corporate governance principle to bring about sustainable value. It is their commitment to monitor, assess and oversee the performance report of the Company and subsidiary company to achieve the objective and goal set forth.

Strategic plan is transformed into practice through the action plan with responsible person, duration, explicit success indicator, consideration on personnel capacity and compensation rate, tools, capital as well as risks of plan accomplishment.

2. To bring about sustainable value to the business, the Board of Directors will ensure the governance outcome as follows:
 - 1) Competitiveness and performance with long-term perspective
 - 2) Ethical and responsible business operation
 - 3) Good corporate citizenship
 - 4) Corporate resilience

Guidelines for compliance with the Code of Conduct

To identify business success, the Board will consider ethics, social and environmental impacts as a priority in addition to financial return.

- 1) The Board of Directors will create and drive the corporate culture that adheres to ethics by behaving themselves as a model, as a leader of corporate governance which follows the values, corporate ethic and commitment to perform duty with honesty.
- 2) The Board of Directors establishes policy for directors, executives and employees which demonstrate principles and operation guideline in a written form, for instance, business code of conduct.
- 3) The Board of Directors will supervise to ensure the communication to directors, executives and all employees to raise their understanding, to pass on adequate mechanism that encourage real practice in accordance with the said policy, to monitor the result and to review the policy and the actual practice outcome on a regular basis. The Board of Directors assigns the Corporate Governance Department to communicate the good corporate governance policy and business code of conduct to the directors, executives and employees.

3. In addition, the Board also oversees to ensure all directors and executives act with duty of care and duty of loyalty, and to ensure the compliance with the law, regulation and resolution of the shareholders' meeting.

Guidelines for compliance with the Code of Conduct

- 1) To judge performance of directors and executives for their performance with responsibility, caution and integrity toward the organisation, at least, the Board of Directors will examine the relevant laws, for example, Section 89/7, Section 89/8, Section 89/9, and Section 89/10 of the Securities and Exchange Act. B.E. 2535 (including amendment).
- 2) The Board of Directors administers to ensure the system or mechanism will be competent to assure the business operation is in compliance with the law, regulation, resolution of the shareholders' meeting, including policy or guideline established in place. There is also approval procedures for major operation. For example, approval for a transaction that has significant impact to the Company, a transaction made with related person, acquisition/disposal of assets, dividend payment.

(6) Structure of the Board of Directors

The Board of Directors comprises eight members, which includes three Independent Directors. The Independent Director must have the qualifications as specified by the Securities and Exchange Commission, Thailand, and the Stock Exchange of Thailand as a basis to ensure genuine independence, suitability to the company's nature. The Board of Directors will supervise the coordination with Independent Directors to ensure the effectiveness and independent opinions.

The Board of Directors consisted of qualified persons from various industries having experience in their profession, skills, and exceptional knowledge which is beneficial to the Company in terms of business, engineering, production, sales, marketing, accounting, and finance - all contributed to the Company's business operation. The Board of Directors arranges and discloses members' information which includes age, gender, education background, experience, shareholding structure in the Company, a number of the year holding directorship in the Company and directorship in other listed companies, a policy that the board of directors must be diversified, business ethics and/or code of ethics for the board of directors are disclosed on the Company's website. The Company has in place the formal and transparent nomination of directors. Their list, background, qualifications, experience, and shareholding proportion are disclosed clearly. The board of directors and committee's roles and duties, meeting attendance of each member are also disclosed thereof. Furthermore, the Company Secretary is responsible for giving the board advice relevant to laws and regulations, supervising their activities, and coordinating to ensure compliance with the board's resolution.

Scope of duties and responsibilities of the Board of Directors

1. The Board of Directors is authorized to supervise and manage compliance with the law, objectives, and articles of association, including resolution of the board's meeting and resolution of the shareholders' meeting. The Board of Directors should adhere to the responsibility, honesty, prudence, and safeguard the Company's benefits, based on good corporate governance.
2. The Board of Directors is authorized to appoint directors and/or the management to perform one or more tasks in support of work assigned by the Board of Directors. The Board of Directors is authorized to appoint the Chief Executive

Officer (CEO) and other committees such as Audit Committee, Nomination, and Remuneration Committee as deemed appropriated and necessary, including to approve the scope of authority of various sub-committee, to revoke, dismiss, or amendment the authority thereof.

3. The Board of Directors will study their scope of duty and assign the administration authority to the Management in a written format, for example, management of authority. Nonetheless, such assignment does not relieve the Board's responsibility. They shall remain the duty in overseeing to ensure the Management will perform duty as assigned.

4. To encourage the Board of Directors to dedicate their time performing duties effectively, each member of the board is allowed to hold directorship in a maximum of 5 other listed companies.
 5. To determine or change authorized signatory directors
 6. To determine targets, guidance, operation direction, work plan, and budget of the Company. To control the management or assigned person's administration and management to ensure conformity with the board of directors' policy and work plan.
 7. The board of directors arranges to have the review and approval on major matter related to the Company's operation, for example, vision, mission, policy, business strategy, the Company's goal and operation plan, financial goal, mega project and the Company's budget every year.
 8. To oversee the Management's performance to ensure conformity with the policy, work plan, and approved budget.
 9. To arrange accounting system, financial report, accountable auditing, including to oversee the internal control and internal audit which is effective and efficient.
 10. To prepare the Company's annual report and/or the board's report to ensure compliance with the relevant law or regulations.
 11. To establish policy related to good corporate governance and implementation of such policy effectively.
 12. To seek professional opinions from the third party, if necessary, to support the proper decision.
 13. To audit the risk management procedure and policy and to follow up on the performance.
 14. To appoint the Company Secretary to assist the Board of Directors in performing tasks to accomplish the Company's business under relevant laws and regulations.
 15. To oversee the benefits of major and minor shareholders based on their rights and justice and to treat shareholders and stakeholders fairly.
 16. To balance the management and/or major shareholders' power at an inappropriate level, placing the importance on proportion or number of Independent Directors in the Board.
 17. To select the Independent Director to continue his term of office, the board of directors must use reasonable discretion and necessity.
 18. To ensure the adequate information provision from the Management to the Board of Directors to enable compliance with the authority, duties, and responsibility.
 19. To ensure distinctive and transparent procedures and management in association with related transactions of the Company and subsidiaries and associated persons to prevent interest conflict. There must be adequate and accurate information disclosure and the report made to the subsidiary company's board of directors.
 20. To supervise the accurate, complete, punctual, and transparent disclosure of important information related to the Company via a convenient channel with equality and reliability.
- To hold the Board of Directors' meeting at least 7 sessions a year and require at least third fourth (75%) of the board members' attendance each unless reasonable ground of absence. No less than half of the board members must attend the meeting to constitute a quorum. The resolution of the meeting shall be made by a majority of votes. In the month when there is no meeting of the Board, the Board will arrange the Management to prepare operation result of such month to the Board to enable the supervision and oversee the Management's performance continually and in timely manner.
21. To hold a meeting of the Board, the Chairman of the Board or assigned person shall send an invitation to the meeting which includes meeting agenda and supporting document to the directors at least 7 days prior to the meeting date to ensure the directors will have sufficient time to review the details. In case it is an urgent case and to preserve the right or benefits of the Company, the meeting invitation will be informed in alternative means or the meeting date will be postponed earlier.
 22. To arrange a meeting between non-executive directors without the Management's attendance at least once a year to discuss the significant managerial issues and inform the Chief Executive Officer of the result accordingly.
 23. The Board of Directors has the authority to approve any matters deemed necessary and related to the Company or as deemed appropriate and beneficial to the Company. Such authority includes the entering into related transactions and the acquisition or disposal of important assets of the Company in which the law, rules, notifications, and/or regulations related to the Securities and Exchange Commission and the Stock Exchange of Thailand require approval from the Board of Directors' meeting. The Board of Directors can proceed with the following matters upon approval from the shareholders' meeting only:
 - (A) Any matters as stipulated by law that requires resolutions from the shareholders' meeting;
 - (B) Any matters in which the director has interest and within the scope that the law, rules, notification, and/or regulation of the Securities and Exchange Commission or the Stock Exchange of Thailand requires approval from the shareholders' meeting;
 24. The Board of Directors shall arrange the performance assessment for (a) The Board of Directors (b) Sub-Committee and (c) Chief Executive Officer every year. The assessment is to compare between performance and scope of duties as determined in the charter for each board, sub-committee and the Chief Executive Officer, as the case maybe. The assessment result will be considered to improve performance of the Board of Directors, sub-committee and Chief Executive Officer accordingly, and disclosed in the Annual Report Overview.

25. Other authority, duties, and responsibilities of the Board of Directors are specified in the relevant laws and criteria, articles of association, and resolution of the shareholders' meeting. The Board of Directors may assign one or more directors or any other person to perform many tasks for them. Such authority is subject to the revocation, dismissal, amendment, or edit by the Board of Directors. However, such authority does not include the assignment of authority or sub-assignment or authority that enable the director or assigned person to approve the transaction in which he/she may have a conflict of interest, interest, or any other benefit that may conflict with the benefit of the Company or its subsidiaries.
26. The Board of Directors is responsible for arranging orientation for a new director.

Overview of the Board of Director's performance and changes in 2021

In 2021, the Board of Directors performed their fiduciary duty to consider the best benefits to shareholders, adhering to the principal practices as below.

- 1.1 Perform duty with responsibility, precaution, and prudence (Duty of Care)
- 1.2 Perform duty with integrity (Duty of Loyalty)
- 1.3 Comply with the law, company's objectives and articles of association, resolution of the Board of Directors and resolution of shareholders' meeting (Duty of Obedience)
- 1.4 Disclose information to shareholders accurately, completely, with transparency, accountability, and promptly (Duty of Disclosure)

The Company arranged 9 meetings of the Board of Directors and the one meeting for non-executive directors without attendance of the Management. The Board of Directors determines vision, mission and strategy of the Company to divert business operation in the same approach, reviews and approves important policy to optimise the appropriateness and conformity to business operation under the good corporate governance, as well as monitoring on the compliance of such matters. The Board of Directors monitors the Management's performance through performance report and operation result to be consistent with current situation. The Board of Directors fully performs their duties and authority.

In addition, in 2021, the internal authority of approval has been reviewed to ensure efficiency in operation and good corporate management and internal control. The authority is decentralised based on duty and responsibility to the reasonable extend. The scope of duty and responsibility of the Board can be summarised as follows:

1. To approve annual operation plan.
2. To approve the entire work management and organisation chart.
3. To approve transactions related to investment in fixed asset/investment in stock exchange / other investment / investment in business and acquisition for the budget beyond authority of the Executive Committee.

4. To approve the acquisition and disposal of the assets and related transactions, legal reference, notification, rules, regulation and requirement of related entities.
5. To approve the loan between the companies to be in accordance with the Company's principle and conditions set forth for the related transactions pursuant to notification of the stock exchange.
6. To approve the transactions within acquiring a loan from financial institutions for each business operation of the Company regarding the budget beyond authority of the Executive Committee.
7. To approve the asset acquisition or expenses for business operation in for the budget beyond authority of the Executive Committee.
8. To approve the criteria for reserves for doubtful account regarding the budget beyond authority of the Executive Committee.
9. To approve personnel management transaction in the part beyond authority of the Executive Committee.

However, the Board of Directors does not determine policy on the duration of holding directorship of the independent directors since the Company considers that the continued terms of office among directors is qualified for the Independent Director as required by the Securities and Exchange Commission ("SEC") and can express opinions independently and in accordance with related criteria which will also be beneficial to the Company's business operation. In addition, in 2021 there is no CG Committee since the entire Board's duty covers the CG Committee already. Nonetheless, the Company has reviewed the corporate governance in the Board's meeting and resolved to appoint the CG Committee in 2022. The Company does not disclose compensation policy for the Chief Executive Officer both short and long-term according to their performance, but the total figure of the executives is disclosed.

Nomination of the board members

The Company has in place the criteria and procedures for director nomination. The Nomination and Remuneration Committee will consider qualifications and suitability regarding knowledge, skills, and work experience according to the Board Skill Matrix to conform with the vision, strategy, and business operation of the Company. Eventually, the list of directors will be proposed to the shareholders' meeting for approval. The appointment of the Board member is subject to the articles of association, which summarized as follows:

1. The Board of Directors comprises at least five members, and at least half of the Board must have domicile in the Kingdom. The board member must have defied qualifications and does not have any prohibited characteristics as stipulated by law.
2. The director selection by shareholders' meeting is subject to the majority of votes and the following criteria and procedures:
 - (a) One share represents one vote;
 - (b) Shareholders cast their votes for individual director;

Persons who receive the highest votes arranged in order from higher to lower in a number equal to that of the number of directors to be appointed are elected to be the Company's directors. In the event of a tie at a lower place, which would make the number of directors greater than required, the chairman of the meeting will have a casting vote.

Overview of the nomination of the board members

For 2021, the Board of Directors created Board Skill Matrix to promote the Company's operation, for example, giving information about the Company's business, accounting, finance, sale and marketing, risk management. At present, our directors have experience and expertise of different fields which consistent to business operation.

Performance assessment of the Board of Directors and sub-committee and Chief Executive Officer

The performance assessment and review for the Board of Directors including individual assessment and for the sub-committee are arranged 1 time a year, for every year. The assessment is divided in two types which include the entire board assessment and self-assessment. The assessment result is brought for analysis and summary to determine measures for improving their performance and to prepare performance development plan. Followings are further details:

Assessment Form 1 :

Collective performance assessment of the Board
The performance assessment of the entire board consists of six topics as follows:

- (1) Structure and qualifications of directors;
- (2) Roles, duties, and responsibilities of the Board of Directors;
- (3) Meeting of the Board of Directors;
- (4) Performance;
- (5) Relationship with the Management;
- (6) Self Development of Directors and Development of Executives;

Assessment Form 2 :

Collective assessment of the sub-committee
The performance assessment of the entire board consists of four topics as follows:

- (1) Structure and qualifications of the sub-committee;
- (2) Meeting of the sub-committee;
- (3) Roles, duties, and responsibilities of the sub-committee;
- (4) Other matters;

Assessment Form 3 :

Self-assessment of individual director
Self-assessment of the individual director is divided into three topics as follows:

- (1) Structure and qualifications
- (2) Meeting attendance
- (3) Roles, duties, and responsibilities

The performance assessment and review of the Chief Executive Officer is conducted annually, once a year. The assessment result is brought for analysis and summary to determine measures for improving the performance and to prepare a performance development plan. The followings are details of our Chief Executive Officer performance assessment form.

- 2.1 Leadership
- 2.2 Strategy formulation
- 2.3 Compliance with strategy
- 2.4 Planning and financial performance
- 2.5 Relationship with the Board
- 2.6 Relationship with the third party
- 2.7 Management and relationship with personnel
- 2.8 Succession
- 2.9 Knowledge of products and services
- 2.10 Personal qualifications

Roles and duties of the Chairman of the Board

To separate power and duties in determining the Company's policy and management, The Company establishes roles and duties of the Chairman of the Board as follows:

1. Call for the Board of Directors' meeting, chair the Board of Directors' meeting and shareholders' meeting, and determine the meeting agenda.
2. Take part in controlling the meeting efficiency to ensure compliance with the article of association.
Support and allow directors to express their opinion freely.
- 3 Support and promote the Board of Directors to perform their duties at the fullest effort to the scope of duties and responsibility and the good corporate governance.
4. Supervise, monitor, and oversee to ensure the Board of Directors' efficient performance and accomplishment of the corporate objectives and primary goal.
5. Create a good relationship between executive directors and non-executive directors and between the Board of Directors and the Management.
6. Allocate sufficient time to allow the Management to propose the matters and the directors to discuss important issues prudently. Promote prudent discretion and independent opinion expression among directors.
7. Oversee to ensure that all directors build corporate culture with morality and good corporate governance.

Sub-committees

As of 31 December 2021, there are three boards of sub-committees, as shown below.

- (1) Audit Committee
- (2) Nomination and Remuneration Committee
- (3) Risk Management Committee

To enhance the board of directors' performance efficiency and effectiveness, the Board has assigned sub-committees to study and screen operations as deemed necessary.

1 Audit Committee

As at 31 December 2021, the Audit Committee consist of:

Name	Positions in the Audit Committee	Positions in the Board of Directors
1. Mrs. Wanee Thasanamontien	Chairman of Audit Committee	Independent Director
2. Mr. Yuth Vorachattarn	Member of Audit Committee	Independent Director
3. Mr. Chaiyong Ratanacharoensiri	Member of Audit Committee	Independent Director

In 2021, after reviewing the scope of duties of the Audit Committee, the Board of Directors established the Audit Committee duties as follows:

Scope of duties

1. Audit to ensure the accuracy, the complete financial report of the Company, adequate information disclosure to create equality among shareholders by coordinating with external certified public accountant and responsible executive officers to prepare quarterly and annual financial reports.
 2. Arrange to have proper and effective internal control and internal audit within the Company; review the Internal Audit Department's independence; give consent to the appointment, relocation, dismissal of the Chief of Internal Audit Department or any department in connection to the internal audit.
 3. Review to ensure the company's compliance with the Securities and Stock Exchange law, regulations of the Stock Exchange, including applicable law related to the Company's business.
 4. Audit to ensure the supervision on compliance with the information technology and data security to be effective in accordance with international standards.
 5. Consider, select and propose for an appointment the independent person as an auditor of the Company, including propose remuneration such auditor, attend the meeting with an auditor without the management's attendance at least once a year.
 6. Consider related transactions or the transactions that may have a conflict of interest in line with the securities and stock exchange laws and requirement of the Stock Exchange of Thailand to ensure that such transaction is reasonable and will bring the best benefit to the Company. Consider the Company's information disclosure when there is a related transaction or a transaction that may have a conflict of interest to ensure its accuracy.
 7. When the Company's auditor finds unlikely event associated with the director, executive officer, or any other person who is responsible for business operation of the Company and subsidiaries, legal offense, and the auditor reports such event to the Audit Committee, the Audit Committee must execute the matter without delay by conducting further investigation and report initial inspection to the Securities and Exchange Commission and the auditor within 30 days from the date receiving auditor's report.
 8. Prepare the report of the Audit Committee and disclose it in the annual report. The said report shall be signed by the Chairman of the Audit Committee and consist of at least the following information:
 - (a) Opinions on accuracy, completeness, and reliability of the financial report of the Company and its subsidiaries.
 - (b) Opinions on the adequacy of the Company's and subsidiaries' internal control system.
 - (c) Opinions on compliance with securities and stock exchange laws, the Stock Exchange of Thailand's requirement, or the laws related to the Company's and subsidiaries' business.
 - (d) Opinions on the suitability of the auditor.
 - (e) Opinion on the transaction that may have a conflict of interest.
 - (f) The number of the meeting of the Audit Committee and attendance of each member.
 - (g) Opinion or observation received from performing their duties under the charter.
 - (h) Any other matters which is considered that shareholders and public investors should
 9. On circumstance where it is found or doubted that the following transaction or actions might significantly affect the Company's financial status and operation result, the Audit Committee must report to the Board for improvement within the appropriate time as considered by the Audit Committee.
 - (a) The transaction that causes a conflict of interest.
 - (b) Corruption or unusual or a significant deficiency in the internal control system.
 - (c) Violation of the securities and stock exchange laws, SET regulations, or the laws relating to the Company's business.
- In the event where the Board of Directors or executive officers fails to rectify the situation within the mentioned period, one of the Audit Committee members may report the matter to the Securities and Exchange Commission or the Stock Exchange of Thailand.
10. The Board of Directors may seek professional opinions regarding business operations from an external advisor at the company's own cost.

11. Perform any other tasks as assigned by the Board of Directors as deemed appropriate.
12. Review the accuracy of reference document and self-assessment related to the Anti-Corruption Measure under the Private Sector Collective Action against Corruption.

In performing duties and responsibilities within the scope of work, the Audit Committee is authorized to invite the Management, executive officers or employees or related subsidiary to report, give an opinion, attend the meeting or send the document which considered related and necessary. The Board of Directors has the authority to make an adjustment on the scope of authority of the Audit Committee as deemed necessary or appropriate.

Term of Office

The Audit Committee holds a term of office of three years, except the resign in accordance with articles of association where the resigning committee may be re-elected.

2 Nomination and Remuneration Committee

As at 31 December 2021, the Nomination and Remuneration Committee consist of:

Name	Positions in the Nomination and Remuneration Committee	Positions in the Board of Directors
1. Mr. Chaiyong Ratanacharoensiri	Chairman of the Nomination and Remuneration Committee	Independent Director
2. Mr. Yuth Vorachattarn	Member of Nomination and Remuneration Committee	Independent Director
3. Mrs. Wanee Thasanamontien	Member of Nomination and Remuneration Committee	Independent Director
4. Mr. Somboon Prasitjutrakul	Member of Nomination and Remuneration Committee	Director and Executive Committee

Scope of duties

1. Select the nominated person as a director and high-rank executive officer based on criteria or nomination procedures and selection with transparency to propose to the meeting of the Board of Directors and/or shareholders' meeting for approval.
2. Consider compensation rating to directors and high-rank executive officers, taking into account the fair and reasonable criteria and basis, and propose to the Board of Directors meeting and/or shareholders' meeting for approval.
3. Consider and give opinions on human resource policy to propose to the Board of Directors to conform with the corporate business strategy. Oversee and supervise the nomination of directors, high-rank executive officers in all business departments. Assure the organization that the succession plan of high-ranked executive officers, essential executive positions, and a list of nominated persons will be considered and reviewed regularly.
4. Perform any other tasks as assigned by the Company. The Management and departments must report or propose information and document related to the nomination and remuneration to support the Nomination and Remuneration Committee's duties to accomplish the assigned tasks.

Term of Office

The Nomination and Remuneration Committee's term of office is three years. The retired member may be re-elected as deemed appropriated by the Board of Directors.

3 Risk Management Committee

As at 31 December 2021: the Risk Management Committee consist of:

Name	Positions in the Risk Management Committee	Positions in the Board of Directors
1. Miss Orrapat Peeradechapan	Chairman of the Risk Management Committee	Director
2. Mr. Jirapong Suntipiromkul	Member of Risk Management Committee	Director
3. Miss Porntera Rongkasiripan	Member of Risk Management Committee	Director
4. Mr. Prayut Apisitsareekul	Member of Risk Management Committee	-

Mr. Prayut Apisitsareekul resigned from the Company on 1 January 2022.

Scope of duties

1. To determine the scope of policy, strategy, and approach for corporate comprehensive risk management, which covers various significant risks.
2. To determine preventive measures, risk management plan for the Management including overall risk management procedures of the organization.
3. To supervise the Management for compliance with policy, strategy, and approach to the corporate risk management, monitor compliance with the scope of corporate risk management, and report to the Board of Directors regularly.
4. To review or assess the policy's effectiveness, strategy, and risk management approach at least once a year and upon change of risk level.
5. To monitor, assess, and supervise the management's risk management procedures to maintain at an appropriate level and align with the policy set forth.
6. To perform other tasks as assigned by the Board of Directors.

Chief Executive Officers

Chief Executive Officer (CEO) is responsible for manage and control the operation to meet initial objective of the Company. The Board of Directors will determine criteria of holding position in another company of the CEO, base on performance of the CEO that holding position in another company to assure that he will be able to dedicate time and effort in performing his duty properly. The CEO must perform his duties and responsibility regarding the Company's business operation himself or assign the manager to perform the following CEO tasks but not limited to the followings:

1. The supervision and provision of advice on daily process and administration.
2. To have the power in any business operation to accomplish the objective, policy regulation, agreement, and order, including resolving the board of directors' meeting and/or the resolution of the shareholders' meeting.
3. To guide the approach that enables accomplishing the vision, mission, strategy, objectives, goals, and annual business outcome of the Company.
4. To authorize or assign any other person as the Chief Executive Officer deems qualified to act on his behalf in the necessary and appropriate matter, considering the Company's benefit and adhering to the law provision and the articles of association.
5. To order and advise on project implementation and objectives as required in the scope of work and direction of business operation to benefit the company.
6. To monitor and assess the Company's performance each day to cope with potential risks from external and internal factors.
7. To contact and communicate with the public, shareholders, customers, and employees to promote the Company's reputation and positive image.
8. To have the power to approve transactions which include product purchase, raw material supply, marketing, personnel management, purchase, and general administration to support ordinary business course of the Company. The said approval must be under the conditions and limitations specified in the Company's approval authority.
9. To appoint purchase and sales representatives in normal business transactions.
10. To recruit and hire employees such as relocation, exchange within the same work line, between division, between departments, or to dismiss employment and to determine wages, salary, compensation, bonus, and welfares for employees.
11. To consider and appoint external consultant for the Company's operation as consider appropriate.
12. To have the power in issuance, amendment, modification, improvement, regulations, notifications, and memorandum to ensure the Company's operation is in line with the policy and bring about benefits, and to maintain corporate regulation.
13. To perform any other tasks as assigned by the Board of Directors from time to time.
14. To operate business related to the general administration of the Company.

Term of Office

The Risk Management Committee's term of office is three years and may be re-elected for another term deemed appropriate by the Board of Directors.

15. To have the power in signing any document for necessary operation or related to normal business transactions of the Company as specified in Article 1 to 4 above.

However, the authority in any legal acts which (a) may cause the conflict of interest with the Company or subsidiary (b) may cause a conflict of interest with the executive officers or the person who may have a conflict of interest and the person having interest with the Company or subsidiary as specified in the law and notification of the Securities and Exchange Commission or notifications of the Capital Market Advisory Board or the Stock Exchange of Thailand is not included under the scope of authority of the Chief Executive Officer for consideration or to assign any other person to act on his behalf on such case. The said transaction must be proposed for approval by the Audit Committee to subsequently forward to the Board of Directors and/or shareholders' meeting (as the case may be) as specified in the articles of association and laws unless such approval is for normal business course with distinctive scope.

Chief Executive Officer recruitment process

To recruit the Chief Executive Officer, the Nomination and Remuneration Committee will screen the person with qualifications, suitability, knowledge, skill, and experience beneficial to the Company's business operation. The nominated person must have an explicit understanding of the Company's business and accomplish the management to meet the target set forth by the Board of Directors. The Board of Directors is responsible for appointing this highest rank of executive officer.

