

2021 Annual Report

(From 56-1 One Report)

Thai Wah Public Company Limited

Creating Innovation and
Sustainability from

Farm to Shelf





Vision


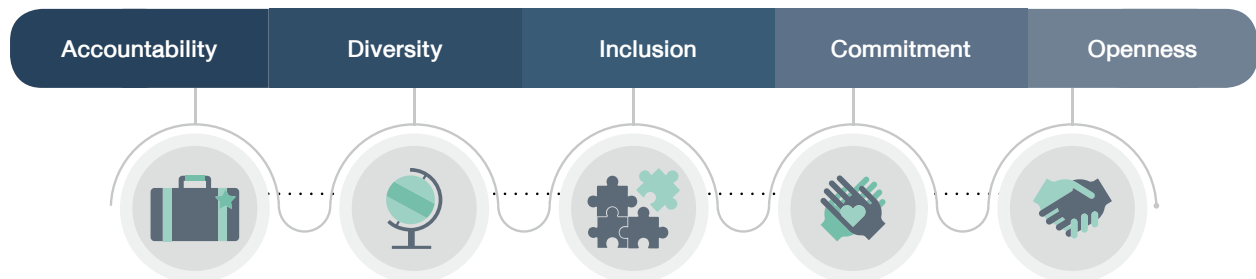
To be a regional leader in starch and starch-related food products




Mission

We will produce premium quality products to satisfy our customers,
and work with pride, integrity and consistency


Core Value



We take **PRIDE** in everything we do as individuals and as one team, to do our very best



We lead with **INTEGRITY** and the highest values of excellence, honesty and transparency



We act with **CONSISTENCY** to always improve and learn every day



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Board of Directors' Responsibility for the Company's Financial Statements

This Form 56-1 (One Report) referred to the disclosed information on the Company's website which is an integral part of Form 56-1 (One Report). The Board certified the correctness and completeness of such referred information

Message from the Chief Executive Officer

Dear Friends and Family of Thai Wah,

Over the course of the last 12 months, we continue to embrace the Covid-19 new normal into the way we work, play, live and collaborate as a shared community. While much of our efforts in the first year of Covid was around keeping our teams, associates and factories safe, 2021 was marked by a year of unprecedented change in achieving some of our company's core milestones in growth and transformation.



As we approach our 75th year and a milestone in the company's history and journey, Thai Wah continues to strengthen our extensive Asia-Pacific network and capabilities now totally 15 locations in 5 countries as we continue to develop a global sales and marketing strategy from a uniquely Southeast Asia production base across the crops of tapioca, mung bean, rice, sweet potato and others. 2021 has been an exceptional year for us in terms of results delivery and business performance, as we delivered new record highs in revenue, sales growth, margin delivery and significantly improved absolute dividend that we seek to sustain in coming years. Group Revenue grew by almost 30%, and EBITDA more than tripled compared than 2020.

We continue to embark on our continuous transformation to be a higher valued added players in the agri-food space, now with a much deeper and broader network of offices and deep go-to-market capabilities in Thailand, Vietnam, China, Cambodia and Indonesia. We have become far more customer-centric than ever before – enabled by Covid to lay in place strong digital, supply chain and distribution capabilities. Building these capabilities pre-Covid has served us well, as witnessed by strong revenue growth for 30% in our starch business, 79% in our Vietnam Food Business, and 25% in our Food export business. Commercial excellence and go-to-market capability remain a key focus for us in the medium terms, as we strive to serve our customers faster and better. Our R&D and Technical Service capabilities – now accounting for more than 25 people globally across 4 offices, continue to play a key role in how to deliver creative and comprehensive food solutions to our customers in global markets. Building and integrating strong, passionate and talented technical and commercial teams have been integral over the last 12 months.

Covid 19 has revealed the core importance of brand trust – in the Thai Wah brand and corporate reputation, and our product brands Double Dragon, Phoenix, Double Kilin, Rose and now RosEco across all B2C and B2B consumer product and solutions. Many of our product brands have been in the market for decades – and the strong growth over the last 2 years reminds us of the need to continue to execute with the highest standards of excellence possible, and now working seamlessly to drive digital

excellence into how we serve our customers from Farm to Shelf. The entire enterprise is now enabled on SAP, Microsoft 360 and Salesforce as our business and enterprise tools, and we have doubled down on our digital marketing and webinar capabilities by 2X compared to 2020.

Our Food business delivered strong results driven by growth in Modern Trade, Van Sales, and Exports. Our export markets grew over 25% and our Vietnam food business doubled for the second year in a row. We will relentlessly continue to strengthen the offers in our product portfolio to serve convenience segment with high-quality noodles and Ready-to-Eat solutions. The Food Business profit improved year on year by 23% driven by the strong demand for high quality, trusted brand in noodle and food solutions, testament to the strength of our brands and our commercial excellence. Underpinning this sales growth is also a continuous LEAN transformation program across all our production facilities and plants, where this year is the first for us to conceptualize TBS Thai Wah Business System as a key enterprise-wide platform to drive operational excellence across Safety, Quality, Cost and Delivery.

Agriculture and Food are cornerstone elements of the Southeast Asia Economy and we continue to play a key leadership role in catalyzing change and innovation in this space. In 2021, we partnered with several of the leading collaboration platforms in the region such as Future Food Asia, Asia Pacific Agri Innovation Summit, and looking forward to 2022 we will be hosting the first ever Southeast Asia Agfood roundtable. Operationally, our deep commitment and collaboration seeking to empower smallholder farmers with sustainable practices and innovation has begun with over 10 pilot projects over the last 2 years, as we strive to develop SEA as a key global center for Agri Bio tech hub for the region.

With a journey that originated pre-Covid, in 2021 we marked a double launch of Thai Wah Bioplastics and Thai Wah Ventures. Our bioplastics brand RosEco is the first of its kind in Southeast Asia. It is fully plant-based with other biopolymers and is fully biodegradable. This first generation of tapioca-bioplastics will be cost effective and highly functional as a compound solution to many aspects of sustainable film and flexible packaging. We have also launched Thai Wah Ventures as the first B2B Food and Agriculture Venture Innovation platform focused on Southeast Asia, focusing on key themes such as Farm Tech and Innovation, B2B Supply Chain and Analytics, Novel Ingredients and Bioplastics. This is just the beginning of our efforts to create a novel ecosystem platform for us to partner and drive disruptive change in the coming decade.

With strong performance in 2021 compared to previous year and strong cash position and balance sheet, we continue to invest with discipline by measuring Returns on Invested Capital and our policy on generating long term equity value for shareholders, focusing on improving operating cash flow as one of our key performance metrics. This filters down to the way we manage supply chain, working capital, maintenance and renovation and new capital expenditure. Overall, our net operating cash flow improved in 2021.

All-in-all, the Company's net profit for the period from 1 January to 31 December 2021 based on its consolidated financial statements amounted to Baht 323 million (Baht 0.37 / share). On this note, the Board of Directors has resolved to recommend a dividend payment of THB 0.2159 per share in respect of the full financial year ended December 31, 2021 which is subjected to shareholder's approval at the

Company's Annual General Meeting on 22 April 2022.

We are also proud to announce that Thai Wah was selected to list on the “Thailand Sustainability Investment (THSI)” in 2021 by the Stock Exchange of Thailand (SET) and were awarded the Sustainability Disclosure Award by Thaipat for the third consecutive year. We were also awarded the award for Asia Corporate Excellence and Sustainability Awards (ACES) with special recognition in the Green Initiative category in 2021. This is driven by how we embed sustainability targets in farming, environment, safety and health standards and strive to operationalize our sustainability framework. In addition, we won the Winner of The International Innovation Awards (IIA) 2021 for Bean Vermicelli Double Dragon Balance (DD Balance) product by Enterprise Asia and received the Outstanding Disability Employer Awards of the year 2021 from the department of Social Development and Welfare for the 4th consecutive year. We are proud to have received “Excellent CG Scoring” rating for the second year in 2021 for our corporate governance from The Thai Institute of Directors Association (IOD). These awards are testament to our passion to drive change, accountability and transparency across our entire value chain.

Finally, we embrace diversity in the best possible ways. One-third of our independent directors are female, 50% of our leadership team are female, 40% are non-Thai, and 60% of our top 25 leaders are female. Half of our leadership team is now under 45 years old, signifying the leadership, talent and energy needed for the next decade, as we strive to create a world-class One Thai Wah Team.

The transformation journey that began in 2015 will continue into this coming decade. Our Thai Wah family remains focused and committed to catalyze and drive change with a vision to create sustainability and innovation from Farm to Shelf. As we forge our future and our path into the next decade, the enduring Thai Wah spirit to be bold, creative and passionate endures. We celebrate our 75th anniversary this year and I am personally grateful to the dozens of pioneers, leaders and associates who have built Thai Wah to what it is today. We forge the future into the coming decade from a position of strength and exceptional momentum.

Keep Safe, and I look forward to seeing many of you in the coming weeks and months hopefully face to face!



Mr. Ho Ren Hua
Chief Executive Officer

Business Operations and Performance

Organizational Structure and Business Operations

Policy and Business Overview

History

Thai Wah Public Company Limited (“TWPC” or the “Company”) has been formed by the amalgamation of Thai Wah Starch Public Company Limited (“TWS”) and Thai Wah Food Products Public Company Limited (“TWFP”), in order to manufacture and distribute tapioca starch products and starch-related products such as vermicelli, noodles and sago for local and international distribution. The registration of amalgamation was completed with the Department of Business Development, Ministry of Commerce on October 1, 2015.

The Company’s core business is to manufacture and distribute tapioca starch products and starch-related products such as vermicelli, noodles and sago for local and international distribution.

Additionally, the Company has invested in the ordinary shares of other companies which conduct businesses other than the core business of the Company. The Company and its subsidiaries have invested in real property by possessing many pieces of land with great investment prospects in almost all regions of Thailand.

Milestones

2015

October 1 : Thai Wah Public Company Limited (TWPC) was formed through amalgamation of TWS and TWFP.



2016

March 15 : Thai Wah International Trade (Shanghai) Company Limited, was established in China.

2017

January 24 : TWPC Investment (Cambodia) Company Limited, was established in Cambodia.

February 7 : Thai Wah Vietnam Company Limited, was established in Vietnam.



October 2 : Thai Wah Bio Power Limited acquired 33.33% shares of Tapioca Development Corporation Limited.

2019



January 14 : TWPC purchased the assets and land from Maesot Starch Company Limited and Maesot Biogas Company Limited.

April 24 : Thai Wah Bio Power Limited acquired additional 33.33% shares of Tapioca Development Corporation Limited

2020

January 31 : Thai Wah (6) Company Limited acquired 69.50% shares of Asia Tapioca Products Company Limited.

February 7 : PT Thai Wah Indonesia was established in Indonesia.

2020

December 16: Thai Wah Ventures Company Limited was established in Thailand.

**THAI WAH
VENTURES**

Company's Vision & Mission

The Board of Directors' Meeting of the Company has approved the Company's vision and mission, which would be reviewed at least every 5 years as follows:

Vision : To be a regional leader in starch and starch-related food products

Mission : We will produce premium quality products to satisfy our customers, and work with pride, integrity and consistency

For the year 2021, the Board of Directors had reviewed and approved the Company's vision, missions, and business strategies. Moreover, this year, TWPC and subsidiaries remained committed to its vision in becoming a regional leader of starch and starch-related food products.

The Board of Directors regularly reviews and monitors the strategy and objectives of the Company. The Company is committed towards creating sustainable value for its business by focusing on the main factors: 1) Developing and improving the production processes, promote innovation to enhance competitiveness, resulting in better performance. 2) Conducting businesses with ethics, respecting rights and responding to the needs of stakeholders. The Board of Directors has established a good corporate governance policy for its directors, executives and employees as a guideline which is reviewed annually. 3) Promote activities that is beneficial to the society and can reduce the negative impact on the environment. 4) Ability to adapt to changes. The Board of Directors has established the main objectives, both financial and non-financial, including analysis of the various risk factors impacting environment that may affect the achievement of such objectives.

The Board of Directors ensures that effective communication of the Company's vision, mission, strategy etc. are made throughout the Company and that the Company's business model can create value to the Company as well as the stakeholders.

The Board of Directors ensures that the Company's business is conducted in a manner that creates value to the Company, the stakeholders and the society. During the previous year, management had developed a CSV (Creating shared value) framework and monitor it regularly, where the focus was on creating shared value across the entire value chain of the Company starting from the farmers to manufacturing to the final consumers. The Audit, Risk and Corporate Governance Committee reviews and recommend management on the CSV activities and stakeholder engagement issues that the Company underwent in the year 2021. The Company's goal is to deliver starch and starch related products to enhance the quality of life which leads to better health in the future, while adding value to the agricultural sector with the ambition to create sustainable plant and raw material sources that helps in developing and thriving resilient communities with zero environmental impact. Details of the corporate social responsibilities have been disclosed in the Company's sustainability report and on the Company's website under the heading "Sustainability".

Key Developments

-N/A-

Use of Proceeds

As of December 31, 2021 the details of use of proceeds are as follows:

The funds derived from the issuance of domestic bond (senior and unsecured, enforced under Thai laws), TWPC224A (baht) was utilized according to the objectives stated in the indenture and offering documents.

Obligations According to Bond Issuance

The Company has no financial obligation for the bond as stated in the indenture and offering documents. The information of the bond has been disclosed under Section 1.5 (Issuance of Other Securities) under 1.5.2 (Debt Securities).

General Information

The Issuing Company :	Thai Wah Public Company Limited
Security Code :	TWPC
Head Office :	No. 21/11, 21/13, Thai Wah Tower I, 6th Floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120, Thailand
Telephone :	+66 2 285 0040
Facsimile :	+66 2 285 0255
Website :	www.thaiwah.com
Branch Office :	

1 st Branch	No. 21/10, 21/12, Thai Wah Tower 1, 6th Floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120, Thailand, Telephone: +66 2 285 0031, Facsimile: +66 2 285 0485
2 nd Branch	No. 76, Moo 3, Sukhumvit Road (Old Line), Takham Sub-District, Bangpakong District, Chachoengsao Province 24130, Thailand, Telephone: +66 38 573 973, Facsimile: +66 38 573 365

3 rd Branch	No. 87, Moo 3, Sukhumvit Road (Old Line), Takham Sub-District, Bangpakong District, Chachoengsao Province 24130, Thailand, Telephone: +66 38 573 975-6, Facsimile: +66 38 573 329
4 th Branch	No. 2, Moo 2, Sukhumvit Road (Old Line), Takham Sub-District, Bangpakong District, Chachoengsao Province 24130, Thailand, Telephone: +66 38 573 003
5 th Branch	No. 301, Moo 8, Pimai-Huay Thalaeng Road, Naimueang Sub-District, Pimai District, Nakhon Ratchasima Province 30110, Thailand, Telephone: +66 44 471 368-9, Facsimile: +66 44 471 789
6 th Branch	No. 136, Moo 12, Natal Sub-District, Thakhantho District, Kalasin Province 46190, Thailand, Telephone: +66 43 877 087 and +66 43 877 053, Facsimile: +66 43 877 032
7 th Branch	No. 2, Moo 1, Banglane-Dontoom Road, Banglane Sub-District, Banglane District, Nakorn Pathom Province 73130, Thailand, Telephone: +66 34 391 011-4, Facsimile: +66 34 391 015
8 th Branch	No. 222, Moo 5, Udon - Nong Bua Lam Phu Road, Nikhom Songkhro Sub-District, Mueang Udon Thani District, Udon Thani Province 41000, Thailand, Telephone: +66 89 618 9083
9 th Branch	B Tower, No. 8 and 9, No. 308 Moo 1, Middle Ring Road, Nong Phueng Sub-District, Saraphi District, Chiang Mai Province 50140, Thailand, Telephone: +66 91 778 7934
10 th Branch	No. 141, 142, Moo 16, Liang Mueang Road, Roab Mueang Sub-District, Mueang Roi Et District, Roi Et Province 45000, Thailand, Telephone +66 97 139 0691
11 th Branch	No. 105/8, Moo 3, Hua Ror Sub-District, Mueang Phitsanulok District, Phitsanulok Province 65000, Thailand, Telephone: +66 96 414 9644
12 th Branch	No. 44, Moo 4, Nong Mai Daeng Sub-District, Mueang Chon Buri District, Chon Buri Province 20000, Thailand, Telephone: +66 91 824 8008

13 th Branch	No. 32/18, Warehouse (No.6), Moo 3, Watpradoo Sub-District, Mueang Surat Thani District, Surat Thani Province 84000, Thailand, Telephone: +66 84 837 5405
14 th Branch	No. 2, Warehouse H, Moo 5, Nongchabok Sub-District, Mueang Nakhon Ratchasima District, Nakhon Ratchasima Province 30000, Thailand, Telephone: +66 91 760 8029
15 th Branch	No. 21/74, 21/76-77, Thai Wah Tower 1, 5th Floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120, Thailand, Telephone: +66 2 285 0040
16 th Branch	No. 13/39, Moo 13, Bang Phueng Sub-District, Phra Pradaeng District, Samut Prakan Province 10130, Thailand, Telephone: +66 84 745 6789
17 th Branch	No. 199, Moo 10, Hua Nakham Sub-District, Sithat District, Udon Thani Province 41230, Thailand, Telephone: +66 83 812 6942
18 th Branch	No. 105, Moo 19, Nonrang Sub-District, Chumpuang District, Nakhon Ratchasima Province 30270, Thailand, Telephone: +66 44 471 368
19 th Branch	No. 194, Moo 8, Mae Kasa Sub-District, Maesot District, Tak Province 36110, Thailand, Telephone: +66 55 508 852
20 th Branch	No. 193, Moo 8, Mae Kasa Sub-District, Maesot District, Tak Province 36110, Thailand, Telephone: +66 55 508 852
21 st Branch	No.113/44, Warehouse no.15, Moo 1, Thung Sukhla Sub-District, Si Racha District, Chonburi Province 20230, Thailand, Telephone: +66 65 502 5751
22 nd Branch	No. 77, Moo 6, Sukhumvit Road, Ban Chang Sub-District, Ban Chang District, Rayong Province 21130, Thailand, Telephone: +66 38 601 344
23 rd Branch	No.146/5, Moo 1, Bueng O Sub-District, Kham Thale So District, Nakhon Ratchasima Province 30280, Thailand, Telephone: +66 44 397 337-8
24 th Branch	No.408, Warehouse T3-6, Moo 2, Nong Bua Sala Sub-District, Mueang Nakhon Ratchasima District, Nakhon Ratchasima Province 30000, Thailand, Telephone: +66 81 076 8118

Type of Major Business :	Manufacture and distribute tapioca starch products and starch-related products such as vermicelli, noodles and sago
Corporate Registration Number :	0107558000423
Registered Capital Baht :	Baht 880,420,930
Issued and Paid-up Capital :	Baht 880,420,930
Divided into Ordinary Shares :	880,420,930 Shares
Par Value :	Baht 1
Foreign Limit :	Not exceeding 49 percent of total issued and paid-up shares of the Company
Percentage allowed for Thai Trust Fund :	-N/A-
No. of Employees :	2,470 employees (Only employees employed by the Company as at December 31, 2021)

Nature of Business

Revenue Structure

The Company's revenue structure of the sale and services to the third party are described as follows:

Products/Services	Revenue					
	2021		2020		2019	
	MB	%	MB	%	MB	%
Starch business revenue						
- Tapioca Starch	4,224	59	3,030	42	3,084	42
- High Value-added Starch	683	10	661	9	812	11
- Modified Starch	1,055	15	872	12	910	12
- Sago	330	5	284	4	291	4
- Glucose	823	11	508	7	648	9
- By products and other	193	3	157	2	112	1
Total Starch business revenue	7,308	102	5,511	77	5,858	79
Food business revenue						
- Vermicelli and Bean Sheet	1,349	19	1,236	17	1,250	17
- Rice Noodle and Rice Vermicelli	287	4	213	3	151	2
- Mong starch and other starch	120	2	106	1	46	1
- By products and other	13	-	11	-	5	-
Total Food business revenue	1,769	25	1,565	22	1,453	20
Investment in securities						
- Dividend	-	-	10	-	33	-
- Gain from business acquisition	-	-	25	-	-	-
Investment properties						
- Gain on sale of investment property	3	-	18	-	-	-
Other income						
- Service income	28	-	13	-	13	-
- Claim refund from the fire	-	-	-	-	12	-
- Gain on exchange	56	1	16	-	6	-
- Interest income	3	-	11	-	17	-
- Other income	30	1	33	1	33	1
Total	9,197	129	7,203	100	7,424	100

Product information

Characteristics of Products

Core Business

The core business of the Company is divided into a). manufacture of tapioca starch products b). starch-related products such as vermicelli, noodles and sago c). Bioplastics and other products for local and international distribution.

- a. **Tapioca starch products** all of which are manufactured and sold by the Company and its subsidiaries, namely Thai Nam Tapioca Company Limited, D I Company Limited, Thai Wah Alpha Starch Company Limited, Tay Ninh Tapioca Joint Stock Company and Tapioca Development Corporation Limited. The Company's products in this category includes tapioca starch, glucose syrup, modified starch, sago, alpha starch, rice flour and rice starch.

Tapioca starch

Tapioca starch is a product derived from cassava roots. Apart from direct consumption, tapioca starch has many other uses in the food industry. Tapioca starch is an ingredient in seasoning powder (MSG) and sweetener products, and has many uses in other industries, including the paper and textile industries.

The Company and its subsidiaries have a total of 6 tapioca manufacturing plants in different regions of Thailand. These plants have been awarded international certification standards under, ISO 9001:2015, ISO 14001:2015, GMP (Good Manufacturing Practices), HACCP (Hazard Analysis and Critical Control Points), USFDA (United States Food & Drug Administration), FSSC 22000, the Halal and Kosher standards.

Apart from the above, the Company have 2 tapioca manufacturing plants in Vietnam that it had jointly invested with Tay Ninh Sugar Joint Stock Company and established (1) Tay Ninh Tapioca Joint Stock Company (originally known as Tay Ninh Tapioca Company Limited) (TNT) in Tay Ninh city located in Vietnam to manufacture tapioca starch, organic tapioca starch, glucose syrup, organic glucose syrup, rice flour and organic rice flour for organic products. These are all high value-added products sold both locally and internationally. Furthermore, the Company has also been awarded FSSC2200, Kosher, Halal, NOP and EU. (2) The Company invested through Asia Tapioca Products Company Limited to establish Vietnam Tapioca Company Limited located in Tay Ninh province, Vietnam, to produce tapioca starch for domestic and international sales.

Glucose syrup

Glucose syrup is made from hydrolysis of starch and its character is sticky viscous clear liquid, slightly sweet and colorless. It is used as an ingredient in many food products such as candy, toffees, jam, juice powder, ice cream, creamer and other beverages, which are manufactured by TNT, a subsidiary of the Company located in Tay Ninh, Vietnam.

TNT's glucose syrup products are widely recognized and trusted by consumers for its quality and product standard. Furthermore, the factory has been awarded FSSC 22000 (Food Safety System Certification 22000), GMP standards, HACCP, HALAL, KOSHER and FSMA which are the certification of food safety systems during the manufacturing process including USDA, NOP and EU standards for organic products. Currently, organic glucose syrup is very popular in the European and American markets.

Modified starch

Modified tapioca starches can be used for several industrial applications including food industry, paper industry and others. This is produced by Tapioca Development Corporation, a subsidiary company located in Baan Chang District, Rayong province, for both local and foreign markets. The key export markets are China, Japan, South Korea, Indonesia and other countries in East Asia and ASEAN region.

Sago

Sago (or tapioca pearls) is another food product derived from tapioca starch. Sago is widely popular among consumers both locally and in other East Asian countries such as China and Taiwan and it is also exported to Europe and the United States of America because sago can be used in cooking savoury dishes as well as desserts, which underpin the upward trend of sago consumption.

Currently, the Company has further developed its sago product line to offer more variety, producing Roselle sago and Pandanus sago, allowing consumers the opportunity to select from products that are different and new. Furthermore, new recipes have been developed for both savoury dishes and desserts. The recipes are available to consumers as "recommended recipes" for greater variety, convenience, and speed. Examples of new recipes include boiled sago dumplings (in place of the traditional method of steaming), tapioca pearls mixed with coriander roots, garlic & pepper, the jade pearls, and the sea pearls, all of which use large tapioca pearls for preparation.

Additionally, a new product called Tiny Pearls has been developed for easy cooking, i.e. by pouring hot water into tiny pearls and leaving them for five minutes. This product can be served as an ingredient for breakfast or be mixed with sausages to add texture.

The Company's manufacturing plant for sago products has been awarded international certification standards under the ISO 9001:2015, GMP, HACCP and Halal, which can assure customers of the Company's product quality.

Alpha starch

Alpha starch is a type of tapioca starch that is modified using a physical modification process. Alpha starch is widely used in the industries of aquatic animal feeds, mosquito repellents, and metal casting. Thai Wah Alpha Starch Company Limited (TWAS), a subsidiary of the Company, manufactures and distributes this product with the main markets being Japan and Taiwan.

TWAS currently focuses on the importance of improving product quality and is currently researching methods to manufacture new products to satisfy the market's needs. TWAS also has the capability to manufacture alpha starch according to the chemical formula requirements specific to each industry in keeping with recognized standards. This will enable increased exports, both in terms of volume and value. The alpha starch production factory also received ISO 9001:2015 quality management system certification, GMP and HACCP including the HALAL mark.

Rice flour, Rice starch

Rice flour is a product derived from rice using the water milling process which is a modern technology. Currently Tay Ninh Tapioca Joint Stock Company, located in Vietnam, produces both rice flour and sticky rice flour using good quality raw materials that produces high quality products that have consistent whiteness and suitable viscosity. At present bread, bakeries, noodle products and other types of desserts are mainly produced using wheat flour which are imported at a relatively high price. Therefore, the development of rice flour in Vietnam is quite important because not only can it be exported, but it is also a gluten-free product that can be used as a substitute for wheat flour and is suitable for further processing by the customers. Attention and control are given to each process so that the rice flour manufactured are safe, clean and has a natural Vietnamese rice smell. The same applies for organic rice flour, a flour processed from organic rice that has been field certified. Each production and processing step is handled with care to ensure that the organic products are in accordance with the required standards of USDA, NOP and EU. For the organic products produced by rice flour products, it has been certified by the food safety management system certification FSSC 22000 (ISO 22000, PAS220), Halal food standards (HALAL), Jewish food standards (KOSHER), making the Company's rice flour trustworthy and in demand amongst consumers around the world.

- b. **Vermicelli and noodle products** are manufactured and sold by the Company, with vermicelli as the main product. The raw materials for vermicelli and the other noodle products are pea starch, potato starch, tapioca starch, and rice. The Company's products in this category include vermicelli, rice noodles, rice vermicelli, mung bean starch noodles (Shanghai noodles), noodle kits and instant bean vermicelli and rice noodles.

1. **Vermicelli or glass noodle** can be classified by quality, price and customer's group as follows:



“Double Dragon” brand is a high premium product that meets the lifestyle of consumers who love to cook at home and for those who just started to cook for themselves during the COVID-19 pandemic with the Campaign #MomentDD connecting family members, lovers, and friend through funtastic cooking moment with Double Dragon (DD) Mickey and friends packaging.



“Phoenix” brand is a good quality product, standard pricing with with the key feature of enriching the tastes through each bite.



“Double Kilin” brand is a standard quality product thats easy to cook qualities which answers the requirement of street vendors, whether it is a Yum shop or noodle shop. The selling point is that its soft and sticky and is worth every Baht.

2. **Rice noodle and rice vermicelli** - the Company produces and distributes rice noodle and rice vermicelli in both dry and fresh varieties under the “Double Kilin” brand which is positioned as a quality product with a medium price, focuses on production standard throughout the process in terms of cleanness and hygiene. Types of products under this group are available in various forms such as small-strip rice noodle, Rice noodles for pad thai application, large-strip rice noodle and rice vermicelli.
3. **Mung bean starch noodles (Shanghai noodle)** under “Double Dragon” brand are available in Cut sheet type: a high-quality product, convenient to use, Round sheet type: a high-quality product which can be used in various styles of cooking, and Seaweed Cut sheet type: a high-quality product offering seaweed taste and fragrance.
4. **Tapioca starch and Sago** under the ‘Double Kilin’ and ‘New Grade’ brand, packaged in a retail pack for household consumption or restaurant and packing sacks for sale to industrial plants and leading restaurants that uses in large quantities.
5. **Asian Inspired Noodle Kits** under the “Double Dragon” brand which is suitable for the lifestyle that prefers a convenient and tasty meal that can be cooked by themselves.

6. **Instant bean vermicelli and rice noodles** under the “Double Dragon” brand that comes in various flavors and are easily available, are targeted at young consumers and working-class groups.

- c. **Bioplastics and other products** Bioplastics materials and compound under “Roseco” brand. Thai wah would be as the first pioneer in Asia for Tapioca based bioplastics in commercial scale. Roseco product portfolio, which is developed from starch, would include materials to compound to serving biodegradable and compostable packaging and plastics in Thailand and global market. The initiative would enable the national “Bio Circular Economy” public and private partnership initiative to solve plastic waste and carbon footprint emission.

“RosEco” Bioplastic production is located and planned for initial 3,000 tons manufacturing in 2022 at Banchang, Rayong, which the product quality and sustainable is complied under ISO 9000 standard.

Non-core business

- a. **Investment in real property**

The Company and its subsidiaries had invested in real property by possessing many pieces of land with great investment prospects in almost all regions of Thailand (i.e. in the north, upper part of the northeast, central, east, and west). Land investment represents less risk than investment in other assets because land is unlikely to depreciate. The Company expects to derive returns from a higher selling price which is expected to increase in the future as Thailand’s economy improves. Currently, the Company and its subsidiaries have no development plans for such properties.

- b. **Investment in Ordinary Share**

The Company has invested in the ordinary shares of Laguna Resorts & Hotels Public Company Limited and Tropical Resort Limited and is currently holding 2.09 percent and 19.80 percent of the total paid-up capital of each company, respectively. The purpose of investing in these non-core businesses is to diversify the Company’s business risks. By investing in such ordinary shares, the Company expects to derive returns in the form of dividends.

Marketing and Competition

Target customers

- a. **Products under tapioca starch category:** The Company distributes products under this category both locally, which accounts for approximately 20 percent, and internationally, which accounts for approximately 80 percent.

The classification of customers are as follows:

Tapioca starch

The tapioca products are exported to many countries around the world, including China, Taiwan and the United States of America under the “Rose Brand” trademark. Some parts of this product line are also distributed locally.

Glucose syrup

The Company has a factory producing glucose syrup products in Vietnam, most of which are locally distributed of approximately 64 percent and exported to other countries such as Europe and America.

Modified starch

Approximately 30 percent of the modified tapioca starch products are sold locally within the country and approximately 70 percent are exported to Asian countries, including Europe and the United States.

Sago (tapioca pearls)

This product is mainly exported to East Asian countries such as China, Taiwan and some products are distributed to Europe and the United States, as well as being distributed locally.

Alpha starch

Alpha starch is exported internationally to Japan, Europe, and Taiwan. Some products are sold in the local market as well.

Rice flour, Rice starch

In the past year, the Company sold its rice flour, rice starch domestically

- b. **Products under the vermicelli and noodle category** are distributed both locally and international and the sales ratio are as follows:

- **Local market**

The Company’s local sales account for 83 percent of total sales for all the products under this category. Local customers mainly comprise of wholesale stores and the proportion of sales is 65 percent from the total sales.

- **Export market**

The Company's export sales account for 17 percent of total sales for all the products under this category. The Company exports to several countries such as Asia region countries, European Union, and the United States of America.

Distribution channel

- a. **Marketing of tapioca starch products** : In the previous year, the Company's marketing activities focused on the food industry, instead of the paper and textile industries because of the higher pricing in the tapioca starch food industry.

Regarding distribution channels, the Company directly exports its products to food manufacturers. Some products were indirectly sold through local dealers in the importing countries. In addition, the company has established PT Thai Wah Indonesia as the base for distribution of "Rose brand" products to customers in Indonesia and the starch are also exported from Indonesia to Vietnam and China.

- b. **Marketing of vermicelli and noodle products:**

As for local market, the Company sells its products through various channels including wholesalers, retailers, department stores, superstores, supermarkets, convenience stores, cash vans, restaurants nationwide, industrial clients and selling online.

As for international markets, the Company exports through local agents to several countries in the Asia regions, the European Union, and the United States of America.

Competition

- a. **Tapioca starch products**

Competition in international markets is quite intense. In addition to local competitors, the Company must compete with foreign manufacturers in ASEAN countries such as Vietnam and Cambodia which have the advantage of lower costs when compared to Thailand. The Company's strategy is to focus on selling products in markets which prefer consistent quality over prices. Competitive environment: In previous years, there were 4-5 competitors whose capacity was equal to or greater than the Company's. While competitors adopted a competitive low-price strategy, the Company pursued the strategy of quality and punctuality of delivery, which are very important in international markets. The Company's strengths include its reputation, quality, punctuality of delivery, and brands, including the "Rose brand" trademark which has been well recognized in the food industry particularly in China and Taiwan.

The COVID 19 pandemic caused the recession of global economy considerably while the export volume of tapioca in Thailand in 2021 grew significantly compared to 2020,

coupled with the depreciation of the Thai Baht against the US dollar and CNY which resulted in the increase of the export value. However, China's demand for tapioca starch from Thailand had increased while their import volume from Vietnam declined, since the offering price was similar to that of Thailand's.

In 2021, the price of tapioca starch increased from approximately USD 425-475/ton FOB Bangkok in 2020 to approximately USD 475-490/ton FOB Bangkok, at the same time the price of tapioca roots had also increased. China's corn starch stock also rose but not sufficient to meet the expected demand of approximately 272 million tons, coupled with a rise in corn prices of 2,374-2,930 CNY per ton, while China's tapioca prices were around 2,100- 2,120 CNY per ton, which was lower than the corn price, resulting in China continuing to substitute tapioca products as raw materials for producing alcohol instead of corn. The Thai tapioca starch export volume in 2021 was approximately 4.84 million tons, a 27.1 percent increase from 2020, which was approximately 3.81 million tons, while the export value of tapioca starch in 2021 increased by 34.3 percent compared to 2020.

***Remark :** The volume and value of tapioca export referred from Thai Tapioca Starch Association and customs department.

b. Vermicelli and noodle products

- **Vermicelli**

Industry situation

Overall, the vermicelli industry in Thailand has 2-3 large scale competitors and 10-15 medium to small scale competitors. Even though the vermicelli products often look similar on the outside but in fact, they are significantly different in terms of quality, properties, texture and pricing. Each manufacturer is constantly trying to develop and offer products that meets the requirements of consumers, whether in the form of Low Glycemic Index Bean vermicelli, ready-to-cook Vermicelli, instant Vermicelli. Apart from that it also meets the requirement of restaurants entrepreneurs as it comes in various sizes for ease of use at different types of restaurants. The local consumption of vermicelli is estimated to be in the range of 38,000-40,000 tons per year or Baht 3,550-3,600 million in value. The Company is the largest vermicelli manufacturer in Thailand producing many different types of vermicelli with a total production capacity of 23,000 tons per year.

Growth rate

Even though in the year 2021 there was a continuous COVID situation, the overall vermicelli market had an average annual growth rate at approximately 5 percent per year because vermicelli is a food that can be easily cooked at home and variety menus can be made from it. It is also good for health among consumers of all genders and ages.

