Taokaenoi Food & Marketing Public Company Limited

GOING GLOBAL WITH SUSTAINABLE GROWTH



ANNUAL REPORT 2022

56-1 ONE REPORT

TAO KAE NOI

CRISPY SEAWEED





GRILLED SEAWEED





TEMPURA SEAWEED

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JUST DRINK

ฝนตกไหม...แต่ยังไงก็ไม่เหงา

หอมละมุน ตลอด ทั้งวัน





แค่มี Just Drink

Original Taste From Taiwan

7-ELEVEN Big C mini Lotus's go fresh CJ SUPERMARKET



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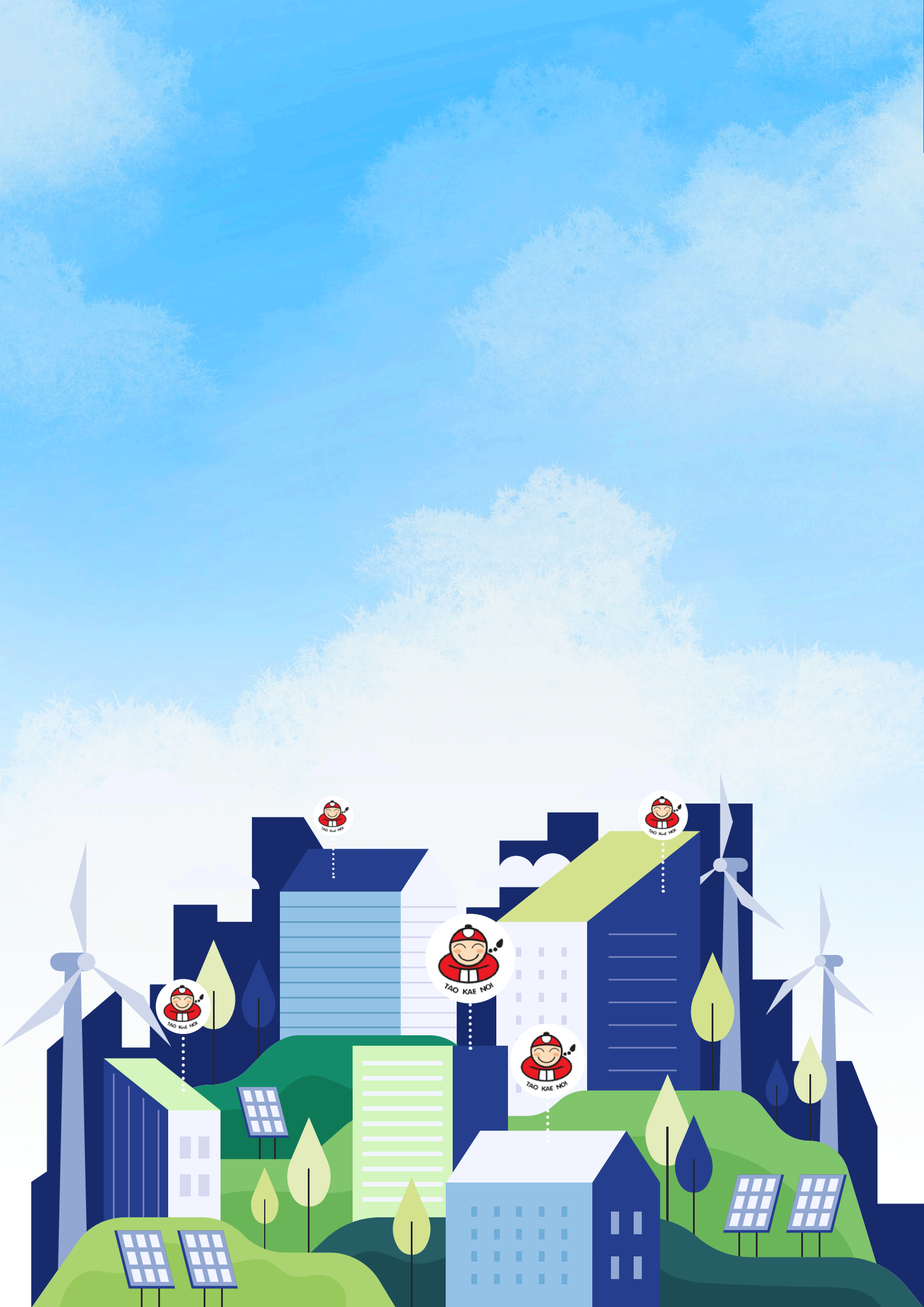
MATCHA LATTE

อร่อย กลมกล่อม
หอม **มัทฉะแท้**

#JustDrink หอมละมุน

Original Taste From Taiwan

มีจำหน่ายที่ 7-ELEVEN


TAO KAE NOI

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Message from the Board Chairman

2022 marks the Company's successful year in terms of its satisfactory results of operations due to its adaptations and a variety of actions to boost revenue and reduce expenses for the purpose of better profitability and more efficient management.

Sales in 2022 increased by approximately 21 % from 2021. Domestic sales increased by approximately 15 % and international sales approximately 24 %. Such dramatic increase in international sales mainly originated from China by 12 %, and USA, Vietnam, Malaysia and Indonesia combined by another 35 %. Persistent online marketing in China successfully paid off to increase sales. Domestic sales increase was attributable to new product marketing and offering to the market, sales channel restructuring to local distributors to extensively cover a wider group of customers.

The cost of sales in 2022 was managed to reduce from that of 2021, and as such, the gross profit compared to sales increased by over 4%. The integrated production capacity at Rojana factory over the past 2-3 years helped reduce the labor costs up to 10 %. The reduction of unnecessarily high volume of raw materials cut the costs of storage of raw materials and minimized the risks of obsolescence. Moreover, the production costs and the selling and administrative expenses were controlled to meet target. The marine transportation expenses which had previously increased manifold over the past two years reduced to nearly normal rates before the COVID-19 outbreak. As a result, the net profit for 2022 increased by 139 % from 2021, namely from Baht 182.1 million in 2021 to Baht 434.7 million in 2022; and basic earnings per share increased from Baht 0.13 per share in 2021 to Baht 0.31 per share in 2022.

Thanks to the efficiency enhancement of the production process, our Rojana factory received the outstanding labor award for two years in a row. In terms of corporate governance, in 2022, the Company was rated 5 stars or "Excellent" recognition level in the Corporate Governance Report by the Thai Institute of Directors. In addition, the Company also realizes the significance of its internal control and compliance, upgrade of production process and operations, to reduce the greenhouse gas emission, as a more critical risk factor both at present and in the future, not to mention that solar rooftop installation over the last year helped reduce power consumption up to 17 %.

All of the above achievements have materialized out of our high-ranking executives' talents and commitment, a concert effort of staff at every level, and most importantly, continued support of customers, business partners, financial institutions and all stakeholders, to whom we are profoundly grateful for.





Mr. Yuth Vorachattarn
Chairman of the Board

Mr. Itthipat Peeradechapan
Chief Executive Office




TAO KAE NOI

Part 1

Business and Operation Result



1 Structure and Operation of the Group

1.1 Business Policy and Overview

Taokaenoi Food and Marketing Public Company Limited or "TKN" and/or ("the Company") manufactures and distributes crispy seaweed snacks and other food such as ready-to-drink milk tea. The products are distributed locally and overseas.

TNK has 4 subsidiaries namely:

1. Taokaenoi Restaurant and Franchise Company Limited ("TKNRF")

operates a business selling souvenir crispy snacks for tourists visiting Thailand under the brand "Taokaenoi Land." TKNRF also operates Quick-Service Restaurants (QSR) under the brand "Hinoya" including the Food Kiosk franchise under the brand "Bomber Dog".

2 NCP Trading and Supply Company Limited ("NCP")

manufactures and distributes seasoning powder for Taokaenoi Group.

3 Taokaenoi USA Inc. "TKNUS"

distributes seaweed snacks and TKN's products within the North America (USA and Canada) under the trademarks "Taokaenoi" and "NORA".

4 Taokaenoi Care Company Limited ("TKNC")

resells the products, mainly health care products.

Vision, Objectives, Goal

VISION



"To become a company that brings about food innovation that brings happiness to consumers worldwide."

MISSION



- To develop innovative products without boundary.
- To achieve the world class manufacturing standard and adhere to environmental-friendly concept.
- To create happiness and bonding with the organization.
- To response to the change and carry on the development for sustainable growth.
- To become a trustworthy organization with corporate governance and sustainable development.

STRATEGY



Go Firm To increase the profit of our core business, to re-prioritize, to adjust business model and working procedures with an aim to stabilize and strengthen our core business.

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

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

Long-term target for the operation in the next 3-5 years

Taokaenoi Food and Marketing Public Company Limited is committed to becoming a food innovation company that creates delicious products to enhance people's quality of life. TKN has set a goal for continuous growth, aiming to achieve net sales of 6,000 million baht and the net profit of 700 million baht by the 2025.

The estimated compound annual growth rate (CARG) is set at 14%. At present, Taokaenoi has implemented the 3 Go Strategy to its business as follow:

3 Go



1. Go Firm

To increase the profit of our core business, to re-prioritize, to adjust business model and working procedures with an aim to stabilize and strengthen our core business.



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 opportunities and develop existing business, to add up new targets and channels for sustainable growth.

Between 2021 – 2022, the Company mainly focus on Go Firm strategy, and has re-arrange the priority to strengthen business and boost profit. The Go Firm consists of 4 majors parts as follows:

1. Rebound our sales growth: the sales have recovered. We will continue to expand the business in local and oversea and increase market shares in all channels.

2. Create new innovation: by focusing on idea that the products must be new and valuable to consumers.

3. Improve product margin: strengthen product margin.

4. Productivity: Maintain satisfied investment value, continuously cut costs, and focus on the automated production.

1.1.2 Major 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 continuously increases 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 public offering at the par value of 0.25 THB each. The public offering was a part of 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 Ayutthaya province to accommodate consumers' demand locally and internationally. Taokaenoi also set up a sales office in the United States.

Major Developments

Major 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 convenient stores.

2005

• The Company received Halal Certificate to certify that its food production process was in conformity with the Islamic rules allowing consumption by the Muslim.
• The Company was accredited with CODEX GMP by Global Certification Service Limited. The standard certification is for a factory that passes quality standard evaluation by the Food and Drug Administration, Ministry of Public Health.
• The Company started distributes its products abroad via Thai exporters to the first oversea 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). Taokaenoi increased its registered capital from THB 1 million to THB 3 million by issuing 20,000 ordinary shares at the par value of THB 100 each.

2007

• The Company obtained the Thailand's Brand which accrediting quality of exported goods, building trust among global consumers toward products from Thailand.

2008

• The Company obtained ISO 9001:2008 standard certification (previously ISO9001:2000) a standard set for international standard quality management system under operation of the International Organization for Standardization.

• 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 codemand among customers and to support new customers in the future by opening the second factory, "Nopphawong." 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 (Nopphawong Office).

• The Company increased 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 Bai Po Business Award from Sasin Graduate Institute of Business Administration and Siam Commercial Bank for Outstanding Medium and Small Business Operator.

• The Company generated income of over THB 1,000 million 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 tourism 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 increased 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 at the proportion of 99.99% of paid-up capital in NCP Trading and Supply Company Limited ("NCP") from the third party that is considered unrelated person so that the Company can operate the business in relation to manufacturing and distributing 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 was 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 existing 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 Rojana 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 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 THB 1,440 million. There were direct expenses related to the share offering amounted to THB 34.6 million as shown in the deduction from the surplus of ordinary shares in the statement of financial position. The Company registered the increase of paid-up capital with the Ministry of Commerce on 30 November 2015.
• The Company's securities was first traded in the Stock Exchange of Thailand on 3 December 2015.
• The Company generated over THB 3,000 million in income per year from the sales.

2016

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

2017

• The Company acquired GIM Factory Inc. (now renamed to Taokaenoi USA Inc.), a California-based manufacturer of roasted seaweed. This acquisition marked the establishment of the Company's first overseas factory and became their third factory worldwide.
• The Company earned revenue from sales over THB 5,000 million per year.

2018

• The Company opened representative office in Shanghai, China, to support sales and marketing activities in China.

2019

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

2020

• The Company ceased the representative office in Shanghai, China. 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 appointed one additional distributor in China to manage traditional trade and online sales in China, and changed Orion status from exclusive distributor to be general distributor.
• Taokaenoi received the Best Brand Performance on Social Media of Thailand Zocial Award 2021 for food category.

2022

• The Company conducted a study to improve marketing channel for traditional trade for domestic market, with the aim of including smaller stores. In 2023, the marketing structure within local market will be adjusted through collaboration with 14 partners in Thailand covering nationwide areas. Such progress is to support and strengthen our growth with quality and sustainability and to satisfy our customers.
• Taokaenoi cooperate with Double Win, a coffee shop in China to progress the marketing by crossing over the product category to create a new product that will draw customers' attention and marketeer. As a result, the Company received the Bronze Medal Prize from the 2022 Gold Rank Awards.





1.1.3 Use of Fund from Fundraising

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 capital increase. The net earnings after expenses deduction amounted to THB 1,394.50 million. The Company finished spending the fund as planned on 31 December 2017 as follows:

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

1.2 Nature of business

1.2.1 Income Structure

Revenue structure divided by product types

The Company's revenue structure divided by product types within the past 3 years between 2019 - 2022 are as follows:

Products	2022		2021		2019	
	Amount	Percent	Amount	Percent	Amount	Percent
Fried seaweed	1,863.6	42.7	1,437.8	39.8	1,493.4	37.5
Grilled seaweed	1,908.6	43.7	1,632.8	45.2	2,235.8	56.1
Tempura seaweed	231.8	5.3	131.0	3.6	89.2	2.2
Roasted seaweed	177.1	4.1	115.7	3.2	78.6	2.0
Other products [1]	185.6	4.3	293.5	8.1	86.1	2.2
Total revenue	4,366.6	100.0	3,610.9	100.0	3,983.1	100.0

Note: [1] Revenue from other products includes revenue from products other than seaweed such as Just Drink milk tea, Hinoya restaurant, Bomber Dog food stall.

Revenue structure categorized by country

The Group's revenue structure divided by country within the past 3 years between 2019 - 2022 are as follows:

Products	2022		2021		2019	
	THB million	Percent	THB million	Percent	THB million	Percent
Thailand	1,662	38.1	1,443	40.0	1,275	32.0
China	1,110	25.4	988	27.3	1,514	38.0
Other country [1]	1,595	36.5	1,180	32.7	1,194	30.0
Sales revenue	4,367	100.0	3,611	100.0	3,983	100.0

Note: [1] Other country includes Indonesia, Malaysia, USA and CLMV countries (Cambodia, Laos, Myanmar, Vietnam) etc.

1.2.2 Product information

(1.) Nature of Products and Services

The Company and its subsidiaries have products divided into 3 categories based on type of products/business as follows:

1. Seaweed snack products, the Company's main products, incudes:



a. Crispy Seaweed

This is a fried seaweed with our unique seasonings, cut and packed in a package under the trade names Taokaenoi, Taokaenoi Big Sheet, Konomi, and Nora.



b. Grilled seaweed

This product is made by dipping seaweed into the Company's special sauce and grilling it on a unique stove before packaging it into sachets or shaping it before packaging. The products are sold under the names of Taokaenoi BigRoll, Taokaenoi BigBag, and our new product that will be launch at the end of 2022 is Taokaenoi Wave, the wavy grilled seaweed.



c. Roasted seaweed

This is made by roasting seaweed, powdering it with seasoning and packaging it into sachets. The trade name are Taokaenoi and Nora.



d. Tempura seaweed

This is made by dipping seaweed in flour, and frying until golden crispy, and powdering it with seasoning. The trade names are Taokaenoi Tempura, Taokaenoi Hi-Tempura, Taokaenoi Salted Egg.



e. Seaweed Topping

This is made by mixing seaweed with seasonings and using it as a sprinkle over food, following the Koran style of cooking. This is a way of tapping into customers in new markets.

2. Beverage includes pasteurized tea flavoured milk “Just Drink”, currently available in 2 flavours 1.milk tea flavor 2. green tea matcha latte flavor



To adjust 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 in advance. The Company plans to increase the proportion of non-seaweed products which includes:

1.) **Extrude snack** made of flours
2.) **Healthy** Functional Drink
3.) **Energy Drink** which offers the quality of functional energy drink
4.) **Other beverages**

3. TKNRF’s businesses includes stores and restaurants namely below.



a. Japanese curry rice “Hinoya”
is a quick service restaurant that the Company has acquired the franchise from Japan.



b. Bomber Dog
is a food kiosk that serves special hot dog with special flour, topped with various season powder and sauces.

TKNRF has developed its products for release to the market of Taokaenoi Land in the next 3-5 years. The Company plans to increase proportion for the non-seaweed product for Thai consumers, in addition to tourists which includes:

1.) Plant Base Snack: plant-based food/beverage/snacks.
2.) Protein Snack: food/snacks contain a high volume of protein.
3.) Premium Snack: food/snack that offer high value added to the products.
4.) Supplementary: other supplementary products.
5.) Merchandising: various premium goods released to increase buying rate and to emphasize Taokaenoi products.

Research and Development Policy

The Company prioritizes the research and development of new products toward sustainability, with the commitment to develop and invent new products of decent value and benefit to consumers, to offer variety of kinds constantly, to determine direction to develop different flavors for existing goods, and to create new products to satisfy customers' expectation which is varied in each country. Moreover, we continue to develop and improve existing products, enhance performance of production procedures, production know-how, to study packaging development for cost optimization, for quality and attractive price and for competitiveness in Thai and the world market.

In addition, the Company is committed to the research and development of new products, covering food and beverage, to emphasize our identity and sustain business operation in years to come with an aim to increase new target groups. The priority is on functional & healthy food & beverage to meet the need of customers who prefer healthy choice. The consumption rate of these product groups are likely to grow constantly at present and in the future.

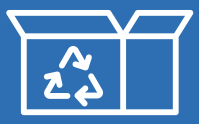
In addition to the research and development of the new product groups, the Company also addresses the importance of research and development for sustainable packaging and eco-packaging. We have started the study and applied the 3R principles in our business which include Reduce, Recycle, and Renewable.

3R



Reduce

is to cut the amount of packaging material at proper volume. In 2022, the export packaging size for fried seaweed has been adjusted, thus reducing the use of plastic and paper by 77 tons and 48.32 tons respectively (calculated by the weight differed from the adjusted packaging and the volume used through the whole year of 2022).



Recycle

is the study to select the packaging from recycle content, for example, reusing the box or packages of raw materials for the activity that is not related to the production.



Renewable

is the use of bioplastic which can be re-grow, reducing the use of decreasing petroleum resource. Shifting to bioplastics will also reduce the global warming situation.

Expenses for research and development in the past 3 years



2022	2021	2020
5.9 million baht	3.9 million baht	3.1 million baht

(2) Marketing and Competition

Domestic markets

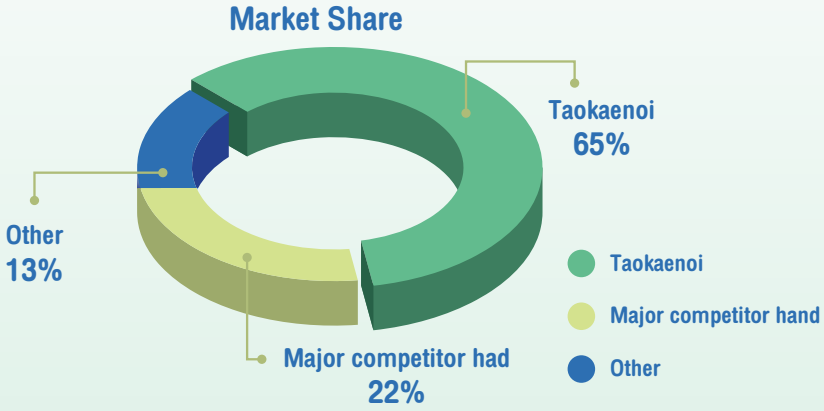




2.1. Overview of snack and seaweed product market, industrial situation, and competition in 2022

During the first half of 2022, snack market in Thailand moved at sluggish pace, with slight growth comparing to the previous year. However, the growth gradually rose during the second half, closing the 2022 with 12% growth comparing to most of product groups in the previous year. As a result, overall seaweed group in 2022 surged over 35% percent, pea snack 22% and potato 5.1%. We can see that seaweed is the product that stimulates significant growth in 2022 contributed by returning customers and release of new product (NPD) of all groups. The leaping growth of the seaweed market is driven by the growth of roasted seaweed. Roasted seaweed has been a popular choice among consumers of all ages for its variety way of eating, offering healthy choice as a snack, being an ideal food for those who prefer healthy diet. The launch of Taokaenoi Seaweed during the latter half of the year is promoted with BT21 cartoon characters from Korea, received satisfying feedback, drawing new consumer groups to the market. The market is growing well.

The market share of snack products in 2022 reached approximately THB 39,000 million where the potato taking the largest portion at 35%, the extrude 28%, peas 11%, and seaweed 6.5%. The seaweed value in the market was approximately THB 2,500 million, in which Taokaenoi remained as the leading holder of market share at 65%.



Note: The market share proportion is a reference from AC Nielsen as of December 2022.

Classified by sales volumes of each seaweed group, the proportion is as follows:

Fried Seaweed takes **50%** of total sales volume.

Roasted Seaweed takes **30%** of total sales volume.

Grilled Seaweed takes **20%** of total sales volume.

2.2) Local market share in 2022

2.2.1 Expansion of sales channel

To distribute our products to target groups via all channels, the Company has assigned a marketing team that will be responsible in all major channels, including to arrange out business allies to be responsible for product distribution that cover 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 continues to seek new possible platforms to reach consumers thoroughly. We have announced the cancellation of sales representative DKSH upon the contract expiration in December 2022 and will start working with 14 business alliance or local distributors across Thailand in 2023.

In 2022, we distributed product to 94,500 stores in Thailand, dividing in Bangkok 20%, the central region 15%, the northern region 28%, and the southern region 14%. The current distribution is made through three main channels.

1. Modern trade: consists of convenient stores, supermarkets and hypermarkets. The Company conducts a direct trade with each customer by deliver products from the warehouse to customers' product distribution center (D.C.) in order to forward to different branches.

2. Local distributors: The Company sells via local distributors to distribute its products to wholesales stores and retails stores nationwide including the supermarkets without product distribution center (D.C.).

3 Online stores: The Company establishes our own online store via the website and accounts in various platforms, i.e., Live Facebook, TikTok, Instagram, Twitter, SHOPEE, LAZADA or JD Central.

The product placement for modern trade in 2022 was considerably comprehensive, especially the 7-11 convenient stores where almost 100% of Taokaenoi products were on display. As for supermarkets and hypermarkets, there is an opportunity to increase from the current 60-70%. The grilled seaweed is the force that drives business growth and yields satisfying profit when compared to other product groups. The growth is considerably swift.





2.2.2 Sales Strategy

focus on the product display in storefront area

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 prepare display cabinets and send to wholesalers nationwide or create an outstanding product showcase.

2. In modern trades, the products should be arranged in aesthetics, attractive and persuasive, drawing customers' attention. The Company assigns staff to arrange products in over 80% of different branches.

3. Expansion to reach out to e-commerce and online customers: In 2022, the Company has amended some strategy to boost an online sale by hiring celebrities, popular couples, popular boys' love to broadcast a live sale on Facebook fan page of TKN, once a month, from June onwards. The live broadcast for product sales returned approximately 6 million baht from consumers and it has been considered as a potential platform for business growth in the following 2023. Moreover, the Company conducts a trial sale channel via TikTok for expansion and improvement by collaborating with TikTok account owners to launch the content that meet consumers' expectation. The e-commerce marketplace rebounded for a favorable feedback thanks to the joint campaign between live broadcast or a campaign launched with various celebrities to initiate sales boost up in the market place platforms.

2.3) Marketing strategy and the shift in direction of sales and local marketing

After the Covid-19 situation has been eased in the latter half of 2022, the consumers resumed their usual lifestyles and behavior. Stringent measures have been relaxed. The marketing direction is shifted to conform with changing situation. Hence, the company has added and implemented more demanding marketing strategy as follows:





1. An online media has become a major channel among consumers more and more. On average basis, Thai people use internet 7 hours and 4 minutes per day. In particular, Taokaenoi main target group which include the age range between 15-30 years, has the longest time using an online media comparing to other media at the rate 8 hours, 55 minutes per day. We have multiply methodology on an online media plus more communication broadcast via TikTok and online marketing activity which took 50% of total media. Moreover, the Key Opinion Leader (KOLs), YouTuber and page reviews are used for a direct communication to reach the target group. The content created was for knowledge, introduction to products, information for sales promotion and marketing activities to raise recognition and stimulation for buying. With constant online marketing, Taokaenoi received the Best Brand Performance on Social Media awarded by Thailand Zocial Award 2021 for the Food category. Moreover, using Twitter to enhance recognition to consumers in the activities that led by famous presenters or celebrities, popular couples, resulting Taokaenoi rated in top rank in Twitter trend every month.

2. We continued implementing the Co-Brand strategy to draw attention to the seaweed product market and snack market and to reach new customer base. The Company also cooperated with Bitkub releasing NFT for collection as digital card, offering the new experience, launching new grilled seaweed product with BT21 cartoon character from Korea in the mid of the year to enhance recognition among consumers. Moreover, Taokaenoi joined hands with the famous After Yum restaurant launching the fried seaweed - Taokaenoi X After Yum offering the fried seaweed of 4 flavors in 2 patterns in the end of the year.

3. Launching new product is the strategy that we continue throughout the year to stimulate the market, encourage the consumption and to reach new customer base. The product is divided into 2 main groups as follow.



3.1 Snack: The product line includes fried and roasted seaweed, i.e., launching of the 2-in-1 seafood-flavored fried seaweed with 'Win' the celebrity, as a presenter on the package during the third quarter to splash up the new mixture of eating seaweed. The roast snack was also released in 2 sizes of 15g and 4g using the character from BT21 characters to attract the surging market in the grilled seaweed Wave, the curled grilled seaweed that introduced the brand-new grilled seaweed.



3.2 Beverage: The ready-to-drink milk tea Just Drink has slowdown when compared to the launch period. The Company decided to cancel the product that yields low income and the cost of production was not covered. Moreover, launching new products to boost buying since the beginning of the year were rose-flavored tea milk, Mandheling coffee blend, Earl Grey milked tea, and green tea matcha latte which received great feedback. Other NPD were distributed in the specific period in a fixed quantity.



3.3 Other product includes Taokaenoi Topping, launched to stimulate a new way of eating seaweed as a topping on their favorite dish to enrich the taste, enhance the variety of food and meet today's 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 groups, the Company has created multiple approaches below.





4.1 Presenter: To reach the target group in a wide range and timely, Taokaenoi has introduced a new presenter - Win Methawin Opasiamkhachon, the famous actor from popular series. The selection criteria are based on the presenter's reputation, feedback from the target groups and presenter personality which consistent to Taokaenoi direction which presents the product of good quality, good mood and good health. Moreover, a few more boys' love couples were assigned throughout the year, for instance, Cee - Nunew, the famous couple that joined activities with Taokaenoi and received great feedback.

4.2 Sponsoring series and TV programs: The Company sponsors series and different TV programs with GMM.



4.3 NFT Card with Bitkub the use of digital technology to modernize the brand and to keep up with new trends.



4.4 On-Ground Activity that aims to reach the target group school students were resumed after the long pause during Covid-crisis. Taokaenoi arranged brand relations activity in 10 schools during the year end and continued with being sponsor for the Thailand Game Show event in 2023 to reach customers in gaming market.

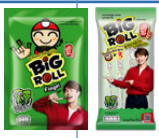
4.5 Creating various content and reach the many lifestyle of the target groups. For example, content and activities during the world cup, content and activities for Mutelu believer, fashion trends and gaming. Our content was also created to boost up new products and to share knowledge about benefits of the seaweed for health and for environment.

5. The strategy to expand the sales channel: After the Covid-19 crisis eased up, our sales channels were resume with activities and sales promotion plus more branches. Taokaenoi once again published an advertisement through product shelves and display media via Facebook account.



6. Strategy to become a part of the society: Having a policy to 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, educational institution by providing financial support and products in different activities or the donation of products in emergency case. The information of seaweed benefits to environment is published for consumer's acknowledgement.

2.4) Launch of new products in 2022 in Thailand included:

Seaweed	Q1/22			Q2/22			Q3/22			Q4/22		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
CRISPY	 Intensive Taste				 3.5g Caesar BITKUB			 2 in 130g 2 sku				
GRILLED			 Mix Roll		 Pack Win			 Big Bag ต้มยำกุ้ง			 WAVE 10 g CS SQ	
ROASTED			 HOKKAIDO (PREMIUM Roasted)	 Pimmrypie+ Commando			 TOKYO+BT21 (RL Roasted)		 TOKYO+BT21 (RL Roasted)		 LONG SHEET	
TOPPING						 Pouch import						
TEMPURA						 Tempura SHAKE 2SKU						
OTHERS												

Just Drink Milk Tea

	Q1/22			Q2/22			Q3/22			Q4/22		
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
NPD		 Rose Milktea		 Mandheling			 Earlgrey			 Matcha Latte		

2.5) Marketing activities in 2022



Just Drink Milk Tea



Oversea market

2.1 Overview of snack, seaweed product market, industrial situation and competition in 2022

In 2022, when many countries have relaxed the measure to entry and depart the country, Covid-19 measures, people tended to purchase more. At the same time, Taokaenoi arranged marketing activities which included marketing campaign and sales promotion together, to raise brand recognition to accommodate the active consumption condition. Shipping by vessel was improved, the products were delivered in time to all destination countries, especially, the US and the EU due to the huge reduction of freight costs this year comparing to the past years.

According to all mentioned factors, overall sales volume of Taokaenoi in oversea market was considerably improved with the surging growth of 23% in 2021. Nonetheless, each market contained diversified factors as follows.

The Market in China

Chinese market is considered the largest proportion in our oversea market. Our operation result for China in 2022 was satisfying with the growth rate of 14%. The positive growth was quite the contrary to the entire perspective due to the frequent closure of cities in China as a result of Covid-19 outbreak. The transportation across the cities were blocked and products were delay for delivery to consumers. Daily wage staff were often go on strike plus production sector and national economic issues. However, our continual surge in China were contributed by 2 major parts.



1. Product Distribution: Our distributor in China diverse the products to more sales channels. We added more products to existing product lines. New SKU were added, for instance, Big Roll seaweed which come in small packaged (3 rolls) were released to convenient stores as an additional choice for consumers.

2. Marketing Activity: There were more marketing activities arranged via online platforms, social media platforms, i.e., Xiaohongshu (an application similar to Instagram) – a popular app among teenagers who love to see fashion and lifestyle reviews. The activity has raised brand recognition to wider scope of target groups. For E-Commerce, the Company has selected live streaming broadcast by popular Thai public figures to create popularity and positive engagement from Chinese fan club, attracting customers and boosting sales volume. Our sales volume in official accounts rose. Special product packages were released in each season to encourage occasional consumption among consumers. Another driving activity that enlarged the consumer base was from the co-promotion & event activities with emerging brands from China or other countries such as Heinz, Sunquick, Lactasoy or Lotus and Alipay under the cooperation of three brands. The event received well feedback and the store sales volume hit 300%. The outstanding activity in 2022 under the co-branding with Double Win café was the cross categories activity which received huge attention from consumers and marketeers, was awarded Bronze Medal prize from 2022 Gold Rank Awards.



The economic situation in 2022 was challenging, but we managed to make a stand for our brand to enhance sales channels and marketing.

The market in the US and Canada

The exports to the US in 2022 grew by 52% marking the highest expansion in our oversea market thanks to the factors mentioned above and the emphasis on strategy dedicated for sales channels and more marketing activity. For Taokaenoi brand, the growth was mainly via 99 cent platform which could be considered that the brand is well recognized in Hispanic market – the target group for the said channel. Nora brand, the product of clean label, was publicized via mainstream channels mainly. The growth was positive in popular sales channels such as department stores in the US, Sobey in Canada, indicating the potential of business growth for the seaweed product.



Muslim Market (Indonesia, Malaysia)

Muslim consumer is the second largest from the US and Canada with the sales volume surged by 34%. In addition to the factors mentioned above, we also highlighted the marketing activities arranged for the Muslim constantly in the past years. During important festival like Hari Raya, the fasting period, the Company would arrange big campaigns together with sales promotion, using Key Opinion Leader (KOLs) or Muslim influencers to raise confidence among Muslim consumers, boosting the turnover during such period every year.





Indonesia is another market where our sales expand very well with the grilled seaweed product which is surging according to the increasing of quantity and exhibition area in all distribution channels. Our products are released through convenience stores (VS) at the end of 2021. Since the convenience store is the largest distribution channel in Indonesia with over 30,000 branches, the Company has boosted the said product from the early of 2022 and initiated the marketing activities with the same market constantly to maintain the popularity. As a result, we managed to seize market shares from the main rival.

For Malaysia, the Company will arrange marketing activities during major festive season, such as Chinese New Year in the first quarter and Hari Raya in the second quarter. However, in 2021, the Company arranged additional marketing activities in the third quarter, enhancing occasional consumption which received satisfying feedback from consumers. The market activity has been continued until 2022, making a major factor of business expansion in the market.





CLMV market

The growth of our business in these countries in 2022 was at 28%, driven by Vietnam as a leading country. More products are pushed to provincial markets by our sales agent plus overall factors as mentioned above. As a result, department stores and retailers accept a large number of products to fill their inventory after the reduction during stringent Covid-19 measure in the previous year.







2.2 New product release oversea in 2022 included:

New product release	Product	Country
	Fried seaweed Chili Garlic Mayonnaise Flavor, Caesar Dressing Flavor, Jjajangmyeon Flavor, Gochujang Flavor	Cambodia, Laos, Singapore, Malaysia, Macau, America, Hong Kong
	Furikake, topping seaweed with Shiitake Mushroom	USA, Singapore, Hongkong
	Grilled rolled seaweed with Cheddar flavor, smoked sausages flavor	Cambodia, Vietnam, America

3. Procurement of raw materials

Business operation need raw materials and service from supplier. Hence the Company's policy and Procurement policy are established with recognition and importance of the Code of Conduct including business risk that cover the entire supply chain. The management approach is in alignment with the ESG in which primary policies and practice guidance are applied to the good corporate governance and eventually to practice. Taokaenoi stands for a fair and verifiable procurement and harmless to the environment, consistent to the law with an aim to reduce risk from business operation, conform to the Anti-Corruption and prevent the conflict of interest, confidentiality of information with all suppliers and customers, including the IT security.

Supplier selection: Taokaenoi has selection criteria according to the company regulation, quality and safety system. With concern on the suppliers' compliance to the labor and human rights requirement, the Company will select only those who refrain from discrimination, no forced labor, right and fair business operation. The criteria are to stimulate sustainable procurement, minimize impact and risk from suppliers, society and environment under the sustainable management principles.

The Company has established procedures for fair payment for products and services to suppliers to enable smooth flow of operating fund in their business operation. The payment is paid within the fixed period cash/credit 7 days / 15 days / 30 days and 60 days respectively, according to the supplier preference.

Monitoring the compliance of the Supplier Code of Conduct, the Company has selected proper procedures that fit each supplier group such as critical supplier or non-critical supplier, according to the priority. The monitor is based on self-assessment or the third-party audit or the site visit.

1. Seaweed

Seaweed is the main raw material of the Company's manufacturing process. The Company will require 2-3 overseas manufacturers and distributors to quote the price. After that, the Company will make contracts with manufacturers and distributors for seaweed supply on an annual basis. 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 the quantity that manufacturers and distributors are required to ship each time. Before shipment, the manufacturers and distributors must send a sample of the seaweed for inspection to see if it meets the Company's criteria. If the seaweed meets every criterion of the Company, the manufacturers and distributors then ship that batch of seaweed 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

For palm oil supply, suppliers must send samples to the Company's Quality Assurance Department (QA) to be inspected for its quality. If it passes quality inspection, more than two or three suppliers will then quote the price for comparison. 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 offer, 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 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&D) will coordinate with suppliers in developing 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 monthly demand. The Company currently purchases seasoning products from various suppliers prioritizing quality first and prices second. In case of secret recipe seasonings, the Company purchases them from NCP (a subsidiary company) which managing the manufacturing of seasonings for the Company. A purchase order will be issued for each purchase according to lead time conditions that each supplier specifies which is 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 then quote the price for comparison. 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 each month. The Company currently purchases packages which 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 by 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 then quote the price for comparison. 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 monthly demand.

6. Product Transportation

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

In the process of transportation providers selection, the Company accepts bidding annually. The criteria include cost of transportation, number of vehicles in the fleet, types of vehicles provided, route coverage, 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 will first send it to the transportation company together with 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 addendum, the transportation company can start its service. The Company has procedures in managing transportation with regard to risk management and lawfulness so that the finished goods can be correctly and duly shipped to the clients.