The Company's criteria for selecting and appointing the highest executive officer based on their qualifications as follows:

1. Being a natural person and attained of majority;
2. Not being a bankrupt, incapacitated person or quasi-incompetent person;
3. Not being sentenced by final judgment in rem;
4. Never receiving penalty by dismissal or removal from government service or organization or government agency for malpractice in one's duty;
5. Not being in the accusation process by the Securities and Exchange Commission, Thailand or not being prosecuted due to the accusation by the Securities and Exchange Commission, Thailand or has been sentenced for imprisonment by final judgment whether the sentence is suspended or not, and has been released from the imprisonment or released from the suspended the penalty for less than three years. This shall include only the law provision related to securities and stock exchange or the laws related to forward contract as follows:

- (1) Unfair act related to securities trading or forward contract.
 - (2) Dishonest act or an act that causes damages to the assets, creditors, or public.
 - (3) Failure to perform duties with diligence or honesty.
 - (4) Intentionally show false statements in materiality or disclose the materiality that should be disclosed.
 - (5) Conduct security business or forward contract without a license and considered as defrauding the public.
6. Not pending accusation by the financial institution controlling agency whether in Thailand or abroad; or not pending the prosecution upon the accusation of such agency; or not pending such agency's prohibition from holding directorship or executive position of a financial institution or never been sentenced for imprisonment whether the judgment is suspended or not and has been released from imprisonment or awaiting the penalty for less than three years. This matter covers the ground caused by fraud, swindling, or corrupting management that results in damages to the financial institution in which such person holds a directorship or executive position or damages to customers.
 7. Never been sentenced for imprisonment by final judgment whether the sentence is suspended or not, and has been released from the imprisonment or released from the suspended penalty for less than three years for a criminal offense related to frauding, swindling, or corrupting asset management.
 8. Not received the court order to vest his asset into state property pursuant to the law of corruption prevention and suppression, money laundering prevention and suppression or any other similar law and still within the period of 3 years of the court order to vest his asset into state property.
 9. Committing or omitting any action mala fides or gross negligence in the transaction of the Company or subsidiary and causes damages to the Company or shareholders or enables wrongful benefit to one's self or another person.
 10. Having no action involving in disclosure or dissemination of false information or content related to the Company or subsidiary which may cause misleading or concealing the fact supposed to be revealed as materiality which may affect the decision of shareholders, investors, or related person whether by giving the order, taking part in responsibility or taking part in the preparation, disclosure or disseminate such information or content or by committing or omitting any other action. Except it is proven that by position, status, or scope of duties, such person does not know the quality of such information or content or the lack of disseminating such statement.

The following transactions of the Company or subsidiaries, whether by giving the order, approval support, receiving benefits, or taking a significant part in any other manner that is considered dishonest unless proven otherwise.

- 10.1 A transaction that does not proceed in the same approach as the prudent business operator shall conduct with a general contractual party in the same situation. Such transaction does not bring benefits to the Company or subsidiary mainly, or it enables benefit to one's self or another person.
- 10.2 The transaction is not in line with the securities and stock exchange laws, connected with a related transaction or significant transaction of asset acquisition or disposal.
11. Not committing any unfair act or taking advantage of investors in securities trading or forward contract or having taken part or supported such action.

Consideration of compensation for directors and top executive officers

It is the Company's policy to set compensation for directors, sub-committee, CEO and senior executives at equivalent rate with the Company's operation result, with an aim to maintain the qualified personnel. Followings are compensation criteria:

1. The Nomination and Remuneration Committee is responsible for determining compensation for the Board members sub-committees and Chief Executive Officer, taking into consideration their duties, responsibility, performance, type/scale of business, and expected benefits from each member. In comparison with the company in a similar industry, the compensation rate must be reasonable and incentive to maintain the qualified personnel. The Nomination and Remuneration Committee also considers the type of compensation, payment method, and the proper rate provided thereof.
2. In case of any variation in the Chief Executive Officer's compensation, the case must be proposed to the Board of Directors for approval.
3. The compensation for the Board of Directors and Sub-committee must be proposed to the shareholders' meeting for approval on an annual basis.

Other Compliance with Good Governance Principles **Succession Plan**

The Company establishes succession plan to ensure the continuity of administration among management at the level of department chiefs, and focus on executive staff, in order to enable the Human Resources Department to arrange for personnel to be well-prepared to perform work systematically, with competency and skills, and build up their experiences required for key positions in the Company.

Governance of Subsidiaries and Associated Companies

For the purpose of governance of subsidiaries and associated companies, the Company shall send its directors or high-ranking staff to supervise such subsidiaries and associated companies in order to set out significant policies and oversee their business operations to the right direction and in the best interests of the Company as a whole. Furthermore, the Company should have a veto right on any significant matters to be undertaken by its subsidiaries. Investment in such subsidiaries must first be considered and approved by the Board of Directors and connected transactions must also be considered and approved by the Audit Committee. In addition, the subsidiaries must be required to establish and put in place proper regulations on execution of connected transactions, acquisition or disposition of assets or any other material transactions and subject to information disclosure requirements. Any transactions which may materially affect the Company must first be approved by the Company's Board of Directors. The subsidiaries must be supervised to keep information and record its accounts and make them available for the Company's audit and consolidation in the preparation of the Company's financial statements in a timely manner.

7

Corporate Governance Structure and Important Information about the Board of Directors Committees, Executives, Employees and Others



7.2 The Board of Directors

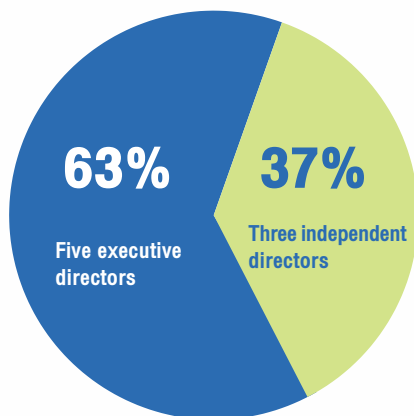
Board of Directors

The Board of Directors's responsibility covers business operation, corporate governance to ensure compliance with policy, operation plan, strategy, objectives, articles of association, including performing the board's duties toward the Company and shareholders.

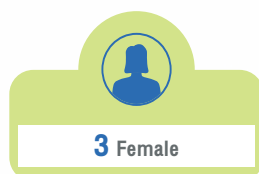
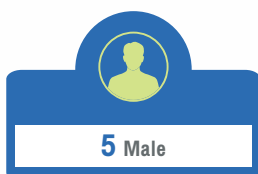
7.2.1 Board of Directors structure

The Board of Directors comprises of eight members which includes three Independent Directors. The Board of Directors will consider qualifications of the person to undertake the Independent Director which must have the qualifications as specified by the Securities and Exchange Commission and the Stock Exchange of Thailand as a minimum requirement to ensure the genuine independency, suitability to the company's characteristic. The Board of Directors will supervise the coordination with Independent Directors to ensure the effectiveness and independent opinions.

Independence



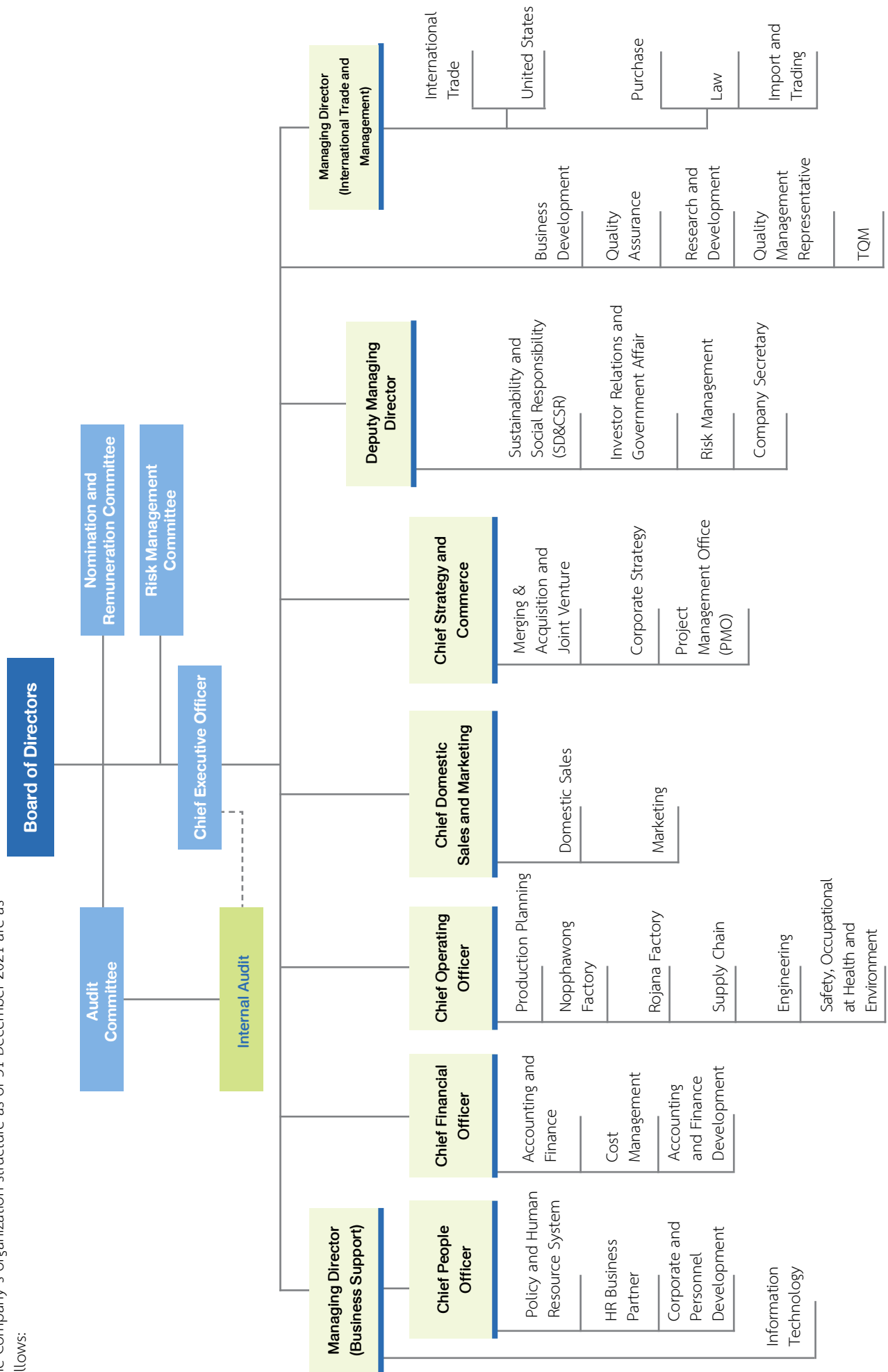
Diversity of genders



The Board of Directors comprises qualified persons from various industries. They possess professional experience, skill and specific knowledge beneficial to the Company, i.e., business administration, engineer, production, sale, marketing, accounting and finance which relevant and support our business operation. The Board of Directors arranges the information disclosure of directors, such as ages, gender, education background, experience, shareholding in the Company, number of years holding directorship in Taokaenoi and other listed companies of each director, including the policy for determining the board composition which is diversified, business ethics and/or code of conduct manual for the directors in the Annual Report and the Company website. The disclosure also includes nomination procedures of directors which is formal and transparent where list directors, background, qualifications, experience and shareholding proportion are also added. Role and duty of the Board and sub-committee, number of meeting attendance of each member are also disclosed. Furthermore, the Company Secretary is responsible for giving advice on legal and criteria matters which the Board must acknowledge and comply with, as well as to coordinate to ensure compliance with the Board's resolution.

7.1 Corporate Governance Structure

The Company's organization structure as of 31 December 2021 are as follows:



Diversity of expertise



The Board of Directors consists of 8 members as follows:



- | | | | | | |
|---|--------------------------------|--|---|----------------------------|-------------------------------------|
| 1 | Mr. Yuth Vorachattarn | Chairman of the Board / Independent Director | 5 | Mr. Itthipat Peeradechapan | Director / Chief Executive Officer |
| 2 | Mrs. Wanee Thasanamontien | Independent Director | 6 | Ms. Orrapat Peeradechapan | Director / Managing Director |
| 3 | Mr. Chaiyong Ratanacharoensiri | Independent Director | 7 | Mr. Jirapong Suntipiromkul | Director / Deputy Managing Director |
| 4 | Mr. Somboon Prasitjutrakul | Director and Executive Committee | 8 | Ms. Porntera Rongkasiripan | Director / Internal Audit Director |



Mr. Yuth Vorachattarn

Age 74

Current position

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

Holding directorship since

24 March 2011

Education background

- Master of Economics (English Program) Thammasat University
- Bachelor of Economics (Honor class - Good) Thammasat University

Training record with the Thailand Institute of Directors (IOD)

- Class 0, year 2021 Director Leadership Certification Program (DLCP)
- Class 36, year 2021 Advance Audit Committee Program (AAP)
- Class 5, year 2018 Strategic Board Master Class (SBM)
- Class 2, year 2015 Ethical Leadership Program (ELP)
- Class 0, year 2014 Corporate Governance for Capital Market Intermediaries (CGI)
- Class 6, year 2013 Financial Institutions Governance Program (FGP)
- Class 12, year 2010 Monitoring of the Quality of Financial Reporting (MFR)
- Class 33, year 2010 Audit Committee Program (ACP)
- Class 3, year 2008 Chartered Director Class (R-CDC)
- Class 8, year 2003 Role of the Chairman Program (RCP)
- Class 0, year 2000 Directors Certification Program (DCP)

Positions in other listed companies

- 2016 - present Chairman of the Board / Audit Committee Sahathai Terminal PCL.
- 2016 - present Chairman of the Board Grand Prix International Co., Ltd.

Positions in non-listed companies

- 2017 - present Director / Chairman of the Audit Committee Nutrix PCL.
- 2015 - present Director B.S.Y. Construction Co., Ltd.
- 2015 - present Director / Chairman of the Audit Committee BSY Group PCL.

Work experience in the past 5 years

- 2010 - 2020 Director/Chairman of the Audit Committee Sahathai Steel Pipe PCL.
- 2017 - 2019 Chairman of the Board SCB Protect Co., Ltd.
- 2003 - 2019 Chairman of the Board / Audit Committee Maybank Kim Eng Securities (Thailand) PCL.

Family relation between directors and executive officers

- None -

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self : - None -
Spouse/minor child(ren) : - None -

Legal offence within the past 10 years

- None -



Mrs. Wanee Thasanamontien

Age 67

Current position

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

Holding directorship since

13 November 2014

Education background

- Master of Public Administration, Chulalongkorn University
- Bachelor of Law Thammasat University
- Bachelor of Accounting Thammasat University

Training record with the Thailand Institute of Directors (IOD)

- Class 18, year 2015 Advanced Audit Committee Program (AAP)
- Class 4, year 2012 Financial Institutions Governance Program (FGP)
- Class 138, year 2010 Directors Certification Program (DCP)

Positions in other listed companies

- None -

Positions in non-listed companies

- None -

Work experience in the past 5 years

- None -

Family relation between directors and executive officers

- None -

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self : - None -
Spouse/minor child(ren) : - None -

Legal offence within the past 10 years

- None -



Current position

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

24 March 2011

- Master of Administration
Scranton University, USA
- Bachelor of Engineering
Chulalongkorn University

- Class 58 year 2005 Directors Certification Program (DCP)
- Class 34, year 2005 Directors Accreditation Program (DAP)

- None -

2015 - present	Independent Director Quick Leasing Co., Ltd.
----------------	---

2018 - 2018	Executive Director P-Mart Superstore Co., Ltd.
-------------	---

- None -

Self : - None -

Spouse/minor child(ren) : - None -

- None -



Mr. Somboon Prasitjutrakul

Age 63

Current position

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

Holding directorship since

8 November 2013

Education background

- Master of Business Administration
Sasin Graduate Institute of Business Administration
- Bachelor of Marketing
San Jose State University, USA

Training record with the Thailand Institute of Directors (IOD)

- Class 54, year 2005 Directors Certification Program (DCP)

Positions in other listed companies

- | | |
|----------------|---|
| 2020 - present | Director
Moong Pattan International PCL. |
| 2017 - present | Director
JWD Infologistics PCL. |

Positions in non-listed companies

- | | |
|----------------|---|
| 2020 - present | Director
Tia Ngee Hiang (Chaosua) |
| 2018 - present | Director
Devakam Apothecary Hall Co., Ltd. |

Work experience in the past 5 years

- | | |
|-------------|---|
| 2014 - 2020 | Director
River Pro Pulp and Pepper Co., Ltd. |
| 2014 - 2020 | Director
Thanatharn Paper Co., Ltd. |
| 2017 - 2019 | Director
We Foods Group Co., Ltd. |
| 2015 - 2017 | Director
T.A.C Consumer Co., Ltd. |

Family relation between directors and executive officers

- None -

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self	: - None -
Spouse/minor child(ren)	: - None -

Legal offence within the past 10 years

- None -



Mr. Itthipat Peeradechapan

Age 38

Current position

- Director
- Chief Executive Officers

Holding directorship since

21 September 2004

Education background

- Doctorate (Honorary) Entrepreneurship
University of the Thai Chamber of Commerce
- Bachelor of Entrepreneurship
University of the Thai Chamber of Commerce

Training record with the Thailand Institute of Directors (IOD)

- Class 86, year 2010 Directors Accreditation Program (DAP)

Positions in non-listed companies

2019 - present	Director Thonglor 24 Co., Ltd.
2018 - present	Director Henry's Burger International Co., Ltd.
2018 - present	Director Tob Capital 24 Co., Ltd.
2014 - present	Director Peeradechapan Holding Co., Ltd.
2010 - present	Director Dr.Tobi Co., Ltd.
2009 - present	Director Taokaenoi Restaurant & Franchise Co., Ltd.
2008 - present	Director Taokaenoi Care Co., Ltd.
2004 - present	Director NCP Trading and Supply Co., Ltd.

Positions in other listed companies

- None -

Work experience in the past 5 years

2014 - 2021	Director Chubcheeva Co., Ltd.
2014 - 2020	Director Omise Co., Ltd.
2013 - 2019	Director Tokyo Runway Marketing Co., Ltd.
2009 - 2019	Director Twenty Four Projects Co., Ltd.
2018 - 2018	Director Taokaenoi Maruesu (Thailand) Co., Ltd.
2012 - 2015	Director Gen C Inspire Corporation Co., Ltd.

Family relation between directors and executive officers

Younger brother of Mr. Nutchatpong Peeradechapan

Younger brother of Ms. Orrapat Peeradechapan

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self	: 317,196,200 shares
Self (indirectly through the holding company)	: 252,000,000 shares
Spouse/minor child(ren)	: - None -

Legal offence within the past 10 years

- None -



Miss Orrapat Peeradechapan

Age 41

Current position

- Director
- Chairman of the Risk Management Committee
- Managing Director
(International Trade and Management)

Holding directorship since

21 September 2004

Education background

- Master of Public Administration, Ramkhamhaeng University
- Bachelor of Service Industry, Rangsit University

Training record with the Thailand Institute of Directors (IOD)

- Class 86, year 2010 Directors Accreditation Program (DAP)

Positions in other listed companies

- None -

Positions in non-listed companies

2020 - present	Director Rainbow Project Co., Ltd.
2018 - present	Director Jibvardee Co., Ltd.
2014 - present	Director Peeradechapan Holding Co., Ltd.
2010 - present	Director Dr.Tobi Co., Ltd.
2009 - present	Director Taokaenoi Restaurant & Franchise Co., Ltd.
2008 - present	Director Taokaenoi Care Co., Ltd.
2004 - present	Director NCP Trading and Supply Co., Ltd.

Work experience in the past 5 years

2009 - 2020	Director Twenty Four Projects Co., Ltd.
-------------	--

Family relation between directors and executive officers

Older sister of	Mr. Itthipat Peeradechapan
Younger sister of	Mr. Nutchatpong Peeradechapan

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self	: 60,755,000
Self (indirectly through the holding company)	: 54,000,000 shares
Spouse/minor child(ren)	: - None -

Legal offence within the past 10 years

- None -



Mr. Jirapong Suntipiromkul

Age 59

Current position

- Director
- Deputy Managing Director
- A member of Risk Management Committee

Holding directorship since

1 September 2018

Education background

- Master of Accounting
Chulalongkorn University
- Bachelor of Accounting
University of the Thai Chamber of Commerce

Training record with the Thailand Institute of Directors (IOD)

- Class 108, year 202 Company Secretary Program (CSP)
- Class 287, year 2019 Director Certification Program (DCP)
- Class 8, year 2017 Ethical Leadership Program (ELP)

Positions in other listed companies

- None -

Positions in non-listed companies

2020 - present	Director Taokaenoi Care Co., Ltd.
2018 - present	Director Taokaenoi Restaurant & Franchise Co., Ltd.
2013 - present	Director JWK Engineering Co., Ltd.

Work experience in the past 5 years

- None -

Family relation between directors and executive officers

- None -

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self	: - None -
Spouse/minor child(ren)	: - None -

Legal offence within the past 10 years

- None -



Miss Porntera Rongkasiripan

Age 53

Current position

- Director
- A member of Risk Management Committee
- General Manager NCP Trading and Supply Co., Ltd.

Holding directorship since

3 January 2012

Education background

- Bachelor of Accounting
Assumption University

Training record with the Thailand Institute of Directors (IOD)

- Class 89, 2011 Directors Accreditation Program (DAP)

Positions in other listed companies

- None -

Positions in non-listed companies

2020 - present	Director Taokaenoi Care Co., Ltd.
2018 - present	Director / General Manager NCP Trading and Supply Co., Ltd.

Work experience in the past 5 years

2008 - 2020	Director of Internal Audit Taokaenoi Food and Marketing PCL.
-------------	---

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self	: - None -
Spouse/minor child(ren)	: - None -

Legal offence within the past 10 years

- None -

7.3 About Sub-Committee

Sub-Committee

To enhance efficient and effectiveness of the Board of Directors' performance, the Board has assigned sub-committees to study and screen operation as deemed necessary. As of 31 December 2021, there are 3 boards of sub-committees as shown below.

Audit Committee

The Audit Committee has the authority to review quarterly and annual financial statement by coordinating with external auditor, to review the internal control and internal audit, including the selection and appointment of auditor, to consider the related transactions or the transaction that may have a conflict of interest, to ensure compliance with securities and stock exchange laws. The Audit Committee comprises three members namely:

- | | |
|-----------------------------------|-----------------------------|
| 1. Mrs. Wanee Thasanamontien | Chairman of Audit Committee |
| 2. Mr. Yuth Vorachattarn | Audit Committee |
| 3. Mr. Chaiyong Ratanacharoensiri | Audit Committee |



Remark Mrs. Wanee Thasanamontien, the Chairman of the Audit Committee, has sufficient knowledge and experience to review the credibility of financial statements

Nomination and Remuneration Committee

The Nomination and Remuneration Committee has the authority to select the qualified persons to be the member of the Board of Directors and the Chief Executive Officer, to consider and set compensation rate to the Board of Directors and Chief Executive Officer. The Nomination and Remuneration Committee comprises of four members namely:

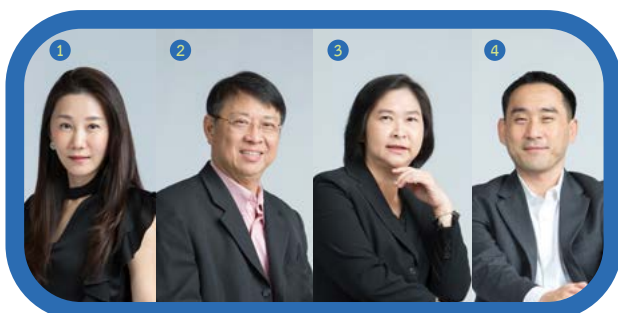


1. Mr. Chaiyong Ratanacharoensiri
Chairman of the Nomination and Remuneration Committee
2. Mr. Yuth Vorachattarn
Member of Nomination and Remuneration Committee
3. Mrs. Wanee Thasanamontien
Member of Nomination and Remuneration Committee
4. Mr. Somboon Prasitjutrakul
Member of Nomination and Remuneration Committee

Mr. Jirapong Suntipiromkul is a secretary to the Nomination and Remuneration Committee.

Risk Management Committee

The Risk Management Committee has the authority to determine policy, strategy and approach to the risk management, supervise to ensure compliance with the policy, review and assess the performance on a regular basis. The Risk Management Committee comprises four members namely:



1. Ms. Orrapat Peeradechapan
Chairman of the Risk Management Committee
2. Mr. Jirapong Suntipiromkul
A member of Risk Management Committee
3. Ms. Porntera Rongkasiripan
A member of Risk Management Committee
4. Mr. Prayut Apisitsareekul
A member of Risk Management Committee

Remark Mr. Prayut Apisitsareekul resigned from the Company on 1 January 2022.

7.4 About the Executives

As of December 30, 2021, the Company has 9 executive officers as follows:



Mr. Itthipat Peeradechapan
Chief Executive Officers



Miss Orrapat Peeradechapan
Managing Director



Mr. Nutchatpong Peeradechapan
Managing Director



Mr. Jirapong Suntipiromkul
Deputy Managing Director



Mr. Prayut Apisitsareekul
Chief Strategy and Commerce Officer



Mrs. Tipnapa Jitjang
Chief Financial Officer



Mr. Woothi Kruanamkhum
Chief Operating Officer



Mr. Prin Pitchayavijit
Chief People Officer



Mr. Pisan Taraphat
Chief Revenue Officer

*Mr. Prayut Apisitsareekul

Chief Strategy and Commerce Officer resigned from Chief Strategy and Commerce Officer position on 1 January 2022.

** Mrs. Tipnapa Jitjang

Chief Financial Officer, takes Chief Financial Officer position on 1 May 2021.

***Mr. Pisan Taraphat

Mr. Pisan Taraphat, Chief Revenue Administration Officer, takes the Chief Revenue Administration Officer on 1 July 2021.



Mr. Itthipat Peeradechapan

Age 38

Current position

- Director
- Chief Executive Officers

Education background

- Doctorate (Honorary) Entrepreneurship University of the Thai Chamber of Commerce
- Bachelor of Entrepreneurship University of the Thai Chamber of Commerce

Training record with the Thailand Institute of Directors (IOD)

- Class 86, year 2010 Directors Accreditation Program (DAP)

Positions in non-listed companies

2019 - present	Director Thonglor 24 Co., Ltd.
2018 - present	Director Henry's Burger International Co., Ltd.
2018 - present	Director Tob Capital 24 Co., Ltd.
2014 - present	Director Peeradechapan Holding Co., Ltd.
2010 - present	Director Dr.Tobi Co., Ltd.
2009 - present	Director Taokaenoi Restaurant & Franchise Co., Ltd.
2008 - present	Director Taokaenoi Care Co., Ltd.
2004 - present	Director NCP Trading and Supply Co., Ltd.

Positions in other listed companies

- None -

Work experience in the past 5 years

2014 - 2021	Director Chubcheeva Co., Ltd.
2014 - 2020	Director Omise Co., Ltd.
2013 - 2019	Director Tokyo Runway Marketing Co., Ltd.
2009 - 2019	Director Twenty Four Projects Co., Ltd.
2018 - 2018	Director Taokaenoi Maruesu (Thailand) Co., Ltd.
2012 - 2015	Director Gen C Inspire Corporation Co., Ltd.

Family relation between directors and executive officers

Younger brother of Mr. Nutchatpong Peeradechapan

Younger brother of Ms. Orrapat Peeradechapan

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self	: 317,196,200 shares
Self (indirectly through the holding company)	: 252,000,000 shares
Spouse/minor child(ren)	: - None -

Legal offence within the past 10 years

- None -



Miss Orrapat Peeradechapan

Age 41

Current position

- Director
- Chairman of the Risk Management Committee
- Managing Director
(International Trade and Management)

Education background

- Master of Public Administration,
Ramkhamhaeng University
- Bachelor of Service Industry,
Rangsit University

Training record with the Thailand Institute of Directors (IOD)

- Class 86, year 2010 Directors Accreditation Program (DAP)

Positions in other listed companies

- None -

Positions in non-listed companies

2020 - present	Director Rainbow Project Co., Ltd.
2018 - present	Director Jibvardee Co., Ltd.
2014 - present	Director Peeradechapan Holding Co., Ltd.
2010 - present	Director Dr.Tobi Co., Ltd.
2009 - present	Director Taokaenoi Restaurant & Franchise Co., Ltd.
2008 - present	Director Taokaenoi Care Co., Ltd.
2004 - present	Director NCP Trading and Supply Co., Ltd.