Competition

Since production of vermicelli is rather simple, there are many manufacturers in the market. Competitions however are mainly on price and on distribution and product quality. Quality varies to suit different customer segments in different locations. Consumers generally trust a particular brand. Competition dimensions in the vermicelli industry can be summarized as follows:

o Price competition

Each producer usually sets its selling price in line with market prices, marketing promotions, in order to be accepted by the consumers for capturing maximum market share.

o Creating new market segment

New products such as fresh vermicelli, straight cut vermicelli, instant vermicelli and noodle kits are introduced to give convenience and meet consumer demand.

o Substitute goods

Currently, no product can directly substitute for vermicelli since it has its own unique characteristics but there are similar food products such as rice vermicelli, egg noodles, or rice noodles.

- **Noodles**

Industry situation and market share

Noodles are one of the most favored dishes among Thais and other East Asian people following from rice. The Company estimates that the market size for rice noodles and rice vermicelli, including Thai rice noodle (Kanom Jeen), is approximately 350,000-370,000 tons per year or for value of approximately Baht 15 billion. This is 10 times more volume than vermicelli, and approximately 5 times more value. Given that the market for rice noodles and rice vermicelli including Thai rice noodle is growing both locally and overseas and given the Company's existing large customer base in the vermicelli market, the Company decided to expand its business into the rice noodle and rice vermicelli market by manufacturing and distributing small-strip rice noodles and rice vermicelli on a trial basis in 2009 and in 2010 respectively with the total capacity of 2,000 tons per year. The Company was very successful in entering this market as evidenced by the continuous growth since the commencement of the operation which increased by over 100 percent per year since inception. As a result, the Company decided to expand the production of noodles and rice vermicelli by building a new factory in the same area as the vermicelli factory at the end of 2015, with the initial production capacity of 9,900 tons per year. The Company's rice noodle and rice vermicelli products comprised of both fresh and dry rice noodle and rice vermicelli. In 2021, the proportion of sales was approximately 50 percent for the local market and 50 percent for the international market.

c. **Bioplastics**

- **Thermoplastic starch and its compound**

Industry situation

“Work and Study from Home” and “New Normal”, this would drive the huge ever consumption of single use packaging and cutlery from delivery and take-away, plastic waste need the sustainable resolution.

Global and Thailand awareness and momentum has been recently tremendously high due to concern on global warming, environment chronic waste, direct health effect due to microplastic, thus government in many countries have stipulated the single use plastic ban and/or consuming less with recyclable and /or biodegradable/ compostable materials. Penalty and incentive program have been rolled out and planned in series for almost all countries.

Large corporation and retails have responded to those trends by setting goals commitment for carbon neutral and less conventional plastics, R&D and operation pursue the greener solution e.g. recyclable & mono materials, upcycling of biomass and waste, biodegradable and compostable solution.

Thai Wah RosEco could bring the best performance and achieve the highest level of compostability call “Home Compost”, therefore we fill the industry needs with “affordable supply and compostable solution”

Growth rate

According to European Bioplastic Association, Bioplastic market share remain 1% in 2021 compared against total plastic consumption, however the demand will surge for more than 10% CAGR 2022-2025. Demand growth is currently mainly limited by available supply and extremely high cost, though after 2025 industry we would project more than 15% global outlook after new Bioplastic production investment completion to unfold the supply availability.

Thailand is considered as 3rd largest Global Bioplastic manufacturing hub, the local consumption/ manufacturing is anticipated to arise, manufacturing head up for more bio content and degradable products on their current platform

Competition

A few years back, it was over supplying but not now. Competition is focusing on the development to replace the conventional plastics with customers.

- o **Price competition**

Price of Bioplastics is in general 2-3 times versus conventional or olefin-based materials like PE and PP, however with regulation and consumer demand these would allow and accommodate for switching from conventional.

- o **Creating new market segment**

Single use packaging like shopping bag, cutlery and trash bag is main segment, while other segments have been gearing up for materials and application development.

Competition

- **Vermicelli**

The marketing strategy for vermicelli focuses on developing new products to meet the lifestyle of consumers from different age groups that have different consumption habits. At the same time maintaining brand recognition, to reach more, both existing customer base and new generation of customers via online media. In 2021, the Company noticed the change in consumers behavior turning towards home-cooked meals even though the COVID situation had improved. The Company launched a campaign #MomentDD connecting family members, lovers, and friend through fantastic cooking moment under the Double Dragon brand Mickey and friends' characters. Apart from the above, the Company uses facebook page of Double Kilin to share video clips of success stories and ideas for resolving different problems of various hawkers such as Yum, noodle and fast foods etc. This serves as a guideline for sustainable business as well as publicity channel for those hawkers via the Double Kilin facebook fan page.

- **Fresh and dry rice noodle and rice vermicelli**

The focus is on research and development of products to meet the different eating habits and cultures in each region while maintaining the good quality production standard right from the raw materials to the production process that is clean and hygienic. The products are easily available at the leading supermarkets. Our products have been certified by BRC certification, making it the first Company to manufacture fresh noodles and fresh vermicelli in Thailand that meets the standard. The Company received certified management system standards ISO 9001:2015, ISO 14000:2015, ISO 45001:2018, as well as GMP, HACCP, USFDA, Organic, HALAL, Social audit (SMETA) and BRC (Global Standard Food Safety) certifications.

In addition, the Company was also the first in Thailand to receive BRC (Global Standard Food Safety) certification for its fresh rice noodle and fresh vermicelli products.

- **Mung bean starch noodle (Shanghai noodle)**

The selling point are the unique texture of mung bean starch noodles and beautifully curled strips that result from being cooked. Moreover, the Company is the first and only manufacturer of premium

quality dried shanghai noodles in Thailand. The Company has been certified for management system ISO 9001:2015, ISO 14000:2015, ISO 45001: 2018 as well as GMP, HACCP, USFDA, HALAL and Social audit (SMETA)

- **Noodle kits and instant bean vermicelli and rice noodles**

In December 2020, the Company launched instant vermicelli products under the Double Dragon Ready brand in 3 flavors: Tom Yum Kung, Boat Noodle and Spicy Soup. Their highlights are the soft and chewy texture of vermicelli together with rich flavors that are sold in convenience stores and online for the consumers convenience to access the products easily.

The Company focuses on producing healthy products that are nutritious and convenient which is suitable for today's changing consumer behavior.

Procurement

a. Tapioca starch products

Production policy

The production process of the Company depends upon the availability of raw materials. The Company will maximize production capacity during the harvest season, which falls during the period of October through April every year. During the harvest period, the price of cassava roots is relatively low compared to other times of the year, so the Company would step up production in order to produce the maximum amount which can either be sold to customers or stored for future sales throughout the year. Towards the end of the harvest season, the price for fresh cassava roots would increase. But with the pending orders from the customers and the profit margin at a satisfactory level, the Company continues with the production for as long as possible.

Production capacity and quantity

The Company and its subsidiaries have a total of 8 tapioca manufacturing plants, 6 of which are in Thailand and 2 are located in Vietnam. The factories in Thailand are in Nakhon Ratchasima, Kalasin, Udon Thani, Kamphaeng Phet, and Tak. The aggregate production capacity of 438,000 tons per year for producing tapioca starch, coarse flour and tapioca pearls and the factory that produces modified starch, located in Rayong, has a production capacity of 60,000 tons per year. As for the factory that produces glucose syrup and rice flour, located in Vietnam, has a production capacity of 50,000 tons and 20,000 tons per year accordingly.

Procurement of products or services

The core element of raw materials used in the manufacturing process is the locally grown fresh cassava roots that are purchased directly from the farmers.

Raw materials and suppliers

Movement in the price of fresh cassava roots depends on the demand and supply, while the selling price of the finished goods increases or decreases depending on the cost of the raw materials. During the year 2021, the average purchase price of fresh cassava roots for the group in Thailand was Baht 2,199 – 2,773 per ton while the price paid by the group in Vietnam was Baht 2,958 – 4,199 per ton.

The Company will purchase the majority of its fresh cassava roots directly from farmers and some from the cassava yards. Where the amount of cassava roots available within the areas close to the factory is not sufficient, the Company will purchase cassava roots from cassava yards in the nearby provinces in order to make up for the shortfall in the amount needed for production.

b. Vermicelli and noodle products

Production capacity

The Company has 1 factory for manufacturing vermicelli and other noodle products. The factory is located at Banglen district, Nakorn Pathom Province on a land plot of 230 rai 3 ngan and 50 square wah and it has a factory floor area of about 48,700 square meters. The total production capacity of vermicelli is approximately 23,000 tons per year and production capacity for the noodle and rice vermicelli is 4,000 tons per year. The production process employs a modern and efficient manufacturing technology which emphasizes quality and safety of the products for the consumer. The production policy is based on production plan which is mainly determined by customer's demand. At present the total capacity utilization rate is approximately 70 percent.

Raw materials

The key raw materials are pea starch, potato starch, tapioca starch, and rice. Because they are agricultural products, raw material prices fluctuate according to season and demand and supply in the market. In some situations, the Company has to stock up on raw materials in order to have sufficient raw materials for production and to maintain the costs of raw materials.

The Company directly and indirectly imports pea starch and potato starch through distributors in the EU and China. As such, exchange rates have a direct impact on the cost of imported starch.

The Company does not exclusively depend on any particular manufacturer or distributor, managing supply risk by purchasing raw materials from several local and overseas suppliers.

Environmental Impacts

a. Tapioca starch products

During the manufacturing of tapioca starch, waste water are resulted from the washing of the fresh cassava roots and starch. Discharge of these waste water has the potential to adversely impact the environment and disturb the surrounding local communities. With great concern over the impact this may cause, the Company established a waste water treatment system which uses the LAGOONING technique. The Company's lagooning system was designed by certified engineers and consists of an anaerobic pond and an oxidation pond. All the wastewater from the cassava starch production must be 100% treated before reusing in agriculture, utilities, production processes and biogas system.

The Company's great concern for the environment resulted in its responsibility towards sustainable environment throughout the production process in order not to create negative environmental impacts and the use of limited resources for maximum benefits. The Company resulted in the installation of a biogas system at the manufacturing plant of its subsidiary in Vietnam which was completed in 2011 and has developed the waste water treatment system to meet the high production standards. The factory also became a prototype for government agencies in Tayninh or private sector to use as a case study on the wastewater treatment system in a tapioca starch factory. As for the biogas system at the factories such as Kalasin province, Nakhon Ratchasima province and at a subsidiary's plant in Udon Thani province. In the system, biogases that are derived from the treatment ponds can be used as a substitute for furnace oil in the manufacturing procedure. Biogas is an energy-saving initiative and is effective in reducing the consumption of natural resources. Using biogas can reduce the amount of greenhouse gas emitted into the atmosphere and minimizes the unpleasant smell from waste water treatment ponds that could affect the environment of the surrounding local communities. The Company's and its subsidiaries' factories have been improving the wastewater treatment system in order to achieve high production standard whereby the factory located in Nakhon Ratchasima, Kalasin and Udon Thani province had test run the system since October 2018, November 2018 and September 2019 accordingly.

The Company has begun using the remaining biogas from the production to generate electricity that can be used within the factories. Currently there are 2 power plants. The first one is located in Udon Thani and the second is in Kalasin which started operation since April 2018 and September 2019 accordingly.

b. Vermicelli and noodle products

Vermicelli and rice noodle production and their by-products can be sold entirely and hence there is no significant problem of waste in the production. The wastewater from the production process are treated by the lagoon system which uses a natural treatment process and therefore its operating and maintenance costs are rather low.

Besides an effective wastewater treatment system, the Company also uses solar energy to reduce the use of electricity in production and greenhouse gas emissions into the atmosphere, including the use of paper packaging that was invented and developed from the concept of environmental conservation (Green Carton) to replace the original paper box 100% as well.

Assets used in business undertaking

The important characteristics of the core assets used by the Company and its subsidiaries in business operations.

Below are the details of the core assets of Thai Wah Public Company Limited (“the Company”) and its subsidiaries as at December 31, 2021:

Land

Location	Size (Rai-Ngan-Sq.)	Ownership	Purpose	Net Book Value (MB)	Obligations
Banpakong District, Chachoengsao	27-2-58	TWPC	Warehouse	2	-
Ban Chang District, Rayong	135-0-29.7	TWPC	Factory and warehouse	1	-
Pimai District, Nakhon Ratchasima	218-0-66	TWPC	Factory and warehouse	6	-
Banglane District, Nakorn Pathom	230-3-50	TWPC	Factory and warehouse	237	-
Mueang District, Udon Thani	450-3-89	TN	Factory and warehouse and provide rental service to Thai Wah Bio Power Limited for using as a power plant and some wastewater treatment ponds.	6	(1)
Khanu Woraklaksaburi District, Kamphaeng Phet	181-3-22	DI	Factory and warehouse	2	-
Banpakong District, Chachoengsao	50-0-80	BPT	Provide rental service to the Company for using as warehouse	90	-

Location	Size (Rai-Ngan-Sq.)	Ownership	Purpose	Net Book Value (MB)	Obligations
Thakanto District, Kalasin	329-1-25	TS1989	Provide rental service to the Company for using as factory and warehouse	4	-
Sithat District, Udon Thani	8-0-2	TS1989	Tapioca Yard	1	-
Banpakong District, Chachoengsao	9-3-48	BT6	Provide rental service to the Company for using as warehouse	21	-
Mueang District, Udon Thani	184-3-22	TN1	Provide rental service to Thai Nam Tapioca Company Limited for using as wastewater treatment site and to Thai Wah Bio Power Limited for using as a power plant and wastewater treatment ponds.	1	-
Ban Chang District, Rayong	41-3-25.4	TW6	Factory and warehouse	29	-
Maesot District, Tak	375-3-35	TWPC	Factory and warehouse	188	-
				588	-

Remark : (1) Mortgaged with financial institutions as collateral for Thai Nam Tapioca Company Limited's credit facilities amounting to Baht 270 million.

Building

Location	Ownership	Purpose	Net Book Value (MB)	Obligations
Banpakong District, Chachoengsao	TWPC	Warehouse	4	-
Thakanto District, Kalasin	TWPC	Factory and warehouse	149	-
Pimai District, Nakhon Ratchasima	TWPC	Factory and warehouse	120	-
Banglane District, Nakhon Pathom	TWPC	Factory and warehouse	338	-
Mueang District, Udon Thani	TN	Factory and warehouse	140	(1)
Pimai District, Nakhon Ratchasima	TWAS	Factory and warehouse	3	-
Khanu Woraklaksaburi District, Kamphaeng Phet	DI	Factory and warehouse	12	-
Mueang District, Udon Thani	TWBP	Power plant	30	-
Vietnam	TNT	Factory and warehouse	36	-
Ban Chang District, Rayong	TDC	Factory and warehouse	84	-
Vietnam	TWVC	Factory and warehouse	31	-
Maesot District, Tak	TWPC	Factory and warehouse	173	-
			1,120	

Remark : (1) Mortgaged with financial institutions as collateral for Thai Nam Tapioca Company Limited's credit facilities amounting to Baht 270 million.

Other fixed assets

Type of Assets	Net Book Value (MB)
Land improvement	24
Office building improvements	61
Machineries and equipments – factory	1,404
Furniture, fixtures and office equipment	116
Work in progress	149
Total	1,754

In addition, as at December 31, 2021, the Company has vehicles under finance lease agreements that are other fixed assets which are used in the business operations amounting to Baht 5.5 million.

Machineries and equipment with a book value of more than 10 percent of last year's total assets

- None-

The Company and subsidiaries that investmented in properties

Investment amount in properties

Location	Size (Rai-Ngan-Sq.)	Ownership	Purpose	Net Book Value (MB)	Appraisal Value* (MB)
Pak Kret District, Nonthaburi	13-1-33	TWBP	To develop and sell	64	123
				64	123

Remark : * Appraised by Knight Frank Chartered (Thailand) Co., Ltd. in September 2020

The Company or subsidiaries that have significant intangible assets in its business operations.







Type of Assets	Net Book Value (MB)
Trademark	264
Customer relationship	147
Goodwill	101
Others	99
Total	611


The important trademarks

Trademark Design	Ownership	Purpose	Registration Number / Registered Country	Obligations
	TWPC	Advertising board; architectural model; sticker	Khor 45700 / Thailand	23 May 2016 – 22 May 2026
	TWPC	Tapioca starch; sago; rice flour; glutinous rice flour	Khor 36908 / Thailand	10 Jun 2013 – 9 Jun 2023
	TWPC	Tapioca starch; sago; rice flour; glutinous rice flour	Khor 54655 / Thailand	10 Jun 2013 – 9 Jun 2023
	TWPC	Tapioca starch	190106922 / Thailand	20 Feb 2019 – 19 Feb 2029
	TWPC	Tapioca starch	190106921 / Thailand	20 Feb 2019 – 19 Feb 2029
	TWPC	Flour mix for food; sago; arrow root flour; rice flour; sweet potato starch; kudzu starch for food;	190122079 / Thailand	14 Jun 2019 – 13 Jun 2029
	TWPC	tapioca starch; glutinous rice flour; taro flour	211101894 / Thailand	14 Jun 2019 – 13 Jun 2029

Trademark Design	Ownership	Purpose	Registration Number / Registered Country	Obligations
	TWPC	Sago	Khor 5805 / Thailand	26 Mar 2012 - 25 Mar 2022
	TWPC	Vermicelli	Khor 29952 / Thailand	27 Jun 2014 – 26 Jun 2024
	TWPC	Vermicelli	Khor 29465 / Thailand	27 Jun 2014 – 26 Jun 2024
	TWPC	Vermicelli	Khor 28448 / Thailand	1 Apr 2015 – 31 Mar 2025
	TWPC	Dry vermicelli; fresh vermicelli; bean sheet; mung bean starch; ready-to-eat noodles; ready-to-eat vermicelli	201119423 / Thailand	24 Oct 2019 – 23 Oct 2029
	TWPC	Vermicelli; bean sheet; noodles, rice vermicelli; egg noodle; rice noodle; dried rice noodle; rice flour paste; rice paper; mung bean flour;	171132916 / Thailand	8 Apr 2016 – 7 Apr 2026

Trademark Design	Ownership	Purpose	Registration Number / Registered Country	Obligations
		tapioca starch; rice flour; glutinous rice flour; sago		
	TWPC	Sago; starch for food; tapioca starch for food; rice vermicelli; egg noodle; vermicelli	Khor 107390 / Thailand	3 Oct 2019 – 2 Oct 2029
	TWPC	Tapioca starch; sago; rice flour; glutinous rice flour	1346540 / China	21 Dec 2019 – 20 Dec 2029
泰華玫瑰	TWPC	Tapioca starch; noodles; vermicelli; sago; starch for food, rice	19290185 / China	28 Jun 2017 – 27 Jun 2027
	TWPC	Vermicelli; noodles; phad thai noodle; tapioca starch; sago	32805471 / China	28 Jan 2021 – 27 Jan 2031
	TWPC	Tapioca starch; sago; rice flour; potato starch; glutinous rice flour; modified starch for food; corn starch; other starches	18085853 / EU	25 Jun 2019 – 25 Jun 2029

Trademark Design	Ownership	Purpose	Registration Number / Registered Country	Obligations
	TWPC	Tapioca starch; sago; rice flour; potato starch; glutinous rice flour; modified starch for food; corn starch; other starches	18085860 / EU	25 Jun 2019 – 25 Jun 2029
	TWPC	Tapioca starch; sago; rice flour; potato starch; glutinous rice flour; modified starch	6265985 / Japan	3 Jul 2020 – 3 Jul 2030
	TWPC	for food; corn starch; other starches	6265986 / Japan	3 Jul 2020 – 3 Jul 2030
	TWPC	Rice flour; glutinous rice flour; sago; ready-to-eat noodle; ready-to-eat-vermicelli	48049 / Laos	23 Oct 2020 – 22 Oct 2030
	TWPC	Noodle; vermicelli; starch for food	271928 / Vietnam	18 Nov 2016 – 17 Nov 2026
	TWPC	Noodle; vermicelli; starch for food	271927 / Vietnam	18 Nov 2016 – 17 Nov 2026

Trademark Design	Ownership	Purpose	Registration Number / Registered Country	Obligations
	TWPC	Noodle; vermicelli; starch for food	271922 / Vietnam	18 Nov 2016 – 17 Nov 2026
	TDC	Starch for food	Khor 115769 / Thailand	21 Sep 2018 – 20 Sep 2028
	DI	Tapioca Starch	Khor 88108 / Thailand	31 Mar 2014 – 30 Mar 2024

Company and affiliated companies also own another 51 registered trademarks in Thailand and abroad.

Investment Policy in subsidiaries and associates

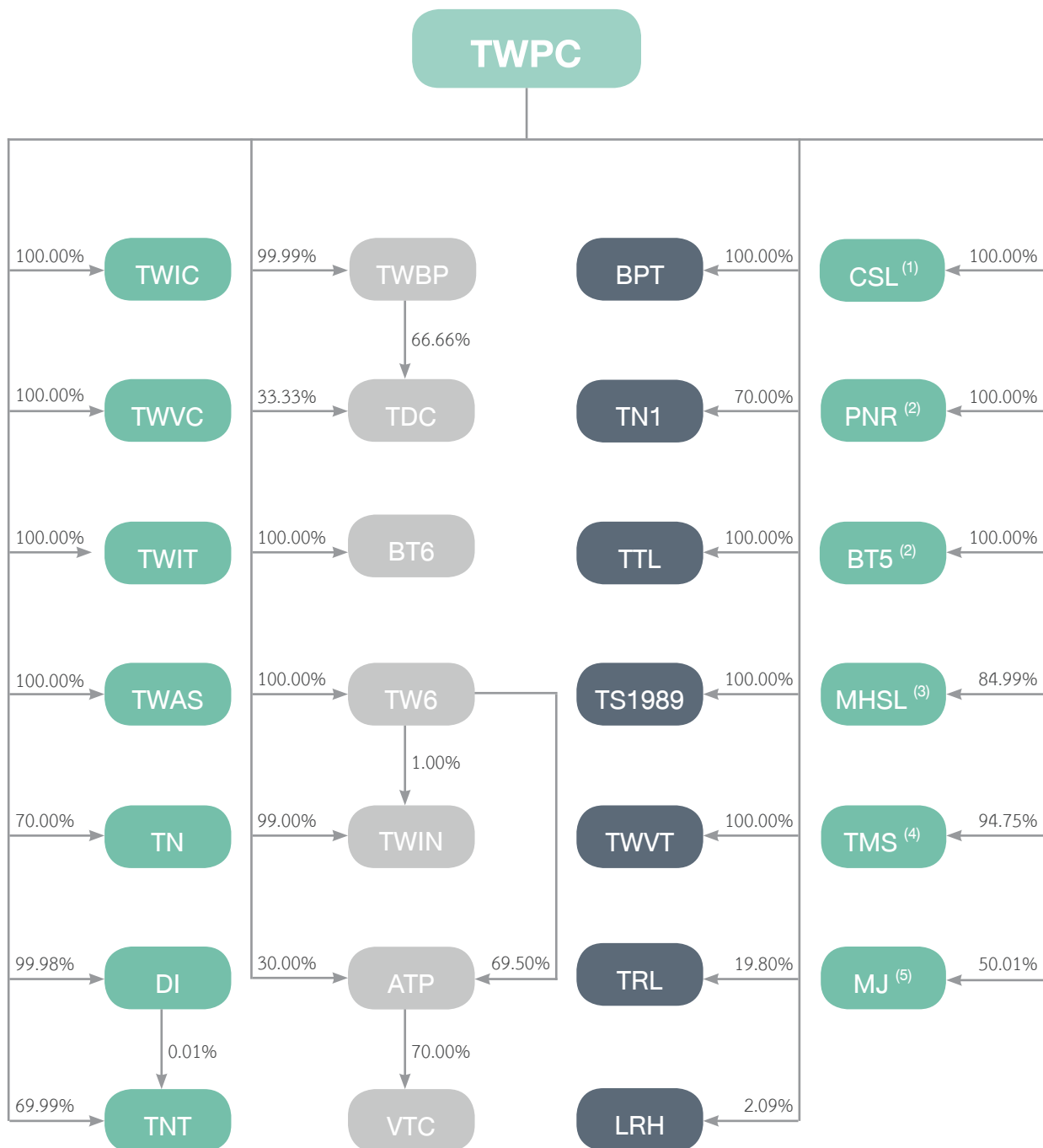
The Company focuses mainly on the production and distribution of tapioca products, vermicelli and noodle including other related products which the Company has expertise and potential in creating long-term growth. The Company has invested directly and through subsidiaries by holding shares in a proportion that enables the Company to manage and set guidelines of the said business. The Company would appoint representatives to serve as directors in subsidiaries and associated companies in order to participate in the formulation of management policies which would be in accordance with the Company's policy effectively. As for investments in subsidiaries and affiliates that did not operate in businesses related to tapioca and food products, these were investments made in the past as the Company saw opportunities to make profit in the future. However, there are no policies to make additional investments in any non-core businesses.

Undelivered Projects

-None-

Shareholding Structure of the Company

As at December 31, 2021



Remark :

- (1) = Registered the dissolution with the Department of Business Development, Ministry of Commerce on April 29, 2020
- (2) = Registered the dissolution with the Department of Business Development, Ministry of Commerce on March 12, 2021
- (3) = Registered the dissolution with the Department of Business Development, Ministry of Commerce on June 10, 2021
- (4) = Registered the dissolution with the Department of Business Development, Ministry of Commerce on October 1, 2021
- (5) = Dormant

Subsidiaries and Related companies in which the Company has shareholding exceeding 10 percent

Company	Type of Business	Registered Capital (Baht)	Par Value (Baht/ Share)	Paid-up Capital (Baht)	Shareholding Proportion (Direct & Indirect) (%)
Thai Wah Vietnam Company Limited Lot C1-6 (Lo C1-6), Street N8, Zone C1, Tan Phu Trung Industrial Park, Tan Phu Trung Commune, Cu Chi District, Ho Chi Minh City, Vietnam	Manufacture and distribution of food products (Vermicelli and other products)	VND 67,893,000,000	-	VND 67,893,000,000	100.00
TWPC Investment (Cambodia) Company Limited Osrâmâ Village, Trâpeang Tao Commune, Anlong Veng District, Oddar Meanchey Province, Cambodia	Manufacture of tapioca starch	KHR 12,000,000,000	KHR 4,000	KHR 12,000,000,000	100.00
Thai Wah International Trade (Shanghai) Company Limited Room 2007, 2 nd floor, Building 1, No.310 Fa Sai Road, Pilot Free Trade Zone, Shanghai, China	Trading of goods	CNY 1,000,000	-	CNY 1,000,000	100.00
PT. Thai Wah Indonesia Level 38, Tower A, Kota Kasablanka, Jl. Casablanca Raya Kav 88, Jakarta, 12870, Indonesia	Trading of goods	Rp 10,000,000,000	Rp 1,000,000	Rp. 5,000,000,000	100.00

Company	Type of Business	Registered Capital (Baht)	Par Value (Baht/ Share)	Paid-up Capital (Baht)	Shareholding Proportion (Direct & Indirect) (%)
Thai Wah Alpha Starch Company Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Manufacture of alpha starch	18,000,000	100	18,000,000	100.00
Bang Thao (6) Company Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	21,500,000	100	21,500,000	100.00
Chiang Saen Land Company Limited ⁽¹⁾ Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	75,000,000	100	75,000,000	100.00

Company	Type of Business	Registered Capital (Baht)	Par Value (Baht/ Share)	Paid-up Capital (Baht)	Shareholding Proportion (Direct & Indirect) (%)
Thai Sin Tapioca (1989) Company Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	5,000,000	100	5,000,000	100.00
Tha Thungna Land Company Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	15,000,000	100	15,000,000	100.00
Bangpakong Turakij Company Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	91,000,000	100	91,000,000	100.00

Company	Type of Business	Registered Capital (Baht)	Par Value (Baht/ Share)	Paid-up Capital (Baht)	Shareholding Proportion (Direct & Indirect) (%)
Thai Wah (6) Company Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	69,000,000	100	69,000,000	100.00
Bang Thao (5) Company Limited⁽²⁾ Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	19,500,000	100	19,500,000	100.00
Phang Nga Resorts Limited⁽²⁾ Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	30,600,000	100	30,600,000	100.00

Company	Type of Business	Registered Capital (Baht)	Par Value (Baht/ Share)	Paid-up Capital (Baht)	Shareholding Proportion (Direct & Indirect) (%)
Thai Wah Ventures Company Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Holding company	100,000,000	1,000	25,000,000	100.00
Thai Wah Bio Power Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Generate and sale of electricity	450,000,000	1,000	450,000,000	99.99
Tapioca Development Corporation Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0281	Manufacture and distribution of modified tapioca starch	50,000,400	100	50,000,400	99.99

Company	Type of Business	Registered Capital (Baht)	Par Value (Baht/ Share)	Paid-up Capital (Baht)	Shareholding Proportion (Direct & Indirect) (%)
D I Company Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Manufacture of tapioca starch	10,000,000	1,000	10,000,000	99.98
Asia Tapioca Products Company Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Holding company	140,000,000	100	105,250,000	99.50
Thai Modified Starch Company Limited ⁽³⁾ Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Dormant	40,000,000	1,000	10,000,000	94.75

Company	Type of Business	Registered Capital (Baht)	Par Value (Baht/ Share)	Paid-up Capital (Baht)	Shareholding Proportion (Direct & Indirect) (%)
Mae Hong Son Land Development Limited ⁽⁴⁾ Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	2,000,000	100	2,000,000	84.99
Thai Nam Tapioca Company Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Manufacture of tapioca starch	86,600,000	100	86,600,000	70.00
Thai Nam Tapioca (1) Company Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Landholding	1,000,000	100	1,000,000	70.00

Company	Type of Business	Registered Capital (Baht)	Par Value (Baht/ Share)	Paid-up Capital (Baht)	Shareholding Proportion (Direct & Indirect) (%)
Tay Ninh Tapioca Joint Stock Company Tan Binh Hamlet, Tay Ninh City, Tay Ninh Province, Vietnam	Manufacture of tapioca starch, glucose and candy	VND 112,081,200,000	VND 10,000	VND 112,081,200,000	70.00
Vietnam Tapioca Company Limited 043 Cau Hamlet, Tan Phong Commune, Tan Bien District, Tay Ninh Province, Vietnam	Manufacturer of tapioca starch	VND 75,778,422,475	-	VND 75,778,422,475	70.00
Mae Joe Land Company Limited Thai Wah Tower 1, 6 th Floor, No. 21/11, 21/13 South Sathorn Road, Tungmahamek, Sathorn, Bangkok 10120 Thailand Telephone +66 2 285 0040 Facsimile +66 2 285 0255	Dormant	3,000,000	100	3,000,000	50.01
Tropical Resorts Limited 22 nd Floor, Man Hing Commercial Building, 79-83 Queen's Road, Central, Hong Kong Telephone +65 6849 5888 Facsimile +65 6849 5713	Resort investment and development	USD 21,000,000	USD 1	USD 21,000,000	19.80

Remarks:

- (1) Registered the dissolution with the Department of Business Development, Ministry of Commerce on April 29, 2020
- (2) Registered the dissolution with the Department of Business Development, Ministry of Commerce on March 12, 2021
- (3) Registered the dissolution with the Department of Business Development, Ministry of Commerce on October 1, 2021
- (4) Registered the dissolution with the Department of Business Development, Ministry of Commerce on June 10, 2021

Parties with Conflict of Interest

-None-

Relations with Major Shareholders' Business Group

-None-

Shareholders

Major Shareholders as at December 30, 2021*

Name of Shareholders		No. of Shares Held	Total No. of Shares Held	% of Shareholding
1.	Mr. Ho KwonPing Group		108,449,979	12.32
	- Mr. Ho KwonPing	56,740,573		
	- KAP Holdings Limited	45,976,945 ⁽¹⁾		
	- Bibace Investments Ltd.	5,278,500 ⁽²⁾		
	- MDM. Chiang See Ngoh	453,961		
2.	Chang Fung Company Limited ⁽³⁾	89,093,634	89,093,634	10.12
3.	Laguna Resorts & Hotels Public Company Limited ⁽⁴⁾	88,347,051	88,347,051	10.03
4.	Mr. Ho KwonCjan Group		63,755,859	7.24
	- Mr. Ho KwonCjan	34,416,488		
	- Li-Ho Holdings (Private) Limited	29,339,371		
5.	Thai NVDR Company Limited ⁽⁵⁾	41,161,586	41,161,586	4.67
6.	International Commercial Development Company Limited Group		39,248,150	4.46
	- International Commercial Development Company Limited ⁽⁶⁾	34,708,545		
	- ICD (HK) Limited	4,539,605		
7.	Bualuang Basic Dividend LTF	36,958,000	36,958,000	4.19
8.	Dawina Investments Ltd.	21,879,072 ⁽⁷⁾	21,879,072	2.49
9.	Mr. Kittiwuth Vathanakamsang	19,356,258	19,356,258	2.19
10.	Bualuang Basic RMF	13,130,700	13,130,700	1.49
Other Minority Shareholders		359,040,930	359,040,930	40.78
Total		880,420,930	880,420,930	100.00

Remarks:

* As at the latest book closing date

- (1) Including 38,733,163 shares held by Credit Suisse AG, Singapore Branch on behalf of KAP Holdings Limited.
- (2) The Company's shares are being held by the Hongkong and Shanghai Banking Corporation Limited, Singapore Branch.
- (3) Company registered overseas as a general investment business.
- (4) Listed on the Stock Exchange of Thailand as a hotel and property development business.
- (5) Shareholders of Thai NVDR Company Limited who hold the Non-Voting Depository Receipt (NVDR), are ineligible to vote at shareholders' meeting except in the case of exercising their voting rights on the delisting of shares from SET.
- (6) Company registered in Thailand as a property rental business.
- (7) Including 11,501,290 shares held by Credit Suisse AG, Singapore Branch on behalf of Dawina Investments Ltd.

Amongst the major shareholders, the Company does not have any shareholding agreement which might affect its issuance and offer for sale of securities or the business operations.

Registered and Paid-up Capital

Ordinary Shares

The Company's registered capital is Baht 880,420,930, which had been paid in full, comprising of 880,420,930 ordinary shares with a par value of Baht 1 per share.

Other Types of Shares with Different Terms or Rights from Ordinary Shares

-None-

The Company's Shares or Convertible Securities as Underlying Securities for Thai Trust Fund Issuing

-None-

Issuance of Other Securities

Convertible Securities

-None-

Debt Securities

Bonds and Debentures

As at December 31, 2021, the Company issued the bond of Baht 1,000,000,000. The detail is summarized as follows:

Symbol	Issuance Date	Maturity Date	Tenor	Amount (THB million)	Annual Coupon Rate (%) (Payment Frequency)
TWPC224A	April 24, 2019	April 24, 2022	3 years	1,000	4 (semi-annually)

Dividend Policy

1. The Company's Dividend Policy

The Company's Dividend Policy seeks to maximize shareholder value and encourage shareholder loyalty with predictable annual growth in dividend payout which is not impacted by profit volatility. With that objective, the Company's dividend policy is based on the principles of stability, predictability and managed growth, outlined as follows:

- **Stability**
Unless the Company suffers a substantial net loss, it will pay a dividend each year so that shareholders are not negatively affected by annual profit volatility.
- **Predictability**
Shareholders will be able to better anticipate the appropriate level of dividends to expect each year and therefore may be better able to manage their portfolio investment strategy.
- **Managed growth**
The Company will strive to increase and smooth out the dividends year-on-year within a broad band but the specific rate will be dependent on the Company's actual profit performance, cash and cash flow projections.

2. The subsidiary's dividend policy

The subsidiary's dividend policy is subject to its Board of Directors' discretion on the availability of cash after taking into account major capital expenditure and debt repayment obligations in the following year.

Risk Management

Risk Management Policy and Plan

The Company recognizes the importance of corporate risk management by considering several factors such as the expansion of global supply chains, climate change, political risk that impacts the policy and law, the emergence of new technology products, network misconduct and data theft, etc. that may affect the Company's inability to achieve its intended objectives.