In response to the energy conservation, reduction of environmental impact, cost optimization, the respective department has decided to use the electric vehicles or EV instead of gasoline powered vehicles due to the costly price and fluctuation and to support and initiate the sustainability to the organization. However, we are now studying and assessing the feasibility with a supplier.

4. Operating

Type of Asset	Book Value			Owner ship	Obligation
	As of 31 December 2022	As of 31 December 2021	As of 31 December 2020		
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	0.00	Leased	None
Total	92.31	92.31	92.31		
2. Building and Building Improvements					
2.1. Muang Thong Thani Office Building	55.79	59.75	63.82	Owned	None
2.2. Noppawong Factory,NCP	39.51	52.33	78.60	Owned	None
2.3 Theppanom Warehouse Building	1.78	1.94	2.11	Owned	None
2.4 Bang Bua Thong Warehouse Building	0.00	0.00	0.84	Owned	None
2.5 Rojana Factory	407.34	438.97	395.65	Owned	None
Total	503.60	552.99	541.02		
3. Machines and Equipment - Noppawong	31.02	41.67	74.31	Owned	None
4. Machines and Equipment-Rojana	181.90	122.32	91.97	Owned	None
5. Furniture and Office Equipment-Noppawong	11.47	14.66	43.74	Owned	None
6. Furniture and Office Equipment-Rojana	20.00	28.22	21.53	Owned	None
7. Vehicles	0.50	3.34	8.75	Owned	None
8. Assets under Installation and Construction - Noppawong	2.08	1.38	13.12	Owned	None
9. Assets under Installation and Construction - Rojana	87.34	167.30	117.68	Owned	None
Total	334.30	378.89	371.1		
Total Fixed Assets	930.22	1,024.19	1,004.42		
Impairment of Assets	(19.54)	(24.90)	(21.83)		
Estimated Demolition	0.00	0.10	0.31		
Total Fixed Assets-Net	910.67	999.38	982.90		

5. Backlog

-None-

6. 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 2020, 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	For investment in seaweed products manufacturing business **Incentives of the Project** • Permitted to bring expatriate technicians or experts (Myanmar, Laos and Cambodia not included), their spouses and the dependents of both individuals to the Kingdom for the numbers and time as specified. • Exempted from import duties of machinery. (The incentives ended on 9 Oct 58) • 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 67)[1] • Exempted from import duties of items for re-export. (The right can be exercised until 7 November 67)[1] **Conditions of the Project** • Have the manufacturing capacity for the manufacture of seaweed products of about 2,700 tons per year such as fried 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 Pathum Thani Province. • Permitted 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.)	For investment in seaweed products manufacturing business **Incentives of the Project** • Permitted to bring expatriate technicians or experts (Myanmar, Laos and Cambodia not included), their spouses and the dependents of both individuals to the Kingdom for the numbers and time as specified. • Exempted from import duties of machinery. (The incentives ended on 20 Mar 60) • 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 67)[1] • Exempted from import duties of items for re-export. (The right can be exercised until 7 November 67)[1] • Exempted from corporate income tax on net profit from all of the promoted businesses which do not exceed 100 percent of the investment. The cost of land is not included, and the term of circulating capital is 7 years. • Exempted from including dividends from the promoted businesses which exempted from corporate income tax in the calculation of income tax. **Conditions of the Project** • Having the manufacturing capacity for the manufacture of seaweed products of about 9,400 tons per year such as fried 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 other 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.
63-1161-1-00-1-0 (Rojana Factory)	20 October 2020	For investment in seaweed products manufacturing business **Incentives of the Project** • Permitted to bring expatriate technicians or experts (Myanmar, Laos and Cambodia not included), their spouses and the dependents of both individuals to the Kingdom for the numbers and time as specified. • Exempted from import duties of machinery. (The incentives will end on 20 Apr 67) • 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 67)[1] • Exempted from import duties of items for re-export. (The right can be exercised until 7 November 67)[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 6 years. • Exempted from including dividends from the promoted businesses which exempted from corporate income tax in the calculation of income tax. • Permitted to bring or remit money out of the Kingdom in foreign currencies. **Conditions of the Project** • Having 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.[2] • 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 other equivalent international standard within two years from the starting date of operation according to the conditions.

Remarks : 1. 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.
2. Corporate income tax amount is subject to change according to the actual investment value at the day of starting operation (which is set to be on 20 October 2024).

1.3 Structure of Shareholders

1.3.1 Taokaenoi Food & Marketing Public Company Limited

Taokaenoi Food & Marketing Public Company Limited (TKN)

- **100%** — Taokaenoi Restaurant & Franchise Company Limited (TKNRF)
- **100%** — NCP Trading & Supply Company Limited (NCP)
- **100%** — Taokaenoi Care Company Limited (TKNC)
- **91.2%** — Taokaenoi USA Inc. (TKNUS)

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 has changed the head office to No. 16/220-226, Village No. 9, Bang Phut Subdistrict, Pak Kret District, Nonthaburi Province on 1 January 2023

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

Business	2022	2021	2020
1. Tao Kae Noi Land business	-	-	5
2. "Hinoya Curry" Japanese curry rice restaurant business	5	8	9
3 Bomber Dog: a snacks business			
Company's shop	27	23	1
Franchise	20	10	-

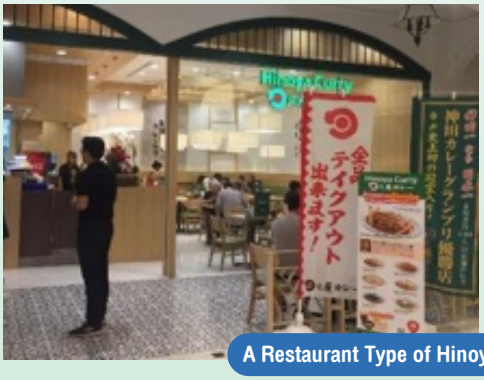
TKNRF Retail Store Business

In 2022, 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 branches 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 which is a curry rice competition in Japan. The restaurant also continuously developed 'Only in Thailand' menus to serve the needs of Thai customers 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 normal 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 restaurants has been changed as follows:

2022	2021	2020
1 The Promenade	1 Cosmo Bazaar Lifestyle Mall Branch	1 The Market Bangkok Branch
2 Central World	2 The Promenade Branch	2 Cosmo Bazaar Lifestyle Mall Branch
3 Seacon Srinakarin	3 Central World Branch	3 The Promenade Branch
4 The Mall Ngamwongwan (Express)	5 Seacon Square Srinagarindra Branch	4 Central World Branch
5 Songpapha Don Mueang	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, The Promenade Branch



Hinoya, Central World Branch



Hinoya, Seacon Srinakarin Branch



Hinoya, Line Man Kitchen Kasat Nawamin



Hinoya, The Mall Ngamwongwan Branch (Express)

Bomber Dog Snack Shop is a food kiosk franchise which 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.





2022 (Company's store)	2022 (franchise)	2021 (Company's store)	2021 (franchise)
1.Central World	1. Jas Green Villeag Khubon	1. Gourmet, Terminal 21 Asok	1. Ramindra KM. 9
2.The Promenade	2. Under the Wat Bua Khwan Expressway	2. PTT, Phutthamonthon Sai 4	2. Ratchada 32
3. Seacon Square	3. PTT Lat Lum Kaew	3. PTT Theparak	3. Under Wat Bua Khwan Temple Expressway
4. Gourmet Terminal 21 Asok	4. PTT Nern Samlee, Rayong	4. PTT Hatairat	4. PTT 345 Bang Khu Wat
5. PTT Phutthamonthon Sai 4	5. Passion Mall, Rayong	5. Banchak Sukhapiban 5	5. PTT Wat Lat Pradook Temple
6. PTT Thepparak	6. Terminal 21 Pattaya	6. PTT Thawee Wattana	6. PTT Nern Samlee Rayong
7. PTT Hathairat	7. Lotus Ban Bueng	7. Gourmet The Mall Ngamwongwan	7. Patchion Rayong
8. Bangchak Sukhaphiban 5	8. Central Ayutthaya	8. PTT Din Daeng	8. Terminal 21 Pattaya
9. PTT Taweewattana	9. Lotus Tiwanon	9. Plaza Lagoon	9. PTT Baan Kluai Sai Noi
10. Gourmet The Mall Ngam-wongkan	10. PTT Rama 2 km 22	10. PTT Mueang Pathum	10. PTT Map Yang Porn Rayong
11. PTT Dindaeng	11. PTT Petra	11. Porto Go Bang Pa-in	
12. Porto Go Bang Pa-in	12. Central Chanthaburi	12. Gourmet The Mall Bangkapi	
13. PTT Rama 5	13. PTT Ban Yai Km 54 Wang Noi	13. PTT Rama 5	
14. PTT Sai Yai	14. PTT Mueang Pathum	14. PTT Sai Yai	
15. PTT Lam Luk Ka Klong 4	15. Central Westgate	15. PTT Lam Luk Ka Klong 4	
16. PTT Kheha Bangplee	16. Tops Future Park Rangsit	16. PTT Kingkaew	
17. PTT Petchawan Suksawat 64	17. Mingle University of Bangkok	17. PTT Phutthamonthon Sai 5	
18. PTT Chaengwattana Mittae Capital	18. Saimai Avenue	18. PTT Kheha Bangplhi	
19. Lotus Rama 1	19.Lotus North Ratchapruek	19. Gourmet The Mall Bang Khae	
20. Lotus Rattanathibet	20. Ton Sak Market	20. PTT Nak Sawat Banna-Trad	
21. PTT Jiang Nong Khai Lat Krabang		21. PTT Pecharawan Suksawat 64	
22. Avenue Ladprao 101		22. PTT Klong Luang KM. 6	
23. Avenue Donmueang		23. PTT Borommarajjajonni	
24. PTT Nakhon Chai Si Nakhon Pathom (inbound)			
25. Lotus Srinakarin			
26. Chamchuri Square			
27. Plearnary Mall			



Bomber Dog at The Mall Department Store



Bomber Dog at The Mall Department Store



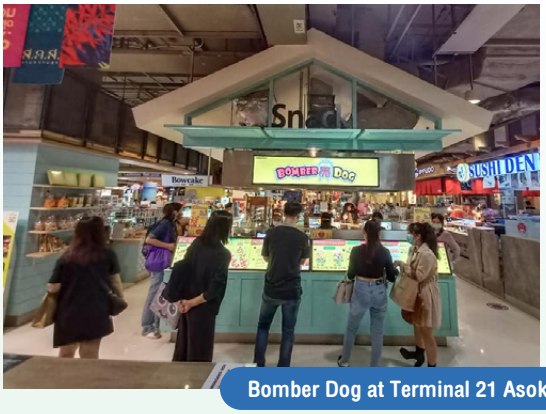
Bomber Dog at PTT Petrol Station



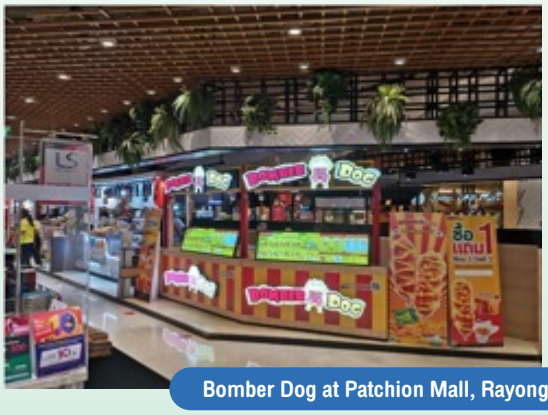
Bomber Dog at PTT Petrol Station



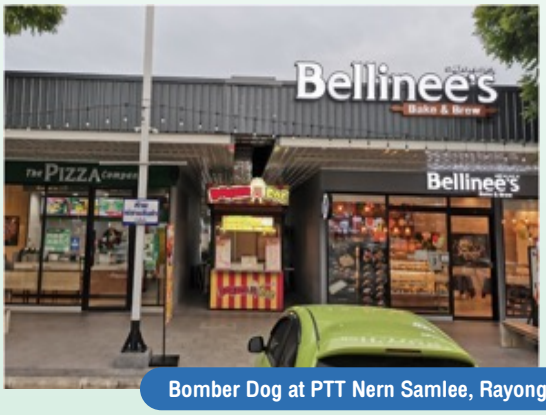
Bomber Dog at Banchak Petrol Station



Bomber Dog at Terminal 21 Asok



Bomber Dog at Patchion Mall, Rayong



Bomber Dog at PTT Nern Samlee, Rayong

2. NCP Trading and Supply Company Limited ("NCP")

Company Registration No.:	0125549009489
Head office location*:	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 which allows the Company to control manufacturing quality from the beginning and can quickly develop a variety of new flavors.

* NCP Trading and Supply Company Limited has changed the head office to No. 16/220-226, Village No. 9, Bang Phut Subdistrict, Pak Kret District, Nonthaburi Province on 1 January 2023

3. 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

Taokaenoi Care Co., Ltd. is a reseller of health products.

* Taokaenoi Care Co., Ltd. has changed the head office to No. 16/220-226, Village No. 9, Bang Phut Subdistrict, Pak Kret District, Nonthaburi Province on 1 January 2023

4. Taokaenoi USA Inc.("TKNUS")

Company Registration No.:	18173 Pioneer Blvd. STE R, Artesia, CA 90701
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 distribution of seaweed snack products from Taokaenoi Food & Marketing Public Company Limited to sell in the United States and Canada.

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

-None-

1.3.3. Relation with business group of the major shareholders

-None-

1.3.4 Shareholders

The first 10 shareholders as appeared on the shareholder registration book as of 30 December 2022 are as follows:

Series	Name	Number of shares	Percent
1	Peeradechapan Holding Company Limited	360,000,000	26.09
2	Mr. Itthipat Peeradechanpan	298,676,200	21.64
3	Major Cineplex Group Public Company Limited	139,600,000	10.12
4	Thai NVDR Company Limited1	107,838,815	7.81
5	Ms. Orrapat Peeradechapan	56,615,000	4.10
6	Mr. Nutchatpong Peeradechapan	55,960,500	4.06
7	Thailand Securities Depository Company Limited for Depositors[2]	36,364,130	2.64
8	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	19,118,494	1.34
9	Mr. Noppadol Tansalarak	9,016,300	0.65
10	Mr. Siddhaket Pukahut	8,340,200	0.60
11	Institutional and individual investors	288,470,361	20.95
	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), a listed security in SET, to sell to 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 on the website: 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 shown on the shareholder registration book as of 30 December 2022 are as follows:

Series	Name	Number of shares	Percent
1	Peeradechapan Holding Company Limited	360,000,000	26.09
2	Mr. Itthipat Peeradechanpan	298,676,200	21.64
3	Major Cineplex Group Public Company Limited	139,600,000	10.12
4	Ms. Orrapat Peeradechapan	56,960,500	4.10
5	Mr. Nutchatpong Peeradechapan	55,960,500	4.06
	Total	937,651,700	66.01

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

1.4 Number of registered capital and paid-up capital

1.4.1 Ordinary shares

Taokaenoi Food & Marketing Public Company Limited, Symbol: TKN

- Started trading in the stock exchange on 3 December 2015
- The Company has a registered capital of THB 345 million
- Issued and paid-up capital of THB 345 million, consisting of 1,380 million ordinary shares at a par value of 0.25 baht each.

1.4.2 Other shares

- The Company never issues shares other than ordinary shares

1.5 Issuance of other securities

- The Company does not issue any additional securities.

1.6 Dividend Payment 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.

Retrospect dividend payment

Year	Dividends (THB / share)			Dividend paid (THB)	Payout rate (Percent)[1]
	Interim	Last payment	Total		
2020	0.11	0.10	0.21	289,800,000	85.90
2021	0.05	0.09	0.14	193,200,000	81.74
2022	1st time 0.09 2nd time 0.08	0.12	0.29	400,200,000	83.63

[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 2023.



2 Risk Management

2.1 Risk Management Policy and Plan

With adherence to business ethics, the Management and employees of all levels comply and adhere to business philosophy and ethics. Under the 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, creditors, 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.) Objectives determination

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 factors 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

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 and corruption, the Board of Directors will analyze 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 conducting 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 to business operation of the Company or Company Group

Major risks in the Company's business operation for the 2022 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 solutions 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.

The Company has implemented new and various technologies into the production process to enhance production capacity and to minimize the use of labor 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 behavior

For seaweed products, the Company emphasizes the creation of new flavors and styles and shifting regularly, based on researches and observation on consumers' behavior of different groups. According to the Company's regular study on consumers' behavior, the Company realizes the changes and market trends. Out Business Development is responsible to develop new products to the market constantly in order to increase revenue from new products via new channels and to enlarge customer base. Meanwhile, the communication and marketing activities must follow the latest trend and rapid change. New tools are applied to improve and enhance performance of communication and outcome assessment.

Non-seaweed product: According to the Company's regular study on consumers' behavior, the Company realizes the changes and market trends. The study was conducted to support the expansion of new product lines including product development. We also seek for alternative partners to broaden the product group constantly. However, since it is pending the study phase, new products will be released in 2023.

Dependency on major customers or certain customers

Our main business is production and distribution of seaweed snacks in Thailand and abroad. In 2022, sales volume in Thailand reached THB 1,662 million. The Company's sales channels are distributed in various platforms and through many sales representatives to avoid clustering to particular customers and channels, and to reduce the risk of turnover sluggish which will significantly affect turnover.

For 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 Store: The Company plans to enlarge sales representative base in locale scale. Currently, there are 14 representatives starting the sales in January 2023 to penetrate local market which are highly potential for business growth.

For overseas market, the Company plans to manage risk to conform with the corporate policy the 3 Go which are Go Firm, Go Broad, Go Global. The Go Firm is still the essential foundation that covers great risk of the Company. The risk management plan is as follow:

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 minimize impacts on overall export business by imposing proactive measures to manage all risk items to minimize the risk events. Impose defensive measures to accomodate risk, preventing impacts on corporate goal. Prepare management plan for various scenarios.
3. Expansion in an online platform: The Company monitors the growth in this platform constantly. However, after borders are re-opened, the online sales dropped in some countries. Hence, it is important to be prudent to ensure the investment will return the worthwhile value.
4. Maintain pricing at reasonable range in each channel.
5. Manage product portfolio in each country and adjust investment strategy to suit the context ad return the highest yield in that country.
6. Management of sales volume proportion in each country: Despite the fact that China is the largest sales base for our oversea market, the Company also stimulates sales volumes in other countries constantly. The sales volume proportion in 2019 was (China) 60: 40 (other countries), and in 2022 (China) 40: 60 (other countries).

Operational Risks

Risk from the threat to IT system

Since the development and advancement of the IT system nowadays affect business operation and competition in various aspects, for example, communication, storage, data processing and analysis, all the potential risks that may occur to our IT system could damage the organization reputation, confidence and image. The information established on IT system can be reached easily from many different approaches. Realizing such threat that could go to our IT system upon the rapid change of technology, the Company has revised policy and operation procedure to manage the risk to ensure effectiveness and availability at all times. The security and consistency are in line with the Personal Data Protection Act B.E. 2562 (PDPA), the Cyber Security Act B.E. 2562, Computer Crime Act B.E. 2560 including notifications related to TKN Policy and the standard related to IT policy. Our primary measures implemented are as follows:

1. Appoint the Risk Management Committee to monitor the situation that may cause corporate reputation and image, to determine appropriate solutions in a timely manner and to communicate to all related parties both internal and external level.

2. Determine IT policy which includes usage, maintenance, access control, safety, penalty and the learning about information technology to achieve the sustainable direction.

3 Establish an IT security system that compatible with different parts to manage the cyber-attack, according to the NIST Cybersecurity Framework. The measures implemented include identification of potential risks, potential risk prevention measures, cyber threat identification and monitoring measures, cyber threat response plan measure, treatment and recovery process measure for cyber-attack pursuant to Section 13 (4)

4. The Company has in place the incident response policy to cope with the situation that may affect the IT system, to ensure the impact will be within certain extent, generating minimal impact to our business operation and reputation.

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 distributor. The Covid-19 outbreak in 2022 resulted in container shortage and leaping logistic costs, causing difficulty in importing seaweed. Nonetheless, with the policy to maintain seaweed inventory for 4-6 months, the Company calculates 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 labor shortage

Since the Company is a manufacturer of processed seaweed snack. Some procedures in the production require skilled labor.

Due to the fact that the Company is a manufacturer of processed seaweed snacks, where some products require skilled labors, to prevent risk, the Company hires external party to outsource the labor for convenience, rapid procedures and to minimize duties in daily recruitment of the labor fields where the workforce are unstabilised. Furthermore, the Company has determined a competitive rate for labor, with attractive welfare and emolument for new labor 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 optimization of working environment in production line factory to allocate efficient labor management which has direct impact to production quality while maintaining equivalent productivity.

Risk of environmental impacts

With recognition of the environment matter, the Company has developed and improved environmental management continually. The production process is optimized to reduce waste from the process and converted into useful items. Such progress helps reduce cost of waste disposal effectively. Our waste disposal procedures are in conformity to the official requirement. Moreover, the solar power project is implemented for generating electricity for use within the organization. After completion and installation, the solar power system can now transmit power to the entire organization, reducing environmental impact and the cost of production. The Company plans to continue developing energy projects in years to come.

Risks from disaster or interruption of work due to force majeure

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

For this reason, the Company has in place risk management to prevent and reduce the work interruption caused by force majeure by establishing the management, control and supervision on the occupational health and safety to be in alignment with legal requirements. The Company also applies the occupational health and safety of international standard as well.

The Business Continuity Plan has been prepared and reviewed to initiate a system to prevent the force majeure and the guidance for controlling, reducing, recovering in case there is impacts thereof. The Company has arranged drilling to cope with potential force majeure to ensure knowledge, understanding and readiness among employees at all times. In case of force majeure, our employees will be able to control the situation promptly.

Financial Risks

Fluctuations in exchange rates/interest rates/inflation

Seaweed, as a raw material is purchased from overseas suppliers while the ready-made products are exported. For this reason, the Company is exposed to the risk of exchange rate fluctuation. 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 oversea 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 as well as 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 financial instruments to prevent such risk from exchange rate fluctuation by entering into 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.

Compliance Risk

Changes in regulations and laws related to business operation

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

With attention on potential risks, the Company prioritizes compliance with the regulations and laws, selection of raw materials including quality control in 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 while the Production and Quality Control oversees to ensure the product meet required standard.

2.2.2 Risk in the securities' holders' investment

Risk from the major shareholders to hold more than 50% of the Company's shares

As of 30 December 2022, Peeradechapan Group, holding 771,251,700 shares or 55.89% of total subscribed shares. Such proportion means that the Peeradechapan Group 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-forth 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 4 independent directors from total 9 members of the board. At present, the 3 directors are members 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 accountable 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 Risks of investing in foreign securities (in case of issuing securities)

The Company does not invest in foreign securities.



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Big Roll with creamy salted egg yolk sauce Oatmilk Coffee Latte



20元

「海」苔咸蛋黄奶盖美式

Big Roll with creamy salted egg yolk sauce Americano



15元

泰式「海」苔热狗可颂

Thai Hotdog Croissant+Big Roll



24元

「海」苔柠檬叶冰拿铁

Lemon Leaf Coffee Latte+Big Roll



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＋「夏日海边口罩」

Tips

3 Driving Business for Sustainability

3.1 Policies and Targets of Sustainability Management

Taokaenoi Food & Marketing Public Company Limited (the "Company") has a sustainability policy that aligns with its vision to become an innovative food company that brings happiness to consumers worldwide. The Company aims to deliver value to consumers as "products" that have "innovation", as well as creating a culture of consumption that adapts to the times. The Company also aims to deliver other values to stakeholders through rewards and value from collaboration, including creating valuable products for consumers, designing environmentally-friendly production process, building relationships with surrounding communities, or collaborating on research and development on raw material resources with raw material producers. The Company is concerned about the value chain of the business from upstream to downstream as follows:

Upstream: Move forward with stakeholders who are business partners



Considering the business process, it is apparent that every step of the operation from upstream to downstream involves the Company's stakeholders. Therefore, it is essential to move forward together with stakeholders, especially our business partners. The Company is committed to conducting its business with fairness, building engagement, and delivering value for each other. These efforts are to ensure that our business partners are proud to be part of the process of delivering the value of "Taokaenoi" products to consumers.

- Main raw material suppliers: The Company strives to collaborate with seaweed manufacturers to develop the main raw material, raw seaweed, to increase production and minimize environmental impact. The Company aims to develop a seaweed species that provides higher yield with better quality.
- Raw material and packaging suppliers: The Company aims to promote and select producers of raw materials and packaging that have environmental friendly production process and adhere to the principle of fair trade.

Along the way: Every employee contributes to delivering happiness to consumers.



- Every employee is the person who drive the Company's sustainable growth. The Company promotes awareness of sustainable development among all employees, focusing on understanding the impact on society and environment and how it affects everyone's well-being. When all employees realize the outcome of sustainable operation, it results in well-design products ready to be delivered to consumers with pride.



- The Company promotes a sense of corporate bonding to encourage employees to feel that they are part of our growth. The Company's policy is to continuously develop its personnel, with fair assessment system, reasonable incentive, and reasonable welfares.



- Promoting understanding toward sustainability: The Company has made the sustainable development a key performance indicator for executives from director-level and higher in all departments to encourage sharing with the entire corporation and stakeholders from upstream to downstream.

Along the way: Environmentally friendly production process and products, and the search for alternative innovation for sustainability



- At present, most of the raw materials used in the food industry come from nature. Adopting production processes that have minimal impact on the environment and nature will help to maintain the sustainable growth of our business. Recognizing that nature and environment facilitate growth, the Company aims to develop modern production processes that reduce waste emissions to nature, including wastewater treatment, reducing waste during production, or seeking alternative energy sources, such as solar cells, for production process. The Company also participates in assessments for various production standards, such as ISO and BRC, to build trust among stakeholders and affirm that our products deliver value to the environment, as well as 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 may lead to shortages, the Company has a policy to study variety of alternative resources, including innovation such as plant-based foods and packages made from environmentally-friendly materials. This approach allows the Company to diversify its business while adhering to the Company's vision to become the world food innovation company.

Downstream: Enhancing value, experience and consumption of our products with happiness



- The core of the Company's business is to deliver innovative products and offer the experience of having good food to consumers, which includes happiness of consumption, nutrition, and product safety. The Company emphasizes the research and development to incorporate modern technology into production process and to deliver products to consumers. We also strive to communicate to consumers the value of our products toward society and environment. It is our endeavor to make our consumers proud to be part of consuming good food that benefits not only themselves but also society and the environment.

Preparing sustainability plan and strategy

Taokaenoi and stakeholders are aware of various issues related to sustainability, whether they are short-term, medium-term, or long-term. These issues covers environmental, social, and governance dimensions with the aim of creating sustainability and fostering a culture of corporate sustainability. The Company has developed a strategy to achieve the Sustainable Development Goal (SDGs) following the international principles established by the United Nations. The SDGs are focused on 3 aspects namely economy, society, and environment to ensure effective corporate sustainability. To achieve the corporate sustainability, the Company supports activities within the value chain and upholds good corporate governance principle, connecting the entire business chain.

The Company has appointed a working group for sustainability operations to implement the established plan and strategy, to achieve the set targets. The Company has analyzed and identified major stakeholders, important issues and their priority every year to determine the sustainability operation approach for corporate sustainability.

Sustainability Strategy

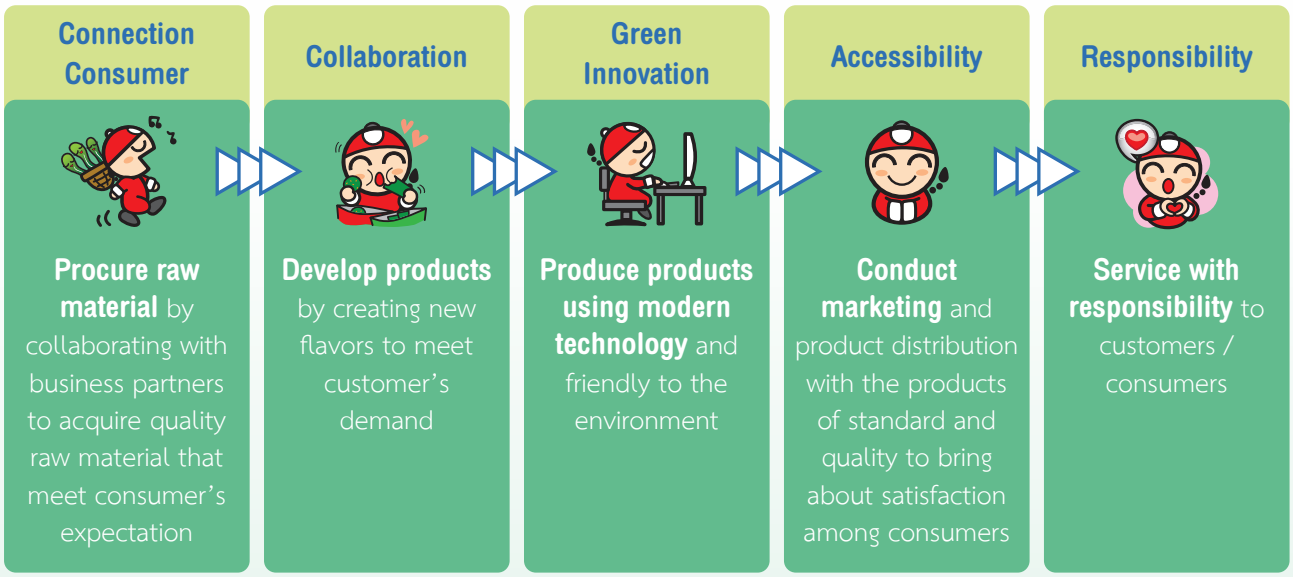
Sustainability Strategy	Sustainability Initiative
Strive for the **sustainable** growth with our partnership through all activity in the value chain Sharing knowledge / Risk Management / R&D	**TKN Venger** TKN DVE (Bilateral vocational education management cooperation project)
Innovate products and services with relevant partner for creating the defferent values and value by investment in R&D, Human capital development and collaboration.	**TKN Innovation** • TKN Khon Len Khong • UP Ideas
Enhance the standard capability of organization and employee for building **the competitive and learning organization.**	**TKN Smart Culture** • Talent and Succesor Program • TKN SaraLand • TKN Life • Learning Platform (EDTrend)

3.2 Impact management on stakeholders in the business value chain

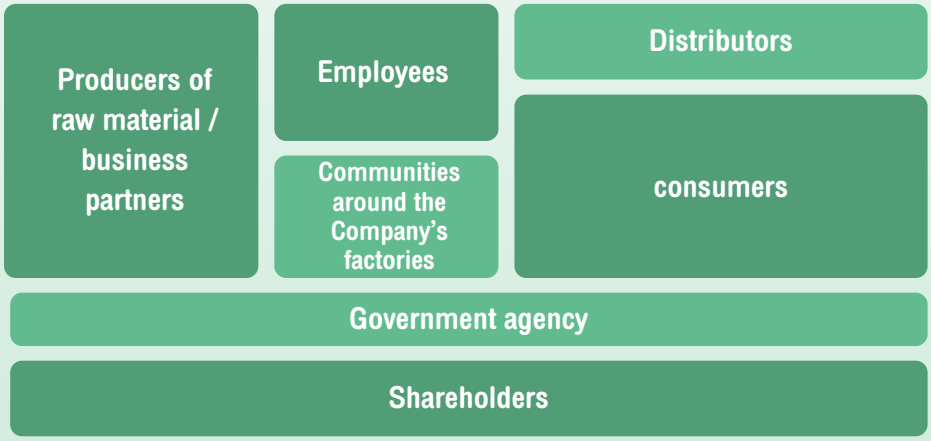
The scope of this report only covers the seaweed snack business manufactured and distributed under Taokaenoi Food and Marketing Public Company Limited in Thailand and does not include data from subsidiary companies. It describes the environmental and social operational results for the past 12 months from January to December 2022, based on data collected from 2 seaweed snack production factories.

3.2.1 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 from seaweed farms grown in deep sea areas. The seaweed is then processed into dried seaweed by a processor and delivered to our Company's factories to be processed into various types of seaweed snacks including fried seaweed, grilled seaweed, roasted seaweed, and tempura seaweed. The Company's products are distributed to our distributors in modern trades, retailers, and online channels before reaching the hands of consumers. In addition, the Company collaborates with customers to promote sales and increase turnover among various stores to make Taokaenoi's products accessible to consumers. The Company is committed to adding value to its products and services in response to customers' needs, collaborating with business partners, taking into consideration resources, production, management, access to distribution channels to consumers, and product management after sales.



The main value chain when our seaweed reaches consumers involves many related parties along the journey of our products. The analysis of our business value chain divides these related parties into the following categories:



3.2.2 Analysis of stakeholders in business value chain

In addition to the main value chain which involves the journey of seaweed to reach consumers, there are many other stakeholders involved in the process. Based on the analysis of our business value chain, to meet stakeholders' expectation, the Company has provided communication channel and encourage engagement of related party in each stage of supply chain, as shown in the table below.

Stakeholder group	Participation method	Expectation of stakeholders	Response to expectation of stakeholders
Shareholders / investors	• Annual shareholders' meeting • Disclosures through corporate communication channels • Attend the Opportunity Day to meet minor investors • Information Disclosure through the system of Stock Exchange of Thailand	• Good return on investment • The Company's performance has been rising with robust growth. • Equality for shareholders and maintaining shareholders' benefit • There is inspection system, good corporate governance and risk management in business operation.	• Reasonable dividend payout that consistent to operation result and the Company's policy • Governance with transparency, fairness and accountability • Establish Investor Relations to provide accurate information and build relation with shareholders.
Employees	• Internal announcement • Company activities • Employee satisfaction survey on welfare	• Fair treatment • Respect to Human Rights • Safety to work and occupational health • Promotion of learning and development among employees • Benefits and welfares	• Fair compensation rate and performance assessment • Respect to human right and fair treatment • Provide appropriate welfares, comply with labour law
Customers / Consumers	• Complaint channel • Take a survey on releasing new product to meet customers' need.	• Product value • Taste • The product of quality and the favourite brand of consumers	• Present the food innovative product of good quality and health to consumers • Responsibility for the product • Disclose product information accurately
Business partners	• Meeting with suppliers • Satisfaction survey • Fair business operation • Refrain from violating intellectual property and copyrights	• Faithful and transparent procurement process • Initiate the collaboration in product development to meet consumer's expectation • Fair treatment	• Fair selection of business partners • Support the growth among business partners • Policy-based payments, payment made in accordance with agreement
Product and service distributors	• Questionnaire	• Delivery valuable products • Support to trading and marketing terms	• Presenting valuable product, meeting consumer's demands • Appropriate trading agreement and conditions • Helping distribution representative when encountering product sales problems.
Community, Society, and Environment	• Establish Sustainability Report on the Company website • Create multimedia and publish on many websites • Meet with the community (community relations)	• Promotion to minimize impacts to environment and surrounding communities • Good environment around the factory • Sustainable coexistence between communities and factories • Promote good hygiene to communities	• Refrain from causing impacts to environment • The factories comply with environmental regulating laws. • Apply modern technology to reduce resource consumption. • Send corporate staff to arrange community supporting activities regularly, and hear the potential problems for timely solution.
Government agency	• Meeting government officials in various occasions • Follow up with revision of the law and/or regulation	• Compliance with laws	• Keep monitoring for newly enacted laws

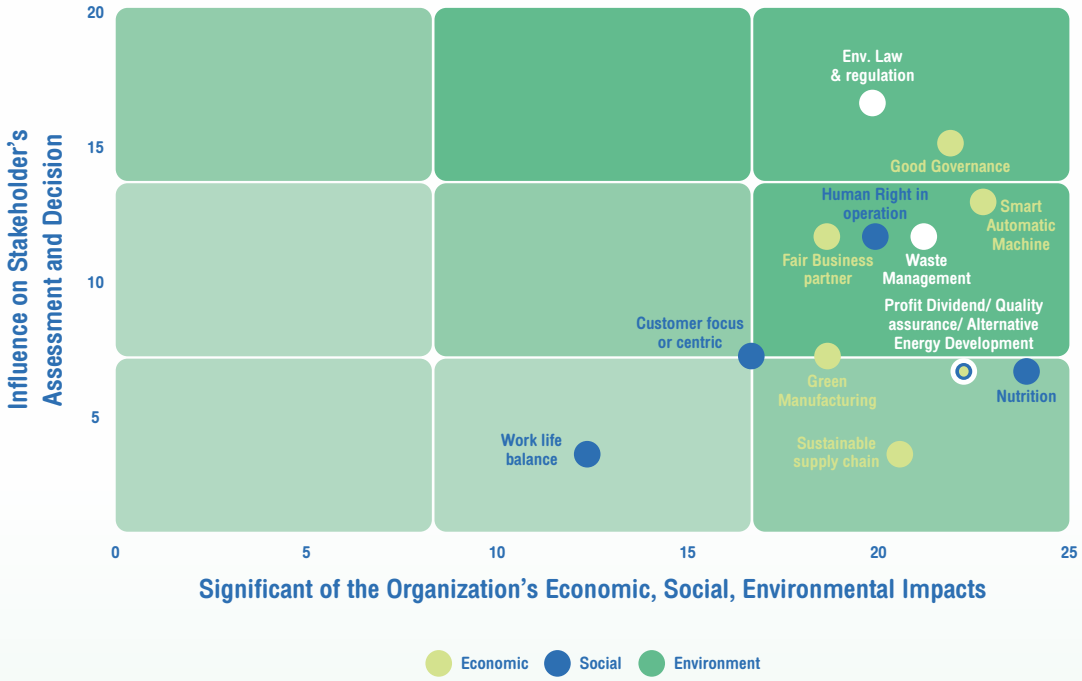
3.2.3 Assessment of key issues

1. Identification The Company identifies key issues by collecting information from stakeholders both internal and external to ensure that all aspects, including economic, social, and environmental dimensions, are covered, and to establish the scope of the corporate sustainability framework.