Work experience in the past 5 years

2009 - 2020	Director Twenty Four Projects Co., Ltd.
-------------	--

Family relation between directors and executive officers

Older sister of	Mr. Itthipat Peeradechapan
Younger sister of	Mr. Nutchatpong Peeradechapan

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self	: 60,755,000 shares
Self (indirectly through the holding company)	: 54,000,000 shares
Spouse/minor child(ren)	: - None -

Legal offence within the past 10 years

- None -



Mr. Nutchatpong Peeradechapan

Age 42

Current position

- Managing Director (Business Support)

Education background

- Bachelor of Science in Industrial Education
King Mongkut's Institute of Technology
North Bangkok

Training record with the Thailand Institute of Directors (IOD)

- Class 42, year 2011 Company Secretary Program (CSP)
- Class 86, year 2010 Directors Accreditation Program (DAP)

Positions in other listed companies

- None -

Positions in non-listed companies

2014 - present	Director Peeradechapan Holding Co., Ltd.
2010 - present	Director Dr.Tobi Co., Ltd.
2009 - present	Director Taokaenoi Restaurant & Franchise Co., Ltd.
2008 - present	Director Taokaenoi Care Co., Ltd.
2004 - present	Director NCP Trading and Supply Co., Ltd.

Work experience in the past 5 years

2009 - 2019	Director Twenty Four Projects Co., Ltd.
2012 - 2015	Director Gen C Inspire Corporation Co., Ltd.
2010 - 2015	Director Thai Forward Building Co., Ltd.

Family relation between directors and executive officers

Older brother of	Mr. Itthipat Peeradechapan
Older brother of	Ms. Orrapat Peeradechapan

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self	: 60,100,500 shares
Self (indirectly through the holding company)	: 54,000,000 shares
Spouse/minor child(ren)	: - None -

Legal offence within the past 10 years

- None -



Mr. Jirapong Suntipiromkul

Age 59

Current position

- Director
- Deputy Managing Director
- A member of Risk Management Committee

Education background

- Master of Accounting
Chulalongkorn University
- Bachelor of Accounting
University of the Thai Chamber of Commerce

Training record with the Thailand Institute of Directors (IOD)

- Class 108, year 202 Company Secretary Program (CSP)
- Class 287, year 2019 Director Certification Program (DCP)
- Class 8, year 2017 Ethical Leadership Program (ELP)

Positions in other listed companies

- None -

Positions in non-listed companies

2020 - present	Director Taokaenoi Care Co., Ltd.
2018 - present	Director Taokaenoi Restaurant & Franchise Co., Ltd.
2013 - present	Director JWK Engineering Co., Ltd.

Work experience in the past 5 years

- None -

Family relation between directors and executive officers

- None -

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self	: - None -
Spouse/minor child(ren)	: - None -

Legal offence within the past 10 years

- None -



Mr. Prayut Apisitsareekul*

Age 44

Current position

- Chief Strategy and Commerce Officer

Education background

- Master of Business Administration (MBA)
Institut Européen d'Administration des Affaires (INSEAD)
- Bachelor of Electrical Engineering
King Mongkut's Institute Ladkrabang

Training record with the Thailand Institute of Directors (IOD)

- None -

Positions in other listed companies

- None -

Positions in non-listed companies

- | | |
|----------------|---|
| 2020 - present | Directors
Star Hunter Studio Co., Ltd. |
| 2020 - present | Directors
Show No Limit Co., Ltd. |

Work experience in the past 5 years

- | | |
|-------------|---|
| 2017 - 2018 | Finance Director (New Business Investment Department To increase management efficiency Supply chain and logistics of oil drilling North America region)
Schlumberger
(North America – Vertical Integration) |
| 2013 - 2017 | Finance Director, North Asia Headquarters
Schlumberger
(North Asia - Oilfield Services) |

Family relation between directors and executive officers

- None -

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

- | | |
|-------------------------|------------|
| Self | : - None - |
| Spouse/minor child(ren) | : - None - |

Legal offence within the past 10 years

- None -

* Mr. Prayut Apisitsareekul resigned from the Company on 1 January 2022.



Mrs. Tipnapa Jitjang

Age 49

Current position

- Chief Financial Officer

Education background

- Master of Business Administration
SCHOOL OF BUSINESS,
BABSON COLLEGE, USA
- Bachelor of Department of Statistics, Applied Statistics
Faculty of Commerce and Administration
Chulalongkorn University

Training record with the Thailand Institute of Directors (IOD)

- None -

Positions in other listed companies

- None -

Positions in non-listed companies

- None -

Work experience in the past 5 years

2018 - 2021	VP- Head of Finance Brand's Suntory (Thailand) Co.,Ltd
2014 - 2018	Finance Director Osotspa Public Company Limited

Family relation between directors and executive officers

- None -

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self	: 80,000 shares
Spouse/minor child(ren)	: - None -

Legal offence within the past 10 years

- None -



Mr. Prin Pitchayavijit

Age 52

Current position

- Chief People Officer

Education background

- Master of Human Resource Development
National Institute of Development Administration
- Bachelor of Political Sciences
Ramkamhaeng University

Training record with the Thailand Institute of Directors (IOD)

- None -

Positions in other listed companies

- None -

Positions in non-listed companies

- None -

Work experience in the past 5 years

2007 - 2020 Director of Mitr Phol Development Institute
Mitr Phol Sugar Corporation., Ltd.

Family relation between directors and executive officers

- None -

Shareholding in the company includes the shareholding of the spouses and minor child(ren)

(As of 30 December 2021)

Self : - None -

Spouse/minor child(ren) : - None -

Legal offence within the past 10 years

- None -



Mr. Woothi Kruanamkhum

Age 49

Current position

- Chief Operating Officer

• Chief Operating Officer

- Master of The Management
Ramkamhaeng University
- Bachelor of Mechanical Engineering
King Mongkut's Institute of Technology
North Bangkok

Training record with the Thailand Institute of Directors (IOD)

- Class 160, year 201 Directors Certification Program (DCP)
- Class 280, year 2019 Directors Accreditation Program (DAP)

Positions in other listed companies

- None -

Positions in non-listed companies

-None-

Work experience in the past 5 years

2018 - 2020	Chief Executive Officers Bluefalo Co., Ltd.
2017 - 2018	Chief Operating Officer Mary Anne Co., Ltd.
2017 - 2017	Chief Operating Officer Do Day Dream PCL.
2016 - 2016	Factor Director Mary Anne Co., Ltd.
2012 - 2016	Product Director Monsanto Thailand Co., Ltd.

Family relation between directors and executive officers

- None -

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self	: - None -
Spouse/minor child(ren)	: - None -

Legal offence within the past 10 years

- None -



Mr. Pisan Taraphat

Age 50

Current position

- Chief Revenue Officer

Education background

- Master of General Management
Assumption University
- Bachelor of Marketing
Assumption University

Training record with the Thailand Institute of Directors (IOD)

- None -

Positions in other listed companies

- None -

Positions in non-listed companies

- None -

Work experience in the past 5 years

2016 - 2021	General Manager Jacobs Douwe Egberts TH Co., Ltd.
-------------	--

Family relation between directors and executive officers

- None -

Shareholding in the company includes the shareholding of the spouses and minor child(ren) (As of 30 December 2021)

Self	: - None -
Spouse/minor child(ren)	: - None -

Legal offence within the past 10 years

- None -

7.5 About Employees

Personnel

The changes in the personnel of Taokaenoi Food & Marketing Public Company Limited within the past three years are as follows:

Unit : Person

Location	2021			2020			2019		
	Part-time	Monthly	Total	Par-time	Monthly	Total	Part-time	Monthly	Total
Muang Thong Thani Office	-	198	198	-	196	196	-	212	212
Noppawong Factory	264	89	353	531	163	694	1,670	305	1,975
Rojana Factory	1,611	332	1,943	1,532	289	1,821	1,267	185	1,452
Other/Out Source	-	-	-	-	-	-	-	-	-
Total	1,875	619	2,494	2,063	648	2,711	2,937	702	3,639

The changes in the personnel of Taokaenoi Food & Marketing Public Company Limited within the past three years are as follows:

Line	2021			2020			2019		
	Part-time	Monthly	Total	Part-time	Monthly	Total	Part-time	Monthly	Total
Production / Outsource	-	-	-	-	-	-	-	-	-
Production	1,712	161	1,873	1,874	173	2,047	2,709	189	2,898
Production Planning	-	10	10	-	8	8	-	9	9
Quality Assurance	49	35	84	61	33	94	67	37	104
Engineering	5	54	59	7	65	72	8	69	77
Safety	-	5	5	-	5	5	-	5	5
Quality Management Representative	-	5	5	-	8	8	-	4	4
Supply Chain	71	82	153	71	77	148	75	83	158
Purchase	-	12	12	-	10	10	-	14	14
Research and Development	2	16	18	4	18	22	5	17	22
Import and Trading	-	4	4	-	4	4	-	4	4
Foreign Trade	-	29	29	-	32	32	-	31	31
Domestic Marketing	-	40	40	-	42	42	-	58	58
Domestic Sales	-	17	17	-	18	18	-	22	22
Human resource	36	48	84	46	51	97	73	61	134
Management	-	33	33	-	28	28	-	33	33
Law	-	6	6	-	6	6	-	5	5
Information Technology	-	17	17	-	22	22	-	21	21
Cost Finance Account	-	45	45	-	48	48	-	40	40
Total	1,875	619	2,494	2,063	648	2,711	2,937	702	3,639

Welfares

Addressing the importance of employees who are the core of our sustainable growth, the Company provides reasonable compensation and welfares to build morale and encouragement. The followings are our basic welfares.

Group welfare for stability and security includes:

- Provident fund opened for employees to join, and the Company contributes in the fund to support the saving among them and build security for their future.
- Life insurance, accident insurance, and health insurance (OPD, IPD)

Group welfare for life quality and employee ability enhancement includes:

- Flexible Benefit - the employee, can join to leverage their life quality under the specified budget and rate, for instance, fitness center membership, training courses, dental services.
- Online course welfare (self-learning) is initiated under the Your Next You project. The employee can choose from various leading courses from abroad such as Design Thinking, Business Mind Set, Leadership Program, and In-House Training.
- Nursing room in a factory, annual health check.
- Welfare for daily life such as uniforms, shuttle service for employees

As specified in the Company's regulation, other welfares include a special day off on employee's birthday, New Year Party and other important days of the Company, the special supporting fund to employee's family in various occasions, traveling allowance, visit banquet.

7.6 Other important information

7.6.1 Auditors' remuneration

As of the ending of the accounting period, 31 December 2021, the Company and subsidiaries hired Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. and Shanghai Fuqua Network Technology Co., Ltd as an auditor. The followings are the compensation rate provided for the auditors.

Unit: THB million

Auditors' remuneration	TKN	TKNRF	NCP	TKNC	TKNUS
Audit fee	2.01	0.50	0.30	0.10	0.96
Other service fees *	0.31	0.01	0.03	0.00	-
Total	2.32	0.51	0.33	0.10	0.96

Remark* Other service fees include traveling allowance, inspection fee on product elimination process, BOI audit and documentation fee.

7.6.2 Investor Relations

In 2021, the Investor Relations activities and operation result presentation, the information provided to shareholders, minor investors, institution investors, analysts, and stakeholders were published via the following platforms.

Series	Information disclosure and presentation	Times
1.	Joined the Opportunity Day	4
2.	Talking to investors via conference call (1x1 Conference Call)	3
3	Talking to investors via conference call (Group Conference call)	7
4.	Annual General Meeting of Shareholders	1
5.	Arranged Analyst / Fund Manager Meeting	1
6.	Press Release	10

In addition to the above investor relations activities in which our executive officers had joined for giving information to analysts, the Company also assigned investor relations staff to provide initial information to interested people via emails and telephone.

Investor Relations Contact Channels

Email:	ir@taokaenoi.co.th
Website:	www.taokaenoi.co.th/ir (Investor Relations)
Phone:	02 984 06666 ext. 316 Contact Awirut Niyomdech

8

Report of Significant Operation of the Corporate Governance



8.1 Summary of the Board of Directors' performance within the past year.

The Board of Directors's responsibility covers business operation, corporate governance to ensure compliance with policy, operation plan, strategy, objectives, articles of association, including performing the board's duties toward the Company, shareholders and all stakeholders.

8.1.1 Nomination, development and performance assessment of the board

Nomination

The Board of Directors appoints the Nomination and Remuneration Committee with an authority to select the person as the director and Chief Executive Officer. Shareholders are allowed to take part in nominating a person with suitable qualifications for the directorship as well.

In 2021, there are 3 directors completing term of office namely 1. Mrs. Wanee Thasanamontien 2. Mr. Itthipat Peeradechapan 3. Miss Porntera Rongkasiripan After consideration on qualifications of the 3 persons, the Nomination and Remuneration Committee agrees that they have suitable knowledge, skill, experience and work background. they adhere to morality, ethics and have positive attitude toward the organisation, and they can devote their time sufficiently to bring about benefit to business operation. None of them have the prohibited qualification and character pursuant to Public Company Act and the Securities and Exchange Act B.E. 2535 (including any amendments) and related notification. Therefore, they are re-elected for another term.

The director selection by shareholders' meeting is subject to the majority of votes. Each shareholder shall cast own vote.

Knowledge Enhancement

There is one director attending the development course in 2021 as follow:

- Mr. Yuth Vorachattarn

Training course : Director Leadership Certification Program (DLCP)

Performance assessment of the Board of Directors and sub-committee and Chief Executive Officer

In 2021, the performance assessment result of the Board of Directors, sub-committee and Chief Executive Officer are summarised as follows:

The Board of Directors, sub-committee and Chief Executive Officer	Average score in percentage	Level
1. Collective assessment result of the board	88.65	Very good
2. Collective assessment of sub-committee	89.37	Very good
3. Self-assessment	89.44	Very good
4. Chief Executive Officers	93.18	Very good

8.1.2 Attending the meeting and compensation for individual director

Attendance statistic of the Board of Directors and sub-committee in 2021 are summarised as follows:

A table showing meeting attendance of the board member in 2021

Series	Name		BOD ¹	AC ²	NRC ³	RMC ⁴	AGM ⁵
1	Mr. Yuth	Vorachattarn	9 / 9	4 / 4	2 / 2		1 / 1
2	Mrs. Wanee	Thasanamontien	9 / 9	4 / 4	2 / 2		1 / 1
3	Mr. Chaibong	Ratanacharoensiri	9 / 9	4 / 4	2 / 2		1 / 1
4	Mr. Somboon	Prasitjutrakul	9 / 9		2 / 2		1 / 1
5	Mr. Itthipat	Peeradechapan	9 / 9				1 / 1
6	Ms. Orrapat	Peeradechapan	9 / 9			2 / 2	1 / 1
7	Ms. Porntera	Rongkasiripan	9 / 9			2 / 2	1 / 1
8	Mr. Jirapong	Suntipiromkul	9 / 9			2 / 2	1 / 1
9	Mr. Prayut	Apisitsareekul				2 / 2	
Number of meeting attendees			8	3	4	4	8

¹ The Board of Directors (BOD) consists of eight members

with Mr. Yuth Vorachattarn as a Chairman of the Board.

² The Audit Committee (AC) consists of three members

with Mrs. Wanee Thasanamontien as the Audit Committee Chairman.

³ Nomination and Remuneration Committee (NRC) consists of four members

with Mr. Chaibong Ratanacharoensiri as a Chairman of the Nomination and Remuneration Committee.

⁴ Risk Management Committee (RMC) consists of four members

with Ms. Orrapat Peeradechapan as a Chairman of the Risk Management Committee.

⁵ The Annual General Meeting (GM) of Shareholders for the year 2020 was held on 21 April 2021

with Mr. Yuth Vorachattarn as the chairman of the meeting.

Remuneration for Directors and Executives in 2021

Position	Unit	2021	2020	2019
Board of Directors				
- Chairman of the Board	THB/month	60,000	60,000	60,000
- Independent Director	THB/month	30,000	30,000	30,000
- Director and Executive Committee	THB/month	80,000	80,000	80,000
Audit Committee				
- Chairman of the Board	THB/month	20,000	20,000	20,000
- Director	THB/month	15,000	15,000	15,000
Nomination and Remuneration Committee				
- Chairman of the Board	THB/time	10,000	10,000	10,000
- Director	THB/time	8,000	8,000	8,000

Other benefits - None -

In 2021, the total remuneration provided to the Board of Directors was THB 3,068,000. Details are as shown below.

Series	Name	Remuneration (THB)			The bonus year 2020	Total (THB)
		BOD ¹	AC ²	NRC ³		
1	Mr. Yuth Vorachattarn	720,000	180,000	16,000	-	916,000
2	Mrs. Wanee Thasanamontien	360,000	240,000	16,000	-	616,000
3	Mr. Chaiyong Ratanacharoensiri	360,000	180,000	20,000	-	560,000
4	Mr. Somboon Prasitjutrakul	960,000	-	16,000	-	976,000
5	Mr. Itthipat Peeradechapan					
6	Miss Orrapat Peeradechapan					
7	Miss Pornteera Rongkhasiriphan					
8	Mr. Jirapong Suntipiromkul					
Total		2,400,000	600,000	68,000	-	3,068,000

¹ Board of Director "BOD"

² Audit Committee "AC"

³ Nominaion and Remuneration Committee "NRC"

The Executive's Remuneration

According to the Notification of the Office of the Securities and Exchange Commission Tor Lor Jor.23/2551 states that "Executives" meaning the management or take on the role as the executive ranked in the top four. Those individuals hold the position equivalent to all four executives. This includes those who hold executive positions in accounting and finance of the company equivalent to the top 4 executives' level or higher.

According to the company's structure in 2021, the Securities and Exchange Commission has 9 executives in total. These are: Chief Executive Officer, Managing Director (International trade and management), Managing Director (Business support), Deputy Managing Director, Chief Financial Officer, Chief Operating Officer, Chief Strategy and Commerce Officer, Chief People Officer and Chief Revenue Officer received remunerations in the forms of salaries, bonuses and other benefits totaling 45.49 million baht.

Other compensation

1. **Other Remuneration of Directors** : none
2. **Other Executive Remuneration**

The company has registered a provident fund. By registering an additional employer to join the registered provident fund, Krungthai Master Pool Fund. Krung Thai Asset Management Public Company Limited is the fund manager. Which all employees and executives can apply for membership In which members will pay the accumulated money to the fund The employer shall deduct from the wages and submit them to the fund at the rate of 3-7% of the wages. The employer is obliged to pay contributions to the fund. On the same day the member pays contributions to the fund at the following percentage of wages:

Years of Work	Employer's Contribution Rate (percentage)
Under 3 years	3
Between 3-7 years	5
From 7 years	7

8.1.3 Supervision of Subsidiaries and Associated Companies

Supervision of Subsidiaries and Associated Companies

For supervising the operations of subsidiaries and associated companies, the Company will send directors or high-level employees to supervise the subsidiaries. and associated companies In order to set important policies and control business operations, the operations are carried out in an appropriate direction and create the best benefits for the Company as a whole, and the Company should have the right to object (Veto Right) in important matters. to be operated by that subsidiary The said company must be approved from the Board of Directors of the Company first and in the case of entering into a connected transaction must be approved by the Audit Committee as well. There are regulations in the connected transaction. Acquisition or disposition of assets or any other important transactions of such companies in completeness and accuracy and use the rules for disclosing information; and if the operation has Impact on the Company significantly Must obtain approval from the Board of Directors' meeting of the Company first, as well as to supervise the collection of information and accounting records of the subsidiary companies so that the Company can examine and collect them to prepare the financial statements in a timely manner.

The Central Support Unit is centralised at the Company. The subsidiaries will appoint a direct responsible person while some use the outsource. Further details are as follows:

Accounting, accounting system, finance, costs, planning, and budget.

Human resource and organization development
Corporate information technology

Each subsidiary functions as a business unit to support the Company's business operation, including seasoning power production - as raw materials for the Company. On the other hand, the snacks and souvenir shops function as follows:

Seasoning powder as a raw material for processed seaweed production.

The seasoning powder production unit is responsible for procuring raw materials to feed the production, proceed the show to meet the standard set forth, and deliver to the Company to produce a ready-made seaweed production line.

Restaurant/snack and souvenir shops

Restaurant/s/souvenir shops function as a distribution channel for the Company by directly targeting the customer group. The restaurant and souvenir shop is also a platform to conduct new products for the domestic market and tourists and arrange marketing promotion activities.

The subsidiary's business operation must be under the business policy and criteria set forth by the Company.

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

Summary of key duties and responsibilities

The Audit Committee has performed its duties and responsibilities as assigned. The summary of important performance in 2021 are as follows:

1. Review of financial statements
2. Review and provide opinions on related transactions or the transaction that may have a conflict of interest.
3. Review of the internal audit
4. Review of the operation and internal control system
5. Review of risk management system
6. Fraud Audit Review
7. Review of compliance with Securities and Exchange laws
8. Appointing Auditor and considering Auditor's fee

Meeting attendance of the Audit Committee and operation performance for the year 2021 are available in Attachment 6.

8.3 Summary of other sub-committee performance

The Board of Directors appoints 2 sub-committee which include Nomination and Remuneration Committee, and Risk Management Committee to alleviate responsibility of the Board of Directors. Their performance is summarised as follows:

8.3.1 Nomination and Remuneration Committee

The Nomination and Remuneration Committee has performed its duties and responsibilities as assigned. Summary of the major performance in 2021 are as follows:

Consider the compensation of the Board of Directors and sub-committee for the year 2021, and propose to the Annual General Meeting of Shareholders 2021.

Consider the assessment and performance to the Company's vision to review performance of the Board of Directors and sub-committee for the year 2021.

8.3.2 Risk Management Committee

The Risk Management Committee has performed its duties and responsibilities as assigned. Summary of the major performance in 2021 are as follows:

1. Review policy, strategy and guideline of enterprise risk management.
2. Categorise types of risk and risk assessment framework for the year 2021.
3. Report risk assessment result and risk management operation to the Audit Committee meeting.

Meeting attendance of the Nomination and Remuneration Committee and Risk Management Committee including operation performance for the year 2021 are available in Attachment 6.

9

Internal Control and Related Transactions



9.1 Internal Control

The Board of Directors realises the importance of internal control system and hence provides the internal control system that covers finance, management, and operation to leverage the effectiveness and efficiency to meet the requirement of the laws, regulations, and rules. Furthermore, the Company's risk management effectively maintains the risk at an acceptable level, suited to each department's working environment or activity.

For the internal control framework according to the guidelines of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) that the Board of Directors and Audit Committee adheres to and refers to internal control scope based on the Company's internal control system assessment, which covers five elements, namely below.

1. Control Environment

The Company has an optimised organizational structure and working environment that enables the effective operation of internal control. The Board of Directors adheres to and places the importance of correct matters based on justice and morality. The internal control involves the feasibility of the target set forth, and such target is passed on to employees regularly. There is a fair indicator to identify employee performance and business goals and provide guidance for performing their duties.

Furthermore, the distinctive organizational structure enables the Management to perform their tasks effectively, with nomination and recruitment of the proper personnel with qualifications, skills, and knowledge ready to support our corporate goal. The personnel also receive incentive income.

2. Risk Assessment

Prioritising risk management, the Company has established risk assessment procedures consistent with the business objective and target by identifying and analysing all types of risk existing now and in the future. The risk assessment will clarify measures to control and monitor the risk properly in case of failure to accomplish one of our objectives. The Company has guidance necessary for controlling impacts and potential risks based on the insignificant risk level to business operation. The comprehensive assessment covers the factors that may

affect the Company's business operation, including the impact from external and internal including all departments.

The Company has appointed the Risk Management Committee to manage the risk as a whole. The Risk Management Committee's duty covers all departments regarding managing and controlling risk at an acceptable level specified in the Key Risk Indicator (KRI). The KRI is the vital indicator for improvement operation target to accomplish a successful operation and conform to the current situation.

3. Control Activities

The Company has in place control procedures to ensure compliance with the rules, regulations, mandatory and work manual regularly, including the determination of authority and approval hierarchy in explicit and written form. Furthermore, the Audit Committee considers the internal audit result quarterly to acknowledge important topics and issues. Eventually, the Audit Committee will suggest to the Management for resolution and report the outcome accordingly. In case there is a transaction made with a person who may have a conflict or a person related to the Management, the matter is brought forward or proposed to the Audit Committee's meeting for consideration and to seek approval from the Board of Directors under the relevant procedures and rules.

4. Information and Communication

The Company has in place good quality data storage and information technology. Our documents are sorted into categories, in particular, accounting documents which are important to preparing financial reports to the Board of Directors. The accounting documents and booking are stored in proper order and traceable. The invitation letter to the meeting and supporting document are prepared before the meeting within an adequate period and in line with the law. The information is beneficial to the Company's business, accurate, and sufficient for related parties to decide. Such information will lead to successful operation control, mutual understanding of individual responsibility, and the availability to utilise correctly. The internal communication procedures effectively create the convenience of access to the data necessary for work or auditing transactions. In addition, the communication to the external party is appropriately conducted.

The Company provides a communication channel with stakeholders such as the complaint channel, call center, investor relations officer to acknowledge errors and issues found and to acknowledge the external party of the correct information and the report of any matter promptly.

5. Monitoring and Evaluation

The Company has in place continual operation monitoring procedures. The Audit Committee has considered and approved the annual internal audit plan after reviewing various coordination matters with the Internal Audit Unit. Furthermore, the Audit Committee has invited the auditor to propose the financial statement regularly monitoring performance. The performance is prepared in the report and proposed to the Audit Committee and the Board of Directors every quarter. Accordingly, the Company conducts

the assessment on a regular basis to ensure the effectiveness of the internal control.

Upon considering the internal audit assessment result, and the information inquired from the Management, including reviewing documents prepared by the Management, it is summarised that the Company's internal control system is effective and appropriate.

According to COSO approach, the Company has divided the corporate internal control in 3 levels as follows:

1. Level 1: The operative unit for business operation is responsible as the work owner, and hence, must continuously monitor the assigned work to accomplish successfully. Such procedures are deemed as the control self assessment.
2. Level 2: The Risk Management Unit is responsible for comprehensive corporate risk management and supervising to ensure internal departments will comply with relevant regulations.
3. Level 3: Internal Audit may be a person or department within the organisation, or through the assignment of a person or external entity to perform the audit on department performance, in order to identify the improvement for developing systems and procedures of the organisation to be more effective.

The proceeding mentioned reflects that the internal control and risk management is not the duty of one particular department, but all departments within shall be responsible for, Nonetheless, the Company's internal audit is performed by an external entity.

Head of Internal Audit of the Company

The Audit Committee has appointed P&L Internal Audit Co., Ltd. as an auditor from 2011 until the present. P&L Internal Audit Co., Ltd. assigns Miss Wanwimon Chongureeyapas, the Vice President, as the main responsible person to perform the Company's internal audit.