The Board of Directors therefore assigned the Audit, Risk and Corporate Governance Committee to inspect, screen, and ensure that the Company has appropriate and effective risk management policy and guidelines, and supervises the risk management working group, also including considering the potential risks in order to prioritize them accordingly. Thus, the Audit, Risk and Corporate Governance Committee has established the acceptable risk level of the business as a guideline for the operation of the risk management process to be in the same direction and ensure that the risk management policy is reviewed regularly.

Furthermore the Board of Directors assigned the Audit, Risk and Corporate Governance Committee to set up the Risk Management Committee in order to evaluate and determine measures to mitigate or prevent the risk of the Company.

The Risk Management Committee has a total of 10 members, comprising of Mr. Ho Ren Hua as the Chairman and other senior management of the Company as the Directors/Members of the Risk Management Committee.

Risk Factors

Current and Emerging Risk Relating to Operating Business

Risk Relating to the Government Policy

The plantation area and tapioca production increased in 2021, partly due to the actions by Ministry of Commerce and Ministry of Agriculture and Cooperatives in providing the price guarantee scheme for the tapioca farmers for consecutive years 2021/2022 by guaranteeing the price of fresh tapioca roots at 25 percent starch content (Baht 2.50 baht per kilogram). The objective was to help alleviate the suffering of tapioca farmers in accordance with government policy during the low price of tapioca roots. The farmers could have a higher earning. The government would pay compensation for the difference between the guaranteed price and the market price to farmers through the Bank of Agriculture and Agricultural Cooperatives. The government had launched the program to increase the efficiency of cassava cultivation as well as the soft loans for collecting cassava and creating value by farmers institutions, etc. On the other hand, if such projects were discontinued, it may impact the plantation which may result in the lower plantation area and production yield of the cassava roots.

The Department of International Trade Promotion, Ministry of Commerce, cooperated with the related cassava association / the private sector of cassava business in order to push its members to set a price

that reflects the real market's need and prevent the dumping of the selling price which in turn would impact the price of fresh tapioca roots. They also cooperated in verifying rumors or faults information that may affect the prices as well as affect others.

Thus, strict regulations related to the quality and verified quantity measures had been issued on the importing of tapioca and tapioca related products from neighboring countries. And such measures has impact on the prices of tapioca and tapioca related products even for the entrepreneurs.

The Company has carried out risk management initiatives to mitigate the impact of unforeseen government intervention by closely monitoring the market situation and the raw materials situation, exchanging information and knowledge with other cassava root buyers in Thailand and other countries, and with other organizations involved in the cassava root industry. This is the best way the Company can be prepared for any government intervention in the future and ensure that its finished products bear competitive costs and generate profits for the Company.

Risk relating to an offshore investment

The Company has entered a joint venture to conduct the tapioca business in Vietnam and Cambodia. Offshore investment is usually exposed to possible risks relating to changes in political conditions, laws, foreign exchange rates, and economy of the relevant country where the investment has been made. An adverse significant change in any of these factors could unfavorably impact the Company's business in such country and could result in the income and profits from the operation of its foreign business to miss the expected target.

The Company's aware of the above country risks and as a result closely monitors news information related to Vietnam and Cambodia and the areas nearby and also exchanges information on a timely basis about the market and economic conditions with other cassava root buyers in Thailand and other countries, and with other organizations involved in the cassava root industry. Furthermore, the Company has embedded a team of its executives to oversee the operation at the subsidiary's plant in Vietnam and requires the team to submit a report on the operating results to the head office in Thailand on a monthly basis.

Risk relating to climate change

In the past year, tapioca cultivated areas experienced minor epidemics of mealy bugs, pest or other plant diseases, the drought affected only certain areas while the flood situation impacted some areas that were the primary cultivation areas. However, such factors were still risk factors affecting the yield of cassava roots which was the Company's main raw material.

The Company has taken measures to reduce the impact of such risk factors. In order to ensure that there is sufficient quantity of cassava root supplied to the factory, the Company closely monitors the flood situation from both government and private sectors. As for the drought situation, the Company conducts survey of the water ponds in the factory and important water sources on a weekly basis

to assess the situation and be well prepared. Moreover the Company has been conducting a study and implemented on recycling and reusing waste water from the production process and also improving the production system to reduce the amount of water consumed as well as storing water for the dry season in order to minimize the impact of droughts and water shortages. The Company cooperates with the local authorities and others in factory locations in allocating sufficient water supply for all relevant sectors / users during water shortage periods.

Risk from the spread of plant diseases and pests

During the previous year, areas cultivating tapioca roots experienced minor epidemics of mealybugs, pests or other plant diseases. Apart from Cassava Mosaic Virus (CMV) which had spread vigorously in Vietnam and Cambodia, the result of which impacted the tapioca industry as there was a shortage of good raw materials that affected the occupation and income of the farmers. For Thailand, only certain areas were impacted by the epidemic. However, if it is not possible to control the outbreak of CMV, it may significantly impact the industry.

Ministry of Agriculture and Cooperatives, Ministry of Commerce, Thai Tapioca Development Institute, 4 Thai Tapioca Associations and the related private sector including the Company has co-operated by taking measures in preventing the epidemics of CMV in Thailand such as area survey, outbreak surveillance, tracking and gathering outbreak data, publicity, dissemination of knowledge, supporting the farmers who were impacted by the disease, enforcement of relevant inspection and control laws in importing tapioca products, development of cooperation networks to prevent the outbreak including development of tapioca stems (resistant varieties). In this regard, the Company collaborated with the Tapioca Development Institute of Thailand Foundation by building green houses to breed healthier stems 20-80 times faster that have good resistance to the CMV virus as well as study the resistant varieties of tapioca stems in Vietnam in order to cope with such virus. The Company formed a team with agronomist for attending the training seminars to disseminate the knowledge to farmers for further monitoring.

Risk from substitute products

Changes in the demand and supply of substitute products such as corn starch and potato starch will cause fluctuation in prices of such products, which in turn will fluctuate the price of tapioca starch as well. With the prices of corn starch increasing or decreasing in China, may affect the prices of tapioca starch as well. In the previous year, corn starch prices in China had increased, resulting in higher prices than tapioca starch. This is one of the factors that caused China to import large quantity of tapioca starch from Thailand.

In order to reduce the impact of the above mentioned risk, the Company closely monitors the market situation and production yields of substitute starches, exchanging of information and knowledge with other cassava root buyers in Thailand and other countries, and with other organizations involved in the cassava root industry. This helps the Company to assess likely price impacts and respond more effectively to any price movements in substitute starches.

Risk from the quantity of raw material (tapioca roots)

The survey results of cassava cultivation from 4 associations (The Thai Tapioca Trade Association, Thai Tapioca Products Factory Association, Northeastern Tapioca Trade Association and Thai Tapioca Starch Association) together with the Office of Agricultural Economics, Department of Agricultural Extension had forecasted that the output of tapioca roots in the year 2021/2022 would be approximately 32.9 million tons or 4 percent higher compared to 2020/2021. The increase in the amount of tapioca roots was due to the increase in cultivation in the vacant lands and switchcrop from sugarcane and maize to tapioca which resulted from the drop in the sugar cane prices and the Fall Armyworm damaging the maize crops. In addition, there was also the incentive from the price guarantee scheme for the tapioca farmers, along with favourable weather conditions for tapioca cultivation and the demand from China for using tapioca chips as a raw material for producing alcohol instead of the expensive maize may increase the prices of tapioca roots. However, the quantity of cassava roots may not be as expected as there might be some damages caused to the cassava crops from the flood in October or drought situation.

The Company has established measures to mitigate the risks in order to reduce the impact of such risks on the volume of tapioca that are released into the market. In the case where the volume of tapioca is either high or low and does not meet the requirement of the factory, the Company has implemented an automatic queuing system for the farmer's convenience as it speeds up the sale of fresh tapioca roots to the factories. This system also assists the factory to estimate the output as well as manage the continuous supply of raw materials. The Company has set up the root station campaign in tapioca cultivated areas where the farmers can sell directly to the Company. This campaign is also for the convenience of the farmers as it saves time and the transportation cost. Moreover the tapioca volume can be monitored via the online system at any time. The Company had implemented incentive programs for motivating the farmers to directly sell tapioca roots to the company with bonuses as a way of giving back the profits to the participating farmers as well as providing knowledge and supporting machineries and equipments and soil improvement materials necessary for cultivation factors, so that farmers could increase their crop output. Also the Company has procured additional cassava plantation in Laos and Cambodia in order to increase the domestic source of tapioca roots. As a result the Company can estimate the quantity of tapioca roots and production planning accordingly.

Risk from new pandemic COVID-19

In 2021, the Corona virus (COVID-19) pandemic situation was lesser compared to 2020, which was the first year that the pandemic had occurred. The sales of tapioca starch business had increased dramatically in China, while customers in other countries were still impacted by the COVID-19 epidemic resulting in a slowdown of orders for tapioca starch.

The COVID-19 pandemic situation inevitably affected both economic and industrial sectors worldwide. However, the Company expects that the situation would improve once the vaccines are distributed amongst the countries, along with the New Normal lifestyle. The demand for tapioca starch, which is the main foundation of the food industry and other industries, are still high.

For the food businesses, the COVID-19 epidemic situation has resulted in lower consumption especially for foreign products which are considered unnecessary. Some customers even switched to cheaper products. In order to overcome such risks, the Company seeks new markets by focusing on customers with high purchasing power, demands for hygienic and high standards products and are health conscious.

Furthermore, another impact from the COVID-19 pandemic on the Company's export was the container freight rates that have soared up very high during this past year. The high freight rates and shortage of containers especially on the EU and US routes, has impacted the delivery schedule of the Company's products since many of its customers are unable to bear the high shipping cost. And it takes more time in finding the containers. The Company also faced reduction in the sales opportunities. Therefore, to maintain continuous supply, the Company has made long-term plans with its key customers. In the past year, the Company has been procuring tapioca starch from Indonesia for exporting to China and Vietnam which helps alleviate some of the problem. The Company is in the process of studying exports by bulk carrier and high-speed train exports from Laos to China and other European countries.

Risk Related to Manufacturing of Products

Fluctuation in raw material prices

- **Tapioca starch products**

The Company is the manufacturer and distributor of tapioca starch products. Cassava roots are the key raw material and accounts for approximately 70-80 percent of the total production cost. The prices of fresh cassava roots fluctuate seasonally, depending on the demand & supply in the market, the climate, and the quantity of roots in each season. Because these factors are beyond the Company's control, the Company faces risk related to its projections of raw material costs and selling price of finished products, and risk related to its ability to manage inventory levels. These risks can directly impact the Company's financial position and operating results.

Therefore in order to mitigate these risks, the Company closely monitors the market situation for raw materials, surveying the cultivation sources in Thailand, Vietnam, Laos, Cambodia and Indonesia in order to exchange information and knowledge with other cassava manufacturers in Thailand and other countries as well as other organizations related to the cassava root industry etc., where its focus is mainly on procuring the raw materials during the peak harvest period when there is a large supply and prices are low. Furthermore, the Company also uses satellites technology for assessing important cassava plantation areas together with other technologies for tracking and forecasting the growth and yield of cassava. In order to guarantee the purchase price of cassava roots in the year 2021, the Company implemented contract farming with farmers who registered to sell cassava to the Company. The purpose of this project would be to create farmer's confidence that there certainly would be a market to purchase their roots. This would also enable the Company to do production planning, cost estimates, better pricing as well as

cementing good relationships and exchanging knowledge, information, news with the local cassava root farmers. This way, the Company would be able to receive good information and forecast on the market trends of cassava roots which would be useful for further planning and managing sustainably.

- **Vermicelli and noodle products**

Raw material is the single highest cost component amounting to approximately 50-70 percent of total production cost. The fluctuation of raw material prices therefore has a large direct impact on the Company's performance. The key raw materials for manufacturing vermicelli and noodle are pea starch, potato starch and rice which are agricultural products whose prices fluctuate according to seasonal availability, and demand and supply in the market.

In view of the above factors, the Company closely monitors the market situation of its raw materials and has established good relationships with its suppliers in order to forecast market trends and be better able to plan and manage its inventories. If necessary, the Company may stock-up raw materials to ensure that there is adequate supply for production and cost stability throughout the year. When market conditions allow, the Company may also consider the option of passing on any unforeseen increase in raw material prices to its customers by increasing the selling price of its products. However, the Company is always very cautious of such a move due to the very competitive and price sensitive nature of the vermicelli market.

The Company directly and indirectly imports or buys pea starch and potato starch through distributors in the EU and China to be payable in both local and foreign currencies. The movement of foreign exchange rates has a direct impact on the cost of imported starch.

Labour shortage

The vermicelli industry is labour intensive, especially in the packing process. Any shortage in the work force may adversely affect the Company's operations. To minimise with this risk, the Company offers competitive wages and attractive welfare benefits to retain and motivate its workforce. As a long-term solution to labour shortage risk, the Company is continually automating its production facilities to reduce its dependence on labour and at the same time improving production capacity and efficiency

Risk Related to Finance

Fluctuations in the foreign exchange rate

The Company's products are mainly exported to other countries, so most of its income is principally linked to the US dollar and CNY. As such, the Company may face risk relating to the fluctuation in the foreign exchange rate, which is caused by the conversion of its sales income denominated in the US Dollar or CNY into the Thai Baht. The downside risk occurs when the US Dollar or CNY depreciates against the Thai Baht, which may result in a decrease in the income to be received in Thai Baht. On the contrary, the Company may obtain an increase in the value of income if the US Dollar or CNY appreciates against the Thai Baht. The appreciation of Thai Baht against US Dollar is resulting in a disadvantage for the Thai exports over its significant international competitors, such as Vietnam, which the currency is weak and is relatively stable exchange rates against the US Dollar.

The Company can partially manage its foreign exchange risk through the natural hedge which means that the Company can reduce the risk of fluctuation in exchange rates by creating a balance between foreign-currency sales revenues and foreign-currency expenditures. In this regard, the Company's main foreign-currency sales revenues are from exported starch while the Company's main foreign-currency expenditures are from imported pea starch and potato starch, which are the main raw materials for producing vermicelli.

Since the portion of export proceeds is greater than that of import expenditures, the Company is required to manage the remaining exchange rate exposure by entering into foreign currency forward sales contracts and regularly monitoring the movement of the foreign exchange rate. Other appropriate financial instruments have also been used to mitigate this risk.

Risk Related to Investment for Shareholders

Risks of uncertain returns on investments for shareholders

The volatility of the Company's share price that may increase or decrease subject to various factors beyond its control includes price of tapioca roots which is the main raw material, changes in various policies, regulations, that affects production or exporting products including the crisis or abnormal situations such as pandemics, wars, etc.

The above-mentioned factors may depress share prices to decrease below than what investors paid for thus exposing investors to risks from uncertain returns on investment.

Risk from dividend affordability below investors' expectation

The Company's dividend payout ratio is subject to several factors, including operating results, capital / investment budget and capital reserve for business expansion, loan repayment, etc. If these factors affect the Company's affordability in paying the dividends in each year, it could risk the payment of dividends at lower rates than investors' expectation. However, to help mitigate

the impact of profit volatility in each year, the Company has a dividend policy that focuses on adding value of investment in the Company in the long run and will payout dividend every year except in the event that the Company suffers from a major loss.

Risk Related to Foreign Securities Investment
(If the Issuer is a Foreign Company)

-None-

Business Sustainability Development

Sustainability Management Policy and Goals

Sustainability Development Policy

Thai Wah commits to “Creating Innovation and Sustainability from Farm to Shelf” better every day by focusing on modern production processes according to international standards based on efficient use of resources and friendly to the community, environment, coherently with creating shared value and sustainable quality of life of all stakeholders.

Sustainability Development Strategy

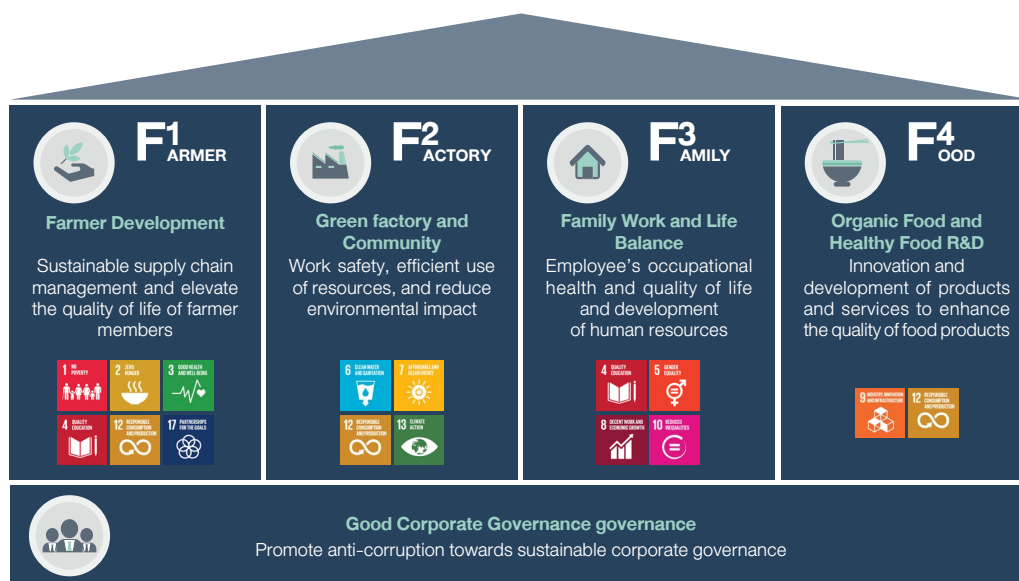
As a pioneer in the agriculture and food industry, Thai Wah strives to operate business with a core mission of delivering food products to consumers throughout the world, covering economic, social and environmental aspects, while being driven by our core purpose to Create Innovation and Sustainability from Farm to Shelf. Corporate social responsibility for corporate sustainability is very crucial to Thai Wah’s growth and business potential. Sustainable development is a key strategy for the Company to achieve our vision, which is to become a regional leader in starch and starch-related food products.

Realizing that the Company’s policy may have a more or less impact to stakeholders, the Company thus focuses on its main strategy to not only deliver products and services that are valuable and safe to customers and consumers, but also has a role and responsibility for setting social and environmental standards for all aspects of operations in the supply chain. Thai Wah’s operations under the sustainability strategy support and drive changes in various fields to promote sustainable development in terms of economy, society, and environment according to its good corporate governance. Moreover, the Company has guidelines to implement the strategy of social responsibility towards sustainability, starting from the procurement of raw materials until the ready-to-consume products.

Thai Wah developed a corporate sustainability development report under the framework of Create Shared Value (CSV), which helped us explicitly identify goals and create the most corporate values. The Company has set 3 sustainable development goals as follows:

- Develop sustainable plants and raw material sources
- Foster thriving and resilient communities with environmentally friendly impact
- Enabling healthier for modern life

The Company sets the operational mission into 4 key strategies includes Farmer Development, Green Factory and Community, Family Work and Life Balance, and Organic Food and Healthy Food R&D. These strategies create appropriate benefits for shareholders, enhance consumer health, as well as occupational health and livelihood of employees, business partners, society, and community in a sustainable manner.



The Company's sustainability report has been disclosed under the heading Sustainability Strategies <https://sdjourney.thaiwah.com/th/home> "Thai Wah Creating Sustainable Shared Value from Farm to Shelf"

Management Discussion and Analysis

Business Overview

COVID-19 pandemic made Year 2021 to be another challenging year, which had impact social and economics worldwide. Even though the severity of new virus variant was lesser than the 2020 wave, this new variant could spread faster which led to COVID cluster. The impact to economics was less severe than the previous year as the COVID control measure was more relaxation than the first wave. The export sector showed strong growth that resulted in clear recovery sign within the countries that were major export destinations. However, signs of recovery were still not good for certain sectors and were under tight control measures or in red zone especially in real estate, service sector and tourism sector.

Although the trend of Thai economy in 2022 was upward but it was a slow pace and below potential growth of economy. This might impact the potential growth of Thai economy in the future through investment and increase of unemployment rate. However, this could be regarded as the beginning of returning to normalcy. After experiencing the coronavirus crisis since 2020, the gross domestic product (GDP) has fallen by 6.1 percent, the lowest contraction in Thai economic history. Meanwhile, the global economy contracted by 3.5 percent. In 2021, the GDP grew at around 1 percent. Although GDP began to show signs of recovery, with supporting factors from an improvement in domestic demand and exports expected to grow by 4.9 percent, there was still a high-risk factor to the Thai economy, such as the new outbreak of COVID-19, the resume of international tourism, the consumer confidence, the economic recovery of the export countries, the coverage of vaccines in Thailand and various measures to help support the Thai economy. Furthermore, both government and private sectors estimated that the Thai economy in 2022 would expand by 2.8–4.5 percent, in alignment with the global economy which was expected to expand 4–5 percent. In addition, the export sector was expected to grow by 3–5 percent before bouncing back to the level of the pre-epidemic period in early 2023, supported by a recovery in service sector activities, consumer confidence in the country and international tourism confidence.

Although the global economic crisis caused widespread damage to all industries, contracting the overall global economy, the export sector still played a key role to recover the Thai economy. The export increased by 16 percent in 2021 (MOC) and continued a good trend in 2022 which aligned with the world economic trend, Thai baht depreciation trend, the alleviation of the global container shortage and commodity prices presumably to rise across all main agricultural communities included tapioca products. Thailand's tapioca starch export volume continued to grow as demand consumption continued to increase. The number of total tapioca starch exports in 2021 grew by 32 percent (Source: Customs Department), while China, where the products were mainly exported, increased by 50 percent compared to the previous year.

However, the agro-industrial economy in 2021 expanded by 1.5 percent due to the improvement in prices of various agricultural products caused by the recovery of the global economy and the relaxation of lockdown measures. As for 2022, the agricultural industry was expected to continue to expand (OAE), with fresh tapioca in the 2021/22 crop was expected to be at 33 million tons, an increase of 4 percent

compared to 2020/21 crops. The supporting factor was due to the increase in rainfall level from the end of 2020 to 2021, which was advantageous to the growth of tapioca as it provided higher yield per rai. Those high yield would cover some loss from crops damaged by flooding in some areas. Moreover, with the measures implemented by the government sector to support farmers affected by COVID-19, such as debt suspension and the Farmers income guarantee Program, including the high price of agricultural products, the farmers were incentivized to increase cultivation which the total output trend to improve. However, there factors were closely monitored by the Company to assess the on-going impact such as damage from flooding in October 2021, shortage of tapioca seedlings, harvesting before the crop, and disease outbreak.

Production Year	Year 2020/21	Forecast 2021/22	Change (%)
Plant area (M. Rai)	9,507,007	9,587,394	0.85
Yield per rai (ton/rai)	3.327	3.438	3.34
Total productivity (ton)	31,632,109.00	32,957,262.00	4.19

Source: TTSA, TTTA

However, the Company expected that the government's economic stimulus and recovery measures would be implemented in 2022, whether it was the measure to increase purchasing power like "Shop Dee Mee Kuen" (shopping with refunds), "Kon La Kreung" (Pay-Half), or entrepreneurs/people burden relief project including government policies that promoted new target industries (New S-curve). Such projects were the center of the world's quality agricultural products and food, the concept of bioeconomy, circular economy, and green economy (Bio-Circular-Green Economy: BCG). These projects would play an important role in stimulating consumption and investment. These were aligned with the Company's direction that focused on creating added value for agricultural products to enhance competitiveness, support the food security of the country and the world. It also helped strengthened the economic, social, and environmental values.

In order for the Company to grow sustainably together with society, Thai Wah places great commitment on contributing to the development of new innovations, including initiating sustainability projects such as 1) TWPC Sustainable Agriculture Project which encouraging farmers to cultivate in accordance with the Sustainable Agriculture Initiative Platform (SAI) in order to make sustainable cultivation according to international practice; 2) Collaboration with NSTDA in the "Project of one Tambon one Farmer" and "Project to improve the quality of farmers' lives in the Thung Kula Ronghai area" with the aim of transferring tapioca planting technology for better yields through the creation of model farmers as a mentor to pass on knowledge to the community; 3) Creation of the new generation of youth farmers through cooperation with various sectors of society, both the private and public sectors, including business partners and leading universities in Thailand; 4) Issuing the declaration of intent with the members of the Association of Global Compact Network of Thailand (UN Global Compact)

and Thailand Carbon Neutral Network to set a common goal to achieve zero greenhouse gas emissions (Net Zero) by 2050.

In addition, Thai Wah has adopted the technology to reduce production costs, promoted resources management efficiently, developed agricultural products to be higher value-added. This innovative started from sourcing of raw materials, production, as well as sales and marketing management to meet the needs of customers and consumers around the world such as healthy food products and bio-plastic pellets. All these strategies would contribute to the company's overall performance in 2022, expected to grow continuously compared to the last year. However, risk factors must be monitored such as climate variability, COVID-19 new variants, exchange rate volatility and the price of crude oil that had an upward trend which impacted on the production cost increased.

Key factors affecting the Company's operating results in 2021 were:

1) The impact of COVID-19

As the impact of COVID-19 virus since 2020, there had been a global container shortage and rate of freight had increased significantly since the first quarter of 2021, soaring to their highest in a decade. In addition, the demand for containers began to recover in the fourth quarter of 2021 along with the economic recovery around the world especially the peak demand before the Chinese New Year in late January 2022 from USA and countries in Europe. The increase in crude oil price in the world market also resulted in high freight cost. As a result, there were extraordinary expenses for the Company for the COVID-19 prevention such as the cost of insurance against COVID-19 for employees, virus protection and disinfection tools at offices and factories, the expense for warehousing nearby the port, and the factory Bubble and Seal. In addition to the increased international shipping costs, the Company encountered other factors affecting production that might impact manufacturing costs that were closely monitored such as labor shortage, labor cost, the foreign exchange rate and the inflation.

However, to deal with the global container ship crisis, the Company had improved and increased transportation efficiency by applying the digital technology on supply chain to increase speed and agility in order to ensure that the Company's products would arrive at the port or customer destination on time. In addition, the outlook for the Company's exports in 2022 was expected to grow in double-digit, while the forecast of the export sector was to grow approximately 5 percent (Thai National Shippers' Council) reflected the worldwide economic recovery.

2) The average price of tapioca starch exports increased.

The average price of tapioca starch exports had increased from 2020 with an average price of approximately 441 USD per ton to an average price of approximately 474 USD per ton (Source: TTTA), or an increase of 7.64 percent. In addition, the volume of Thai tapioca starch exports in 2021 was 3.67 million tons, an increase of approximately 32.04 percent from 2020, which was equal to 2.78 million tons. This resulted in the export value of tapioca starch in 2021 equal to 53,208 million baht, an increase of

approximately 47.38 percent when compared to that of 2020, which was equal to 36,103 million baht. This resulted in the increased demand for tapioca products with increasing consumption as well as an advantage from the price of corn starch rose, which was a substitute product in some application, to hit the highest in rate in 4 years. The Baht depreciation in 2021 was also supported this high price.

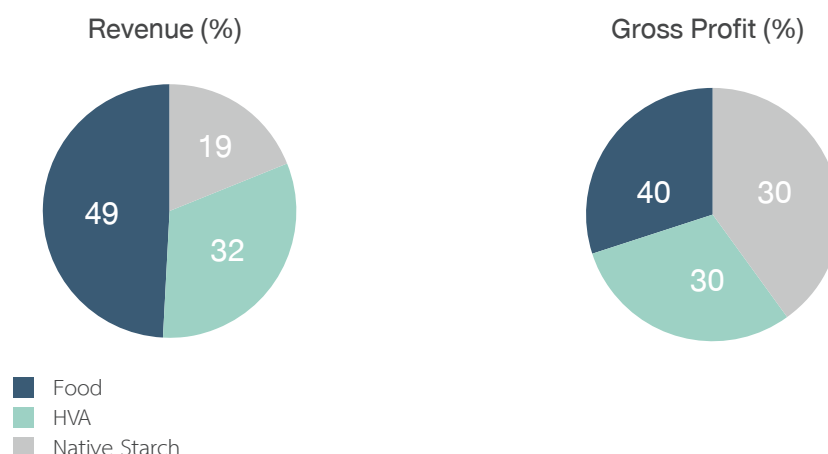
3) The cost of tapioca root raw materials increased.

Tapioca prices in 2020/21 increased slightly over the same period of last year. The average tapioca root price in 2021 was 2.53 baht per ton, an increase of 13.28 percent from 2020 with an average price of 2.23 baht per ton. The increase was due to continued high demand for tapioca in China and the flooding in the middle of 2021 in many areas that damaged the cassava output. Some farmer harvested the cassava at pre-mature stage as concern of root rotten resulted of flooding that cause low yield of starch of those output. However, most of the tapioca plantations surrounding our factories were high land therefore they were not impacted from the floods.

In addition, the tapioca production situation in 2021/22 was expected to increase in the market and have better quality than the previous year due to more water availability for tapioca cultivation. As a result, both tapioca root and the average selling price were expected to remain at a high level during the next year. However, to ensure that there was sufficient tapioca root supplied to the factory, the Company had closely monitored the tapioca situation as well as arranged the supporting programs to encourage farmers in planting tapioca using the Company's farming technology. This technology would further help the farmers to get better yield per rai and improved farmers' household income.

The year 2021 was recorded as another difficult year as Covid continued to have a negative impact on the social and economy worldwide. The export industry directly affected by the global container shortage, the freight rates hiked up to the highest in a decade, and the global crude oil price rising that inevitably impacted freight rate increase. In addition, the tapioca industry in Thailand faced flooding disaster in many areas.

The Operating Results 2021



The year 2021 was a remarkably difficult year globally due to the COVID-19 pandemic inevitably negative affecting economics and society globally, especially export industry. There had been a global container shortage and freight rates increased significantly, the highest in a decade, including the rising price of crude oil in the world market. As a result, transportation costs had inevitably increased. In addition, the cassava industry in Thailand faced flooding across several areas. However, the Company was able to make a new high sales record with the total sales was THB 9,105 million, which increased by THB 2,015 million or 28 percent from the total sales last year, mainly affected by the higher volume and export price of tapioca starch. The revenue was comprised of the starch business of THB 4,422 million or 49 percent; revenue from the high value-added products business of THB 2,910 million or 30 percent; and revenue from the food business of THB 1,773 million or 19 percent. The Company recorded a net profit of THB 363 million and a gross profit of THB 1,797 million, comprising 40 percent of which was attributable to the tapioca starch business, 30 percent of which was attributable to the high value-added products business; and 30 percent of which was attributable to the food business. Although the increase in cassava root price and effects of the COVID-19 pandemic, the Company was able to maintain a gross profit margin of 20 percent in 2021, increased from the previous year. The operating results were shown according to each business as follows:

	2019		2020		2021	
	MB	%	MB	%	MB	%
THAILAND						
NATIVE STARCH	1,615	22	1,343	19	1,625	18
HVA	1,905	26	1,604	23	1,741	19
FOOD	1,438	20	1,527	22	1,706	19
OTHER	72	1	132	2	116	1
TOTAL REVENUE FROM THAILAND	5,030	69	4,606	65	5,188	57
INTERNATIONAL						
INTERNATIONAL	1,473	20	1,691	24	2,607	29
NATIVE STARCH	765	10	729	10	1,166	13
HVA	15	0	40	1	67	0
OTHER	40	1	25	0	77	1
TOTAL REVENUE FROM INTERNATIONAL	2,293	31	2,485	35	3,917	43
TOTAL SALES	7,323	100	7,090	100	9,105	100

Remark : The revenue was shown by distribution channels, which had eliminated the transaction between the tapioca starch business and the food business

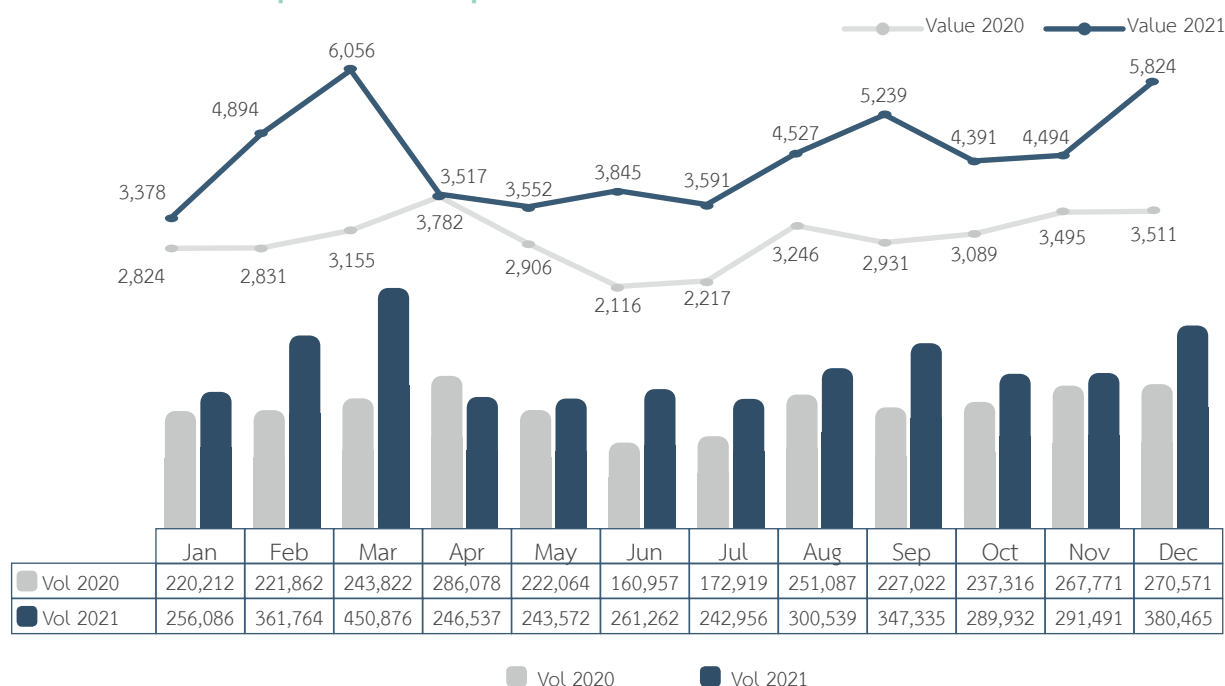
Revenue from tapioca starch business

The tapioca starch business recorded total sales of Baht 4,422 million, an increase of 39 percent from Baht 3,180 million in the previous year. In comparison, the value-added tapioca starch (HVA) business recorded total sales of Baht 2,910 million, an increase of 24 percent from Baht 2,343 million in the previous year as a result of increased sales of tapioca starch. This corresponded to the demand for tapioca starch which continued to expand with the growth of trading partners' economies, showing clear signs of recovery. The number of tapioca starch exports in Thailand in 2021 increased by 32.04 percent and the export value increased by 47.38 percent from the same period last year (Source: Department of Customs). The container shortage problem began to ease, and the average selling price of tapioca starch increased in 2021, with the average selling price in the country at Baht 14.15 per kg, and the average export price USD 474 per ton. In 2020, the average selling price in the country was Baht 12.82 per kg, and the average export price was USD 441 per ton.

In addition, the demand for tapioca starch which was used in food industry and industrial industries tends to increase continuously, especially in the key market countries. The Company aimed to expand the cassava supply in key countries that have plantations included Thailand, Vietnam, Laos and Cambodia. This was to increase the supply source of raw material as well as encourage farmers to grow tapioca by promoting smart farming technology. This technology would help increase the yield per rai and resulted in higher in farmer household income.

Revenue from sales of value-added tapioca starch (HVA) of the Company in 2021 increased because of the economic recovery of trading partners in key countries, especially glucose syrup products in Vietnam starting to expand their customer base to the U.S. In addition, modified tapioca starch and sago starch grew at a high rate, as the demand of customers in the food industry continued strong.