2. Prioritization The Company considers and prioritizes the key issues based on their potential impact on the organization's business operation, as well as their potential impact on stakeholders.

3. Review The Company incorporates stakeholders' suggestions to develop and improve sustainability efforts, and communicates the progress and outcomes to stakeholders through various channels.

The diagram showing key issues on the Company's sustainability
The priority of each issue is shown below.



After assessing the key issues on all 3 dimensions of sustainability, including economy, society and environment, the Company has identified a total of 14 issues. From these, the Company has selected 10 important issues to implement in the strategic plan for the year 2022 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 business partners	Consumer responsibility	Action on energy issue
Production innovation		

3.3 Sustainability Management

3.3.1 Economic policies and practices

The Company has a policy to conduct business to generate satisfying returns for shareholders and other stakeholders, especially business partners. The target is to stimulate spending from the household sector, such as families, to business institutions to stabilize national economy. When considering every procedure in our business operation, from upstream to downstream, our stakeholders are involved in all stages of operation. Hence, growing together with our stakeholders, especially business partners, is of utmost importance. Below are our practice guidelines.

1. The Company is committed to conducting business operation with fairness, encouraging engagement, and delivering value to each other, so that our business partners are proud to be a part of the chain that delivers the value of "Taokaenoi" products to consumers.

2. Main raw material suppliers: The Company strives to collaborate with seaweed manufacturers to develop the main raw material, raw seaweed, to increase production and minimize environmental impact. The Company aims to develop a seaweed species that provides higher yield with better quality.

3 Raw material and packaging suppliers: The Company aims to promote and select producers of raw materials and packaging that have environmental friendly production process and adhere to the principle of fair trade.

4. Taokaenoi has a policy to pay no less than 40% of its return stated in the separate financial statement to shareholders.

3.3.2 Performance in the economic dimension

3.3.2.1 Good Corporate Governance

The Company has established ethical guidelines and issued Corporate Governance Policy which was published since 2017. The policy applies to the Board of Directors, executives and all employees, and has been regularly updated. The Company aims to develop its organization with good corporate governance for the stable and sustainable growth of all stakeholders, while operating with fairness and transparency to create long-term value for shareholders.

The Company also provides various channels for stakeholders to report complaints, comments, or suggestions concerning any risks or effects that may cause damage to them from the Company's business operations or from the actions of the Company's employees, including illegal or unethical acts. This includes behaviors that may imply corruption, unequal treatment, carelessness, or indiscretion. Complaints can be made via the following channels:

1. Report via 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 a process for managing complaints, where employees or stakeholders can report whistleblowing, complaints, comments, or suggestions through the designated channel. The Company will conduct an investigation in accordance with the process and keep a written record of the investigation without disclosing the identity of the whistleblowers. Moreover, the Company will keep the complaint data confidential to protect the potential impact on the whistleblowers. In the event that any wrongdoing is found, the investigation committee will be established to make a decision and decide the punishment. The committee will then report to the Audit Committee and the Board of Directors.

In addition, the Company has complied with policies and regulations related to corporate governance and improved transactions related to corporate governance for stakeholders throughout the year. As a result, Taokaenoi was awarded a 5-star rating, or "Excellent CG Scoring," in the Corporate Governance Report of Thai Listed Companies 2022 (CGR) by the Thai Institute of Directors (IOD), supported by the Stock Exchange of Thailand, among 750 registered companies.

In 2022, the Company received a score of 90% in the assessment, indicating its strong progress in corporate governance. The Company is committed to sustainable development in line with good governance principle in the economic, social, and environmental dimensions, while pursuing the sustainable growth of our business. These efforts, in addition to the operational performance, aim to build trust among investors and institutional investors and are an integral part of economic dimension performance.

The Company recognizes shareholders and investors as key stakeholders and has provided communication channels for communicating and disseminating information to them, such as holding shareholders' meeting, participating in Opportunity Day events, and disclosing information via the Stock Exchange of Thailand to provide continuous updates on the Company's operations to shareholders and investors. Additionally, there is an Investor Relations department that provides information and answers questions for shareholders or investors through ir@taokaenoi.co.th or telephone at 02 984 0666 ext. 304

The Company also maintains a regular dividend payout to shareholders in accordance with the Company's dividend payment policy. In 2022, the dividend payout was 0.29 baht per share, totaling 400.2 million baht. This payout accounts for 84% 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 (%)
	Interim	Last payment	Total		
2020	0.11	0.10	0.21	289,800,000	85.90
2021	0.05	0.09	0.14	193,200,000	81.74
2022	First time 0.06 Second time 0.08	0.12	0.29	400,200,000	83.63

Fair treatment to business partners

Taokaenoi places a high importance on supplier selection to ensure that the raw materials used in production meet the Company's required standard and are safe for consumers. In the procurement process, the Company compares product quality and price to obtain raw materials that are of good quality at reasonable price and in adequate quantity for continued production process. In 2022, there were no complaints about unfair treatment from the Company's suppliers.

Managing the value chain for dried seaweed raw materials is considered an essential process for the Company's upstream value chain. The largest seaweed producers are Korea, Japan, and China. At present, The Company has 3-4 seaweed suppliers, 98% of which are from South Korea. The Company has continuously improved the quality of dried seaweed with suppliers. Before entering into a sale-purchase agreement, the Company will hold a meeting to learn the plantation information and productivity of every supplier. When a new supplier makes an offer or presents seaweed from new plantation area, the Company will send Quality Control staff for product inspection. In addition, if the raw materials is of below standard, the Company will make a claim for disqualified products and coordinate with the supplier to identify cause of such failure, for example, source of plantation and factory of origin, to avoid future purchase from the same source. As a result of the upstream value chain management described above, the rate of claims for disqualified products has decreased.

Development of production innovation

The Company places a great importance on organizational development, creating new innovation, and incorporating modern technology into the organization to enhance competitiveness and create a sustainable business for the Company. In addition, the Company hosted the "TKN Khon Len Khong" project with the goal of establishing an innovative organization and promoting collaboration among personnel from each department, as well as encouraging creative thinking to foster ongoing innovation within the organization. The project also aims to improve production efficiency, create a safe workplace environment for employees, minimize environmental impact, and lead to the Company's sustainable business operation.

Innovative production processes are as follows:

1. Utilization of technology to enhance production efficiency

The Company has implemented an automated system in the production process of seaweed snacks to increase efficiency, reduce loss, and minimize waste. For example, an automated cutting machine is used to reduce the amount of wasted transparent tape.

2. Use of alternative energy

The Company recognizes the importance of using energy efficiently and issues related to environment and limited natural resources. Therefore, the Company has applied alternative energy technologies to the production process, along with continued development of production process and energy consumption efficiency, by increasing alternative energy that is environmentally friendly. To optimize energy management, the Solar Rooftop project was initiated, with a total capacity of 1.6 megawatts on an area of 14,931 square meters, divided into Rooftop 1,400 kilowatts and Carport 200 kilowatts, rooftop of production facilities, warehouse and parking facilities at the front side of the factory. The Solar Rooftop project increases our opportunity to operate new electricity business, reduce energy use and costs, reduce carbon dioxide emissions, and reduce the concentration of the greenhouse gases, while supporting the government's policy to increase the proportion of renewable energy consumption.

3. Promoting innovation within the organization

The Company organized the "TKN Khon Len Khong" project to provide an opportunity for employees to express their creative ideas and apply their work experience to create innovations that enhance production efficiency, personnel potential, and reduce production costs. The project was aimed at:

Daily wage employees. The purpose is to provide a starting point for employees to express their creative ideas, simply by seeing something they want to improve in their work and convey their idea.

Salary employees and interns. The purpose is to provide opportunities for employees to use their ideas and experiences to create innovations that improve production efficiency, reduce operating costs, and create new products such as snacks and beverages to meet the Company goal to be the Innovation Food Company.

In this regards, the following projects were implemented:

- CCTV analysis system project that uses a website to facilitate CCTV control, with the addition of installation points in the offices and factories of Taokaenoi with the aim of reducing work time and errors.
- Sensor and water level display system project, as well as an automatic valve sensor that use an automatic water level control system and self-control water use tools to prevent water pump failure and loss of water in the production process.
- The maintenance project involves installing a heat meter on the nitro sealing machine to measure the temperature of the heater and electricity consumption during the sealing process of product packages. The main objective of the project is to attain maximum efficiency and precise management of electricity consumption. This will enable the company to use the collected data for controlling and improving its electricity consumption efficiency.

4. Implementing technology to reduce contact

Due to the COVID-19 pandemic, it has become inconvenient for employees to work at the office. Therefore, the Company has developed a work system to facilitate and improve the work efficiency of employees who work from home, and also reduce paper usage. Furthermore, to minimize contact among employees who work in the office and factories, the Company has implemented face-scanning technology to record entry and exit times, replacing fingerprint scanning with the aim of reducing the risk of Covid-19 transmission.

3.3.2 Social policy and practice

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 realizes the importance of supporting social and community activity. Followings are our code of practices.



1. Good corporate governance

The corporate governance system is essential for business operation. Policies and rules are set forth to maintain coalition and unity of an organization. The good corporate governance will return benefit to the Company's business operation directly, enabling the adequate management of finance, law and ethics and pushing the organization to excellency.



2. Human right

The Company conducts business taking into account the human rights that everyone should have as a part of a society member, including freedom and human dignity. The Company respects the equality of individual, non-discrimination between genders and classes, no-child labor. We have solid practice guidance and use as a major concept in driving the organization forward. At Taokaenoi organization, we run the entity as a single family where everyone shares the same value, goal. Hence, every single person is treated equally.

Labor practice The Company provides appropriate wages that consistent with Thai industry. The adjustment of corporate structure and reorganization will be proceeded with responsibility under Thai law. The Company strictly complies with laws and regulations related to occupational health. Working environment is safe for employees, contractors, and visitors. It is our aim to prevent accidents and any harms that could occur. The Company encourages opportunities and work progress for its employees by providing learning courses and skill development trainings to leverage their skill to professional level.

The Company conducts business with justice, placing requirements and authority guidance in distinctive approach to build the fair competition and vendor selection. There is an audit performed by external unit to prevent any bribery or corruption. The Company aims to build a network that shares benefits experience and target in developing competitiveness limit. Furthermore, the Company has established policy and code of conduct about non-violation to intellectual property and copyright, adhering to the good corporate governance and business ethics. The Company takes responsibility to all groups of stakeholders, strictly complies with the laws, agreements, and contracts. The Company also joined the Private Sector Collective Action against Corruption.



3. Relations with customers and suppliers

To create transparency in business operation, the Company has paved the policy for equal and fair treatment to business partners. In other word, the acceptance of incentives must be considered with the equality principle and fairness to business partners and stakeholders of the Company.



4. Engagement and development with the community

The Company utilizes its potential and corporate skills to build the engagement with communities, to promotes its personnel as a guidance for management and resolve issues, to enable independency among communities, and to be a part that improve life quality of the communities, leveraging and developing societies as a whole.

Performance in the social dimension

Human rights and fair operations

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 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 regardless of their origins, gender, races, religions, belief and cultures, ages, physical limitation or any other status not related to work, no child labor, fair employment condition, 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 as follows.



Employment

The Company considers experience, knowledge, and skill to recruit 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 disabled persons as stipulated by law, promoting to leverage their life quality. The Company provided career support to Nong Ya Sai Center of Disable Person, Suphanburi province. The disabled persons were hired to produce consumables in our factories. For instance, hair net, masks 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.



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 neccessary and in shortage of personnel. The consideration criteria include knowledge, skill and specific competence of each person.

A table showing monthly employment as at the year end

Transaction	Unit	2022	2021	2020
Total number of employees	persons	2,735	2,494	2,711
• Male	persons	1,313	1,139	1,199
• Female	persons	1,422	1,355	1,512
Salary employee	persons	691	619	648
• Male	persons	303	255	258
• Female	persons	388	364	390
Daily wage employee	persons	2,044	1,875	2,063
• Male	persons	1,010	884	941
• Female	persons	1,034	991	1,122
Number of employee classified by ages				
Top executives	persons	16	15	14
• Under 30 years	persons	-	-	-
• Between 30-50 years	persons	5	6	6
• Over 50 years	persons	11	9	8
Employees	persons	2,719	2,479	2,697
• Under 30 years	persons	1,071	953	1,070
• Between 30-50 years	persons	1,520	1,408	1,509
• Over 50 years	persons	124	114	112
Employment of people with disabilities	persons	4	4	6
Total employee compensation	THB million	48.6	38.2	36.8
Number of employees being a member of the provident fund	persons	384	377	406

**Reported at the end of fiscal year 31 December

Employee care

Personnel development

With strong determination to always support development employee potential, Taokaenoi believes that quality employee will be able to deliver the quality product. Under the current situation where business situation is fluctuated and the prolonged Covid-19 pandemic, it is neccessary that corporation must adjust 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 2022, the Company has set the goal to arrange a training course for improving skill, knowledge and ability for employees at the minimum of 6 hours per person per year.

In 2022, the Company arranged the 193 training courses with an intention to improve employees' skill, knowledge, and ability, dividing into categories as follows:

1. **Mandatory** is the training courses stipulated by law.
2. **Fundamental** is the training courses related to basic information of the corporation, quality work system and basic safety knowledge.
3. **Functional** is the training courses according to the duties in each work line.
4. **Leadership** is the training courses 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 courses focusing on vision, mission, corporate strategy including potential changes.

The Company has prepared EdTrend, an internal online learning platform, that collects course details, knowledge for sharing within the organization, allowing our employees to have access to the information anywhere, anytime.

Employee Training	Unit	2022	2021	2020
Number of training courses	Course per year	193	201	241
Average training hours of all employees	Hours/person/year	13.55	13.11	11.71
Total employee attending the training courses	persons	2,549	2,470	2,635
Employee development costs	THB million	3.19	1.59	3.75

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, hygiene, safety, and good environment at work for all employees. The Company commits in compliance to the law, international management standard, regulations, and related requirement.

Safety and working environment for employees are also another primary factor that help prevent, 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 realizes the importance of suppliers in supply chain, and also arranges safety training course for all contractors who performing work within the factories 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 2022 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 performing work on site.

Accident statistics

Number of accidents	Unit	2022	2021	2020
Accidents with property damage	times	1	0	14
Accidents causing injury to employee and needed first aid	times	17	23	72
Accidents causing injury to employee, medical treatment needed	times	20	18	15
Accidents causing injury to employee and lost time at work	times	9	11	14

Operation during Covid-19 outbreak

The continual epidemic of Covid-19 in Thailand resulting in number of confirmed cases. Although the situation is less severe, the Company is concerned about the health of employees. Therefore, employees are encouraged to have a vaccination against Covid-19. However, all of our employees have been vaccinated. The expenses of antigen test kit are covered by the Company for those who are in risk group. Followings are the prevention measure implemented in the office area and the factories.

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

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	2022	2021	2020
Employee engagement to the organisation	78%	76%	72%
Employee turnover rate	1.66%	1.82%	1.68%

New employees	Unit	2022	2021	2020
Number of new employees	persons	1,084	58	1,230
- Salary employees	persons	207	16	75
-Daily wage employees	persons	877	42	1,155
Average cost of recruiting new employees	THB million	1.51	0.17	1.69

Complaint/suggestion from employees about labour practice	Unit	2022	2021	2020
Number of complaints made by employees about labour practice	times	0	0	0
Number of complaints resolved	times	0	0	0
Number of complaints in progress	times	0	0	0

Customer relations

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)

Email: DPO@taokaenoi.co.th

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

Engagement and development with the community

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 realizes the importance of supporting social and community activities.

When the Covid-19 epidemic has slowed down in 2022, most of the population have received vaccination. They have more understanding toward preventive measure. However, the Company continues to emphasize the government measure in preventing the spreading of virus, and contagion in the organization. The Company's concern also goes to the society and communities around both factories. Therefore, vaccination for Covid-19, antigen test kits, food, drinks, and rescue bags were provided to medical facilities, medical personnel, and villagers to support and encourage them to fight against the crisis.

Caring for the community

On 20 July 2022, the Company attended the meeting to sign for collaboration in the project "Uthai People Never Leaves Anyone Behind". The project aims to coordinate people in developing sufficient economic principle. Taokaenoi then discussed with employees to contribute to the social benefits, after severity of Covid-19 has lessen.



On 15 November 2022, the Company discussed with the Office of Public Health, Phra Nakhon Si Ayutthaya province to acknowledge the booster dose vaccination and the encouragement for vaccination of the elderly.



Our participation in social responsibility

To minimize severe impact to our employees, surrounding people, or society from the Covid-19 outbreak, Taokaenoi continues the care and emphasis in preventive measure, vaccination to immune the body and to be in compliance with the government policy









Sending encouragement to employees

After the survey on the employees suffered from the flood, the Company arranged "TKN Rescue Bags" for help from August - October 2022 with an intention to relieve the tasks and to show our encouragement amid the crisis.





วันOn 13 September 2022, Just Drink milk tea products were provided to the employees in Rojana factory to show our appreciation of their continual service through the past years. Our executives given the products as a gift and encouragement and gratefulness for their dedication on a monthly basis. Taokaenoi Food and Marketing Public Company Limited, Rojana factory will share some items i.e., eggs, chili paste, pickled fruits, rice, etc. from the Development Center of the Disabled Person to our employees.





On 24 November 2022, Rojana factory provided cold drinks and rice to employees to share the happiness in a fine day at work.





3.3.3 Environmental policies and practices

Taokaenoi is committed to managing the environment toward sustainable approach. With due awareness on environmental conservation, the Company has determined environmental policy to maintain environment and to develop natural resources in long-term, to achieve the sustainable development goal in international standard, adhering to environmental responsibility. Followings are our direction toward environment matters.

• **Development of production process:** The machine used in our production process has been improved to reduce the waste generated in the process as well as to save energy. The development and design of our production process are inspected by a special team and skilled consultants. The production is under supervision and monitor for utmost efficiency and effectiveness of the production process to accomplish highest performance and worthiness of the resources used.

• **Waste management from production process:** Constant improvement of our production process minimizes amount of garbage and waste effectively. The waste management is in compliance with relevant laws and regulations regarding environment. The Company has a policy to reuse waste.

• **Management of alternative energy or clean energy:** Alternative energy or clean energy is one of the Company's goal. The Company has started completed the solar rooftop installation for generating power within a factory. Our further plan is to expand the solar roof to another facilities.

According to the Company policy and practice guideline on environment management, all of our operations are under the environmental law with the emphasis to accomplish a sustainable development, preventing impacts to employees, surrounding communities and stakeholders. There is no complaint or environmental dispute in the previous year.

Taokaenoi has joined a pilot project for green industry which has been assessed and certified as a Green Industry Level 2 by the Ministry of Industry. The project contains various activities that minimizes the environmental impacts.

Performance in the environmental dimension

Compliance with environmental law

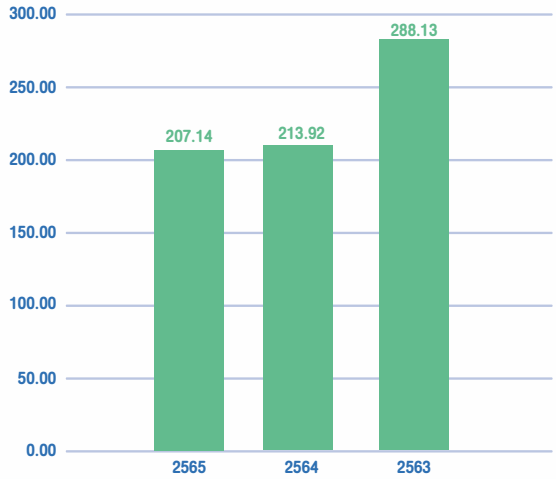
Compliance to environmental law: The Company complies with the environmental laws, including hazardous waste management for light bulbs and chemical contaminated containers, general waste management for waste from production process, such as seaweed scraps / molasses / sediment etc. These wastes are disposed by companies having permit from the Department of Industrial Works. All the procedures are reported to the Ministry of Industrial Works for acknowledgement. After being certified for legal purpose accurately and adequately, the Company has conducted environmental assessment to control and ensure the environmental management is in compliance with applicable law.

Waste Management

The Company is committed to the mission to reduce amount of waste by controlling quality in the production process, adjustment of the process to cutdown production waste. Moreover, waste disposal method is optimized for better outcome. Waste and other materials are reused for other benefits.

- Seaweed scraps / molasses/ sediment are used as fertilizer.
- Oil from the production process is recycled.
- The substandard packages are used as fuel mixture.

The Company has the goal to reduce 20% (per 1 Ton FG) waste amount from the production process when compared to the statistic in 2020 by the year 2023). The amount of waste is gradually reduced when compared to the production volume.



Comparison of production waste (kg) per 1TonFG

Water Management

Raw water used for production process are from 2 sources which include public water supply for Rojana factory and groundwater for Noppawong factory. The raw water is then improved to ensure quality suitable to our production process.

The Company emphasizes using water wisely, economically, and effectively and launces campaigns to encourage water-saving habit in production lines to ensure efficient use of water. The wastewater from Noppawong factory which has been treated, is used for other purposes (our continual activity), such as used for watering trees in the area around the factory, used for cleaning the road around buildings.

Amount of water consumption	2022		2021		2020	
	amount (m3)	compared to 1 Ton FG	amount (m3)	compared to 1 Ton FG	amount (m3)	compared to 1 Ton FG
Public water supply – Rojana Factory	78,643.00	20.47	77,105.00	25.97	60,407.00	33.54
Groundwater – Noppawong Factory	27,353.50	90.34	39,008.00	93.27	53,276.00	26.36
Total	105,996.50	25.58	116,113.00	34.28	113,683.00	29.74

The Company controls the quality of wastewater from our factories in compliance with related laws and also controls the amount of chemicals used in the treatment at appropriate amount to minimize costs of treatment each month.

Amount of wastewater entering the treatment system (m3)	2022	2021	2020
Wastewater volume - Rojana Factory	54,898	61,378	41,148
Wastewater volume - Noppawong Factory	21,880	31,201	42,619
Wastewater treated	100%	100%	100%

Energy Management

The Company is concerned about 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.

Electricity consumption (kW)	2022		2021		2020	
	Volume (Kilowatt)	compared to 1 Ton FG	Volume (Kilowatt)	compared to 1 Ton FG	Volume (Kilowatt)	compared to 1 Ton FG
Total electricity consumption - Rojana factory	11,923,124	3,104	10,802,602	3,638	7,430,177	4,125
Total electricity consumption - Rojana factory	2,145,280	7,085	2,643,962	6,322	6,598,560	3,264

The Company has installed solar panels on the roof of our warehouses, production building and parking lots. With 2,000 kWp capacity, the completed solar panels started generating 1,031,533 kWh for use within the factory since 15 August 2022, saving 16% of our electricity cost or about 3,890,025 baht. It also cuts down amount of carbon dioxide (CO_2) which is equivalent to 515 tonCO_2e.

Moreover, the Company has planned to expand the solar panels at least 500kWp from 2022 and will be completed by 2023.







Air Quality Management

Realizing the importance to control air quality emitted from the factory chimney to the atmosphere, the Company has implemented a system to control and monitor air quality emitted from the factory, as well as prepared a performance report to ensure compliance with the laws. Our monitoring result in 2022 are as follows:

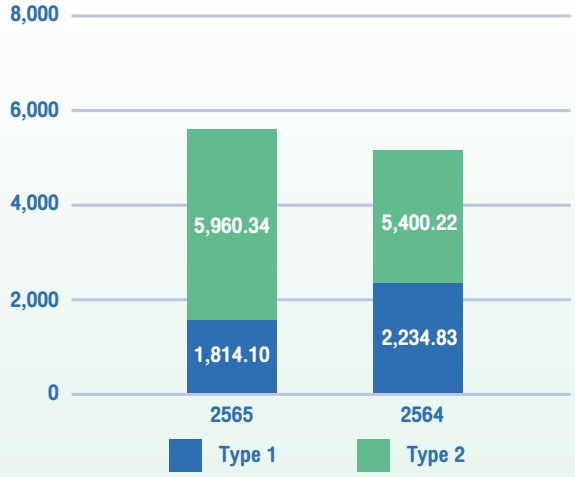
Date	Standard / Monitoring location	Parameter (measured value)				Result
		TSP (mg/m3) 360	CO (ppm) 870	NOx (ppm) 200	SO2 (ppm) 500	
1 August 2022	Chimney of Canteen	0.466	0	0	0	Pass
	Chimney of Dryer Room	0.481	0	0	0	Pass
	Chimney of Large Frying Room	10.100	1	1	0	Pass
	Chimney of Small Frying Room	0.380	1	0	0	Pass
	Chimney of Seaweed roasting room	0.479	0	0	0	Pass
	Chimney of Tempura Room	0.380	2	0	1	Pass
	Chimney of Large grilling line	0.759	5	0	1	Pass
	Chimney of Small grilling line	0.172	0	0	0	Pass
	Chimney of Warehouse	0.430	5	0	2	Pass
	Chimney of Laboratory	0.459	0	0	0	Pass

Greenhouse Gases Management

The Company has established a policy concerning greenhouse gases management to set the direction of operation. The goal is to optimize management efficiency and reduce amount of the greenhouse gases emission constantly. The major project completed in 2022 was the Rooftop Solar Panel project installed on the warehouse, production building, and parking lots. According to the record and calculation on the emission and absorbent rate of the greenhouse gases in 2022, Type 1 is 1,814 TonCO2e , Type 2 is 5,960 TonCO2e.

When comparing to the emission and absorbent rate (carbon intensity) in 2021 and 2022, the reduction rate reaches 2.57 TonCO2e/Ton FG and 2.02 TonCO2e/Ton FG respectively. It is clear that the emission and absorbent rate is lower. *Data audit by SGS (Thailand) Co., Ltd.

Amount of the greenhouse gases emission – RJN (TonCO2eq)



Remark: Type 1 is the direct emission and absorbent of the greenhouse gases. Type 2 is indirect emission of the greenhouse gases from using energy.


เถ้าแก่น้อย
เติมความฟิน
วินทุกความอร่อย
ติดตามข่าวสาร
และกิจกรรมดี ๆ ได้ที่ Line Official
LINE @taokaenoiclub


ท้าให้ลอง!
อัพความอร่อย
ให้เมนูร้านเด็ด
맛있다!!!
*แปลว่าอร่อย
ด้วยรสชาติที่ใช่ 3 สไตล์
Import from Korea
TAO KAE NOI
Korean Style
Topping
ふりかけ
うまい
รส ซอยซอส
รส บาร์บีคิว
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4 Management Discussion and Analysis (MD&A)

Performance Overview for 2022

	2022		2021		2020	
	THB million	percent	THB million	percent	THB million	percent
Sales revenue	4,367	100.0	3,611	100.0	3,983	100.0
Cost of sales	3,111	71.3	2,742	75.9	2,959	74.3
Cost of distribution	493	11.3	400	11.1	442	11.1
Administrative expenses	309	7.1	298	8.3	307	7.7
Corporate income tax	39	0.9	10	0.3	31	0.8
Profit attributable to the parent company	435	10.0	182	5.0	243	6.1

Business Overview

Taokaenoi Food & Marketing Public Company Limited engages in the business of manufacturing and distribution of seaweed snack under the brand "Taokaenoi," divided into 4 categories, namely crispy seaweed, grilled seaweed, roasted seaweed and tempura seaweed. Other than seaweed snack, there are non-seaweed products, e.g., milk tea flavored and latte flavored pasteurized milk "Just Drink," and affiliated "Hinoya" restaurant, Korean street food franchise "Bomber Dog," and distribution business by Taokaenoi USA Inc. in North America and Canada.

Sales Revenue

Revenue from sales over the past 3 years amounted to Baht 4,367 million in 2022, Baht 3,611 million in 2021, and Baht 3,983 million in 2020. In 2022, revenue from sales increased by 21% as compared to 2021, thanks to the Company's more proactive marketing, both in Thailand and abroad, focused on reaching consumers in every channel, both online and offline, coupled with new product launch to stimulate markets and sales. In 2021, revenue from sales dropped by 9% as compared to 2020, as a result of the ongoing spreading of COVID-19 as the second year, thereby affecting revenue from both domestic and international sales, and strategic adjustment in China during the first half of the year.

Trading Country	2022		2021		2020	
	Million Baht	percent	Million Baht	percent	Million Baht	percent
Thailand	1,662	38.1	1,443	40.0	1,275	32.0
China	1,110	25.4	988	27.3	1,514	38.0
Other countries[1]	1,595	36.5	1,180	32.7	1,194	30.0
Sales Revenue	4,367	100.0	3,611	100.0	3,983	100.0

Remark:[1] 1Other countries include Indonesia, Malaysia, USA and CLMV countries (Cambodia, Laos, Myanmar, Vietnam), etc.

Revenue from domestic sales

In 2022, the Company's domestic sales totaled Baht 1,662 million, representing 38.1% of total sales revenue, and the growth rate increased by 15.2% as compared to 2021, reflecting a dramatic growth attributable to various factors as may be summarized below.

1. The domestic demand for seaweed consumption grew and increased substantially in every quarter. The most recent figures of seaweed consumption in the fourth quarter of this year represented a total market value higher than that of the fourth quarter of 2019 (before the COVID-19 outbreak) by up to 12%, demonstrating a strong growth in domestic seaweed consumption. Such growth in domestic seaweed consumption was in part driven by the Company, as the market leader in the seaweed market, by launching new roasted seaweed products, which were well received to boost sales continuously.

The seaweed consumption market in 2022 for the entire year expanded up to 33% as compared to the previous year, whereby the Company was able to increase its market share to 63.4% in 2022.

2. The distribution channels were continuously and further increased to reach consumers via Traditional Trade, and in the fourth quarter, the Company started to distribute its products to 14 local distributors throughout Thailand to accommodate a major sales restructuring program to be implemented in January 2023 for the purpose of expanding to Traditional Trade to further achieve a strong, quality and sustainable growth in 2023.

3. The number of tourists in Thailand increased in 2022 up to 11.11 million tourists, thereby resulting in a partial increase in sales from tourists.

4. New products and sales and marketing promotions were ongoing throughout the year, in which the Company continued to focus on reaching out to consumers through a variety of activities, both online and offline, e.g., collaboration with Bitkub, launch of products in association with After Yum, activities in Thailand Game Show 2022, promotion of seaweed consumption during the World Cup 2022, including access to consumers via social media, namely Twitter, Tik Tok and Facebook.

In 2021, the Company's total domestic sales were Baht 1,443 million, representing 40.0% of total sales revenue, an increase by 13.2% as compared to Baht 1,275 million in 2020, due to the growth in total sales from the launch of new product "Just Drink" in the Company's product group in 2021, while sales of seaweed products slightly declined due to the lockdown measures from time to time during the year, which affected the main channels, namely convenient stores and Modern Trade.

Revenue from international sales

In 2022, total sales were Baht 2,705 million, an increase by 24.8% as compared to 2021, comprising sales in China representing Baht 1,110 million, increased by 12.4% from the same period of the previous year, and sales from other countries in the amount of Baht 1,595 million increased by 35.1% from the same period of the previous year.

In 2022, international markets were able to increase sales substantially, particularly those markets in other countries with the growth for the entire year which increased by 35.1% as compared to that of 2021. Increased growth was reflected in almost every country, particularly in the United States of America, where the client base was remarkably expanded both in Asian Grocery in respect of Taokaenoi brand, and Mainstream through NORA brand. In addition, certain markets in Asia, e.g., Indonesia, Malaysia and Vietnam, enjoyed a substantial growth in sales, due to the launch of new products and marketing activities to enhance brand awareness among a wider variety of consumers.

China market which continued to be the Company's major export market showed an increased growth in 2022 by 12.4% amidst the severe COVID-19 situations in China in 2022 due to the Zero COVID-19 policy and major city lockdown, thereby causing the transportation, consumption and economy in China to sustain a dramatic slowdown. The gross domestic product (GDP) in Q4/2022 still indicated a declining growth at 2.9% YoY as compared to 3.5% YoY in Q3/2022. However, as a result of such announcement canceling the Zero-COVID policy on December 7, 2022, and the country re-opening, the situations tended to improve by the end of the fourth quarter.

Nevertheless, the Company continued to emphasize and focus on marketing promotion activities in China in every quarter. Last month, the Company received a bronze medal award from the Chinese Marketing Federation (NEWRANK.CN) for Co-Branding idea from the seaweed marketing in collaboration with a major coffee brand in China (Double Win) in the third quarter last year. Furthermore, the Company continued to focus on online marketing in China to stimulate sales, as evidenced by sales figures via online channel of TAOBAO in December 2022, in which the Company was ranked top 2 highest sales and top 4 highest sales for the entire year via TAOBAO.

International sales in 2022 represented 61.9% of total sales, divided into 25.4% in China and 36.5% in other international markets.

In 2021, total international sales were Baht 2,168 million, a decrease by 20.0% as compared to 2020, following the 34.7% drop of sales in China market, which accounted for 27.3% of total sales revenue. The declining sales revenue in the first half of the year

was due to the strategic adjustment for market expansion in China in the middle of the year 2021, while sales in other countries only slightly decreased by 1.1% due to the container shortage problem throughout the year caused by the global COVID-19 pandemic.

Cost of Sales

Cost of sales over the past 3 years amounted to Baht 3,111 million in 2022, Baht 2,742 million in 2021, and Baht 2,959 million in 2020, or representing 71.3%, 75.9%, and 74.3% of sales revenue, respectively. The ratio of cost of sales to total revenue reduced by 4.6% from 2021 from a variety of factors as follows:

1. The consolidation of its product factories at Rojana factory by introducing machinery to increase production efficiency and minimizing labor costs proceeded throughout the year as planned, thereby causing the labor costs per unit to decrease, despite the increase in minimum wages in the fourth quarter.
2. Such increased sales in 2022 by 20.9% or over Baht 756 million helped reduce the fixed production costs per unit, given the increasing utilization rate of both factories from 37% in 2021 to 43% in 2022.
3. The overall costs of raw materials and packaging were management to increase only slightly from purchase plan, despite such considerable increase in costs of both oil and packages in 2022.
4. The storage costs of raw materials were managed to reduce as a result of the decreased volume of storage of raw materials, particularly seaweed, as compared to 2021, including the introduction of the solar rooftop implementation to partially help lessen the costs of power consumption in the factory.
5. The COVID-19 situations in 2022 improved, whereby the Company had no expenses in respect of control or bubble and seal measures this year as compared to 2021.

In 2021, the ratio of cost of sales to total revenue increased by 1.6% from 2020, mainly due to the increasing cost per unit from the declining utilization rate with an average utilization rate at 37% following the declining sales as compared to an average utilization rate at 50% in 2020. In addition, in the third quarter of 2021, there were additional expenses incurred by bubble and seal measures during the severe spreading of COVID-19 which affected every industry.

Distribution Costs

The Company's distribution costs amounted to Baht 493 million in 2022, Baht 400 million in 2021, and Baht 442 million in 2020, respectively, or representing 11.3%, 11.1%, and 11.1% of sales revenue, respectively. The ratio of distribution costs to sales revenue for the entire year 2022 increased merely 0.2% as compared to the same period of the previous year. Such costs were increased from marketing expenses to strengthen the brand foundation for future growth. The Company's overview still focuses on managing the ratio of distribution costs to sales to stay nearly at the same level as that of the same period of the previous year to improve its profitability. However, the transportation costs in the country were increased by oil price, while in other countries, the transportation costs for export reverted to stay nearly the same level as that prior to the COVID-19 outbreak, not to mention that the supply of containers for export was sufficient to meet the demand, thereby allowing the overall transportation costs to be manageable without impact.

In 2021, the Company's ratio of distribution cost to sales revenue stayed at the same rate as in 2020 at 11.1% of revenue, despite the serious container shortage in 2021 caused by the COVID-19 pandemic which affected globally and increased the transportation costs, although the Company was able to efficiently control fixed costs, and manage selling and administrative expenses in line with sales by focusing on direct activities with consumers and new sales channels.