After considering the qualifications of P&L Internal Audit Co., Ltd., and Miss Wanwimon Chongsureyapas, the Audit Committee is of the opinion that the qualification is adequate and suited to the duties. The company and auditor independence and experience in internal audit for similar business are sufficient. Moreover, Miss Wanwimon Chongsureyaps has been to the training programs related to the internal audit, which are COSO 2014 and Fraud Audit and Caution for Auditor by the Institute of Internal Auditors of Thailand (IIAT), Data Analytics for Internal Auditor Class 2/60 by the Federation of Accounting Professions Under the Royal Patronage (FAP) and the Prepared Course for Certified Internal Auditor: Pre – CIA by Chulalongkorn University. However, the consideration and approval, appointment, dismissal of the Company's internal auditor are subject to the approval (or consent) from the Audit Committee

9.2 Connected Transactions

Taokaenoi Food & Marketing Public Company Limited has established the policy on related transactions of the Company and subsidiary company to assure the transparency, fair, reasonableness and utmost benefits of the Company and shareholders.

Reason and necessity for entering into the connected transaction

Approval on related transactions bases on reasonableness, suitability of the prices for the transaction made with a person with conflict of interest or related person. The purpose of such transaction must be to return the utmost benefit to the Company and shareholders.

Reasonable price and trade agreement

Trade agreement, price and condition of the transaction compared to a transaction made with irrelevant third party must not be different from a transaction made with general customer or the third party and/or market price, and/or the price or condition of such transaction must be in the same level made with the third party and/or must indicate that such transaction has reasonable or fair pricing or condition. In addition, the Company will inspect and oversee the transactions regularly.

For the fourth quarter and cumulative year ending as of 31 December 2021, Taokaenoi Food and Marketing Public Company Limited (“the Company”) and its subsidiaries had connected transactions as follows:

Related person	Type of relationship
Mr. Itthipat Peeradechapan	Director and Chief Executive Officer holding 22.99% of the Company’s shares and 70.00% of shares in Peeradechapan Holding Co., Ltd.
Ms. Orrapat Peeradechapan	Director and Managing Director of the Company holding 4.40% of the Company’s shares and 15.00% of shares in Peeradechapan Holding Co., Ltd.
Mr. Nutchatpong Peeradechapan	Managing Director of the Company holding 4.36% of the Company’s shares and 15.00% of shares in Peeradechapan Holding Co., Ltd.
Dr. Tobi Co., Ltd. (“Dr. Tobi”)	Has two common directors, namely Mr. Itthipat Peeradechapan and Ms. Orrapat Peeradechapan.

At present, the Company holds shares in four subsidiaries, namely below.

Subsidiary	Type of relationship
Taokaenoi Restaurant and Franchise Company Limited (TKNRF)	The Company holds 100.0% in TKNRF.
NCP Trading and Supply Company Limited (“NCP”)	The Company holds 100.0% in NCP.
Taokaenoi Care Company Limited (TKNC)	The Company holds 100.0% of TKNC.
Taokaenoi USA Inc (“TKN US”)	The Company holds 91.21% in TKNUS.

Details of the connected transactions for the fourth quarter and cumulative year ending of 31 December 2021 contain 8 transactions. Details of each transaction are as follows.

1. Trading of goods and services - 4 transactions

Seller / Service Provider	Buyer / Client	Characteristics of transaction / important conditions	Value	
			accumulated (Jan. – Dec.) (THB million)	outstanding balance As at 31 December 2021 (THB million)
Company	TKN US	The Company distributes products to TKN US - Sell products - Trade receivables	116.01 -	- 110.08
TKN US	Company	TKN US charges the sales promotion fee from Taokaenoi - sale promotional expenses - other creditors	1.09 -	- 1.09
Dr. Tobī	TKN RF	TKN RF purchased products for resale in Taokaenoi Land which is a beauty and healthcare product for Dr. Tobī - Purchase of goods (Dr.Tobi issued a credit note to TKNRF due to the return of goods after closing of TKNRF branch) - Trade receivables	(0.29) -	- -
TKN RF	Dr. Tobī	Dr. Tobī purchase cosmetic products from TKN RF for sales via online platform including putting on consignment at the TKN RF stores. - Sell products - Trade receivables	0.004 -	- -

2. Giving or taking financial help 14 transactions.

Seller / Service Provider	Buyer / Client	Characteristics of transaction / important conditions	Value	
			accumulated (Jan. – Dec.) (THB million)	outstanding balance As at 31 December 2021 (THB million)
Ms. Orrapat	Company	The Company leases the building no. 93/6, Rattanathibeth Road, Bang Rk Noi sub-district, Mueang Nonthaburi district, Nonthaburi province from Ms. Orrapat Peeradechapan at the rental rate THB 10,000 monthly to use for document storage. - Rent paid	0.12	-
Mr. Itthipat	Company	The Company leased the building no. 93/7, Rattanathibeth Road, Bang Rk Noi sub-district, Mueang Nonthaburi district, Nonthaburi province from Mr. Itthipat Peeradechapan at the rental rate THB 10,000 monthly to use for document storage. - Rent paid	0.12	-
Mr. Nuchatpong	Company	The Company leased the building no. 93/5, Rattanathibeth Road, Bang Rk Noi sub-district, Mueang Nonthaburi district, Nonthaburi province from Mr. Itthipat Peeradechapan at the rental rate THB 10,000 monthly to use for document storage. - Rent paid	0.12	-
TKN RF	Dr.Tobi	Dr. Tobi leased the space in the building no. 469, Bond Street from TNK RF to use as an office. The lease contain rent and service fee (common facilities fee and parking fee) in total THB 25,561 monthly. - Rental income - Deposit received - rent - Other receivables (refund of guarantee money, after Dr. Tobi canceled the lease in September)	0.12 - -	- - -



Part 3

Financial Statements



Part 3

Financial Statements



REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS
TAOKAENOI FOOD & MARKETING PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Taokaenoi Food & Marketing Public Company Limited and its subsidiaries (the “Group”) and the separate financial statements of Taokaenoi Food & Marketing Public Company Limited (the “Company”), which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders’ equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Taokaenoi Food & Marketing Public Company Limited and its subsidiaries and of Taokaenoi Food & Marketing Public Company Limited as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing (“TSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Federation of Accounting Professions’ Code of Ethics for Professional Accountants that are relevant to the audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the consolidated and separate financial statements of the current period. This matter was addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key Audit Matter	Audit Responses
<p>Valuation of investment in subsidiaries in the separate financial statements</p> <p>Two subsidiaries of the Company have incurred substantial retained deficit which may be an indication that the carrying amount of investment in such subsidiaries in the separate financial statements may exceed the recoverable amount. Therefore, the investment of subsidiaries may be impaired.</p> <p>The consideration of impairment of investment in such subsidiaries in the separate financial statements is depended on the judgements and assumptions used by management in estimating the recoverable amount.</p> <p>Accounting policies for impairment of investment and details of investment in subsidiaries were disclosed in the Notes 3.14, 4 and 9 to the financial statements.</p>	<p>Our key audit procedures included:</p> <ul style="list-style-type: none"> • Understanding the impairment consideration process and related internal control procedures relating to recognition of loss from impairment. • Reviewing the design and implementation of the internal control procedures for such matter. • Involving our internal specialist to assist with: <ul style="list-style-type: none"> - Critically evaluating whether the model used by management to calculate the value in use of the individual Cash Generating Units complies with the requirements of TAS 36 Impairment of Assets. - Validating the assumptions used to calculate the discount rates and recalculating these rates. • Analyzing the projected future cash flows used in the models to determine whether they are reasonable and supportable given the current market and expected future performance. • Subjecting the key assumptions to sensitivity analysis. • Comparing the projected cash flows, including the assumptions relating to revenue growth rates and operating margins, against historical performance to test the accuracy of management's projections. • Comparing between the recoverable amount and the carrying value. • Examining the presentation and related disclosures.

Other Information

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

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Our 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

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

Choopong Surachutikarn
 Certified Public Accountant (Thailand)
 Registration No. 4325
DELOITTE TOUCHE TOHMATSU
JAIYOS AUDIT CO., LTD.
 BANGKOK : February 21, 2022

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2021

TAOKAENOI FOOD & MARKETING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Unit: Baht

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	NOTES	2021	2020	2021	2020
Essets					
CURRENT ASSETS					
Cash and cash equivalents	5.1	223,370,481	208,579,540	181,548,783	189,530,371
Trade and other current receivables	6	574,291,214	436,288,492	669,391,274	486,693,992
Short-term loan to a subsidiary	28	-	-	115,500,000	99,500,000
Inventories	7	1,055,967,619	1,258,707,519	1,024,878,063	1,222,707,345
Other current financial assets	8	253,561,881	274,649,781	253,561,881	271,820,206
Other current assets		21,344,154	23,454,242	17,727,558	13,840,809
Total Current Assets		2,128,535,349	2,201,679,574	2,262,607,559	2,284,092,723
NON-CURRENT ASSETS					
Investment in subsidiaries	9	-	-	116,461,570	137,461,570
Investment property	10	39,745,095	39,745,095	39,745,095	39,745,095
Property, plant and equipment	11	999,383,943	982,907,868	968,449,479	942,818,275
Right-of-use assets	12	105,938,305	87,684,291	90,472,943	62,792,487
Goodwill	13	12,759,861	11,468,294	-	-
Other intangible assets other than goodwill	14	53,266,960	55,671,730	40,371,352	40,806,907
Deferred tax assets	24	92,854,434	75,804,527	40,177,782	27,692,585
Other non-current assets		21,736,889	25,959,949	9,299,428	13,539,645
Total Non-current Assets		1,325,685,487	1,279,241,754	1,304,977,649	1,264,856,564
TOTAL ASSETS		3,454,220,836	3,480,921,328	3,567,585,208	3,548,949,287

Notes to the financial statements from an integral part of these statements

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2021

TAOKAENOI FOOD & MARKETING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Unit: Baht

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	NOTES	2021	2020	2021	2020
Liabilities And Shareholders' Equity					
CURRENT LIABILITIES					
Short-term borrowings from financial institutions	15	501,984,917	690,217,376	490,395,887	680,217,376
Trade and other current payables	16	606,025,650	568,334,245	565,741,357	546,755,337
Current portion of lease liabilities	20	30,937,540	25,155,186	17,769,423	10,426,694
Short-term borrowings	17	16,550,533	14,588,415	-	-
Income tax payable		13,076,844	21,318,426	13,076,844	21,316,954
Other current liabilities		38,911,650	38,053,289	23,725,375	24,673,376
Total Current Liabilities		1,207,487,134	1,357,666,937	1,110,708,886	1,283,389,737
NON-CURRENT LIABILITIES					
Long-term borrowings from financial institutions	18	134,081,846	-	134,081,846	-
Long-term borrowing	19	-	4,506,556	-	-
Lease liabilities	20	77,853,161	63,184,993	74,873,495	52,742,598
Non-current provision for employee benefits	21	37,103,382	31,337,661	35,282,081	29,526,434
Other non-current liabilities		2,140,062	1,658,286	-	-
Total Non-current Liabilities		251,178,451	100,687,496	244,237,422	82,269,032
TOTAL LIABILITIES		1,458,665,585	1,458,354,433	1,354,946,308	1,365,658,769
SHARE CAPITAL					
Share capital					
Authorized share capital					
1,380,000,000 ordinary shares of Baht 0.25 each		345,000,000	345,000,000	345,000,000	345,000,000
Issued and paid-up share capital					
1,380,000,000 ordinary shares of Baht 0.25 each, fully paid		345,000,000	345,000,000	345,000,000	345,000,000
Share premium on ordinary shares		1,315,440,000	1,315,440,000	1,315,440,000	1,315,440,000
INTEREST IN A SUBSIDIARY		1,186,255	1,186,255	-	-
RETAINED EARNINGS					
Appropriated					
Legal reserve	22	34,500,000	34,500,000	34,500,000	34,500,000
Unappropriated		306,408,552	331,283,260	517,698,900	488,350,518
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY		(5,298,686)	(4,407,696)	-	-
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		1,997,236,121	2,023,001,819	2,212,638,900	2,183,290,518
NON-CONTROLLING INTERESTS		(1,680,870)	(434,924)	-	-
TOTAL SHAREHOLDERS' EQUITY		1,995,555,251	2,022,566,895	2,212,638,900	2,183,290,518
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,454,220,836	3,480,921,328	3,567,585,208	3,548,949,287

Notes to the financial statements from an integral part of these statements

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2021

TAOKAENOI FOOD & MARKETING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Unit: Baht

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	Notes	2021	2020	2021	2020
Revenues					
Revenue from sales		3,610,932,723	3,983,113,688	3,502,728,573	3,843,840,147
Gain on exchange rates - net		8,024,624	293,984	8,052,946	413,820
Other income		25,528,415	15,863,426	24,361,307	16,211,108
Total revenues		3,644,485,762	3,999,271,098	3,535,142,826	3,860,465,075
Expenses					
Cost of sales	7	2,742,413,186	2,959,050,876	2,671,571,326	2,865,820,209
Distribution costs		399,741,083	442,360,131	336,182,382	367,857,412
Administrative expenses		298,336,791	306,724,098	249,089,159	240,364,751
Loss from impairment of investment	9	-	-	21,000,000	-
Total expenses		3,440,491,060	3,708,135,105	3,277,842,867	3,474,042,372
Profit from operating activities		203,994,702	291,135,993	257,299,959	386,422,703
Finance costs		(12,730,692)	(18,084,344)	(11,207,184)	(15,971,464)
Profit before income tax expense		191,264,010	273,051,649	246,092,775	370,451,239
Income tax expense	24	(10,298,798)	(31,179,654)	(9,744,393)	(33,073,408)
Profit For The Year		180,965,212	241,871,995	236,348,382	337,377,831
OTHER COMPREHENSIVE INCOME (LOSS):					
Items that may be reclassified subsequently to profit or loss					
Exchange differences on translating financial statements		(976,856)	375,099	-	-
Item that will not be reclassified subsequently to profit or loss					
Acturial loss - net of income tax		-	(2,082,858)	-	(1,221,281)
Other comprehensive income (loss) for the year - net of income tax		(976,856)	(1,707,759)	-	(1,221,281)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		179,988,356	240,164,236	236,348,382	336,156,550

Notes to the financial statements from an integral part of these statements

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2021

TAOKAENOI FOOD & MARKETING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Unit: Baht

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	NOTES	2021	2020	2021	2020
PROFIT (LOSS) ATTRIBUTABLE TO:					
Owners of the Parent		182,125,292	242,620,869	236,348,382	337,377,831
Non-controlling interests		(1,160,080)	(748,874)		
		180,965,212	241,871,995		
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:					
Owners of the Parent		181,234,302	240,880,139	236,348,382	336,156,550
Non-controlling interests		(1,245,946)	(715,903)		
		179,988,356	240,164,236		
BASIC EARNINGS PER SHARE (BAHT)					
	29	0.13	0.18	0.17	0.24
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (SHARES)					
		1,380,000,000	1,380,000,000	1,380,000,000	1,380,000,000

Notes to the financial statements from an integral part of these statements

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2021
TAOKAENOI FOOD & MARKETING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Unit: Baht

CONSOLIDATED FINANCIAL STATEMENTS									
NOTES	Issued and paid-up share capital	Share premium on ordinary shares	Surplus arising from change in ownership interest in a subsidiary	Retained earnings			Other components of shareholders' equity		
				Appropriated - legal reserve	Unappropriated	Total other components of shareholders' equity	Total shareholders' equity attributable to owners of the Parent	Non - controlling interests	Total shareholders' equity
				The Company		financial statement			
Balance as at January 1, 2020	345,000,000	1,315,440,000	1,186,255	34,500,000	449,545,249	(4,749,824)	2,140,921,680	280,979	2,141,202,659
Profit (loss) for the year	-	-	-	-	242,620,869	-	242,620,869	(748,874)	241,871,995
Other comprehensive income (loss) for the year	-	-	-	-	(2,082,858)	342,128	(1,740,730)	32,971	(1,707,759)
Total comprehensive income (loss) for the year	-	-	-	-	240,538,011	342,128	240,880,139	(715,903)	240,164,236
Dividends paid	27	-	-	-	(358,800,000)	-	(358,800,000)	-	(358,800,000)
Balances as at December 31, 2020	345,000,000	1,315,440,000	1,186,255	34,500,000	331,283,260	(4,407,696)	2,023,001,819	(434,924)	2,022,566,895
Balance as at January 1, 2021	345,000,000	1,315,440,000	1,186,255	34,500,000	331,283,260	(4,407,696)	2,023,001,819	(434,924)	2,022,566,895
Profit (loss) for the year	-	-	-	-	182,125,292	-	182,125,292	(1,160,080)	180,965,212
Other comprehensive income (loss) for the year	-	-	-	-	-	(890,990)	(890,990)	(85,866)	(976,856)
Total comprehensive income (loss) for the year	-	-	-	-	182,125,292	(890,990)	181,234,302	(1,245,946)	179,988,356
Dividends paid	27	-	-	-	(207,000,000)	-	(207,000,000)	-	(207,000,000)
Balances as at December 31, 2021	345,000,000	1,315,440,000	1,186,255	34,500,000	306,408,552	(5,298,686)	1,997,236,121	(1,680,870)	1,995,555,251

Notes to the financial statements form an integral part of these statements

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2021
TAOKAENOI FOOD & MARKETING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Unit: Baht

SEPARATE FINANCIAL STATEMENTS							
NOTES	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Other components of shareholders' equity		Total shareholders' equity
			Appropriated	Unappropriated	Other comprehensive income		
						Legal reserve	
Balance as at January 1, 2020	345,000,000	1,315,440,000	34,500,000	510,993,968	-	-	2,205,933,968
Profit for the year	-	-	-	337,377,831	-	-	337,377,831
Other comprehensive loss for the year	-	-	-	(1,221,281)	-	-	(1,221,281)
Total comprehensive income for the year	-	-	-	336,156,550	-	-	336,156,550
Dividends paid	-	-	-	(358,800,000)	-	-	(358,800,000)
27							
Balances as at December 31, 2020	345,000,000	1,315,440,000	34,500,000	488,350,518	-	-	2,183,290,518
Balance as at January 1, 2021	345,000,000	1,315,440,000	34,500,000	488,350,518	-	-	2,183,290,518
Profit for the year	-	-	-	236,348,382	-	-	236,348,382
Total comprehensive income for the year	-	-	-	236,348,382	-	-	236,348,382
Dividends paid	-	-	-	(207,000,000)	-	-	(207,000,000)
26							
Balances as at December 31, 2021	345,000,000	1,315,440,000	34,500,000	517,698,900	-	-	2,212,638,900

Notes to the financial statements from an integral part of these statements

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2021

TAOKAENOI FOOD & MARKETING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Unit: Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
NOTES	2021	2020	2021	2020
Cash flows from operating activities				
Profit for the year	180,965,212	241,871,995	236,348,382	337,377,831
Adjustments for				
Income tax expense	10,298,798	31,179,654	9,744,393	33,073,408
Depreciation of fixed assets and right-of-use assets	175,084,167	175,061,018	149,459,413	139,329,792
Amortization of intangible assets	6,596,122	7,856,578	4,578,291	5,670,952
Unrealized loss (gain) on derivative	3,431	(22,257)	3,431	(22,257)
Loss from diminution in value of inventories	12,953,160	31,762,708	16,562,432	27,651,754
Loss allowance (reversal)	(637,672)	4,182,593	58,311	1,461,688
Allowance for impairment loss on investments in subsidiaries	-	-	21,000,000	-
Impairment loss on fixed assets (reversal)	3,072,752	(2,035,615)	5,478,937	-
Difference from rental discount from temporary relief measure	(5,741,956)	306,116	(119,143)	4,943
Difference from cancellation of leases	(23,894)	(1,046,877)	-	-
Loss (gain) on sale and write-off of fixed assets	5,849,110	7,628,746	1,123,608	(857,155)
Reversal of long-term borrowing to government grant	(5,014,088)	-	-	-
Unrealized (gain) loss on exchange rates	(1,813,348)	1,250,023	(1,813,348)	1,280,957
Gain on sale of other current financial assets	(718,957)	(654,039)	(1,578,409)	(654,039)
Unrealized gain on revaluation of other current financial assets	(1,208,543)	(1,348,909)	(163,265)	(1,261,034)
Employee benefit expenses	6,506,401	4,722,436	6,013,827	4,229,481
Interest income	(199,304)	(299,879)	(2,327,830)	(1,296,667)
Finance costs	12,730,692	18,084,344	11,207,184	15,971,464
	398,702,083	518,498,635	455,576,214	561,961,118
Changes in operating assets and liabilities				
Operating assets (increase) decrease				
Trade and other current receivables	(130,845,046)	476,735,073	(176,235,590)	536,409,734
Inventories	189,786,740	42,100,475	181,266,851	14,091,989
Other current assets	2,521,108	19,036,137	(2,584,739)	28,429,299
Other non-current assets	(387,629)	27,445,811	1,201,789	9,487,119
Operating liabilities increase (decrease)				
Trade and other current payables	49,570,333	(37,908,885)	29,916,809	(15,465,972)
Other current liabilities	852,547	(7,206,732)	(953,814)	(13,911,137)
Other non-current liabilities	101,776	948,285	-	-
Employee benefit paid	21	(740,680)	(258,180)	(1,104,570)
Cash generated by operations	509,561,232	1,038,186,733	487,929,340	1,119,897,580
Income tax paid	(35,590,287)	(31,096,451)	(30,469,700)	(31,200,191)
Net cash provided by operating activities	473,970,945	1,007,090,282	457,459,640	1,088,697,389

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2021

TAOKAENOI FOOD & MARKETING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

Unit: Baht

		CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	NOTES	2021	2020	2021	2020
Cash flows from investing activities					
Advance payments for purchases of fixed and intangible assets		(9,747,269)	(11,216,389)	(9,747,269)	(10,349,506)
Cash paid for acquisition of fixed and intangible assets	5.2.1	(177,370,121)	(120,416,319)	(172,638,612)	(109,683,179)
Proceeds from sales of fixed assets		250,911	5,905,037	5,607	1,058,266
Cash paid for acquisition of other financial assets		(205,000,000)	(770,000,000)	(205,000,000)	(770,000,000)
Proceeds from sales of other financial assets		228,015,400	505,000,000	225,000,000	505,000,000
Cash paid for short-term loans to a subsidiary	5.2.2	-	-	(16,000,000)	(99,500,000)
Interest received		199,304	299,879	2,327,830	1,296,667
Net cash used in investing activities		(163,651,775)	(390,427,792)	(176,052,444)	(482,177,752)
Cash flows from financing activities					
Cash repayments for short-term borrowings from financial institutions	5.2.4	(2,340,677,880)	(3,467,707,887)	(2,338,503,505)	(3,458,706,612)
Proceeds from short-term borrowings from financial institutions	5.2.4	2,152,529,986	3,303,253,690	2,148,766,580	3,292,252,415
Cash repayments for short-term borrowings	5.2.4	(334,199)	(10,000,000)	-	-
Proceeds from long-term borrowings from financial institutions	5.2.4	134,081,846	-	134,081,846	-
Proceeds from long-term borrowings	5.2.4	-	4,506,556	-	-
Cash repayments for lease liabilities	5.2.4	(24,151,795)	(24,096,105)	(15,564,740)	(6,681,880)
Dividends paid	5.2.3	(206,939,725)	(358,674,552)	(206,939,725)	(358,674,552)
Interest paid		(12,126,903)	(17,626,033)	(11,229,240)	(16,106,730)
Net cash used in financing activities		(297,618,670)	(570,344,331)	(289,388,784)	(547,917,359)
Effects of foreign exchange rate changes		2,090,441	(36,654)	-	-
Net increase (decrease) in cash and cash equivalents		14,790,941	46,281,505	(7,981,588)	58,602,278
Cash and cash equivalents as at January 1,		208,579,540	162,298,035	189,530,371	130,928,093
Cash and cash equivalents as at December 31,		223,370,481	208,579,540	181,548,783	189,530,371

Notes to the financial statements from an integral part of these statements

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2021

TAOKAENOI FOOD & MARKETING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

1. GENERAL INFORMATION AND THE OPERATION OF THE COMPANY

Taokaenoi Food & Marketing Public Company Limited (the “Company”) was incorporated under the Thai Civil and Commercial Code on September 21, 2004. Subsequently, on May 10, 2013, the Company was transformed into Public Company Limited. The address of its registered office is at 12/1 Moo 4, Tambon Na Mai, Amphur Lad Lum Kaew’ Pathumthani.

The Company’s major and ultimate shareholder is Peeradechapan Holding Company Limited, which was registered in Thailand, holding 26.09% of the Company’s share capital.

The Company is the parent company within the group of companies. The principal business activities are manufacturing and distribution of fried, grilled, and baked seaweed and seaweed snacks. Details of the Group’s subsidiaries as at December 31, 2021 and 2020 are as follows:

Subsidiaries	Business type	Country of registration	Percentage of shareholdings (%)	
			2021	2020
Taokaenoi Restaurant & Franchise Company Limited	Distribution of snacks and souvenirs, and restaurant business	Thailand	100.00	100.00
Taokaenoi Care Company Limited	Distribution of snacks	Thailand	100.00	100.00
NCP Trading & Supply Company Limited	Manufacturing and Distribution of seasoning powder	Thailand	100.00	100.00
TAOKAENOI USA, Inc.	Distribution of seaweed snacks	United States of America	91.21	91.21

The Coronavirus disease 2019 (“COVID-19”) pandemic is continuing to evolve, resulting in an economic slowdown and adverse impact on most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Group’s management has continued to monitor the ongoing situation and regularly assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

2.1 The Group and the Company maintain their accounting records in Thai Baht and prepare their statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.

2.2 The Group’s and the Company’s financial statements have been prepared in accordance with the Thai Accounting Standard (“TAS”) No. 1 “Presentation of Financial Statements”, which was effective for financial periods beginning on or after January 1, 2021 onwards and the Regulation of the Stock Exchange of Thailand (SET) dated October 2, 2017, regarding “The Preparation and Submission of Financial Statements and Reports for the Financial Position and Results of Operations of the Listed Companies B.E. 2560” and the Notification of the Department of Business Development regarding “The Brief Particulars in the Financial Statements (No. 3) B.E. 2562” dated December 26, 2019, which was effective for financial year beginning on or after January 1, 2020.

The accounting standards adopted by the Company may not be in conformity with accounting principles generally accepted in other countries because the financial statements of the Company are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and accounting practices generally accepted in countries other than Thailand. Accordingly, the financial statements have not been designed for those who are not familiar with accounting principles and accounting practices generally accepted in Thailand.

For the convenience of readers, an English translation of the financial statements has been prepared from Thai language statutory financial statements which are issued for domestic financial reporting purposes. In the event of any conflict or interpretation difference between two different languages, the Thai version of consolidated and separate financial statements prepared in accordance with Thailand laws supersedes.

2.3 The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).

2.4 The consolidated and separate statements of financial position as at December 31, 2020, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been previously audited.

2.5 Thai Financial Reporting Standards affecting the presentation and disclosure in the current year's financial statements

During the year, the Group has adopted the revised financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, the amendment for definition of business, the amendment for definition of materiality and accounting requirements for interest rate reform. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

The Interest Rate Reform

Due to the interest rate reform, there are the amendments of specific hedge accounting requirements in Thai Financial Reporting Standard No. 9 "Financial Instruments" and Thai Financial Reporting Standard No. 7 "Financial Instruments: Disclosures".

These amendments modify specific hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments affected by the current interest rate benchmarks are amended as a result of the on-going interest rate benchmark reforms. The amendments are relevant to the Group given that it applies hedge accounting to its benchmark interest rate exposures.