Volume and value of tapioca starch exports in Thailand



Source : Thai Custom

Revenue from food business

During COVID 19, the Company continued to maintain its position as one of the market leaders, especially for vermicelli products in Thailand which grew strongly in all major sales channels like the export, cash car unit and modern retail stores (modern trade). The performance of the Company's food business continued to grow with total sales of Baht 1,767 million, an increase of 13 percent from Baht 1,567 million in the previous year. The domestic market was still the main market, accounting for 83 percent of total sales in the food business, and 17 percent being export sales. From the sales volume growth in Vietnam that grew by 79 percent as a result of the expansion of distribution, increasing the variety of product types, developing new products that are healthy, hygienic and comfortable, it was accepted by consumers in Vietnam, including expanding new customer base abroad, especially the European Union, China and Vietnam.

In addition, according to the Company's sales in 2022, the Company was confident that it would be able to maintain a growth rate that was higher than that of the industry as it was the basic food for consumption, in accordance with the strategy of sustainable growth enhancement, profit margin increase from the growth in the sales of the existing product, new product launch through research and food innovations that meet the needs and changing lifestyles of consumers in the New Normal era in the future. Consumers were increasingly looking for safe and healthier foods. This was in line with the Company's approach to producing clean and healthy products to serve the trend of health-conscious consumers. Our products were produced from the world class standard production line, packed and sealed in safe packaging with proper registered food labelling. Our main strategy was "determined to deliver the best to consumers,". The Company expanded its customer base to capture the current trend of consumer behavior. For example, the Company partnered with Disney to release new packaging on November 1, 2021. The main objective was to expand the vermicelli market to younger groups and change the brand appearance to be brighter looking and more attractive.

Financial Analysis

Income Statements

	2019		2020		2021	
	MB	%	MB	%	MB	%
SALES	7,323	100	7,090	100	9,105	100
COST OF SALES	6,082	83	5,933	84	7,288	80
GROSS PROFIT	1,241	17	1,157	16	1,817	20
SELLING AND ADMIN EXPENSE	1,056	14	1,080	15	1,361	15
OTHER PROFIT	32	0	37	1	71	1
OPERATING PROFIT	217	3	114	2	527	6
OTHER INCOME NOT DERIVED FROM THE ORDINARY BUSINESS	5	0	44	1	12	0
SHARE OF PROFITS FROM ASSOCIATES	(5)	0	0	0	0	0
EARNING BEFORE INTEREST AND TAX	217	3	158	2	539	6
FINANCE COST	(48)	1	(69)	1	(64)	1
TAX EXPENSE	(42)	1	(18)	0	(77)	1
NET PROFIT	127	2	71	1	398	4
NET PROFIT OF CONTROLLING INTERESTS OF SUBSIDIARIES ADJUSTED FROM	(26)	0	3	0	(40)	0
NON-CASH ITEMS	(33)	0	(36)	1	(35)	0
NET PROFIT ATTRIBUTABLE TO SHAREHOLDERS	68	1	38	1	323	4

Sales

The Company recorded sales of Baht 9,105 million in the year 2021, an increase of Baht 2,015 million, or 28 percent, from Baht 7,090 million in the previous year. The tapioca starch business accounted for the largest sales contribution at 49 percent, an increase from 39 percent in 2020. The high value-added products business sales contribution decreased to 32 percent, a decrease from 33 percent in 2020, while the food business sales contribution at 19 percent in the year 2021, a decrease from 22 percent in 2020.

The sales from overseas subsidiaries accounted for 43 percent of the total sales, an increase over 34 percent for the year 2020. This increase was mainly due to the recovery from tapioca starch business in Thailand, Vietnam and China. The growth was also from Food business in Thailand and Vietnam. A subsidiary in Indonesia was opened this year with the aim to expand customer base for high value-added tapioca starch sales.

Gross Profit

The 2021 gross profit margin of the group was 20 percent increase over from last year, even though various factors pressured the Company, such as the effects of the COVID-19 pandemic, the increase in cassava root price, and the flooding in several areas. By the way, due to an increase in the volume and average selling price of tapioca starch and continuous production efficiency improvement, the gross profit margin of the tapioca starch business in Thailand increased to 17 percent in the year 2021 from 11 percent in 2020. The gross profit of the food business in 2021 remained at 31 percent, similar to the year 2020.

Sales and Administrative Expenses

In 2021, the sales and administrative expenses was Baht 1,361 million, an increase of Baht 281 million from last year. The main additional expenses due to the increase in the logistic costs that aligned with the sale volume increase and the extra COVID-19 expenses, i.e., employee's insurance, factory's related safety and hygiene, factory bubble seals, and the preventive measures to control disease in Thailand and Vietnam approximately Baht 21 million. However, the Company implemented cost containment measure across sales and administrative expenses.

Earnings before Interest and Tax

The profit before income tax and finance cost margin in 2021 was Baht 539 million, an increase of Baht 241 million from the previous year, mainly due to the higher revenue and gross profit of the starch and food business as mentions above.

Net Profit Attributable to Shareholders

The net profit of the Company and its subsidiaries in 2021 was Baht 323 million, an increase by Baht 285 million or 743 percent compared to 2020, mainly due to an increase in revenue and high percentage of gross profit of starch and food business. In 2020, the Company recorded a one-time gain of Baht 44 million from business acquisition and investment property sales. As a result, the Company's profit before income tax and finance cost in 2021 was 4 percent, increased 3 percent from the previous year.

Financial Position

Assets

Total assets as at 31 December 2021 amounted to Baht 8,604 million, an increase of Baht 484 million. The main reasons for the increase were:

- Cash and cash equivalents increased by Baht 36 million, similar to the previous year. The Company continued to reserve sufficient funds for working capital, especially for the high production season and capital investment project for capacity expansion.
- Other current financial assets decreased by Baht 75 million from a decreased in the investment in funds.

- Trade accounts receivable and other accounts receivable were recorded at Baht 838 million, with an increase of trade accounts receivable of Baht 135 million from the previous year, align with higher sales. The average debt collection period was 30 days. The Company had recorded the allowance for doubtful debts that may occur to the debtors who lack the ability to pay debts in compliance with the financial reporting standards.
- Net inventory increased by Baht 447 million, or 38 percent, compared to the previous year, the increase mainly due to a shortage of ocean containers in the year 2021 that caused to the delayed orders in the global market, which was expected to be delivered within the 1st quarter of 2022. Moreover, the Company's average sale period was 47 days. With respect to inventory management, an allowance for impairment of inventory was recorded when the net realizable value was less than its costs.
- Property, plant and equipment and land held for investment total Baht 3,528 million, decreased by Baht 81 million from the previous year. In 2021, the Company slowed down investments to maintain working capital in the business during the COVID-19 pandemic. In addition, net with a gain on sale of investment property of Baht 10 million.

Sources of funds

Items	2019	2020	2021
Debt to equity ratio	0.49	0.56	0.55
Interest-bearing debts to equity ratio	0.27	0.34	0.31

Total liabilities as of 31 December 2021 amounted to Baht 3,070 million, an increase of Baht 156 million. Debt to equity ratio was 0.55 and the repayment ability ratio was 0.33 representing a strong financial performance. Moreover, interest-bearing debt to equity ratio was 0.31. The increase in total liabilities arose mainly due to the reasons below:

- Trade and other payables increased by Baht 162 million or 28 percent from the previous year, as a result the accrual payable from unrelated parties and the accrued factory expenses increased from the previous year. The Company has average payment period ratio of 30 days, short payment period due to the Company bought the main material of starch production, the cassava roots, from the farmers on cash terms.

Shareholders' Equity

Equity attributable to shareholders of the Company at 31 December 2021 was Baht 5,533 million, an increase of Baht 328 million, or 6 percent, from the previous year. The calculation of this decrease can be shown as:

- Retained earnings increased of Baht 205 million from gained from profits for the year of Baht 323 million baht, with a deduction of the dividend payment of Baht 118 million during the year 2020.
- Increased in other components of shareholders' equity by Baht 63 million baht, from the foreign exchange translation of the financial statements of Baht 55 million and the adjustment of the investment according to the market price of Baht 8 million baht.
- Increased in non-controlling interests of the subsidiaries by Baht 60 million, mainly due to profit sharing of Baht 40 million and the conversion of the financial statements of Baht 24 million, net with dividend payment of Baht 4 million.

Liquidity

Cash Flow

(Million Baht)

Items	2019	2020	2021
Cash flow from operating activities	466	571	442
Cash flow from investing activities	(1,157)	(434)	(213)
Cash flow from (used in) financing activities	928	(136)	(222)
Translation adjustments	(59)	(5)	29
Net increase (decrease) in cash and cash equivalents	179	(4)	36

Cash and cash equivalents as at 31 December 2021 of the Company amounted to Baht 889 million, an increase of Baht 36 million from the previous year. The main reasons were as follows:

- Net cash flow from operating activities was Baht 442 million and the profit before tax of the Company was Baht 1,000 million.
- Net cash flow used for investing activities was Baht 213 million, derived mainly from payment for machinery and equipment to maintain and improved production process of Baht 308 million, net with gain from trading in mutual funds and debt securities of Baht 67 million, gain on sale of investment property of Baht 17 million and interest revenue of Baht 13 million.

- Net cash flow used in financing activities was Baht 222 million, mainly due to dividend payments totaling Baht 118 million, interest payment of Baht 66 million, payment for lease agreement of Baht 31 million, repayment of long term loans of Baht 60 million, net with an increased in short-term loans during the year of Baht 58 million.

Key Liquidity Ratio

Total current assets of the Company as at 31 December 2021 were Baht 4,058 million, while total current liabilities were Baht 2,233 million. The liquidity ratio and the quick ratio was 1.8, decreased from the previous year due to the Company's debentures would mature in 2022, result to the re-classification from long-term liabilities to current liabilities. The Company already prepared on cash for this debenture repayment. After repayment, the Company would remain in a strong cashflow position.

Commitments, Contingencies and Off-Balance Sheet Arrangement

The group had commitments and contingent liabilities, please refer to the Notes to consolidated financial statements 2021, number 33.

Major factors or influences that may affect the operation of the tapioca starch business in the future

The survey results of tapioca cultivation from 4 associations (The Thai Tapioca Trade Association, The Thai Tapioca Products Factory, Northeastern Tapioca Trade Association and The Thai Tapioca Starch Association), during the 4th quarter of 2021, estimated that tapioca roots in 2021/2022 were expected to enter the market in the amount of 32.96 million tons, an increase of 4 percent from the 2020/2021 production season. The cultivated area was likely to increase from 9.51 million rai in 2020/21 to 9.59 million rai in 2021/2022 because of a favorable weather forecast. There was sufficient rainfall for the growth of tapioca. As a result, the average yield per rai was likely to increase from 3.33 tons per rai to 3.44 tons per rai. However, there was still risks such as the lower tapioca output due to some plantation areas that were flooded in late 2021, the shortage of tapioca seedlings, the harvesting at the immature stage resulted in low quality root, and the outbreaks of the cassava mosaic virus.

However, the spread of the cassava mosaic virus in Thailand, Vietnam and Cambodia may affect the shortage of good raw materials that impact to low income for farmers. The Company had worked with the Foundation of the Tapioca Development Institute of Thailand (TTDI) to prevent the spread of the virus by propagating the resistant tapioca stem that could propagate 20-80 times faster than traditional way. At present, Thai Wah had 10 greenhouses for cultivating virus-free tapioca and aimed to increase to 12 by 2022. This greenhouse project could reduce the farmer's cost in purchasing new virus-free stem up to Baht 600-1000 per rai. In addition, the Company had surveyed the area, monitored the outbreak, publicized the knowledge, and helped the farmers who were impacted.

In 2021, the Company continuously expanded the farmer network program by giving incentives to farmers, providing knowledge and cultivation technology to the farmers. This resulted in yield increased

with lower plantation cost per rai. This technology included soil analysis, drone fertilization, water system management, planting tools, substitute crops to improve the soil, machines to reduce planting and harvesting time etc. The purpose was to help farmers to get more output/ productivity and earn more income. This digital platform included the development of farmers' database and their cultivation continually by monitor the growth of cassava plantation by satellite images with more than 90 percent accuracy. It also analyzed and forecast weather conditions daily, weekly, and monthly and forecasted for rainfall on a weekly and monthly basis for more than 9 months in advance. Furthermore, the model for forecasting and analyzing yield and quality (percent of starch) was in the process of development. All of these digital platforms would help in planning of casava sourcing in strategic way. The Company also aimed to develop Thai Wah farmers to embrace for technological changes and use the platforms as a decision-making tool to maximize the efficiency.

Social and community responsibilities was very important to the business potential of Thai Wah. Therefore, Thai Wah worked towards sustainable agriculture through various projects and cooperated with many related agencies, including the government, the private sector, educational institutions and social business to drive agricultural sustainability by knowledge and technology that helped farmers develop their own areas and communities and lay a business foundation for the new generation of farmers who wanted to return to their homeland for improving the quality of their livelihood, including helping to reduce environmental impact and the risk of agricultural products shortage in the future. In addition, Thai Wah worked with many external agencies for a common purpose to find a way to drive the improvement of the quality of farmer's lives, enhance career path and income, reduce inequality, and lead to sustainable poverty alleviation using scientific knowledge, technology and innovation transfer as a tool and working integration for better productivity, especially the cultivation of tapioca.

For the price of tapioca starch in the export market, export volumes are expected to continue to grow as strong demand to use in many kinds of food applications. Meanwhile, tapioca starch export prices continued to rise to support high demand from the leading markets such as China, and other factors such as 1) corn prices in China increase due to the insufficient supply to meet the increasing demand. The native tapioca was used as alternate in the industrial sector and some food application. 2) The declining trend of China's agricultural crops. As a result, China had to import more agricultural products from abroad. 3) The high value-added of tapioca products that would increase the sale opportunity of the product world-wide. This would help reduce in price competition in the main export markets as the tapioca starch could be used as a raw material in a various industry such as food and beverage industry, cosmetics, packaging and medicine, etc.

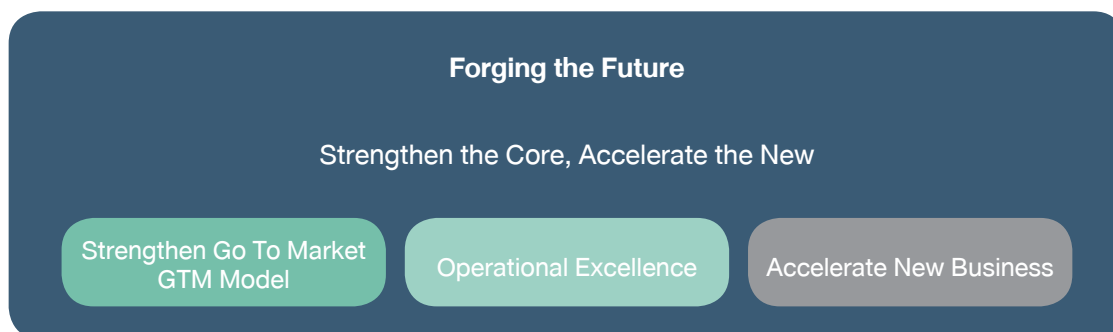
Although the flood affects the economy in many areas in Thailand, especially the northeastern, northern, and central regions, greatly causing damage and suffering, the Company had closely monitored the flood situation. At present, the planting area surrounding the Company's factory was not significantly affected. However, farmers in some areas must accelerate the harvesting of cassava root. Thai Wah has an agronomist team to assess the situation and work closely with farmers. In addition, there had been

a study on how to recycle/reuse wastewater from the production process and improve the production system to use less water as well as prepare the water pond to store the water during the drought period.

However, the volatility in the exchange rate was one of risk factors as most of the revenue from exports denominated in US dollars and RMB. The Company has considered hedging appropriately.

Long-term plans and operational guidelines of the Company in 2022

In 2022, the Company expects to be able to grow continuously from 3 main strategies: 1) create added value for products and services, new product development innovation. Also, the customer base expansion to other countries around the world through a strong technical sales team and an efficient online digital platform to increase closing with customer to understand their preference 2) use Digital Value Chain by applying digital technology to transform work process from planting, production until deliver to consumers through sustainable supply chain management strategy, and 3) invest in companies with high growth potential such as bioplastic, healthy food with high fiber and protein or organic food. This investment included Thai Wah Ventures, focusing on investing in four key areas that would have synergy with the current business. All these factors would drive sales to grow in double-digit rate as planned. The Company expects profit margins to recover in 2021 because of 1) expansion of market base in various key channels 2) efficient of raw material sourcing 3) managed effective cost throughout the production process 4) growth from new product innovations and 5) potential mergers and acquisitions.



In order to strengthen the business with sustainable growth and ability to maintain industry leadership, the Company sources with responsibility and ensure fair trade pricing. This will lead to strengthening the stability of the agricultural industry in the long term. The Company has an efficient strategy on raw materials supply to meet the production capacity of the factory as planned. The fluctuation in the raw material prices may be affected by various factors, including change in global supply and demand, weather conditions and measures implemented by the Ministry of Commerce. The Company remains confident of maintaining continuous growth in export volume as the demand for the starch rises, especially in China and Taiwan, which are the Company's main markets. The company has plans to expand the customer base worldwide.

In 2022, the Company aims to maintain its business leadership in starch and starch food products. The Company's growth comes from two main driving factors. The first factor is the growth of the existing

business. With 75-year experience of starch producer expertise, the company had developed new products including ready-to-eat product to capture the trend of a new lifestyle that seek convenience. In terms of operational excellence, the Company planned to utilize digital and technology to drive the efficiency in operations. In addition, the Company plans to invest in a start-up that has high growth potential through Thai Wah Ventures Co., Ltd. in order to create new potential growth for the Company's affiliated business. The second driving factor would be a potential merger & acquisition. The Company takes into consideration the best interest of the shareholders and ensure those acquiring unit would support the potential growth of existing business overall.

In the first quarter of 2022, the Company plans to launch bioplastic products which are 100 percent biodegradable. Thai Wah would be the pioneer of bioplastic from tapioca starch in Thailand under the brand RosEco, considered to add value to agricultural products. This would enhance competitiveness, support food security and help strengthen the economy, including adding value to the society and the environment. With both plastic waste and global warming according to the principles of the circular bio-economy, bioplastic from tapioca starch of Thai Wah is therefore, one of the advantages of Thailand to enter a new era of environmentally friendly industry. The executives added that the Company's bioplastic production process releases a carbon footprint at five times less than those released by petroleum-based plastics. These bio-plastic base is good in oil-absorbing and have flexible properties and can be degradable in a short time which could be used in various applications.

The impact of the COVID-19 situation has resulted in the change of the Company's investment plan by setting a total investment budget about Baht 300-400 million in 2022; Baht 100-150 million will be invested for annual maintenance, Baht 100 million for production improvement, Baht 70 million for bioplastics business in phase 2 and through Thai Wah Ventures Co., Ltd. around Baht 30-60 million. These investments would focus on 4 main areas according to the current business in order to create potential growth in the future for the business in the Company's affiliates with the goal of becoming "world leader in tapioca starch and starch food business." In the end, the Company would maintain a high gross profit margin as well as make the regular dividend payment to shareholders.

Financial Highlights

(Unit : Million Baht)

	2021	2020	2019
Total current assets	4,058	3,491	3,243
Total non-current assets	4,546	4,629	4,626
Total Assets	8,604	8,120	7,869
Total current liabilities	2,233	993	987
Total non-current liabilities	837	1,921	1,586
Total Liabilities	3,070	2,914	2,573
Total Shareholders' equity	5,534	5,206	5,295
Sales	9,105	7,090	7,323
Dividend income	-	10	33
Share of gain from investments in associated companies	-	(0)	(5)
Total revenues	9,197	7,203	7,419
Cost of sales	7,309	5,977	6,133
Total expenses	8,701	7,090	7,246
Operating profit	493	57	133
EBITDA	969	571	526
Earnings before finance cost and income tax expense	496	113	173
Finance cost	67	69	48
Income tax expense	66	9	32
Net profit for the year	363	35	94
Net profit attributable to non-controlling interest	40	(3)	26
Net profit attributable to equity holders of the Company	323	38	68
Other information			
Earnings Per Share (Baht)	0.37	0.04	0.08
Dividend Per Share (Baht)	*0.2159	0.134	0.134
Book Value Per Share (Baht)	6.29	5.91	6.01

Note : * At the time of printing this report, a Baht 0.2159 per share dividend had been proposed by the Board of Directors subjected to shareholders' approval at the Annual General Meeting

Financial Ratios

	2021	2020	2019
Profitability ratio			
Gross profit margin (%)	20	16	16
Operating profit ratio (%)	5	1	2
Other income ratio (%)	0.03	0.40	0.38
Cash to operating profit ratio (%)	90	1,009	351
Return on Total Revenue (%)	4	0	1
Return on Total Equity (%)	7	1	2
Efficiency ratio			
Return on Total Assets (%)	4	0	1
Return on fixed assets ratio (%)	23	13	13
Assets turnover ratio (times)	1.10	0.90	0.99
Liquidity ratio			
Liquidity ratio (times)	2	4	3
Quick liquidity ratio (times)	1	2	2
Cash flow liquidity ratio (times)	0.27	0.58	0.52
Average collection period (day)	30	36	35
Average Sale period (day)	47	48	43
Average payment period (day)	21	22	20
Cash cycle (day)	56	61	59
Financial policy ratio			
Debts to equity ratio (times)	0.55	0.56	0.49
Interest coverage ratio (times)	8	9	11
Repayment ability ratio (cash basis) (times)	0.33	0.37	0.12
Dividend payout ratio (%)	59	308	414

General Information and Other Key Information

References

Regulator for Issuing Company:

Securities and Exchange Commission, Thailand (SEC)
Securities and Exchange Commission Building,
No. 333/3 Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok 10900, Thailand
Telephone : +66 2 033 9999 Facsimile : +66 2 033 9660
SEC Help Center : 1207 Email : info@sec.or.th Website : www.sec.or.th

Regulator for Listed Company:

The Stock Exchange of Thailand (SET)
The Stock Exchange of Thailand Building,
No. 93 Ratchadapisek Road, Din Daeng, Din Daeng, Bangkok 10400, Thailand
Telephone : +66 2 009 9000 Facsimile : +66 2 009 9991
SET Contact Center : +66 2 009 9000 Email : SETContactCenter@set.or.th Website : www.set.or.th

Registrar:

Thailand Securities Depository Co., Ltd.
The Stock Exchange of Thailand Building,
No. 93 Ratchadapisek Road, Din Daeng, Din Daeng, Bangkok 10400, Thailand
Telephone : +66 2 009 9000 Facsimile : +66 2 009 9991
SET Contact Center : +66 2 009 9000 Email : SETContactCenter@set.or.th Website : www.set.or.th/tsd

Debenture Registrar:

Debenture of Thai Wah Public Company Limited No. 1/2019 Due 2022 (TWPC224A)
Bank of Ayudhya Public Company Limited
No. 1222 Rama III Road, Bang Phongphang, Yan Nawa, Bangkok 10120, Thailand
Telephone : +66 2 296 2000 Facsimile : +66 2 683 1389
Website : www.krungsri.com

Auditor:

EY Office Limited by

Ms. Runnapa Lertsuwankul	Certified Public Accountant No. 3516 and/or
Ms. Pimjai Manitkajohnkit	Certified Public Accountant No. 4521 and/or
Ms. Rosaporn Decharkom	Certified Public Accountant No. 5659 and/or
Ms. Sumana Punpongsonon	Certified Public Accountant No. 5872

Lake Rajada Office Complex, 33rd floor,
No. 193/136-137 Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand
Telephone : +66 2 264 0777 Facsimile : +66 2 264 0789-90

Legal Counselor:

Weerawong, Chinnavat & Partners Ltd.
Mercury Tower, 22nd floor,
No. 540 Ploenchit Road, Lumpini, Patumwan, Bangkok 10330, Thailand
Telephone : +66 2 264 8000 Facsimile : +66 2 657 2222

Other Key Information

-N/A-

Legal Disputes

-N/A-

Secondary Market

-N/A-

Financial Institutions

United Overseas Bank (Thai) Public Company Limited, Thai Wah Tower Branch
Krung Thai Bank Public Company Limited, Surawongse Branch
CIMB Thai Bank Public Company Limited, Head Office
Bangkok Bank Public Company Limited, Silom Branch
Bangkok Bank Public Company Limited, Banglane Branch
Kasikorn Bank Public Company Limited, Silom Main Branch
The Siam Commercial Bank Public Company Limited, Thanon Sathorn Branch
TMBThanachart Bank Public Company Limited, Phahon Yothin Office Branch

Corporate Governance

Overview on CG Policy and Guidelines

The Company is committed towards maintaining high standards of good Corporate Governance within the Company in order to protect and enhance long-term shareholders' value. The Company has adopted and continuously developed a set of good corporate governance practices and policies that are modeled on the principles or sub-principles of Corporate Governance for listed companies in 2017 (CG Code). The Board of Directors' Meeting No. 4/2021 held on November 12, 2021 had reviewed and revised the corporate governance policy to be more in line with the CG code. As for the principles or sub-principles that cannot be applied or are not applicable, the reasons for not applying those codes had been recorded in the Board's resolution.

The Company's corporate governance are as per the details set out in the following sections:

1. Rights of Shareholders

The Company recognizes the importance of shareholders' rights as the investors and the owner of the Company. All shareholders are encourage to exercise their fundamental rights, e.g. trading or transferring of shares, sharing of profits, receiving adequate information, whether via the Company's website, the Stock Exchange of Thailand's website or through other channels, attending shareholders' meetings to acknowledge the Company's annual performance and casting votes at the shareholders' meetings to approve significant matters as specified by laws, such as the appointment or removal directors, the determination of directors' remuneration, the appointment of auditor and the determination of audit fee, the dividend payment or suspension of dividend payment, and the capital increase and the issuance of new securities, including making enquiries or comments on matters that the Board of Directors presents to or requests for approval at the shareholders' meetings.

Apart from the abovementioned rights of shareholders, the Company has made additional efforts to encourage and facilitate shareholders to exercise their rights as follows:

- 1.1 All shareholders have the same basis and rights in the casting of votes at meetings and the receipt of dividends when declared by the Company. These are calculated based on their respective shareholding in the Company.
- 1.2 The Company has a policy to facilitate and encourage all classes of shareholders including institutional investors to attend every shareholders' meeting by selecting meeting venues that are convenient for attendance, distributing a package containing the notice and meeting documents in English to foreign shareholders, setting up a separate registration desk for institutional investors, and distributing proxy forms which include clear supporting documents, together with the notice in order to facilitate shareholders who are unable to attend a meeting in person. In addition, any shareholders who arrive at the meeting after the meeting has begun are still entitled to vote on the agenda items that are still under consideration and have not been voted upon.

- 1.3 The Company has invited the shareholders to propose Annual General Meeting (AGM) agenda items in advance of the AGM by disclosing criteria and procedures through the channels of the SET and the Company's website (www.thaiwah.com).

The Company does not invite the minority shareholders to nominate their own candidates to be appointed as the Company's directors ahead of the meeting. This is because the Company already gives all shareholders an opportunity to nominate their own candidates (who meet the requirements under the Public Limited Companies Act) and to vote for candidates at the shareholders' meeting.

- 1.4 The Company has assigned Thailand Securities Depository Company Limited, which is the Company's share registrar, to distribute a package containing the notice and agenda of the meeting to the shareholders at least 10 days prior to the meeting. The meeting documents include the facts and rationales and opinions of the Board as well as other information relating to the agenda items such as information on the persons nominated for election as directors, auditors' profiles, the part of the Company's Articles of Association that relates to the shareholders' meeting, map to the venue of the shareholders' meeting, proxy forms, documents and evidence of entitlement to attend the meeting, etc. This is to enable shareholders to prepare themselves for the meeting. In addition, the notice of the shareholders' meeting will be advertised in the press, all information contained in the meeting documents both in Thai and English will also be posted on the Company's website (www.thaiwah.com) at least 1 month prior to the meeting. Moreover, shareholders are always invited to register at least 1 hour before the meeting begins.

In addition, a barcode system has been utilized for registration, vote counting, and result presentation at the shareholders' meeting for its convenience, speed, and accuracy.

- 1.5 The Chairman conducts each meeting according to the sequence of the agenda and does not add any agenda items without prior notice to shareholders unless shareholders holding not less than one-third of the total number of paid-up shares may request the meeting to consider matters other than those specified in the notice.
- 1.6 Before the start of every shareholder's meeting, the Company Secretary explains the voting methodology to shareholders (voting criteria, procedures on using the voting slip, and the voting right). A team of legal counsels from a law firm is invited to verify the registration procedure before the Chairman of the meeting announces to the shareholders, the number of shareholders and proxy holders present at the meeting and the number of shares held by them. The legal counsels also verify the vote counting procedure in respect of each agenda item before the votes are announced as resolution of the shareholders' meeting. Shareholders may verify the detailed results of the vote of each

agenda item at the end of each meeting. The Company disseminates the results of the vote of each agenda item at the shareholders' meeting on the Company's website (www.thaiwah.com) within the next business days after the meeting was held. Apart from this, the same results and a summary of questions from shareholders and answers have also been included in the minutes of the meeting which are accurately and completely documented in all material aspects.

- 1.7 The Company's policy in conducting shareholders' meetings is not only to meet all legal requirements but to also provide a platform and opportunity for shareholders to communicate their views and ask the directors and the management questions regarding matters affecting the Company. The Chairman allocates appropriate time for discussion and encourages the shareholders to express their opinions and ask questions related to the Company's operation. In addition, to facilitate shareholders in protecting their rights, shareholders who have any questions that require the Company's clarification during the meeting may send their questions to the Company in advance at Investor Relations Department (ir@thaiwah.com) or fax them to +66 2 285 0255.
- 1.8 Apart from the external auditor who attends the Annual General Meeting, the Chairman of the Board, the Chairman of the Audit, Risk and Corporate Governance Committee and the Chairman of the Nomination and Remuneration Committee, and all of the Company's directors also endeavour as far as reasonably practicable to be present at the shareholders' meeting in order to assist the Board in addressing queries raised by the shareholders. The Company also invites its legal counsels from a law firm to attend the meeting in case a legal question requiring clarification arises during the meeting. Furthermore, the Company provides a professional translator to be present at the meeting to assist shareholders and the Board to communicate more effectively in English and Thai.
- 1.9 News and information relating to the Company is disseminated through the Company's website (www.thaiwah.com), which includes information such as the resolutions of the Company's Board of Directors on important matters, resolutions of the shareholders' meetings, financial information, information which may affect the Company's share price, Annual Report (Form 56-1 One Report), etc.

2. Equal Treatment of Shareholders

The Company recognizes its duty to ensure equal treatment of shareholders by complying with all relevant laws and regulations as following details:

- 2.1 With regard to voting at the shareholders' meeting, the shareholders shall have votes equal to the number of ordinary shares held by each of them, which means one ordinary share is entitled to one vote. The Company has only ordinary shares.

- 2.2 For shareholders who are unable to attend a meeting in person, the Company provides opportunity for such shareholders to appoint another person as proxy to attend the meeting on their behalf by using proxy form B sent by the Company. Proxy form B is one of the forms prescribed by the Ministry of Commerce which allow shareholders to make voting directions. Moreover, the Company provides opportunity for shareholders to appoint the Company's independent director as proxy to undertake proxy voting on behalf of shareholders who are unable to attend the meeting. The name of the independent director is provided in the proxy forms, together with the profile of that independent director who have been given proxy to vote on behalf of shareholders that are unable to attend the meeting, all of which are attached as part of the meeting documents.
- 2.3 Any director or management who has an interest in, or is related to, any transaction between the Company and an interested or related person will not participate in the decision making process involving such transaction. In case shareholders' approval is required, the Company has disclosed details and reasons to enter into the transaction to the shareholders prior to entering into the transaction and strictly followed the procedures on such transaction in accordance with the regulations of the SET and notification of the Capital Market Supervisory Board. Details are further described under the heading "Related Party Transactions". There are no violation of the connected transactions and/or of the acquisition and disposition of assets found during previous year.
- 2.4 The Company has formulated a Code of Business Conduct to provide guidelines for the Board, senior management and employees of all levels to comply with. The Statement includes the prohibition on the improper use of insider information for personal benefit or to benefit others. Additionally, the Board approved the policy on dealing in securities of the Company which prohibits the dealing in the Company's shares while in possession of unpublished confidential and price-sensitive information during the "embargo period". Details are further described under clause 2.6 hereof "Supervision on the Use of Inside Information". There is no violation of the policy found during the previous year.
- 2.5 The Company provides the opportunity for such shareholders who hold shares of the Company representing at least 5 percent of the total voting rights of the Company to propose AGM agenda items 30 days in advance prior to the end of the Company's accounting period which will be reviewed by the Audit, Risk and Corporate Governance Committee and then presented to the Board of Directors for consideration. If the nomination constitutes an agenda, the Company will declare it in the notification letter as a shareholder-proposed agenda. In the event that the Board of directors disapproves including the nomination in the agenda, the Company will declare its rational at the Annual General Meeting

The Company provides channels for minor shareholders to give suggestions, express opinions or file complaints by submitting the actual evidence or signed statement to the company secretary via postal mail to the Company's address or via phone at +66 2285 0040 ext. 1501.

2.6 Supervision on the use of inside information

Adhering to high standards of best corporate governance practice, the Company has a Code of Business Conduct to guide its Board of Directors, senior management and all rank and file employees in the use of inside information for the purpose of preserving the interest of all stakeholders of the Company. Apart from this, in order to prevent the misuse of confidential and price-sensitive corporate information, the Board of Directors of the Company approved the policy on dealing in securities of the Company which prohibits any directors, management and employees, regardless of rank, from disclosing such confidential and price-sensitive corporate information for personal gain or for any other reason not in the Company's interest or dealing in the Company's shares while in possession of unpublished confidential and price-sensitive information during the "embargo period" which is defined as one month before and up to the date of announcement of results for each of the first three quarters and the full-year financial results of the Company's financial year. The policy and reminder of the embargo period have been communicated to directors, management and employees on an annually and quarterly basis to strictly comply with this policy. Confidential and price-sensitive information is also restricted to only directors, management and those officers who have a direct responsibility over such matters. Any violation of this policy shall be subject to disciplinary actions under the working regulation. Additionally, the Company monitors the trading of the Company's shares by its directors, and senior management who are required to report to the Board of Directors on a quarterly basis on the holding of the Company's shares and in accordance with the rules of the Securities and Exchange Commission.

Apart from the above, the directors and management of the Company have to file report of their holding of the Company's securities to the SEC upon their appointment and to report any change in their holding of the Company's securities to the SEC within 3 business days, if they have purchased, sold, transferred or obtained any Company's securities, in accordance with the Securities and Exchange Act. The securities holding report is also included in the agenda items of the Board meeting for the Board's acknowledgment once every 3 months.

In addition, the Board of Directors shall monitor all required actions in accordance with related measures. Any changes in the shareholding of a directors or executives shall be reported in the Board of Directors' meeting and disclosed under the heading, "Report on Key Operating Results on Corporate Governance".

2.7 Preventing conflicts of interest

The Board has established policies and measures regarding conflicts of interest as follows:

- a. Shareholding structures of the Company and its subsidiaries shall be disclosed in the Annual Report (Form 56-1 One Report) for transparency.
- b. Directors and executives shall file a report stating their own and their related persons' interest in the management of the Company or subsidiaries to the Company Secretary. The Company Secretary shall deliver a copy of such report to the Chairman and the Chairman of the Audit, Risk and Corporate Governance Committee within 7 days upon receipt of the report.
- c. In case any directors or executives has a vested interest in any agenda items under consideration, such a person shall not attend the meeting or shall abstain from voting on such an agenda item. This is to ensure that the Board and executives make decisions in a fair manner for the utmost benefit of shareholders.
- d. The Company has established the use of inside information policy as shown in the business code of conduct, whereby if an executive or employee disclose the internal information to the public or use it for their own benefit, disciplinary actions would be taken.