In 2020, the Company adjusted its strategic marketing and sales promotion activities to maintain distribution costs in line with sales and changing circumstances, by mainly focusing on online marketing which well matched the target group, thereby causing the distribution costs to reduce by 3.5% as compared to 2019.

Administrative Expenses

Administrative expenses amounted to Baht 309 million in 2022, Baht 298 million in 2021, and Baht 307 million in 2020, or representing the ratio of administrative expenses to sales revenue at 7.1%, 8.3%, and 7.7%, respectively.

The Company's ratio of administrative expenses to total revenue in 2022 decreased by 1.2% from the same period of the previous year. Such decrease was caused by higher revenue growth, coupled with the maintenance of monetary expenses in terms of both the number of employees and other expenses, and as a result, total expenses increased by merely 3.7% in 2022 as compared to 2021.

Profit Attributable to the Parent Company

The Company's profit attributable to the parent company amounted to Baht 435 million in 2022, Baht 182 million in 2021, and Baht 243 million in 2020, or representing the ratio of profit to sales revenue at 10.0%, 5.0%, and 6.1%, respectively. The increased profit was due to the growth in sales revenue at 20.9% or Baht 756 million and the improvement in profitability along with cost management.

In 2021, the Company's profit decreased from the severe COVID-19 situations, both in Thailand and abroad, thereby causing sales revenue to drop, and incurring additional expenses for bubble and seal measures in order to carry on the production process under the widespread pandemic that affected every industry.

	Consolidated Financial Statements					
	2022		2021		2022	
	Million Baht	percent	Million Baht	percent	Million Baht	percent
Assets						
Current assets						
Cash and cash equivalents	460.6	14.3	223.4	6.5	208.6	6.0
Temporary investment	-	-	-	-	-	-
Trade and other current receivables	645.4	20.1	574.3	16.6	436.3	12.5
Inventories	699.8	21.8	1,056.0	30.6	1,258.7	36.2
Other current financial assets	164.7	5.1	253.6	7.3	274.6	7.9
Other current assets	8.2	0.3	21.3	0.6	23.5	0.7
Total current assets	1,978.7	61.6	2,128.5	61.6	2,201.7	63.2
Non-current assets						
Investment in joint venture	9.7	0.3	-	-	-	-
Investment property	39.7	1.2	39.7	1.2	39.7	1.1
Property, plant and equipment	934.8	29.1	999.4	28.9	982.9	28.2
Right-of-use assets	73.5	2.3	105.9	3.1	87.7	2.5
Goodwill	13.2	0.4	12.8	0.4	11.5	0.3
Other intangible assets other than goodwill	53.3	1.7	53.3	1.5	55.7	1.6
Deferred tax assets	85.6	2.7	92.9	2.7	75.8	2.2
Other non-current assets	22.8	0.7	21.7	0.6	26.0	0.7
Total non-current assets	1,232.6	38.4	1,325.7	38.4	1,279.2	36.8
Total assets	3,211.3	100.0	3,454.2	100.0	3,480.9	100.0

	Consolidated Financial Statements					
	2022		2021		2022	
	Million Baht	percent	Million Baht	percent	Million Baht	percent
Liabilities and Shareholders' equity						
Current liabilities						
Short-term borrowings from financial institutions	159.9	5.0	502.0	14.5	690.2	19.8
Trade and other current payables	633.0	19.7	606.0	17.5	568.3	16.3
Current portion of lease liabilities	19.4	0.6	30.9	0.9	25.2	0.7
Short-term borrowings	14.7	0.5	16.6	0.5	14.6	0.4
Current portion of long-term borrowings	34.8	1.1				
Income tax payable	22.6	0.7	13.1	0.4	21.3	0.6
Other current liabilities	39.3	1.2	38.9	1.1	38.1	1.1
Total current liabilities	923.8	28.8	1,207.5	35.0	1,357.7	39.0
Non-current liabilities						
Long-term borrowings from financial institutions	119.4	3.7	134.1	3.9	-	-
Long-term borrowings	-	-	-	-	4.5	0.1
Lease liabilities	57.8	1.8	77.9	2.3	63.2	1.8
Non-current provision for employee benefits	28.6	0.9	37.1	1.1	31.3	0.9
Other non-current liabilities	2.1	0.1	2.1	0.1	1.7	0.0
Total non-current liabilities	207.9	6.5	251.2	7.3	100.7	2.9
Total liabilities	1,131.7	35.2	1,458.7	42.2	1,458.4	41.9

	Consolidated Financial Statements					
	2022		2021		2022	
	Million Baht	percent	Million Baht	percent	Million Baht	percent
Shareholders' equity						
Share capital						
Authorized share capital						
1,380,000,000 ordinary shares of Baht 0.25 each	345.0	10.7	345.0	10.0	345.0	9.9
Issued and paid-up share capital						
1,380,000,000 ordinary shares of Baht 0.25 each,						
fully paid	345.0	10.7	345.0	10.0	345.0	9.9
Share premium of ordinary shares	1,315.4	41.0	1,315.4	38.1	1,315.4	37.8
Surplus arising from change in ownership interest in a subsidiary	1.2	0.0	1.2	0.0	1.2	0.0
Retained earnings						
Appropriated						
Legal reserve	34.5	1.1	34.5	1.0	34.5	1.0
Unappropriated	391.0	12.2	306.4	8.9	331.3	9.5
Other components of shareholders' equity	(5.7)	(0.2)	(5.3)	(0.2)	(4.4)	(0.1)
Total shareholders' equity attributable to owners of the parent	2,081.4	64.8	1,997.2	57.8	2,023.0	58.1
Non-controlling interests	(1.8)	(0.1)	(1.7)	(0.0)	(0.4)	(0.0)
Tota shareholders' equity	2,079.6	64.8	1,995.5	57.8	2,022.6	58.1
Total liabilities and shareholders' equity	3,211.3	100.0	3,454.2	100.0	3,480.9	100.0

Financial Position

Assets

Upon review of the financial position per the Company's consolidated financial statements, total assets as at the end of 2022, 2021 and 2020 amounted to Baht 3,211 million, Baht 3,454 million, and Baht 3,481 million, respectively. Such decrease in total assets in 2022 was mainly due to a decrease in inventories by Baht 356 million, since the balance of seaweed as the majority of raw materials was relatively lower than 2021, although the volume of which remained sufficient to feed the production line, and there were import contracts with seaweed producers upon demand throughout the year.

Current assets

- Cash and cash equivalents

The Company's cash and cash equivalents as at the end of 2022, 2021 and 2020 were Baht 460.6 million, Baht 223.4 million, and Baht 208.6 million, respectively. The increase in cash and cash equivalents at the end of 2022 was derived from repayments by customers, both in the country and abroad, which were higher than the previously, and represented cash reserved for payments of goods and to creditors at the beginning of 2023, including purchase of seaweed and other goods and services.

- Trade receivables

Trade Receivables by Aging (over the past 3 years)

Aging of Trade Receivables	Consolidated Financial Statements (Unit : Million Baht)		
	Dec 31, 2022	Dec 31, 2021	Dec 31, 2020
Current	438.2	367.7	320.1
Overdue 1-90 days	130.9	140.4	48.8
Overdue 91-180 days	0.4	0.7	0.6
Overdue 181-270 days	0.0	1.6	0.6
Overdue 271 days and longer	25.3	26.2	28.9
Total trade receivables	594.8	536.6	397.9
Less Loss allowance	(16.5)	(19.2)	(19.8)
Trade receivables - net	578.3	517.4	378.1

- As at December 31, 2022, the Company's net trade receivables were Baht 578.3 million, increased by Baht 60.9 million from the previous year. The current trade receivables accounted for 75.8% of all trade receivables since sales around late last year were relatively higher than 2021, resulting in such increase in current trade receivables, which remained under the normal credit term. All outstanding receivables of the Company were subject to loss allowance and ongoing collection.
- The turnover rate of trade receivables in 2022 was 7.72 times, at the same average collection period of 45 days as 2021 which was 8.61 times.
- The Company's policy on loss allowance is as follows:

Policy adopted before January 1, 2020

Trade and other current receivables were stated at the net realizable value. The Group recorded the estimated loss allowance for unsuccessful debt collection which was generally based on historical debt collection and aging analysis.

Policy adopted since January 1, 2020

Trade and other current receivables are stated at their invoice value less allowance for expected credit losses. The allowance for expected credit losses is disclosed in the relevant note to the financial statements (TFRS9).

- **Inventories**

The Company's inventories as at the end of 2022, 2021 and 2020 were Baht 699.8 million, Baht 1,056.0 million, and Baht 1,258.7 million, respectively, or representing 21.8%, 30.6%, and 36.2% of total assets, respectively. Inventories as at the end of 2022 decreased by Baht 356.2 million from the previous year, mainly due to the policy on reduction of seaweed import in Thailand, although raw materials were gradually supplied by producers by way of supply contracts throughout the year, which helped lessen the Company's cold storage costs.

However, the Company adjusted the policy on allowance for diminution in value of inventories at 100% based on the following criteria:

Type of Inventories	100% allowance at the end of life cycle
Seaweed and other raw materials	12 months
Seasoning powder	6 months
Packages – sachets in Thailand	12 months
Packages – sachets from overseas	12 months

The allowance may be additionally provided if there is a risk of obsolescence or discontinued sale, or change in package design, subject to approval from management from time to time. The Company's allowance for diminution in value of inventories as at December 31, 2022 followed the above policy.

- **Other current financial assets**

Other current assets in 2021 in the amount of Baht 164.7 million represented open-ended fixed income fund as a reserve for emergency during the COVID-19 outbreak or other adverse events.

Non-current assets

As at December 31, 2022, the Company's consolidated financial statements showed property, plant and equipment in the amount of Baht 934.8 million, representing 29.1% of total assets, a decrease by Baht 64.6 million from the previous year. Such decrease was due to derecognition of the majority of assets at Rojana factory, Phra Nakhon Si Ayutthaya Province, and Nopphawong factory, Pathumthani Province.

Liabilities and shareholders' equity

The Company's total liabilities amounted to Baht 1,131.7 million in 2022, Baht 1,458.7 million in 2021, and Baht 1,458.4 million in 2020. The debt to equity ratio was 0.54, 0.73, and 0.72 times, respectively. The Company's liabilities were classified as follows:

- **Current liabilities**

In 2022, the current liabilities accounted for 82% of total liabilities. The majority of the Company's current liabilities comprised short-term borrowings from financial institutions for use as its working capital, which amounted to Baht 160 million in 2022, Baht 502 million in 2021, and Baht 690 million in 2020, respectively. Trade and other current payables were Baht 633 million in 2022, Baht 606 million in 2021, and Baht 568 million in 2020, respectively. In 2022, the Company's average repayment period was 36 days.

- **Non-current liabilities**

In 2022, the non-current liabilities accounted for 18% of total liabilities, mostly comprising long-term borrowings from financial institutions in the amount of Baht 119.4 million for acquisition of seaweed production machinery since 2021 as partial labor replacement, lease liabilities in the amount of Baht 57.8 million according to the Thai Financial Reporting Standard No. 16 Leases, and employee benefits in the amount of Baht 28.6 million, as detailed in note 3.2 to the financial statements.

Liquidity and Sources of Funds

Unit : Million Baht

Item	Statements of Cash Flows		
	2022	2021	2020
Net cash from (used in) operating activities	988.5	474.0	1,007.1
Net cash from (used in) investing activities	(29.7)	(163.7)	(390.4)
Net cash from (used in) financing activities	(720.2)	(297.6)	(570.3)
Effects of foreign exchange rate changes	(1.3)	2.1	(0.0)
Net increase (decrease) in cash and cash equivalents	237.2	14.8	46.3
Cash and cash equivalents as at December 31	460.6	223.4	208.6

For 2022, cash and cash equivalents of the Company and its subsidiaries as at December 31 were Baht 460.6 million, which were increased by Baht 237.2 million from Baht 223.4 million in 2021. Such change in cash was caused by the following:

- Net cash flow received from operating activities was Baht 988.5 million. The main item was profit before income tax expense in the amount of Baht 434.7 million, and after various adjustments in the total amount of Baht 266.6 million, i.e., depreciation cost, the operating profit before change in operating assets and liabilities amounted to Baht 701.3 million. The improved value of operating assets and liabilities was Baht 308.0 million, mainly due to reduced inventories from better management, and cash for tax payment in 2022 in the amount of Baht 20.8 million.
- Net cash flow used in investing activities was Baht 29.7 million, comprising cash paid and advance payments for acquisition of fixed and intangible assets in the total amount of Baht 110.6 million as part of the consolidation of the production base, and improvement of efficiency and machinery at Rojana factory, investment in joint venture in the amount of Baht 10 million, and proceeds from sales of short-term funds in the amount of Baht 90 million to lessen its borrowings.
- Net cash flow used in financing activities amounted to Baht 720.2 million, comprising cash repayments for short-term borrowings from financial institutions in the net amount of Baht 342.2 million, proceeds from long-term borrowings from financial institutions in the amount of Baht 20.1 million for the consolidation of the production base, and improvement of efficiency and machinery at Rojana factory, and dividends paid in the amount of Baht 358.7 million, and cash repayment for lease liabilities and interest paid in the amount of Baht 39.5 million.

Significant Financial Ratios

		2022	2021	2020
1. Liquidity ratio				
- Liquidity ratio	Times	2.14	1.76	1.62
- Quick liquidity ratio	Times	1.38	0.89	0.69
2. Asset efficiency ratio				
- Account receivables turnover ratio	Times	8.08	7.73	8.29
- Account payables turnover ratio	Times	10.24	12.73	12.52
- Inventory turnover ratio	Times	3.54	2.37	2.28
- Asset turnover ratio	Times	1.36	1.05	1.14
- Fixed asset turnover ratio	Times	4.67	3.61	4.05
- Average collection period	Days	45	47	44
+ Domestic trade receivables	Days	56	87	113
+ International trade receivables	Days	38	21	11
- Average repayment period	Days	36	29	29
- Average inventory period	Days	11	15	16
- Cash cycle	Days	20	33	31
3. Loan risk ratio				
- Debt to equity ratio	Times	0.54	0.73	0.72
- Interest coverage ratio	Times	42.76	16.02	16.10
4. Profitability ratio				
- Gross profit margin	%	28.75	24.05	25.71
- Net profit margin	%	9.95	5.01	6.07
- Return on assets (ROA)	%	13.54	5.24	6.95
- Return on equity (ROE)	%	20.90	9.07	11.96

5 General and other important information

5.1 General information

Basic information for investors

Company Name:	Taokaenoi Food & Marketing Public Company Limited
Stock Symbol:	TKN
Type of Business:	Manufacturer and distributor of Seaweed Products
Company Registration No.	0107556000337
Factory / Office Location	1. Muang Thong Thani Office 337 Bond Street Road, Bang Phut Subdistrict, Pak Kret District, Nonthaburi, 11120 Phone 0 2984 0666 Fax. 0 2108 8708 2. Nopphawong Factory 12/1 Moo 4, Na Mai, Lat Lum Kaeo, Pathum Thani 12140 Phone 0 2108 6888 Fax. 0 2108 8704 3. Rojana Factory 55/5 Moo 5, Sam Bundit, Uthai, Phra Nakhon Si Ayutthaya 13210 Phone 0 3592 3055
website:	www.taokaenoi.co.th
Registered capital:	THB 345,000,000 million
Issued and paid-up capital:	THB 345,000,000 million
Par value	Ordinary share: THB 0.25 per share
Preferred shares	-None-
Major shareholders	As of 30 December 2022, Peeradechanpan Group holds 55.89% of shares, the remaining are hold by intitutions and general investors.
Other important information	-None-

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 Phone 02-009-9999 Fax 02-009-9991
Debenture Registrar:	-None-
Auditor:	**Deloitte Touche Tohmatsu Jaiyos Audit Company Limited** Mr. Chupong Surachutikarn Certified Public Accountant No. 4325 AIA Sathorn Tower, 23-27 Floor 11/1 South Sathorn Road Yannawa, Sathorn, Bangkok 10120 Phone 02-034-0000 Fax 02-034-0100
	Kudun and Partners Company Limited 127 Gaysorn Tower, 23rd Floor, Ratchadamri Road Lumpini Sub-district, Pathumwan District, Bangkok 10330 Phone 02-838-1750 Fax 02-838-1795
นักลงทุนสัมพันธ์:	**Investor Relations** 337 Bond Street Road, Bang Phut Subdistrict, Pak Kret District, Nonthaburi, 11120 Email ir@taokaenoi.co.th Tel 02-984-0666 ext. 304 Fax 02-094-0118

5.2 Other important information

-None-

5.3 Legal conflicts

-None-


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ส่วนที่ 2

Corporate Goverance



6 Corporate Governance Policy

6.1 Overview of Corporate Governance Policy and Practices

Taokaenoi Food & Marketing Public Company Limited ("the Company") started its business in 2004 and has been growing since. The Company was listed on the Stock Exchange of Thailand ("SET") in 2015. From the first day of operation until present (2022), the Company has been in business for more than 18 years, and its growth includes expansion of product capacity, markets, sales, and profits, with its products exported to various countries around the world. 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 stakeholders in the value chain.

The Company has established and issued Corporate Governance Policy as an ethical guideline, 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. This time, the Board of Directors has reviewed the company's operations, including the framework for good corporate governance, and has decided that it was deemed appropriate the revision of the company's ethics guidelines and good corporate governance policy. Some of the policies shall be revised and/or added to enable more effective good corporate governance practices as a listed company in 2020. 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.

Recognizing the essence of good corporate governance, the Company always complies with business ethics and sustainability management to ensure efficiency, with an aim to become an organization of transparency, morality, and accountability, to become the organization that stands against the corruption of all forms to build trust and confidence among all stakeholders and to advance to sustainable growth. Various communication channels are established to pass on information to employees and to raise awareness of their duty and responsibility in compliance with corporate governance.

In 2022, the Corporate Governance Committee supervised and reviewed the Corporate Governance policy and Code of Conduct, including charters for the Board of Directors and committees to be in conformity with the good corporate governance principles for the listed companies. Eventually, the result was proposed to the Board of Directors for consideration on an annual basis. The significant performance of the Board of Directors on corporate governance in 2022 is summarised as follows:

Corporate Governance Policy Evaluation Overview for 2021: The Company has always been following the principles of 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 (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) and international criteria such as ASEAN Corporate Governance Scorecard and DJSI Sustainability Assessment. The Corporate Governance and Nomination Committee is responsible for consideration of the establishment and implementation of the aforementioned policy and principles, and present to the company's Board of Directors for approval. For any additional criteria that have not yet been included in the company's policy or implementation, the management will report to the Committee to review the matter annually.

The compliance guideline to the Code of Conduct and the Corporate Governance policy is established on the company's website (www.taokaenoi.co.th/ir) via the internal intranet. Moreover, the Company arranged training courses for employees to ensure acknowledgment and correct practice among directors, executives, and employees. The assessment result of corporate governance and awards in 2022 are summarised as follows:

- Received Excellent (5 stars) assessment result of the 2022 Corporate Governance Report of Thai Listed Companies (CGR) by the Thai Institute of Directors Association (IOD). The award demonstrates our dedication to conducting business under good corporate governance principles. Moreover, the Company is committed to leveraging corporate governance standards to nourish business growth in a sustainable approach.



- Received a 100% score from the 2022 Annual General Meeting of Shareholders (AGM Checklist) Quality Assessment by the Thai Investors Association.
- The Board of Directors arranged both group and individual performance assessments for the Board of Directors, Sub-Committee, and Chief Executive Officer every year to comply with the corporate governance principles. The assessment result will be summarised into a report regarding the performance of the Board of Directors, sub-committee, and Chief Executive Officer accordingly and eventually disclosed in the Annual Report for shareholders' acknowledgment.



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

Code of Ethics Compliance

1. People with Code of Ethics Compliance Duty

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 that are against the Company's Code of Ethics, please proceed with whistleblowing through available channels for the Company 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, which may result in penalties according to the Company's regulations and the severity of the case.

4. Procedures Regarding Unethical Act Encounter

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

5. Protection and fairness policy for whistleblowers

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, the Company's regulations, the Code of Ethics, and the Good Governance Policy have been committed. The disclosure of whistleblowers, however, helps the procedures to proceed more quickly.

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

5.3 Board of Directors or assigned persons may consider measures to protect the complainant as deemed appropriate in case it is likely to cause damage or unsafe situation to the complainants due to the whistleblowing act based on this policy.

5.4 Employees who treat other people with unfairness, discrimination, or inappropriateness causing damage to that other person due to the motivation 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 motivation that other person sues, prosecutes, testifies, gives statements or cooperates with any court or government agency, are considered a disciplinary offense with punishment and may be punished by law if the offense is legal.

5.5 The damage caused will be alleviated by appropriate, fair and corrective procedures or compensation.

Code of Business Conduct and Ethics

1. Human Rights and Labor

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. The Company treats its employees equally and fairly by providing welfare that is equal to or exceeds the law's minimum limits as deemed appropriate. This includes maintaining safety and hygiene in the workplace, training, and education to develop potential and providing 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.

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 quality of raw materials and packaging of the company. The Company conducts an environmental impact assessment before its operation, and designs the work processes with the least minimal impact on the environment, using adequate technology. The Company aims for the restoration of biodiversity that has been affected by the business operation, including the release and management of production waste, and greenhouse gas emissions, as well as 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 the health of consumers. 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 the safety and health of consumers. All employees are also committed to delivering happy, healthy, and safe products to consumers.

4. Anti-corruption

The Company's business operations with all stakeholders will be conducted with transparency and honesty, in compliance with applicable laws and standards. The Company has announced an anti-corruption policy, as well as encouraging other companies and business partners to announce an anti-corruption policy. In addition, the Company plans to join Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) project, to earn more trust and confidence from all 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 benefits must be of an appropriate value and must not incentivize unfair decisions.

6. Conflict of Interest Management

In all business activities, all employees will act in the best interest of the Company under the laws and ethics, and avoid any actions that may create a conflict of interest that affects various decision-making.

7. Political Action

The Company is politically neutral and does not offer financial or any other forms of support for political parties, political coalitions, or political authority, either directly or indirectly at any level, be it local, regional, or national politics. The Company respects the political rights of all employees as their personal rights. Nevertheless, all employees must not involve the name of the Company in politics.

8. Personal Information Management

To operate under the law, the Company respects and protects the privacy of any information of those involved in the 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 is a violation of legal rights.

9. Internal Information Management

Employees of all levels shall not use internal information of the Company in their responsibility for personal interest, and must not disclose such internal information to others for improper benefits.

10. Utilization and Care of Intellectual Property

The Company must respect and not infringe on the intellectual property of others, as well as protect the Company's intellectual property from being used by others.

11. The Information Disclosure and Communicationa

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 laws, regulations, and culture of the country in which the Company operates, which, however, 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 honest trade competition framework according to the laws and related regulations.

14. Money Laundering Prevention

The Company attaches great importance to the strict compliance of laws regarding anti-money laundering.

(1) Rights of the Shareholders

The Company attaches great importance to the basic 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 important 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, etc. Each share equals one vote.

In addition to the above basic 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 director election. The Company publishes details on the rules and procedures of the aforementioned rights, including the qualifications of nominees for directors through the SET Link website and on the company's website (www.taokaenoi.co.th/ir). http://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 is to ensure all shareholders receive clear and sufficient information and allow some time to study the information in advance of the shareholders' meeting. The information is published via the SET Link system and on the company's website (www.taokaenoi.co.th/ir).http://www.taokaenoi.co.th/ir

3. Regarding the shareholders' meeting invitation letter, the Company provides detailed information on the date, time, format, and venue of the meeting, including each agenda, clearly stating an agenda as acknowledgment or approval. For example, agendas concerning the directors are divided into director election, and 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 be 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 the 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. If 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 agendas as well as nominate a person for directorship in advance. The chairperson will explain the 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 the 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. The Board of Directors, executives, related personnel, as well as the auditor, 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 at the latest via the 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).
(www.taokaenoi.co.th/ir)

10. The followings are minimum information required in the minutes of the meeting:

(a) List of directors and executives attending the meeting, the proportion of the directors attending and absent, and list of the 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 the person raising questions, and respondent

2022 Annual General Meeting of Shareholders (AGM) Summary

The Annual General Meeting of Shareholders 2022 was held only electronically (E-AGM) according to the Electronic Meeting Act B.E. 2563 including other relevant laws and regulations on Wednesday, 20 April 10.00 hours. The E-AGM was a live broadcast from Amber Room, Impact Exhibition Center (Hall 8), Mueang Thong Thani, Ban Mai sub-district, Pakkret district, Nonthaburi province. The Company assigned a legal advisor, 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 2022.

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 on the board's decisions and opinions, complete details of past meetings' minutes, annual report, as well as meetings documents, proxy form with a 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 29 March 2022 via postal mail and were announced in a daily newspaper for 3 consecutive days 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 on 21 March 2022.

In addition, the Company arranged for the use of ballot papers in every agenda vote for 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 to agree, disagree, or abstain according to the wishes of the shareholders. During the meeting, the chairman of the meeting provided opportunities for shareholders to express opinions, suggestions, or inquire about any agenda that they have doubts about 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 the 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 20 April 2022, as well as the publishing of the complete minutes of the meeting, including questions, explanation and opinions which shareholders proposed during the meeting on 3 May 2022.

(2) Equitable Treatment to the 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. Opportunities for shareholders to propose meeting agendas and nominate candidates for director election to replace those who are ending their terms by rotation in advance. The Company published through the SET Link system of the Stock Exchange of Thailand and on the Company's website www.taokaenoi.co.th/ir for the Nomination and Remuneration Committee, then presented to the Board of Directors for consideration before adding to the shareholders' meeting agenda and propose 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 are unable to attend the shareholders' meeting in person to appoint a proxy from independent directors of the Company or other persons to attend and vote on their behalf.
4. The Company prepares the proxy form in accordance with the specification of the Ministry of Commerce, 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 the agenda concerning the director election, the shareholders can exercise their rights to elect individual directors. The vote counting on each agenda item is done 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 that 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 answer the questions from shareholders
9. The Company encourages independent individuals to count or check the votes in the meeting and 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 2022, shareholders allowed minor shareholders to propose a meeting agenda and list of candidates for the Board members in the general meeting of shareholders between 1 December 2022 - 31 January 2022.

The shareholders must submit the form to propose agenda items and/or to nominate candidates for the TKN Directors election together with the required evidence through the 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 the 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 it to the Board of Directors' meeting and the shareholders' meeting for further approval.

In 2022, there were no shareholders proposing meeting agendas and/or nominations of candidates for the Company's directors in advance of the shareholders' meeting.

Internal Information Management

The Company has set measures and clearly informed the directors and executives of The Company 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 1 month prior to the disclosure of financial statements and 48 hours after material information is disclosed (Blackout Period). The Investor Relations Department will notify the related persons in advance by letter. In addition, the penalty is imposed for any violation of the use 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 3 business days via the SEC's website since the date of change.

Summary of 2022 Enforcement of the Information Use Policy

The Company places an emphasis on the enforcement of the information use policy within the Company, which is published through the announcement and centralized e-mail system. The Company enters the Blackout Period in each quarter, the Investor Relations Department 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 penalties from the Company and relevant laws.

Guidelines for supervision of the use of inside information

For equality of information access and prevention of personal use of internal information for the benefit of directors, executives, employees, and workers, the policy also applies to spouses and minors of directors, executives, employees, and workers. For the exercise of 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, workers, and the third party performing duty who acknowledges or possesses the Company's inside information must prudently maintain the Company's confidentiality and/or internal information.

2. 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.

3. Directors, executives, staff, employees including a person assumed to have known or possessed inside information pursuant to the Securities and Exchange Act B.E. 2535 (including the amendment) ("Securities and Exchange Act") who may have learned the Company's inside information which has not yet been disclosed to the public domain and such information has an influence on the variation of the prices or value of the securities or that may affect investors' decision in the Company's securities or that may cause damages to prospective investors, must not sell, purchase, transfer or accept a transfer of the Company securities or persuade any other person to sell, purchase, transfer or accept a transfer of the Company securities by using the secret and/or to proceed any legal transaction by using confidential and/or inside information of the Company whether such an act will be for oneself or the other's, which may cause both direct or indirect damage to the Company. A person committing such a violation is deemed as committing a severe 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, executives, and employees from the Chief of Department and higher, directors, including their spouses or a person live and cohabit together as husband and wife, minor child and a juristic person in which he, his spouse or a person live and cohabit together as husband and wife and minor child, holding shares over 30% of total voting rights of such juristic and such holding is the highest proportion in the juristic person, such person must report the securities trading as well as the changes of the holding for every transaction to the Securities and Exchange Commission pursuant to Section 59 of Securities and Exchange Act. The preparation and duration and method of report submission are subject to the criteria specified in the Securities and Exchange Act and related notifications from the SEC.

6. Directors, executives, staff, employees, previous directors, previous executive, previous staff, and employees shall secure confidential and/or internal information of the Company and allow to use it for the benefit of business operation of the Company only, without being on the contrary to the Securities and Exchange Act. Directors, executives, staff, and employees are not allowed to use internal information of the Company for benefit of other companies where they are currently a shareholder, director, executive, staff, or employee, are not allowed to exploit from such information by any wrongful act or disclose the information for benefits of oneself or another person whether directly or indirectly regardless of the benefit in returns.

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. There is education provided for executives to acknowledge their duties in reporting their securities holding, the holding of their spouses and minor child which shall be considered as the Company securities. The punishment includes the ones described in the Securities and Exchange Act.

Summary of offenses relating internal information use

In 2022, the board and management have 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 year in 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 best interest of the Company and its 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 benefits. 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. And 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 that are of the same nature and is in competition 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 in significant 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 occasions, 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 acquaintances. 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 a matter 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 relationship 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 which is considered the nature of management to undermine the interests of The Company or facilitate benefits for any person or juristic person, either for personal or others' benefits.

10. Directors and executives must refrain from voting and must not participate in the meeting concerning consideration or approval of the transaction item in which 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 said transactions to the company.

Summary of Offenses Relating to Conflicts of Interest

relevant persons' personal interests. Furthermore, in the event that any members of the Board of Directors have a stake or are involved in any agenda, certain directors shall refrain from meeting participation and abstain from voting on that agenda for fair decision-making. Up to date, there have been no offenses committed by the directors or any management regarding the matter.

(3) The Company's Role to Stakeholders

The Company places an emphasis on the treatment of stakeholders and takes into account 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 mutual 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. **Shareholders:** The Company attaches great importance to the shareholders as the owners of the company. Therefore, the Board of Directors, as the shareholders' representative, 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 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: Employee compensation is based on the knowledge, skill, experience, position, and responsibility of each person, including consistency with the operation result of The Company in the 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 the appropriate structure. The Company prepares every year the budget for compensation to ensure coherence with the Company's short- and long-term operation results. The short-term operation result is based on et profit while the long-term operation result depends on the long-term business plan, such as business growth, business expansion, and net growth of earnings.

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

   Long-term employee care: The Company provides its employees with a provident fund. Member employees are accumulated on a monthly basis 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 the safety of consumption, customers' 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 through which customers can report problems regarding product usage, and complaints about inappropriate services which can be made via e-mail or call center. This is for quick and appropriate prevention/problems 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 with the rules and conditions of all parties. 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 conduct their business in an ethical manner 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 with a focus 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 is used 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 its responsibility to 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 in order 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's quality in various fields, including continuous donations 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 systems in the factory to facilitate an environmentally and community-friendly production process.

The Company operates its business with a focus 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 greatly affect the company's sustainable growth. The company's operating guidelines take into account the environment, society, and governance, which will lead to continuous improvement such as

- towards the importance of sustainable corporate development which reflects on the company's values
- The study of the impact on economic, social, and environmental will be studied before the implementation of any company's activities.
- The Company provides 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, as well as 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 groups of stakeholders. Opinions hearing and exchange for correct information are conducted, including the accuracy of information exchange as part of the cooperation between The Company and stakeholders towards mutual sustainable growth.

Our activities for stakeholders arranged in 2022 are as follows:

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

Employee Care: Employee development includes training courses that aim to build skills and new learning processes, improving knowledge to cope with the changing situation via various learning platforms. The Company supports employees to receive vaccination against Covid-19, including the provision of accommodation, food, expenses rising out of Covid-19 tests on a weekly basis, and other related matters. Welfares are provided to employees in different forms to help minimize their expenses. Furthermore, in 2022, Taokaenoi's factories both Rojjana and Noppawong were accredited for Thai Labor Standard (TLS) 8001:2563 - Completed Level. Such an award demonstrates that the Company has been recognized for accountability and stability at work and that the employees are protected as stipulated by law. Employees are treated fairly with safety and good health. Taokaenoi also considers those suffering from situations, such as flood, and has provided "TKN Rescue Bags" for donation with an aim to minimize the burden of our employees.

Community, Society, and Environment

Community: Upon the Covid-19 outbreak, Taokaenoi realises and recognises the importance to support community activities and has provided the Covid-19 vaccine and antigen kits, food, drinks, and rescue bags to medical facilities, medical personnel, local residents under the project called "Taokaenoi Stands by You". The Company determines to take part in developing a sufficient economy with authority by leading employees to attend social activities and giving out seaweed products to the victims from neighboring communities of various disasters, i.e., flooding.

Society: The Company recognises the importance of basic human rights and refrains from discrimination while supporting the equality without the boundary of genders and classes. Persons with disabilities are also employed in our organization. All employees receive the same and fair treatment. Taokenoi strives to conduct business with social responsibility (CSR) with transparency and efficiency in accordance with corporate governance.

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

Stakeholders Contact Channels

Placing importance on corporate governance, transparency, and accountability, The Company allows employees to report or give information about the irregular activities of our business operation via special channels. The protection mechanism is created to assure that such reports or information given will not cause a burden to the whistleblower and to set a good example for society as a whole. Taokaenoi adheres to corporate governance, morality and business ethics, and accountability. Various channels are established to receive notifications, 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 behaviors that may imply corruption, unequal treatment, and the act of carelessness and indiscretion. The complaints can be made through the following channels:

1. Make a verbal or written complaint
2. Send to the email of the complaint recipient (E-mail: whistleblower@taokaenoi.co.th)
3. Issue a sealed letter and send it directly to the complaint recipient
4. Make a report via The Company website: www.taokaenoi.co.thhttp://www.taokaenoi.co.th



The said channels are safe in which the complainant or whistleblower or informant can make a complaint or report the clue of a wrongful act or corruption including giving advice about compliance with the Anti-Corruption measure. Every complaint filed will be kept the highest confidential. The report can be made on multiple channels and the whistleblower can choose to hide his/her identity or to disclose the identity to be able to monitor the progress or to give additional information.

The Company has in place mechanisms 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. The 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 the confidentiality and protection of the whistleblowers. In the event that supporting evidence were 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.



In 2022, The Company reviewed the Whistleblowing policy or the complaints for wrongful acts and corruption, and no whistleblowing, complaints, opinions, orsuggestions were made through such channels.

(4) Disclosure and transparency

Information disclosure

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

1. preparation of annual reports which contain complete, accurate, reliable information in a timely manner.
2. Arrangement of shareholders' meeting with the publishing of relevant information in advance in a sufficient and timely manner via the website before sending out the meeting documents to the shareholders. This is to ensure sufficient time for shareholders to study information in advance of the meeting.
3. Requirement for directors and top management to disclose changes made towards shareholding by disclosing 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 those of their spouses and minors in the annual report.
4. Any directors who may be involved or have a stake in any agenda must refrain from voting and attending the meeting on that certain agenda. The said directors and top executives must report their stakes and personal interests, including those of their relevant persons.
5. The disclosure of performance assessment, both of the Board of Directors as a whole and as individuals, is required.
6. The disclosure of directors' and top management's remuneration, both in the forms of salary and other compensation, is required.
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 annual report organized by the Thai Board of Directors (IOD).

In 2022, The Company 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. Jirapong Santipiromkul, 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 2022 and 2021.