In addition, TFRS 7 introduces new disclosure requirements to the Group for hedging relationships that are subject to the exceptions introduced by the amendments to TFRS 9. The Group disclosed such information in the financial statements in Note 33.

The Rent Concessions related to COVID-19

The Group elected to adopt the practical expedient relating to COVID-19 related Rent Concessions according to the amendments to TFRS 16 "Leases". The amendment permits lessees, as a practical expedient, not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications. Any reduction in lease payments affects only payments originally due on or before June 30, 2022 and there is no substantive change to other terms and conditions of the lease.

The Group's management has adopted such aforementioned practical expedient in the preparation of the financial statements for the year ended December 31, 2021 (see Note 12).

2.6 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Amendment to Thai Financial Reporting Standards No. 16 “Leases” (“TFRS 16”) added the requirements for the temporary exception arising from the Phase 2 of the interest rate benchmark reform amendments, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

The Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards No. 4 “Insurance Contracts”, Thai Financial Reporting Standards No. 7 “Financial Instruments: Disclosures”, and Thai Financial Reporting Standards No. 9 “Financial Instruments”, which have been announced in the Royal Gazette on June 28, 2021 and will be effective for the financial statements for the period beginning on or after January 1, 2022 onwards with earlier application permitted. The amendment to such Thai Financial Reporting Standards are relevant to the Phase 2 of the interest rate benchmark reform amendments which provided practical expedients for the modification of the contractual cash flows of financial assets or financial liabilities resulted from the interest rate benchmark reform, including temporary exceptions from specific hedge accounting requirements, and additional disclosure requirements of TFRS 7.

In addition, the Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards which have been announced in the Royal Gazette on December 22, 2021, as follows:

- Thai Financial Reporting Standards No. 1 “First-time Adoption of Thai Financial Reporting Standards”, to be effective for the financial statements for the period beginning on or after January 1, 2022 onwards.

The Group’s management will adopt such TFRSs in the preparation of the Group’s financial statements when it becomes effective. The Group’s management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any significant impact on the financial statements of the Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are as follows:

3.1 Basis for preparation of consolidated financial statements

- a) The consolidated financial statements comprise the Company’s and its subsidiaries’ financial statements. The Company is deemed to have control over an investee or subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and has the ability to direct the activities that significantly affect the amount of its returns.
If facts and circumstances indicate that there are changes to one or more of the elements of control listed above, the Group reassesses whether or not it controls an investee.
- b) Subsidiaries are fully consolidated, from the date on which the Company obtains control, and continue to be consolidated until the date such control ceases.
- c) The financial statements of the subsidiaries are prepared using the same accounting period and significant accounting policies as the Company.
- d) The assets and liabilities in the financial statements of overseas subsidiary companies are translated into Baht using the exchange rate prevailing at the end of the reporting period, and revenues and expenses are translated using monthly average exchange rates. The resulting differences are recognized as other comprehensive income in the statement of comprehensive income and shown under the caption of “Exchange differences on translating financial statement” in the statements of changes in shareholders’ equity until disposal of the investment.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

- f) 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.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and all types of deposits at financial institutions with the original maturities of three months or less from the date of acquisition, excluding deposits at financial institutions used as collateral.

3.3 Trade and other current receivables

Trade and other current receivables are stated at their invoice value less allowance for expected credit losses.

The allowance for expected credit losses has been disclosed in Note 3.18.

3.4 Inventories

Finished goods and work in process are valued at the lower of cost or net realizable value. The cost of inventories is measured using the standards cost method, which approximates actual cost under the first-in, first-out method and includes raw material costs, labour cost and attributable factory overheads.

Merchandise inventories, raw materials, ingredients, packing materials and spare parts and factory supplies are valued at the lower of cost under the first-in, first-out method or net realizable value and are charged to production costs whenever consumed.

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

3.5 Investment property

Investment property is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is stated at cost less allowance for loss on impairment, if any.

On disposal of investment property, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period when the asset is derecognized.

3.6 Property, plant and equipment

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

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

Land improvements	9 years
Buildings and building improvementsst	20 years and based on the remaining period of land leases for those acquired since 2015 onwards
Machinery and equipment	5 years and 10 years
Furniture and office equipment	3 years and 5 years
Motor vehicles	5 years

Depreciation is included in income determination.

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

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

3.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

3.8 Goodwill

Goodwill is initially recorded equals the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognized as gain in profit or loss.

Goodwill is not amortized but is reviewed for impairment at least annually.

For the purpose of impairment testing, goodwill acquired from a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that is expected to benefit from the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognized in profit or loss. Impairment losses relating to goodwill is not reversed in future periods.

3.9 Other intangible assets other than goodwill

Other intangible assets other than goodwill are carried at cost less accumulated amortization and allowance for loss on impairment of assets, 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 asset may be impaired. The amortization period and method of such intangible assets are reviewed at least at each financial year end. The amortization is charged to profit or loss.

The amortization expense of intangible assets with finite useful lives is calculated on a straight-line basis over the following estimated useful lives:

Computer software	5 years and 10 years
Franchise	10 years
License	2 years

No amortization is provided for computer software under implementation.

The Group does not amortize intangible assets with indefinite useful lives, which consist of trademarks. However, they are tested for impairment annually, either individually or at the cash generating unit level. Assessment of the indefinite useful lives of the intangible assets is conducted annually.

3.10 Revenue Recognition

Sales of goods

Sales of goods are recognized when the control of the goods has been transferred, being when the goods have been shipped to the customer's specific location. The Group has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when onselling the goods and bears the risks of obsolescence and loss in relation to the goods. A receivable is recognized by the Group when the goods are delivered to the customers as this represents the point in time at which the right to consideration becomes unconditional, as only the passage of time is required before payment is due. Sales are the invoiced value, excluding value-added tax of goods supplied after deducting goods returns, discounts and allowances.

Interest income

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

Dividend

Dividends are recognized when the right to receive the dividends is established.

3.11 Related party transactions

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

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

3.12 Leases

The Group as Lessee

The Group assesses whether a contract is or contains a lease at inception of the contract. The Group recognizes right-of-use assets and corresponding lease liabilities with respect to all lease arrangements, except for short-term leases (with lease terms of 12 months or less) and leases of low-value assets, such as small items of office equipment. For these leases, the Group recognizes the lease payments as operating expenses on a straight-line basis over the terms the leases unless a more effective systematic basis representing the time pattern in which economic benefits from the leased assets is applied.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease. If such rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be paid by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of the option to terminate the lease.

The lease liability is presented as a separate item in the consolidated and separate statements of financial position.

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

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term is changed or there is a significant event or change in circumstances resulting in a change in the assessment of the exercise of the purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate; or
- The lease payments are changed as a result of the change in an index or rate or the change in the expected payment under a guaranteed residual value, in which case the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments are changed as a result of the change in a floating interest rate, in which case a revised discount rate is used); or
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate as at the effective date of the modification.

The Group did not make any adjustments during the year presented.

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

Whenever the Group incurs an obligation for costs of dismantling and removing a leased asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under TAS 37. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset unless those costs are incurred in the production of inventories.

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

The right-of-use assets are presented as a separate item in the consolidated and separate statements of financial position.

The Group applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Property, Plant and Equipment" policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognized as expenses in the period in which the event or condition that triggers those payments occurs and are included in "Administrative expenses" in profit or loss.

As a practical expedient, TFRS 16 permits a lessee not to separate non-lease components, and account for any lease and associated non-lease components as a single arrangement. The Group has used this practical expedient.

The Group as Lessor

Leases in which the Group is the lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, such lease is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

Amounts due from lessees under finance leases are recognized as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

3.13 Transactions in foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rates ruling at the end of the reporting period. Gain and loss on exchange is included in income determination.

The translation of foreign financial statements into Baht for the purpose of preparing the consolidated financial statements is determined using the following rates:

- a. Assets and liabilities are retranslated at the closing rates at the statements of financial position date.
- b. Shareholders' equity is retranslated at the rates prevailing on the transaction dates; and
- c. Revenues and expenses are retranslated at the average rates during the year.

Gain (loss) on translation of foreign financial statements is shown under shareholders' equity.

3.14 Impairment of assets

The carrying amounts of the assets are reviewed at the end of each reporting period to determine whether there is any indication of impairment loss. If any indication exists, the recoverable amount of an asset is estimated.

The Company recognizes impairment loss when the recoverable amount of an asset is lower than its carrying amount. The recoverable amount is the higher amount which is either the asset's fair value less cost to sell or its value in use. The Company determines the value by estimating the present value of future cash flows generated by the asset, discounted using a pre-tax discount rate which reflects current market assessments of the time value of money and the risk specific to the asset. In determining the fair value less costs to sell, an appropriate valuation model is used. The calculation reflects the amount that the Company could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

The Company recognizes impairment loss as an expense in the statement of profit or loss and other comprehensive income unless it reverses a previous revaluation credited to equity and it is subsequently impaired in which case it is charged to the statements of comprehensive income.

Reversal of impairment loss

The Company reverses impairment loss of asset which had been recognized in the prior periods, if there is an indication that the impairment may no longer exist or may have decreased. The recoverable amount must be estimated.

Impairment losses recognized in prior periods in respect of other non-financial assets are assessed at each reporting date to determine whether there is any indication that the impairment will decrease or no longer exist. 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, as if no impairment loss had been recognized.

3.15 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

Actuarial gain or loss arising from the defined benefit plan is recognized immediately in other comprehensive income.

3.16 Provisions

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

3.17 Income tax expense

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognized as income or expenses in the statement of comprehensive income.

Current tax

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

Deferred tax

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

The Group recognizes deferred tax liabilities for all taxable temporary differences but recognizes 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 utilized.

Deferred tax is measured at the tax rates that are enacted at the reporting date.

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

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

3.18 Financial instruments

Financial assets and financial liabilities are recognized in the Group's consolidated statements of financial position when the Group becomes a party according to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All recognized financial assets are measured subsequently at amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset raise, on specified dates, cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- The financial asset is held within a business model whose objectives are to collect contractual cash flows and sell the financial assets; and
- The contractual terms of the financial asset raise, on specified dates, cash flows that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

(1) Amortized cost and effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and allocating interest income over the relevant period.

Interest income is recognized in profit or loss and included in the “finance income - interest income” line item.

(2) Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortized cost or FVTOCI are measured at FVTPL:

- Investments in equity instruments are classified as at FVTPL; and
- Debt instruments that do not meet the amortized cost criteria or the FVTOCI criteria are classified as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any fair value gains or losses recognized in profit or loss.

Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or FVTOCI, trade receivables and contract assets. The amount of the expected credit losses is updated at each reporting period date to reflect changes in credit risk since the initial recognition of the respective financial instruments.

The Group always recognizes lifetime ECL for trade receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both current and future direction forecasts at the reporting date, including time value of money where appropriate.

(1) Write-off policy

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group’s recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

(2) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (e.g. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. The exposure at default for financial assets is represented by the asset’s gross carrying amount as at the reporting date. For financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future. The default date is determined based on the historical trend. The Group tries to understand the specific future financing needs of the debtors, and other relevant forward-looking information.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of the transferred financial asset, the Group continues to recognize the financial asset and a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset’s carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

Derivative financial instruments

The Group enters into derivative financial instruments which are foreign exchange forward contracts to manage its exposure to foreign exchange rate risks.

Derivatives are recognized initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting date. The resulting gain or loss is recognized in profit or loss immediately unless the derivative is designated and effective as a hedging instrument in the event that the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognized as a financial asset whereas a derivative with a negative fair value is recognized as a financial liability. Derivatives are not offset in the financial statements unless the Group has both legal right and intention to offset. A derivative is presented as a non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realized or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

3.19 Fair value measurement

Fair value is the price that would be received from selling an asset or paid for transferring a liability, which is a transaction that occurs in the ordinary course of business between the buyer and the 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. In case of no active market for an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation techniques that are appropriate in the circumstances and maximizes the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

Level 1	Use of quoted market prices in an observable 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 that 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 are necessary.

4.CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCE OF ESTIMATION UNCERTAINTY

4.1 Use of management's judgments in applying the Group's accounting policies

The preparation of financial statements in conformity with Thai Financial Reporting Standards (TFRSs) requires the Group's management to exercise various judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. Significant judgements and estimates are as follows:

Property, plant and equipment/Depreciation

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

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

Impairment of investments

The carrying amounts of the investments in subsidiaries are reviewed at the end of each reporting period. Management estimates the recoverable amount from its value in use, which requires management to make estimate of cash flows to be generated and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Goodwill

The initial recognition and measurement of goodwill as at the acquisition date, and the subsequent impairment testing, require management to make estimates of cash flows to be generated by the assets or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

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

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and employee turnover rate.

4.2 Key sources of estimation uncertainty

The Group has estimates with the assumptions concerning the future. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

4.2.1 Fair value measurements and valuation processes

Some of the Group's assets and liabilities are measured at fair value for financial reporting purposes. The Board of Directors of the Company has set up a valuation committee, which is headed by the Chief Financial Officer, to determine appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group uses other observable information either directly or indirectly.

Information about valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 33.

4.2.2 Calculation of recoverable amount

In the calculation of recoverable amount, the Group's management estimated the future cash flows 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.

4.2.3 Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value-in-use calculation requires the Group's management to estimate the future cash flows expected to arise from the cash-generating unit and requires a suitable discount rate for calculating the present value. If the actual future cash flows are less than expected, a material impairment loss may arise.

4.2.4 Allowance for obsolete and slow-moving inventories

The Group has provided allowance for obsolete and slow-moving inventories based on management's best estimate of net realizable value of damaged, obsolete or deteriorated inventories and review of the aging analysis at the end of each reporting period.

5. SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION

5.1 Cash and cash equivalents

Cash and cash equivalents as at December 31, consist of:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Cash on hand	888	950	200	164
Bank deposits - savings and current accounts	222,482	207,630	181,349	189,366
	223,370	208,580	181,549	189,530

5.2 Non-cash transactions consist of

5.2.1 Cash payments for acquisition of fixed and intangible assets for the years ended December 31, are as follows:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Liabilities incurred from acquisition of fixed and intangible assets as at January 1,	36,525	31,512	34,965	27,204
Add Purchase of fixed and intangible assets during the years	172,807	134,878	168,364	125,598
Less Cash payments	(177,370)	(120,416)	(172,639)	(109,683)
Less Advance payments for purchase of fixed assets paid in the prior year	(13,445)	(9,449)	(12,785)	(8,154)
Liabilities incurred from acquisition of fixed and intangible assets as at December 31,	18,517	36,525	17,905	34,965

5.2.2 Significant non-cash items for the years ended December 31, are as follows:

As at December 31, 2021

	Unit : Thousand Baht			
	SEPARATE FINANCIAL STATEMENTS			
	Balance as at January 1, 2021	Cash flows from investing activities	Non-cash changes	Balance as at December 31, 2021
Short-term loans to a subsidiary	99,500	16,000	-	115,500

As at December 31, 2020

Unit : Thousand Baht

Separate Financial Statements			
	Balance as at January 1, 2020	Cash flows from investing activities	Non-cash changes
			Balance as at December 31, 2020
Short-term loans to a subsidiary	-	99,500	-
			99,500

5.2.3 Dividends paid for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Accrued dividends as at January 1,	3,656	3,530	3,656	3,530
Add Dividends declared during the years	207,000	358,800	207,000	358,800
Less Paid during the years	(206,940)	(358,675)	(206,940)	(358,675)
Accrued dividends as at December 31,	3,716	3,655	3,716	3,655

5.2.4 Reconciliation of liabilities arising from financing activities

Changes in the liabilities arising from financing activities, including both cash and non-cash changes classified as financing activities in the statements of cash flows, are as follows:

As at December 31, 2021

Unit : Thousand Baht

Consolidated Financial Statements							
	Balance as at January 1, 2021	Cash flows from financing activities	Non-cash changes				Balance as at December 31, 2021
			Gain on Exchange rate	Translation differences of financial statements	Increase (Decrease)	Other changes ⁽¹⁾	
Short-term borrowings from financial institutions	690,217	(188,148)	(84)	-	-	-	501,985
Short-term borrowings	14,588	(334)	-	1,671	626	-	16,551
Long-term borrowings from financial institutions	-	134,082	-	-	-	-	134,082
Long-term borrowing	4,507	-	-	507	(5,014)	-	-
Lease liabilities	88,340	(24,152)	-	78	50,267	(5,742)	108,791
Total	797,652	(78,552)	(84)	2,256	45,879	(5,742)	761,409

⁽¹⁾ Such changes occurred from the reduction in lease payments based on the temporary relief measures from the impacts of COVID-19.

As at December 31, 2020

Unit : Thousand Baht

Consolidated Financial Statements						
	Balance as at January 1, 2020	Cash flows From financing activities	Non-cash changes			Balance as at December 31, 2020
			Translation differences of financial statements	Increase (Decrease)	Other changes ⁽¹⁾	
Short-term borrowings from financial institutions	854,672	(164,455)	-	-	-	690,217
Short-term borrowings	14,056	-	(80)	612	-	14,588
Long-term borrowing	-	4,507	-	-	-	4,507
Lease liabilities	2	(24,096)	31	4,234	(18,910)	88,340
Total	878,730	(194,044)	(49)	4,846	(18,910)	797,652

⁽¹⁾ Such changes occurred from the reduction in lease payments based on the temporary relief measures from the impacts of COVID-19

As at December 31, 2021

Unit: Thousand Baht

Separate Financial Statements						
	Balance as at January 1, 2021	Cash flows from financing activities	Non-cash changes			BALANCE AS AT DECEMBER 31, 2021
			Gain on exchange rate	Gain on exchange rate	Other changes ⁽¹⁾	
Short-term borrowings from financial institutions	680,217	(189,737)	(84)	-	-	490,396
Long-term borrowings from financial institutions	-	134,082	-	-	-	134,082
Lease liabilities	63,169	(15,565)	-	45,158	(119)	92,643
Total	743,386	(71,220)	(84)	45,158	(119)	717,121

⁽¹⁾ Such changes occurred from the reduction in lease payments based on the temporary relief measures from the impacts of COVID-19.

As at December 31, 2020

Unit : Thousand Baht

Separate Financial Statements				
	Balance as at January 1, 2020	Cash flows from financing activities	Increase (Decrease)	Balance as at December 31, 2020
Short-term borrowings from financial institutions	846,672	(166,455)	-	680,217
Lease liabilities	32,258	(6,682)	37,593	63,169
Total	878,930	(173,137)	37,593	743,386

6. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, consist of:

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Trade receivables				
Related parties	-	4	111,561	69,405
Other parties	536,554	397,904	514,315	375,814
Less Loss allowance	(19,157)	(19,795)	(14,839)	(14,781)
Total trade receivables	517,397	378,113	611,037	430,438
Other receivables				
Related parties	-	17	3,787	855
Other parties	4,016	3,611	3,443	2,381
Total other receivables	4,016	3,628	7,230	3,236
Accrued income - other parties	4,610	7,850	4,609	7,806
Prepaid expenses	17,632	16,896	15,898	15,432
Advance payments for purchase of raw materials	30,636	29,801	30,617	29,782
Total trade and other current receivables	574,291	436,288	669,391	486,694

Trade receivables as at December 31, classified by aging are as follows:

Unit : Thousand Baht				
	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Trade receivables				
Subsidiaries				
Current	-	1	28,322	16,322
Overdue				
3 months or less	-	3	35,459	31,784
Over 3 months up to 6 months	-	-	27,028	21,299
Over 6 months up to 9 months	-	-	20,752	-
Total	-	4	111,561	69,405
Other parties				
Current	367,685	320,118	358,473	309,941
Overdue				
3 months or less	140,409	48,752	132,093	41,638
Over 3 months up to 6 months	697	64	-	49
Over 6 months up to 9 months	1,593	55	270	23
Over 9 months	26,170	28,915	23,479	24,163
Total	536,554	397,904	514,315	375,814
	536,554	397,908	625,876	445,219
Less Loss allowance	(19,157)	(19,795)	(14,839)	(14,781)
Total trade receivables	517,397	378,113	611,037	430,438

The normal credit term given to customers of the Group ranges from 30 to 90 days.

In 2021 and 2020, the Group measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position.

There has been no change in the estimation techniques or significant assumptions made during the current reporting period.

The following table details the risk profile of trade receivables based on the Group's provision matrix. As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer segments.

As at December 31, 2021

Unit : Thousand Baht

CONSOLIDATED FINANCIAL STATEMENTS								
	Trade receivables – collectively assessed (days past due)						Trade receivables – individually assessed	Total
	Not past due	≤ 90 days	91 – 180 days	181 – 270 days	≥ 271 days	Total		
Expected credit loss rate	0.40%	0.63%	25.93%	84.42%	100.00%			
Estimated total gross carrying amount at default amounts not past due	74,432	102,149	698	1,592	16,690	195,561	340,993	536,554
Lifetime expected credit loss	(298)	(644)	(181)	(1,344)	(16,690)	(19,157)	-	(19,157)
						176,404	340,993	517,397

As at December 31, 2020

Unit : Thousand Baht

Consolidated Financial Statements								
	Trade receivables – collectively assessed (days past due)						Trade receivables – individually assessed	Total
	Not past due	≤ 90 days	91 – 180 days	181 – 270 days	≥ 271 days	Total		
Expected credit loss rate	0.44%	1.45%	-	75.64%	100.00%			
Estimated total gross carrying amount at default amounts not past due	59,605	21,745	-	31	19,191	100,572	297,336	397,908
Lifetime expected credit loss	(265)	(315)	-	(24)	(19,191)	(19,795)	-	(19,795)
						80,777	297,336	378,113

As at December 31, 2021

Unit : Thousand Baht

Unit : Thousand Baht

Consolidated Financial Statements								
	Trade receivables – collectively assessed (days past due)						Trade receivables	
	Not past due	≤ 90 days	91 –180 days	181 – 270 days	≥ 271 days	Total	– individually assessed	Total
Expected credit loss rate	0.33%	0.49%	-	55.93%	100.00%			
Estimated total gross carrying amount at default amounts not past due	69,798	93,833	-	270	13,999	177,900	336,415	514,315
Lifetime expected credit loss	(230)	(459)	-	(151)	(13,999)	(14,839)	-	(14,839)
						163,061	336,415	499,476

As at December 31, 2020

Unit : Thousand Baht

Unit : Thousand Baht

	Consolidated Financial Statements							
	Trade receivables – collectively assessed (days past due)						Trade receivables	
	Not past due	≤ 90 days	91 –180 days	181 – 270 days	≥ 271 days	Total	- individually assessed	Total
Expected credit loss rate	0.29%	0.41%	-	-	100.00%			
Estimated total gross carrying amount at default amounts not past due	50,102	14,658	-	-	14,574	79,334	365,885	445,219
Lifetime expected credit loss	(147)	(60)	-	-	(14,574)	(14,781)	-	(14,781)
						64,553	365,885	430,438

The following table shows the movement of lifetime ECL that has been recognized for trade receivables in accordance with the simplified approach set out in TFRS 9.

Unit: Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Balance as at January 1,	19,795	15,612	14,781	13,319
Net remeasurement of loss allowance	(638)	4,183	58	1,462
Balance as at December 31,	19,157	19,795	14,839	14,781

7. INVENTORIES

Inventories as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Finished goods	120,275	101,397	101,894	72,658
Work in process	96	2,152	24	1,843
Raw materials	830,350	1,046,338	820,755	1,036,921
Packaging materials	85,785	102,127	84,224	99,844
Spare parts and supplies	19,431	15,950	17,717	15,118
Goods in transit	50,116	27,876	48,379	27,876
	1,106,053	1,295,840	1,072,993	1,254,260
Less Allowance for diminution in value	(50,085)	(37,132)	(48,115)	(31,553)
	1,055,968	1,258,708	1,024,878	1,222,707

Cost of inventories recognized as an expense and included in the cost of sales for the years ended December 31, consists of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Cost of inventories recognized as an expense in cost of sales:				
- Cost of sale of goods	2,729,460	2,927,288	2,655,009	2,838,168
- Allowance for diminution in value of inventories	12,953	31,763	16,562	27,652
Total	2,742,413	2,959,051	2,671,571	2,865,820

Movements of the allowance for diminution in value of inventories for the years ended December 31, are summarized as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Beginning balances of the year	37,132	5,369	31,553	3,901
Add Loss from diminution in value of inventories	45,840	33,027	48,490	27,669
Less Reversal due to destruction during the year	(32,887)	(1,264)	(31,928)	(17)
Ending balances of the year	50,085	37,132	48,115	31,553

8. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets as at December 31, consist of:

Unit: Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Other current financial assets				
Financial assets measured at fair value through profit or loss				
- Equity securities	-	2,830	-	-
- Open-ended fixed income fund	253,562	271,820	253,562	271,820
Total other current financial assets	253,562	274,650	253,562	271,820

9. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries recorded by the cost method in the separate financial statements as at December 31, consist of:

	Paid-up share capital	Percentage of shareholding (%)	Balance (at cost)	
			2021 Thousand Baht	2020 Thousand Baht
Subsidiaries				
Taokaenoi Restaurant & Franchise Company Limited	Baht 35 million	100.00	35,000	35,000
Taokanoi Care Company Limited	Baht 5 million	100.00	4,543	4,543
NCP Trading & Supply Company Limited	Baht 1 million	100.00	491	491
TAOKAENOI USA, Inc.	USD 4,912,000	91.21	97,428	97,428
			137,462	137,462
Less Allowance for impairment loss			(21,000)	-
Total investments in subsidiaries			116,462	137,462

For the years ended December 31, 2021 and 2020, the subsidiaries did not declare dividends.

As at December 31, 2021, the recoverable amount of investment in Taokaenoi Restaurant & Franchise Company Limited and TAOKAENOI USA, Inc. were determined based on the value in use, calculated using cash flow projections for the next 5 years. Key assumptions applied in the calculation of value in use of the assets are summarized below.

	Taokaenoi Restaurant & Franchise Company Limited Percent per annum	TAOKAENOI USA, Inc. Percent per annum
Sales growth rate	144.3 for the first three years 9.5 for the forth year onwards	31.0 for the first three years 7.0 for the forth year onwards
Long-term growth rate	0.0	0.0
Pre-tax discount rate	10.0	9.0

The management determined the growth rate based on historical operating results, the expected growth of such subsidiary and market including the discount rate which is a pre-tax rate that reflects the specific risk of the business unit

10. INVESTMENT PROPERTY

The investment property, consisting of land with carrying value amounting to Baht 39.74 million has fair value amounting to Baht 42.24 million. The fair value was assessed by an independent appraiser on July 2, 2020 on the basis of market approach. As at December 31, 2021, the management believes that there had been no material change in the fair value since the assessment date.

11. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, consist of:

As at December 31, 2021

Unit : Thousand Baht

Consolidated Financial Statements						
	Balance as at January 1, 2021	Additions	Disposals	Transfer in (Transferout)	Differences on translation of financial statements	Balance as at December 31, 2021
Cost						
Land and land improvements	94,314	-	-	-	-	94,314
Buildings and building improvements	770,422	-	(2,712)	57,986	-	825,696
Machinery and equipment	523,631	1,382	(34,422)	73,190	-	563,781
Furniture and office equipment	173,645	10,054	(12,660)	12,504	39	183,582
Vehicles	45,107	6	(4)	-	-	45,109
Assets under installation and construction	130,975	157,174	(212)	(143,680)	-	144,257
Total cost	1,738,094	168,616	(50,010)	-	39	1,856,739
Accumulated depreciation						
Land and land improvements	(2,004)	-	-	-	-	(2,004)
Buildings and building improvements	(229,275)	(45,164)	1,827	-	-	(272,612)
Machinery and equipment	(357,453)	(65,511)	34,399	-	-	(388,565)
Furniture and office equipment	(108,267)	(26,882)	7,681	-	(36)	(127,504)
Vehicles	(36,361)	(5,414)	4	-	-	(41,771)
Total accumulated depreciation	(733,360)	(142,971)	43,911	-	(36)	(832,456)
Less Allowance for impairment of assets	(21,826)	(5,479)	2,406	-	-	(24,899)
Property, plant and equipment	982,908					999,384

As at December 31, 2020

Unit : Thousand Baht

Consolidated Financial Statements						
	Balance as at January 1, 2020	Additions	Disposals	Transfer in (Transfer out)	Differences on translation of financial statements	Balance as at December 31, 2020
Cost						
Land and land improvements	94,314	-	-	-	-	94,314
Buildings and building improvements	756,629	710	(2,849)	15,932	-	770,422
Machinery and equipment	492,970	6,028	(1,499)	26,132	-	523,631
Furniture and office equipment	181,197	8,136	(30,476)	14,789	(1)	173,645
Vehicles	46,820	700	(2,411)	-	(2)	45,107
Assets under installation and construction	81,383	106,526	(81)	(56,853)	-	130,975
Total cost	1,653,313	122,100	(37,316)	-	(3)	1,738,094
Accumulated depreciation						
Land and land improvements	(1,877)	(127)	-	-	-	(2,004)
Buildings and building improvements	(177,117)	(54,932)	2,775	-	(1)	(229,275)
Machinery and equipment	(301,554)	(57,387)	1,488	-	-	(357,453)
Furniture and office equipment	(98,376)	(27,272)	17,376	-	5	(108,267)
Vehicles	(31,782)	(6,932)	2,368	-	(15)	(36,361)
Total accumulated depreciation	(610,706)	(146,650)	24,007	-	(11)	(733,360)
Less Allowance for impairment of assets	(23,862)	-	2,036	-	-	(21,826)
Property, plant and equipment	1,018,745					982,908

Depreciation for the years ended December 31,

2021	Thousand Baht	142,971
2020	Thousand Baht	146,650

As at December 31, 2021

Unit : Thousand Baht

Separate Financial Statements					
	Balance as at January 1, 2021	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2021
Cost					
Land and land improvements	94,314	-	-	-	94,314
Buildings and building improvements	749,254	-	(2,081)	57,987	805,160
Machinery and equipment	500,827	383	(32,666)	73,008	541,552
Furniture and office equipment	131,567	6,658	(1,367)	12,504	149,362
Vehicles	44,300	6	(5)	-	44,301
Assets under installation and construction	130,793	157,175	(212)	(143,499)	144,257
Total cost	1,651,055	164,222	(36,331)	-	1,778,946
Accumulated depreciation					
Land and land improvements	(2,005)	-	-	-	(2,005)
Buildings and building improvements	(222,295)	(42,768)	1,260	-	(263,803)
Machinery and equipment	(347,218)	(63,007)	32,661	-	(377,564)
Furniture and office equipment	(86,864)	(20,885)	1,276	-	(106,473)
Vehicles	(35,792)	(5,322)	4	-	(41,110)
Total accumulated depreciation	(694,174)	(131,982)	35,201	-	(790,955)
Less Allowance for impairment of assets	(14,063)	(5,479)	-	-	(19,542)
Property, plant and equipment	942,818				968,449

As at December 31, 2020

Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at January 1, 2021	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2020
Cost					
Land and land improvements	94,314	-	-	-	94,314
Buildings and building improvements	736,701	-	(2,735)	15,288	749,254
Machinery and equipment	473,689	3,017	(1,291)	25,412	500,827
Furniture and office equipment	114,278	5,635	(1,183)	12,837	131,567
Vehicles	45,523	700	(1,923)	-	44,300
Assets under installation and construction	80,421	103,990	(81)	(53,537)	130,793
Total cost	1,544,926	113,342	(7,213)	-	1,651,055
Accumulated depreciation					
Land and land improvements	(1,877)	(128)	-	-	(2,005)
Buildings and building improvements	(172,688)	(52,343)	2,736	-	(222,295)
Machinery and equipment	(293,365)	(55,132)	1,279	-	(347,218)
Furniture and office equipment	(70,827)	(17,111)	1,074	-	(86,864)
Vehicles	(30,920)	(6,795)	1,923	-	(35,792)
Total accumulated depreciation	(569,677)	(131,509)	7,012	-	(694,174)
Less Allowance for impairment of assets	(14,063)	-	-	-	(14,063)
Property, plant and equipment	961,186				942,818

Depreciation for the years ended December 31,

2021	Thousand Baht	131,982
2020	Thousand Baht	131,509

As at December 31, 2021, the carrying amount of had buildings and structures located on leased land is Baht 44.9 million (2020: Baht 56.2 million). Under the land lease agreements, the Company has to transfer the ownership of the buildings and structures to the lessors when the agreements are terminated.

12. RIGHT-OF-USE ASSETS

Right-of-use assets as at December 31, consist of:

As at December 31, 2021

Unit : Thousand Baht

Consolidated Financial Statements					
	Balance as at January 1, 2021	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2021
Cost					
Land and land improvements	42,319	-	-	-	42,319
Buildings and building improvements	70,142	51,637	(15,784)	205	106,200
Vehicles	6,432	-	-	-	6,432
Total cost	118,893	51,637	(15,784)	205	154,951
Accumulated depreciation					
Land and land improvements	(4,769)	(5,431)	-	-	(10,200)
Buildings and building improvements	(25,241)	(25,266)	14,437	(128)	(36,198)
Vehicles	(1,199)	(1,416)	-	-	(2,615)
Total accumulated depreciation	(31,209)	(32,113)	14,437	(128)	(49,013)
Total right-of-use assets	87,684				105,938

As at December 31, 2020

Unit : Thousand Baht

Consolidated Financial Statements					
	Balance as at January 1, 2021	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2020
Cost					
Land and land improvements	23,396	19,789	(866)	-	42,319
Buildings and building improvements	98,455	18,637	(46,791)	(159)	70,142
Vehicles	5,101	1,331	-	-	6,432
Total cost	126,952	39,757	(47,657)	(159)	118,893
Accumulated depreciation					
Land and land improvements	-	(5,635)	866	-	(4,769)
Buildings and building improvements	-	(40,788)	15,515	32	(25,241)
Vehicles	-	(1,199)	-	-	(1,199)
Total right-of-use assets	-	(47,622)	16,381	32	(31,209)
	126,952				87,684

Depreciation for the year ended December 31,

2021	Thousand Baht	32,113
2020	Thousand Baht	47,622

As at December 31, 2021

Unit : Thousand Baht

	Separate Financial Statements			Balance as at December 31, 2021
	Balance as at January 1, 2021	Additions	Disposals	
Cost				
Land and land improvements	42,319	-	-	42,319
Buildings and building improvements	21,077	45,158	-	66,235
Vehicles	6,432	-	-	6,432
Total cost	69,828	45,158	-	114,986
Accumulated depreciation				
Land and land improvements	(4,769)	(5,431)	-	(10,200)
Buildings and building improvements	(1,068)	(10,630)	-	(11,698)
Vehicles	(1,199)	(1,416)	-	(2,615)
Total accumulated depreciation	(7,036)	(17,477)	-	(24,513)
Total right-of-use assets	62,792			90,473

As at December 31, 2020

Unit : Thousand Baht

	Separate Financial Statements			Balance as at December 31, 2020
	Balance as at January 1, 2020	Additions	Disposals	
Cost				
Land and land improvements	23,396	19,789	(866)	42,319
Buildings and building improvements	1,479	19,598	-	21,077
Vehicles	5,101	1,331	-	6,432
Total cost	29,976	40,718	(866)	69,828
Accumulated depreciation				
Land and land improvements	-	(5,635)	866	(4,769)
Buildings and building improvements	-	(1,068)	-	(1,068)
Vehicles	-	(1,199)	-	(1,199)
Total accumulated depreciation	-	(7,902)	866	(7,036)
Total right-of-use assets	29,976			62,792

Depreciation for the years ended December 31,

2021	Thousand Baht	17,477
2020	Thousand Baht	7,902

During the year 2021, the lessors offered the reduction of lease charges to the Group and the Company in the amounts of Baht 5,741,956 and Baht 119,143, respectively. In accordance with the temporary relief measures for additional accounting alternatives to alleviate the impacts from the COVID-19 outbreak, the Group and the Company adjusted the lease reduction by recognizing differences in profit or loss of Baht 5,741,956 and Baht 119,143, respectively.

During the year 2020, the lessors offered the reduction of lease charges to the Group and the Company in the amounts of Baht 19,455,829 and Baht 87,372, respectively. In accordance with the temporary relief measures for additional accounting alternatives to alleviate the impacts from the COVID-19 outbreak, the Group and the Company adjusted the lease reduction by reducing depreciation of right-of-use assets in the amounts of Baht 19,211,135 and Baht 81,225, and interest on lease liabilities in the amounts of Baht 550,810 and Baht 11,089, respectively, with differences recognized in profit or loss of Baht 306,116 and Baht 4,943, respectively.

The Group leases several assets including land, buildings, plant and vehicles. The lease terms are between 2-15 years.

The maturity analysis of lease liabilities is presented in Note 20.

Amounts recognized in profit or loss for the years ended December 31, consist of:

	Unit : Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Depreciation of right-of-use assets - after adjusting lease reduction	32,113	28,411	17,477	7,821
Interest expense on lease liabilities	2,535	1,681	2,075	965
Expense relating to short-term leases	9,759	21,939	7,525	15,589
Expense relating to leases of low-value assets	653	1,278	209	874
Expense relating to variable lease payments not included in the measurement of the lease liability	1,484	1,645	-	1,307
Income from sub-leasing right-of-use assets	114	241	-	-

At December 31, 2021, the Group and the Company have commitments under short-term leases and low-value assets leases totaling Baht 6.60 million. Some of the leases in which the Group is the lessee contain variable lease payment terms that are linked to sales generated. Variable payment terms are used to link rental payments to store cash flows and reduce fixed cost.

At December 31, 2020, the Group and the Company have commitments under short-term leases and low-value assets leases totaling Baht 12.16 million and Baht 8.02 million, respectively. Some of the leases in which the Group is the lessee contain variable lease payment terms that are linked to sales generated. Variable payment terms are used to link rental payments to store cash flows and reduce fixed cost.

The breakdown of lease payments for the years ended December 31, is as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Fixed payments	10,412	23,217	7,733	16,463
Variable payments	1,484	1,645	-	1,307
Total payments	11,896	24,862	7,733	17,770

In 2021 and 2020, overall the variable payments constitute up to 12.5% and 6.6%, respectively, of the Group's entire lease payments.

13. GOODWILL

Movements of the goodwill for the years ended December 31, are summarized as follows:

Unit : Thousand Baht

	Consolidated Financial Statements	
	2021	2020
Balance as at January 1,	11,468	11,513
Foreign exchange differences	1,292	(45)
Carrying amount as at December 31,	12,760	11,468

Goodwill came from acquisition of shares of TAOKAENOI USA, Inc. in 2017 to increase marketing channels and expand its customer base in North America.

As at December 31, 2021, the management determined that there had been no impairment of goodwill.

14. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

Other intangible assets other than goodwill as at December 31, consist of:

As at December 31, 2021

Unit : Thousand Baht

	Consolidated Financial Statements					Balance as at December 31, 2021
	Balance as at January 1, 2021	Additions	Disposals	Transfer in (Transfer out)	Differences on translation of financial statements	
Cost						
Computer software	51,435	652	(162)	13,745	-	65,670
Others	27,414	18	(3,204)	-	-	24,228
Computer software under implementation	11,045	3,521	-	(13,745)	-	821
Total cost	89,894	4,191	(3,366)	-	-	90,719
Accumulated amortization						
Computer software	(20,730)	(5,099)	162	-	-	(25,667)
Others	(13,492)	(1,497)	3,204	-	-	(11,785)
Total accumulated amortization	(34,222)	(6,596)	3,366	-	-	(37,452)
Other intangible assets other than goodwill	55,672					53,267

As at December 31, 2020

Unit : Thousand Baht

	Consolidated Financial Statements					Balance as at December 31, 2020
	Balance as at January 1, 2020	Additions	Disposals	Transfer in (Transfer out)	Differences on translation of financial statements	
Cost						
Computer software	41,119	654	(1,343)	11,005	-	51,435
Others	26,203	1,223	-	-	(12)	27,414
Computer software under implementation	11,148	10,902	-	(11,005)	-	11,045
Total cost	78,470	12,779	(1,343)	-	(12)	89,894
Accumulated amortization						
Computer software	(17,597)	(4,251)	1,118	-	-	(20,730)
Others	(9,904)	(3,605)	-	-	17	(13,492)
Total accumulated amortization	(27,501)	(7,856)	1,118	-	17	(34,222)
Other intangible assets other than goodwill	50,969					55,672

Amortization for the years ended December 31,

2021	Thousand Baht	6,596
2020	Thousand Baht	7,856

As at December 31, 2021

Unit : Thousand Baht

Separate Financial Statements					
	Balance as at January 1, 2021	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2021
Coast					
Computer software	43,416	621	(162)	13,745	57,620
Others	13,639	-	-	-	13,639
Computer software under implementation	11,045	3,521	-	(13,745)	821
Total cost	68,100	4,142	(162)	-	72,080
Accumulated amortization					
Computer software	(18,563)	(4,139)	162	-	(22,540)
Others	(8,730)	(439)	-	-	(9,169)
Total accumulated amortization	(27,293)	(4,578)	162	-	(31,709)
Other intangible assets other than goodwill	40,807				40,371

As at December 31, 2020

Unit : Thousand Baht

Separate Financial Statements					
	Balance as at January 1, 2020	Additions	Disposals	Transfer in (Transfer out)	Balance as at December 31, 2020
Coast					
Computer software	31,757	654	-	11,005	43,416
Others	12,939	700	-	-	13,639
Computer software under implementation	11,148	10,902	-	(11,005)	11,045
Total cost	55,844	12,256	-	-	68,100
Accumulated amortization					
Computer software	(15,325)	(3,238)	-	-	(18,563)
Others	(6,297)	(2,433)	-	-	(8,730)
Total accumulated amortization	(21,622)	(5,671)	-	-	(27,293)
Other intangible assets other than goodwill	34,222				40,807

Amortization for the years ended December 31,

2021	Thousand Baht	4,578
2020	Thousand Baht	5,671

15. SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Short-term borrowings from financial institutions as at December 31, are as follows:

Unit : Thousand Baht

	Interest rate (% p.a.)		Consolidated Financial Statements	
	2021	2020	2021	2020
Promissory notes	1.20 - 1.66	1.30 - 1.66	345,000	522,000
Trust receipts	1.10 - 1.66	1.25 - 1.50	156,985	168,217
			501,985	690,217

Unit : Thousand Baht

	Interest rate (% p.a.)		Separate Financial Statements	
	2021	2020	2021	2020
Promissory notes	1.20	1.30 - 1.48	335,000	512,000
Trust receipts	1.10 - 1.25	1.25 - 1.50	155,396	168,217
			490,396	680,217

Such loans are unsecured and callable on demand. As at December 31, 2021 and 2020, the Company had unused bank credit facilities of Baht 1,928 million and Baht 1,745 million, respectively.

16. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Trade payables - related parties	-	4	9,473	12,919
Trade payables - other parties	261,198	169,668	227,847	149,725
Other payables - related parties	-	-	2,279	175
Other payables - other parties	88,840	89,015	75,299	78,150
Payables for purchase of fixed and intangible assets	18,517	36,525	17,905	34,965
Accrued expenses	237,471	273,122	232,938	270,821
	606,026	568,334	565,741	546,755

17. SHORT-TERM BORROWINGS

Short-term borrowings as at December 31, are as follows:

Unit : Thousand Baht

Borrower	Credit Limit	Interest Rate (% p.a.)	Repayment Term	Consolidated Financial Statements	
				2021	2020
TAOKAENOI USA, Inc.					
Borrowing from	USD 0.4	4.6	At call	16,551	14,588
Samhae Commercial Co., Ltd.	million				

As at December 31, 2021 and 2020, such short-term borrowings are unsecured borrowings.

18. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Long-term borrowings from financial institutions as at December 31, 2021, consist of (as at December 31, 2020: Nil):

Unit : Thousand Baht

	Interest rate (% p.a.)	Repayment Term	Consolidated and Separate Financial Statements
Long-term borrowings from financial institutions	BIBOR + 2.15	February 2023 - January 2028	134,082

Such borrowings are unsecured. As at December 31, 2021, the Company had unused bank credit facilities for long-term borrowings from financial institutions of Baht 39.92 million (as at December 31, 2020: Nil).

19. LONG-TERM BORROWING

Long-term borrowing as at December 31, is as follows:

Unit : Thousand Baht

Borrower	Credit Limit	Interest rate (% p.a.)	Repayment term	Consolidated Financial Statements	
				2021	2020
TAOKAENOI USA, Inc.	USD 0.2				
Other long-term borrowing	million	1.0	January 2022 - August 2025	-	4,507

Other long-term borrowing is a borrowing from the U.S. Small Business Administration (“SBA”) under COVID-19 relief measures. Such long-term borrowing carries interest rate at 1% per annum. However, SBA will forgive the whole amount of borrowing in case TAOKAENOI USA, Inc. is able to follow conditions specified for the measures.

On July 8, 2021, SBA approved the total amount of borrowing forgiveness to TAOKAENOI USA, Inc., which the Group has already recorded such borrowing forgiveness of USD 150,033 (approximately Baht 4.81 million) as government grant presented as other income in the statement of profit or loss.

20. LEASE LIABILITIES

Lease liabilities as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Maturity analysis:				
Within 1 year	33,092	26,789	19,709	11,639
After 1 year but within 5 years	61,977	45,625	58,963	35,127
After 5 years	23,223	23,928	23,223	23,928
	118,292	96,342	101,895	70,694
Less Deferred interest expense	(9,501)	(8,002)	(9,252)	(7,524)
Total	108,791	88,340	92,643	63,170
Classification:				
Current portion of lease liabilities	30,938	25,155	17,769	10,427
Lease liabilities	77,853	63,185	74,874	52,743
Total	108,791	88,340	92,643	63,170

21. NON-CURRENT PROVISION FOR EMPLOYEE BENEFIT OBLIGATIONS

The Company and its subsidiaries recorded employee benefit obligations upon retirement which are considered as unfunded defined benefit plans.

Non-current provisions for employee benefit obligations and amounts recognized as expenses in the statements of profit or loss and other comprehensive income in respect of the defined benefit plans for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
The Statement of Financial Position as at December 31,				
Obligations in statement of financial position for post-employment benefits	37,103	31,338	35,282	29,526
The Statement of Comprehensive Income for the years ended December 31,				
<i>Recognized in profit or loss</i>				
Current service cost	6,119	4,212	5,654	3,730
Interest cost	387	510	360	499
Past service cost	-	-	-	-
	6,506	4,722	6,014	4,229
<i>Recognized in other comprehensive income</i>				
Actuarial loss on defined employee benefit plan	-	2,604	-	1,527
Expenses recorded in the statements of profit or loss and other comprehensive income	6,506	7,326	6,014	5,756

Movements of the present values of the defined benefit obligations for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Balance of present value of defined benefit obligations as at January 1,	31,338	25,474	29,526	24,875
Current service cost	6,119	4,212	5,654	3,730
Interest cost	387	510	360	499
Past service cost	-	-	-	-
Actuarial loss on defined employee benefit plan	-	2,604	-	1,527
Less Benefits paid during the year	(741)	(1,462)	(258)	(1,105)
Balance of present value of defined benefit obligation as at December 31,	37,103	31,338	35,282	29,526

Employee benefit expenses are recognized in profit or loss as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Cost of manufacturing	3,209	2,884	2,992	2,819
Administrative expenses	3,297	1,838	3,022	1,410
Total	6,506	4,722	6,014	4,229

For the year ended December 31, 2020, the Company recognized the actuarial loss in the consolidated and separate statements of profit or loss in the amounts of Baht 2.60 million and Baht 1.53 million, respectively. Such actuarial loss mainly resulted from the decrease in the discount rate and the salary increase rate according to the actuarial assumption (2021: Nil).

The key actuarial assumptions used to calculate the defined benefit obligations as at December 31, are as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Discount rate (% p.a.)	0.36 - 2.99%	0.36 - 2.99%	0.36 - 2.99%	0.36 - 2.99%
Mortality rate	Thai Mortality Table 2017	Thai Mortality Table 2017	Thai Mortality Table 2017	Thai Mortality Table 2017
Salary increase rate	2.0% - 6.5%	2.0% - 6.5%	2.0% - 6.5%	2.0% - 6.5%
Employee turnover rate	0% - 50%	0% - 50%	0% - 50%	0% - 50%

The changes of significant assumptions that affect the increase (decrease) in the present value of the long-term employee benefit obligation as at December 31, are summarized as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Discount rate				
Decrease by 1 percent	4,097	3,676	3,756	3,387
Increase by 1 percent	(3,581)	(3,240)	(3,291)	(2,995)
Salary growth rate				
Decrease by 1 percent	(3,775)	(3,145)	(3,475)	(2,908)
Increase by 1 percent	4,354	3,624	4,005	3,349
Employee turnover rate				
Decrease by 20 percent of base in each age	12,050	10,054	11,042	9,256
Increase by 20 percent of base in each age	(7,787)	(6,493)	(7,130)	(5,971)

The sensitivity analysis presented above might not be representative of the actual change in the defined employee benefit obligations as it was unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions might be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation was calculated using the Projected Unit Credit Method at the end of the report period, which was the same as that applied in calculating the post-employment benefit obligation liability recognized in the statement of financial position.

22. LEGAL RESERVE

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

Pursuant to Section 1202 of the Thai Civil and Commercial Code, the subsidiaries are required to set aside a legal reserve of at least 5 percent of net earnings each time the subsidiaries pay out a dividend until the reserve reaches 10 percent of the registered share capital and the reserve is not available for distribution as dividends.

23. EXPENSE BY NATURE

Expenses by nature for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Salaries, wages and other employee benefits	862,187	879,725	791,589	802,700
Depreciation and amortization	181,680	182,917	154,037	145,001
Rental expenses under lease agreements	33,079	59,132	26,256	48,386
Transportation expenses	99,011	83,284	93,944	79,162
Utility and energy expenses	96,529	93,884	92,474	89,457
Sales promotion and marketing expenses	152,090	179,921	130,869	165,369
Raw materials and consumable goods	2,070,426	2,311,000	1,805,913	1,914,690
Changes in inventories of finished goods and work in process	16,822	(57,025)	27,417	(31,720)

24. INCOME TAX EXPENSE

Income tax expense for the years ended December 31, are summarized as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Current income tax	26,250	39,871	21,131	39,982
Adjustment in respect of income tax of the previous year	1,098	705	1,098	705
Other adjustments	-	55	-	55
Deferred tax				
Deferred tax relating to origination and reversal of temporary differences	(17,049)	(9,452)	(12,485)	(7,669)
Income tax expense reported in the statements of profit or loss	10,299	31,179	9,744	33,073

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

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Deferred tax relating to unrealized gain on revaluation of available-for-sale investments	-	(9)	-	(9)
Deferred tax relating to actuarial losses	-	(521)	-	(305)
	-	(530)	-	(314)

The reconciliation between accounting profit and tax expenses for the years ended December 31, is as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Accounting profit before corporate income tax	191,264	273,052	246,093	370,451
Applicable corporate income tax rates	20% and 28%	20% and 28%	20%	20%
Income tax using applicable tax rate	49,244	74,131	49,218	74,090
Adjustment in respect of income tax of the previous year	1,098	705	1,098	705
Other adjustments	-	55	-	55
Effects on :				
Gain from operations exempted from corporate income tax (see Note 25)	(47,014)	(36,720)	(47,014)	(36,720)
Non-taxable expenses	14,470	5,714	8,553	3,357
Expenses that are deductible more than actual paid	(7,199)	(12,383)	(1,811)	(8,091)
Others	(300)	(323)	(300)	(323)
Total	(40,043)	(43,712)	(40,572)	(41,777)
Income tax expense	10,299	31,179	9,744	33,073

Deferred tax assets and liabilities for the years ended December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Deferred tax assets	113,585	95,105	57,518	41,536
Deferred tax liabilities	(20,731)	(19,300)	(17,340)	(13,843)
Total	92,854	75,805	40,178	27,693

Movements of deferred tax assets and liabilities for the years ended December 31, are as follows:

As at December 31, 2021

Unit : Thousand Baht

	Consolidated Financial Statements			
	Balances as at January 1, 2021	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2021
Deferred tax assets				
Unrealized loss on revaluation of other current Financial assets	209	(209)	-	-
Loss allowance	3,993	(82)	-	3,911
Allowance for diminution in value of inventories	7,426	2,721	-	10,147
Allowance for loss on impairment of assets	4,365	615	-	4,980
Lease liabilities	18,090	3,954	-	22,044
Temporary differences of depreciation of assets located on leased land	10,859	198	-	11,057
Provision for long-term employee benefits	6,268	1,153	-	7,421
Unused tax loss	43,072	10,209	-	53,281
Others	823	(79)	-	744
Total	95,105	18,480	-	113,585
Deferred tax liabilities				
Right-of-use assets	(17,954)	(3,513)	-	(21,467)
Temporary differences of leases	(1,284)	2,039	-	755
Others	(62)	43	-	(19)
Total	(19,300)	(1,431)	-	(20,731)
Deferred tax asset - net	75,805	17,049	-	92,854

As at December 31, 2020

Unit : Thousand Baht

	Consolidated Financial Statements			
	Balances as at January 1, 2020	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2020
Deferred tax assets				
Unrealized loss on revaluation of other current financial assets	227	(18)	-	209
Loss allowance	3,123	870	-	3,993
Allowance for diminution in value of inventories	1,074	6,352	-	7,426
Allowance for loss on impairment of assets	4,772	(407)	-	4,365
Lease liabilities	-	18,090	-	18,090
Temporary differences of depreciation of assets located on leased land	8,015	2,844	-	10,859
Fair value adjustment of assets from business combination	2,226	(2,226)	-	-
Provision for long-term employee benefits	5,095	652	521	6,268
Unused tax loss	40,863	2,209	-	43,072
Others	1,220	(397)	-	823
Total	66,615	27,969	521	95,105
Deferred tax liabilities				
Unrealized gain on revaluation of investments in available-for-sale securities	(9)	-	9	-
Rights under the operating lease contract from business combination	(35)	35	-	-
Right-of-use assets	-	(17,954)	-	(17,954)
Temporary differences of leases	(748)	(536)	-	(1,284)
Others	-	(62)	-	(62)
Total	(792)	(18,517)	9	(19,300)
Deferred tax asset - net	65,823	9,452	530	75,805

As at December 31, 2021

Unit : Thousand Baht

Separate Financial Statements				
	Balances as at January 1, 2021	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2021
Deferred tax assets				
Loss allowance	2,956	12	-	2,968
Allowance for diminution in value of inventories	6,311	3,443	-	9,754
Allowance for impairment loss on investment in subsidiaries	-	4,200	-	4,200
Allowance for loss on impairment of assets	2,813	1,096	-	3,909
Lease liabilities	12,634	5,895	-	18,529
Temporary differences of depreciation of assets located on leased land	10,859	198	-	11,057
Provision for long-term employee benefits	5,905	1,151	-	7,056
Others	58	(13)	-	45
Total	41,536	15,982	-	57,518
Deferred tax liabilities				
Right-of-use assets	(12,559)	(5,536)	-	(18,095)
Temporary differences of leases	(1,284)	2,039	-	755
Total	(13,843)	(3,497)	-	(17,340)
Deferred tax asset - net	27,693	12,485	-	40,178

Separate Financial Statements				
	Balances as at January 1, 2020	Recognized in profit or loss	Recognized in other comprehensive income	Balances as at December 31, 2020
Deferred tax assets				
Loss allowance	2,664	292	-	2,956
Allowance for diminution in value of inventories	780	5,531	-	6,311
Allowance for loss on impairment of assets	2,813	-	-	2,813
Lease liabilities	-	12,634	-	12,634
Temporary differences of depreciation of assets located on leased land	8,015	2,844	-	10,859
Provision for long-term employee benefits	4,975	625	305	5,905
Others	1,220	(1,162)	-	58
Total	20,467	20,764	305	41,536
Deferred tax liabilities				
Unrealized gain on revaluation of investments in available-for-sale securities	(9)	-	9	-
Right-of-use assets	-	(12,559)	-	(12,559)
Temporary differences of leases	(748)	(536)	-	(1,284)
Total	(757)	(13,095)	9	(13,843)
Deferred tax asset - net	19,710	7,669	314	27,693

25. PROMOTIONAL PRIVILEGES

The Company has received promotional privileges from the Board of Investments for the manufacturing of seaweed products and snacks made from flour under certain significant conditions. Significant privileges of the Company are as follows:

Promotional privileges	Certificate No.		
	1433/2010	2155(2)/2011	63-1161-00-1-0
1. Exemption from corporate income tax on net profit from the promoted operations	-	7 years from 1 October 2017	6 years (To be announced)
2. Exemption from import duty on imported and essential raw materials used in manufacturing for export sales for a period of 1 year commencing from the first importation date. The promotion period has been extended.	Granted	Granted	Granted
3. Exemption from import duty on items imported for re-export, for a period of 1 year commencing from the first importation date. The promotion period has been extended.	Granted	Granted	Granted

The Company's revenues for the years ended December 31, divided between promoted and non-promoted operations, are summarized as follows:

	Unit : Thousand Baht					
	Promoted operations		Non-promoted operations		Total	
	2021	2020	2021	2020	2021	2020
Sales						
Domestic sales	712,342	146,884	681,431	1,056,492	1,393,773	1,203,376
Export sales	1,637,380	1,172,060	471,576	1,468,404	2,108,956	2,640,464
Total sales	2,349,722	1,318,944	1,153,007	2,524,896	3,502,729	3,843,840

26. PROVIDENT FUND

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and its employees have made monthly contributions to the fund at the rate of 3% - 7% of the employees' base salaries. The fund, which is managed by Krung Thai Asset Management Public Company Limited, will be paid to employees upon termination in accordance with the fund's rules. The Group and its subsidiaries recognized the contributions for the year 2021 amounting to Baht 11.6 million and Baht 11.1 million as expenses, respectively (2020: Baht 11.2 million and Baht 10.5 million, respectively).