3. Role of Stakeholders

The Company pays close attention to the importance of the roles and rights of all groups of stakeholders by ensuring that they are treated properly, equitably and fairly. The Company believes that maintaining good relationships with all group of stakeholders is significant. The Company has established various guidelines for each stakeholders, details as shown in the Company's website (www.thaiwah.com) under the heading Code of business conduct.

In its pursuit for sustainable growth and financial returns for its shareholders, the Company respects the rights of all its stakeholders and conducts its operations fairly and strictly in compliance with all laws, rules and regulations.

Shareholders :

The Board of Directors is committed to perform its duties honestly, transparently and diligently in the best interest of all its shareholders to preserve and enhance long-term shareholder value. All important information which may have an impact on the Company's share price and/or shareholders decisions are fully disclosed on a timely manner.

Employees :

The Company believes that its people are its greatest asset. The Company has set the policies and guidelines regarding the remuneration and welfare for ensuring that all labour laws are complied with and all employees are treated fairly without discrimination or favoritism. The Company regularly reviews the compensation and welfare benefits to all its employees to be in a competitive rate comparable to the industry norms, related to the Company's short-term and long-term operating results, and to the performance of each individual employee. The Company ensures that the legal rights of employees are not violated.

The following are the employee's welfares provided by the Company:

1. Provident fund
2. Social security fund
3. Workmen's compensation fund
4. Financial support in case of death or death of a spouse or parents.
5. Financial support in case of disaster
6. Group's health and accident insurance

Apart from this, the Company provides its employees a safe, hygienic, and suitable working environment which has been recognized and certified in compliance with the OHSAS 18001 and TIS 18001 standards by the relevant organizations. The Company has also monitored, evaluated, controlled the risks and developed a safety guideline and a hygienic work environment. Furthermore, the Company provides a provident fund, and encourages its employees to attend training courses related to their line of responsibility and allows job rotation to enhance and diversify their knowledge and skills.

Customers :

The Company aims to provide its customers good value, high quality and hygienic products which are manufactured with the finest ingredients. In addition, continuous research and development along with communication channel is valued to ensure that the customers' needs are met. This is in compliance with the Company's mission approved by the Board of Directors.

Competitors :

The Company believes that competition is the essence of a free and open market and therefore avoids any actions which may prevent, obstruct or discourage potential competitors from entering the markets in which the Company operates in. The Company takes the view that healthy competition encourages product and service innovations in the market place which would increase market standards and ultimately benefit consumers and society at large. In accordance with the Code of Business Conduct approved by the Board of Directors of the Company, the Company will neither engage in any fraudulent act to violate or obtain competitors' trade secrets nor in any infringement of intellectual property or copyright including anti-corruption and anti-bribery for the benefit of the Company's business. Moreover, the Company will not violate legal rights of competitors by any of the Company's actions and decisions which has been stated in the Company's Code of Business Conduct approved by the Board of Directors.

Community & Society :

The Company gives importance to the rights of stakeholders by not violating the rights of other people who live in the community and society, including cooperating with various agencies for developing and supporting the community activities that can create the public's interest. The Company has a policy to improve the quality of life for the people within the community which includes the development of farmers' careers, technological supporting, knowledge and tools or equipment for farming.

Environment :

The Company operates under various laws, standards and regulations in regard to the environmental issues by taking into account the impact on natural resources and the environment. The Company is determine to protect the environment by establishing environmental management system, controlling waste disposal or pollution released from the production process, including using effective technology and closely monitoring the system regularly. The Company also supports and encouraged energy conservation, using alternative energy, development of environmental management system that can reduce greenhouse gas emissions.

The Company also promotes and develop effective and sustainable water resource in order to reduce the conflict of using water with the local community, to also include cooperation in the development, rehabilitation and conservation of water resources in the community.

Suppliers:

The Company strives to forge long-term business relationships with its suppliers and therefore has the policy to always give a fair profit to its suppliers and to respect payment terms and conditions. In addition, in selecting its suppliers, the Company gives all suppliers an equal opportunity to propose their bid. The Company has established the Tender Committee to select its suppliers through the tender process for any transactions which are over Baht 1 million for transparency purpose.

Creditors :

The Company considers creditors as important business partners and therefore commits to fulfill all of its obligations under contracts to its creditors, to not conceal information nor facts that may damage its creditors, and to notify its creditors swiftly in advance in any case where there might be any potential event which could cause the Company to fail to comply with any obligations under contracts including guarantee conditions, capital management, and its debt servicing. In such cases the Company works with its creditors to mutually resolve those potential problems.

Innovations :

The Company is committed to promote a corporate culture that embraces innovation and ensure management's inclusion of innovation in operating development plan and corporate strategy.

The Company also promotes innovation in order to enhance long-term value creation for the business in a changing environment. Such innovation may include designing innovative business models,

products or services, promoting research, improving production and operation processes, and collaborating with partners/suppliers.

There were no violations of laws in relation to labour, employment, consumers, competitors, or environment found in the previous year. In addition, no creditor alleged that the Company had failed to comply with any obligations under contracts.

3.1 Anti-discrimination and Human rights policy

The Company recognizes the importance of human dignity, rights, freedom and equality. Therefore a policy was established against any action that would violate human rights and related laws by focusing on equal treatment and not discriminating against all groups of stakeholders which covers the following:

- Does not discriminate against people based on any physical and mental differences, race, nationality, religion, gender, age, skin color, education, social status including no discrimination in any processes of employment since recruiting, compensation, working hours and holidays, work assignments, performance assessment, training and development, progress planning including not using forced labor, laborers from human trafficking or illegal child labor.
- Give priority to business associates and suppliers that do not violate human rights
- Communicate, disseminate and support business partners in order to engage in business with good corporate governance and respect for human rights.
- Conduct strictly according to the policy and guidelines.

3.2 Labour Policy

It is the Company's policy not to undertake actions which might violate the human rights and the relevant laws. The Company will focus on equality and will not discriminate base on difference in physical and mental aspects, race, nationality, religion, gender, age, language, skin, education, social status or any other traits. The Company will treat everyone fairly in every stage of recruitment starting from selection, remuneration, working hours and job holidays, job assignments, performance appraisal, learning and development, career path planning. The Company will not support forced labor in all forms, labor from human trafficking or child labor.

3.3 Anti - Piracy Policy

The Company has an anti-piracy policy which has been clearly stated in the standard operating procedures, of using only intellectual property that it does not own if it is properly authorized to do so, i.e., the use of authorized computer program licenses which would be periodically audited by the internal auditor of the Company. The Company was not a party to any piracy cases during 2021.

3.4 Anti – Corruption and Anti – Bribery Policy and Guidelines

The Company has established and adhered firmly and consistently to the business operation guidelines in accordance with good corporate governance in exercising corporate social responsibility (CSR) and giving importance to promoting anti-fraud and anti-corruption practices. The Board of Directors’ Meeting No. 1/2017 on February 21, 2017, had approved the Company to join the Private Sector Collective Action Coalition Against Corruption.

To enhance the efficiency, integrity, honesty and transparency of the anti-fraud and anti-corruption business practices, in accordance with the Company’s objectives and to serve as clear guidelines for Directors, Executives and staff, therefore, the Board of Directors Meeting No. 4/2017 approved the anti-corruption policy to promote the anti-fraud and anti-corruption practices. The Board of Directors’ Meeting No. 4/2020 on November 11, 2020, had approved the revised Anti-corruption Policy, details as follows:

Definitions

Fraud	means	an intentional act committed to secure unfair or unlawful gains for one’s self or others. Fraud can be broken down into three types: corruption, asset misappropriation and fraudulent reporting, for example, fraudulent financial statements.
Corruption	means	the misuse of position or power of influence for inappropriate gains for the organization, one’s self or others. Corruption includes any types of bribery; an offering, giving, promising or agreeing to give, demanding or accepting money, assets, or other inappropriate benefits from the government officers, government sectors, private sectors, or responsible person either in direct or indirect action so that such person could proceed or disregard his/her function in order to acquire, retain the business, recommend specific company to the entity, or achieve any improper benefits in business transaction. Exception shall be applied in case of laws, regulation, statement, standard, custom, or business traditions enable to do so.
Bribery	means	the act of paying, offering, promising to pay, receiving, requesting or soliciting anything of value, such as assets, money, things, rights or other advantages that are against good ethics, conduct, rules, regulations or laws with government officials, government organization, private organizations or other individual(s) - directly or indirectly - in order for that person to wrongfully act or wrongly refrain from performing their duties to receive or retain benefits that are inappropriate for the business.

Political Contribution	means	monetary or non-monetary support provided to a political party, representative of a political party, politician or candidate for election. As such, non-monetary political contributions include lending or donating any equipment for free of charge.
Charitable Contribution and Sponsorships	means	grants or contributions paid to individuals and/or organizations of the public and private sector including the reasonable charities. The objective is to support business operations, brand promotion or the Company's reputation which useful for creating a reliable trade, strengthen a business relationship and in accordance with the Company's Code of Conduct that focus on accuracy, transparency and good Corporate Governance in the business.
Hospitality	means	receptions, provision of food and drinks, and recreational activities, such as entertainments, sports event, etc.
Gift, tokens, assets, or any other benefits	means	anything of mental values, cash or non-cash, that are courteously given on important occasions according to common customs and culture, to award, honor, support, or to be given out of kindness. They could be privileges to service, entertainments, recreations, or coverage of expenses related to traveling, accommodations, meals, or any other similar expenses, such as tickets, lotteries, etc. It also includes tokens given out of courtesy, or in accordance with local traditions, such as New Year gifts, birthday presents, or congratulatory new job gifts, etc.

This Policy is applicable to all levels of employees including Directors, Executives, employees in the head office or working abroad, the factory workers, trainees, contract-based employees, or any other relevant persons. All must strictly comply with the Anti-corruption Policy as well as the additional guideline (if any).

This Policy is also applicable to the employees of the subsidiaries companies.

Directors, Executives and the Company's staff are prohibited from operating or accepting any type of corruptions either direct or indirect manner, in all businesses or from any concerned parties, the anti-corruption practices are required to be consistently counter-checked while the Anti-corruption policy and business operation guidelines are to be reviewed to reflect the changes in business, regulations and applicable laws.

Guidelines

1. Executives, the Company's staff or persons acting on behalf of the Company, shall not request, provide, persuade or promise to provide or accept bribery or any forms of inappropriate payments including facilitation payments.
2. The Company's staff shall not be negligent in any corruption conditions involved directly with the Company. All staff must notify such act to supervisors or responsible person, as well as provide cooperation in the investigation process.
3. The Company shall provide fairness and safeguard staff who informs corruption cases relating to the Company by applying Protection Policy for appellant, witness or persons who incorporate with Anti-corruption information as stated in the Whistleblowing Policy.
4. A person who commits the corruption is to be considered disciplinary action followed by the Company's standard. Besides, possible legal penalty may be applied if such act violates the laws.
5. The Company shall disseminate, share the knowledge and establish a common understanding with other people who are involved or affect the Company, especially on matters involving Anti-corruption Policy.
6. This Anti-corruption Policy covers to Human Resource Management process starting from recruitment, selection, promotion, training, evaluation, compensation and benefits provided to staff. All supervisors at all levels must communicate and establish common understanding of the policy with staff to apply in the business activities under their responsibility and to monitor the effectiveness of implementation.
7. Charitable contributions and sponsorships to individuals or organizations, to both government or private sectors, must be transparent for charity purposes, and not be made with the expectation for favorable treatment in return that may be considered as fraud or corruption. The request and approval processes must be performed in accordance with the Company's guideline on charitable contributions and sponsorships.
8. The provision and acceptance of gifts are permitted according to local tradition. However, the Company does not encourage its staff to accept gifts from business partners beyond reasonable amounts. The provision and acceptance of gifts must not be made for influence to impair the objectivity.
9. The Company prohibits the provision or acceptance of gifts that include advantages in exchange for the business treatment/agreement in return.

10. The Company's staff shall avoid providing or accepting gifts or other advantages that may constitute bribery or raise suspicions about integrity issues or conflicts of interest which may impact the Company's reputation.
11. The Company prohibits providing or accepting money, services, gifts, or anything of values to/from government officials or the private sector in exchange for benefits or inappropriate business advantages.
12. The request and approval process for gifts must be performed in accordance with the Company's Announcement or guideline on gifts.
13. The Company's staff shall create and sustain organization's culture representing that corruption is unacceptable in every business transaction dealing with both public and private sectors. All staff shall raise awareness by working honesty, ethically and transparency without engaging in fraud and corruption.
14. The Company adopts a political neutrality policy and will not participate or make a political contribution to any activities of political parties, political groups, or politicians, whether directly or indirectly. The Company shall not allow political supporters to use the Company's resources or premises for political activities.
15. The Company has no policy to demote or punish or mistreat any employee who denies corruption even though it may cause the Company to lose business opportunity.

The Additional Guideline

The Chief Executive Officer has the authority to order or establish the additional guideline to align with the Anti-corruption Policy.

Roles and Responsibilities

1. The Board of Directors is responsible for establishing policies, monitoring, and forming an effective system or guideline supporting Anti-corruption practices in order to affirm that the Management or the Executives intensively emphasize Anti-corruption.
2. The Audit, Risk and Corporate Governance Committee is responsible for revision of financial and accounting reports, internal audit, risk management process, anti-corruption policies and measures including reviewing the guidelines for monitoring and implementing the Anti-Corruption Policy to ensure the appropriateness and efficiency of the internal controls.
3. The Chief Executive Officer and the Executives are responsible for establishing guidelines or implementing methods to support the Anti-corruption Policy, as well as for setting communication channels and organizing training program relating to the Anti-corruption policy, regulations and implementation methods/procedures for staff, personnel and all related persons. They also are

responsible for reviewing the appropriateness of related procedures to align with any changes in business, procedures, regulations and applicable laws.

4. The Company's staff are responsible for complying with the Anti-corruption guidelines and all related announcements. The Company's staff must report to their supervisor or to a designated reporting channel, when they have any queries or encounter any suspicions of fraud or breach of the Company's regulations.

Measures

Procedures for monitoring risks from fraud and corruption

1. Put in place the audit process, internal control and risk management systems covering key operating systems, such as, purchasing, account recording and payment systems, etc., aiming to prevent and monitor fraud and corruption risk.
2. Set forth a risk management system suitable to the Company's business nature by identifying risks level from fraud and corruption that may arise and establishing appropriate preventive measures, measurement methods and resources required to mitigate the risks and evaluating the performance under the established risk management plan.

Guidelines for Monitoring and Evaluating the Implementation of the Anti-Corruption Policy

1. Internal Audit Unit is set up to oversee the internal control system, corporate governance and to provide recommendations continuously by conducting audit in accordance with the annual audit plan including reporting significant results with recommendations to the Audit, Risk and Corporate Governance Committee.
2. Risk Management Department is responsible for evaluating the fraud and corruption risk on a regular basis to ensure that the Anti-Corruption Policy is implemented effectively, including monitoring, reviewing and improving the guidelines on a continuous basis, with the assessment results being presented to the Risk Committee and reported to the Audit, Risk and Corporate Governance Committee.
3. If there is an action that may have a significant impact on the Company's financial position or operations, including an offense or breach of laws or the Company's Code of Business Conduct or guidelines for the Anti-Corruption Policy, the Audit, Risk and Corporate Governance Committee will report such matters to the Board of Directors.

Communication

This Policy is communicated to all levels of the employees. In addition, channels are provided for internal whistleblowing, complaints, or suggestions as well as trainings and taking the tests to ensure that they have sufficient understanding for complying with the Policy.

Disciplinary Actions

Policies and guidelines on anti-corruption are parts of the work disciplines for the Company's directors, executives, and employees. Negligence and ignorance to comply with the Company's policies and guidelines is considered breaches of discipline. Punishment will be in accordance with the Company's rules. However, if the act is also against the law, the Company will consider proceeding accordingly.

Apart from the above policy, in order to comply with the anti-corruption policy, the Company has issued a cooperation letter to refrain from giving gifts to directors, executives and employees of the Company.

The Company also held an anti-corruption workshop in order to educate the staffs on the anti-corruption policy and practices. The Company's employees attended the Thai Institute of Directors Association training course on Ethnical Leadership Program and Anti-Corruption: The Practical Guide. The Company had also provided training on anti-corruption policies, "Anti-Corruption ... for Sustainable Organization" to managers and above. The Company also arranged for training of the anti-corruption policy at all the factories.

In 2021, the Company had organized an anti-corruption course via E-learning. The objective was to increase knowledge, understanding about the policy and the principles of anti-corruption, with a course that included various subjects as follows:

1. Definition of "Corruption"
2. Protection against fraud and the related law
3. Overall situation of corruption in Thailand
4. The Company's anti-corruption policy
5. Employee's guidelines, punishment and the no-gift policy

After all the employees and executives have completed the course, they must take a test with score not less than 80 percent to pass the course. If they failed, they would have to retake the course and the test until they pass the criteria specified by the Company.

3.5 Gift and Hospitality Policy

Definitions

Stakeholders means persons/entities directly or indirectly impacted by the Company's business or involved with the Company's interests or impacting on the Company's business, such as the Company's directors, shareholders, customers, suppliers, competitors, creditors, employees, social and communities and environment.

Gift, tokens, assets, or any other benefits means anything of mental values, cash or non-cash, that are courteously given on important occasions according to common customs and culture, to award, honor, support, or to be given out of kindness. They could be privileges to service, entertainments, recreations, or coverage of expenses related to traveling, accommodations, meals, or any other similar expenses, such as tickets, lotteries, etc. It also includes tokens given out of courtesy, or in accordance with local traditions, such as New Year gifts, birthday presents, or congratulatory new job gifts, etc.

Hospitality means receptions, provision of food and drinks, and recreational activities, such as entertainments, sports event, etc.

Giving and receiving of valuable items such as presents or souvenirs, services, facilitating or entertainment of associates must follow the traditions in each local or country including relevant laws. At the same time, it should be of reasonable value and does not influence the Employees into wrongdoing.

Guidelines

1. Before giving or accepting a present and hospitality to/from associates, the Employees should make sure that the price is appropriate to the occasion and complies with laws, regulations, announcements or custom in each locality.
2. Avoid giving or accepting valuable item, service or hospitality that can cause influence to impair the objectivity and wrongfully act.
3. Keeping records of expenses as evidence of the value of the items service or reception, so that they can be examined later.
4. In the case that Employees have been assigned or permitted by their superior to an outside agency, they may receive money, items, or presents according to the guidelines or standards set by the outside.

5. Be cautious when giving items, services and hospitality to the superior or internal people/units, and the case of receiving items, services and hospitality from the subordinate or internal people/units. Such activity must not create motivation leading to unfair decision making.

3.6 Whistle-blowing Policy

Definitions

Stakeholders	means	persons/entities directly or indirectly impacted by the Company's business or involved with the Company's interests or impacting on the Company's business, such as the Company's directors, shareholders, customers, suppliers, competitors, creditors, employees, social and communities and environment.
Fraud	means	an intentional act committed to secure unfair or unlawful gains for one's self or others. Fraud can be broken down into three types: corruption, asset misappropriation and fraudulent reporting, for example, fraudulent financial statements.
Corruption	means	the misuse of position or power of influence for inappropriate gains for the organization, one's self or others. Corruption includes any types of bribery; an offering, giving, promising or agreeing to give, demanding or accepting money, assets, or other inappropriate benefits from the government officers, government sectors, private sectors, or responsible person either in direct or indirect action so that such person could proceed or disregard his/her function in order to acquire, retain the business, recommend specific company to the entity, or achieve any improper benefits in business transaction. Exception shall be applied in case of laws, regulation, statement, standard, custom, or business traditions enable to do so.

Board of Directors had approved the Whistleblowing Policy as a mechanism for the Company's employees and third parties to report any misconduct, or file for grievances without being discriminated or mistreated should they be aware of any wrongdoing, or fall victim to fraud and corruption, or violation of laws / Company regulations.

Whistleblowing Channel



Telephone: : 66 2 285 0040 ext. 2701



Facsimile: : 66 2 285 0255



Postal mail : Head of Internal Audit Unit
Thai Wah Public Company Limited
21/11, 21/13 Thai Wah Tower 1, 6th Floor
South Sathorn Road, Tungmahamek, Sathorn
Bangkok 10120, Thailand



Email: The Chairman of the Board - bod@thaiwah.com
The Chairman of Audit, Risk and
Corporate Governance Committee - arc@thaiwah.com
Head of the Internal Audit Unit - ia@thaiwah.com



Website: : www.thaiwah.com

Whistle-Blowing Reporting Procedures

1. The whistle-blower can complain via whistleblowing channels verbally or in writing.
2. If the whistle-blower wishes not to disclose his/her name, there must be sufficient factual details or clear evidence to provide grounds for believing that a violation of laws, rules and regulations or the Company's Code of Conduct had occurred in the Company's business.
3. The complaint shall be deemed confidential. However, if he/she does disclose his/her identity, this would allow the Company to report him/her the outcome of the investigation or additional particulars concerning the matter of complaint.

Investigating the Facts Procedure

1. Upon receiving the whistleblowing, the Internal Audit (IA) team as assigned by the Audit, Risk and Corporate Governance Committee (ARCG) will gather all the reported cases and ensure that the issues raised are professionally and independently addressed.
2. IA team will then investigate, access and propose the appropriate procedures for managing the whistleblowing to the ARCG.
3. The ARCG will consider the results and enforced the disciplinary actions based on the Company's rules and regulations and/or file the police report.
4. The ARCG Chairman will then report the conclusions of the investigation to the Board of Directors.

Mechanism to Protect Whistle-Blowers

1. All concerns and irregularities will be treated confidentially and access to the information will be limited only to responsible persons. Any information of the whistle-blower will not be disclosed.
2. The collaborator and the officers involved in the investigation will be protected as well as the whistle-blowers.
3. If the whistle-blower made an allegation in bad faith or for personal gain, appropriate action will be taken against him/her which might be disciplinary action and/or file the police report.
4. If a whistle-blower believes that he/she is being subjected to discrimination, retaliation, or harassment for having made a report, he/she should immediately report those facts to the Board of Directors or the Audit, Risk and Corporate Governance Committee or the IA Team through one of the above whistle-blowing channels.
5. Those who incur harm will be compensated in a fair and appropriate manner.

3.7 Political Contributions Policy

The Company shall maintain a neutral stance in politics and, hence, does not make any political contribution in any forms whatsoever. Nonetheless, the Company recognizes and respects the freedom of employees to exercise their political rights, such as voting or belonging to a political party.

Guidelines

1. Avoiding any act that others might construe as signifying the Company's involvement in, or supporting or preferring to a political program or party, political group, person with political influence or election candidates.
2. Exercising the political right on your behalf and avoiding any activity influencing other people to believe that it is done on the Company's behalf.

3. Refraining from expression of political opinions at the workplace or during working hours, as this might lead to conflict.

3.8 Charitable Contribution and Sponsorships Policy

Definitions

Charitable Contribution and Sponsorships means grants or contributions paid to individuals and/or organizations of the public and private sector including the reasonable charities. The objective is to support business operations, brand promotion or the Company's reputation which useful for creating a reliable trade, strengthen a business relationship and in accordance with the company's business ethics handbook (Code of Conduct) that focus on accuracy, transparency and good governance (Good Corporate Governance) in the business.

The Company has a policy and guidance for charitable contributions and giving money to people in public or private organizations, as well as charitable organizations. It must be transparent and aims for the charity does not expect the benefits or any other consideration that may be considered dishonest and corrupt

Charitable contribution and sponsorship to public and private sector individuals/institutions, and charitable organizations must be proceeded under the following conditions:

1. Organizations that are credible, and legally established.
2. The charity contribution must be under the Company's name, and are made in a transparent and legal manner, in compliance with the Company's rules and regulations and Delegation of Authority. Proofs of contribution must be clear and accountable.
3. Donation should not be made under an individual's name unless specified in the request for sponsorship, and with written proof of request of sponsorship. Payment will not be in cash.
4. Monitoring should be conducted to ensure that the donation and sponsorship fund are used genuinely for charity, or in accordance with its purpose (without any hidden agenda nor for improper business interests.)
5. Employees are to seek approval according to the Company's reimbursement procedure and the Delegation of Authority prior to actual reimbursement of charity contribution and sponsorship fund. In the reimbursement request, names of charitable institution/organization, and rationale must be specified for traceability purpose.

3.9 Allocation and Management of Information Technology Resources

The Company had established a policy regarding the allocation and management of IT resources in order to comply with the business's requirements by considering the priorities of IT plan such as complying with the strategic plan, impact on the business operations, urgency, budget, IT's human resources and consistency with the business model etc., The Company has allocated sufficient information technology resources for business operations and has established guidelines to support in the case that it is unable to allocate such resources. The Board of Directors has approved the IT security policy and procedures including safeguard against unauthorised access, confidentiality, measures to maintain the integrity of relevant data and ensure availability of critical data.

3.10 Social participation and development

The Company's policy is to maintain and build relationships with local communities by supporting community activities regularly with a focus on improvement of the quality of life in nearby communities. A series of campaigns with the aim of achieving proper sustainable development for the benefit of local and social communities have been launched.

3.11 Promote Sustainable Use of Resources

Economic growth and an increase in the world's population have led to an increase in human consumption of resources every year, resulting in shortages of limited resources and creating environmental problems. The Company is aware of these problems and, in order to promote the efficient use of resources, has established the Environment, Occupational Health and Safety Committee and continuously carries out various energy conservation campaigns and projects, including set goals for certain campaigns.

3.12 Environmental Training for the Employees

The Company continuously provides training and instills sense of awareness on environmental issues to employees by carrying out various energy conservation campaigns and projects and communicating across the organization through the Company's intranet system and the notice board. Guest speakers are also invited periodically to educate and to provide training to the employees on matters related to the environment, such as environmental conservation, etc.

4. Information Disclosure and Transparency

The Company's emphasis on the disclosure of accurate and complete information in a transparent and timely manner as shown by the following:

- 4.1 Each of the directors and executives of the Company has filed with the Company a report covering his interest or his related person's interest in relation to management of the Company or its subsidiaries in accordance with the criteria and procedures as specified in the notification of the Capital Market Supervisory Board and has updated and filed with the Company within 30 days should there be any change in the report. Such report is also included in the agenda items of the Board meeting for the Board's acknowledgment once every 3 months.
- 4.2 In the previous year, the Company disclosed all general and financial information as well as information which may affect the price of the Company's securities correctly, completely, transparently and on a timely manner, in accordance with the rules and regulations of the SEC and the SET. All information is communicated to investors, shareholders and relevant sectors through the channels of the SET and the Company's website (www.thaiwah.com).
- 4.3 Individual investors, shareholders, stock analysts and state agencies may contact the Company through the Company Secretary at telephone number +66 2 285 0040 or at Investor Relations Department (ir@thaiwah.com).
- 4.4 The Company's financial statements contain accurate and complete information and are prepared in accordance with generally accepted accounting standards. In addition, they are audited/ reviewed by auditors from a well-known auditing firm (currently EY Office Limited) and are approved by the Company's Audit, Risk and Corporate Governance Committee and Board before being disclosed through the SET. The information relating to the "Board of Directors' Responsibility for the Company's Financial Statements" is available in the Company's Annual Report (Form 56-1 One Report). In 2021, the Company's financial statements were certified unconditionally from the auditor.
- 4.5 In the year 2021, the Company has neither a share repurchase program, nor any shareholders' agreement which has a material impact on the Company or other shareholders. Furthermore, the Company did not provide financial assistance to any company which is not a subsidiary of the Company. Therefore, the Company could not disclose such information.

- 4.6 The Company wishes to refer the following matters that are disclosed in other places:

The name of directors and the scope of the powers, duties and responsibilities of the Board (including matters to be approved by the Board) and other committees are detailed under the heading "Corporate Governance Structure".

The professional experience of the directors and members of other committees is detailed in Attachment 1.

The number of Board meetings held and the number of Board meetings attended by each director during 2021 are detailed under the heading “Report on Key Operating Results on Corporate Governance”.

The performance of the Audit, Risk and Corporate Governance Committee in the past year is detailed in Attachment 6.

The performance of the Nomination and Remuneration Committee in the past year is detailed in Attachment 6.

The remuneration for directors and management is detailed under the heading “Corporate Governance Structure” and “Report on Key Operating Results on Corporate Governance”.

Policy of disclosing/reporting of sales and purchase of the Company’s securities held by directors and management has been disclosed under clause 2.6 hereof: “Overview on CG Policy and Guidelines”.

Change in securities held by directors and management in the Company is detailed under the heading “Report on Key Operating Results on Corporate Governance”.

Criterion for directors and senior management remuneration is detailed under the heading “Corporate Governance Structure”.

Director’s remuneration for each individual director is detailed under the heading “Report on Key Operating Results on Corporate Governance”.

- 4.7 In 2021, the Company made full disclosure of information (including key events) within the time frame specified in the regulations of the SET and the SEC. In addition, neither the Listing Department of the SET nor the SEC challenged that the Company had failed to comply with any disclosure requirement.

5. Board Responsibility

5.1 Board Structure

5.1.1 Members of the Board and Terms of Directorship

The Company’s Board of Directors comprise of 15 members, 6 of whom are independent Directors, 3 of whom are executive directors and the remaining 6 are non-executive directors. The majority of the board are non-executive directors and therefore can exercise objective and independent judgements.

The Board consists of directors with appropriate and necessary qualifications, knowledge, skills, experience, character traits and age balance in order to achieve the objectives of the Company and stakeholder's interests. Dr. Sretsei Saittagaroon, Deputy Chairman of the Board, is also a non-executive director who possess knowledge and experience in the core business or the industry in which the Company operates.

The Company has 6 independent directors, representing 40% of total board members. The independent directors of the Company possess the qualifications in accordance with the criteria set by the Securities and Exchange Commission and the Stock Exchange of Thailand. All independent directors can work effectively with the Board and can express their opinions freely

5.1.2 Consecutive terms of office of an independent director

Consecutive terms of an independent director may serve no more than 3 consecutive terms, and the end of each term on the date of the Annual General Meeting of Shareholders in which they are due to retire by rotation. The Board of Directors may nominate their names to be re-elected at the Annual General Meeting of Shareholders as deemed fit, in which case they will no longer be considered independent.

All Independent Directors of the Company are independent of the Management and major shareholders of the Company. None of the Independent Directors holds a directorship position in more than 5 listed companies in Thailand.

The Company's policy to fix the term of office of directors is under Article 18 of the Company's Articles of Association which stipulated that at each annual general meeting, one-third (1/3) of the total number of the directors shall retire from office. If the number of directors is not a multiple of three, then the number of directors nearest to one-third (1/3) shall retire from office.

Retiring directors in the first and second years following the registration of the Company shall be selected by drawing lots. In subsequent years, the director who has held office the longest shall retire.

Retiring directors are eligible for re-election.

The term of office of a director of the Board shall be 3 years. A director of the Board who vacates his/her office by rotation may be re-appointed by the annual general meeting.

5.1.3 Definition of “Independent Director”

The Board of directors approved the definition of an independent director of the Company, which meant a person who possess all qualifications and independence that is stringent than the criterias of the Capital Market Supervisory Board. At present, the said regulations stipulate the following qualifications of independent directors.

- (a) holding shares not exceeding 0.75 percent of the total number of voting rights of the company, its parent company, subsidiary, associated company, major shareholder or controlling person, including the shares held by related persons of such independent director;
- (b) neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of appointment. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the company;
- (c) not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children of other directors, executives, major shareholders, controlling persons, or persons to be nominated as executive or controlling person of the company or its subsidiary;
- (d) not having a business relationship with the company, its parent company, subsidiary, associated company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor having been a significant shareholder or controlling person of any person having business relationship with the company, its parent company, subsidiary, associated company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of appointment.

The term ‘business relationship’ aforementioned under paragraph one includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or grant or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, including any other similar actions, which result in the company or his counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the company or twenty million baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of the Capital Market

Supervisory Board governing rules on connected transactions *mutatis mutandis*. The combination of such indebtedness shall include indebtedness taking place during the course of one year prior to the date on which the business relationship with the person commences;

- (e) neither being nor having been an auditor of the company, its parent company, subsidiary, associated company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, associated company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years from the date of appointment;
- (f) neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding two million baht from the company, its parent company, subsidiary, associated company, major shareholder or controlling person, and neither being nor having been a significant shareholder, controlling person or partner of the professional advisor unless the foregoing relationship has ended not less than two years from the date of appointment;
- (g) not being a director who has been appointed as a representative of the company's director, major shareholder or shareholders who are related to the company's major shareholder;
- (h) not operate any business which has the same nature as and is in significant competition with the business of the company or subsidiary, or not being a principal partner in any partnership, or not being an executive director, employee, staff, or advisor who receives salary; or not holding shares exceeding one per cent of the total number of voting rights of any other company operating business which has the same nature as and is in significant competition with the business of the company or subsidiary;
- (i) not having any characteristics which make him incapable of expressing independent opinions with regard to the company's business affairs.

After having been appointed as independent director with qualifications complying with the criteria under (a) to (i) of the first paragraph, the independent director may be assigned by the board of directors to take part in the business decision of the company, its parent company, subsidiary, associated company, same-level subsidiary, major shareholder or controlling person, providing that such decision shall be in the form of collective decision.

5.1.4 Nomination of Board members

The Nomination and Remuneration Committee will be responsible for the nomination of new directors. The Nomination and Remuneration Committee will search for potential candidates and propose the same to the Board of Directors' or the shareholders' meeting (as the case may be) for consideration and appointment. The following matters will be taken into consideration as part of the selection criteria: the structure of the Board of Directors, which shall consist of members in the number that is suitable for the size and business strategy of the Company, the diversity in the structure of the Board of Directors (Board Diversity), including but not limited to, race, religion, national origin and gender, the appropriateness of the qualifications and skills of the director(s) that are necessary but lacking in the Board of Directors. The Board Skill Matrix will be used to identify the required qualifications.

Each candidate for a Company directorship must have the qualifications prescribed by the SET, the SEC and the Public Limited Companies Act, and must be nominated by the Nomination and Remuneration Committee to the Board and to the shareholders' meeting. Additional details in regard to method of appointment of Directors have been disclosed under the heading "Corporate Governance Structure".

5.1.5 Nomination Procedures of the Board of Directors

The Nomination and Remuneration Committee will select candidates for the position of director(s) of the Company from the recommendation of other directors, the nomination by the shareholders of the Company, the service of external professional search firms, or the directors' pools of various agencies, or other nomination procedures as the Nomination and Remuneration Committee considers appropriate.

5.1.6 Nomination of the Company's leader (CEO or equivalent)

The Nomination and Remuneration Committee will select candidates for the position of Chief Executive Officer or its equivalent of the Company and propose the same to the Board of Directors' for consideration and appointment. The followings will be taken into consideration as part of the selection criteria.

1. Integrity, Honesty and Visionary;
2. Knowledgeable and has an understanding of the Company's business;
3. Ability to adapt, change and maintain the Company's competitiveness;
4. Ability to mitigate risks, maintain and increase the value of shares for the shareholders;
5. Leadership skills and ability to manage the human resources

5.1.7 Nomination Procedures of the Company's Leader (CEO or equivalent)

The Nomination and Remuneration Committee will select the candidates for the position of Chief Executive Officer (or equivalent) from the recommendation of others from both outside and inside the organization or through the service of external professional search firms, or other nomination procedures as the Nomination and Remuneration Committee considers appropriate

5.1.8 Role of Chairman of the Board

Details regarding the roles and responsibilities of the Chairman of the Board have been disclosed under the heading "Corporate Governance Structure"

5.1.9 Role of Chief Executive Officer

Details in regard to the roles and responsibilities of the Chief Executive Officer of the Board have been disclosed under the heading "Corporate Governance" Structure".