Series	Name	Number of shares (TKN)		Variation Increase / (Decrease)
		30 Dec 2022	30 Dec 2021	
1.	Mr. Yuth Vorachattarn Spouse/minor child	0 0	0 0	0 0
2.	Mrs. Wanee Thasanamontien Spouse/minor child	0 0	0 0	0 0
3.	Mr. Chaiyong Ratanacharoensiri Spouse/minor child	0 0	0 0	0 0
4.	Dr. Somjin Sornpaisan Spouse/minor child	0 0	0 0	0 0
5.	Ms. Mookda Pairatchavet Spouse/minor child	0 0	0 0	0 0
6.	Mr. Itthipat Peeradechapan Spouse/minor child	298,676,200 0	317,196,200 0	(18,520,000) 0
7.	Ms. Orrapat Peeradechapan Spouse/minor child	56,615,000 0	60,755,000 0	(4,140,000) 0
8.	Mr. Jirapong Suntipiromkul Spouse/minor child	0 0	0 0	0 0
9.	Ms. Porntera Rongkasiriphan Spouse/minor child	0 0	0 0	0 0
10.	Mr. Nutchatpong Peeradechapan Spouse/minor child	55,960,500 0	60,100,500 0	(4,140,000) 0
11.	Mrs. Tipnapa Jitjang Spouse/minor child	150,000 0	80,000 0	70,000 0
12.	Mr. Prin Pitchavichit Spouse/minor child	0 0	0 0	0 0
13.	Mr. Atipong Chatchawan Spouse/minor child	0 0	0 0	0 0
14.	Mr. Pisan Taraphat Spouse/minor child	0 0	0 0	0 0
15.	Mr. Wachira Yarnthasanakij Spouse/minor child	0 0	0 0	0 0

The Company's Information Dissemination Channels

The Company pays great attention to the correct 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 forms of electronic media 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 make contact with 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
Phone: 02 984 06666 # 304
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 for the business, customers, stakeholders, and society as a whole, the 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 organization toward the same direction. Vision, mission, and corporate value or else are established in the same pattern where the business will create value for the corporation. The concept focuses on teamwork that utilizes technology in business management, attentive performance, and 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 objectives or goals, to ensure the balance between two sides.
   3) Assess the readiness, expertise, and competitiveness of the business.
   4) The efficiency to conduct business that yields returns to stakeholders

3. Conducting business with attention to stakeholders and overall society, including relevant factors, the Board of Directors will determine the 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, and 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 objectives and goal within the context of decision-making and performance of personnel of all levels. In other words, any decision will base on the said primary objective and goal, with consideration of potential risk and impact on the organization, 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 are reasonably predictable.

7. To determine the annual strategy and plan, the Board will analyze 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 enhances the understanding of stakeholders, truly.

1) Precisely specify methods, procedures, participation channels, or communication channels between stakeholders and the Company to enable the access and receive issues or needs of stakeholders 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, supppliers, 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 matters 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 augmenting competitiveness and response to stakeholder's needs 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 targets. 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 and 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 adjustments to keep up with current situation.

(5) Directors' Responsibilities

1. The Board of Directors' responsibility covers business operation, and corporate governance that is in compliance with policy, operation plan, strategy, objectives, and articles of association, including performing the board's duties toward the Company and its shareholders. With awareness on roles, duties, and responsibility as a supervisor to ensure the Company's management, the Board of Directors' role cover the following:

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 practices 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, or dividend payment.

(6) Structure of the Board of Directors

The Board of Directors comprises 9 members which include 4 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 the genuine independency, 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 comprises qualified people 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 are 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.

Scope of duties and responsibilities of the Board of Directors

1. The Board of Directors is authorised to supervise and manage compliance with the law, objectives and articles of association, including resolution of the bord'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 the good corporate governance.
2. The Board of Directors is authorised 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 authorised to appoint the Chief Executive Officer (CEO) and other committee such as Audit Committee, Nomination and Remuneration Committee as deemed appropriated and neccessary, including to approve 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 maximum 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 administration and management of the Management or assigned person to ensure conformity with the policy and work plan established by the Board of Directors.
7. The board of directors arranges to have the review and approval on major matters 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 for 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 benefits of major and minor shareholders based on their rights and justice, and to treat shareholders and stakeholders with fairness.

16. To balance the power of the Management and/or major shareholders at an appropriate level, placing the importance to 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 related persons, to prevent the conflict of interest. There must be adequate and accurate information disclosure as well as 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 convenient channels 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 sed 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 rights 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 problems about the major managerial issues and inform the Chief Executive Officer the result accordingly.

23. The Board of Directors has the authority and 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 the following matters upon approval from the shareholders' meeting only:

(a) Any matters as stipulated by law that requires resolutions from the shareholders' meeting and

(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 responsibility of the Board of Directors are as 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 director or any other person to perform any 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 be in conflict with the benefit of The Company or its subsidiaries.

26. The Board of Directors is responsible to arrange orientation for a new director.

Overview of the Board of Directors performance and changes in 2022

In 2022, the Board of Directors performed their fiduciary duty taking into account the best benefits to shareholders, adhering to the 4 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 in timely manner (Duty of Disclosure);

The Company arranged 7 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 to ensure the efficiency of business operation and to maintain the good internal control and management. The approval power is distributed accordingly based on duties and responsibility. Scope of duties of the Board of Directors is 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 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 accounts regarding the budget beyond authority of the Executive Committee.
9. To approve personnel management transactions in the part beyond the 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 they consider 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. Moreover, the Corporate Governance Committee has been appointed in 2022.

The compensation policy for the CEO both in short and long term based on performance is not disclosed, only the overall figure is disclosed.

Nomination of the board members

The Company has in place the criteria ad 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 be in conformity with the vision, strategy and business operation of the Company. Eventually, the list of directors will be proposed to the shareholders' meeting for approval.

1. The Board of Directors comprises of at least five members. Depending on size, type and complexity of a business, at least half of the Board must have a domicile in the Kingdom. The member of the Board 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;

The people 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 directors of the Company. In the event of a tie at a lower place, which would make the number of directors greater than that required, the chairman of the meeting will have a casting vote.

For 2022, 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 for the entire board and individual, 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 brough for analysis and summary to determine measures for improving their performance and to prepare performance development pln. 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 of Directors

(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 individual director is divided into three topics as follows:

(1) Structure and Qualifications of Directors

(2) Attendance

(3) Roles, duties, and responsibilities

The performance assessment and review of the Board of Directors and sub-committee 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, participate in determining meeting agenda.
2. Take part in controlling the meeting efficiency to ensure the compliance with the article of association. Support and allow directors to express their opinion freely.
3. Support and promote the Board of Directors to performance their duties at fullest effort to the scope of duties and responsibility and the good corporate governance.
4. Supervise, monitor and oversee to ensure the efficient performance of the Board of Directors and accomplishment to the corporate objectives and primary goal.
5. Create the 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 matters prudently. Promote the prudent discretion and independent opinion expression among directors.
7. Oversee to ensure that all directors take part in building corporate culture with morality and good corporate governance.



Sub-Committee

As of 31 December 2022, there are 4 boards of sub-committees as shown below.

(1) Audit Committee
(2) Nomination and Remuneration Committee
(3) Risk Management Committee
(4) Corporate Governance Committee:

To enhance the efficient and effectiveness of the Board of Directors' performance, the Board has assigned sub-committees to study and screen operations as deemed necessary. There are 4 sub-committees namely below.

1. 1. Audit Committee

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

Name-surname	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

Scope of duties

1. Audit to ensure the accurate, 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 in preparing quarterly and annual financial report.

2. Arrange to have proper and effective internal control and internal audit within the Company; review the independence of the Internal Audit Department; 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 standard.

5. Consider, select and propose for appointment the independent person as an auditor of the Company, including propose remuneration such auditor, attend the meeting with an auditor without attendance of the Management at least once a year.

6. Consider related transactions or the transactions that may have a conflict of interest, to be 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 related transaction or a transaction that may have a conflict of interest to ensure the accuracy thereof.

7. When the Company's auditor finds doubtful event associated with any director, executive officer or any other person who is responsible for business operation of The Company and subsidiaries, legal offence, 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 a report of the Audit Committee and disclose 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 adequacy of the Company's and subsidiaries' internal control system.
   (c) Opinions on compliance with securities and stock exchange laws, requirement of the Stock Exchange of Thailand 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 rules.
   (h) Any other matters which is considered that shareholders and public investors should acknowledge, under the scope of duties and responsibilities assigned by the Board.

9. On circumstance where it is found or doubted that the following transaction or actions may 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 of irregularity or a significant deficiency in internal control.
   (c) Violation of the securities and stock exchange laws, regulations of SET, 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 member may report the matter to the Securities and Exchange Commission or the Stock Exchange of Thailand.

10. The Board of Directors may seek professional opinion regarding business operation, from an external advisor at the Company's costs.

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

Term of Office

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

2. Nomination and Remuneration Committee

As at 31 December 2022, the Nomination and Renumeration Committee consist of:

Name-surname	Positions in the Nomination and Remuneration Committee	Positions in the Board of Directors
1. Mr. Chaiyong Ratanacharoensiri	Chairman of the Nomination and Renumeration Committee	Independent Director
2. Mr. Yuth Vorachattarn	Member of Nomination and Renumeration Committee	Independent Director
3. Mrs. Wanee Thasanamontien	Member of Nomination and Renumeration Committee	Independent Director

- Mr. Somboon Prasitjutrakul retired by rotation and did not wish to continue for another term from 20 April 2022 onwards.

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 in order 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 in order to propose to the Board of Directors to be in conformity with the corporate business strategy. Oversee and supervise the nomination of directors, and high-rank executive officers in all business departments. Assure the organization that the succession plan of high-ranked executive officers, important executive positions and list of nominated person 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 duties of the Nomination and Remuneration Committee 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 appropriate by the Board of Directors.

3. Risk Management Committee

As at 31 December 2022: the Risk Management Committee consists of:

Name-surname	Positions in the Nomination and Remuneration Committee	Positions in the Board of Directors
1. Dr. Somjin Sornpaisan[1]	Chairman of the Risk Management Committee	Independent Director
2. Ms. Orrapat Peeradechapan	Member of Risk Management Committee	Director
3. Mr. Jirapong Suntipiromkul	Member of Risk Management Committee	Director
4. Ms. Porntera Rongkasiripan	Member of Risk Management Committee	Director
5. Mr. Prin Pitchavichit[2]	Member of Risk Management Committee	-
6. Mr. Atipong Chatchawan[3]	Member of Risk Management Committee	-

Remarks:

1. The meeting of the Board of Directors, held on 12 May 2022 has appointed Dr. Somjin Sornphaisan as Member of the Risk Management Committee, effective from 12 May 2022.
2. The meeting of the Board of Directors, held on 24 January 2022 has appointed Mr. Prin Pitchavichit as a member of the Audit Committee, effective from 24 January 2022 onwards.
3. The meeting of the Board of Directors, held on 10 August 2022 has appointed Mr. Athiphong Chatchawal as a member of the Audit Committee, effective from 10 August 2022 onwards.

Scope of duties

1. Determine policy, strategy and guideline of enterprise risk management.
2. Give opinions on risk assessment result, preventive measure, risk management plan for the Management to ensure adequacy and appropriateness of the risk management.
3. To supervise the Management for compliance with policy, strategy and approach to the corporate risk management. Assess and monitor risk management of the Management to maintain at a reasonable level and conformity to the policy.
4. Consider and approve the assessment result, chance of corruption and the impacts thereof. The consideration covers corruption of all forms, for example, false financial report, loss of assets, corruption, Management Override of Internal Control, significant changes in the financial report, a wrongful acquisition or disposal of assets.
5. Acknowledge the internal control assessment according to the annual report of the internal auditor
6. Consider and approve the disclosure of data at risk in the 56-1 One Report.
7. Review and assess the suitability of the risk management policy, strategy and direction at least once a year or when detecting that the risk level is significant.
8. Approve and give suggestions in the event when the Company have to hire the third party to assist in parts of work to support the insufficient personnel and/or specialist in performing tasks as determined in operation plan. However, such hiring of the third party is for temporary only.
9. To perform as other tasks as assigned by the Board of Directors.

Term of Office

The Risk Management Committee's term of office is 3 years and may be re-elected for another term as deemed appropriate by the Board of Directors.

4. Corporate Governance Committee

As of 31 December 2022, the Corporate Governance Committee consists of:

Name-surname	Positions in the Nomination and Remuneration Committee	Positions in the Board of Directors
1. Mr. Yuth Vorachattarn[1]	Chairman of the Corporate Governance Committee	Independent Director
2. Mrs. Wanee Thasanamontien[1]	Member of the Corporate Governance Committee	Independent Director
3. Mr. Chaiyong Ratanacharoensiri [1]	Member of the Corporate Governance Committee	Independent Director

Remarks:

1. The meeting of the Board of Directors, held on 12 May 2022 has appointed Mr. Yuth Worachattarn, Mrs. Wanee Thasanamontien, and Mr. Chaiyong Rattanacharoensiri as a member of the Corporate Governance Committee, effective from 12 May 2022 onwards.

Scope of duties

1. Determine corporate governance policy and guidance to be consistent with the good corporate governance of the listed companies as determined by the Stock Exchange of Thailand and the Securities and Exchange Commission. Determine Code of Conduct and CSR policy for the Company and its subsidiaries and present to the Board of Directors.
2. Advice the Board of Directors on the matters concerning the good corporate governance, code of conduct and social responsibility.
3. Determine important principles and practice guidance of the good corporate governance to suit the business context and international practice.
4. Consider, review and present to the Board of Directors on the good Corporate Governance policy, Code of Conduct, Sustainability Management. Oversee operation on stakeholders ,society, communities, environment and any other policy or practices which support the Company's operation under the corporate governance direction to suit to business of The Company and subsidiaries.
5. Determine to ensure the monitoring and assessing of performance result of the Board of Directors and the Management including subsidiaries according to the corporate governance policy, Code of Conduct and Social Responsibility policy of The Company ad subsidiaries. Conduct an assessment on annual corporate governance and propose to the Board of Directors for the following year, and give opinions and neccessary suggestions.
6. Review practices related to corporate governance and supervise to ensure actual operations.
7. Lay out the corporate governance framework related to the anti-corruption.
8. Oversee the Management for the supervision, dissemination or communication of the corporate governance and practice guideline related to all stakeholders which include the Company, shareholders, officers, employees, customers, suppliers, society and environment as a guideline and for their acknowledgement.
9. Recruit a consultant or a person with independent opinion for giving opinions or advice as deemed neccessary.
10. Consider, review and improve charter of the Corporate Governance Committee at least once a year and propose to the Board of Directors for consideration.
11. Give consultation to the working teams in preparation for the Corporate Governance ranking by the external authority.
12. Study and determine important principles and practices of the corporate governance procedures to suit with the business context.
13. Perform any other tasks as assigned by the Board of Directors upon approval of the Corporate Governance Committee.

Term of Office

The Corporate Governance Committee's term of office is 3 years and may be re-elected for another term as deemed appropriate by the Board of Directors.

Chief Executive Officers

Chief Executive Officer (CEO) is responsible for managing 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, based 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 operation and administration.
2. To have the power in any business operation to accomplish the objective, policy regulation, agreement, order including resolution of the Board of Directors' meeting and/or resolution of the shareholders' meeting.
3. To guide the approach that enables the accomplishment on 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, taking into consideration the Company's benefit and adhering to the law provision and the articles of association.
5. To order and give advice on project implementation and objectives as required in scope of work and direction of business operation to build the best benefit to the Company.
6. To monitor and assess the Company's performance each day to cope with potential risks that may occur 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 the normal business course of the Company. The said approval must be under the conditions ad limitations as specified in the approval authority of the Company.
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 divisions, between departments, or to dismiss employment and to determine wages, salary, compensation, bonus, and welfare 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 general administration of the Company.
15. To have the power in signing any document for necessary operation or related to normal business transactions of The Company as specified in Articles 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 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 are not include 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 that is beneficial to the Company's business operation. The nominated person must have an explicit understanding on 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 3 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 cause 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 license and considered as defrauding public.
6. Not pending accusation by the financial institution controlling agency whether in Thailand or abroad; or not pending the prosecution upon accusation of such agency; or not pending such agency's prohibition from holding directorship or executive position of a financial institutions 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 3 years. This matter covers the ground caused by defrauding, swindling or corrupting management that result 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 the penalty for less than 3 years for criminal offense related to fraud, 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 transaction of the Company or subsidiary and causes damages to The Company or shareholders or enables wrongful benefit to one's self or other 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 a materiality which may affect the decision of shareholders, investors or related person whether by giving order, taking part in responsibility or taking part in 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 status of such information or content or the lack of disseminating such statement.

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

   10.1 A transaction which is not proceeded in the same approach as the prudent business operator shall conduct with general contractual party in the same situation, and such transaction does not bring benefits to The Company or subsidiary mainly or it enables benefit to oneself or other person.

   10.2 The transaction which is not in line with the securities and stock exchange laws, in connection with 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 or has taken part or supported such act.

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 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, method of payment 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.

Compliance with good corporate governance principles in other matters

Preparation of a succession plan

The Company has prepared a succession plan to ensure the continuity of our administration for the executives from Chief Operation. The focus is on the executive employees to ensure the Human Resources Department will be able to prepare adequate personnel and be ready for systematic operation and competency as well as to accumulate neccessary experience required for the important position in the Company.

Corporate Governance of the subsidiaries and affiliated companies

to control the subsidiary and associated companies, The Company has established the corporate governance policy for them with an aim to determine measures and mechanism both direct and indirect to enhance competency of the corporate governance and management of the subsidiary company and associated.

Another purpose is to supervise and ensure that the subsidiary and associated companies comply with measures and mechanism set forth and in conformity with The Company policy as well as the public company law, civil and commercial code, securities law and related laws including relevant notifications, regulations and criteria announced by the Capital Market Advisory Board, Securities and Exchange Commission and the Stock Exchange of Thailand ("SET")

Moreover, The Company has determined an investment policy for the subsidiary and associated companies to ensure conformity to the corporate governance principles and to be a guideline for investment in other businesses including to enhance competency to our business operation.

Taokaenoi has established an investment policy in relevant business or similar business or the business that could generate return and support our business operation, and to strengthen our growth and operation result, or to invest in a business as a synergy to the Company. For example, being a source or sales channel, development center for alternative raw materials for our production.

Nonetheless, the Board of Directors may consider investment in any business other than our core business or other business of the group in case it is considered that such business is potential and the investment will generate return to the Company and shareholders as a whole. The investment must be consistent and suit to the business situation, policy, goal and business growth direction and strategic plan of the Company. The consideration for an investment in any project will include the proportion of investment, expected profit, potential risks and financial status of the Company. The Company will determine investment analysis procedures before going forward with any project investment. Further details are as follows:

1. The Company will send directors according to the proportion of shareholding in each company or top-rank employees to supervise the subsidiary and associated companies to ensure the same direction and to bring about the highest benefits to the Company.

The Company should then have the Veto Right on important matters with which such subsidiary will proceed. Dispatching representatives from the Company who hold directorship in the subsidiary and associated companies must be approved by the Board of Directors in advance. Any investment must be approved by the meeting of the Board of Directors or meeting of shareholders (as the case may be). Moreover, approval for such investment must be consistent and conform to the notifications of the Capital Market Advisory Board, Securities and Exchange Commission and the Stock Exchange of Thailand.

The investment in such company must pass an approval from the Board of Director. Every related transactions must be approved or consented to the Audit Committee.

2. Any transactions or action of the subsidiary and associated company which is considered as related transactions as per notification of the related transactions or that considered or is an acquisition or disposal of assets according to notification of the acquisition or disposal of assets must obtain an approval from the meeting of the Board of Directors and/or approval from meeting of shareholders or approval from related authority as stipulated by law, before proceeding (as the case may be).

The subsidiary and associated company must obtain an approval from the meeting of the Audit Committee before entering into any transaction or action (only the case of related transaction under notification of the related transactions), meeting of the Board of Directors and/or meeting of shareholders and/or related authority (as the case may be).

The related transactions between the Company, subsidiary and associated company must conform to business reason, transparency, and must be available for audit at any time, and must be under the reasonable market price and supporting factors. Moreover, The Company must disclose such related transactions in a financial statement according to the auditing standard of the listed companies. The data disclosed includes data of both parties to prevent a conflict of interest and potential corruption.

3. In addition, when entering into a transaction or occurrence of situation of the subsidiary company or associated company which causing requirement that The Company must disclose the information to the Stock Exchange of Thailand under the criteria set forth in related notification, the director or senior employees being a representative of The Company must notify the Management without delay, about the subsidiary's plan to proceed such transaction.

The data storage and records of the subsidiary must be available for audit and retrieval for preparation of financial statement.

4. The Board of Directors and executives of the subsidiary and associated companies have the duty and responsibility for disclosure of the information related to financial status and operation result to the Company. The notifications of the Capital Market Advisory Board, Stock Exchange of Thailand related shall apply mutatis mutandis. Moreover, the directors' interest and their related persons must be disclosed and submitted to the Company.

5. The Company determines the necessary work and operation plan to ensure that the subsidiaries and associated companies disclose the information relating to operation results and financial status and other information to the holding company. The Company will take neccessary actions and monitors to ensure the subsidiary and associated companies have a system for disclosure of data and adequate internal control system for business operation.

Moreover, The Company will monitor closely the operation result and situation of the subsidiary and associated companies. The analysis result including opinions or suggestions will be presented to the Board of Directors and the board of the subsidiary or associated companies for consideration to determine a policy or to improve for business growth and continual development of the subsidiary and associated companies.

จัสท์ ดริ้งค์ 純萃。喝
JUSTDRINK

สุดยอดแบรนด์ชานม
ขายดีอันดับ 1*

Original Taste From Taiwan

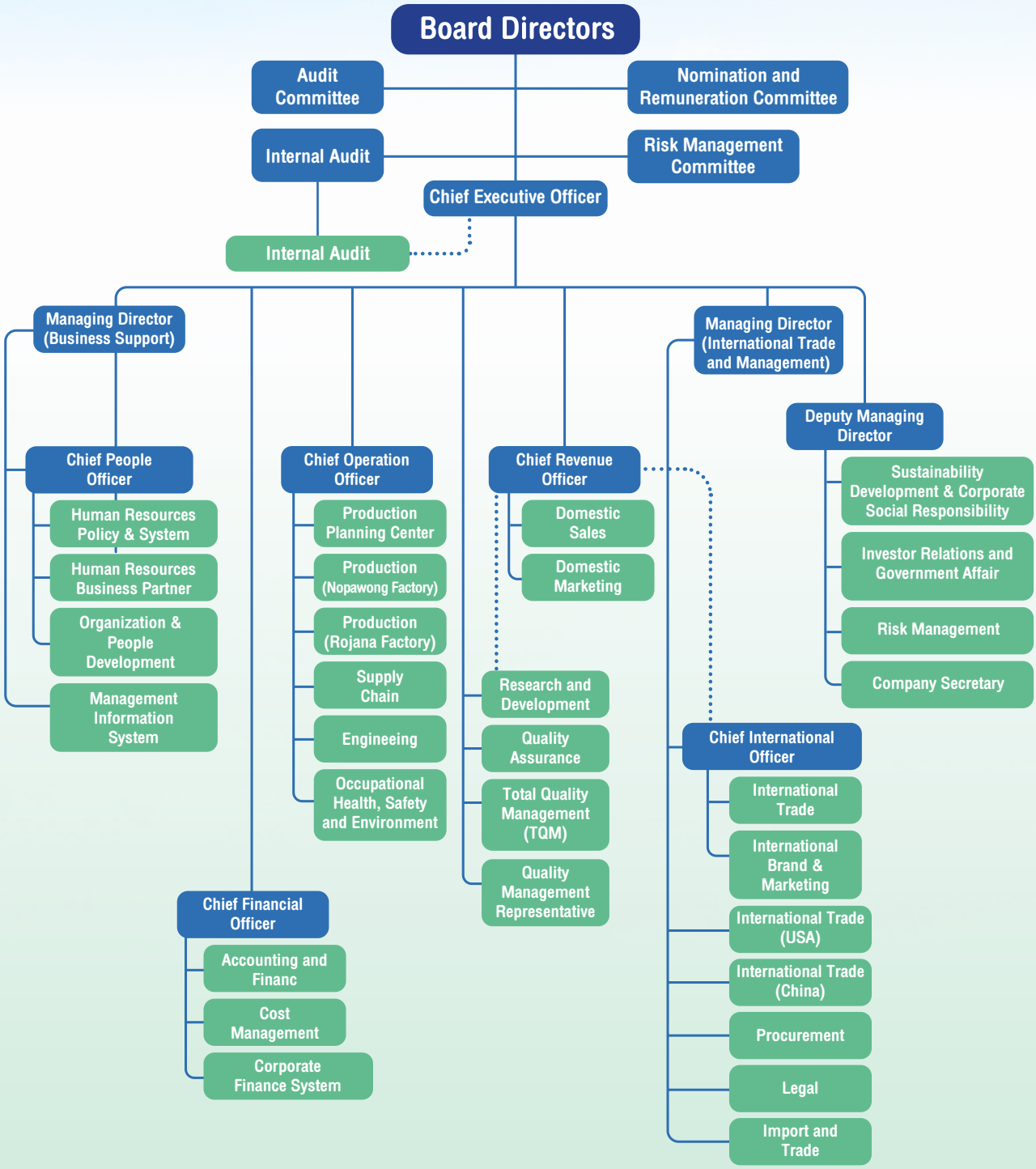


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ของแบรนด์ JUSTDRINK ในไต้หวัน

7 Corporate Governance Structure

7.1 Corporate Governance Structure

As of 31 December 2022, the Board of Directors consists of 4 set of committee namely the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Governance Committee. Details are as shown in the following chart.



7.2. The Board of Directors

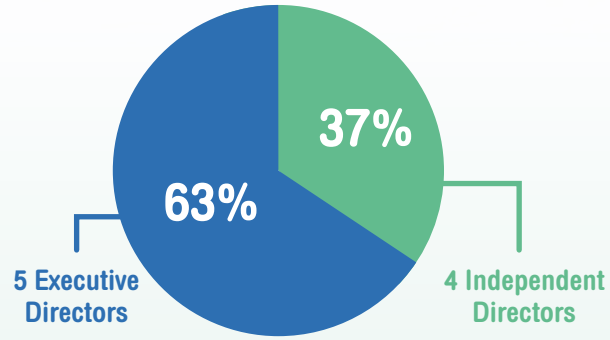
Board of Directors

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 Composition of the Board of Directors

The Board of Directors comprises of nine members which include four Independent Directors. The Board of Directors have been considered the qualifications of the person to undertake the Independent Director according to 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, suitibility to the company's characteristic. The Board of Directors will coordinate 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 the 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 the Company and other listed companies of each director, including the information disclosure of the policy for determining the board composition which is diversified, business ethics and/or code of conduct 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 of Directors and sub-committee, number of meeting, attendance of each member are also disclosed. Furthermore, the Company Secretary is responsible for giving advice on law and regulation matters which the Board of Directors must acknowledge and comply with, as well as to coordinate to ensure compliance with the Board of Directors' resolution.

Skills and experience of the directors



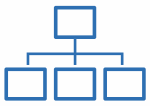
Corporate Governance





International Business





Strategy and Planing





Political Science





Accounting and Finance





Sales and Marketing





Risk Management





Law





Experience in the industry





Innovation





Economics





Engineering





Sustainable Development





Entrepreneurship



As at 31 December 2022, the Board of Directors comprises 9 members namely below.



1 Mr. Yuth Vorachattarn
Chairman of the Board/
Independent Director



2 Mrs. Wanee Thasanamontien
Independent Director



3 Mr. Chaiyong Ratanacharoensiri
Independent Director



4 Ms. Mookda Pairatchavet
Director and
Executive Committee



5 Dr. Somjin Sornpaisan
Independent Director



6 Mr. Itthipat Peeradechapan
Director / Chief
Executive Officer



7 Ms. Orrapat Peeradechapan
Director /
Managing Director



8 Mr. Jirapong Suntipiromkul
Director / Deputy
Managing Director



9 Ms. Porntera Rongkasiriphan
Director

Remarks:

- Mr. Somboon Prasitjutrakul retired by rotation and did not wish to continue the directorship and member of the Executive Committee from 20 April 2022 onwards.
- Ms. Mookda Pairatchavet has been appointed by the Annual General Meeting of Shareholders 2022 as a director and member of the Executive Committee in replacement of Mr. Somboon Prasitjutrakul from 20 April 2022 onwards.
- Dr. Somjin Sornpaisan has been appointed by the Annual General Meeting of Shareholders 2022 as a director and become effective from 20 April 2022 onwards.

7.2.2 Directors and Controlling Persons

Mr. Yuth Vorachattarn



Age 75 years

Current position

- Chairman of the Board
- Independent Director
- Audit Committee
- Member of the Nomination and Renumeration Committee
- Chairman of the Corporate Governance 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 2020	Advanced Audit Committee Program (AACP)
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 PCL.

Positions in non-listed companies

2022 - Present	Director Tree Money Holding Co., Ltd.
2022 - Present	Director Northland Experience Co., Ltd.
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 2022)

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

Legal offence within the past 10 years

-None-



Mrs. Wanee Thasanamontien

Age 68 years

Holding directorship

- Independent Director
- Chairman of Audit Committee
- Member of the Nomination and Renumeration Committee
- Member of the Corporate Governance Committee

Holding directorship since

13 November 2014

Education background

Master of	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 (AACP)
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 2022)

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

Legal offence within the past 10 years

-None-

Mr. Chaiyong Ratanacharoensiri



Age 67 years

Current position

- Independent Director
- Audit Committee
- Chairman of the Nomination and Renumeration Committee
- Member of the Corporate Governance Committee

Holding directorship since

24 March 2011

Education background

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

Training record with the Thailand Institute of Directors (IOD)

Class 1, year 2008	Successful Formulation & Execution of Strategy (SFE)
Class 58 year 2005	Directors Certification Program (DCP)
Class 34, year 2005	Directors Accreditation Program (DAP)

Positions in other listed companies

-None-

Positions in non-listed companies

2022 – Present	Chairman of the Board Asia Wealth Securities Co., Ltd.
2015 – present	Chairman of Audit Committee Quick Leasing Co., Ltd.

Work experience in the past 5 years

2018 - 2018	Executive Director P-Mart Superstore 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 2022)

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

Legal offence within the past 10 years

-None-



Ms. Mookda Pairatchavet

Age 63 years

Current position

- Director and Executive Committee

Holding directorship since

20 April 2022

Education background

Master's degree	MBA Wagner College, New York
Bachelor's degree	BBA Assumption Business Administration College

Training record with the Thailand Institute of Directors (IOD)

Class 5, year 2018	Strategic Board Master Class (SBM)
Class 3, year 2018	Board Nomination and Compensation Program (BNCP)
Class 29, year 2018	Advanced Audit Committee Program (AACP)
Class 242, year 2017	Directors Certification Program (DCP)

Positions in other listed companies

-None-

Positions in non-listed companies

2019 - present	Chairman of the Board Kaomongkol Group Co., Ltd.
2016 - present	Managing Director AMA Management and Consulting Co., Ltd.

Work experience in the past 5 years

2017 - 2019	Independent Director, Audit Committee, Nomination Committee Thanachart Bank

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 2022)

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

Legal offence within the past 10 years

-None-

Remarks : The Annual General Meeting of Shareholders held on 20 April 2022 has passed a resolution to appoint Ms. Mookda Pairatchavet as a director and member of the Executive Committee in replacement of Mr. Somboon Prasitjutrakul, effective fron 20 April 2022 onwards.

Dr. Somjin Sornpaisan

Age 60 years



Current position

- Independent Director
- Chairman of the Risk Management Committee

Holding directorship since

20 April 2022

Education background

Ph.D.	DBA Finance Thammasat University (Joint DBA with Chulalongkorn University and NIDA)
Master of	MS Japanese Business Studies (MSJBS) Chaminade University of Honolulu (Fujitsu Asian Scholarship Program)
Master of	Business Administration (MBA) Thammasat University
Bachelor of	Engineering (Industrial Engineering) Chulalongkorn University

Training record with the Thailand Institute of Directors (IOD)

Class 4, year 2015	Corporate Governance for Capital Market Intermediaries (CGI)
Class 12, year 2014	Anti-Corruption for Executive Program (ACEP)
Class 26, year 2009	Diploma Examination (Exam)
Class 122, year 2009	Director Certification Program (DCP)
Class 16, year 2004	Director Accreditation Program (DAP)

Positions in other listed companies

2022 - present	Independent Director and Audit Committee Sunvending Technology PCL.
2021 - present	Independent Director and Audit Committee Bioscience Animal Health PCL.

Positions in non-listed companies

2022 - present	Managing Director Thai Bond Market Association (ThaiBMA)
2020 - present	Vice President Thai Financial Planner Association TFPA

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

(As of 30 December 2022)

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

Family relation between directors and executive officers

-None-

Work experience in the past 5 years

2019 - 2021	Vice Chairman and Chairman of the Audit Committee Thai Bond Market Association (ThaiBMA)
2015 – 2021	Director and Discipline Subcommittee Thailand Futures Exchange PLC. (TFEX)
2018 - 2020	A member of Personnel Discipline Subcommittee in securities business Subcommittee under the Office of the Securities and Exchange Commission
2009 - 2020	Managing Director TMB Asset Management Co., Ltd.
2004 - 2019	Independent Director and Audit Committee Thai Ha PLC.
2006 - 2019	Director (President of the association during 2012-2014) Association of Investment Management Companies (AIMC)

Legal offence within the past 10 years

-None-

Remarks : The Annual General Meeting of Shareholders held on 20 April 2022 has passed a resolution to appoint Dr. Somjin Sornphaisan as a director of the Company, effective on 20 April 2022 onwards.



Mr. Itthipat Peeradechapan

Age 39 years

Current position

- Director
- Chief Executive Officer

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 other listed companies

- None -

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.
2547 - present	Director NCP Trading and Supply Co., Ltd.

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 2022)*

Self	298,676,200 shares
Self (indirectly through the holding company)	252,000,000 shares
Spouse/ minor child(ren)	-None-

Legal offence within the past 10 years

-None-

Ms. Orrapat Peeradechapan

Age 42 years



Current position

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

Holding directorship since

21 September 2004

Education background

Master of	Master of Public Administration, Ramkamhaeng 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 - 2019	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 2022)

Self	56,615,000 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. Jirapong Suntipiromkul

Age 60 years

Current position

- Director
- Deputy Managing Director
- Member of the 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 7, year 2022	Director Leadership Certification Program (DLCP)
Class 108, year 2020	Company Secretary Program (CSP)
Clss 287, year 2019	Directors Certification Program (DCP)
Class 8, year 2017	Ethical Leadership Program (ELP)

Positions in other listed companies

-None-

Positions in non-listed companies

2022 - Present	Director/Chairman of Audit Committee Move Fast Co., Ltd.
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 2022)

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

Legal offence within the past 10 years

-None-

Ms. Porntera Rongkasiriphan

Age 53 years



Current position

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

Holding directorship since

3 January 2012

Education background

Bachelor of	Accounting Assumption University

raining 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.
2020 - present	General Manager NCP Trading and Supply Co., Ltd.
2018 - present	Director NCP Trading and Supply Co., Ltd.

Work experience in the past 5 years

2008-2020	Director of Internal Audit Taokaenoi Food and Marketing 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 2022)

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

Legal offence within the past 10 years

-None-

7.3 Sub-committee

To enhane efficient and effectiveness of the Board of Directors' performance, the Board of Directors has assigned sub-committees to study and screen operation as deemed necessary. As of 31 December 2022, there are 4 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:

Number	Name-surname	Current position
1	Mrs. Wanee Thasanamontien	Chairman of the Audit Committee
2	Mr. Yuth Vorachattarn	Member of the Audit Committee
3	Mr. Chaiyong Ratanacharoensiri	Member of the Audit Committee

Remark: Mrs. Wanee Tassanamontien, Chairman of the Audit Committee has adequate knowledge and experience to perform the audit on financial statement reliability.

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 three members namely.

Number	Name-surname	Current position
1	Mr. Chaiyong Ratanacharoensiri	Chairman of the Nomination and Renumeration Committee
2	Mr. Yuth Vorachattarn	Member of the Nomination and Renumeration Committee
3	Mrs. Wanee Thasanamontien	Member of the Nomination and Renumeration Committee

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

Remarks: 1. - Mr. Somboon Prasitjutrakul retired by rotation and did not wish to continue for another term from 20 April 2022 onwards.

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 6 members namely:

Number	Name-surname	Current position
1	Dr. Somjin Sornphaisan[1]	Chairman of the Risk Management Committee
2	Ms. Orrapat Peeradechapan	Member of the Risk Management Committee
3	Mr. Jirapong Suntipiromkul	Member of the Risk Management Committee
4.	Ms. Porntera Rongkasiriphan	Member of the Risk Management Committee
5.	Mr. Prin Pitchavichit[2]	Member of the Risk Management Committee
6.	Mr. Atipong Chatchawan[3]	Member of the Risk Management Committee

Mr. Wanchai Wongpongsawiwat is the Secretary of the Risk Management Committee

Corporate Governance Committee

The Corporate Governance Committee's duty is to consider policy framework and guidance to corporate governance development and social responsibility to ensure transparency and fairness of our business operation to all stakeholders which will support the sustainsbility growth policy of the Company, conform to generally accepted good corporate governance principle and not oppose to any law and regulations. The Corporate Governance Committee comprises 3 members namely.

Number	Name-surname	Current position
1	Mr. Yuth Vorachattarn	Chairman of the Corporate Governance Committee
2	Mrs. Wanee Thasanamontien	Member of the Corporate Governance Committee
3	Mr. Chaiyong Ratanacharoensiri	Member of the Corporate Governance Committee

Mr. Anajak Limphaisan is the secretary to the Corporate Governance Committee.