27. DIVIDENDS PAID

On February 24, 2020, the Board of Directors' Meeting of the Company passed a resolution to distribute annual dividends from the operations of the year 2019 for 1,380 million shares at Baht 0.26 per share, totaling Baht 358.8 million. The dividends consist of interim dividends at Baht 0.11 per share, totalling Baht 151.8 million, which were paid on September 11, 2019, and additional dividends at Baht 0.15 per share, totaling Baht 207.0 million, which were paid on April 24, 2020.

On April 21, 2021, the Annual General Shareholders' Meeting passed a resolution to distribute annual dividends from the results of operations of the year 2020 for 1,380 million shares at Baht 0.21 per share, totaling Baht 289.8 million. The dividends consist of interim dividends at Baht 0.11 per share, totaling Baht 151.8 million, which were paid on September 9, 2020, and additional dividends at Baht 0.10 per share, totaling Baht 138.0 million, which were paid on May 7, 2021.

On August 14, 2021, the Board of Directors' Meeting of the Company passed a resolution to distribute interim dividends of the six-month period ended June 30, 2021 for 1,380 million shares at Baht 0.05 per share, totalling approximately Baht 69.0 million, which were paid on September 10, 2021.

28. TRANSACTIONS WITH RELATED PARTIES

Related person or parties of the Company are defined as persons or entities that control the Company or are controlled by the Company, whether directly or indirectly or are under the same control as the Company including holding companies. In addition, related person or parties also include individuals owning, directly or indirectly, and interest in the voting shares of the Company, and have significant influence over the Company, key management personnel, directors or officers of the Company. This also applies to the close members of the family of such individuals and companies associated with these individuals.

In considering each possible related person or parties relationship, attention is directed to the substance of the relationship, not merely the legal form.

Transactions with related person or parties are conducted at market prices or, where no market price exists, at contractually agreed prices.

The relationships between the Company and related parties are summarized as follows:

Company name	Relationship
Taokaenoi Restaurant & Franchise Company Limited	Subsidiary
Taokaenoi Care Company Limited	Subsidiary
NCP Trading & Supply Company Limited	Subsidiary
TAOKAENOI USA, Inc.	Subsidiary
Peeradechapan Holding Company Limited	Major shareholders
Dr. Tobi Company Limited	Common shareholders/directors
Chubcheeva Company Limited	Common shareholders/directors
Move Fast Company Limited ⁽¹⁾	Common director
Itthipat Peeradechapan	Director
Orrapat Peeradechapan	Director
Nutchatpong Peeradechapan	Director

⁽¹⁾ On September 10, 2021, Move Fast Company Limited is changed from a related party to be a third party.

For the years ended December 31, 2021 and 2020, the Group had significant business transactions with related parties. Such transactions, which are summarized below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

Unit : Thousand Baht

Account name	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Subsidiaries				
Revenue from sales	-	-	114,843	164,100
Revenue from rendering accounting and financing services	-	-	4,716	3,984
Interest income	-	-	2,138	1,031
Other income	-	-	3,038	13
Purchase of goods	-	-	133,714	171,474
Sales promotion expenses	-	-	3,072	3,417
Rental expenses	-	-	248	279
Other expenses	-	-	2	-
Related parties				
Revenue from sales	584	7	580	-
Sales promotion income	-	11	-	-
Rental income	121	234	-	-
Other income	-	38	-	-
Purchase of goods	(293)	37	-	32
Rental expenses	360	360	360	360
Interest expenses	-	81	-	-

Pricing policies of each account can be described as follows:

Account	Transfer pricing policy
Revenue from sales	Cost plus margin at 15% - 45% depending on the purchase volume and product types
Revenue from rendering accounting and financing service	Actual cost plus margin
Sales promotion income	Rate stipulated in the agreement
Interest income	Rate stipulated in the agreement
Rental income	Rate stipulated in the agreement
Other income	Rate stipulated in the agreement
Purchase of goods	Cost plus margin at 5% - 15% and cost plus margin at 35% - 70% depending on the purchase volume and product types for subsidiaries and related parties, respectively
Sales promotion expenses	Rate stipulated in the agreement
Rental expenses	Rate stipulated in the agreement
Interest expenses	Rate stipulated in the agreement
Other expenses	Rate stipulated in the agreement

The balances of the accounts between the Group and those related parties as at December 31, are as follows:

Unit : Thousand Baht

Account name	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Trade receivables				
Subsidiaries	-	-	111,561	69,405
Related parties	-	4	-	-
Total	-	4	111,561	69,405
Other receivables				
Subsidiaries	-	-	3,787	855
Related parties	-	17	-	-
Total	-	17	3,787	855
Trade payables				
Subsidiaries	-	-	9,473	12,919
Related parties	-	4	-	-
Total	-	4	9,473	12,919
Other payables				
Subsidiaries	-	-	2,279	175
Related parties	-	-	-	-
Total	-	-	175	175

SHORT-TERM LOAN TO A SUBSIDIARY

Short-term loan to a subsidiary as at December 31, is as follows:

Unit : Thousand Baht

Borrower	Interest rate (% per annum)		Separate Financial Statements	
	2021	2020	2021	2020
Taokaenoi Restaurants & Franchise Co., Ltd.	1.70 - 2.20	1.96 - 2.20	115,500	99,500

DIRECTOR AND MANAGEMENT'S BENEFITS

During the years ended December 31, the Group had employee benefit expenses for its directors and management as follows:

Unit : Thousand Baht

	Consolidated and Separate Financial Statements	
	2020	2021
Short-term benefits	46,080	33,997
Post-employment benefits	2,481	2,152
Total	48,561	36,149

29. BASIC EARNINGS PER SHARE

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

30. OPERATING SEGMENT

Operating segment information is reported in a manner consistent with the internal reports of the Group that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organized into business units based on its products and has 3 reportable segments as follows:

- 1) Snacks segment represents a manufacturer and distributor of fried, grilled, and baked seaweed and seaweed snacks in both domestic and overseas markets;
- 2) Retailer segment represents a retailer of snacks, food and beverages; and
- 3) Others.

The chief operating decision maker monitors the operating results of the business units separately for the purposes of making decisions about resource allocation and assessing performance. Segment performance is measured by the Group based on the operating profit or loss, and total assets and total liabilities on a basis consistent with that used to measure the operating profit or loss, total assets and total liabilities in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The Group is organized into business units based on its products. During the current year, there has been no change in the structure of the operating segments as reported.

Operating segment by business in the consolidated financial statements for the years ended December 31, are as follows:

Unit: Million Baht

Consolidated Financial Statements						
	Snack segment	Retailer and restaurant segment	Other segments	Total	Elimination of inter-segment	Total
For the year ended December 31, 2021						
Segment revenues from external sales	3,558.3	52.6	-	3,610.9	-	3,610.9
Charges between segments	113.8	0.8	133.7	248.3	(248.3)	-
Total revenues	3,672.1	53.4	133.7	3,859.2	(248.3)	3,610.9
Segment profit (loss)	202.3	(46.9)	(10.1)	145.3	25.1	170.4
Other income						33.6
Finance costs						(12.7)
Profit before income tax expense						191.3
Income tax expense						(10.3)
Profit for the year						181.0
As at December 31, 2021						
Total assets for reportable segments	3,680.2	78.8	61.7	3,820.7	(366.5)	3,454.2
Total liabilities for reportable segments	1,499.5	168.5	34.8	1,702.8	(244.1)	1,458.7

Unit: Million Baht

Consolidated Financial Statements

	Snack segment	Retailer and restaurant segment	Other segments	Total	Elimination of inter- segment	Total
For the year ended December 31, 2020						
Segment revenues from external sales	3,883.7	91.2	8.2	3,983.1	-	3,983.1
Charges between segments	164.1	1.1	171.2	336.4	(336.4)	-
Total revenues	4,047.8	92.3	179.4	4,319.5	(336.4)	3,983.1
Segment profit (loss)	360.2	(80.5)	(4.6)	275.1	(0.1)	275.0
Other income						16.2
Finance costs						(18.1)
Profit before income tax expense						273.1
Income tax expense						(31.2)
Profit for the year						241.9

As at December 31, 2020

Total assets for reportable segments	3,630.4	108.2	63.6	3,802.2	(321.3)	3,480.9
Total liabilities for reportable segments	1,463.5	152.3	27.2	1,643.0	(184.6)	1,458.4

Other segment information for the years ended December 31, are as follows:

Unit: Million Baht

Consolidated Financial Statements						
	Snack segment	Retailer and restaurant segment	Other segments	Total	Elimination of inter-segment	Total
For the year ended December 31, 2021						
Depreciation and amortization	154.8	20.4	6.5	181.7	-	181.7
Additions to non-current assets other than financial instruments and deferred tax assets	3,333.4	75.7	61.4	3,470.5	(362.3)	3,108.2

Unit: Million Baht

Consolidated Financial Statements						
	Snack segment	Retailer and restaurant segment	Other segments	Total	Elimination of inter-segment	Total
For the year ended December 31, 2020						
Depreciation and amortization	145.9	30.8	6.5	183.2	(0.3)	182.9
Additions to non-current assets other than financial instruments and deferred tax assets	3,287.8	100.8	63.2	3,451.8	(321.3)	3,130.5

For the years ended December 31, revenues from external sales based on customers' locations are as follows:

Unit : Million Baht

country	Consolidated Financial Statements	
	2021	2020
Thailand	1,443	1,275
People Republic's of China	988	1,514
Others	1,180	1,194
Total	3,611	3,983

For the year ended December 31, 2021, revenue from sales included revenue arising from sales to the Group's largest customer in the People's Republic of China of Baht 513.4 million (2020: Baht 1,492.9 million) which such company is a subsidiary of one of the Company's shareholders. Apart from the customer mentioned, there are two local customers which the sales to both are above 10 percent of the Group's total revenue for the years 2021 and 2020.

31. COMMITMENTS AND LETTERS OF GUARANTEE

31.1 Capital commitments

As at December 31, 2021, the Group had capital commitments of Baht 61.2 million, relating to the purchase of machinery and equipment (2020: Baht 69.4 million, relating to the purchase of machinery and equipment and factory building improvements).

31.2 Commitments under operating lease and service agreements

The Group entered into lease agreements in respect of the lease of land, building space and office, and service agreements including marketing service agreements. The terms of the agreements are generally between 1 and 3 years.

Future minimum payments required under these agreements are as follows:

Unit : Million Baht

Payment periods	Consolidated Financial Statements		Separate Financial Statements	
	2021	2020	2021	2020
Within 1 year	23.2	20.0	21.9	17.2
Over 1 year but not over 5 years	4.6	4.3	0.1	2.8

The office rental expense and service expense for the years ended December 31, 2021 and 2020 were recorded as expenses in the consolidated statements of profit or loss and other comprehensive income amounting to Baht 33.0 million and Baht 17.8 million, respectively, and the separate statements of profit or loss and other comprehensive income amounting to Baht 26.3 million and Baht 11.1 million, respectively.

31.3 Commitments under raw material purchase agreements

The Company entered into agreements to purchase raw materials from overseas suppliers, for a period of delivery within 1 year, in quantities and at prices stipulated in the agreements. As at December 31 2021 and 2020, the Company had no commitments under the agreements.

31.4 Letters of guarantee

As at December 31, 2021 and 2020, there were outstanding letters of guarantee of Baht 1.4 million and Baht 3.6 million, respectively, issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business of the Company. These included letters of guarantee for electricity usage and others.

32. LITIGATIONS

- 32.1 On February 9, 2016, a Japanese company filed a civil lawsuit against the Company with the Central Intellectual Property and International Trade Court for a breach of a technical assistance agreement, claiming damages amounting to USD 150,000 plus interest at a rate of 7.5% per annum from the date the lawsuit was filed. Subsequently, on May 2, 2016, the Court disposed of the case since the Plaintiff and the Company were bound by the rules of the arbitration clause stipulated in the agreement to settle the dispute through an arbitration process at the Singapore International Arbitration Centre. However, on May 10, 2016, the Plaintiff filed a motion requesting the Court to set aside a regular proceeding and on September 15, 2016, the Court dismissed the motion. Subsequently, on November 3, 2016, the Plaintiff filed an appeal against the Court's order to dispose of the case. The Court received and forwarded the appeal to the Supreme Court. Subsequently, on July 19, 2018, the Supreme Court dismissed the judgment of the Central Intellectual Property and International Trade Court since additional issues raised by the Plaintiff had not been considered by the Court. Witnesses of Plaintiff and the Defendant appeared before the court as prescribed in August 2019 for a hearing. Subsequently, on October 25, 2019, the Court rendered the judgment ordering the Company to pay the Defendant for compensation of Baht 500,000 with interest at a rate of 7.5% per annum

calculating from the date of judgment rendered and costs for the Plaintiff. On November 6, 2019, the Company issued a cashier cheque to the Intellectual Property and International Trade Court in the amount of Baht 641,219 following the Court's judgment. The Company recorded such amount as an expense in the statement of profit or loss for the year ended December 31, 2019.

Subsequently, on January 22, 2020, the Plaintiff filed an appeal to the Court and the Company filed a cross-appeal on March 20, 2020. The Court of Appeal for Specialized Cases rendered a judgement on August 17, 2020 ordering the Company to pay the Plaintiff in the amount of USD 50,000 plus interest at a rate of 7.5% per annum. On August 31, 2020, the Company issued a cashier cheque to the Intellectual Property and International Trade Court in the amount of Baht 1,672,372.78 following the Court's judgment. The Company recorded such amount as an expense in the statement of profit or loss for the year ended December 31, 2020.

Subsequently, on October 16, 2020 the Company filed an appeal to the Supreme Court requesting to amend the judgment of the Court of Appeal for Specialized Cases and order as the judgment of the Court. On October 28, 2021, the Supreme Court dismissed the appeal filed by the Company and ordered to refund all of the Supreme Court fees to the Company.

- 32.2 On February 18, 2019, the Company filed a claim against one of the Company's distributors in China under a civil lawsuit on the ground of breaching the distributorship agreement since the aforementioned distributor sold products in the same category as the Company's and used trademark imitated from the Company's trademark. The Company demanded for compensation on damages, product cost, and related expenses including loss of benefit in the approximate amount of Chinese Yuan 119 million (approximately Baht 569 million). Due to the provision of the Agreement, this case must be brought to the arbitration proceedings. Later, on August 30, 2019, the Company filed a claim to The Thai Arbitration Institute (TAI). The Company claimed for damages, products and other related expenses including fee for loss of opportunity in the amount of Baht 96 million. The Thai Arbitration Institute prescribed February 19, 2020 as a hearing date. The distributor did not attend the hearing; therefore, the Arbitrators have proceeded the parte trial. After the trial, the Company filed a closing statement on March 16, 2020. Subsequently, on April 21, 2020, the Arbitrators rendered the judgement directing the distributor to pay the Company in the approximate amount of Baht 54 million plus interest at a rate of 7.5% per annum. Since the distributor has a domicile and properties in the People's Republic of China, the enforcement of the future order will be proceeded in the People's Republic of China. With this connection, the Company is currently in the process of preparation of submission of the arbitration award and related documents to the competent court in the People's Republic of China.

33. FINANCIAL INSTRUMENTS

33.1 Financial risk management

Paying attention to risk management, the Group defines the risk assessment process in accordance with the business objectives and goals by identifying and analyzing all types of risks, both present and future, formulate the corporate risk management policy, strategies and guidelines. These risks include market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks by using financial instruments to hedge these risk exposures. The Group does not enter into or trade financial instruments for speculative purposes.

Furthermore, the risk management committee has been set up to perform risk management in overall as responsibility for all sector to manage and control risk to an acceptable level.

33.2 Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into trade forward exchange contracts to manage its exposure to foreign currency.

There has been no change to the Group's exposure to market risks or the manner in which these risks are managed and measured.

Foreign currency risk management

The Group's exposed to the risk of exchange rate fluctuation because the Group orders seaweed raw materials from overseas countries and sells to overseas countries. Foreign currency contracts are denominated in US dollars and certain export contracts are denominated in US dollars as well.

The Company 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, the balances of financial assets and liabilities denominated in foreign currencies are as follows:

Foreign currency	Consolidated Financial Statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	8.86	6.74	5.87	4.20	33.42	30.04
Singapore Dollar	-	0.44	0.05	0.06	24.74	22.66
Hongkong Dollar	-	-	0.03	0.03	4.29	3.87
Yuan	-	0.12	5.70	12.45	5.25	4.62

Foreign currency	Separate Financial Statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	5.49	4.03	1.53	0.93	33.42	30.04
Singapore Dollar	-	0.44	0.05	0.06	24.74	22.66
Hongkong Dollar	-	-	0.03	0.03	4.29	3.87
Yuan	-	0.12	5.70	12.45	5.25	4.62

The Company has outstanding forward exchange contracts as at December 31, as summarized below:

As at December 31, 2021

Consolidated and Separate Financial Statements Contractual maturity date		
Sold amount	Contractual exchange rate (Baht per 1 foreign currency unit)	Contractual maturity date
USD 0.2 million	32.71 - 32.89	May 2022

As at December 31, 2020

Consolidated and Separate Financial Statements Contractual maturity date		
Sold amount	Contractual exchange rate (Baht per 1 foreign currency unit)	Contractual maturity date
USD 1.8 million	29.97 - 31.31	March - June 2021
SGD 0.3 million	22.41	May - June 2021

Interest rate risk management

The Group is exposed to interest rate risk because of borrowings. The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

33.3 Credit risk management

The Group is exposed to credit risk primarily with respect to accounts receivable. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group 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 accounts receivable and loans as stated in the statement of financial position.

Furthermore, the Group reviews the recoverable amount of each trade receivables and other current financial assets at the end of the reporting period to ensure that adequate loss allowance is made for irrecoverable amounts.

33.4 Liquidity risk management

The Group manages liquidity risk by maintaining adequate cash and cash equivalents for the operation of the Group to reduce the impact of the fluctuation of cash flow.

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

Liquidity and interest risk tables

As at December 31, 2021 and 2020, significant financial assets and liabilities classified by type of interest rate, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date (if this occurs before the maturity date) are as follows:

As at December 31, 2021

Unit : Million Baht

Unit : Million Baht

	Consolidated Financial Statements					
	Fixed interest rates		Floating interest rate	Non interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	More than 1-5 years				
Financial assets						
Cash and cash equivalents	196.5	-	-	26.9	223.4	0.050 - 0.125
Trade and other receivables	-	-	-	521.4	521.4	-
Other current financial assets	-	-	253.6	-	253.6	-
Financial liabilities						
Short-term loan from financial institutions	502.0	-	-	-	502.0	1.100 - 1.660
Trade and other payables	-	-	-	606.0	606.0	-
Short-term loans	16.6	-	-	-	16.6	4.600
Long-term loans	-	134.1	-	-	134.1	2.70095

As at December 31, 2020

Unit : Million Baht

Unit : Million Baht

	Consolidated Financial Statements					
	Fixed interest rates		Floating interest rate	Non interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	More than 1-5 years				
Financial assets						
Cash and cash equivalents	199.1	-	-	9.5	208.6	0.050 - 0.125
Trade and other receivables	-	-	-	436.3	436.3	-
Other current financial assets	-	-	274.6	-	274.6	-
Financial liabilities						
Short-term loan from financial institutions	690.2	-	-	-	690.2	1.250 - 1.660
Trade and other payables	-	-	-	568.3	568.3	-
Short-term loans	-	14.6	-	-	14.6	4.600

As at December 31, 2021

Unit : Million Baht

	Separate Financial Statements					
	Fixed interest rates		Floating interest rate	Non interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	More than 1-5 years				
Financial assets						
Cash and cash equivalents	168.7	-	-	12.9	181.6	0.050 - 0.125
Trade and other receivables	-	-	-	618.3	618.3	-
Short-term loan to a subsidiary	115.5	-	-	-	115.5	1.700 - 2.200
Other current financial assets	-	-	253.6	-	253.6	-
Financial liabilities						
Short-term loan from financial institutions	490.4	-	-	-	490.4	1.100 - 1.660
Trade and other payables	-	-	-	565.7	565.7	-
Long-term loan from financial institutions	-	134.1	-	-	134.1	2.70095

As at December 31, 2020

Unit : Million Baht

	Separate Financial Statements					
	Fixed interest rates		Floating interest rate	Non interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	More than 1-5 years				
Financial assets						
Cash and cash equivalents	184.2	-	-	5.3	189.5	0.050 - 0.125
Trade and other receivables	-	-	-	486.7	486.7	-
Short-term loan to a subsidiary	99.5	-	-	-	99.5	1.960 - 2.200
Other current financial assets	-	-	271.80	-	271.8	-
Financial liabilities						
Short-term loan from financial institutions	680.2	-	-	-	680.2	1.250 - 1.500
Trade and other payables	-	-	-	546.8	546.8	-

33.5 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature and loan payable bears interest rates which are close to the market rate, their fair values are not expected to be materially different from the amounts presented in the statement of financial position.

34. FAIR VALUE MEASUREMENTS

Certain financial assets of the Company and the subsidiaries are measured at fair value in the statements of financial position at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined.

Financial assets	Consolidated Financial Statements		Separate Financial Statements		Fair value hierarchy	Valuation technique and key input
	Fair value (Thousand Baht)		Fair value (Thousand Baht)			
	2021	2020	2021	2020		
Financial assets at fair value through profit or loss - equity securities	-	2,830	-	-	Level 1	Use of quoted market prices in an active market for such assets or liabilities
Financial assets at fair value through profit or loss - open- ended fixed income fund (see Note 8)	253,562	271,820	253,562	271,820	Level 2	Use of other observable inputs for such assets or liabilities, whether directly or indirectly
Investment property (see Note 10)	42,240	42,240	42,240	42,240	Level 2	Use of other observable inputs for such assets or liabilities, whether directly or indirectly
Forward exchange contracts (see Note 33)	(139)	(205)	(139)	(205)	Level 2	Use of other observable inputs for such assets or liabilities, whether directly or indirectly

35. CAPITAL MANAGEMENT

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximize shareholder value. As at December 31, 2021, the Group's debt-to-equity ratio was 0.7:1 (2020: 0.7:1), and the Company's was 0.6:1 (2020: 0.6:1).

36. EVENT AFTER THE REPORTING PERIOD

On February 21, 2022, the Board of Directors' Meeting of the Company passed a resolution to distribute annual dividends from the operations of the year 2021 for 1,380 million shares at Baht 0.14 per share, totaling Baht 193.2 million. The dividends consist of interim dividends at Baht 0.05 per share, totaling Baht 69.0 million, which were paid on September 10, 2021, and additional dividends at Baht 0.09 per share, totaling Baht 124.2 million, which will be paid on May 6, 2022.

37. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved for issue by the Board of Directors of the Company on February 21, 2022.