5.1.10 Performance Assessment of Chief Executive Officer and senior management

The Nomination and Remuneration Committee will assess the performance of the Chief Executive Officer and senior management of the Company and present the assessment results to the Board of Directors for approval. The remuneration of Chief Executive Officer and senior management of the Company will be determined based on their individual performance achievements against the targets set per the balanced scorecard which will consider both financial and non-financial KPIs (Key performance indicator), as follows:

1. On the Company's operating results such as increase in total revenue or sales of the Company.
2. On the business performance – to be in accordance with assigned policy and / or strategy by the Board of Directors by comparing each target against the percentage of the achievement such as sustainable growth strategy / development of local communities or farmers to earn higher income and at the same time not destroying the environment;
3. On the customer's side - ability to meet the target such as customer's satisfaction.
4. On the organizational development - ability to meet the target regarding the organizational development such as training and employee's satisfaction.

5.1.11 Aggregation or Separation of Positions – Chairman of the Board and Chief Executive Officer

To enhance the good corporate governance of the Company, the Company has separated the positions of the Chairman of the Board and the Chief Executive Officer.

Mr. Ho KwonPing is the Chairman of the Board while Mr. Ho Ren Hua is the Chief Executive Officer in order to manage business operations of the Company effectively.

5.1.12 Succession Plan

The Board of Directors places importance on having an effective and efficient management as well as the continuance of its business operations, which are essential factors to the sustainable growth of the organization. Thus, the Company is required to prepare a succession plan for the positions of Chief Executive Officer, and other senior executive positions, and to review every 3 years to ensure that there will be competent senior executives for the succession of these key positions in the organization.

5.1.13 External Directorship Policy

The Board of Directors has set a policy to limit the number of listed companies in which each director may hold a directorship. This policy aims to protect the Company's best interests because it helps to ensure that directors have sufficient time to handle their duties efficiently. The Board of Directors has agreed to set the policy prescribing that each director should hold directorship of a maximum of 5 other listed companies without any exception.

In addition, the Company has a guideline in case the Chief Executive Officer is appointed as director in another company, the matter has to be proposed to the Nomination and Remuneration Committee's meeting for approval. While for the executive level up, it must be approved by the Managing Director or Chief Executive Officer.

5.2 Sub-Committees

Details in regard to the roles and responsibilities of the sub-committees have been disclosed under the heading "Corporate Governance Structure".

5.2.1 Audit, Risk and Corporate Governance Committee

For improving the good corporate governance of the Company, the Board of Directors' Meeting held on August 6, 2019 had approved the enlargement of the scope of duties and responsibilities of the Audit and Risk Committee to cover the review of corporate governance and changed the name from the Audit and Risk Committee to "Audit, Risk and Corporate Governance Committee."

The Audit, Risk and Corporate Governance Committee comprises four Independent Directors, two of whom, namely Mr. Vudhiphol Suriyabhivadh and Mr. Subhak Siwaraksa have adequate expertise and experience to review creditability of the financial reports. Mr. Vudhiphol Suriyabhivadh has experience on reviewing the financial reports of some listed companies in the Stock Exchange of Thailand. The members and the scope of duties and responsibilities of the Audit, Risk and Corporate Governance Committee have been disclosed under the heading “Corporate Governance Structure.”

5.2.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises 4 Independent Directors, thus forming a strong and independent element which will enable decisions on nomination and remuneration to be made independently. Members and the scope of duties and responsibilities of the Nomination and Remuneration Committee have been disclosed under the heading “Corporate Governance Structure”.

5.3 Role, Duty and Responsibility of the Board

5.3.1 Duties of the Board of Directors

Duties of the Board of Directors have been disclosed under the heading “Corporate Governance Structure”

5.3.2 Corporate Governance Policy

On November 12, 2021, the Board of Directors’ meeting No. 4/2021 had approved the Corporate Governance Policy and the Code of Business Conduct (revised edition). The Board had also assigned the management to promote and monitor the implementation of the policy and code of business conduct of the Company. Details of Corporate Governance Policy and the Code of Business Conduct have been posted on the Company’s website under the Corporate Governance section. The Standard Operating Procedures have also been documented and applied by the Company. In addition, new internal rules and regulations with an aim to continuously improve the good corporate governance of the Company are approved and announced from time to time.

During the previous year, none of the non-executive directors resigned due to corporate governance issues and no impairment of the Company’s reputation arose due to the failure of the Board of Directors’ supervision

5.3.3 Delegation of authority between the Board and the Management

The Company has a management structure that clearly defines the separation of power, duties and responsibilities of the Board of Directors and the Management. The Board of Directors, as the policy supervisor, has the duties to define the Company's vision, mission, values, strategy and long-term goals, including overseeing monitoring, and evaluating the performance of the Management. Management, as the executives, has the duties to perform day-to-day operations to be efficient, effective and in compliance with the defined policies, vision, mission, values, strategy and long-term goals and report its performance to the Board of Directors on a regular basis.

The delegation of authority between the Board and management/ Chief Executive Officer is clear. Annual budgeted capital expenses require approval by the Board. Unbudgeted capital expenses require approval as authorized by the Board as follows:

- Unbudgeted capital expenses less than Baht 2.0 million to be solely approved by the Managing Director.
- Unbudgeted capital expenses ranging from Baht 2.0 million to Baht 10.0 million to be jointly approved by the Chief Executive Officer and any one of the directors.
- Capital expenses ranging from Baht 10.0 million to Baht 50.0 million to be jointly approved by the Chief Executive Officer and any one of the directors and also requires ratification by the Board of Directors.
- Capital expenses in excess of Baht 50.0 million to be solely approved by the Board of Directors

The approval to enter into a significant transaction by the Company's Board of Directors and/or shareholders' meeting as well as all information disclosure must comply with rules and regulations of the Stock Exchange of Thailand and/or the Capital Market Supervisory Board.

Duties and responsibilities of the Board have been disclosed under the heading "Corporate Governance Structure".

5.3.4 Conflict of Interest

Transactions between the Company and its connected parties which may give rise to a conflict of interest are scrutinized by the Audit, Risk and Corporate Governance Committee and if necessary, the approval to enter into such transactions are sought from the Board of Directors and/or shareholders based on the nature and size of transaction in accordance with the provisions of the Capital Market Supervisory Board. Any director or management who has an interest in, or is related to, such transaction will not participate in the decision making process.

Such transactions have to be made under normal commercial terms, determined at fair price and at arm's length basis. In the event that the price is unavailable, the Company will then rely on the report of an independent appraiser appointed by the Company to value important connected transactions to arrive at a pricing which is fair to both the Company and the connected party.

All connected transactions are disclosed clearly and accurately. Details are further described under the heading "Related Party Transaction"

5.3.5 Internal Audit and Control

The Company realizes the significance of effective system of control. The Board of Directors has assigned the Audit, Risk and Corporate Governance Committee to review the Company's internal control system in order to ensure that the Company's internal control system comprising of 5 components, namely control environment, risk assessment, control activities, information & communication, and monitoring activities in accordance with the guidelines of the Committee of Sponsoring Organizations of the Treadway Commission : COSO, is adequate and to report the outcome to the Board accordingly.

Opinions of the Audit, Risk and Corporate Governance Committee and of the Board of Directors on the internal control system of the Company are disclosed under the heading "Internal Control" and "Attachment 6".

Internal Audit

The Company has established the Internal Audit Department, an independent unit, head by Mr. Sorasak Thanadeecharoenchok. Mr. Sorasak reports directly to the Audit, Risk and Corporate Governance Committee. His role is to audit and to assess the adequacy and efficiency of the Company's internal control based on the internal audit schedules approved by the Audit, Risk and Corporate Governance Committee and to regularly report the findings to the Audit, Risk and Corporate Governance Committee on a quarterly basis in order to improve the efficiency and effectiveness of the operation of the Company.

The appointment, transfer and termination of employment of the chief of the Internal Audit Unit have to be approved by the Audit, Risk and Corporate Governance Committee.

5.4 Meetings of the Board and Sub-Committees

5.4.1 The Board

The Company conducts regular scheduled Board meetings at least 4 times a year on a quarterly basis which are planned and formally agreed upon in advance in the fourth quarter before the start of the new financial year. In the year 2021, the Company had conducted a total of 4 Board meetings and encourages each director to attend the Board of Directors' meeting at least 75 percent of the total number of meetings in each fiscal year, except in case of necessity and emergency. In the past year, the board of directors had attended the meeting, which accounted for 98.33 percent. The Company had provided the meeting materials to the directors in advance at least 5 days prior to the meeting to allow the directors to have sufficient time to study the information beforehand.

The Company encourages that at the time of Board's decision, the quorum of the meeting should not be lesser than two-thirds of total number of directors. Besides, the non-executive directors attended one meeting among themselves without the executives on May 14, 2021 to discuss on issues related to management, corporate governance, development, and executive succession plan to be in line with the Company's goals and long-term plans. Management will receive guidance from the Chairman of the Board for the Company's further development.

The Board is of the view that the contribution of each director should not be focused only on his or her attendance at Board and/or Committee meetings. A director's contribution may also extend beyond the confines of the formal environment of Board meetings, through the sharing of views, advice, experience and strategic networking relationships which would further the interests of the Company.

5.4.2 Audit, Risk and Corporate Governance Committee

The Company conducts regular scheduled Audit, Risk and Corporate Governance Committee's meetings at least 4 times a year, prior to the Board meeting, on a quarterly basis which are planned and formally agreed upon in advance during the fourth quarter before the start of the new financial year. Additional meetings are convened as and when circumstances warrant. In 2021, the Company conducted 4 Audit, Risk and Corporate Governance Committee's meeting.

In addition, the Audit, Risk and Corporate Governance Committee also attended one meeting with external auditors without the attendance of management in order to consider the Company's directions and auditing plans including the problems or establishing guidelines for internal control.

5.4.3 Nomination and Remuneration Committee

The Company conducts regular scheduled Nomination and Remuneration Committee's meetings. The meetings are planned and formally agreed upon in advance in the fourth quarter before the start of the new financial year. Additional meetings are convened as and when circumstances warrant. In 2021 the Company conducted 5 Nomination and Remuneration Committee's meetings.

5.5 Board of Directors' Report

5.5.1 Financial Report

The Board of Directors is accountable to its shareholders for the Company's financial statements as well as the financial information as shown in the Form 56-1 (One Report). The Board of Directors is satisfied that the Company's financial statements are prudently prepared in accordance with generally accepted accounting principles and are independently reviewed and audited by the international auditors who has expressed an unqualified opinion on the Company's financial statements. Additionally, the Audit, Risk and Corporate Governance Committee has been tasked to independently review the Company's financial report and internal control practices directly with the auditors. All pertinent information relating to the financial statements is clearly and completely disclosed in the accompanying notes. Details are described under the heading "Internal Control" and "Attachment 7".

5.5.2 Minutes of Meeting

The minutes of the meetings of the Board and other committees were accurately and completely recorded in all material aspects addressed at each meeting, including the questions, opinions and clarifications. The Company has a safe and secure filing system in place to keep the minutes of meetings and other supporting documents.

5.6 Monitoring the implementation of the Company's strategy

The Board of directors had supervised management in establishing the strategy and the annual plan to align with the Company's objective and mission/vision including reviewing the objective, goals and medium-term business strategies (3-5 years). And to ensure that all these various strategies and work plans are implemented effectively, there is a company-wide communication for everyone in the organization to join, drive or implement it in the same direction in order to achieve the objectives and goals of the Company as defined. The Board of directors had assigned Management to report on their performance in accordance to the strategic plan and or assigned work plan in every board meetings.

5.7 Development of Directors and Management

The Company's directors, management and employees are constantly encouraged to develop their skills by attending various seminars and training courses organized by various organizations, e.g. the Thai Institute of Directors, the SET and the SEC, etc. Seminars and training courses are periodically forwarded to them. Furthermore, relevant information is regularly provided to the directors so that they are kept abreast of latest developments thus enabling them to make informed decisions. Details of the training previously undertaken by each director and Management are set out under the heading, "Report on key operating results on corporate governance and Attachment 1."

5.8 Orientation

The Company recognizes the importance of supporting new directors in performing their duties. The Company has provided information on the business of the Company and other information related to the operations of the Company to new directors, i.e. Annual Report (Form 56-1 One Report) and the relevant rules and regulation. Such materials are useful for them in performing their duties as directors of the Company.

5.9 Supervision on the operations of the subsidiaries and the associated companies

The Board shall appoint the directors and executives of the subsidiary companies. Except for operating arms or associate companies, the board may delegate this authority to the chief executive officer and the chief executive officer can appoint the appropriate person to be the director in such a company. The number of representative directors will be subject to the proportion of shareholding.

The Company shall define the duties and responsibilities of subsidiary directors who are the Company's representative in subsidiaries and associated companies. They will oversee the subsidiaries' operations to ensure compliance with applicable law and standards and the subsidiaries' policies. As well as overseeing that the subsidiaries' internal control systems are effective and that all transactions comply with relevant law and standards.

List of directors who serve on the Board of Directors of the subsidiaries or the associated companies is disclosed under "Attachment 2".

5.10 Investor relations Functions

The Board has established a dedicated investor relations function who is responsible for regular, effective and fair communication with shareholders and other stakeholders such as analysts and potential investors by providing the Company's information in an appropriate, equal and timely manner via appropriate channels.

Code of Business Conduct

The Company holds strongly to the belief that good business ethics is one of the key elements for sustainable growth. To protect the interest of all stakeholders and in the interest of promoting and advocating good business ethics throughout the organization, the Company has adopted a Code of Business Conduct, which has been approved by the Board of Directors and communicated across the organization through electronic mail, the Company's intranet system, and notice boards in order to understand and to ensure that the Board of Directors, Management and employees strictly adhere to the Code as well as to encourage them to comply with the Code accordingly.

The Code has been drafted based on the principles of integrity, transparency and good corporate governance practices and good social ethics and disseminate through the Company's website (www.thaiwah.com).

During the previous year, the Company's Board of Directors was not aware of any claim or allegation that the Company's Code of Business Conduct was disobeyed.

Milestone Development on the CG policy, guidelines and system during the year

Revise Charter of the Board

During the past year the Board of directors reviewed and evaluated the adequacy and appropriateness of the Charter to cover:

- Reviewing the board structure, in terms of necessary qualifications, size, skills, experience, gender, age balance, diversity and the proper proportion of independent directors so as to ensure its leadership role in achieving the Company's objectives and stakeholder interests.
- Implementing and overseeing the annual self-performance evaluations of the board, its committees, and each individual director, including reviewing and using the evaluation results for strengthening the effectiveness of the board.

CG score

Based on the Corporate Governance Report of Thai Listed Companies 2021 conducted by the Thai Institute of Directors (IOD), the Company was able to maintain its score in the "Excellent" level.

Revise Anti-corruption Policy

The Company reviewed and revised its Anti-corruption policy to in line with the CG policy.

Re-certify CAC

The Company submitted the questionnaires and relevant documents for re-certification. Thai Private Sector Collective Action Against Corruption (CAC) approved the re-certification on June 30, 2021. The certificate is valid for 3 years from the date of approval.

Establish the PDPA Policy

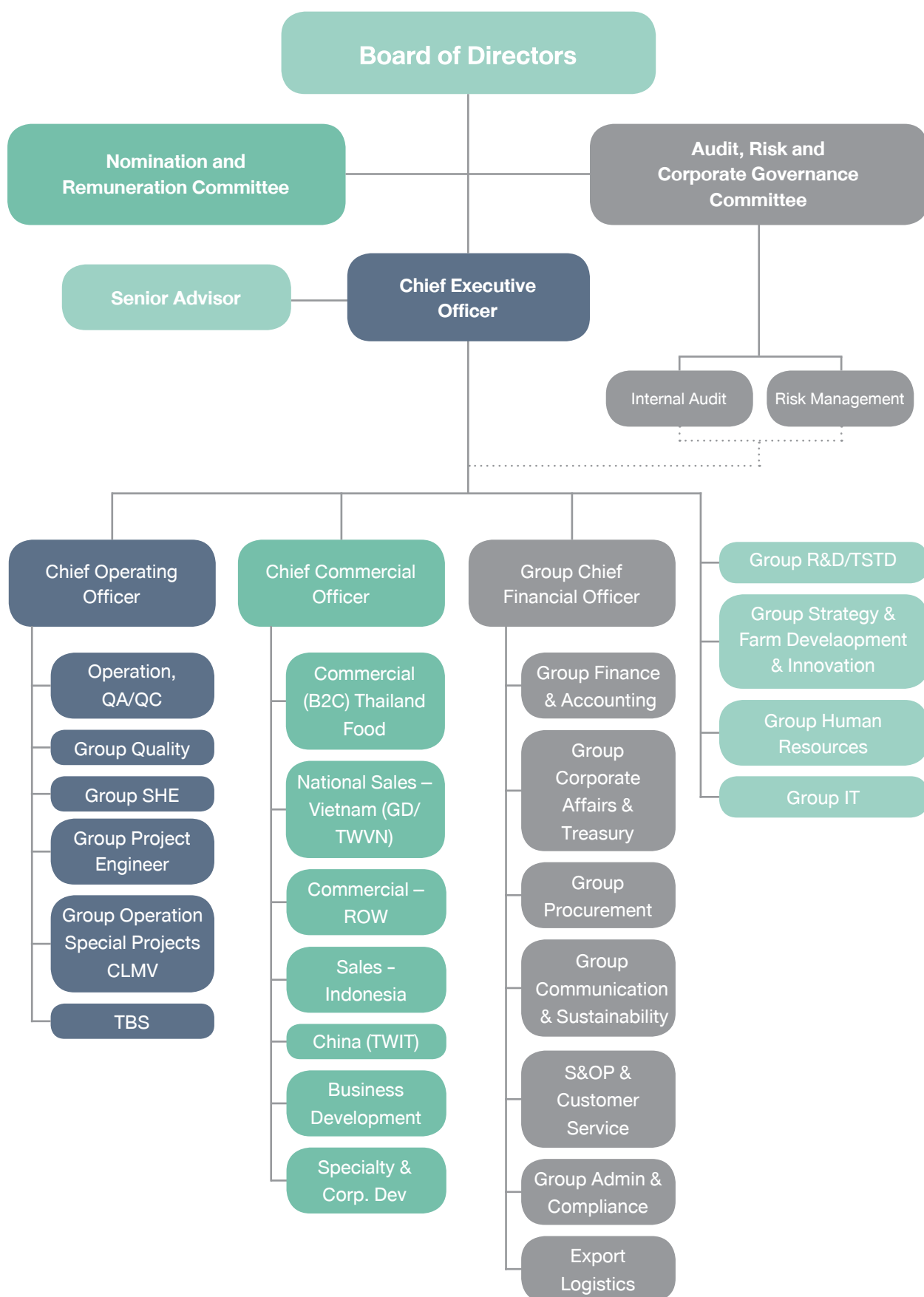
Following the announcement of Thailand's Personal Data Protection Act B.E (2019) (PDPA) that would be enforced in full by June 1, 2022, the Board of directors approved the PDPA policy on November 12, 2021 for the Company to comply with the laws and implement the adequate data protection protocols.

Arrange E-AGM

In 2021, the Company submitted the AGM's invitation and other relevant documents to its shareholders via QR Code. The Company also encouraged shareholders to appoint independent directors to vote on their behalf instead of in-person participation for preventing the spread of COVID-19. The Company was concern on the health and safety of the shareholders, including other participants of the meeting, during the pandemic situation of Corona virus 2019 (COVID-19), the Board of Directors' Meeting on February 24, 2021, resolved that the 2021 Annual General Meeting (AGM) of the Company would be held via teleconference through an online electronic application platform (E-AGM) which was conducted in accordance to the laws and regulations regarding an electronic meeting (E-Meeting).

Corporate Governance Structure and Key Data on the Board of Directors, Sub-Committees, Management, Employees and Others

Corporate Governance Structure



Board of Directors

Composition of the Board

The compositions of the Board of Directors are as follows:

1. The Board of Directors consist of members in the number that is suitable for the size and business strategy of the Company, but shall be no less than 5 members. At least half of the total directors shall reside in Thailand.
2. The Board of Directors consists of independent directors which shall not be less than one-third of the total number of the directors, with a minimum of 3 directors.
3. The Board of Directors shall elect one of the members to be the Chairman of the Board

The Board of Directors comprises of directors who are knowledgeable and experienced in diverse fields relevant to Thai Wah's business. The Board of Directors consists of 15 directors, 6 independent directors, representing 40% of the entire board. The Independent Directors of the Company possess the qualifications in accordance with the criteria set by the Securities and Exchange Commission and the Stock Exchange of Thailand. There are 6 non-executive directors, representing 40% of the entire board and 3 executive directors, representing 20% of the entire board.

As at December 31, 2021, the Company's Board of Directors are as follows:

No.	Name	Position	Date of Appointment
1.	Mr. Ho KwonPing	Chairman of the Board	October 1, 2015, April 26, 2016 (re-elected) April 26, 2019 (re-elected)
2.	Dr. Sretsei Saittagaroon	Deputy Chairman of the Board	October 1, 2015, April 20, 2017 (re-elected) April 27, 2020 (re-elected)
3.	Mr. Ariel P Vera	Director	October 1, 2015, April 26, 2016 (re-elected) April 26, 2019 (re-elected)
4.	Mr. Ho KwonCjan	Director	October 1, 2015, April 20, 2017 (re-elected) April 26, 2019 (re-elected) April 23, 2021 (re-elected)

No.	Name	Position	Date of Appointment
5.	Mr. Ho Ren Hua ^(a)	Director	October 1, 2015, April 20, 2017 (re-elected) April 27, 2020 (re-elected)
6.	Mr. Umnad Sukprasongphol ^(a)	Director	October 1, 2015 April 27, 2018 (re-elected) April 27, 2020 (re-elected)
7.	Mr. Shankar Chandran	Director	December 25, 2016 April 27, 2018 (re-elected) April 23, 2021 (re-elected)
8.	Mr. Vudhiphol Suriyabhivadh	Independent Director, ^(b) Audit, Risk and Corporate Governance Committee Chairman, Nomination and Remuneration Committee, Member Strategic and Innovation Committee Member	October 1, 2015, April 26, 2016 (re-elected) April 26, 2019 (re-elected)
9.	Dr. Jingjai Hanchanlash	Independent Director, ^(b) Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Chairman, Strategic and Innovation Committee Member	October 1, 2015, April 20, 2017 (re-elected) April 27, 2020 (re-elected)
10.	Mr. Subhak Siwaraksa	Independent Director, ^(b) Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Member, Strategic and Innovation Committee Member	February 21, 2017 April 27, 2018 (re-elected) April 27, 2020 (re-elected)

No.	Name	Position	Date of Appointment
11.	Mr. Chanin Archjananun	Independent Director ^(b) Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Member, Strategic and Innovation Committee Member	October 1, 2015 April 27, 2018 (re-elected) April 23, 2021 (re-elected)
12.	Ms. Parnsiree Amatayakul	Independent Director, ^(b) Strategic and Innovation Committee Member	April 27, 2018 April 23, 2021 (re-elected)
13.	Mrs. Supattra Paopiamsap ^(c)	Independent Director, ^(b) Strategic and Innovation Committee Member	February 24, 2021
14.	Mr. Prateep Lertvatanakijkul ^(a)	Director	April 27, 2018 April 23, 2021 (re-elected)
15.	Ms. Ho Ren Yung	Director	April 27, 2020

Remark : Profile details as shown in Attachment 1

^(a) Authorized directors of the Company are Mr. Ho Ren Hua and Mr. Umnad Sukprasongphol or Mr. Ho Ren Hua and Mr. Prateep Lertvatanakijkul can jointly sign with the Company's seal affixed in accordance with the Affidavit.

^(b) The definition of "Independent Director" is disclosed under clause 5.1.3 hereof: "Overview on CG Policy and Guidelines".

^(c) The Board of Directors' Meeting No. 1/2021 held on February 24, 2021 approved the appointment of Mrs. Supattra Paopiamsap, as a new Independent Director and Strategic and Innovation Committee Member of the Company, replacing Mr. Surapon Supratya who resigned from the Company effective January 1, 2021.

The Chairman of the Audit, Risk and Corporate Governance Committee had jointly considered the agendas of the Board of director's meeting in order to check and balance the power of the Board of Directors and management.

Authorities, Duties and Responsibilities of the Board

The Board of Directors is the driving force of the organization. Its roles and duties are to set strategies and policies pertaining to business operation for the Company. The Board of Directors must perform its duties responsibly, carefully, and loyally in order to maximize the Company's benefits and act in fairness to all stakeholders, according to the principles of good corporate governance. In addition, the board plays an important role in overseeing and assessing the performance of the Management to ensure the accomplishment of the Company's action plan. The Board of Directors has thus resolved to adopt this Charter of the Board of Directors so that every director is aware of his/her duties and responsibilities and performs them correctly and completely.

Duties of the Board of Directors

1. Overseeing the Company in managing the business for the benefits of shareholders by observing the following four practices:
 - 1.1 Performing its duties with responsibility and all due circumspection and caution (Duty of Care).
 - 1.2 Performing its duties with faithfulness and honesty (Duty of Loyalty).
 - 1.3 Performing its duties in compliance with laws, objectives, Articles of Association, the resolutions of the Board of Directors and the resolutions of Shareholders' Meetings (Duty of Obedience).
 - 1.4 Disclosing information to shareholders accurately, completely, and transparently with verification and timeliness (Duty of Disclosure).
2. Defining objectives that promote sustainable value creation and governance outcomes as a framework for the operations of the Company.
3. Determining and reviewing the board structure, in terms of necessary qualifications, size, skills, experience, gender, age balance, diversity and the proper proportion of independent directors so as to ensure its leadership role in achieving the Company's objectives and stakeholder interests.
4. Ensuring that the policy and procedures for the nomination and selection of directors are clear and transparent resulting in the desired composition of the board.
5. Ensuring that all directors are properly accountable for their duties and responsibilities, and allocate sufficient time to discharge their duties and responsibilities effectively.

6. Ensuring that directors understand the roles and responsibilities, the nature of the business, the Company's operations, relevant law and are consistently given support to enhance their skills and knowledge necessary to carry out their roles on the board and board committees.
7. Ensuring that an appropriate compensation structure and performance evaluation are in place.
8. Implementing and overseeing the annual self-performance evaluations of the board, its committees, and each individual director, including reviewing and using the evaluation results for strengthening the effectiveness of the board.
9. Ensuring that the Company has effective human resources management and development programs to ensure that the Company has adequate staffing and appropriately knowledgeable, skilled, and experienced employees and staff.
10. Prioritizing and promoting innovation that creates value for business together with benefits for its customers, other stakeholders, society, and the environment, in support of sustainable growth of the Company.
11. Encouraging management to adopt responsible operations towards society and the environment and incorporate them into the Company's operational plan in order to ensure that every department and function in the Company adopts the Company's objectives, goals, and strategies, applying high ethical, environmental and social standards.
12. Establishing a framework for governance of enterprise IT that is aligned with the Company's business needs and priorities, stimulates business opportunities and performance, strengthens risk management, and supports the Company's objectives.
13. Ensuring that the Company has effective and appropriate risk management and internal control systems that are aligned with the Company's objectives, goals and strategies and comply with applicable laws and standards.
14. Monitoring and managing conflicts of interest that might occur between the Company, management, directors, and shareholders. The board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.
15. Establishing a clear anti-corruption policy and other relevant policies, practices and disseminating to the Company's stakeholders for proper implementations.
16. Establishing a mechanism for handling complaints and whistleblowing.
17. Prioritizing and ensuring the integrity of the Company's financial reporting system and that timely and accurate disclosure of all material information regarding the Company is made consistent with applicable requirements.

18. Monitoring the financial liquidity and solvency of the Company and ensuring that risks to the financial position of the Company or financial difficulties are promptly identified, managed and mitigated, and that the Company's governance framework provides for the consideration of stakeholder rights.

Role of the Chairman of the Board

The Chairman of the Board is responsible for leading the Board with the following duties and responsibilities:

1. Summoning meeting for Board and presiding over the meeting. In making decision, the Chairman has a deciding or casting vote in the event of tied votes.
2. Setting Board meeting agenda in consultation with the Chief Executive Officer and Chairman of the Audit, Risk and Corporate Governance Committee and ensuring that Board members receive accurate, complete, timely and clear information prior to the meeting in order to assist their decision making process.
3. Conducting the Board meeting according to the agenda, relevant laws and good corporate governance, allocating sufficient time and encouraging all directors to participate in the discussion, exercise their discretion prudently and express their opinions freely.
4. Overseeing and ensuring that the Board of Directors and the Sub-Committees effectively carry out their duties to achieve the Company's objectives.
5. Promoting constructive relations between executive and non-executive directors, and between the Board and management.
6. Ensure that all directors contribute to the Company's ethical culture and good corporate governance.

The Board of Directors' Authorization

The Board of Directors is empowered to authorize various matters in accordance with the scope of authority stipulated by laws, the Company's regulations, Articles of Association, the Board of Directors charter, and the resolutions at the shareholders' meeting.

Term of Office

At each annual general meeting of shareholders, one-third of the total number of the directors shall retire from office. If the number of directors is not a multiple of three, then the number of directors nearest to one-third shall retire from office. The director who has held office the longest shall retire. Retiring directors are eligible for re-election.

Method of Appointment and Removal of Directors as included in the Company's Articles of Association

Appointment of the Directors

1. The Company shall have a Board of Directors comprising at least five (5) directors. At least half of the total directors shall reside in Thailand.
2. The directors shall be elected at the Shareholders' Meeting in accordance with the following criteria and procedures:
 - (1) A shareholders shall have one (1) vote per share.
 - (2) Each shareholder may exercise all the votes he or she has to elect one or several persons as director(s), but the shareholder cannot allot his or her votes to any person in any number; and
 - (3) The candidates who received the highest votes in their respective order of the votes shall be elected as the directors until all of the director positions that the Company has, or are to be elected at such meeting, are filled. In the event the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the Chairman of the meeting shall have a casting vote.
3. In the event of a vacancy on the Board of Directors for reasons other than by rotation, the Board of Directors shall elect any person who is qualified and who does not have any of the prohibited characteristics under the law on public limited companies and/or under the law governing securities and exchange as a substitute director at the subsequent Board of Directors' Meeting, unless the remaining term of office of the vacant directorship is less than two (2) months. The aforesaid substitute director shall retain office only for the remaining term of office of the replaced director.

The resolution of the Board of Directors under the first paragraph shall be passed by a vote of not less than three-fourths (3/4) of the remaining directors.

In the case where the directors' position is vacant and results in an insufficient number of directors to constitute a quorum, the remaining directors shall transact on behalf of the Board of Directors only to call a Shareholders' Meeting to elect the replacement of such vacant positions.

The Shareholders' Meeting to elect new directors to fill the vacant positions shall be held within one (1) month from date on which the number of directors becomes insufficient to form a quorum.

Removal of Directors

1. At each annual general meeting, one-third (1/3) of the total number of the directors shall retire from office. If the number of directors is not a multiple of three, then the number of directors nearest to one-third (1/3) shall retire from office.

Retiring directors in the first and second years following the registration of the Company shall be selected by drawing lots. In subsequent years, the director who has held office the longest shall retire.

Retiring directors are eligible for re-election.

2. Besides retiring by rotation, the directors shall be vacated from office upon:
 - (1) death;
 - (2) resignation;
 - (3) a lack of qualifications or having prohibited characteristics under the law on public limited companies and the law governing securities and exchange;
 - (4) removal by a resolution of the Shareholders' Meeting; and
 - (5) removal by a court order.
3. A director may be removed from office prior to the end of his/her term of office by a resolution passed at the Shareholders' Meeting, by a vote of not less than three-fourths (3/4) of the total number of shareholders who are present at the meeting and are eligible to vote, holding together not less than one-half (1/2) of the total number of shares of the shareholders who are present at the meeting and are eligible to vote.

Meetings of the Board of Directors

The date and time for the Board meetings shall be planned and formally agreed upon in advance in the fourth quarter before the start of the new financial year. Additional meetings are convened as and when circumstances warrant.

Remuneration of Directors

The Board of Directors assigns the Nomination and Remuneration Committee to review the policy and criteria for directors' remuneration and recommend the Board of Directors prior to proposing to the shareholders' meeting for approval. In determining the composition of the remuneration package, the nature of the role, duties and responsibilities performed and market practice are taken into consideration. The package shall also be competitive with the industry's benchmark.

Development of Directors

1. When a person is appointed as a director of the Company, the Company shall provide him/her with the director orientation to introduce the Company's overview, operations, strategies and working plans and present to him/her the Charter of Board of Directors and various relevant information so that he/she acknowledges his/her roles and duties as a director of the Company.
2. Encouraging directors to be trained and developed in various ways such as seminars, lectures, and excursion trips to enhance up-to-date knowledge and new experience in line with the changing situations in order to benefit the operations of the Company.

Review of the Charter

The Board of Directors shall review and evaluate the adequacy and appropriateness of the Charter on an annual basis.

Apart from this, the delegation of authority by the Board to the management is clear, details as disclosed under clause 5.3.4 hereof: "Overview on CG Policy and Guidelines"

Sub-Committees

The Board approved the establishment of three sub-committees, namely Audit, Risk and Corporate Governance Committee, Nomination and Remuneration Committee and Strategic and Innovation Committee in order to assist the Board to screen operations within certain limits of authority as stipulated in the charter and regularly report the outcome to the Board.

In order to perform their duties transparently and independently, all members of the sub-committees are Independent Directors. Additionally, the Chairman of the Board is neither a Chairman nor a member of either sub-committees.

1. Audit, Risk and Corporate Governance Committee

In order to enhance the Company's good corporate governance, the Board of Directors' Meeting dated August 6, 2019, approved the enlargement of the scope of duties and responsibilities of the Audit and Risk Committee to include corporate governance and renamed it to be read as "Audit, Risk and Corporate Governance Committee (ARCG)".

The Audit, Risk and Corporate Governance Committee comprises 4 Independent Directors of the Company as follows:

No.	Name	Position	Remark
1.	Mr. Vudhiphol Suriyabhivadh	Chairman	Independent Director
2.	Dr. Jingjai Hanchanlash	Member	Independent Director
3.	Mr. Subhak Siwaraksa	Member	Independent Director
4.	Mr. Chanin Archjananun	Member	Independent Director

All members of the Audit, Risk and Corporate Governance Committee possess the qualifications in accordance with the criteria set by the Securities and Exchange Commission and the Stock Exchange of Thailand.

Mr. Vudhiphol Suriyabhivadh and Mr. Subhak Siwaraksa, Chairman and member of the Audit, Risk and Corporate Governance Committee, have adequate expertise and experience to review creditability of the financial reports. Mr. Vudhiphol Suriyabhivadh gains his experience in reviewing the financial reports of some listed companies in the Stock Exchange of Thailand.

Audit, Risk and Corporate Governance Committee formally convened four meetings with the Company's external auditors and internal auditors including the management in order to review the compliance with accounting standard requirements and internal controls prior to approving the quarterly reports and the annual financial statements. Including, the Audit, Risk and Corporate Governance Committee attended one non-management meeting with the external auditor to deliberate accounting approaches and audit plans.