7.4 The Executives

As at the end of 2022, there are 9 executives namely below.



Mr. Itthipat Peeradechapan
Chief Executive Officer



Ms. Orrapat Peeradechapan
Managing Director



Mr. Nutchatpong Peeradechapan
Managing Director



Mr. Jirapong Suntipiromkul
Deputy Managing Director



Mrs. Tipnapa Jitjang
Chief Financial Officer



Mr. Prin Pitchayavijit
Chief People Officer



Mr. Atipong Chatchawan
Chief Operation Officer



Mr. Pisan Taraphat
Chief Revenue Officer



Mr. Wachira Yarnthasanakij
Chief International Officer

* Mr. Atipong Chatchawan undertook the Chief Operation Officer position on 15 June 2022.
* Mr. Wachira Yarnthasanakij undertook Chief International Trade Officer on 11 February 2022.

Mr. Itthipat Peeradechapan

Age 39 years



Current position

- Director
- Chief Executive Officer

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 other listed companies

-None-

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.
2547 - present	Director NCP Trading and Supply Co., Ltd.

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 2022)

Self	298,676,200 shares
Self (indirectly through the holding company)	252,000,000 shares
Spouse/ minor child(ren)	-None-

Legal offence within the past 10 years

-None-



Ms. Orrapat Peeradechapan

Age 42 years

Current position

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

Holding directorship since

21 September 2004

Education background

Master of	Master of Public Administration, Ramkamhaeng 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

Do not having directorship/
executive position in other listed companies

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 - 2019	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 2022)

Self	56,615,000 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 43 years



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.

Family relation between directors and executive officers

Older sister 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 2022)

Self	55,960,500 shares
Self (indirectly 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 60 years

Current position

- Director
- Deputy Managing Director
- Member of the 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 7, year 2022	Director Leadership Certification Program (DLCP)
Class 108, year 2020	Company Secretary Program (CSP)
Clss 287, year 2019	Directors Certification Program (DCP)
Class 8, year 2017	Ethical Leadership Program (ELP)

Positions in other listed companies

-None-

Positions in non-listed companies

2022 - Present	Director/Chairman of Audit Committee Move Fast Co., Ltd.
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 2022)

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

Legal offence within the past 10 years

-None-

Mrs. Tipnapa Jitjang

Age 50 years



Current position

- Chief Financial Officer

Education background

Master of	Business Administration School of Business, Babson College, USA
Bachelor of	Commerce and Accounting - Applied Statistics Chulalongkorn University

Training record with the Thailand Institute of Directors (IOD)

Class 42, year 2022	Successful Formulation & Execution of Strategy (SFE)

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 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 2022)

Self	150,000 shares
Spouse/ minor child(ren)	-None-

Legal offence within the past 10 years

-None-



Mr. Prin Pitchayavijit

Age 53 years

Current position

- Chief People Officer

ประวัติการศึกษา

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

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 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 2022)

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

Legal offence within the past 10 years

-None-

Mr. Atipong Chatchawan

Age 48 years



Current position

- Chief Operation Officer

Education background

Master of	Business Administration Thammasat University
Bachelor of	Engineering (Electrical) King Mongkut's Institute of Technology Ladkrabang

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

2020-2022	Supply Chain Director, PepsiCo Foods Vietnam Co., Ltd.
2018- 2020	Operation Lead Bayer Thai Co., Ltd.
2007 - 2018	Operation Lead 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 2022)

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

Legal offence within the past 10 years

-None-



Mr. Pisan Taraphat

Age 51 years

Current position

- Chief Revenue Officer

Education background

Master of	MBA -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 2022)

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

Legal offence within the past 10 years

-None-

Mr. Wachira Yarnthasanakij

Age 46 years



Current position

- Chief International Officer

Education background

Master of	Management of Technology Murray State University, Kentucky ,USA
Bachelor of	IInternational Business Administration University of the Thai Chamber of Commerce

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

2009 – 2022	Director of Foreign Trade Taokaenoi Food and Marketing 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 2022)

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

Legal offence within the past 10 years

-None-

7.5 Employees Personnel

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

Location	2022			2021			2020		
	Daily	Monthly	Total	Daily	Monthly	Total	Daily	Monthly	Total
Muang Thong Thani Office	-	221	221	-	198	198	-	196	196
Nopphawong Factory	240	80	320	264	89	353	531	163	694
Rojana Factory	1,804	390	2,194	1,611	332	1,943	1,532	289	1,821
Other / Out Source	-	-	-	-	-	-	-	-	-
Total	2,044	691	2,735	1,875	421	2,494	2,063	648	2,711

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

Location	2022			2021			2020		
	Daily	Monthly	Total	Daily	Monthly	Total	Daily	Monthly	Total
Production / Outsource	-	-	-	-	-	-	-	-	-
Production	1,864	182	2,046	1,712	161	1,873	1,874	173	2,047
Production Planning	-	10	10	-	10	10	-	8	8
Quality Assurance	59	36	95	49	35	84	61	33	94
Engineering	5	53	58	5	54	59	7	65	72
Safety	-	7	7	-	5	5	-	5	5
Quality Management Representative	-	7	7	-	5	5	-	8	8
Supply Chain	66	90	156	71	82	153	71	77	148
Purchase	-	13	13	-	12	12	-	10	10
Research and Development	4	20	24	2	16	18	4	18	22
Import and Trading	-	4	4	-	4	4	-	4	4
Foreign Trade	-	34	34	-	29	29	-	32	32
Domestic Marketing	-	38	38	-	40	40	-	42	42
Domestic Sales	-	22	22	-	17	17	-	18	18
Human resource	46	67	113	36	48	84	46	51	97
Management	-	34	34	-	33	33	-	28	28
Law	-	7	7	-	6	6	-	6	6
Information Technology	-	21	21	-	17	17	-	22	22
Cost Finance Account	-	46	46	-	45	45	-	48	48
Total	2,044	691	2,735	1,875	619	2,494	2,063	648	2,711

Welfares

The Company emphasize the importance of employees who are the core of our sustainable growth, by provides reasonable compensation and welfares to build moral and encouragement. 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 to 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, annual health check expense (additional from the Company's provision), medical expenses which exceeding the quota from the Company's health insurance, fitness center membership, dental services. Moreover, this benefit can also apply to the medical expenses, health insurance, accident insurance of the employee's family members.
- **Online learning welfares (self learning)** under the Ed Trend system, including in-house trainings.
- **Nursing room in a factory,** annual health check.
- **Welfare for daily life such as uniforms,** shuttle service for employees

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



7.6 Other Important Information

7.6.1 Supervisor and Controller of Accounting

As of the ending of accounting period 31 December 2022, the Company and subsidiaries hired Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. as an auditor. Remuneration provided to the auditor are as follows:

Unit: THB million

Auditors' remuneration	TKN	TKNRF	NCP	TKNC	TKNUS
Audit fee	2.45	0.60	0.35	0.10	0.07
Other service fees*	0.59	0.001	0.006	0.005	-
Total	3.04	0.60	0.36	0.11	0.07

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

7.6.2 Investor Relations

In 2022, the Investor Relations activities and operation result presentation, information provided to shareholders, minor investors, institution investors, analysts and stakeholders are punlished via the following platforms as follows:

No.	Information disclosure and presentation	Times
1.	The Opportunity Day	4
2.	Provide information to investors via conference call	16
3.	Annual General Meeting of Shareholders	1
4.	Give interview to media to provide information to analysts and funds	4
5.	Press Release	11

In addition to the above investor relations activities in which our executives 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 0666 Ext. 304

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' 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 2022, there are 3 directors completing term of office namely 1. Mr. Chaiyong Ratanacharoensiri 2 Mr. Somboon Prasitjutrakul 3. Mr. Jirapong Suntipiromkul. Mr. Somboon Prasitjutrakul did not wish to continure the directorship and proposed to the meeting of shareholders to appoint Miss Mookda Pairachwet for the position in the Board of Directors and Executive Committee. 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.

In 2022, the Company proposed to the meeting of shareholders for appointment of the new directors to enhance competency and efficiency in corporate governance. The Nomination and Remuneration Committee has proposed to the Board of Directors to add 1 directors, Dr. Somjin Sornphaisan as a member of the Independent Director. Dr. Somjin Sornphaisan is a person of due knowledge, skills and experience and expertise that is beneficial to the business operation as well as related notification. As an Independent Directors, Dr. Somjin Sornphaisan is a fully qualified person as determined by the Securities and Exchange Commission. He can provide his opinions independently and in line with related criteria. He is suitable to the directorship which become effective from 20 April 2022 onwards. After appointment, there are now 9 directors in the Board. 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 2022 as follow:

Mr. Jirapong Suntipiromkul : Director Leadership Certification Program (DLCP) class 7, year 2022

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

In 2022, 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	88.96	Very Good
2. Collective assessment of sub-committee	88.94	Very Good
3. Self-assessment	95.87	Very Good
4. Chief Executive Officers	93.06	Very Good

8.1.2Attending the meeting and compensation for individual director

Attendance statistic of the Board of Directors and sub-committee in 2022 are summarized as follows:

A table showing meeting attendance of the Board member in 2022

Series	Name		BOD[1]	AC[2]	NRC[3]	RMC[4]	CG[5]	AGM[6]
1	Mr. Yuth	Vorachattarn	7/7	4/4	2 / 2		1 / 1	1 / 1
2	Mrs. Wanee	Thasanamontien	7/7	4/4	2 / 2		1 / 1	1 / 1
3	Mr. Chaiyong	Ratanacharoensiri	7/7	4/4	2 / 2		1 / 1	1 / 1
4	Dr. Somjin	Sornpaisarn	4/5			1/1		1 / 1
5	Ms. Mookda	Pairatchavet	5/5					1 / 1
6	Mr. Itthipat	Peeradechapan						1 / 1
7	Ms. Orrapat	Peeradechapan	7/7			2/2		1 / 1
8	Ms. Porntera	Rongkasiriphan	7/7			2/2		1 / 1
9	Mr. Jirapong	Suntipiromkul	6/7			2/2		1 / 1
10	Mr. Prin	Pitchayavijit				2/2		1 / 1
11	Mr. Atipong	Chatchawan				0/0		0 /0
Number of meeting attendees			9	3	3	6	3	9

[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 Tassanamontien as a Chairman of the Audit Committee.

[3]**Nomination and Remuneration Committee (NRC)** consists of four members with Mr. Chaiyong Rattanacharoensiri as a Chairman of the Nomination and Remuneration Committee.

[4]**The Risk Management Committee "RMC"** comprises 6 members namely as follows: Dr. Somjin Sornpaisan as a Chairman of the Risk Management Committee

[5]**The Corporate Governance Committee,** "CG") consists of 3 members, with Mr. Yuth Vorachattarn as a Chairman of the board.

[6]**The Annual General Meeting, "AGM of Shareholders for the year 2022** held on 20 April 2022, with Mr. Yuth Vorachattarn as a chairman of the meeting.

The 2022 Annual General Meeting of Shareholders considered remuneration for directors as follows:

Position	Unit	2022	2021	2020
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
Corporate Governance Committee				
• Chairman of the Board	THB/time	10,000	-	-
• Director	THB/time	8,000	-	-

Other benefits: -None-

In 2022 , total remuneration provided to the Board of Directors was 3.43 million baht . Details are as shown below.

Name	Remuneration				Bonus for 2022	Total
	BOD	AC	NRC	CG		
1. Mr. Yuth Vorachattarn	720,000	180,000	16,000	10,000	-	926,000
2. Mrs. Wanee Thasanamontien	360,000	240,000	16,000	8,000	-	624,000
3. Mr. Chaiyong Rattanacharoensiri	360,000	180,000	20,000	8,000	-	568,000
4. Mr. Somboon Prasitchootrakul[1]	320,000	-	8,000	-	-	328,000
5. Dr. Somjin Sornpaisan[2]	270,000	-	-	-	-	270,000
6. Ms. Mookda Pairatchavet[2]	720,000	-	-	-	-	720,000
7. Mr. Itthipat Peeradechapan						
8. Ms. Orrapat Peeradechapan						
9. Ms. Porntera Rongkasiripan						
10. Mr. Jirapong Suntipiromkul						
Total	2,750,000	600,000	60,000	26,000	-	3,436,000

Note:

[1]Mr. Somboon Prasitchutrakul ended his directorship in April 2022

[2]Miss Mookda Pairatchavet and Dr. Somjin Sornpaisan undertook the directorship in April 2022

Renumeration of the executives

Pursuant to notifications of the Securities and Exchange Commission No. TorLorJor. 23/2551, 'Executive' means a manager or a person who holds first four executive level, from the manager; a person who hold executive position in accounting or finance field- as a department manager or equivalent.

According to the corporate structure in 2022, there are 9 executives according to the notification of the Securities Commission Board, which include CEO, Managing Director (International Business and the Management), Managing Director (Business Support), Deputy Managing Director, Chief Finance Officer, Chief Operation Officer, Chief Income Management, Chief Foreign Trade Office, Chief Human Resource Officer. The remuneration are provided in the form of salary, bonus and other incentives value in total 47.63 million baht.

Other renumeration

1. Other remuneration of directors: None
2. Other renumeration of the executives

* The Company has set up the Provident Fund provided by the Registered Provident Fund of Krungthai Master Pooled Fund which is the fund manager. Every employee and executive can apply for a membership. The member contribution is deducted from the salary at 3-15% of their rate. The Company is obliged to contribute to the fund on the same date of employee's contribution at the percentage as follows:

Number of working years	Employer's contribution (%)
Less than 3 years	3
3 - 7 years	5
7 years and more	7

8.1.3 Governance of Subsidiaries and Joint Ventures

Governance of Subsidiaries and Joint Ventures

To control the subsidiary and associated companies, the Company has established the corporate governance policy for them with an aim to determine measures and mechanism both direct and indirect to enhance competency of the corporate governance and management of the subsidiary company and associated.

Another purpose is to supervise and ensure that the subsidiary and associated companies comply with measures and mechanism set forth and in conformity with the Company policy as well as the public company law, civil and commercial code, securities law and related laws including relevant notifications, regulations and criteria announced by the Capital Market Advisory Board, Securities and Exchange Commission and the Stock Exchange of Thailand ("SET")

Taokaenoi has established an investment policy in relevant business or similar business or the business that could generate return and support our business operation, and to strengthen our growth and operation result, or to invest in a business as a synergy to the Company. For example, being a source or sales channel, development center for alternative raw materials for our production.

Nonetheless, the Board of Directors may consider investment in any business other than our core business or other business of the group in case it is considered that such business is potential, and the investment will generate return to the Company and shareholders as a whole.

The investment must be consistent and suited to the business situation, policy, goal and business growth direction and strategic plan of the Company. The consideration for an investment in any project will include the proportion of investment, expected profit, potential risks, and financial status of the Company. The Company will determine investment analysis procedures before going forward with any project investment. Further details are as follows:

1. The Company will send directors according to the proportion of the shareholding in each company or top-rank employees to supervise the subsidiary and associated companies to ensure the same direction and to bring about highest benefits to the Company. The Company should then have the Veto Right on important matters of which such subsidiary will proceed.

Dispatching representatives from the Company as hold directorship in the subsidiary and associated companies must be approved by the Board of Directors in advance. Any investment must be approved by the meeting of the Board of Directors or meeting of shareholders (as the case may be). Moreover, approval for such investment must be consistent and conform to the notifications of the Capital Market Advisory Board, Securities and Exchange Commission and the Stock

Exchange of Thailand. The investment in such company must pass an approval from the Board of Director. Every related transactions must be approved or consented by the Audit Committee.

2. Any transactions or action of the subsidiary and associated company which is considered as related transactions as per notification of the related transactions or that considered or is an acquisition or disposal of assets according to notification of the acquisition or disposal of assets must obtain an approval from the meeting of the Board of Directors and/or approval from meeting of shareholders or approval from related authority as stipulated by law, before proceeding (as the case may be).

The subsidiary and associated company must obtain an approval from the meeting of the Audit Committee before entering into any transaction or action (only the case of related transaction under notification of the related transactions), meeting of the Board of Directors and/or meeting of shareholders and/or related authority (as the case may be).

The related transactions between the Company, subsidiary and associated company must conform to business reason, transparency, and must be available for audit at any time, and must be under the reasonable market price and supporting factors. Moreover, the Company must disclose such related transactions in financial statement according to auditing standard of the listed companies. The data disclosed includes data of both parties to prevent a conflict of interest and potential corruption.

3. In addition, when entering into a transaction or occurrence of situation of the subsidiary company or associated company

which causing requirement that the Company must disclose the information to the Stock Exchange of Thailand under the criteria set forth in related notification, the director or senior employees being a representative of the Company must notify the Management without delay, about the subsidiary's plan to proceed such transaction. The data storage and records of the subsidiary must be available for audit and retrieval for preparation of financial statement.

4. The Board of Directors and executives of the subsidiary and associated companies have the duty and responsibility in disclosure of the information related to financial status and operation result to the Company. The notifications of the Capital Market Advisory Board, Stock Exchange of Thailand related shall apply mutatis mutandis. Moreover, the directors' interest and their related persons must be disclosed and submitted to the Company.

5. The Company determines the necessary work and operation plan to ensure that the subsidiaries and associated companies disclose the information relating to operation result and financial status and other information to the holding company. The Company will take neccessary actions and monitors to ensure the subsidiary and associated companies have a system for disclosure of data and adequate internal control system for business operation.

Moreover, the Company will monitor closely the operation result and situation of the subsidiary and associated companies. The analysis result including opinions or suggestions will be presented to the Board of Directors and the board of the subsidiary or associated companies for consideration to determine a policy or to improve for business growth and continual development of the subsidiary and associated companies.

For operation, Central Support Unit is centralized at the Company. The subsidiaries will appoint a direct responsible person while some use the outsource from the Company for accounting, accounting system, finance, cost, planning an budget, human resource and corporate development and corporate IT.

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

Seasoning power as a raw material for processed seaweed production.

Seasoning powder production unit is responsible to procure raw materials to feed the production, proceed the production to meet the standard set forth and deliver to the Company for production of ready-made seaweed production line.

Restaurant/snack and souvenir shops

1. Our restaurant business consists of a quick-service restaurant (QSR) under the name "HInova" - a franchised Japanese curry, and the franchised food kiosk "Bomber Dog".

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

The subsidiaries' business operation must be under the business policy and criteria as 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 2022 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 2022 are available in Attachment 6.

8.3 Summary of other sub-committee performance

The Board of Directors appoints 3 sub-committee which include Nomination and Remuneration Committee, Risk Management Committee and Corporate Governance Committee to alleviate responsibility of the Board of Directors. Their performance is summarized 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 2022 are as follows:

1. Consider the compensation of the Board of Directors and sub-committee for the year 2022, and propose to the Annual General Meeting of Shareholders 2022.
2. Consider the assessment and performance to the Company's vision to review performance of the Board of Directors and sub-committee for the year 2022.

8.3.2 Risk Management Committee

The Risk Management Committee has performed its duties and responsibilities as assigned. Summary of the major performance in 2022 are as follows:

1. Review policy, strategy and guideline of enterprise risk management.
2. Categories types of risk and risk assessment framework for the year 2022.
3. Report risk assessment result and risk management operation to the Audit Committee meeting.

8.3.3 Corporate Governance Committee

The Corporate Governance Committee has performed its duties and responsibilities as assigned. The summary of important performance in 2022 are as follows:

1. Review corporate governance policy and guidance to be consistent with the good corporate governance of the listed companies as determined by the Stock Exchange of Thailand and the Securities and Exchange Commission. Support business operation of the Company adhering to corporate governance guideline to suit to business context of the Company and the subsidiary.
2. Review the Code of Conduct and improve charters of committees.

Meeting attendance of the Nomination and Remuneration Committee, Risk Management Committee and Corporate Governance Committee including operation performance for the year 2022 are available in Attachment 6.

9 Internal Control and Related Transactions

9.1 Internal Control

The Board of Directors realizes 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 is effective to maintain the risk at acceptable level, suit to working environment or activity of each department.

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

1. Control Environment

The Company has an optimized organizational structure and working environment that enables effective operation of internal control. The Board of Directors adheres to and places the importance in 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 fair indicator to identify employee performance and business goal and as a guide for performing their duties.

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

2. Risk Identification and Assessment

Prioritizing the risk management, the Company has established risk assessment procedures that are consistent to the business objective and target by identifying and analyzing 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 in place guidance necessary for controlling impacts and potential risks based on the risk in significant levels to business operation. The comprehensive assessment covers the factors that may affect the Company's business operation which includes 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 cover all departments regarding the managing and controlling risk in acceptable level which clearly specified in the Key Risk Indicator (KRI). The KRI is the important indicator for improvement operation targets 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 on a regular basis, including the determination of authority and approval hierarchy in explicit and written form. Furthermore, the Audit Committee considers the internal audit result on a quarterly basis to acknowledge important topics and issues found thereof. 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 fine-quality data storage and information technology. Our documents are sorted in categories, in particular, accounting documents which is important to preparing financial report 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 documents are prepared before the meeting within proper period and in line with the law. The information is beneficial to the Company's business, accurate and adequate for related parties in making decisions. Such information will lead to successful operation control, mutual understanding of individual responsibility and with the availability to utilize in proper time. The internal communication procedures are all effective to create convenience of access to the data necessary for work or auditing transactions. In addition, the communication to external party is conducted properly.

The Company provides communication channel with stakeholders such as 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 in a timely manner.

5. Monitoring and Evaluation

The Company has in place continual operation monitoring procedures. The Audit Committee has considered and approved annual internal audit plan after reviewing various matters in coordination with the Internal Audit Unit. Furthermore, the Audit Committee has invited the auditor to propose the financial statement with regular monitoring on performance. The performance is prepared in 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 summarized 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 endure internal departments will comply with relevant regulations.
3. Level 3: Internal Audit may be a person or department within the organization, 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 organization 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 external entity.

Head of Internal Audit of the Company

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

After considering 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 suit 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 is 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 is based 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 2022, 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 21.6% 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 4.10% of the Company's shares and 15.00% of shares in Peeradechapan Holding Co., Ltd.
Mr. Nutchatpong Peeradechapan	Managing Director of the Company holding 4.06% of the Company's shares and 15.00% of shares in Peeradechapan Holding Co., Ltd.

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% of TKNRF.
NCP Trading and Supply Company Limited ("NCP")	The Company holds 100.0% of NCP.
Taokaenoi Care Company Limited (TKNC")	The Company holds 100.0% of TKNC.
Taokaenoi USA Inc. ("TKN US")	The Company holds 91.21% of TKNUS.

Details of the connected transactions for the fourth quarter and cumulative year ending as of 31 December 2022 contains 5 transactions. Details of each transaction are as follows.

1. Trading of goods and services - 2 transactions

Seller Service Provider	Buyer / Client	Characteristics of transaction / important conditions	Value	
			accumulated (Jan. – Dec.) (THB million)	outstanding balance As of 31 December 2022 (THB million)
Company	TKN US	The Company distributes products to TKN US. • Sell products • Trade receivables	184.03 -	- 154.63
TKN US	Company	TKN US charges the sales promotion fee from Taokaenoi • sale promotional expenses • other creditors	0.52 -	- 0.52

2. Building Leasing - 3 transactions

Seller Service Provider	Buyer / Client	Characteristics of transaction / important conditions	Value	
			accumulated (Jan. – Dec.) (THB million)	outstanding balance As of 31 December 2022 (THB million)
Ms. Orrapat Peeradechapan	Company	The Company leases the building no. 93/6, Rattanathibeth Road, Bang Rak Noi sub-district, Mueang Nonthaburi district, Nonthaburi province from Ms. Orrapat Peeradechapan at the rental rate THB 10,000 monthly to use for documents storage. • Rent paid	0.12	-
Mr. Itthipat Peeradechapan	Company	The Company leased the building no. 93/7, Rattanathibeth Road, Bang Rak Noi sub-district, Mueang Nonthaburi district, Nonthaburi province from Mr. Itthipat Peeradechapan at the rental rate THB 10,000 monthly to use for documents storage. • Rent paid	0.12	-
Mr. Nutchatpong Peeradechapan	Company	The Company leased the building no. 93/5, Rattanathibeth Road, Bang Rak Noi sub-district, Mueang Nonthaburi district, Nonthaburi province from Mr. Nutchatpong Peeradechapan at the rental rate THB 10,000 monthly to use for documents storage. • Rent paid	0.12	-

Part 3

Financial Statement



Report on the Board of Directors' Responsibilities for Financial Statements

The Board of Directors is responsible for the Financial Statements of Taokaenoi Food & Marketing Public Company Limited and its subsidiaries. Being created in compliance with the accounting standards accepted nationwide and through appropriate accounting policy, the statements have experienced prudent discretion, been rationally computed, and sufficiently disclosed certain essential information in the notes to the statements, which have passed the audit and comment discussion without any condition.

The Board of Directors has appointed Audit Committee to oversee and responsibly ensure that the Company's Financial Statement is accurate and adequate, with appropriate internal audit, while reviewing potential conflict of interest transactions; the comment expressed by the Audit Committee is in the Audit Committee Report which has also been specified in the Annual Report.

Moreover, the Board of Directors has appointed Risk Management Committee to oversee risk management and appropriate and effective internal controls in order to validate with confidence that the accounting data is accurate, complete, in time, and sufficient to retain the assets as well as prevent fraud or unusual activities.

Conclusively, the Board of Directors believed that the internal audit and internal controls entrusted that the Financial Statements of Taokaenoi Food & Marketing Public Company Limited and its subsidiaries ending on the 31st of December, 2022 were reliable with compliance to widely-accepted accounting standards and relevant rules and regulations.



Mr. Yuth Vorachattarn
Chairman of the Board



Mr. Itthipat Peeradechapan
Chief Executive Officer

Part 3

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, 2022, 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, 2022, 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 Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to our audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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
Valuation of investment in subsidiaries in the separate financial statements Two subsidiaries of the Company have incurred substantial retained deficit which may be an indicator that the carrying amounts of investment in such subsidiaries in the separate financial statements may exceed the recoverable amounts. Therefore, the investment of subsidiaries may be impaired. The consideration of impairment of investment in such subsidiaries in the separate financial statements is depended on the judgements and assumptions used by the management in estimating the recoverable amounts. Accounting policies for impairment of investment and details of investment in subsidiaries were disclosed in Notes 3.14, 4 and 9 to the financial statements.	**Our key audit procedures included:** • Understanding the impairment consideration process and the related internal controls relating to the impairment consideration. • Reviewing the design and implementation of the internal controls for such matter. • Involving our internal specialist to assist with: - Critically evaluating whether the model used by management to calculate the recoverable amounts 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 amounts and the carrying values. • 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.

n 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 23, 2023

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2022 UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2022	2021	2022	2021
CURRENT ASSETS					
Cash and cash equivalents	5.1	460,590,114	223,370,481	425,450,928	181,548,783
Trade and other current receivables	6	645,432,492	574,291,214	784,043,506	669,391,274
Short-term loans to a subsidiary	28	-	-	140,500,000	115,500,000
Inventories	7	699,764,479	1,055,967,619	653,582,428	1,024,878,063
Other current financial assets	8	164,733,293	253,561,881	164,733,293	253,561,881
Other current assets		8,208,532	21,344,154	6,988,835	17,727,558
Total Current Assets		1,978,728,910	2,128,535,349	2,175,298,990	2,262,607,559
NON-CURRENT ASSETS					
Investment in subsidiaries	9	-	-	101,461,570	116,461,570
Investment in associate	10	9,677,019	-	10,000,000	-
Investment property	11	39,745,095	39,745,095	39,745,095	39,745,095
Property, plant and equipment	12	934,800,667	999,383,943	910,673,818	968,449,479
Right-of-use assets	13	73,478,051	105,938,305	70,205,185	90,472,943
Goodwill	14	13,196,072	12,759,861	-	-
Other intangible assets other than goodwill	15	53,280,049	53,266,960	42,380,805	40,371,352
Deferred tax assets	24	85,570,004	92,854,434	35,667,513	40,177,782
Other non-current assets		22,804,462	21,736,889	9,295,502	9,299,428
Total Non-current Assets		1,232,551,419	1,325,685,487	1,219,429,488	1,304,977,649
TOTAL ASSETS		3,211,280,329	3,454,220,836	3,394,728,478	3,567,585,208
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term borrowings from financial institutions	16	159,900,000	501,984,917	150,000,000	490,395,887
Current portion of long-term borrowings from financial institutions	19	34,800,000	-	34,800,000	-
Trade and other current payables	17	633,033,479	606,025,650	597,139,649	565,741,357
Current portion of lease liabilities	20	19,436,665	30,937,540	17,348,384	17,769,423
Short-term borrowings	18	14,689,020	16,550,533	-	-
Income tax payable		22,619,514	13,076,844	22,619,514	13,076,844
Other current liabilities		39,272,923	38,911,650	29,879,488	23,725,375
Total Current Liabilities		923,751,601	1,207,487,134	851,787,035	1,110,708,886

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2022 UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2022	2021	2022	2021
NON-CURRENT LIABILITIES					
Long-term borrowings from financial institutions	19	119,384,472	134,081,846	119,384,472	134,081,846
Lease liabilities	20	57,808,431	77,853,161	56,492,055	74,873,495
Non-current provision for employee benefits	21	28,633,699	37,103,382	26,965,126	35,282,081
Other non-current liabilities		2,074,601	2,140,062	-	-
Total Non-current Liabilities		207,901,203	251,178,451	202,841,653	244,237,422
TOTAL LIABILITIES		1,131,652,804	1,458,665,585	1,054,628,688	1,354,946,308
SHAREHOLDERS' EQUITY					
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
SURPLUS ARISING FROM CHANGE IN OWNERSHIP 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		391,025,612	306,408,552	645,159,790	517,698,900
OTHER COMPONENTS OF SHAREHOLDERS' EQUITY		(5,722,032)	(5,298,686)	-	-
TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT		2,081,429,835	1,997,236,121	2,340,099,790	2,212,638,900
NON-CONTROLLING INTERESTS		(1,802,310)	(1,680,870)	-	-
TOTAL SHAREHOLDERS' EQUITY		2,079,627,525	1,995,555,251	2,340,099,790	2,212,638,900
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,211,280,329	3,454,220,836	3,394,728,478	3,567,585,208

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, 2022 UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2022	2021	2022	2021
Revenues					
Revenue from sales		4,366,643,548	3,610,932,723	4,163,162,312	3,502,728,573
Gain on exchange rates - net		2,776,885	8,024,624	2,729,175	8,052,946
Other income		30,378,612	25,528,415	29,423,931	24,361,307
Total revenues		4,399,799,045	3,644,485,762	4,195,315,418	3,535,142,826
Expenses					
Cost of sales	7	3,111,388,058	2,742,413,186	3,004,885,974	2,671,571,326
Distribution costs		493,256,641	399,741,083	394,710,258	336,182,382
Administrative expenses		309,400,389	298,336,791	256,541,801	249,089,159
Loss from impairment of investment	9	-	-	15,000,000	21,000,000
Total expenses		3,914,045,088	3,440,491,060	3,671,138,033	3,277,842,867
Profit from operating activities		485,753,957	203,994,702	524,177,385	257,299,959
Share of loss from investment in associate		(322,981)	-	-	-
Profit before finance cost and income tax expense		485,430,976	203,994,702	524,177,385	257,299,959
Finance costs		(11,352,784)	(12,730,692)	(10,611,291)	(11,207,184)
Profit before income tax expense		474,078,192	191,264,010	513,566,094	246,092,775
Income tax expense	24	(39,415,036)	(10,298,798)	(35,025,526)	(9,744,393)
PROFIT FOR THE YEAR		434,663,156	180,965,212	478,540,568	236,348,382
OTHER COMPREHENSIVE INCOME (LOSS):					
Items that may be reclassified subsequently to profit or loss Exchange differences on translating financial statements		(464,145)	(976,856)	-	-
Item that will not be reclassified subsequently to profit or loss Acturial loss - net of income tax		8,673,263	-	7,720,322	-
Other comprehensive income (loss) for the year - net of income tax		8,209,118	(976,856)	7,720,322	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		442,872,274	179,988,356	486,260,890	236,348,382

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

FOR THE YEAR ENDED DECEMBER 31, 2022 UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2022	2021	2022	2021
PROFIT (LOSS) ATTRIBUTABLE TO:					
Owners of the Parent		434,743,797	182,125,292	478,540,568	236,348,382
Non-controlling interests		(80,641)	(1,160,080)		
		434,663,156	180,965,212		
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO:					
Owners of the Parent		442,993,714	181,234,302	486,260,890	236,348,382
Non-controlling interests		(121,440)	(1,245,946)		
		442,872,274	179,988,356		
BASIC EARNINGS PER SHARE (BAHT)	29	0.31	0.13	0.35	0.17
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES (SHARES)		1,380,000,000	1,380,000,000	1,380,000,000	1,380,000,000

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

'FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

		CONSOLIDATED FINANCIAL STATEMENTS									
		Other components of shareholders' equity									
					Retained earnings		Other comprehensive income (loss)				
	NOTE	Issued and paid-up share capital	Share premium on ordinary shares	Surplus arising from change in ownership interest in a subsidiary	Appropriated - legal reserve The Company	Unappropriated	Exchange differences on translating financial statement	Total other components of shareholders' equity	Total shareholders' equity attributable to owners of the Parent	Non - controlling interests	Total shareholders' equity
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)	(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)	(890,990)	(85,866)	(976,856)
Total comprehensive income (loss) for the year		-	-	-	-	182,125,292	(890,990)	(890,990)	181,234,302	(1,245,946)	179,988,356
Dividends paid		-	-	-	-	(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)	(5,298,686)	1,997,236,121	(1,680,870)	1,995,555,251
Balance as at January 1, 2022		345,000,000	1,315,440,000	1,186,255	34,500,000	306,408,552	(5,298,686)	(5,298,686)	1,997,236,121	(1,680,870)	1,995,555,251
Profit (loss) for the year		-	-	-	-	434,743,797	-	-	434,743,797	(80,641)	434,663,156
Other comprehensive income (loss) for the year		-	-	-	-	8,673,263	(423,346)	(423,346)	8,249,917	(40,799)	8,209,118
Total comprehensive income (loss) for the year		-	-	-	-	443,417,060	(423,346)	(423,346)	442,993,714	(121,440)	442,872,274
Dividends paid	27	-	-	-	-	(358,800,000)	-	-	(358,800,000)	-	(358,800,000)
Balances as at December 31, 2022		345,000,000	1,315,440,000	1,186,255	34,500,000	391,025,612	(5,722,032)	(5,722,032)	2,081,429,835	(1,802,310)	2,079,627,525

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

'FOR THE YEAR ENDED DECEMBER 31, 2022

UNIT : BAHT

		SEPARATE FINANCIAL STATEMENTS					
				Other components of shareholders' equity			
				Retained earnings			
	NOTE	Issued and paid-up share capital	Share premium on ordinary shares	Appropriated Legal reserve	Unappropriated	Other comprehensive income	Total shareholders' equity
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)
Balances as at December 31, 2021		345,000,000	1,315,440,000	34,500,000	517,698,900	-	2,212,638,900
Balance as at January 1, 2022		345,000,000	1,315,440,000	34,500,000	517,698,900	-	2,212,638,900
Profit for the year		-	-	-	478,540,568	-	478,540,568
Total other comprehensive income for the year		-	-	-	7,720,322	-	7,720,322
Total comprehensive income for the year		-	-	-	486,260,890	-	486,260,890
Dividends paid	27	-	-	-	(358,800,000)	-	(358,800,000)
Balances as at December 31, 2022		345,000,000	1,315,440,000	34,500,000	645,159,790	-	2,340,099,790

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

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2022 UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2022	2021	2022	2021
Cash flows from operating activities					
Profit for the year		434,663,156	180,965,212	478,540,568	236,348,382
Adjustments for					
Income tax expense		39,415,036	10,298,798	35,025,526	9,744,393
Depreciation of fixed assets and right-of-use assets		183,056,834	175,084,167	160,825,878	149,459,413
Amortization of intangible assets		7,575,370	6,596,122	5,579,007	4,578,291
Unrealized loss (gain) on derivative		(3,756,206)	3,431	(3,756,206)	3,431
Loss from diminution in value of inventories		32,439,901	12,953,160	32,188,274	16,562,432
Loss allowance (reversal)		(2,688,155)	(637,672)	(1,550,330)	58,311
Share of loss from investment in associate		322,981	-	-	-
Allowance for impairment loss on investments in subsidiaries		-	-	15,000,000	21,000,000
Impairment loss on fixed assets (reversal)		(5,357,415)	3,072,752	-	5,478,937
Difference from rental discount		(2,774,083)	(5,741,956)	(59,572)	(119,143)
Difference from cancellation of leases		(87,327)	(23,894)	(35,211)	-
Loss on sale and write-off of fixed assets		7,467,970	5,849,110	895,915	1,123,608
Reversal of long-term borrowing to gevernment grant		-	(5,014,088)	-	-
Reversal of other long-term borrowing to revenue		(2,427,313)	-	-	-
Unrealized (gain) loss on exchange rates		876,344	(1,813,348)	876,344	(1,813,348)
Gain on sale of other current financial assets		(1,085,181)	(718,957)	(1,085,181)	(1,578,409)
Unrealized gain on revaluation of other current financial assets		(86,231)	(1,208,543)	(86,231)	(163,265)
Employee benefit expenses		2,660,016	6,506,401	1,621,567	6,013,827
Interest income		(303,569)	(199,304)	(2,770,573)	(2,327,830)
Finance costs		11,352,784	12,730,692	10,611,291	11,207,184
		701,264,912	398,702,083	731,821,066	455,576,214
Changes in operating assets and liabilities					
Operating assets (increase) decrease					
Trade and other current receivables		(75,881,992)	(130,845,046)	(120,530,771)	(176,235,590)
Inventories		323,763,239	189,786,740	339,107,361	181,266,851
Other current assets		20,812,240	2,521,108	18,838,688	(2,584,739)
Other non-current assets		59,176	(387,629)	3,926	1,201,789

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2022 UNIT : BAHT

	NOTES	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2022	2021	2022	2021
Operating liabilities increase (decrease)					
- Trade and other current payables		45,408,429	49,570,333	49,690,253	29,916,809
- Other current liabilities		(3,372,627)	852,547	2,420,212	(953,814)
- Other non-current liabilities		(325,461)	101,776	-	-
- Employee benefit paid	20	(288,120)	(740,680)	(288,120)	(258,180)
- Cash generated by operations		1,011,439,796	509,561,232	1,021,062,615	487,929,340
Income tax paid		(22,930,724)	(35,590,287)	(22,902,668)	(30,469,700)
Net cash provided by operating activities		988,509,072	473,970,945	998,159,947	457,459,640
Cash flows from investing activities					
Advance payments for purchases of fixed and intangible assets		(8,089,383)	(9,747,269)	(4,641,759)	(9,747,269)
Cash paid for acquisition of fixed and intangible assets	5.2.1	(102,538,346)	(177,370,121)	(100,229,011)	(172,638,612)
Proceeds from sales of fixed assets		574,603	250,911	214,953	5,607
Cash paid for investment in joint venture		(10,000,000)	-	(10,000,000)	-
Cash paid for acquisition of other financial assets		(110,000,000)	(205,000,000)	(110,000,000)	(205,000,000)
Proceeds from sales of other financial assets		200,000,000	228,015,400	200,000,000	225,000,000
Cash paid for short-term loans to a subsidiary	5.2.2	-	-	(25,000,000)	(16,000,000)
Interest received		303,569	199,304	2,770,573	2,327,830
Net cash used in investing activities		(29,749,557)	(163,651,775)	(46,885,244)	(176,052,444)
Cash flows from financing activities					
Cash repayments for short-term borrowings from financial institutions	5.2.4	(1,471,671,417)	(2,340,677,880)	(1,468,618,309)	(2,338,503,505)
Proceeds from short-term borrowings from financial institutions	5.2.4	1,129,501,936	2,152,529,986	1,128,137,858	2,148,766,580
Cash repayments for short-term borrowings	5.2.4	-	(334,199)	-	-
Proceeds from long-term borrowings from financial institutions	5.2.4	20,102,626	134,081,846	20,102,626	134,081,846
Cash repayments for lease liabilities	5.2.4	(28,137,066)	(24,151,795)	(17,709,851)	(15,564,740)
Dividends paid	5.2.3	(358,656,108)	(206,939,725)	(358,656,108)	(206,939,725)
Interest paid		(11,370,181)	(12,126,903)	(10,628,774)	(11,229,240)
Net cash used in financing activities		(720,230,210)	(297,618,670)	(707,372,558)	(289,388,784)
Effects of foreign exchange rate changes		(1,309,672)	2,090,441	-	-
Net increase (decrease) in cash and cash equivalents		237,219,633	14,790,941	243,902,145	(7,981,588)
Cash and cash equivalents as at January 1,		223,370,481	208,579,540	181,548,783	189,530,371
Cash and cash equivalents as at December 31,		460,590,114	223,370,481	425,450,928	181,548,783

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2022

1. GENERAL INFORMATION AND 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 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, 2022 and 2021 are as follows:

Subsidiaries	Business type	Country of	Percentage of shareholdings (%)	
		registration	2022	2021
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

*Taokaenoi Care Company Limited is currently dormant

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, 2022 onward, 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 Statement (No. 3) B.E. 2562" dated December 26, 2019.