Attachment



Attachment 1

About Directors, Executives, Controlling Persons, and the Company Secretary

1. Information of Directors, Executives, Controlling Persons (if any), and Company Secretary

1.1. Details of the Directors, Executives, Controlling Persons, and the Company Secretary

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
1. Mr. Yuth Vorachattam Chairman of the Board/ Independent Director/ Member of Audit Committee/ Member of Nomination and Remuneration Committee	74	Master of Economics (English Program) : Thammasat University	-0-	-	2011 - present	Chairman of the Board/Independent Director/Audit Committee/Member of Nomination and Remuneration Committee	Taakaenoi Food & Marketing PCL.
		Bachelor of Economics (Honor class - Good) : Thammasat University				Chairman of the Board / Audit Committee	
		Director Leadership Certification Program (DLCP) Class 0, year 2021				Chairman of the Board	
		Advance Audit Committee Program (AAPCP) Class 36, year 2020			2016 - present	Chairman of the Board / Audit Committee	Sahathai Terminal PCL.
		Strategic Board Master Class (SBM) Class 5, year 2018			2016- present	Chairman of the Board	Grand Prix International Co., Ltd.
		Ethical Leadership Program (ELP) Class 2, year 2015			2017 - present	Director / Chairman of the Audit Committee	Nutrix PCL.
		Corporate Governance for Capital Market Intermediaries (CGI) Class 0, year 2014			2015 - present	Director	B.S.Y. Construction Co., Ltd.
		Financial Institutions Governance Program (FGP) Class 6, year 2013			2015 - present	Director / Chairman of the Audit Committee	BSY Group PCL.
		Monitoring of the Quality of Financial Reporting (MFR) Class 12 year 2010			2010 - 2020	Director/Chairman of the Audit Committee	Sahathai Steel Pipe PCL.
		Audit Committee Program (ACP) Class 33, year 2010			2017 - 2019	Committee Chairman of the Board	SCB Protect Co., Ltd.
		Chartered Director Class (R-CDC) Class 3, year 2008			2003 - 2019	Chairman of the Board / Audit Committee	Maybank Kim Eng Securities (Thailand) PCL.
		Role of the Chairman Program (RCP) Class 8, year 2003				Chairman of the Board / Audit Committee	
		Directors Certification Program (DCP) Class 0, year 2000					

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
2. Mr. Chaiyong Ratanacharoensiri Independent Director/Member of Audit Committee/Chairman of the Nomination and Remuneration Committee	66	Master of Administration : Scranton University, USA Bachelor of Engineering : Chulalongkorn University Directors Certification Program (DCP) Class 58 year 2005 Directors Accreditation Program (DAP) Class 34, year 2005	-0-	-	2011 - present	Independent Director /Member of Audit Committee/ Chairman of the Nomination and Remuneration Committee	Taokaenoi Food & Marketing PCL.
					2015 - present	Independent Director /Chairman of Audit Committee	Quick Leasing Co., Ltd.
					2018 - 2018	Executive Director	P-Mart Superstore Co., Ltd.
3. Mr. Somboon Prasitjutrakul Director and Executive Committee/ Member of Nomination and Remuneration Committee	63	Master of Business Administration : Sasin Graduate Institute of Business Administration Bachelor of Marketing : San Jose State University, USA Directors Certifi cation Program (DCP) Class 54, year 2005	-0-	-	2020 - present	Director	Moong Pattana International PCL.
					2020 - present	Director	Tia Ngee Hiang (Chaosua)
					2013 - present	Director and Executive Committee/Member of Nomination and Remuneration Committee	Taokaenoi Food & Marketing PCL.
					2018 - present	Director	JWD Infologistics PCL.
					2017 - present	Director	Devakam Apothecary Hall Co., Ltd.
					2014 - 2020	Director	River Pro Pulp and Pepper Co., Ltd
					2014- 2020	Director	Thanatharn Paper Co., Ltd.
					2015 - 2017	Director	T.A.C Consumer PCL.
					2017 - 2019	Director	We Foods Group Co., Ltd.

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
4. Mrs. Wanee Thasanamontien Independent Director/ Chairman of Audit Committee/ Member of Nomination and Remuneration Committee	67	Master of Public Administration : Chulalongkorn University Bachelor of Law : Thammasat University Bachelor of Accounting : Thammasat University Advanced Audit Committee Program (AAP) Class 18, year 2015 Financial Institutions Governance Program (FGP) Class 4, year 2012 Directors Certification Program (DCP) Class 138, year 2010	-0-	-	2014 - present	Independent Director/ Chairman of Audit Committee / Member of Nomination and Remuneration Committee	Taokaenoi Food & Marketing PCL.

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
5. Mr. Itthipat Peeradechapan ⁽¹⁾ Director /Chief Executive Officers	38	Doctorate (Honorary) Entrepreneurship : University of the Thai Chamber of Commerce Bachelor of Entrepreneurship : University of the Thai Chamber of Commerce Directors Accreditation Program (DAP) Class 86, year 2010	22.99%	- Younger brother of Mr. Nutchatpong Peeradechapan - Younger brother of Ms. Orrapat Peeradechapan	2019 - present	Director	Thonglor 24 Co., Ltd.
					2018 - present	Director	Henry's Burger International Co., Ltd.
					2018 - present	Director	Tob Capital 24 Co., Ltd.
					2004 - present	Director/Chief Executive Officers	Taokaenoi Food & Marketing PCL.
					2014 - present	Director	Peeradechapan Holding Co., Ltd.
					2010 - present	Director	Dr.Tobi Co., Ltd.
					2009 - present	Director	Taokaenoi Restaurant & Franchise Co.,Ltd.
					2008 - present	Director	Taokaenoi Care Co., Ltd.
					2004 - present	Director	NCP Trading and Supply Co., Ltd.
					2014 - 2020	Director	Chubcheeva Co., Ltd.
					2014 - 2020	Director	Omise Co., Ltd.
					2013 - 2019	Director	Tokyo Runway Marketing Co., Ltd.
					2009 - 2019	Director	Twenty Four Projects Co., Ltd.
					2018 - 2018	Director	Taokaenoi Maruesu (Thailand) Co., Ltd

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
6. Miss Orrapat Peeradechapan Director/ Chairman of the Risk Management Committee	41	Master of Public Administration : Ramkamhaeng University Bachelor of Service Industry : Rangsit University Directors Accreditation Program (DAP) Class 86, year 2010	4.40%	- Younger sister of Mr. Nutchatpong Peeradechapan - Older sister of Mr. Itthipat Peeradechapan	2020 - present	Director	Rainbow Project Co., Ltd.
					2018 - present	Director	Jibvardee Co., Ltd
					2004 - present	Director	Taokaenoi Food & Marketing PCL.
					2014 - present	Director	Peeradechapan Holding Co., Ltd.
					2010 - present	Director	Dr.Tobi Co., Ltd.
					2009 - presen	Director	Taokaenoi Restaurant & Franchise Co., Ltd.
					2008 - present	Director	Taokaenoi Care Co., Ltd.
					2004 - present	Director	NCP Trading and Supply Co., Ltd.
					2009 - 2020	Director	Twenty Four Projects Co., Ltd.

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
7. Mr. Jirapong Suntiromkul ⁽¹⁾ Director /Deputy Managing Director/ Member of Risk Management Committee	59	Master of Accounting : Chulalongkorn University Bachelor of Accounting : University of the Thai Chamber of Commerce Company Secretary Program (CSP) Class 108, year 2020 Directors Certification Program (DCP) Class 287, year 2019 Ethical Leadership Program (ELP) Class 8, year 2017	-0-	-	2020 - present	Director	Taokaenoi Care Co., Ltd.
					2013 - present	Director /Deputy Managing Director	Taokaenoi Food & Marketing PCL.
					2013 - present	Director	JWK Engineering Co., Ltd.
					2018 - present	Director	Taokaenoi Restaurant & Franchise Co., Ltd.
8. Miss Porntera Rongkasiripan ⁽¹⁾ Director/ Member of Risk Management Committee/ General Manager NCP Trading and Supply Co., Ltd.	53	Bachelor of Accounting : Assumption University Directors Accreditation Program (DAP) Class 89, 2011	-0-	-	2020 - present	Director	Taokaenoi Care Co., Ltd.
					2018 - present	Director/ General Manager	NCP Trading and Supply Co., Ltd.
					2012 - present	Director	Taokaenoi Food & Marketing PCL.

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
9. Mr. Nutchatpong Peeradechapan Managing Director	42	Bachelor of Science in Industrial Education: King Mongkut's Institute of Technology North Bangkok Company Secretary Program (CSP) Class 42, year 2011 Directors Accreditation Program (DAP) Class 86, year 2010	4.36%	- Older brother of Mr. Itthipat Peeradechapan - Older brother of Ms. Orrapat Peeradechapan	2014 - present 2010 - present 2009 - present 2008 - present 2004 - present 2004 - present 2009 - 2019	Director Director Director Director Managing Director Director Director	Peeradechapan Holding Co., Ltd. Dr.Tobi Co., Ltd Taokaenoi Restaurant & Franchise Co., Ltd. Taokaenoi Care Co., Ltd. Taokaenoi Food & Marketing PCL. NCP Trading and Supply Co., Ltd. Twenty Four Projects Co., Ltd.
10. Mr. Prayut Apisitsareekul Chief Strategy and Commerce Officer *Mr. Prayut Apisitsareekul resigned from the position on January 1, 2022	44	Master of Business Administration (MBA) : Institut Européen d'Administration des Affaires (INSEAD) Bachelor of Electrical Engineering: King Mongkut's Institute Ladkrabang	-0-	-	2019 - 2022 2017 - 2018 2013 - 2017	Chief Strategy and Commerce Officer Finance Director, New Business Investment Department (to enhance Performance in supply chain and logistics management for oil drilling in the North America) Finance Director, North Asia Headquarters	Taokaenoi Food & Marketing PCL. SCHLUMBERGER (NORTH AMERICA) SCHLUMBERGER (NORTH AMERICA)

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
11. Mr. Woothi Kuanamkhum Chief Operating Officer	49	Master of The Management : Ramkhamhaeng University Bachelor of Mechanical Engineering : King Mongkut's Institute of Technology North Bangkok	-0-	-	2020 - present	Chief Operating Officer	Taokaenoi Food & Marketing PCL.
					2018 - 2020	Chief Executive Officers	Bluefalo Co., Ltd.
					2017 - 2018	Factory Director	Mary Anne Co., Ltd.
					2017 - 2017	Chief Operating Officer	Do Day Dream PCL.
					2016 - 2016	Factory Director	Mary Anne Co., Ltd.
					2012 - 2016	Production Director	Monsanto Thailand Co., Ltd.
12. Mr. Prin Pitchayavijit Chief People Officer	52	Master of Human Resource Development : National Institute of Development Administration Bachelor of Political Sciences : Ramkhamhaeng University	-0-	-	2020 - present	Chief People Officer	Taokaenoi Food & Marketing PCL.
					2007 - 2020	Director of Mitr Phol Development Institute	Mitr Phol Sugar Corporation., Ltd.
13. Mrs. Tipnapa Jitjang Chief Financial Officer	40	Master of Business Administration : SCHOOL OF BUSINESS, BABSON COLLEGE, USA Bachelor's degree Department of Statistics, Applied Statistics Faculty of Commerce and Administration : Chulalongkorn University	0.00%	-	2021 - present	Chief Financial Officer	Taokaenoi Food & Marketing PCL.
					2018 - 2021	VP - Head of Finance	Brand's Suntory (Thailand) Co.,Ltd
					2014 - 2018	Finance Director	Osotsa Public Company Limited

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
14. Mr. Pisan Taraphat Chief Revenue Officer	50	Master of General Management : Assumption University Bachelor of Marketing : Assumption University	-0-	-	2021 – present	Chief Revenue Officer	Taokaenoi Food & Marketing PCL.
15. Mr. Anajak Limphaisan Company Secretary / Legal Director	37	Master of Advanced Studies in International Tax Law (LL.M.) Degree at the International Tax Center Leiden (ITC Leiden) : Leiden University, the Netherlands Bachelor of Law : Ramkhamhaeng University	-0-	-	2016 - 2021	General Manager	Jacobs Douwe Egberts TH Co., Ltd.
					2020 - present	Legal Director// Company Secretary	Taokaenoi Food & Marketing PCL.
					2019 - present	Independent Director/ Member of Audit Committee	NSL Foods Public Co., Ltd.
					2019 - 2020	Chief Administrative Officer	Polynet. Co., Ltd.
16. Miss Kanjana Jiratanakorn ⁽²⁾ Accounting Manager	44	Bachelor of Accounting : Ramkhamhaeng University	-0-	-	2015 - 2019	Lawyer	Kudun & Partners Co., Ltd.
					2013 - present	Accounting Manager	Taokaenoi Food & Marketing PCL.

¹ Mr. Itthipat Peeradechaphan, Mr. Jirapong Santipiomkul and Ms. Pomtheera Rongkasiriphan Being a director who has the authority to bind the company according to the certificate

² Ms. Kanchana Chirathanakon is directly responsible for accounting supervision.

1.2. Company Secretary's duties and responsibilities

1. Keep and maintain the following documents.
 - 1.1 Directors' register
 - 1.2 Notice to the Board of Directors' meeting, minutes of the Board of Directors' meeting, and annual report of the Company.
 - 1.3 Invitation letter to the shareholders' meeting and minutes of the shareholders' meeting
2. Keep the securities ownership report prepared by the directors of executives and submit the securities ownership report as per section 89/14 to the Board of Directors and the Audit Committee Chairman within seven days from the date when the Company receives such report.
3. Conduct any other tasks as notified by the Capital Market Advisory Board. Furthermore, the Company Secretary is responsible for different tasks as assigned by the Company (or the directors) as follows:
 - 3.1 Oversee activities of the Board of Directors and supervise to ensure the Board of Directors and the Company's compliance with relevant laws and regulations.
 - 3.2 Arrange the Board of Directors' meeting and shareholders' meeting.
 - 3.3 Contact the supervisory agency such as The Securities and Exchange Commission and the Stock Exchange of Thailand. Oversee the information disclosure and report the statement to the supervisory agency and the public to ensure accuracy and compliance with the law.
 - 3.4 Arrange the first orientation to the new directors.
 - 3.5 Other duties as assigned by the shareholders and/or the Board of Directors

2. Information on the position of Directors, Executives, Controlling Persons.

Name	Name	Subsidiary Company				Related Company								
		TKNRF	TKNC	NCP	TKNUS	1	2	3	4	5	6	7	8	9
1. Mr. Itthipat Peeradechapan	/, ///	/	/	/	/	/	/	/	/	/				
2. Miss Orrapat Peeradechapan	/, ///	/	/	/	/				/	/	/	/		
3. Mr. Yuth Vorachattarn	X												X	X
4. Mr. Chaiyong Ratanacharoensiri	/													
5. Mr. Somboon Prasitjutrakul	//													
6. Mrs. Wanee Thasanamontien	/													
7. Mr. Jirapong Suntipiromkul	/, ///	/	/											
8. Miss Pomtera Rongkasiripan	/		/	/										
9. Mr. Nutchatpong Peeradechapan	///	/	/	/					/	/				
10. Mr. Prayut Apitsareekul	///													
11. Mr. Woothi Kuanamkhum	///													
12. Mr. Prin Pitchayavijit	///													
13. Mrs. Tipnapa Jitjang	///													
14. Mr. Pisan Taraphat	///													

Notes:

X = Chairman of the Board

/ = Director

// = Director and Executive Committee

/// = Executive

Name	Name	Related Company								
		10	11	12	13	14	15	16	17	18
1. Mr. Itthipat Peeradechapan	/, ///									
2. Miss Orapat Peeradechapan	/, ///									
3. Mr. Yuth Vorachattarn	X	/	/	/						
4. Mr. Chaibong Ratanacharoensiri	/				/					
5. Mr. Somboon Prasitjutrakul	//					/	/	/	/	
6. Mrs. Wanee Thasanamontien	/									
7. Mr. Jirapong Suntiromkul	/, ///									/
8. Miss Porntera Rongkasiripan	/									
9. Mr. Nutchatpong Peeradechapan	///									
10. Mr. Prayut Apisitsareekul	///									
11. Mr. Woothi Kuanamkhum	///									
12. Mr. Prin Pitchayavijit	///									
13. Mrs. Tipnapa Jitjang	///									
14. Mr. Pisan Taraphat	///									

Related Company as follows:

- | | | |
|--------------------------------------|---|--|
| 1. Thonglor 24 Co., Ltd. | 2. Henry's Burger International Co., Ltd. | 3. Tob Capital 24 Co., Ltd. |
| 4. Peeradechapan Holding Co., Ltd | 5. Dr.Tobi Co., Ltd | 6. Rainbow Project Co., Ltd. |
| 7. Jibvardee Co., Ltd. | 8. Sahathai Terminal PCL. | 9. Grand Prix International Co., Ltd. |
| 10. Nutrix PCL. | 11.B.S.Y. Construction Co., Ltd. | 12. BSY Group PCL. |
| 13. Quick Leasing Co., Ltd. | 14. Moong Pattana International PCL. | 15. Tia Ngee Hiang (Chaosua) Co., Ltd. |
| 16. Devakam Apothecary Hall Co., Ltd | 17. JWD Infologistics PCL. | 18. JWK Engineering Co., Ltd. |

Attachment 2

Details of the Directors of the Subsidiaries

Name	Subsidiaries			
	TKNRF	TKNC	NCP	TKNUS
1. Mr. Itthipat Peeradechapan	/, //	/, //	/, //	/
2. Ms. Orrapat Peeradechapan	/, //	/, //	/, //	/
3. Mr. Nutchatpong Peeradechapan	/, //	/, //	/, //	
4. Mr. Jirapong Suntipiromkul	/	/		
5. Mr. San Taweesak	/, //			
6. Ms. Porntera Rongkasiripan		/	/, //	
7. Ms. Auntika Kumwong			/, //	
8. Mr. Timothy Mingos				/

Note:

X	=	Chairman of the Board
/	=	Director
//	=	Executive Director

Attachment 3

About the Chief of Internal Audit Supervisor and Chief Compliance Officer

The Company uses outsource service from P&L Internal Audit Company Limited as an internal auditor. The head of the internal audit team's qualifications, education, and work experience, are as follows:

Internal Audit Supervisor	Education background / Training record	Responsibility
Ms. Wanwimol Jongsureeyapas Position : Vice President	<ul style="list-style-type: none"> - Master of 2020.12. (Executive MBA) : National Institute of Development Administration (NIDA) - Bachelor of Accounting (Bachelor of Accountancy – Second Class Honors) : Dhurakij Pundit University <p>Diploma</p> <ul style="list-style-type: none"> - Internal Auditing Certificate Program – IACP - Certified Professional Internal Audit of Thailand : CPIAT <p>Training record</p> <ul style="list-style-type: none"> - COSO 2014 -The Institute of Internal Auditors of Thailand (IIAT) - Fraud Audit and Caution for Auditor -The Institute of Internal Auditors of Thailand (IIAT) - Data Analytics for Internal Auditor Class 2, year 2017: Federation of Accounting Professions (FAP) - Internal Audit Program: Prepared Course for Certified Internal Auditor (Pre – CIA) : Chulalongkorn University 	<ul style="list-style-type: none"> - Prepare the annual audit plan to consider, propose approval from the Audit Committee - Review the audit program for each matter that is audited according to the annual audit plan. - Planning and organizing the inspection team according to the plan - Evaluation of adequacy dependability and timeliness Of the Company's internal control system in accordance with COSO principles - To review the audit report and follow up the performance according to the recommendations. - Prepare the audit report to the management And the Audit Committee

Attachment 4

Operating assets

You can see more details in “1. Group Operations Structure under the topic Operating assets”.

Asset appraisal list.

In 2021 the Company did not appraised any assets. However, every three years, the Company conducts the asset appraisal to support the consideration of asset impairment in accordance with the accounting standard. The Company’s accounting policy to show the asset list in capital cost less by depreciation.

Attachment 5

The complete version of policy and practices of corporate governance and code of business ethics



The Company disseminates essential policies related to good corporate governance via its website. Readers can scan QR Code or visit: http://investor-th.taokaenoi.co.th/cg_principle.html.

Attachment 6

Report of the Audit Committee

Dear Shareholders,

In 2021, the Audit Committee of Taokaenoi Food & Marketing Public Company Limited comprised three independent directors who are fully qualified in accordance with the Audit Committee Charter. The Audit Committee Charter is prepared in conformity with the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) and approved by the Board of Directors. At present, the Audit Committee comprises of:

- | | | |
|-----------------|-------------------|-----------------------------|
| 1. Mrs. Wanee | Thasanamontien | Chairman of Audit Committee |
| 2. Mr. Yuth | Vorachattarn | Audit Committee |
| 3. Mr. Chaoyong | Ratanacharoensiri | Audit Committee |

The Audit Committee performs its duties independently to the extent as specified in the Audit Committee Charter. The Audit Committee's meeting is held at least every quarter. In 2021, the Audit Committee arranged four meetings, and all members attended every session. The meetings were joined with the executives, auditors, and internal auditors as deemed appropriate. The minutes of the meeting of every meeting are reported to the Board of Directors.

The Audit Committee has performed its duties and responsibility as assigned. Principal duties in 2021 are summarized below

1. The financial audit The Audit Committee has reviewed the materiality of the quarterly and annual financial statements upon inquiring and listening to the executives' explanation and auditors regarding the accuracy of the financial statements and the adequacy of the information disclosure, including to acknowledge the changes of accounting standard (revision). Furthermore, the Audit Committee has arranged a meeting with auditors without executive attendance in order to enable the independent discussion. The Audit Committee agrees with the auditors that the financial statements are accurate in accordance with the materiality of the financial statement.

2. The audit and opinions on related transactions or the transaction may have a conflict of interest. After reviewing the connected transactions and the transactions that may have a conflict of interest, the disclosure of such information as per the requirement of the Stock Exchange of Thailand and the Securities and Exchange Commission, Thailand, the auditors are of the opinion that the connected transactions with material content disclosed and shown in the financial statement and notes to financial statements, the Audit Committee agrees with the auditors that the said transactions are reasonable and returns the highest benefits to the Company's business operation and the information is fully disclosed.

3. Internal Audit After considering mission, the scope of work, duties, and responsibility, independence of P&L Internal Audit Co., Ltd, the internal auditor of the Company, the Audit Committee has approved the annual audit plan, which has been prepared based on the corporate risk level. The Audit Committee is of the opinion that the Company's internal audit system is adequate, appropriate, and effective in line with international standards.

4. The auditing of operation and internal control system After auditing the internal control system assessment result to identify the adequacy, suitability, and effectiveness of the internal control to ensure the compliance with the guidance of the Securities and Exchange Commission, which will accomplish successful operation and the goal set forth. The Audit Committee considers the internal control system assessment results in coordination with the auditors and internal auditors and mutually agrees that the Company's and subsidiaries monitoring process on its business operation is adequate, appropriate, and effective. There is no disadvantage or significant defect found. The Company properly maintains its assets, discloses information correctly with full details and reliability.

5. Auditing the risk management system The Audit Committee has considered the risk policy, risk factor, risk management, including the progress of risk management. The Risk Management Committee comprises of Managing Director as a chairman of the board and high-rank executives as a member of the board. The Risk Management Committee's duties include determining objectives, events, and risk factors, assessing risks, managing risks, and monitoring the progress. The board also determines the Key Risk Indicator (KRI) to meet the current situation where risk will be identified and maintained at an acceptable level.

6. Auditing the Corruption The Company has developed the complaint and whistle-blowing channel for a third party other than the internal personnel's complaint channel. The third party can make a complaint or report information verbally or in written form via our email or send a sealed envelope directly to our complaint receiver, report via www.taokaenoi.co.th, via email: whistleblower@taokaenoi.co.th to the Chief Executive Officer. There was no complaint made via these channels in 2021

7. The auditing on the compliance with securities and exchange law The Audit Committee audited the Company's performance regarding the Stock Exchange of Thailand's regulations, laws relevant to the Company's business, articles of association, including the obligations made with the third party. As a result, no topic was contrary to the laws, regulations, requirements, including the said obligation.

8. Appoint the auditor and set the auditor's fee for 2022 To propose for approval upon auditor appointment and 2022 audit compensation, after reviewing performance, independency, and suitability of the compensation, the resolution was to appoint Mr. Chupong Surachutikan (Certified Public Accountant ID 4325) and/or Ms. Wimonporn Boonyusthian (Certified Public Accountant ID 4067) and/or Miss Phensri Thamwarodom (Certified Public Accountant ID 4923) and/or Ms. Waraporn Kriengsuntornkij (Certified Public Accountant ID 5033) of Deloitte Touche Tohmatsu Jaiyos Audit Company Limited as auditor of Company and subsidiaries in 2022, approve the 2022 audit compensation and the quarterly review of the Company's financial statements and consolidated financial statements of THB 2,450,000, and acknowledge its subsidiaries' audit fee of THB 1,050,000.

Report of the Nomination and Remuneration Committee

Dear Shareholders,

In 2021, the Nomination and Remuneration Committee (“Nomination and Remuneration”) comprises independent directors mainly. All members are fully qualified as specified in the Nomination and Remuneration Committee Charter, which is prepared in accordance with the guidance and requirement of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) and approved by the Board of Directors. At present, the Nomination and Remuneration of the Company comprises of the following members:

- | | | |
|-----------------|-------------------|---|
| 1. Mr. Chaoyong | Ratanacharoensiri | Chairman of the Nomination and Remuneration Committee |
| 2. Mr. Yuth | Vorachattarn | Member of Nomination and Remuneration Committee |
| 3. Mrs. Wanee | Thasanamontien | Member of Nomination and Remuneration Committee |
| 4. Mr. Somboon | Prasitjutrakul | Member of Nomination and Remuneration Committee |

The Nomination and Remuneration Committee has performed its duties to the extent specified in the charter with prudence, justice, and reasonableness. The board also considers and provides opinions on important issues before proposing to the Board of Directors. The Nomination and Remuneration Committee held a meeting at least twice a year. In 2021, there were two Nomination and Remuneration Committee meetings in which all members attended every session. The members performed their duties and responsibility assigned. The significant performance of the board in 2020 was summarized as follows:

- Considered the remuneration for the Board and sub-committees for the year 2021 based on the operation result and business scale of the listed Company conducting the same business. The remuneration was proposed to the Board of Directors for approval and bringing forward to the annual general meeting of shareholders for 2021.

- Consider the performance assessment and operation result according to the Company’s vision to assess the Board of Directors and sub-committee’s performance in 2021. The assessment result was analyzed and summarized to determine measures for improving their performance and preparing a further development plan.

The compensation for the Board of Directors and the sub-committee, including the high-rank executives, is disclosed in the annual report for transparent operation.

Report of the Risk Management Committee

Dear Shareholders,

Taokaenoi Food & Marketing Public Company Limited recognises the importance of risk management that affect business operation and the Company goal, to achieve sustainable growth. Appointed by the Board of Directors, the Risk Management Committee comprises:

1. Ms. Orrapat	Peeradechapan	Chairman of the Risk Management Committee
2. Ms. Porntera	Rongkasiripan	A member of Risk Management Committee
3. Mr. Jirapong	Suntipiromkul	A member of Risk Management Committee
4. Mr. Prayut	Apisitsareekul	A member of Risk Management Committee

The Risk Management Committee has performed their duties as assigned by the Board of Directors to the extent described in the charter, to maintain risk at an acceptable level. In 2021, the Risk Management Committee held 2 meeting which can be summarised as follows:

- Review policy, strategy and guideline of enterprise risk management.
- Determine the type of risk and scope of risk assessment for the year 2021 for more precision as a guideline for risk assessment. The consideration bases on the likelihood of risk emerging and severity of the risk impact on operation achievement among departments or organisation.
- Report risk assessment result and risk management operation to the Audit Committee meeting.

In addition, the Risk Management Committee has emphasised the Management for monitoring and assessing the Covid-19 situation closely to reduce risk and impacts on our business operation including to ensure the Company accomplishment on objectives, to meet the business plan set forth, and to bring about the sustainable return to all stakeholders.



อร่อยทุกคำ
มันส์ทุกซอง

รส คลาสสิก

Party Pack

สำหรับย่างสไลด์ญี่ปุ่น รสคลาสสิก ตราเต้าแกนน้อย บิ๊กโรล วันชอต

Imported
Seaweed
from Korea

อร่อย ง่าย
แค่จิกเท



Topping

สำหรับ
김자반 โรยข้าว



- ✓ ไม่ใส่ผงชูรส
- ✓ สำหรับนำเข้าพิเศษเฉพาะ เถ้าแก่น้อย topping