Duties and Responsibilities of the Audit, Risk and Corporate Governance Committee

1. To review the accuracy and adequacy of financial reporting of the Company;
2. To review the adequacy and effectiveness of internal control and internal audit systems of the Company as well as to determine the independence of the internal audit unit, and to approve the appointment, transfer and termination of employment of the chief of the internal audit unit;
3. To consider, select and propose the appointment or termination of an independent person to be the external auditor of the Company and propose fees for such person, as well as to attend a non-management meeting with the external auditor at least once a year;
4. To review the Company's compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand and the laws relating to the business of the Company;
5. To review the connected transactions or the transactions that may lead to conflicts of interests to ensure that they are in compliance with the laws, regulations of the Stock Exchange of Thailand, and are reasonable and for the highest benefit of the Company;

6. To report the activities of the Audit, Risk and Corporate Governance Committee to the Board;
7. To prepare and to disclose a report of the Audit, Risk and Corporate Governance Committee in the Company's Annual Report. The report must be signed by the Audit, Risk and Corporate Governance Committee Chairman, comprising at least the following information:
 - a. an opinion on the accuracy, completeness and creditability of the Company's financial report,
 - b. an opinion on the adequacy of the Company's internal control system,
 - c. an opinion on the compliance with the law on securities and exchange, regulations of the Stock Exchange of Thailand or the laws relating to the business of the Company,
 - d. an opinion on the suitability of an auditor,
 - e. an opinion on the transactions that may lead to conflicts of interests,
 - f. the number of the Audit, Risk and Corporate Governance Committee meetings, and the attendance of such meetings by each Audit, Risk and Corporate Governance Committee member,
 - g. an opinion or overview comment received by the Audit, Risk and Corporate Governance Committee from its performance of duties in accordance with the charter, and
 - h. other transactions which, according to the Audit, Risk and Corporate Governance Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board;
8. To review and encourage the Company to enforce and comply with an appropriate and efficient risk management policy, as well as to oversee and monitor the Enterprise Risk Management Committee;
9. In performing the duty of the Audit, Risk and Corporate Governance Committee, if there is a transaction or any of the following acts which may materially affect the Company's financial condition and operating results:
 - a. a transaction which causes a conflict of interest;
 - b. any fraud, irregularity, or material defect in an internal control system; or
 - c. an infringement of the law on securities and exchange, regulations of the Stock Exchange of Thailand or the laws relating to the business of the Company

the Audit, Risk and Corporate Governance Committee shall report such transaction or act to the Board for rectification within the period of time that the Audit, Risk and Corporate Governance Committee thinks fit. If the Board or management fails to make a rectification within such period of time, any Audit, Risk and Corporate Governance Committee member may report on such transaction or act to the Office of the Securities and Exchange Commission or the Stock Exchange of Thailand;

10. To investigate and report the preliminary result to the Office of the Securities and Exchange Commission and the external auditor within thirty days upon receipt of the fact from the external auditor in relation to any suspicious circumstance that the director, manager or any person responsible for the operation of the Company commits an offence under the law on securities and exchange;
11. To perform any other acts as assigned by the Board and accepted by the Audit, Risk and Corporate Governance Committee;
12. To implement and oversee the annual self-performance evaluations including reviewing the evaluation results and reporting the results to the Board on an annual basis.
13. To supervise the performance of management to strictly comply with the Company's good corporate governance policy;
14. To review the corporate governance policy and code of business conduct of the Company at least once a year;
15. To oversee the anti-corruption policy to ensure it's sufficient and appropriate for the Company's business;
16. To supervise and offer advices related to the operation concerning the Company's sustainable development; and

Authority of the Audit, Risk and Corporate Governance Committee

In order that the objectives of performance of the duty by the Audit, Risk and Corporate Governance Committee be fulfilled, the Audit, Risk and Corporate Governance Committee shall have the following power:

1. Management Power

The Audit, Risk and Corporate Governance Committee shall have the power to invite management, the internal audit, the working unit supervisor or the related staff of the Company to provide clarification, opinions, attend the meetings or submit documents as deemed relevant and necessary.

2. Power with respect to the Internal Auditor

- 2.1 To ensure that there exist a common objective and understanding amongst the internal auditor, external auditor and the Board in regard to internal control;
- 2.2 To approve the appointment, transfer, termination of employment of the chief of the internal audit unit;
- 2.3 To secure the independence of the internal auditor.

3. Power with respect to the External Auditor

- 3.1 To review and evaluate the work performance of the external auditor;
- 3.2 To propose the names and the termination of the external auditor and annual auditing fee to the Board of Directors of the Company for the purpose of obtaining approval at the Annual General Meeting of Shareholders;
- 3.3 To fix wage rate for audit services and other advisory services provided by the external auditor.

4. Other powers

The Audit, Risk and Corporate Governance Committee shall have the power to investigate related persons and matters within its scope of the authority and duty and shall have the power to employ or ask a specialist to provide advice and opinions as deemed appropriate by the Audit, Risk and Corporate Governance Committee.

The Term of Office

The term of office of a member of the Audit, Risk and Corporate Governance Committee shall be 2 years. A member of the Audit, Risk and Corporate Governance Committee who vacates his/her office by rotation may be re-appointed.

2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises 4 Independent Directors of the Company as follows:

No.	Name	Position	Remark
1.	Dr. Jingjai Hanchanlash	Chairman	Independent Director
2.	Mr. Vudhiphol Suriyabhivadh	Member	Independent Director
3.	Mr. Subhak Siwaraksa	Member	Independent Director
4.	Mr. Chanin Archjananun	Member	Independent Director

Duties and Responsibilities of the Nomination and Remuneration Committee

1. To propose guidelines and make broad recommendations for the annual salary increment and bonus policies of the Company;
2. To review and award the bonus, salary increment and incentives of the Company's Chief Executive Officer and his relatives who are employees of the Company;
3. To review and approve the expense claims of the Company's Chief Executive Officer;
4. To review and if necessary, propose changes to the remuneration of the Company's directors serving on the Board of Directors and sub-committees;
5. To review and if necessary, propose changes or additions to senior management welfare, benefit (such as employee stock options and other employee welfare allowances, subsidies and schemes), salary increment and bonus policies. The emolument of individual employees shall be determined by the management of the Company;
6. To establish criteria for Board membership;
7. To formulate a standard and transparent process for the selection of directors;
8. To propose and/or evaluate directorial candidates and Board committee members for consideration by the Board when there is a vacancy;
9. To assess independent directors to identify if the independence of any is compromised and if new independent directors are required under the Board's policy;
10. To inform the Board of the names of directors and Board committee members who are retiring by rotation and make recommendations to the Board as to whether the Board should support the renomination of those retiring directors and committee members;
11. To review the Committee charter at least once a year and recommend modifications to the Board of Directors as needed;
12. To report to the Board of Directors on the Committee's activities and findings;
13. To co-operate and consult with Board of Directors/Management in selecting a candidate for the position of top executives (Managing Director/Chief Finance Officer) in accordance with the selection criteria of the Company;
14. To implement and oversee the annual self-performance evaluations including reviewing the evaluation results and reporting the results to the Board on an annual basis.

Authority of the Nomination and Remuneration Committee

To assist the Nomination and Remuneration Committee in achieving its objectives, the Nomination and Remuneration Committee shall have the discretion to appoint appropriate third party consultants to review existing employee related policies, propose new employee benefit and welfare programs and/or undertake other human resource related research and studies.

The Term of Office

The term of office of a member of the Nomination and Remuneration Committee shall be 2 years. A member of the Nomination and Remuneration Committee who vacates his/her office by rotation may be re-appointed.

3. Strategic and Innovation Committee

The Strategic and Innovation Committee comprises of Independent Directors of the Company as follows:

No.	Name	Position	Remark
1.	Dr. Jingjai Hanchanlash	Member	Independent Director
2.	Mr. Vudhiphol Suriyabhivadh	Member	Independent Director
3.	Mr. Subhak Siwaraksa	Member	Independent Director
4.	Mr. Chanin Archjananun	Member	Independent Director
5.	Ms. Parnsiree Amatayakul	Member	Independent Director
6.	Mrs. Supattra Paopiamsap	Member	Independent Director

Duties and Responsibilities of the Strategic and Innovation Committee

1. Work with the Chief Executive Officer and the management team to oversee the development of the Company's strategy, and to provide guidance for the strategic planning process to ensure that the strategic implementation plan is developed within the organization.
2. Monitor the Company's progress against strategic goals and provide feedback and advice on merger and acquisition strategy, capital strategy, market capabilities, and resource requirements.
3. Review the strategies and other impacts from emerging or evolving competitive activity, or other innovation developments and global economic conditions.
4. To oversee and recommend to Chief Executive Officer and management team regarding certain significant strategic decisions.
5. To report to the Board of Directors on the Committee's activities and findings.
6. Review the adequacy of this Charter and proposed to the Board changes from time to time as needed

The Term of Office

The term of office of a member of the Strategic and Innovation Committee shall be two years. A member of the Strategic and Innovation Committee who vacates his/her office by rotation may be re-appointed.

Management

Management as at December 31, 2021

Management of the Company comprises the Chief Executive Officer and other Management in accordance with the definition of the Securities and Exchange Commission, a total of 5 persons, details as follows:

No.	Name	Position
1.	Mr. Ho Ren Hua	Chief Executive Officer
2.	Mr. Umnad Sukprasongphol	Senior Advisor to CEO
3.	Mr. Prateep Lertvatanakijkul	Chief Operating Officer
4.	Ms. Naruemon Srisuma	Vice President-Group Research and Development
5.	Ms. Orn-A-Nong Witchucharn	Group Chief Financial Officer

Remark : Profile details are as shown in Attachment 1

Duties and Responsibilities of the Chief Executive Officer

The Chief Executive Officer has the following roles and responsibilities:

1. To be in charge of the daily business operations of the Company, supervise and manage the works and operations of the Company for complying with the policy, vision, mission, values, strategy and goals, both in terms of financial and non-financial, as well as to drive the business plan to be able to achieve financial budget as approved by the Board of Directors;
2. To employ, appoint, transfer, dismiss, and terminate employees in all levels, except the appointment, transfer and dismissal of the Head of Internal Audit, which shall also be approved by the Audit, Risk and Corporate Governance Committee;
3. To determine the salary and remuneration, adjust the salary, bonus, reward and welfare of all employees of the Company, including the senior executives in correspondence with the remuneration mechanism and welfare as approved by the Nomination and Remuneration Committee;
4. To issue internal order, policies, announcement and memo of the Company to ensure that the operations of the Company are in compliance with the policy and the interest of the Company, including to maintain the organizational disciplinary;
5. To perform other tasks as assigned by the Board of Directors and to perform any other acts as stipulated by laws and regulations of the authorities;

Remuneration Policy

Director's remuneration

The remuneration for the Company's directors reflects their experience, duties, obligations, roles and responsibilities (accountability and responsibility) which is benchmarked against the same industry and are competitive including the expectations from each director is in line with the Company's long – term strategy and goals as well. The director's fees are subject to shareholders' approval at the AGM. In addition to the approved monetary remuneration, the Company does not provide any other benefits to its Board of directors.

Management's remuneration

The remuneration for the Company's senior management and senior executives is aimed at encouraging and motivating them to achieve the Company's annual and long-term goals as well as ensuring that it is aligned with shareholders' interests. Thus, the remuneration for senior management is considered by comparing their performance with the targets set out in the balance scorecard that takes into account both financial and non-financial performance as follows:

1. On the Company's operating results such as increase in total revenue or sales of the Company.
2. On the business performance – to be in accordance with assigned policy and / or strategy by the Board of Directors by comparing each target against the percentage of the achievement such as sustainable growth strategy / development of local communities or farmers to earn higher income and at the same time not destroying the environment;
3. On the customer's side - ability to meet the target such as customer's satisfaction.
4. On the organizational development - ability to meet the target regarding the organizational development such as training and employee's satisfaction.

Monetary remuneration for 5 management in 2021 was in the total amount of Baht 60,589,858.65 consisted of salaries, bonus, social security payment, car allowance, provident fund payment, laptop allowance, telephone expenses, medical expenses, children education, and etc.

There were no non-monetary remuneration given to management in the year 2021.

Human Resources

As at December 31, 2021 there were 3,269 employees in the Company as follows:

	Starch business		Food business		Subsidiaries*		Total
	M	F	M	F	M	F	
Direct labor (person)	632	373	377	726	450	347	2,905
Indirect labor (person)	22	22	21	15	2	0	82
Head office employee (person)	27	45	133	77	0	0	282
Total (person)		1,121		1,349		799	3,269

Remark : * Subsidiaries are

1. Thai Nam Tapioca Company Limited
2. DI Company Limited
3. Thai Wah Bio Power Limited
4. Tapioca Development Corporation Limited
5. Thai Wah International Trade (Shanghai) Company Limited
6. TWPC Investment (Cambodia) Company Limited
7. Thai Wah Vietnam Company Limited
8. Tay Ninh Tapioca Joint Stock Company
9. PT Thai Wah Indonesia

Provident Fund

Number of employees attending PVD (person) : 702

Percentage of employees who are members (%) : 88%

Total remuneration and benefits paid to the employees of the Company as at December 31, 2021 was Baht 909,633,161.00 comprising salary and bonus, car allowance, social security fund, provident fund, accident & health insurance, medical, etc.

Employees' Remuneration Policy

The Company has set forth the employee's remuneration policy based on the Performance Management System (PMS) to encourage the efficient performance of the employee who are its most important asset. The objective of the Company's remuneration policy is to attract, motivate, reward and retain quality staff. The remuneration of the employees will be determined based on the financial and non-financial KPIs (Key performance indicator) which takes into account the nature of the role performed and market practice. To ensure that its remuneration package is competitive with the industry's benchmark, the Company periodically reviews its base salary ranges and benefits package with comparative groups in the agribusiness and food sectors.

The Company's approach to rewarding employees not only helps to attract, retain and motivate talented employees but also fosters a performance-oriented culture across the organization that will help attain the Company's financial objectives.

Human Resources Development Policy

The Company recognizes the importance of human resources and has a policy to develop the employees to be knowledgeable and competent. The Company places great importance on the human resources starting from recruitment, defining clear scope of works, training and development, performance evaluation, individual career development plan, providing fair remuneration and good welfare as well as promoting activities to strengthen the unity and positive atmosphere in the workplace.

Other Significant Information

Company Secretary

The Board of Directors' meeting of the Company has approved the appointment of Ms. Manee Lueprasert, to be the Company Secretary of the Company effective October 1, 2015. Profile details are as shown in "Attachment 1".

Duties and Responsibilities of the Company Secretary

The Company Secretary has to perform the duties in accordance with section 89/15 and 89/16 of the Securities and Exchange Act with responsibility, due care and loyalty, and in compliance with all laws, the objectives, the articles of association of the Company, the resolutions of the Board of Directors and the resolutions of the Shareholders' Meeting. The Company Secretary has the statutory duties and responsibilities as follows:

- (1) Preparing and keeping the following documents:
 - (a) a register of Director;
 - (b) a notice calling for the Board of Directors' Meeting, the minutes of the Board of Directors' Meeting and the Annual Report of the Company;
 - (c) a notice calling for Shareholders' Meeting and the minutes of the Shareholders' Meeting;
- (2) Keeping a report on interest filed by the Director or Executive and submit a copy of such report in accordance with section 89/14 to the Chairman and the Audit, Risk and Corporate Governance Committee Chairman within seven business days upon receipt;
- (3) Performing any other acts as specified in the notification of the Capital Market Supervisory Board. Apart from this, the Company Secretary has other duties as specified in the job descriptions and as assigned by the Company.

The Person Supervising Accounting

The person taking the highest responsibility in finance and accounting and the person supervising accounting of the Company is Mrs. Orn-a-nong Witchucharn, the Group Chief Financial Officer. Profile details are as shown in "Attachment 1".

Head of Internal Audit

The Company has established the Internal Audit Department, an independent unit, head by Mr. Sorasak Thanadeecharoenchok. Mr. Sorasak reports directly to the Audit, Risk and Corporate Governance Committee. Profile details are as shown in "Attachment 3".

Head of Investor Relation

All stakeholders are able to contact the unit directly at Ms. Ratinan Wongwatcharanon (Head of Corporate Communication and Sustainability) Telephone +66 2285 0040 Ext. 1109 e-mail ir@thaiwah.com or through Company's website www.thaiwah.com/en/investor-relations/home, which disclosures of information based on the criteria on information disclosures, as specified by the Stock Exchange of Thailand (SET), provides both Thai and English versions along with the updated information. In the year 2021, the Company provided corporate presentations and information reports to the institutional investors, retail/individual investors, shareholders and domestic and international analysts, details are as follow:

Activities	Times/Year
Analyst Meeting	4
Opportunity Day	4
Outbound Roadshow	N/A
Inbound Roadshow (Virtual)	5
Conference Call	4
Interview	4
Company Visit	1
Site Visit	N/A

Auditors' Remuneration

Audit Fees

The Company and subsidiary companies paid the audit fees to the audit firm for the year 2021 for a total amount of Baht 6,210,100 and for a total amount of Baht 2,783,389 for 6 of its subsidiaries based abroad, details as follows:

Company	Auditors' remuneration
The Company	Baht 2,133,900
Subsidiary companies	
- 18 companies in Thailand	Baht 4,076,200
- 2 companies in Vietnam	VND 600,000,000 (approximately Baht 836,400)
- 1 company in China	CNY 212,750 (approximately Baht 1,056,623)
- 1 company in Cambodia	USD 19,000 (approximately Baht 607,565)
- 1 company in Indonesia	IDR 120,500,000 (approximately Baht 282,801)

Non Audit Fees

The Company and subsidiary company paid the fees for agreed upon procedures to the audit firm for the year 2021 for a total amount of Baht 360,000, details as follows:

Company	Auditors' remuneration
The Company	Baht 240,000
Subsidiary companies	Baht 120,000

Report on Key Operating Results on Corporate Governance

Summary of Duty Performance of the Board of Directors

Selection, Development and Evaluation of Duty Performance of the Board of Directors

Independent Director

The definition of “Independent Director” has been disclosed under clause 5.1.3 hereof: “Overview on CG Policy and Guidelines”

Selection of Directors and the Company’s Leader

Nomination procedures of the Board of Directors and the Company’s Leader have been disclosed under clause 5.1.4-5.1.7 hereof: “Overview on CG Policy and Guidelines”

Development of Directors and Management

Details of the training previously undertaken by each director and management are set out in Attachment 1.

In 2021, directors and management attended the training and seminar courses as follows:

Name	Position	Course
Mr. Ho Ren Hua	Director and Chief Executive Officer	Thai Wah Leadership
Mr. Umnad Sukprasongphol	Director and Senior Advisor to CEO	Thai Wah Leadership
Mr. Prateep Lertvatanakijkul	Director and Chief Operating Officer	Thai Wah Leadership, LeadershipACT
Ms. Orn-a-nong Witchucharn	Group Chief Financial Officer	Thai Wah Leadership, Corporate sustainability, Director Leadership Certification Program (DLCP 3/2021), Thai Institute of Directors Association
Ms. Naruemon Srisuma	Vice President-Group Research and Development	Thai Wah Leadership, Technical training on high moisture extrusion cooking of plant-based meats
Ms. Manee Lueprasert	Company Secretary	Thai Wah Leadership, Prompt One Report, SET, CGR Workshop 2021, One Report - Change for Sustainability

Assessment of the Performance

Board of Directors :

The Board of Directors conducts an assessment of its annual performance as a group and individual based on the assessment forms developed from the Stock Exchange of Thailand. The purpose is to review the performance outcome, problems and obstacles in the business operation in the past year so as to improve the work efficiency.

The assessment criteria of the Board of Directors (group and individual) covers 4 assessment subjects, are as follows:

- 1) Board structure and qualifications,
- 2) The Board of Directors' Meetings,
- 3) Roles, Duties and Responsibilities of the Board of Directors and
- 4) Others.

The assessment procedure

1. The Company secretary will distribute the assessment forms, group and individual, as approved by the Board of Directors to all the board of directors to assess their performances;
2. After each director has completed the self-assessment forms of the Board of Directors as a group and individual basis, the Company Secretary Officer shall calculate the scores and provide a summary of these scores to the Board of Directors;
3. The Board of Directors' meeting shall jointly consider and find a solution in order to improve the unsatisfactory scores and use it as a guideline for their performance in the following year, including considering and reviewing the comments and suggestions raised by each director.

Sub-committees:

The Company's Corporate Governance Policy stipulates that the Board of Directors assigns all subcommittees to conduct self-assessment in order to consider performance and problems for further improvements and report the assessment result to the Board of Directors on an annual basis.

The assessment procedure

1. The secretary of the sub-committee will distribute the assessment forms as approved by the Board of Directors to all the members to assess their performances;
2. After each director has completed the self-assessment form of the sub-committee as a whole, the Company Secretary Officer shall calculate the scores and provide a summary of these scores to the sub-committees' meeting;
3. The Company Secretary shall present the results of the self-assessment (as a whole) to the Board of Directors meeting for further consideration.

The assessment results of Board of Directors and the sub-committees for the year 2021 were as follows:

- Board of Directors as a whole 94.31%
- Board of Directors as an individual 92.98%
- Audit, Risk and Corporate Governance Committee 95.26%
- Nomination and Remuneration Committee 90.79%

The assessment scores for the year 2021 indicated excellent / most suitable overall performance.

Meeting Attendance and Remuneration Payment to Each Board Member

Attendance of all directors in 2021 as shown below

No.	Name	Meetings in 2021			
		Board of Directors (4 meetings)	Audit, Risk and Corporate Governance Committee (4 meetings)	Nomination and Remuneration Committee (5 meetings)	Annual General Meeting (1 meeting)
1.	Mr. Ho KwonPing	4/4			1/1
2.	Dr. Sretsei Saittagaroon	4/4			1/1
3.	Mr. Ariel P Vera	4/4			1/1
4.	Mr. Ho KwonCjan	4/4			1/1
5.	Mr. Ho Ren Hua	4/4			1/1
6.	Mr. Umnad Sukprasongphol	4/4			1/1
7.	Mr. Shankar Chandran	4/4			1/1
8.	Mr. Vudhiphol Suriyabhivadh	4/4	4/4	5/5	1/1
9.	Dr. Jingjai Hanchanlash	4/4	4/4	5/5	1/1
10.	Mr. Subhak Siwaraksa	3/4	4/4	5/5	1/1
11.	Mr. Chanin Archjananun	4/4	4/4	5/5	1/1
12.	Ms. Parnsiree Amatayakul	4/4			1/1
13.	Mrs. Supattra Paopiamsap *	3/3			1/1
14.	Mr. Prateep Lertvatanakijkul	4/4			1/1
15.	Ms. Ho Ren Yung	4/4			1/1

Remarks:

- * The Board of Directors' Meeting No. 1/2021 held on February 24, 2021 approved the appointment of Mrs. Supattra Paopiamsap, as a new Independent Director, replacing Mr. Surapon Supratya who resigned from the Company effective January 1, 2021

Remuneration for the Board of Directors

The remuneration policy of the directors was established based on the scope and the extent of each director's responsibilities by measuring against industry benchmarks and are competitive. The Nomination and Remuneration Committee will review the appropriateness and ensure that it is in accordance with the policy. The remuneration for the Board of Directors and sub-committees are subject to the shareholders' approval at the AGM.

For the year 2021, the Annual General Meeting held on April 23, 2021 had approved the remuneration for the directors who are members of the of the Board and directors and/or Audit, Risk and Corporate Governance Committee and/or Nomination and Remuneration Committee at the same rate as the remuneration for the year 2020 as well as approved the remuneration for directors who are members of the Strategic and Innovation Committee details as follows:

Position	Remuneration/Meeting/Person (Baht)	
	2021	2020
Chairman of the Board of Directors	265,000	265,000
Independent Director	180,000	180,000
Non-Executive Director	180,000	180,000
Executive Director	159,000	159,000
Chairman of the Audit, Risk and Corporate Governance Committee	90,000	90,000
Member of the Audit, Risk and Corporate Governance Committee	48,000	48,000
Chairman of the Nomination and Remuneration Committee	90,000	90,000
Member of the Nomination and Remuneration Committee	48,000	48,000
Member of the Strategic and Innovation Committee	30,000 ⁽¹⁾	-

Remark:

⁽¹⁾ Total estimate fee not exceeding Baht 1 million per year

The remuneration for executive directors is lower than the remuneration for non-executive directors because the executive directors receive a salary and also other benefits as part of their executive's duties and responsibilities.

In addition to the monetary remuneration, the Company does not provide any other benefits to its Board of Directors.

Remuneration and Other Benefits of the Directors during the Year 2021

No.	Name	Position	Remuneration/Other Benefits (Baht/Year)				
			Board of Director	Audit, Risk and Corporate Governance Committee	Nomination and Remuneration Committee	Strategic and Innovation Committee	Total (Baht/Year)
1.	Mr. Ho KwonPing	Chairman of the Board	1,060,000	-	-	-	1,060,000
2.	Dr. Sretsei Saittagaroon	Deputy Chairman of the Board	720,000	-	-	-	720,000
3.	Mr. Ariel P Vera	Director	720,000	-	-	-	720,000
4.	Mr. Ho KwonCjan	Director	720,000	-	-	-	720,000
5.	Mr. Ho Ren Hua	Director	636,000	-	-	-	636,000
6.	Mr. Umnad Sukprasongphol	Director	636,000	-	-	-	636,000
7.	Mr. Shankar Chandran	Director	720,000	-	-	-	720,000
8.	Mr. Vudhiphol Suriyabhivadh	Independent Director, Audit, Risk and Corporate Governance Committee Chairman, Nomination and Remuneration Committee Member, Strategic and Innovation Committee Member	720,000	360,000	240,000	-	1,320,000
9.	Dr. Jingjai Hanchanlash	Independent Director, Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Chairman, Strategic and Innovation Committee Member	720,000	192,000	450,000	-	1,362,000

No.	Name	Position	Remuneration/Other Benefits (Baht/Year)				
			Board of Director	Audit, Risk and Corporate Governance Committee	Nomination and Remuneration Committee	Strategic and Innovation Committee	Total (Baht/Year)
10.	Mr. Subhak Siwaraksa	Independent Director, Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Member, Strategic and Innovation Committee Member	720,000	192,000	240,000	30,000	1,182,000
11.	Mr. Chanin Archjananun*	Independent Director, Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Member, Strategic and Innovation Committee Member	720,000	192,000	240,000	180,000	1,332,000
12.	Ms. Parnsiree Amatayakul	Independent Director, Strategic and Innovation Committee Member	720,000	-	-	90,000	810,000
13.	Mrs. Supattra Paopiamsap *	Independent Director, Strategic and Innovation Committee Member	540,000	-	-	180,000	720,000
14.	Mr. Prateep Lertvatanakijkul	Director	636,000	-	-	-	636,000
15.	Ms. Ho Ren Yung	Director	720,000	-	-	-	720,000
Total			10,708,000	936,000	1,170,000	480,000	13,294,000

Remarks:

* The Board of Directors' Meeting No. 1/2021 held on February 24, 2021 approved the appointment of Mrs. Supattra Paopiamsap, as a new Independent Director and Strategic and Innovation Committee Member of the Company, replacing Mr. Surapon Supratya who resigned from the Company effective January 1, 2021

Supervision on the operations of the subsidiaries and the associated companies

Details have been disclosed under clause 5.9 hereof: “Overview on CG Policy and Guidelines”

Monitoring of Compliance with the Corporate Governance Policy and Guidelines

Preventing Conflicts of Interest

Details have been disclosed under clause 2.7 hereof: “Overview on CG Policy and Guidelines”

Supervision on the use of inside information

Adhering to high standards of best corporate governance practice, the Company has a Code of Business Conduct to guide its Board of Directors, senior management and all rank and file employees in the use of inside information for the purpose of preserving the interest of all stakeholders of the Company. Details have been disclosed under clause 2.6 hereof: “Overview on CG Policy and Guidelines”

In addition, the changes in the shareholding of a directors and executives are disclosed in Annual Report (form 56-1 One Report), details as follows :

Details of Securities held by Directors and Management in the Company

No.	Name	Position	No. of shares held as at December 31, 2020	No. of shares changed in 2021 Increase / (Decrease)	No. of shares held as at December 31, 2021	Shareholding in the Company (%)
1.	Mr. Ho KwonPing	Chairman of the Board	56,740,573	-	56,740,573	6.45%
	Spouse and Minor child		453,961	-	453,961	0.05%
2.	Dr. Sretsei Saittagaroon	Deputy Chairman of the Board	2,344,029	-	2,344,029	0.27%
	Spouse and Minor child		-	-	-	-
3.	Mr. Ariel P Vera	Director	926,105	1,000,000	1,926,105	0.22%
	Spouse and Minor child		-	-	-	-
4.	Mr. Ho KwonCjan	Director	34,416,488	-	34,416,488	3.91%
	Spouse and Minor child		-	-	-	-
5.	Mr. Ho Ren Hua	Director Chief Executive Officer	8,734,024	609,700	9,343,724	1.06%
	Spouse and Minor child		-	-	-	-
6.	Mr. Umnad Sukprasongphol	Director and Senior Advisor to CEO	100,226	143,000	243,226	0.03%
	Spouse and Minor child		7,014	-	7,014	0.00%

No.	Name	Position	No. of shares held as at December 31, 2020	No. of shares changed in 2021 Increase / (Decrease)	No. of shares held as at December 31, 2021	Shareholding in the Company (%)
7.	Mr. Shankar Chandran	Director	-	-	-	-
	Spouse and Minor child		-	-	-	-
8.	Mr. Vudhiphol Suriyabhivadh	Independent Director, Audit, Risk and Corporate Governance Committee Chairman, Nomination and Remuneration Committee Member, Strategic and Innovation Committee Member	-	-	-	-
	Spouse and Minor child		213,053	-	213,053	0.02%
9.	Dr. Jingjai Hanchanlash	Independent Director, Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Chairman, Strategic and Innovation Committee Member	-	-	-	-
	Spouse and Minor child		2,643,039	-	2,643,039	0.30%
10.	Mr. Subhak Siwaraksa	Independent Director, Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Member, Strategic and Innovation Committee Member	-	-	-	-

No.	Name	Position	No. of shares held as at December 31, 2020	No. of shares changed in 2021 Increase / (Decrease)	No. of shares held as at December 31, 2021	Shareholding in the Company (%)
	Spouse and Minor child		-	-	-	-
11.	Mr. Chanin Archjananun	Independent Director, Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Member, Strategic and Innovation Committee Member	-	-	-	-
	Spouse and Minor child		-	-	-	-
12.	Ms. Parnsiree Amatayakul	Independent Director, Strategic and Innovation Committee Member	-	-	-	-
	Spouse and Minor child		-	-	-	-
13.	Mrs. Supattra Paopiamsap *	Independent Director Strategic and Innovation Committee Member	-	-	-	-
	Spouse and Minor child		-	-	-	-
14.	Mr. Prateep Lertvatanakijkul	Director and Chief Operating Officer	50,000	50,000	100,000	0.01%
	Spouse and Minor child		-	-	-	-
15.	Ms. Ho Ren Yung	Director	-	-	-	-
	Spouse and Minor child		-	-	-	-
16.	Ms. Naruemon Srisuma	Vice President - Group Research and Development	-	-	-	-
	Spouse and Minor child		-	-	-	-
17.	Ms. Orn-A-Nong Witchucharn	Group Chief Financial Officer	10,000	-	10,000	0.00%
	Spouse and Minor child		-	-	-	-

Remarks :

* The Board of Directors' Meeting No. 1/2021 held on February 24, 2021 approved the appointment of Mrs. Supattra Paopiamsap, as a new Independent Director and Strategic and Innovation Committee Member of the Company, replacing Mr. Surapon Supratya who resigned from the Company effective January 1, 2021

Anti-corruption

The Board of Directors' Meeting No. 1/2017 on February 21, 2017, had approved the Company to join the Private Sector Collective Action Coalition Against Corruption ("CAC"). (Currently known as Thai Private Sector Collective Action Against Corruption) and was certified for the first time to be a full member of CAC on August 21, 2018.

The Company has been re-certified on June 30, 2021. The certificate is valid for 3 years from the date of approval.

Whistleblowing

Details have been disclosed under clause 3.6 hereof: "Overview on CG Policy and Guidelines"

In 2021, 3 complaints were filed, most of them were failure to comply with the work rule or misbehavior in the work place

Report on the Results of Duty Performance of the Audit, Risk and Corporate Governance

Details are disclosed in the Attachment 6.

Report on the Results of Duty Performance of the Sub-committee

Details are disclosed in the Attachment 6.

Internal Control and Related Party Transactions

Internal Control

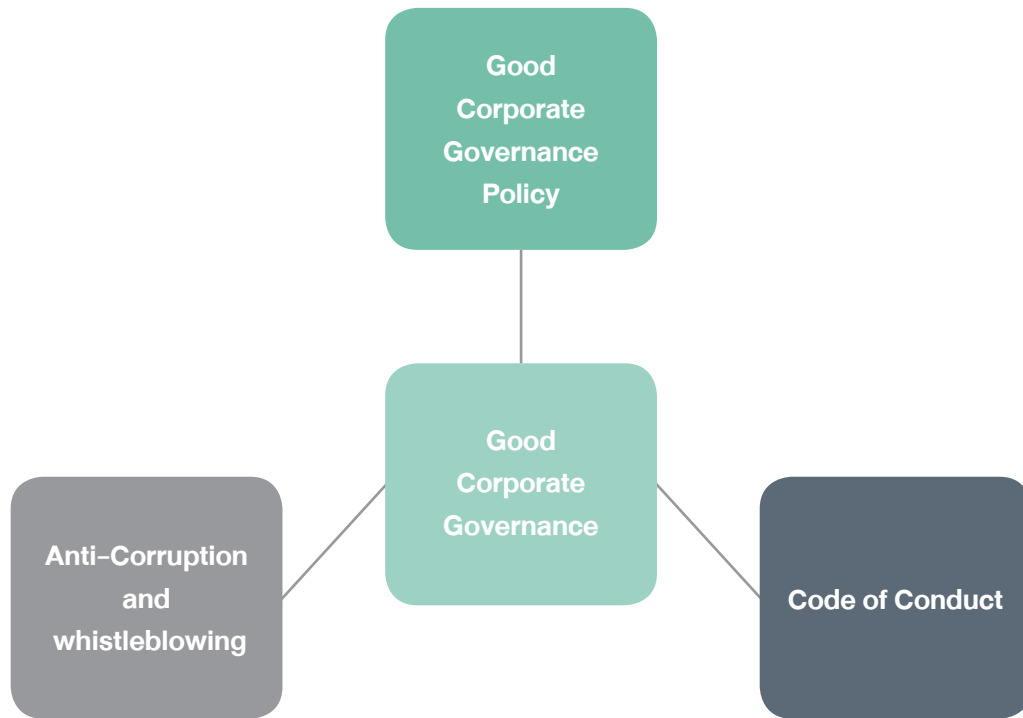
The Company's Board of Directors recognizes the importance of internal controls and risk management systems that are key fundamentals in driving the Company's sustainable growth that adds value to Company's stakeholders. This is assigned by the Audit, Risk and Corporate Governance Committee who supervises, oversee and ensure that the Company's internal control and risk management systems are appropriate and effective, and that the Company punctually complies with relevant laws and regulations with no conflict of interest nor Related Parties Transaction, and also responsible for monitoring and overseeing the operations of the Company, assuring no use of the Company's assets for illegal or unauthorized purposes, and protecting the Company's assets by preventing leakage, loss, fraud or misconduct. The Company has established check and balance mechanism by assigned internal audit department and risk management department perform audit, review and report audit and review results directly report to the Audit, Risk and Corporate Governance Committee, and coordinate across all functions included all factories to conduct overall assessments on internal control system and Company risks on the annual basis based on the guidelines for evaluating the adequacy of internal controls and risk managements as set out by The Securities and Exchange Commission. Furthermore, the Board of Directors has determined the standard operating procedure and practice for internal control and risk management based on the guidelines of The Committee of Sponsoring Organization of the Treadway Commission - Enterprise Risk Management ("COSO-ERM").

The Board of Directors also recognizes the importance of risk management to mitigate the risks derived from external factors (inherent risks) and internal factors (control risks) that need to manage the impact to be remained at the acceptable or immaterial risk level. The review scope of these internal audit and risk management are also included subsidiaries. The review of internal audit and risk management are to ensure all operation controls are set in place, all financial reporting are reliable, and to ensure there are no conflict of interest for any related party transaction.