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 according to law 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, 2021, 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 issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding Thai Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology and accounting requirements for interest rate reform - Phrase 2. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

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

On September 26, 2022, the revised TFRSs have been announced in the Royal Gazette which will be effective for the financial statements for the period beginning on or after January 1, 2023 onwards. TFRSs which have been amended and relevant to the Group are as follows:

Thai Accounting Standard No. 16 "Property, Plant and Equipment" (TAS16)

The amendments require an entity recognises any proceeds from selling items produced before that asset is available for use in profit or loss, instead of deducting from the cost of such asset. The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

Thai Accounting Standard No. 37 "Provisions, Contingent Liabilities and Contingent Assets" (TAS 37)

The amendments specify that the "cost of fulfilling a contract" comprises the "costs that relate directly to the contract". Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labor or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated. Instead, the entity shall recognize the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate.

Thai Financial Reporting Standard No. 3 "Business Combinations" (TFRS 3)

The amendments update TFRS 3 so that it refers to the Conceptual Framework which is currently effective. In addition, they also add to TFRS 3 a requirement that, for obligations within the scope of TAS 37, an acquirer applies TAS 37 to determine whether at the acquisition date a present obligation exists as a result of past events. For a levy that would be within the scope of TFRIC 21 "Levies", the acquirer applies TFRIC 21 to determine whether the obligating event that gives rise to a liability to pay the levy has occurred by the acquisition date. The amendments also add an explicit statement that an acquirer does not recognize contingent assets acquired in a business combination.

Thai Financial Reporting Standard No. 9 "Financial Instruments" (TFRS 9)

The amendment clarifies that in applying the "10 per cent" test to assess whether to derecognize a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf. The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.

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 profit or loss and 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 Investments in associates

Investments in associates in the separate financial statements of the Company are accounted for using the cost method. Investments in associates in the consolidated financial statements are accounted for using the equity method.

An associate is an entity which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Under the equity method, an investment in an associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate. When the Group's share of losses of an associate equals or exceeds the Group's interest in that associate.

When a group entity transacts with an associate, profits and losses resulting from such transactions are recognized in the Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Group.

3.6 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.

3.7 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 improvements	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.

3.8 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.

3.9 Goodwill

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.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

3.10 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.

3.11 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 baed on the effective interest rate.

Dividend

Dividends are recognized when the right to receive the dividends is established.

3.12 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.

3.13 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 representating 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 gurantees;
- 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 dismanting 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.

3.14 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.

3.15 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.

3.16 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.

3.17 Provisionsu

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.

3.18 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.

3.19 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.

(i) 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.

(ii) 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.

3.20 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 UNCERTAINLY

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	
	2022	2021	2022	2021
Cash on hand	868	888	218	200
Bank deposits - savings and current accounts	459,722	222,482	425,233	181,349
	460,590	223,370	425,451	181,549

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	
	2022	2021	2022	2021
Liabilities incurred from acquisition of fixed and intangible assets as at January 1,	18,517	36,525	17,905	34,965
Add Purchase of fixed and intangible assets during the years	96,826	172,807	92,482	168,364
Less Cash payments	(102,538)	(177,370)	(100,229)	(172,639)
Less Advance payments for purchase of fixed assets paid in the prior year	(6,788)	(13,445)	(4,645)	(12,785)
Liabilities incurred from acquisition of fixed and intangible assets as at December 31,	6,017	18,517	5,513	17,905

5.2.2 Significant non-cash items for the years ended December 31, are as follows:

As at December 31, 2022 Unit : Thousand Baht

	Balance as at January 1, 2022	Cash flows from investing activities	Balance as at December 31, 2022
Short-term loans to a subsidiary	115,500	25,000	140,500

As at December 31, 2021 Unit : Thousand Baht

	Balance as at January 1, 2021	Cash flows from investing activities	Balance as at December 31, 2021
Short-term loans to a subsidiary	99,500	16,000	115,500

5.2.3 Dividends paid for the years ended December 31, are as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Accrued dividends as at January 1,	3,716	3,656	3,716	3,656
Add Dividends declared during the years	358,800	207,000	358,800	207,000
Less Paid during the years	(358,656)	(206,940)	(358,656)	(206,940)
Accrued dividends as at December 31,	3,860	3,716	3,860	3,716

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:

Unit : Thousand Baht

As at December 31, 2022	Consolidated Financial Statements						
	Balance as at January 1, 2022	Cash flows from financing activities	Non-cash changes				Balance as at December 31, 2022
			Gain on Exchange rate	Translation differences of financial statements	Increase (Decrease)	Other changes	
Short-term borrowings from financial institutions	501,985	(342,169)	84	-	-	-	159,900
Short-term borrowings	16,551	-	-	565	-	(2,427)	14,689
Long-term borrowings from financial institutions	134,082	20,102	-	-	-	-	154,184
Lease liabilities	108,791	(28,137)	-	5	(640)	(2,774)	77,245
Total	761,409	(350,204)	84	570	(640)	(5,201)	406,018

Unit : Thousand Baht

As at December 31, 2021	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	
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

Unit : Thousand Baht

As at December 31, 2022	Separate Financial Statements					
	Balance as at January 1, 2022	Cash flows from financing activities	Non-cash changes			Balance as at December 31, 2022
			Gain on exchange rate	Increase (Decrease)	Other changes	
Short-term borrowings from financial institutions	490,396	(340,480)	84	-	-	150,000
Long-term borrowings from financial institutions	134,082	**20,102**	-	-	-	154,184
Lease liabilities	92,643	**(17,710)**	-	(1,033)	(60)	73,840
Total	717,121	**(338,088)**	84	(1,033)	(60)	378,024

Unit : Thousand Baht

As at December 31, 2021	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	Increase (Decrease)	Other changes	
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

6. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at December 31, consist of:

Unit : Thousand Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		2022	2021	2022	2021
Trade receivables					
Related parties	28	-	-	160,417	111,561
Other parties		594,793	536,554	564,973	514,315
Less Loss allowance		(16,469)	(19,157)	(13,289)	(14,839)
Total trade receivables		578,324	517,397	712,101	611,037
Other receivables					
Related parties	28	-	-	7,126	3,787
Other parties		2,564	4,016	2,246	3,443
Total other receivables		2,564	4,016	9,372	7,230
Accrued income - other parties		3,525	4,610	3,513	4,609
Prepaid expenses		16,397	17,632	14,455	15,898
Advance payments for purchase of raw materials		44,622	30,636	44,603	30,617
Total trade and other current receivables		645,432	574,291	784,044	669,391

Trade receivables as at December 31, classified by aging as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Trade receivables				
• Subsidiaries				
Current	-	-	29,915	28,322
Overdue				
- 3 months or less	-	-	41,314	35,459
- Over 3 months up to 6 months	-	-	49,520	27,028
- Over 6 months up to 9 months	-	-	37,622	20,752
- Over 9 months	-	-	2,046	-
Total	-	-	160,417	111,561

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
• Trade receivables Subsidiaries				
Current	438,169	367,685	424,337	358,473
Overdue				
- 3 months or less	130,934	140,409	118,024	132,093
- Over 3 months up to 6 months	378	697	-	-
- Over 6 months up to 9 months	13	1,593	-	270
- Over 9 months	25,299	26,170	22,612	23,479
Total	594,793	536,554	564,973	514,315
	594,793	536,554	725,390	625,876
Less Loss allowance	(16,469)	(19,157)	(13,289)	(14,839)
Total trade receivables	578,324	517,397	712,101	611,037

The normal credit term given to customers of the Group ranges from 30 to 90 days.

In 2022 and 2021, 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, 2022

Unit : Thousand Baht

	Consolidated Financial Statements							
	Trade receivables - collectively assessed (days past due)						Trade receivables - individually assessed	Total
	Not past due	≤ 90 วัน	91 -180 days	181 - 270 days	≥ 271 days	รวม		
Expected credit loss rate	0.19%	0.47%	42.59%	53.85%	100%			
Total gross carrying amount	76,891	70,337	378	13	15,819	163,438	431,355	594,793
Lifetime expected credit loss	(149)	(333)	(161)	(7)	(15,819)	(16,469)	-	(16,469)
						146,969	431,355	578,324

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 วัน	91 -180 days	181 - 270 days	≥ 271 days	รวม		
Expected credit loss rate	0.40%	0.63%	25.93%	84.42%	100.00%			
Total gross carrying amount	74,432	102,149	698	1,592	16,690	195,561	340,993	536,554
Lifetime expected credit loss	(149)	(333)	(161)	(7)	(15,819)	(19,157)	-	(19,157)
						176,404	340,993	517,397

As at December 31, 2022 Unit : Thousand Baht

	Separate Financial Statements							
	Trade receivables - collectively assessed (days past due)						Trade receivables - individually assessed	Total
	Not past due	≤ 90 วัน	91 -180 days	181 - 270 days	≥ 271 days	รวม		
Expected credit loss rate	0.09%	0.17%	-	-	100%			
Total gross carrying amount	68,154	57,427	-	-	13,132	138,713	426,260	564,973
Lifetime expected credit loss	(58)	(99)	-	-	(13,132)	(13,289)	-	(13,289)
						125,424	426,260	551,684

As at December 31, 2021 Unit : Thousand Baht

	Separate Financial Statements							
	Trade receivables - collectively assessed (days past due)						Trade receivables - individually assessed	Total
	Not past due	≤ 90 วัน	91 -180 days	181 - 270 days	≥ 271 days	รวม		
Expected credit loss rate	0.33%	0.49%	-	55.93%	100.00%			
Total gross carrying amount	69,798	93,833	-	270	13,999	177,900	336,415	514,315
Lifetime expected credit loss	(58)	(99)	-	-	(13,132)	(14,839)	-	(14,839)
						163,061	336,415	499,476

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	
	2022	2021	2022	2021
Balance as at January 1,	19,157	19,795	14,839	14,781
Net remeasurement of loss allowance	(2,688)	(638)	(1,550)	58
Balance as at December 31,	16,469	19,157	13,289	14,839

7. INVENTORIES

Inventories as at December 31, consist of:

Unit: Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Finished goods	128,027	120,275	91,824	101,894
Work in process	266	96	114	24
Raw materials	464,640	830,350	455,237	820,755
Packaging materials	70,901	85,785	69,638	84,224
Spare parts and supplies	20,522	19,431	19,222	17,717
Goods in transit	47,552	50,116	47,552	48,379
	731,908	1,106,053	683,587	1,072,993
Less Allowance for diminution in value	(32,144)	(50,085)	(30,005)	(48,115)
	699,764	1,055,968	653,582	1,024,878

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	
	2022	2021	2022	2021
• Cost of inventories recognized as an expense in cost of sales:				
- Cost of sale of goods	3,078,948	2,729,460	2,972,697	2,655,009
- Allowance for diminution in value of inventories	32,440	12,953	32,189	16,562
Total	3,111,388	2,742,413	3,004,886	2,671,571

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	
	2022	2021	2022	2021
Beginning balances of the year	50,085	37,132	48,115	31,553
Add Loss from diminution in value of inventories	32,440	45,840	32,189	48,490
Less Reversal due to destruction during the year	(50,381)	(32,887)	(50,299)	(31,928)
Ending balances of the year	32,144	50,085	30,005	48,115

8. OTHER CURRENT FINANCIAL ASSETS

Other current financial assets as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Other current financial assets				
Financial assets measured at fair value through profit or loss				
- Open-ended fixed income fund	164,733	253,562	164,733	253,562
Total other current financial assets	164,733	253,562	164,733	253,562

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)	
			2022 Thousand Baht	2021 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			(36,000)	(21,000)
Total investments in subsidiaries			101,462	116,462

For the years ended December 31, 2022 and 2021, the subsidiaries did not declare dividends.

As at December 31, 2022, the recoverable amount of investment in Taokaenoi Restaurant & Franchise Company Limited and TAOKAENOI USA, Inc. were determined based on the value in use. Key assumptions applied in the calculation of value in use of the assets are summarized below.

	Taokaenoi Restaurant & Franchise Company Limited
No. of brach of bomber dog	98 branches within four years
Average sales per branch of bomber dog	Baht 1.60 - 2.50 million
No. of brach of franchise's bomber dog	67 branches within four years
Average sales per branch of franchise's bomber dog	Baht 2.20 - 3.60 million
	TAOKAENOI USA, Inc.
Sales growth rate	60% in 2023 and 5 - 17% during 2024 - 2026
Gross profits growth rate	110% in 2023 and 7 - 24% during 2024 - 2026
Selling and administrative expenses rate	Not above 19% of sales

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 IN ASSOCIATE

Investment in associate as at December 31, 2022, which is accounted for using the equity method for consolidated financial statements was as follows (as at December 31, 2021:Nil):

						CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS
		Country of incorpo-ration	Share-holding percent-age	Paid-up capital	Cost	Carrying amounts based on equity method	Cost method - net
Company's name	Type of business		%	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Bist Inno Reform Company Limited	Retail and Wholesale of general products	Thailand	20	1,250	10,000	9,677	10,000

11. 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 December 9, 2022 on the basis of market approach.

12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at December 31, consist of:ด้วย

As at December 31, 2022 Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance as at January 1, v2022	Additions	Disposals	Transfer in (Transfer out) / Reclassifi-cation	Balance as at December 31, 2022
Cost					
Land and land improvements	94,314	-	-	-	94,314
Buildings and building improvements	825,696	1,542	(120)	6,510	833,628
Machinery and equipment	563,781	1,304	(14,830)	124,138	674,393
Furniture and office equipment	183,582	9,470	(13,321)	1,116	180,847
Vehicles	45,109	-	(1,265)	-	43,844
Assets under installation and construction	144,257	77,481	-	(132,324)	89,414
Total cost	1,856,739	89,797	(29,536)	(560)	1,916,440
Accumulated depreciation					
Land and land improvements	(2,004)	-	-	-	(2,004)
Buildings and building improvements	(272,612)	(46,703)	120	-	(319,195)
Machinery and equipment	(388,565)	(76,946)	8,652	-	(456,859)
Furniture and office equipment	(127,504)	(24,708)	11,463	-	(140,749)
Vehicles	(41,771)	(2,784)	1,265	-	(43,290)
Total accumulated depreciation	(832,456)	(151,141)	21,500	-	(962,097)
Less Allowance for impairment of assets	(24,899)	-	5,357	-	(19,542)
Property, plant and equipment	999,384				934,801

As at December 31, 2021 Unit : Thousand Baht

	Consolidated Financial Statements					
	Balance as at January 1, 2021	Additions	Disposals	Transfer in (Transfer out)	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
Depreciation for the years ended December 31,						
2022					Thousand bath	151,141
2021					Thousand bath	142,971

As at December 31, 2022 Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at January 1, 2022	Additions	Disposals	Transfer in (Transfer out) / Reclassification	Balance as at December 31, 2022
Cost					
Land and land improvements	94,314	-	-	-	94,314
Buildings and building improvements	805,160	-	-	6,510	811,670
Machinery and equipment	541,552	417	(4,205)	124,138	661,902
Furniture and office equipment	149,362	7,555	(3,205)	1,116	154,828
Vehicles	44,301	-	(1,265)	-	43,036
Assets under installation and construction	144,257	77,481	-	(132,324)	89,414
Total cost	1,778,946	85,453	(8,675)	(560)	1,855,164
Accumulated depreciation					
Land and land improvements	(2,005)	-	-	-	(2,005)
Buildings and building improvements	(263,803)	(44,261)	-	-	(308,064)
Machinery and equipment	(377,564)	(74,722)	3,204	-	(449,082)
Furniture and office equipment	(106,473)	(19,880)	3,094	-	(123,259)
Vehicles	(41,110)	(2,693)	1,265	-	(42,538)
Total accumulated depreciation	(790,955)	(141,556)	7,563	-	(924,948)
Less Allowance for impairment of assets	(19,542)	-	-	-	(19,542)
Property, plant and equipment	**968,449**				**910,674**

As at December 31, 2021 หน่วย: พันบาท

	Separate Financial Statements				
	Balance as at January 1, 2021	Additions	Disposals	Transfer in (Transfer out) / Reclassifi-cation	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
Depreciation for the years ended December 31,					
2022				Thousand Baht	141,556
2021				Thousand Baht	131,982

As at December 31, 2022, the carrying amount of had buildings and structures located on leased land is Baht 34.3 million (2021: Baht 44.9 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.

13. RIGHT-OF-USE ASSETS

Right-of-use assets as at December 31, consist of:

As at December 31, 2022 Unit : Thousand Baht

	Consolidated Financial Statements			
	Balance as at January 1, 2022	Additions	Disposals	Balance as at December 31, 2022
Cost				
Land and land improvements	42,319	-	-	42,319
Buildings and building improvements	106,200	1,090	(34,018)	73,272
Vehicles	6,432	-	-	6,432
Total cost	154,951	1,090	(34,018)	122,023
Accumulated depreciation				
Land and land improvements	(10,200)	(5,431)	-	(15,631)
Buildings and building improvements	(36,198)	(25,341)	32,383	(29,156)
Vehicles	(2,615)	(1,143)	-	(3,758)
Total accumulated depreciation	(49,013)	(31,915)	32,383	(48,545)
Total right-of-use assets	105,938			73,478

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
Depreciation for the years ended December 31,					
2022				Thousand Baht	31,915
2021				Thousand Baht	32,113

As at December 31, 2022 Unit : Thousand Baht

	Separate Financial Statements			
	Balance as at January 1, 2022	Additions	Disposals	Balance as at December 31, 2022
Cost				
Land and land improvements	42,319	-	-	42,319
Buildings and building improvements	66,235	-	(1,996)	64,239
Vehicles	6,432	-	-	6,432
Total cost	114,986	-	(1,996)	112,990
Accumulated depreciation				
Land and land improvements	(10,200)	(5,431)	-	(15,631)
Buildings and building improvements	(11,698)	(12,696)	998	(23,396)
Vehicles	(2,615)	(1,143)	-	(3,758)
Total accumulated depreciation	(24,513)	(19,270)	998	(42,785)
Total right-of-use asets	90,473			70,205

As at December 31, 2021 Unit : Thousand Baht

	Separate Financial Statements			
	Balance as at January 1, 2021	Additions	Disposals	Balance as at December 31, 2021
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 asets	62,792			90,473
Depreciation for the years ended December 31,				
2022			Thousand Baht	19,270
2021			Thousand Baht	17,477

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	
	2022	2021	2022	2021
Depreciation of right-of-use assets - after adjusting lease reduction	31,915	32,113	19,270	17,477
Interest expense on lease liabilities	2,158	2,535	1,939	2,075
Expense relating to short-term leases	12,902	9,759	7,912	7,525
Expense relating to leases of low-value assets	887	653	424	209
Expense relating to variable lease payments not included in the measurement of the lease liability	723	1,484	-	-
Income from sub-leasing right-of-use assets	427	114	-	-

At December 31, 2022 and 2021, the Group and the Company have commitments under short-term leases and low-value assets leases totaling Baht 0.16 million and Baht 6.60 million, respectively. Some of the leases in which the Group is the lessee contain variable lease payment terms that are linked to sales generated.

The breakdown of lease payments for the years ended December 31, is as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Fixed payments	13,789	10,412	8,336	7,733
Variable payments	723	1,484	-	-
Total payments	14,512	11,896	8,336	7,733

In 2022 and 2021, overall the variable payments constitute up to 5.0% and 12.5%, respectively, of the Group's entire lease payments.

14. GOODWILL

Movements of the goodwill for the years ended December 31, are summarized as follows:

Unit : Thousand Baht

	Consolidated Financial Statements	
	2022	2021
Balance as at January 1,	12,760	11,468
Foreign exchange differences	436	1,292
Carrying amount as at December 31,	13,196	12,760

Goodwill came from acquisition of shares of TAOKAENOI USA, Inc. in 2017 to increase marketing channels and expand its customer base in The North America.

As at December 31, 2022, the management determined that there had been no impairment of goodwill.

15. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

Other intangible assets other than goodwill as at December 31, consist of:

As at December 31, 2022 Unit : Thousand Baht

	Consolidated Financial Statements				
	Balance as at January 1, 2022	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2022
Cost					
Computer software	65,670	269	(51)	3,872	69,760
Others	24,228	-	-	-	24,228
Computer software under implementation	821	6,760	-	(3,312)	4,269
Total cost	90,719	7,029	(51)	560	98,257
Accumulated amortization					
Computer software	(25,667)	(6,078)	51	-	(31,694)
Others	(11,785)	(1,498)	-	-	(13,283)
Total accumulated amortization	(37,452)	(7,576)	51	-	(44,977)
Other intangible assets other than goodwill	53,267				53,280

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					
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
Amortization for the years ended December 31,					
2022				Thousand Baht	7,576
2021				Thousand Baht	6,596

As at December 31, 2022 Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at January 1, 2022	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2022
ราคาทุน					
คอมพิวเตอร์ซอฟต์แวร์	57,620	269	-	3,872	61,761
อื่น ๆ	13,639	-	-	-	13,639
คอมพิวเตอร์ซอฟต์แวร์ระหว่างติดตั้ง	821	6,760	-	(3,312)	4,269
รวมราคาทุน	72,080	7,029	-	560	79,669
ค่าตัดจำหน่ายสะสม					
คอมพิวเตอร์ซอฟต์แวร์	(22,540)	(5,140)	-	-	(27,680)
อื่น ๆ	(9,169)	(439)	-	-	(9,608)
รวมค่าตัดจำหน่ายสะสม	(31,709)	(5,579)	-	-	(37,288)
สินทรัพย์ไม่มีตัวตนอื่นนอกจากค่าความนิยม	40,371				42,381

As at December 31, 2021 Unit : Thousand Baht

	Separate Financial Statements				
	Balance as at January 1, 2021	Additions	Disposals	Differences on translation of financial statements	Balance as at December 31, 2021
Cost					
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
Amortization for the years ended December 31,					
2022				Thousand Baht	5,579
2021				Thousand Baht	4,578

16.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	
	2022	2021	2022	2021
Promissory notes	1.50 - 2.35	1.20 - 1.66	109,900	345,000
Trust receipts	1.40	1.10 - 1.66	50,000	156,985
			159,900	501,985
	Interest rate (% p.a.)		Separate Financial Statements	
	2022	2021	2022	2021
Promissory notes	1.50	1.20	100,000	335,000
Trust receipts	1.40	1.10 - 1.25	50,000	155,396
			150,000	490,396

Such loans are unsecured and callable on demand. As at December 31, 2022 and 2021, the Company had unused bank credit facilities of Baht 3,569 million and Baht 1,928 million, respectively.

17. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at December 31, are as follows:

Unit : Thousand Baht

	Note	Consolidated Financial Statements		Separate Financial Statements	
		2022	2021	2022	2021
Trade payables - related parties	28	-	-	10,372	9,473
Trade payables - other parties		276,751	261,198	244,641	227,847
Other payables - related parties	28	-	-	552	2,279
Other payables - other parties		80,127	88,840	71,272	75,299
Payables for purchase of fixed and intangible assets		6,017	18,517	5,514	17,905
Accrued expenses		270,138	237,471	264,789	232,938
		633,033	606,026	597,140	565,741

18. SHORT-TERM BORROWINGS

Short-term borrowings as at December 31, are as follows:

Unit : Thousand Baht

Borrower	Credit Limit	Interest	Repayment	Consolidated Financial Statements	
				2022	2021
TAOKAENOI USA, Inc.					
Borrowing from Samhae Commercial Co., Ltd.	USD 0.4 million	4.6	At call	14,689	16,551

As at December 31, 2022 and 2021, such short-term borrowings are unsecured borrowings.

19. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

Long-term borrowings from financial institutions as at December 31, are as follows:

Unit : Thousand Baht

	Interest rate (% p.a.)	Repayment Term	Consolidated and Separate Financial Statements	
			2022	2021
Long-term borrowings from financial institutions	BIBOR + 2.15	February 2023 - January 2028	154,184	134,082
Less Current portion	1.40	1.10 - 1.25	(34,800)	-
			119,384	134,082

Such borrowings are unsecured. As at December 31, 2022 and 2021, the Company had unused bank credit facilities for long-term borrowings from financial institutions of Baht 6.63 million and Baht 39.92 million, respectively.

20. LEASE LIABILITIES

Lease liabilities as at December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Maturity analysis:				
Within 1 year	21,197	33,092	19,055	19,709
After 1 year but within 5 years	44,948	61,977	43,620	58,963
After 5 years	18,438	23,223	18,438	23,223
	84,583	118,292	81,113	101,895
Less Deferred interest expense	(7,338)	(9,501)	(7,273)	(9,252)
Total	77,245	108,791	73,840	92,643
Classification:				
Current portion of lease liabilities	19,437	30,938	17,348	17,769
Lease liabilities	57,808	77,853	56,492	74,874
Total	77,245	108,791	73,840	92,643

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	
	2022	2021	2022	2021
Statement of Financial Position as at December 31,				
Obligations in statement of financial position for post-employment benefits	28,633	37,103	26,965	35,282
Statement of Comprehensive Income for the years ended December 31,				
Recognized in profit or loss				
Current service cost	2,518	6,119	1,514	5,654
Interest cost	142	387	107	360
	2,660	6,506	1,621	6,014
Recognized in other comprehensive income Actuarial loss on defined employee benefit plan	(10,842)	-	(9,650)	-
Expenses recorded in the statements of profit or loss and other comprehensive income	(8,182)	6,506	(8,029)	6,014

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	
	2022	2021	2022	2021
Balance of present value of defined benefit obligations as at January 1,	37,103	31,338	35,282	29,526
Current service cost	2,518	6,119	1,514	5,654
Interest cost	142	387	107	360
Actuarial loss on defined employee benefit plan	(10,842)	-	(9,650)	-
Less Benefits paid during the year	Benefits paid during the year	(741)	(288)	(258)
Balance of present value of defined benefit obligation as at December 31,	28,633	37,103	26,965	35,282

Employee benefit expenses are recognized in profit or loss as follows:follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Cost of manufacturing	1,206	3,209	963	2,992
Administrative expenses	1,454	3,297	658	3,022
Total	2,660	6,506	1,621	6,014

The key actuarial assumptions used to calculate the defined benefit obligations as at December 31, are as follows:

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Discount rate (% p.a.)	1.41 - 5.72%	0.36 - 2.99%	1.41 - 5.72%	0.36 - 2.99%
Mortality rate	1.41 - 5.72% Thai Mortality	0.36 - 2.99% Thai Mortality	1.41 - 5.72% Thai Mortality	0.36 - 2.99% Thai Mortality
Salary increase rate	2.0% - 6.5%	2.0% - 6.5%	2.0% - 6.5%	2.0% - 6.5%
Employee turnover rate	0% - 45%	0% - 50%	0% - 45%	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	
	2022	2021	2022	2021
Discount rate				
Decrease by 1 percent	3,024	4,097	2,807	3,756
Increase by 1 percent	(2,626)	(3,581)	(2,439)	(3,291)
Salary growth rate				
Decrease by 1 percent	(2,622)	(3,775)	(2,435)	(3,475)
Increase by 1 percent	2,959	4,354	2,746	4,005
Employee turnover rate				
Decrease by 20 percent of base in each age	7,117	12,050	6,575	11,042
Increase by 20 percent of base in each age	(4,991)	(7,787)	(4,605)	(7,130)

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	
	2022	2021	2022	2021
Salaries, wages and other employee benefits	925,545	862,187	844,471	791,589
Depreciation and amortization	190,632	181,680	166,405	154,037
Rental expenses under lease agreements	24,917	33,079	14,956	26,256
Transportation expenses	115,958	99,011	108,224	93,944
Utility and energy expenses	113,300	96,529	107,797	92,474
Sales promotion and marketing expenses	171,879	152,090	139,246	130,869
Raw materials and consumable goods	2,451,639	2,070,426	2,066,541	1,805,913
Changes in inventories of finished goods and work in process	7,922	16,822	(9,980)	27,417

24. INCOME TAX

Income tax expense for the years ended December 31, are summarized as follows:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Current income tax	34,201	26,250	32,348	21,131
Adjustment in respect of income tax of the previous year	98	1,098	98	1,098
Deferred tax				
Deferred tax relating to origination and reversal of temporary differences	5,116	(17,049)	2,580	(12,485)
Income tax expense reported in the statements of profit or loss	39,415	10,299	35,026	9,744

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	
	2022	2021	2022	2021
Deferred tax relating to actuarial losses	(2,168)	-	(1,930)	-

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	
	2022	2021	2022	2021
Accounting profit before income tax	474,078	191,264	513,566	246,093
Applicable corporate income tax rates	20% and 28%	20% and 28%	20%	20%
Income tax using applicable tax rate	102,741	49,244	102,713	49,218
Adjustment in respect of income tax of the previous year	98	1,098	98	1,098
Effects on: Gain from operations exempted from corporate income tax (see Note 25)	(73,557)	(47,014)	(73,557)	(47,014)
Non-deductible tax expenses	10,794	14,470	6,433	8,553
Expenses that are deductible more than actual paid	(361)	(7,199)	(361)	(1,811)
Others	(300)	(300)	(300)	(300)
Total	(63,424)	(40,043)	(67,785)	(40,572)
Income tax expense	39,415	10,299	35,026	9,744

Deferred tax assets and liabilities for the years ended December 31, consist of:

Unit : Thousand Baht

	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Deferred tax assets	91,146	113,585	40,590	57,518
Deferred tax liabilities	(5,576)	(20,731)	(4,922)	(17,340)
Total	85,570	92,854	35,668	40,178

Movements of deferred tax assets and liabilities for the years ended December 31, are as follows:

As at December 31, 2022 Unit : Thousand Baht

	Consolidated Financial Statements			
	Balances as at January 1, 2022	Recognized in profit or loss	Recognized in other comprehen-sive income	Balances as at December 31, 2022
Deferred tax assets				
Loss allowance	3,911	(2,019)	-	1,892
Allowance for diminution in value of inventories	10,147	(3,719)	-	6,428
Allowance for loss on impairment of assets	4,980	(1,071)	-	3,909
Lease liabilities	22,044	(15,728)	-	6,316
Temporary differences of depreciation of assets located on leased land	11,057	736	-	11,793
Provision for employee benefits	7,421	474	(2,168)	5,727
Unused tax loss	53,281	2,104	-	55,385
Others	744	(1,048)	-	(304)
Total	113,585	(20,271)	(2,168)	91,146
Deferred tax liabilities				
Right-of-use assets	(21,467)	15,455	-	(6,012)
Temporary differences of leases	755	(319)	-	436
Others	(19)	19	-	-
Total	(20,731)	15,155	-	(5,576)
Deferred tax asset - net	92,854	(5,116)	(2,168)	85,570

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 comprehen-sive 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 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, 2022 Unit : Thousand Baht

	Separate Financial Statements			
	Balances as at January 1, 2022	Recognized in profit or loss	Recognized in other comprehen-sive income	Balances as at December 31, 2022
Deferred tax assets				
Loss allowance	2,968	(1,954)	-	1,014
Allowance for diminution in value of inventories	9,754	(3,753)	-	6,001
Allowance for impairment loss on investment in subsidiaries	4,200	3,000	-	7,200
Allowance for loss on impairment of assets	3,909	-	-	3,909
Lease liabilities	18,529	(12,893)	-	5,636
Temporary differences of depreciation of assets located on leased land	11,057	736	-	11,793
Provision for employee benefits	7,056	267	(1,930)	5,393
Others	45	(401)	-	(356)
Total	57,518	(14,998)	(1,930)	40,590
Deferred tax liabilities				
Right-of-use assets	(18,095)	12,737	-	(5,358)
Temporary differences of leases	755	(319)	-	436
Total	(17,340)	12,418	-	(4,922)
Deferred tax asset - net	40,178	(2,580)	(1,930)	35,668

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 comprehen-sive 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 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

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.		
	1433/2553	2155(2)/2554	63-1161-00-1-0
1. Exemption from corporate income tax on net profit from the promoted operations.	-	7 years from 1 October 2017 onwards	6 yearsfrom 30 January 2022 onwards
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	
	2022	2021	2022	2021	2022	2021
Sales						
Domestic sales	977,610	712,342	608,689	681,431	1,586,299	1,393,773
Export sales	1,726,412	1,637,380	850,451	471,576	2,576,863	2,108,956
Total sales	2,704,022	2,349,722	1,459,140	1,153,007	4,613,162	3,502,729

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 2022 amounting to Baht 12.50 million and Baht 11.80 million as expenses, respectively (2021: Baht 11.6 million and Baht 11.1 million, respectively).

27. DIVIDENDS PAID

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, totalling 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 were paid on May 6, 2022.

On August 10, 2022, 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 0.09 per share, totalling approximately Baht 124.2 million, which were paid on September 7, 2022.

On September 9, 2022, the Board of Directors' Meeting of the Company passed a resolution to distribute interim dividends of the three-month period ended September 30, 2022 for 1,380 million shares at Baht 0.08 per share, totalling approximately Baht 110.4 million, which were paid on December 7, 2022.

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, 2022 and 2021, 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	
	2022	2021	2022	2021
Subsidiaries				
Revenue from sales	-	-	186,770	114,843
Revenue from rendering accounting and financing services	-	-	4,320	4,716
Interest income	-	-	-	2,138
Other income	-	-	24	3,038
Purchase of goods	-	-	150,645	133,714
Sales promotion expenses	-	-	527	3,072
Rental expenses	-	-	307	248
Other expenses	-	-	-	2
Related parties				
Revenue from sales	-	584	-	580
Rental income	-	121	-	-
Purchase of goods	-	(293)	-	-
Rental expenses	360	360	360	360

Pricing policies of each account can be described as follows:

Account	Transfer pricing policy
Revenue from sales	ราคาทุนบวกกำไรส่วนเพิ่มร้อยละ 15 ถึง 45 ขึ้นกับปริมาณซื้อและประเภทของสินค้า
Revenue from rendering accounting and financing services	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	
	2022	2021	2022	2021
Trade receivables				
Subsidiaries (see Note 6)	-	-	160,417	111,561
Other receivables				
Subsidiaries (see Note 6)	-	-	7,126	3,787
Trade payables				
Subsidiaries (see Note 17)	-	-	10,372	9,473
Other payables				
Subsidiaries (see Note 17)	-	-	552	2,279

SHORT-TERM LOANS TO A SUBSIDIARY

Short-term loans to a subsidiary as at December 31, is as follows:

Unit : Thousand Baht

Borrower	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Taokaenoi Restaurants & Franchise Co., Ltd.	1.70 - 2.00	1.70 - 2.20	140,500	115,500

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	
	2022	2021
Short-term benefits	48,444	46,080
Post-employment benefits	2,622	2,481
Total	51,066	48,561

The Company has given a letter dated February 21, 2023 to confirm that it intend to maintain its ownership in subsidiaries and where necessary the Company will provide financial support to subsidiaries for the forthcoming at least 12 months from the date of such letter to ensure that all of its financial obligations and commitments to its creditors falling due can be settled.

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, 2022						
Segment revenues from external sales	4,283.9	78.3	(0.3)	4,361.9	-	4,361.9
Charges between segments	186.8	-	150.6	337.4	(332.7)	4.7
Total revenues	4,470.7	78.3	150.3	4,699.3	(332.7)	4,366.6
Segment profit (loss)	487.7	(46.5)	(1.0)	440.2	12.1	452.3
Other income						33.2
Finance costs						(11.4)
Profit before income tax expense						474.1
Income tax expense						(39.4)
Profit for the year						434.7
As at December 31, 2022						
Total assets for reportable segments	3,546.9	50.1	51.1	3,648.1	(436.8)	3,211.3
Total liabilities for reportable segments	1,240.5	185.7	24.6	1,450.8	(319.1)	1,131.7

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, 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

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, 2022						
Depreciation and amortization	166.6	17.7	6.6	190.9	-	190.9
Additions to non-current assets other than financial instruments and deferred tax assets	**(94.1)**	**(18.7)**	**(2.2)**	**(115.0)**	**110.7**	**(4.3)**

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**

For the years ended December 31, revenues from external sales based on customers' locations are as follows:

Unit: Million Baht

Country	Consolidated Financial Statements	
	2022	2021
Thailand	1,662	1,443
People Republic's of China	1,110	988
Others	1,595	1,180
Total	4,367	3,611

For the year ended December 31, 2022, revenue from sales included revenue arising from sales to the Group's largest customer in the People's Republic of China of Baht 1,110.1 million (2021: Baht 513.4 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 2022 and 2021.

31. COMMITMENTS AND LETTERS OF GUARANTEE

31.1 Capital commitments

As at December 31, 2022 and 2021, the Group had capital commitments of Baht 29.6 million and Baht 61.2 million respectively, 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 system development, Clould server, and service agreements. The terms of the agreements are generally between 1 and 4 years.

Future minimum payments required under these agreements are as follows: Unit : Million Baht

ผู้กู้ยืม	Consolidated Financial Statements		Separate Financial Statements	
	2022	2021	2022	2021
Payment periods				
Within 1 year	46.6	23.2	39.2	21.9
Over 1 year but not over 5 years	23.9	4.6	17.4	0.1

The office rental expense and service expense for the years ended December 31, 2022 and 2021 were recorded as expenses in the consolidated statements of profit or loss and other comprehensive income amounting to Baht 24.5 million and Baht 33.0 million, respectively, and the separate statements of profit or loss and other comprehensive income amounting to Baht 18.4 million and Baht 26.3 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 2022, the Company had commitments under the agreements of USD 1.5 million (2021 : Nil).

31.4 Letters of guarantee

As at December 31, 2022 and 2021, there were outstanding letters of guarantee of Baht 1.4 million, 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

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 petition for enforcement of the arbitral award was submitted to the Shanghai First Intermediate People's Court on January 5, 2023. The case is now pending the review and confirm whether it can formally docket the case.

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	
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	13.29	8.86	6.52	5.87	34.56	33.42
Singapore Dollar	0.31	-	0.08	0.05	25.72	24.74
Hongkong Dollar	-	-	0.03	0.03	4.43	4.29
Yuan	-	-	0.34	5.70	4.97	5.25

Foreign currency	Separate Financial Statements					
	Financial assets		Financial liabilities		Average exchange rate	
	2022	2021	2022	2021	2022	2021
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US Dollar	8.89	5.49	1.12	1.53	34.56	33.42
Singapore Dollar	0.31	-	0.08	0.05	25.72	24.74
Hongkong Dollar	-	-	0.03	0.03	4.43	4.29
Yuan	-	-	0.34	5.70	4.97	5.25

The Company has outstanding forward exchange contracts as at December 31, as summarized below:

As at December 31, 2022

Consolidated and Separate Financial Statements		
Sold amount	Contractual exchange rate (Baht per 1 foreign currency unit)	Contractual maturity date
USD 2.5 million	34.95 - 37.20	May - June 2023

As at December 31, 2021

Consolidated and Separate Financial Statements		
Sold amount	Contractual exchange rate (Baht per 1 foreign currency unit)	Contractual maturity date
0.2 ล้านเหรียญสหรัฐ	32.71 - 32.89	พฤษภาคม 2565

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 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, 2022 and 2021, 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, 2022 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	434.9	-	-	25.7	460.6	0.150 - 0.300
Trade and other receivables	-	-	-	580.9	580.9	-
Other current financial assets	-	-	164.7	-	164.7	-
Financial liabilities						
Short-term loan from financial institutions	159.9	-	-	-	159.9	1.400 - 2.350
Trade and other payables	-	-	-	633.0	633.0	-
Short-term loans	-	14.7	-	-	14.7	4.600
Long-term loans	-	154.2	-	-	154.2	3.35765 - 3.45797

As at December 31, 2021 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, 2022 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	419.2	-	-	6.3	425.5	0.150 - 0.300
Trade and other receivables	-	-	-	721.5	721.5	-
Short-term loan to a subsidiary	140.5	-	-	-	140.5	1.700 - 2.200
Other current financial assets	-	-	164.7	-	164.7	-
Financial liabilities						
Short-term loan from financial institutions	150.0	-	-	-	150.0	1.400 - 2.350
Trade and other payables	-	-	-	597.1	597.1	-
Long-term loan from financial institutions	-	154.2	-	-	154.2	3.35765 - 3.45797

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

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		value hierarchy	Valuation technique and key input
	Fair value (Thousand Baht)		Fair value (Thousand Baht)			
	2022	2021	2022	2021		
Financial assets at fair value through profit or loss - open-ended fixed income fund (see Note 8)	164,733	253,562	164,733	253,562	Level 2	Use of other observable inputs for such assets or liabilities, whether directly or indirectly
Investment property (see Note 11)	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)	3,756	(139)	3,756	(139)	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, 2022, the Group's debt-to-equity ratio was 0.5:1 (2021: 0.7:1), and the Company's was 0.5:1 (2021: 0.6:1).

36. EVENT AFTER THE REPORTING PERIOD

On February 23, 2023, the Board of Directors' Meeting of the Company passed a resolution to distribute annual dividends from the operations of the year 2022 for 1,380 million shares at Baht 0.29 per share, totaling Baht 400.2 million. The dividends consist of interim dividends at Baht 0.09 per share, totalling Baht 124.2 million, which were paid on September 7, 2022, and additional dividends at Baht 0.08 per share, totaling Baht 110.4 million, which were paid on December 7, 2022 and additional dividends at Baht 0.12 per share, totaling Baht 165.6 million, which will be paid on May 11, 2023.

37. APPROVAL OF THE FINANCIAL STATEMENTS

These finanscial statements were approved for issue by the Board of Directors of the Company on February 23, 2023.

Attachment



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)	Sharehold-ing in the company (1)	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
1. Mr. Itthipat Peeradechapan [1] Director /Chief Executive Officers	39	Doctorate (Honorary) Entrepreneurship : University of the Thai Chamber of Commerce Bachelor of Entrepreneurship : University of the Thai Chamber of Commerce Directors Certification Program (DAP) 86/2553	21.64 %	- Younger sister of Mr. Nutchatpong Peeradechapan - Younger brother of Ms. Orrapat Peeradechapan	2019–present 2018-present 2018–present 2004 - present 2014–present 2010–present 2009-present 2008–present 2004-present 2014–2020 2014–2020 2013–2019 2009–2019 2018-2018	Director Director Director Director/Chief Executive Officers Director Director Director Director Director Director Director Director Director Director	Thonglor 24 Co., Ltd. Henry's Burger International Co., Ltd. Tob Capital 24 Co., Ltd. Taokaenoi Food & Marketing PCL. Peeradechapan Holding Co., Ltd. Dr.Tobi Co., Ltd. Taokaenoi Restaurant & Franchise Co.,Ltd. Taokaenoi Care Co., Ltd. NCP Trading and Supply Co., Ltd. Chubcheeva Co., Ltd. Omise Co., Ltd. Tokyo Runway Marketing Co., Ltd. Twenty Four Projects Co., Ltd. Taokaenoi Maruesu (Thailand) Co., Ltd.
2. Ms. Orrapat Peeradechapan Director/ Managing Director / Member of the Risk Management Committee	42	Master of Public Administration : Ramkamhaeng University Bachelor of Service Industry : Rangsit University Directors Certification Program (DAP) Class 86, year 2010	4.10 %	- Older sister of Mr. Itthipat Peeradechapan - Younger sister of Mr. Nutchatpong Peeradechapan	2020–present 2018–present 2004-present 2014–present 2010-present 2009-present 2008-present 2004-present 2009-2020	Director Director Director Director Director Director Director Director Director	Rainbow Project Co., Ltd. Jibvardee Co., Ltd Taokaenoi Food & Marketing PCL. Peeradechapan Holding Co., Ltd. Dr.Tobi Co., Ltd. Taokaenoi Restaurant & Franchise Co., Ltd. Taokaenoi Care Co., Ltd. NCP Trading and Supply Co., Ltd. Twenty Four Projects Co., Ltd.

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Sharehold-ing in the company (1)	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
3. Mr. Yuth Vorachattarn Chairman of the Board/ Independent Director/ Member of the Audit Committee/ Member of the Nomination and Renumeration Committee / Chairman of the Corporate Governance Committee	75	Master of Economics (English Program) : Thammasat University Bachelor of Economics (Honor class - Good) : Thammasat University Directors Certification Director Leadership Certification Program (DLCP) Class 0, year 2021 Advance Audit Committee Program (AACP) Class 36, year 2020 Strategic Board Master Class (SBM) Class 5, year 2018 Ethical Leadership Program (ELP) Class 2, year 2015 Corporate Governance for Capital Market Intermediaries (CGI) Class 0, year 2014 Financial Institutions Governance Program (FGP) Class 6, year 2013 Monitoring of the Quality of Financial Reporting (MFR) Class 12 year 2010 Audit Committee Program (ACP) Class 33, year 2010 Chartered Director Class (R-CDC) Class 3, year 2008 Role of the Chairman Program (RCP) Class 8, year 2003 Directors Certification Program (DCP) Class 0, year 2000	-0-	-	2011-present 2016-present 2016-present 2022-present 2022-present 2017-present 2015-present 2015-present 2010-2020 2017-2019 2003-2019	Chairman of the Board/ Independent Director Chairman of the Board / Audit Committee Chairman of the Board Director Director Director / Chairman of the Audit Committee Director Director / Chairman of the Audit Committee Director/ Chairman of the Audit Committee Chairman of the Board Chairman of the Board / Audit Committee	Taokaenoi Food & Marketing PCL. Sahathai Terminal PCL. Grand Prix International Co., Ltd. Tree Money Holding Co., Ltd. Northland Experience Co., Ltd. Nutrix PCL. B.S.Y. Construction Co., Ltd. BSY Group PCL. . Sahathai Steel Pipe PCL. SCB Protect Co., Ltd. Maybank Kim Eng Securities (Thailand) PCL.

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Sharehold-ing in the company (1)	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
4. Mr. Chaiyong Ratanacharoen-siri Independent Director/ Member of the Audit Committee/ Chairman of the Nomination and Renumeration Committee/ Member of the Corporate Governance Committee	67	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-	-	2022-present 2011-present 2015-present 2018-2018	Chairman of the Board Independent Director Independent Director/ Chairman of Audit Committee Executive Director	Asia Wealth Securities Co., Ltd. Taokaenoi Food & Marketing PCL. Quick Leasing Co., Ltd. P-Mart Superstore Co., Ltd.
5. Mrs. Wanee Thasanamontien Independent Director/ Chairman of the Audit Committee/ Member of the Nomination and Renumeration Committee / Member of the Corporate Governance Committee	68	Master of Public Administration : Chulalongkorn University Bachelor of Law : Thammasat University Bachelor of Accounting : Thammasat University Directors Certification Advanced Audit Committee Program (AACP) Class 18, year 2015 Financial Institutions Governance Program (FGP) Class 4, year 2012 Directors Certification Program (DCP) Class 138, year 2010	-0-	-	2014-present	Iindependent 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)	Sharehold-ing in the company (1)	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
6. Dr. Somjin Sornpaisan Independent Director / Chairman of the Risk Management Committee	60	Ph.D. of DBA Finance Thammasat University (Joint DBA with Chulalongkorn University and NIDA) Master of MS Japanese Business Studies (MSJBS) Chaminade University of Honolulu (Fujitsu Asian Scholarship Program) Master of Business Administration (MBA) Thammasat University Bachelor of Engineering (Industrial Engineering) Chulalongkorn University Directors Certification Directors Certification Corporate Governance for Capital Market Intermediaries (CGI) Class 4, year 2015 Anti-Corruption for Executive Program (ACEP) Class 12, year 2014 Diploma Examination (Exam) Class 26, year 2009 Director Certification Program (DCP) Class 122, year 2009 Director Accreditation Program (DAP) Class 16, year 2004	-0-	-	2022 - present 2022 –present 2021 –present 2022 –present 2020 –present 2019 – 2021 2015 – 2021 2018 – 2020 2009 – 2020 2004 – 2019 2006 - 2019	Iindependent Director Independent Director and Audit Committee Independent Director and Audit Committee Managing Director Vice President Vice Chairman and Chairman of the Audit Committee Director and Discipline Subcommittee A member of Personnel Discipline Subcommittee in securities business Managing Director Independent Director and Audit Committee Director (President of the association during 2012-2014)	Taokaenoi Food & Marketing PCL. Sunvending Technology PCL. Bioscience Animal Health PCL. Thai Bond Market Association (ThaiBMA) Thai Financial Planner Association TFPA Thai Bond Market Association (ThaiBMA) Thailand Futures Exchange PLC. (TFEX) Subcommittee under the Office of the Securities and Exchange Commission TMB Asset Management Co., Ltd. Thai Ha PLC. Association of Investment Management Companies (AIMC)

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company (1)	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
7. Ms. Mookda Pairatchavet Director and Executive Committee	63	Master of MBA Wagner College, New York Bachelor of BBA Assumption Business Administration College Directors Certification Strategic Board Master Class (SBM) Class 5, year 2018 Board Nomination and Compensation Program (BNCP) Class 3, year 2018 Advanced Audit Committee Program (AACP) Class 29, year 2018 Directors Certification Program (DCP) Class 242, year 2017	-0-	-	2022 –present 2019 - present 2016 –present 2017 - 2019	Director and Executive Committee Chairman of the Board Managing Director Independent Director, Audit Committee, Nomination Committee	Taokaenoi Food & Marketing PCL. Kaomongkol Group Co., Ltd. AMA Management and Consulting Co., Ltd. Thanachart Bank
8. Mr. Jirapong Suntipiromkul [1,3] Director /Deputy Managing Director/ Member of the Risk Management Committee	60	Master of Accounting : Chulalongkorn University Bachelor of Accounting : University of the Thai Chamber of Commerce Directors Certification Director Leadership Certification Program (DLCP) Class 7, year 2022 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-	-	2022 - Present 2020 –present 2018 –present 2013 –present 2013 –present	Director / Chairman of Audit Committee Director Director Director / Deputy Managing Director Director	Move Fast Co., Ltd. Taokaenoi Care Co., Ltd. Taokaenoi Restaurant & Franchise Co., Ltd. Taokaenoi Food & Marketing PCL. JWK Engineering Co., Ltd.

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company (1)	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
9. Ms Porntera Rongkasiriphan[1] Director/ Member of the Risk Management Committee/ General Manager NCP Trading and Supply Co., Ltd.	53	Bachelor of Accounting : Assumption University Directors Certification Program (DAP) Class 89, 2011	-0-	-	2020 –present 2020 - present 2020 - present 2018 - present	Director Director General Manager Director	Taokaenoi Food & Marketing PCL. Taokaenoi Care Co., Ltd. NCP Trading and Supply Co., Ltd. NCP Trading and Supply Co., Ltd.
10. Mr. Nutchatpong Peeradechapan Managing Director	44	Bachelor of Science in Industrial Education: King Mongkut's Institute of Technology North Bangkok Directors Certification Company Secretary Program (CSP) Class 42, year 2011 Directors Accreditation Program (DAP) Class 86, year 2010	4.36 %	Older sister 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.
11. Ms. Tipnapa Jitjang Chief Financial Officer	49	Master of Business Administration : F.W. OLIN GRADUATE SCHOOL OF BUSINESS, BABSON Bachelor's degree Department of Statistics, Applied Statistics Faculty of Commerce and Administration : Chulalongkorn University Directors Certification Successful Formulation & Execution of Strategy (SFE) Class 42, year 2022	-0-	-	2021 –present 2561-2564 2557-2561	Chief Financial Officer VP- Head of Finance Finance Director	Taokaenoi Food & Marketing PCL. Brand's Suntory (Thailand) Co.,Ltd Osotspa Public Company Limited

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company (1)	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
12. Mr. Prin Pitchayavijit Chief People Officer	53	Master of Human Resource Development : National Institute of Development Administration Bachelor of Political Sciences : Ramkhamhaeng University	-0-	-	2020 –present 2007 - 2020	Chief People Officer Director of Mitr Phol Development Institute	Taokaenoi Food & Marketing PCL. Mitr Phol Sugar Corporation., Ltd.
13. Mr. Atipong Chatchawan Chief Operation Officer	48	Master of Business Administration Thammasat University Bachelor of Engineering (Electrical) King Mongkut's Institute of Technology Ladkrabang	-0-	-	2022–present 2020-2022 2018- 2020 2007 - 2018	Chief Operating Officer Supply Chain Director Operation Lead Operation Leadr	Taokaenoi Food & Marketing PCL. Suntory PepsiCo Vietnam Beverage Co., Ltd. Bayer Thai Co., Ltd. Monsanto Thailand Co., Ltd.
14. Mr. Pisan Taraphat Chief Revenue Officer	51	Master Degree in Marketing : Assumption University Bachelor Degree in General Management : Assumption University	-0-	-	2021–present 2016 - 2021	Chief Revenue Officer General Manager	Taokaenoi Food & Marketing PCL. Jacobs Douwe Egberts TH Co., Ltd.
15. Mr. Wachira Yarnthasanakij [3] Chief International Officer	46	Master of Management of Technology Murray State University, KY ,USA Bachelor of International Business Administration University of the Thai Chamber of Commerce	-0-	-	2022–present 2009 – 2022	Chief International Officer Director of International Officer	Taokaenoi Food & Marketing PCL. Taokaenoi Food and Marketing PCL.

Name and Current position	Age	Education background and Training record with the Thailand Institute of Directors (IOD)	Shareholding in the company (1)	Family relation between directors and executive officers	Work experience in the past 5 years		
					Duration	Position	Company
16. Mr. Anajak Limphaisan Company Secretary / Legal Director	38	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 Statistics : Chulalongkorn University Bachelor of Law : Ramkhamhaeng University Directors Certification Company Secretary Program (CSP) Class 115 , year 2021 Anti – Corruption: The Practical Guide (ACPG) Class 57 , year 2021 Director Certification Program (DCP) Class 292 , year 2020 Director Accreditation Program (DAP) Class 165 , year 2019	-0-	-	2021 –present 2021 - present 2020 - present 2019 - present 2019 - 2020 2015 - 2019	Director Director Legal Director/ Company Secretary Independent Director/ Member of Audit Committee Chief Administrative Officer Lawyer	Taokaenoi Restaurant & Franchise Co., Ltd. Show No Limit CO., LTD.Co., Ltd. Taokaenoi Food & Marketing PCL. NSL Foods Public Co., Ltd. Polynet. Co., Ltd. Kudun & Partners Co., Ltd.
17. Mr. Wanchai Wongpongsawiwat [2] Accounting Manager	44	Bachelor of Accounting : Bangkok University	-0-	-	2022 –present 2020 –2022 2013 –2019	Accounting Manager Accounting Manager (Subsidiary) Assistant Accounting Manager	Taokaenoi Food & Marketing PCL. Taokaenoi Food & Marketing PCL. Taokaenoi Food & Marketing PCL.

[1]Mr. Itthipat Peeradechaphan, Mr. Jirapong Santipiromkul and Ms. Porntheera Rongkasiriphan Being a director who has the authority to bind the company according to the certificate

[2]Mr. Wanchai Wongpongsawiwat is directly responsible for accounting supervision.

[3]Mr. Jirapong Suntipiromkul and Mr. Wachira Yarnthasanakij are the contact person for Internaional Business

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 notifi ed 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.

2. Information on the position of Directors, Executives, Controlling Persons.

Name	Company	Subsidiary Company				Related Company								
		TKNRF	TKNC	NCP	TKNUS	1	2	3	4	5	6	7	8	9
1. Mr. Itthipat Peeradechapan	/,///	/	/	/	/	/	/	/	/	/				
2. Ms. Orrapat Peeradechapan	/,///	/	/	/	/				/	/	/	/		
3. Mr. Yuth Vorachattarn	X												X	X
4. Mr. Chaiyong Ratanacharoensir	/													
5. Mrs. Wanee Thasanamontien	/													
6. Dr. Somjin Sornpaisan	/													
7. Ms. Mookda Pairatchavet	//													
8. Mr. Jirapong Suntipiromkul	/,///	/	/											
9. Ms. Porntera Rongkasiriphan	/		/	/										
10. Mr. Nutchatpong Peeradechapan	///	/	/	/					/	/				
11. Ms. Tipnapa Jitjang	///													
12. Mr. Prin Pitchayavijit	///													
13. Mr. Atipong Chatchawan	///													
14. Mr. Pisan Taraphat	///													
15. Mr. Wachira Yantassanakij	///													

Notes:
X = Chairman of the Board
/ = Director
// = Director and Executive Committee
/// = Executive

Name	Company	Related Company														
		10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1. Mr. Itthipat Peeradechapan	/,///															
2. Ms. Orrapat Peeradechapan	/,///															
3. Mr. Yuth Vorachattarn	X	/	/	/	/	/										
4. Mr. Chaiyong Ratanacharoensir	/						X	/								
5. Mrs. Wanee Thasanamontien	//															
6. Dr. Somjin Sornpaisan	/								/	/	/	/				
7. Ms. Mookda Pairatchavet	/,///												X	/		
8. Mr. Jirapong Suntipiromkul	/														/	/
9. Ms. Porntera Rongkasiriphan	///															
10. Mr. Nutchatpong Peeradechapan	///															
11. Ms. Tipnapa Jitjang	///															
12. Mr. Prin Pitchayavijit	///															
13. Mr. Atipong Chatchawan	///															
14. Mr. Pisan Taraphat	///															
15. Mr. Wachira Yantassanakij	///															

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. ibvardee Co., Ltd.
8. Sahathai Terminal PCL.
9. Grand Prix International Co., Ltd.
10. Tree Money Holding Co., Ltd.
11. Northland Experience Co., Ltd.
12. Nutrix PCL.
13. B.S.Y. Construction Co., Ltd.
14. BSY Group PCL.
15. Asia Wealth Securities Co., Ltd.
16. Quick Leasing Co., Ltd.
17. Sunvending Technology PCL.
18. Bioscience Animal Health PCL.
19. Thai Bond Market Association (ThaiBMA)
20. Thai Financial Planner Association TFPA
21. Kaomongkol Group Co., Ltd.
22. AMA Management and Consulting Co., Ltd.
23. Move Fast Co., Ltd.
24. 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 Rongkasiriphan		/	/,//	
7. Ms. Auntika Kumwong			/,//	
8. Mr. Anajak Limphaisan	/			
9. Mr. Woraphan Khongkomonsakul		/		
10. Mr. Timothy Minges				/

Note: X = Chairman of the Board

/ = Director

// = Executive Director

Attachment 3

Information related to the Chief of Internal Audit Supervisor and Chief Compliance Officer

Internal Audit Supervisor	Education background / Training record	Responsibility
Ms. Wanwimol Jongsureeyapas Position : Vice President	• Master of 2020.12. (Executive MBA) : National Institute of Development Administration (NIDA) • Bachelor of Accounting (Bachelor of Accountancy – Second Class Honors) : Dhurakij Pundit University **Diploma** • Internal Auditing Certificate Program – IACP • Certified Professional Internal Audit of Thailand : CPIAT **Training record** • Quality Assurance and Improvement Program (QAIP) – Institute of Internal Auditors • Personal Data Protection Laws for Internal Auditors – Political Science Association of Kasetsart University • 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	• 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

Operating Assets

Please see details in "1. Structure and Operation of the Group, Topic 'Operating Assets'".

Asset appraisal list

In 2022, General Valuation and Consultant Co., Ltd., appraised the Company assets and the appraised price was higher than the book value. However, the difference in such appraised asset was not recognized in the statement of financial position.

Every 3 years, the Company conducts the asset appraisal to support the asset depreciation according to the accounting standard. It is the Company's policy to show the list of assets based the cost price less accumulated depreciation.

Trademark

As of 31 December 2022, the Company and subsidiary own 345 registered trademarks, which are divided into 189 trademarks in Thailand and 187 trademarks in China, and 269 trademarks in other countries. Most of the trademarks are registered to be protected for food, snacks and beverages. Our major trademark in summary is as follows:

Trademark	Example of the trademarks
Taokaenoi logo	
TAOKAENOI in Thai and Chinese	TaoKaeNoi (Xiao Zhe Ban) 小者板 (Xiang Pu Shou) 相撲手 (Te Ka Nuo) 特卡諾

Trademark	Example of the trademarks
BIG ROLL	
EXTRA SHEET, BIG SHEET	
KONOMI	
BIG BAG, BIG BANG	
HI TEMPURA	
SUPER CRISP	
NORA	

All of the registered trademarks are valid for 10 years from the registration date and can be renewed every 10 years. The Company and subsidiaries always renew these trademarks.

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 which can be accessed by scanning below QR Code or visit: http://investor-th.taokaenoi.co.th/cg_principle.html.

SCAN ME

Attachment 6

Report of the Audit Committee

To Shareholders,

In 2022, the Audit Committee of Taokaenoi Food & Marketing Public Company Limited comprises of three independent directors who are fully qualified in accordance with the Audit Committee Charter. The Audit Committee Charter is prepared in conformity with the guidance and requirements of 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 the Audit Committee
2. Mr. Yuth Vorachattarn	Member of the Audit Committee
3. Mr. Chaiyong Ratanacharoensiri	Member of theAudit Committee

The Audit Committee performs their duties independently to the extent as specified in the Audit Committee Charter. The Audit Committee's meeting is held at least every quarter. In 2022, 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. Major duties in 2022 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 acknowledge of the changes of accounting standard (revision). Furthermore, the Audit Committee has arranged a meeting with auditors without executive attendance in order to enable 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 transactions that 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 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. Review of Internal Audit: The Audit Committee has considered the mission, scope of operation, duties and responsibility and independency of the P&L Internal Audit Co., Ltd., the internal auditor of the Company. The annual audit plan which has been prepared based on corporate risk level has been approved and the Audit Committee is of the opinion that the Company's internal audit is adequate, reasonable and effective in accordance with international standards.

4. Review of operation information and internal control system: the Audit Committee has reviewed the internal control system to assess the adequacy, appropriateness and effectiveness of the internal control system to ensure alignment with the direction set forth by the Securities and Exchange Commission. The outcome will support achievement of our operation as determined by the goal. The consideration is contributed by the review of internal control assessment together with the auditor and internal auditor. The Audit Committee shared mutual agreement with the auditor and internal auditor that the Company's system to control and monitor the business operation of the Company and subsidiary is adequate, reasonable and effective. There are no errors or significant defects found. The assets are protected properly, with correct, completed and reliable disclosure of information.

5. Audit of the Risk Management system: After auditing the risk policy, risk factor, risk management approach including progress of risk management, the Company has appointed the Risk Management Committee which included the Independent Director as a chairman and top-rank executives as a member of the board to consider the risk management system, to determine objectives, situation and risk factors, to conduct risk assessment, to manage risks and to monitor the progress, and to determine Key Risk Indicator (KRI) to keep up with current situation, and to determine risks and the acceptable level of risks.

6. Review of fraud investigation: The Company has developed the complaint and whistleblowing system other than internal complaints. Anyone can make a complaint in verbal or written form via their own email, via sealed letter or via the website www.taokaenoi.co.th and email: whistleblower@taokaenoi.co.th to complaint recipient and/or CEO. In 2022, there were no complaints made to the system.

7. Review the compliance to the securities and exchange laws: The Audit Committee reviewed the compliance with the securities and stock exchange law of Thailand, regulations of the Stock Exchange of Thailand and the laws related to business of the Company, articles of association, and obligations made with the third party. There was no issue which is contrary to the law, regulation, requirement and obligations mentioned.

8. Consideration for auditor appointment and the audit fee for the year 2023. The consideration is for approval from the shareholders' meeting 2023 and is based on performance, independency and reasonableness of the fee. It has been agreed to appoint Mr. Choophong Surachutikarn, a certified public accountant (CPA) no. 4325 and/or Miss Wimonporn Boonyassathien, a certified public accountant (CPA) no. 4067 and/or Miss Pensri Thammawarodom, a certified public accountant (CPA) no. 4923 and/or Miss Waraporn Kriangsunthornkakit, a certified public accountant (CPA) no. 5033 and/or Miss Porrakot Kongkolsiri, a certified public accountant (CPA) no. 7150 from Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd., as an auditor of the Company and subsidiary for the year 2023. The audit fee for the year 2023 and the audit fee of quarterly financial statement and consolidated financial statement were approved at 2,450,000 baht and the audit fee for the subsidiary was approved at total value of 1,050,000 baht.

Report of the Nomination and Remuneration Committee

To Shareholders,

In 2022, the Nomination and Remuneration Committee of Taokaenoi Food and Marketing Public Company Limited which mainly consists of the Independent Directors who are fully qualified according to the requirement described in the charter of the Nomination and Remuneration Committee. The said charter has been prepared in consistent with the guidance and requirement of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET) and has been approved by the Board of Directors. At present, the Nomination and Remuneration Committee comprises the following:

1. Mr. Chaiyong Ratanacharoensiri	Chairman of the Nomination and Renumeration Committee
2. Mr. Yuth Vorachattarn	Member of the Nomination and Renumeration Committee
3. Mrs. Wanee Thasanamontien	Member of the Nomination and Renumeration Committee

The Nomination and Remuneration Committee has prudently, fairly and reasonably performed their duties as assigned by the Board of Directors to the extent described in the charter, and considered and screened and provided opinions on important issues before proposing to the Board of Directors. The meeting of the Nomination and Remuneration Committee is held at least twice a year. In 2022, the Company arranged 2 meetings of the Nomination and Remuneration Committee. Every member of the board attended all the meeting sessions and performed their duties and responsibility as assigned. The important performance of the board in 2022 is summarized as follows:

- Consider the compensation of the Board of Directors and sub-committee for the year 2022, based on operation results and business scale of the listed companies from the same industry, and propose to the Annual General Meeting of Shareholders 2022.

- Consider the assessment format and operation result according to the Company vision to review the performance of the Board of Directors and committees in 2022. The assessment result is brought for analysis and summary and is disclosed in the annual statement/annual report (Form 56-1 One Report) to determine a measure that will improve their performance and to prepare development plan.

Moreover, the compensation for the Board of Directors and committee and the compensation of the executive are disclosed in the annual report for transparency of the audit process.

Report of the Risk Management Committee

To Shareholders,

Taokaenoi Food & Marketing Public Company Limited recognizes the importance of risk management that affect business operation and the Company's goal, to achieve sustainable growth. Appointed by the Board of Directors, the Risk Management Committee comprises 6 members namely below:

1. Dr. Somjin Sornpaisan	Chairman of the Risk Management Committee
2. Ms. Orrapat Peeradechapan	Member of the Risk Management Committee
3. Mr. Jirapong Suntipiromkul	Member of the Risk Management Committee
4. Ms. Porntera Rongkasiriphan	Member of the Risk Management Committee
5. Mr. Prin Pitchayavijit	Member of the Risk Management Committee
6. Mr. Atipong Chatchawan	Member of the 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 of the Risk Management Committee, to consider the policy and annual risk management plan to cover all risks from internal and external factors which may affect the Company business operation, and to maintain the risk at an acceptable level, to reduce risk and impacts to business operation. In 2022, the Risk Management Committee held 2 meetings which can be summarized as follows:

- Review policy, strategy and guidelines of enterprise risk management.
- Determine type of risk and scope of risk assessment for the year 2022 for more precision as a guideline for risk assessment. The consideration based on the likelihood of risk emerging and severity of the risk impact on operation achievement among departments or organisations to generate a sustainable return to our stakeholders.
- Report risk assessment result and risk management operation to the Audit Committee meeting.

Report of the Corporate Governance Committee

To Shareholders,

In 2022, the Corporate Governance Committee of Taokaenoi Food and Marketing Public Company Limited consists of 3 members. The Corporate Governance Committee's duty is to consider a framework and guideline for development of corporate governance and social responsibility to ensure the transparency of our business and integrity to all stakeholders which will support the sustainable growth of the organization, consistent to the generally accepted corporate governance, not oppose legal provisions of which the Company adheres to. The Corporate Governance Committee is appointed by the Board of Directors, comprising 3 members namely below.

1. Mr. Yuth Vorachattarn	Chairman of the Corporate Governance Committee
2. Mrs. Wanee Thasanamontien	Member of the Corporate Governance Committee
3. Mr. Chaiyong Ratanacharoensiri	Member of the Corporate Governance Committee

The Corporate Governance Committee has performed its duties as assigned by the Board of Directors according to the scope of responsibility specified in the Charter of the Corporate Governance Committee, to supervise the determination of corporate governance policy and guidelines to ensure compliance with the corporate governance principle for the listed companies determined by the Stock Exchange of Thailand and the Securities and Exchange Commission, Code of Conduct and social responsibility of the Company and subsidiary. In 2022, the Corporate Governance Committee arranged 1 meeting, summarized below.

- The Corporate Governance Committee supervised the determination of the criteria, allowed minors shareholders to propose meeting agenda and list of candidates for directors prior to the General Annual Meeting of Shareholders 2022.
- The Corporate Governance Committee has acknowledged the survey result of the Corporate Governance of Thai Listed Companies (CGR) 2022 arranged by the Thai Institute of Directors: IOD that the Company is rated 5 stars (Excellent).
- The Corporate Governance Committee has acknowledged the quality assessment result from the Thai Investor Association concerning the General Meeting of Shareholders 2022. The score was 100% or "Very Good" rate.
- After reviewing and monitoring the performance in accordance with the corporate governance plan, including the review on corporate governance policy and Code of Conduct, operation strategy, charters of committees, the Corporate Governance Committee proposed to the Board of Directors for approval on amendments to enhance competency of the Company operation. Moreover, the Company has promoted the employees to comply with the corporate governance principles and communicated to them the Company policies for their acknowledgment via various channels to ensure their correct understanding and compliance with criteria and policies.



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