Below are key components of internal control and risk management based on the COSO-ERM guidelines;

Control Environment

Board of Directors have given the management guideline and organizational structure that allowed the operation can be run independently, practically, with communication effectively. These clear guideline & structure as well as clear Company objective will drive the Company success in running business with good corporate governance, transparency and fairness. The combination of control environment is as followed;



Objective Setting

Board of Directors have determined the objectives to departments, factory and staff about the strategies that including the implementation policy, rules and regulations. These objectives and goals has been communicated to staff, departments and factory to align with the overall Company's mission.

Event Identification or Risk Factors

Board of Directors have identified events or factors for both internal and external risks that may have unfavorable impact to the Company goals and objectives at corporate and operations level. This is included process of review and monitor those risk factors regularly.

Risk Assessment

Board of Directors assigned risk management department to take the lead to coordinate with all functions included all factories to perform risk assessment process and set up appropriate risk management to control and mitigate those defined risks that may lead to unfavorable impacts to the company goals and objectives. For considering risk level, there are two aspects to be considered included the potential loss or damage resulted from those risk occurrence (impact) and the probability of those risk occurrence (likelihood) and report to management person, Board of Directors and Audit, Risk and Corporate Governance Committee at least every quarterly.

The process of risk management area as follow:

Control activities

Board of directors have defined the standard operating procedure to ensure that the operation is run appropriately. The control activities included as follow:

Preventive Control

Standard Operating Policies and Procedures,
Segregation of duty,
Verify, review and approve.

Detective Control

Assigned internal audit department to evaluate
and audit.
Analytical financial data and ratio.

Corrective Control

Summarize audit issues, deficiencies and
weaknesses for set up policy and procedure
to implementation.

Information system and communication

Board of Directors recognizes the importance to the information system and effective communications by assigning the information technology department to regulate, monitor, and continuously develops the IT system to be up to date to the current trend of technology. During year 2017, The Company and subsidiaries have implemented the Enterprise Resource Planning (ERP) for entire data management across all functions. This ERP will help company enable to use data management effectively with the timely decision making. Apart from this, the Board has also established policies based on the laws of Computer Related Crime Act to govern the use of sensitive information and other company's IT equipment. The information of policy, regulation and code of conduct included documentations and other announcements are communicated within the organization through channels via email and intranet to the employees.

Monitoring

The Board of Directors and Audit, Risk and Corporate Governance Committee have the meeting at least once each to review the company performance against the Company plan and objective. This review has also included monitoring, and follow-up on any inefficient process that have to be corrected by used the performance evaluation system helped to evaluated and monitored that there is accordance with the objectives of the Company.

In addition, the Internal Audit Unit, which is an independent unit, has also been assigned as another whistle-blowing reporting channel for receiving information or complaints including evidences, thus ensuring that the Company has a transparent and fair whistle-blowing process and comply with the Good Corporate Governance.

Base on the policies and practices on internal controls and risk managements, the Board of Directors considers the Company's internal control system and risk managements to be adequate, appropriate and efficient and no significant material weaknesses in the Company's internal control system and risk managements.

Head of Internal Audit

The Audit, Risk and Corporate Governance Committee's meeting No. 3/2019 held on August 6, 2019 approved the appointment of Mr. Sorasak Thanadeecharoenchok as a head of the internal audit department based on qualifications, knowledge and abilities to perform the tasks. He attended several training courses of internal audit by the Institute of Internal Auditors of Thailand. He also has experiences in auditing and reviewing financial statements of other enterprises which can be applied in practice. He has full understanding of the Company's processes and procedures, and believes that he has full ability in performing his role.

The appointment, transfer and dismissal of the head of Internal Audit of the Company must be approved by the Audit, Risk and Corporate Governance Committee which is one of the duties as specified in the charter. It is one of Further details on his qualifications of the head of internal audit as shown in the Attachment 3.

Opinion of the Board of Directors on the Company's Internal Control System

The Board of Directors ensures that the Company has effective and appropriate risk management and internal control systems that are aligned with the Company's objectives, goals and strategies and comply with applicable law and standards. The Board is of the opinion that the Company's internal accounting controls are adequate and have enabled the external auditors to opine that the Company's financial statements for the year ended 2021 are presented fairly.

The Board has also taken note of, and accepted, the Audit, Risk and Corporate Governance Committee's report on the Company's internal control system comprising of 5 components namely control environment, risk assessment, control activities, information & communication, and monitoring activities and therefore concludes that the Company's internal control system is adequate with sufficient personnel to conduct the system efficiently and that there are no material weaknesses in the Company's internal control system.

Opinion of the Audit, Risk and Corporate Governance Committee on the Company's Internal Control System

Audit, Risk and Corporate Governance Committee has the same opinion as the Board of Directors' in regard to the Company's internal control system.

Related Party Transactions

Transactions between the Company or the subsidiaries and its related parties which may give rise to a conflict of interest are made under normal commercial terms, determined at fair price and at arm's length basis, details as follows:

Sales and Purchase of Goods

Payee	Payer	Detail of Transactions / Contract	Pricing Policy	Amount (million Baht)	Name of Persons with Mutual Interest	Relationship	Necessity and Reasonableness of Transactions
TWPC	TWPL	Sales of goods	Market price	0.06	LRH	Common shareholders and directors	Sales of goods in the ordinary course of business
					KCH	Common- director	The price is based on normal commercial terms
					CSH	Common- director	and at arms' length basis
		Outstanding balance		0.01			

Rental and Service Expenses

Payee	Payer	Detail of Transactions / Contract	Pricing Policy	Amount (million Baht)	Name of Persons with Mutual Interest	Relationship	Necessity and Reasonableness of Transactions
TWPL	TWPC	Rental and service expenses for office at Bangkok and document storage (total area of 2,177 sqm.) at Thai Wah Tower 1 for 3 years from 1 June 2019 to 31 December 2023.	Rental and services expenses at the rate of Baht 225 - 289 /sqm. / month. Rental rate and service expenses are in line with market rate as compared with other buildings in a similar location, Terms and conditions are similar to those applied to other tenants.	13.93	LRH	Common shareholders and directors	Rental of the Group corporate head office. The building is well located and has good amenities
		Outstanding balance		1.20	KCH	Common-director	
		Public utility expenses	Public utility expenses are charged as actual, similar to those charged to other tenants	2.37	CSH	Common-director	
		Outstanding balance		0.42			Convenience of payment
TWPL	TWPC	Other service expenses	Actual charge at market price	0.82	LRH	Common shareholders and directors	To facilitate the business operations of the Company
					KCH	Common-director	
					CSH	Common-director	
		Outstanding balance		0.44			

Financial Assistance (Loan and Interest)

Lender	Borrower	Principal		Interest Income (million Baht)	Interest Rate per Annum	Name of Persons with Mutual Interest	Relationship	Necessity and Reasonableness of Transactions
		Amount (million Baht)	Increase (Decrease)					
TWPC	MJ	8.05	-	0.39	Average cost of fund plus 1% per annum	TWPC US	Major shareholder Director from TWPC under the portion of shareholding	The Company granted loan to MJ in the past since the Company foresaw an opportunity to generate profit in the future. The Company held 49.99% shareholdings in MJ. After MJ disposed its land in 2003, MJ had partially settled its debts to the Company. The Company has constantly reminded MJ to settle its outstanding debts owed to the Company. Unfortunately, MJ has experienced financial difficulties and does not have any other assets which could be sold to repay its outstanding debts owed to the Company. Apart from this, MJ's shareholders' equity is in negative. Therefore, the Company has set aside an allowance for doubtful debt in respect of MJ's total outstanding debts owed to the Company.

Procedures for Approving Related Party Transactions

Transactions between the Company or the subsidiaries and its related parties which may give rise to a conflict of interest are scrutinized by the Management and proposed to the Audit, Risk and Corporate Governance Committee to opine on the transactions. Once recommended by the Audit, Risk and Corporate Governance Committee, the transactions will be proposed to the Board of Directors or the Board of Directors and the shareholders for approval depending on the nature and size of transactions in accordance with the provisions of the Capital Market Supervisory Board. Any director or management who has an interest in, or is related to, such transaction will not participate in the decision making process.

Such transactions have to be made under normal commercial terms, determined at fair price and at arm's length basis.

Abbreviations

LRH	=	Laguna Resorts & Hotels Public Company Limited
MJ	=	Mae Joe Land Company Limited
TWPC	=	Thai Wah Public Company Limited
TWPL	=	Thai Wah Plaza Limited
KCH	=	Mr. Ho KwonCjan
US	=	Mr. Umnad Sukprasongphol
CSH	=	Mr. Shankar Chandran

Financial Statements

As at 31 December 2021



Independent Auditor's Report

To the Shareholders of Thai Wah Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Thai Wah Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Thai Wah Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thai Wah Public Company Limited and its subsidiaries and of Thai Wah Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition – sale of goods

The revenue from sales is the significant amount in the statement of comprehensive income and is also the key indicator of business performance on which the users of financial statements focus. In addition, the Company has a large customer base. There is therefore a risk of the Company recognising revenue that has not actually occurred.

Our key audit procedures were as follows:

- Gaining an understanding of operations and internal control procedures related to the recognition of revenue from sale of goods.
- Assessing and testing the Company's IT system and its internal controls with respect to the revenue cycle by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Applying a sampling method to select sales documents to assess whether revenue recognition was consistent with the conditions of sales, and whether it was in compliance with the Company's policy.
- On a sampling basis, examining supporting documents for actual sales transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Company issued after the period-end.
- Performing analytical procedures on the relationship of the accounting transactions to the sale of goods and performing analytical procedures on disaggregated data to detect possible irregularities in transactions throughout the period.

Goodwill and trademarks

As discussed in Notes 16 and 17 to the financial statements, respectively, because the assessment of impairment of goodwill and intangible assets is a significant accounting estimate requiring management to exercise a high degree of judgment in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the values of goodwill and trademarks.

Our key audit procedures were as follows:

- Assessing the identification of cash generating units and the financial models selected by management by gaining an understanding of management's decision-making process and assessing whether the decisions made were consistent with how assets are utilised.

- Testing the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgment in estimating the cash flow projections.
- Evaluating the discount rate applied by management through analysis of the moving average finance costs of the Company and from the available public information in industry.
- Testing the calculation of the realisable values of the assets using the selected financial model.
- Considering the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term growth rates.
- Reviewing the disclosures made with respect to the impairment assessment for goodwill and intangible assets, as well as sensitivity of the impact of changes in key assumptions to the cash flow projections.

Allowance for impairment of investments in subsidiaries

As discussed in Note 12 to the financial statements, because the impairment assessment on investments in subsidiaries is a significant accounting estimate requiring the management to exercise a high degree of judgment in identifying and estimating the recoverable amounts that are expected to be generated from those investments in subsidiaries. There is thus a risk with respect to the valuation of investments in subsidiaries. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value in use.

Our key audit procedures were as follows:

- Assessing the identification of the financial models selected by the Company's management by gaining an understanding of management's decision-making process.
- Testing the significant assumptions applied by the Company's management in preparing estimates of the recoverable amounts that are expected to be generated from the investments in subsidiaries, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgment in estimating the cash flow projections.
- Evaluating the discount rate applied by the Company's management through analysis of the average finance costs of the subsidiaries and from the available public information in industries.
- Testing the calculation of the realisable values of the investments in subsidiaries using the selected financial model.
- Considering the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term growth rates.

Other Information

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

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

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

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group'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 ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.

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

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

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

I am responsible for the audit resulting in this independent auditor's report.



Rungrapa Lertsuwankul

Certified Public Accountant (Thailand) No.3516

EY Office Limited

Bangkok: 22 February 2022

Thai Wah Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Assets					
Current assets					
Cash and cash equivalents	7	889,505,613	853,230,495	377,877,984	434,625,867
Trade and other receivables	6, 8	838,203,574	707,870,786	712,441,255	543,422,796
Short-term loans to and interest receivables					
from related parties	6	-	-	157,065,462	95,933,202
Inventories	9	1,615,527,682	1,168,815,455	658,063,197	523,118,591
Current tax assets		248,133	4,887,450	-	-
Other current financial assets	11	543,235,765	617,965,271	532,582,548	580,807,300
Other current assets		171,398,676	137,895,444	82,372,479	68,438,170
Total current assets		4,058,119,443	3,490,664,901	2,520,402,925	2,246,345,926
Non-current assets					
Restricted bank deposits	10	43,154,701	41,979,988	-	-
Other non-current financial assets	11	113,283,950	103,379,065	113,283,950	103,379,065
Investments in subsidiaries	12	-	-	735,291,458	705,585,458
Long-term loans to and interest receivables					
from related parties	6	-	-	576,176,338	568,513,183
Investment properties	13	70,225,885	79,919,630	504,000	504,000
Property, plant and equipment	14	3,458,483,314	3,529,713,049	2,174,908,777	2,239,521,648
Right-of-use assets	15	211,166,417	243,756,395	86,062,740	63,656,402
Intangible assets	16, 17	474,674,705	500,044,210	435,157,675	457,764,101
Goodwill	17	100,678,428	100,678,428	100,678,428	100,678,428
Deferred tax assets	28	22,304,620	11,623,868	-	-
Other non-current assets		52,004,656	18,291,808	4,889,527	4,953,527
Total non-current assets		4,545,976,676	4,629,386,441	4,226,952,893	4,244,555,812
Total assets		8,604,096,119	8,120,051,342	6,747,355,818	6,490,901,738

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

Thai Wah Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	18	287,536,307	230,000,000	-	-
Trade and other payables	6, 19	741,999,316	579,729,206	623,916,620	433,534,895
Current portion of lease liabilities	15	29,112,798	28,937,019	13,953,874	12,780,248
Current portion of long-term loans from financial institutions	20	60,000,000	60,000,000	60,000,000	60,000,000
Current portion of debentures	21	999,538,599	-	999,538,599	-
Income tax payable		37,088,396	7,211,613	-	-
Other current financial liabilities	35.1	1,314,785	693,047	923,039	398,332
Other current liabilities		76,465,124	86,923,452	45,760,875	57,282,979
Total current liabilities		2,233,055,325	993,494,337	1,744,093,007	563,996,454
Non-current liabilities					
Long-term loans from and accrued interests to related parties	6	2,712,534	2,707,187	-	-
Lease liabilities - net of current portion	15	152,152,121	178,150,165	73,444,748	49,591,260
Long-term loans from financial institutions - net of current portion	20	210,000,000	270,000,000	210,000,000	270,000,000
Debentures - net of current portion	21	-	998,088,025	-	998,088,025
Provision for long-term employee benefits	22	362,490,302	348,396,734	292,649,940	280,094,194
Deferred tax liabilities	28	106,720,428	120,432,131	75,219,385	84,359,174
Other non-current liabilities		3,135,459	3,134,841	3,133,365	3,133,365
Total non-current liabilities		837,210,844	1,920,909,083	654,447,438	1,685,266,018
Total liabilities		3,070,266,169	2,914,403,420	2,398,540,445	2,249,262,472

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

Thai Wah Public Company Limited and its subsidiaries
Statement of financial position (continued)
As at 31 December 2021

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2021	2020	2021	2020
Shareholders' equity					
Share capital					
Registered					
880,420,930 ordinary shares of Baht 1 each		880,420,930	880,420,930	880,420,930	880,420,930
Issued and fully paid up					
880,420,930 ordinary shares of Baht 1 each		880,420,930	880,420,930	880,420,930	880,420,930
Share premium		300,740,523	300,740,523	300,740,523	300,740,523
Surplus on the amalgamation		764,866,016	764,866,016	764,866,016	764,866,016
Surplus on changes in ownership interests					
in subsidiary		66,886,183	66,886,183	-	-
Retained earnings					
Appropriated - statutory reserve	24	89,705,000	89,705,000	89,705,000	89,705,000
Unappropriated		3,251,329,793	3,046,276,192	2,382,275,487	2,283,451,860
Other components of shareholders' equity		(191,031,067)	(254,527,435)	(69,192,583)	(77,545,063)
Equity attributable to owners of the Company		5,162,917,378	4,894,367,409	4,348,815,373	4,241,639,266
Non-controlling interests of the subsidiaries		370,912,572	311,280,513	-	-
Total shareholders' equity		5,533,829,950	5,205,647,922	4,348,815,373	4,241,639,266
Total liabilities and shareholders' equity		8,604,096,119	8,120,051,342	6,747,355,818	6,490,901,738

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

Thai Wah Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
Profit or loss:					
Revenues					
Sales		9,077,270,946	7,076,885,042	5,051,537,056	4,857,221,110
Services income		28,168,027	13,304,504	53,106,777	4,882,424
Gain from business acquisition	12	-	24,802,360	-	-
Dividend income	6, 11, 12	-	10,440,600	8,719,185	40,289,630
Gain on sales of investment properties		2,553,569	18,464,600	-	-
Gain from fair value measurement of derivatives		-	3,221,337	-	3,444,361
Other income		86,398,841	45,773,415	59,804,602	62,099,988
Total revenues		9,194,391,383	7,192,891,858	5,173,167,620	4,967,937,513
Expenses					
Cost of sales		7,277,427,010	5,963,465,447	4,030,337,180	4,058,154,691
Cost of services		31,184,782	13,077,909	51,193,891	4,163,024
Selling and distribution expenses		741,093,846	567,072,745	354,211,179	365,191,807
Administrative expenses		648,861,481	546,298,340	473,960,972	429,410,492
Loss from fair value measurement of derivatives		2,626,369	-	2,915,151	-
Total expenses		8,701,193,488	7,089,914,441	4,912,618,373	4,856,920,014
Profit from operating activities		493,197,895	102,977,417	260,549,247	111,017,499
Share of loss from investments in associates		-	(333,472)	-	-
Finance income	25	2,672,069	10,562,237	30,404,977	34,480,728
Finance cost	26	(67,166,497)	(68,832,345)	(55,404,699)	(54,636,844)
Profit before income tax expenses		428,703,467	44,373,837	235,549,525	90,861,383
Income tax expenses	28	(66,094,415)	(9,445,960)	(18,752,115)	(2,379,328)
Profit for the year		362,609,052	34,927,877	216,797,410	88,482,055

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

Thai Wah Public Company Limited and its subsidiaries
Statement of comprehensive income (continued)
For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
Note	2021	2020	2021	2020
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currencies	78,983,857	(5,591,200)	-	-
Share of other comprehensive income from investments in associates - net of income tax	-	1,034,918	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	78,983,857	(4,556,282)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>				
Gain (loss) on investment in equity designated at fair value through other comprehensive income - net of income tax	8,352,480	(42,458,440)	8,352,480	(42,458,440)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	8,352,480	(42,458,440)	8,352,480	(42,458,440)
Other comprehensive income for the year	87,336,337	(47,014,722)	8,352,480	(42,458,440)
Total comprehensive income for the year	449,945,389	(12,086,845)	225,149,890	46,023,615
Profit attributable to:				
Equity holders of the Company	323,027,384	38,265,832	216,797,410	88,482,055
Non-controlling interests of the subsidiaries	39,581,668	(3,337,955)		
	362,609,052	34,927,877		
Total comprehensive income attributable to:				
Equity holders of the Company	386,523,752	(8,488,703)	225,149,890	46,023,615
Non-controlling interests of the subsidiaries	63,421,637	(3,598,142)		
	449,945,389	(12,086,845)		
Basic earnings per share	30			
Profit attributable to equity holders of the Company	0.37	0.04	0.25	0.10

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

(Unit: Baht)

Consolidated financial statements											
Equity attributable to owners of the Company											
										Other components of equity	
										Other comprehensive income	
										Gain (loss) on investments in equity designated at fair value through other comprehensive income	Exchange differences on translation of financial statements in foreign currencies
Issued and fully paid-up share capital	Share premium	Surplus on the amalgamation	Surplus on ownership interests in subsidiary	Retained earnings - Appropriated - statutory reserve	Unappropriated	Gain (loss) on investments in equity designated at fair value through other comprehensive income	Exchange differences on translation of financial statements in foreign currencies	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
880,420,930	300,740,523	764,866,016	66,886,183	89,705,000	3,125,986,153	(35,067,575)	(172,705,325)	(207,772,900)	5,020,831,905	274,563,386	5,295,395,291
-	-	-	-	-	38,265,832	-	-	-	38,265,832	(3,337,955)	34,927,877
-	-	-	-	-	-	(42,458,440)	(4,296,095)	(46,754,535)	(46,754,535)	(260,187)	(47,014,722)
-	-	-	-	-	38,265,832	(42,458,440)	(4,296,095)	(46,754,535)	(8,488,703)	(3,598,142)	(12,086,845)
-	-	-	-	-	(117,975,793)	-	-	-	(117,975,793)	(1,372,378)	(119,348,171)
-	-	-	-	-	-	-	-	-	-	-	-
880,420,930	300,740,523	764,866,016	66,886,183	89,705,000	3,046,276,192	(77,526,015)	(177,001,420)	(254,527,435)	4,894,367,409	311,280,513	5,205,647,922
880,420,930	300,740,523	764,866,016	66,886,183	89,705,000	3,046,276,192	(77,526,015)	(177,001,420)	(254,527,435)	4,894,367,409	311,280,513	5,205,647,922
-	-	-	-	-	323,027,384	-	-	-	323,027,384	39,581,668	362,609,052
-	-	-	-	-	-	8,352,480	55,143,888	63,496,368	63,496,368	23,839,969	87,336,337
-	-	-	-	-	323,027,384	8,352,480	55,143,888	63,496,368	386,523,752	63,421,637	449,945,389
-	-	-	-	-	(117,973,783)	-	-	-	(117,973,783)	(3,789,578)	(121,763,361)
880,420,930	300,740,523	764,866,016	66,886,183	89,705,000	3,251,329,793	(69,173,535)	(121,857,532)	(181,031,067)	5,162,917,378	370,912,572	5,533,829,950

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

Thai Wah Public Company Limited and its subsidiaries
Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2021

	Separate financial statements										(Unit: Baht)
	Other components of equity										
	Other comprehensive income										
	Gain (loss) on investments										
	Issued and fully paid-up share capital	Share premium	Surplus on the amalgamation	Retained earnings		in equity designated at fair value through other comprehensive income		Total other components of shareholders' equity		Total shareholders' equity	
				Appropriated - statutory reserve	Unappropriated						
Balance as at 1 January 2020	880,420,930	300,740,523	764,866,016	89,705,000	2,312,945,598	(35,086,623)	(35,086,623)	(35,086,623)	(35,086,623)	4,313,591,444	
Profit for the year	-	-	-	-	88,482,055	-	-	-	-	88,482,055	
Other comprehensive income for the year	-	-	-	-	-	(42,458,440)	(42,458,440)	(42,458,440)	(42,458,440)	(42,458,055	
Total comprehensive income for the year	-	-	-	-	88,482,055	(42,458,440)	(42,458,440)	(42,458,440)	(42,458,440)	46,023,615	
Dividend paid (Note 23)	-	-	-	-	(117,975,793)	-	-	-	-	(117,975,793)	
Balance as at 31 December 2020	880,420,930	300,740,523	764,866,016	89,705,000	2,283,451,860	(77,545,063)	(77,545,063)	(77,545,063)	(77,545,063)	4,241,639,266	
Balance as at 1 January 2021	880,420,930	300,740,523	764,866,016	89,705,000	2,283,451,860	(77,545,063)	(77,545,063)	(77,545,063)	(77,545,063)	4,241,639,266	
Profit for the year	-	-	-	-	216,797,410	-	-	-	-	216,797,410	
Other comprehensive income for the year	-	-	-	-	-	8,352,480	8,352,480	8,352,480	8,352,480	8,352,480	
Total comprehensive income for the year	-	-	-	-	216,797,410	8,352,480	8,352,480	8,352,480	8,352,480	225,149,890	
Dividend paid (Note 23)	-	-	-	-	(117,973,783)	-	-	-	-	(117,973,783)	
Balance as at 31 December 2021	880,420,930	300,740,523	764,866,016	89,705,000	2,382,275,487	(69,192,583)	(69,192,583)	(69,192,583)	(69,192,583)	4,348,815,373	

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

Thai Wah Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from operating activities				
Profit before tax	428,703,467	44,373,837	235,549,525	90,861,383
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	473,567,750	457,774,738	271,279,014	272,567,038
Increase in (reversal of) bad debt and allowance for expected credit losses	3,858,596	12,606,348	(993,392)	(40,941,930)
Increase in (reversal of) allowance for reducing cost of inventories to net realisable value	(8,657,715)	10,476,122	(868,529)	4,027,369
Reversal of allowance for impairment of investment property	(23,553,696)	-	-	-
Loss (gain) on sales and write-off of investment property	16,247,442	(18,464,600)	-	-
Loss on sales and write-off of property, plant equipment and intangible assets	12,686,637	7,293,077	3,275,654	7,891,989
Loss on write-off of right-of-use assets and lease liabilities	3,022,746	-	3,348,816	-
Gain on lease modification	(628)	-	(628)	-
Gain from business acquisition	-	(24,802,360)	-	-
Loss (gain) on dissolution of the subsidiary	-	-	58,251	(14,844,230)
Increase in allowance for impairment on investments in subsidiaries	-	-	-	46,513,636
Loss on sales of investments	540,090	3,233,879	695,942	3,302,847
Loss (gain) on changes in fair value of investments	(971,736)	3,445,496	(981,758)	3,411,225
Loss (gain) on changes in fair value of derivatives	2,626,369	(3,221,337)	2,915,151	(3,444,361)
Unrealised loss (gain) on exchange rates	(9,331,916)	2,316,377	(10,692,864)	1,408,292
Amortised transaction cost of debenture	1,450,574	1,395,426	1,450,574	1,395,426
Provision for long-term employee benefits	36,544,948	39,637,633	29,454,071	28,961,575
Interest income	(2,672,069)	(10,562,237)	(30,404,977)	(34,480,728)
Share of loss from investments in associates	-	333,472	-	-
Dividend income from related parties	-	(10,440,600)	(8,719,185)	(40,289,629)
Interest expenses	65,715,923	67,436,919	53,954,125	53,241,418
Profit from operating activities before changes in operating assets and liabilities	999,776,782	582,832,190	549,319,790	379,581,320

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

Thai Wah Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Operating assets (increase) decrease				
Trade and other receivables	(127,567,901)	16,980,147	(158,721,801)	21,406,684
Inventories	(438,054,512)	20,683,568	(134,076,077)	46,898,371
Other current assets	(28,322,038)	(6,434,215)	(13,934,309)	(13,389,324)
Other non-current assets	(33,712,848)	2,659,048	64,000	10,256,039
Operating liabilities increase (decrease)				
Trade and other payables	166,128,053	33,064,764	189,660,835	77,612,625
Other current liabilities	(10,566,158)	(8,398,350)	(11,629,932)	29,149,455
Other non-current liabilities	618	(11,184,952)	-	(9,272,115)
Cash flows from operating activities	527,681,996	630,202,200	420,682,506	542,243,055
Cash paid for long-term employee benefits	(22,451,380)	(19,331,094)	(18,811,781)	(12,085,194)
Cash paid for income tax expenses	(63,672,534)	(39,661,459)	(29,980,024)	(15,152,180)
Net cash flows from operating activities	441,558,082	571,209,647	371,890,701	515,005,681
Cash flows from investing activities				
Interest received	12,907,846	8,380,080	40,947,711	68,184,532
Increase in short-term loans to related parties	-	-	(60,400,000)	(15,000,000)
Cash paid for long-term loans to related parties	-	-	(35,870,000)	(81,880,030)
Cash receive from long-term loans to related parties	-	-	26,649,498	110,939,834
Acquisition of investments	(798,930,946)	(923,060,271)	(788,930,946)	(796,060,271)
Proceeds from sale of investments	836,066,033	678,308,102	799,029,637	545,247,724
Proceeds from held to maturity of investments	30,000,000	-	30,000,000	-
Acquisition of investments in subsidiaries	-	(49,642,857)	(30,394,250)	(54,409,375)
Cash of the subsidiary from acquisition of investment in subsidiary	-	4,875,662	-	-
Cash received from dissolution of the subsidiaries	-	-	629,999	44,381,619
Acquisition of property, plant and equipment	(307,999,947)	(239,720,983)	(170,591,417)	(138,570,095)
Acquisition of intangible assets	(6,769,135)	(4,331,112)	(4,177,051)	(3,962,698)
Proceeds from sale of property, plant and equipment	5,057,653	10,845,637	3,034,395	12,437,144
Proceeds from sales of investment properties	17,000,000	70,000,000	-	-
Dividends received from related parties	-	10,440,600	8,719,185	40,289,630
Net cash flows used in investing activities	(212,668,496)	(433,905,142)	(181,353,239)	(268,401,986)

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

Thai Wah Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2021

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cash flows from financing activities				
Increase in restricted bank deposits	(1,000,000)	(16,186,717)	-	-
Increase (decrease) in short-term loans from financial institutions	57,536,307	(65,279,258)	-	(100,000,000)
Decrease in short-term loans from related parties	-	-	-	(7,600,000)
Cash paid under lease agreements	(30,796,398)	(31,306,053)	(15,422,705)	(13,807,600)
Repayment of long-term loans from financial institutions	(60,000,000)	(60,000,000)	(60,000,000)	(60,000,000)
Cash received from long-term loans from financial institution	-	220,000,000	-	220,000,000
Interest paid	(66,348,828)	(64,657,723)	(53,996,685)	(52,744,246)
Dividends paid	(117,865,952)	(117,777,077)	(117,865,955)	(117,777,362)
Dividends paid by the subsidiaries to non-controlling interests	(3,789,578)	(1,372,378)	-	-
Net cash flows used in financing activities	(222,264,449)	(136,579,206)	(247,285,345)	(131,929,208)
Translation adjustments	29,649,981	(4,659,779)	-	-
Net increase (decrease) in cash and cash equivalents	36,275,118	(3,934,480)	(56,747,883)	114,674,487
Cash and cash equivalents at beginning of year	853,230,495	857,164,975	434,625,867	319,951,380
Cash and cash equivalents at end of year	889,505,613	853,230,495	377,877,984	434,625,867
Supplemental cash flow information				
Non-cash items				
Undue installments for acquisition of property, plant and equipment	62,518,780	64,194,167	47,596,406	44,175,898
Undue installments for acquisition of computer software	80,250	2,594,750	80,250	2,594,750
Addition right-of-use assets and lease liabilities	10,792,832	15,980,338	40,474,384	4,625,996
Sales of equipment that has not yet been collected	-	-	5,893,451	5,893,451
Dividend payables	661,118	553,287	660,830	553,002
Decrease in investments in subsidiaries from liquidation	-	-	688,250	29,537,389
Gain (loss) on investments in equity designated at fair value	10,440,600	(53,073,050)	10,440,600	(53,073,050)
Decrease in trade and other receivables from bad debts written-off	-	10,571,323	-	331,800
Reclassification of investment in associate to investment in subsidiaries	-	21,325,175	-	31,600,000

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

Thai Wah Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2021

1. General information

1.1 General information of the Company

Thai Wah Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the manufacture and distribution of vermicelli, tapioca starch and other food products. Its registered address is 21/11, 21/13 Thai Wah Tower 1 Bldg., 6th Floor, South Sathorn Road, Tungmahamek, Sathorn, Bangkok.

2. Basis of preparation

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

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Thai Wah Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

(Unit: percent)

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021	2020
Thai Wah Alpha Starch Company Limited	Manufacture and distribution of alpha starch	Thailand	100.00	100.00
DI Company Limited	Manufacture and distribution of tapioca starch	Thailand	99.98	99.98

(Unit: percent)

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2021	2020
Thai Nam Tapioca Company Limited	Manufacture and distribution of tapioca starch	Thailand	70.00	70.00
Tapioca Development Corporation Limited ⁽¹⁾	Manufacture and distribution of modified tapioca starch	Thailand	100.00	100.00
Tay Ninh Tapioca Joint Stock Company ⁽²⁾	Manufacture and distribution of tapioca starch, glucose and candy	Vietnam	70.00	70.00
Thai Wah International Trade (Shanghai) Company Limited	Distribution of tapioca starch	China	100.00	100.00
TWPC Investment (Cambodia) Company Limited	Distribution of tapioca root and tapioca chip	Cambodia	100.00	100.00
Thai Wah Vietnam Company Limited	Manufacture and distribution of food products (vermicelli and other products)	Vietnam	100.00	100.00
PT Thai Wah Indonesia ⁽³⁾	Distribution of tapioca starch, rice flour and glucose	Indonesia	100.00	100.00
Asia Tapioca Products Company Limited ⁽⁴⁾	Holding company	Thailand	99.50	99.50
Thai Wah Ventures Company Limited ⁽⁵⁾	Holding company	Thailand	100.00	-
Thai Wah Bio Power Limited	Generation and sale of electricity	Thailand	99.99	99.99
Bangpakong Turakij Company Limited	Landholding	Thailand	100.00	100.00
Thai Wah (6) Company Limited	Landholding	Thailand	100.00	100.00
Bang Thao (6) Company Limited	Landholding	Thailand	100.00	100.00
Tha Thungna Land Company Limited	Landholding	Thailand	100.00	100.00
Thai Sin Tapioca (1989) Company Limited	Landholding	Thailand	100.00	100.00
Mae Hong Son Land Development Limited	Landholding	Thailand	84.99	84.99
Thai Nam Tapioca (1) Company Limited	Landholding	Thailand	70.00	70.00
Phang Nga Resorts Limited	Landholding	Thailand	-	100.00
Bang Thao (5) Company Limited	Landholding	Thailand	-	100.00
Mae Joe Land Company Limited ⁽⁶⁾	Landholding	Thailand	50.01	50.01
Thai Modified Starch Company Limited	Landholding	Thailand	94.75	94.75

⁽¹⁾ The shareholding percentage in Tapioca Development Corporation Limited included indirect holding of 66.67% by a subsidiary of the Company.

⁽²⁾ The shareholding percentage in Tay Ninh Tapioca Joint Stock Company included indirect holding of 0.01% by a subsidiary of the Company.

⁽³⁾ The shareholding percentage in PT Thai Wah Indonesia included indirect holding of 1.00% by a subsidiary of the Company.

⁽⁴⁾ The shareholding percentage in Asia Tapioca products Company Limited included indirect holding of 69.95% by a subsidiary of the Company.

⁽⁵⁾ The shareholding percentage in Thai Wah Ventures Company Limited included indirect holding of 0.01% by subsidiaries of the Company.

⁽⁶⁾ The shareholding percentage in Mae Joe Land Company Limited included indirect holding of 0.02% by a subsidiary of the Company.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
 - c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
 - e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currencies” in the statements of changes in shareholders’ equity.
 - f) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
 - g) 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.
- 2.3 The separate financial statements present investments in subsidiaries and associates under the cost method.

3. New financial reporting standards

3.1) Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

3.2) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and for some standards, providing temporary reliefs or temporary exemptions for users.

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

4. Significant accounting policies

4.1 Revenue and expense recognition

Sales of goods

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

Rendering of services

Service revenue is recognised over time when services have been rendered taking into account the stage of completion.

Rental income

Rental income arising from operating leases of properties is accounted for on a straight-line basis over the lease terms and treated as revenue earned in the ordinary course of business.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

Dividends

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

4.2 Cash and cash equivalents

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

4.3 Inventories

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

Raw materials and factory supplies are valued at the lower of cost (under the weighted average method) and net realisable value and are charged to production costs whenever consumed.

4.4 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method less allowance for loss on impairment (if any).

4.5 Investment properties

Investment properties which is land awaiting for sale are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less allowance for loss on impairment (if any).

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.6 Property, plant and equipment / Depreciation

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

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

Buildings and building improvement	5 - 40	years
Machinery and equipment	5 - 20	years
Furniture, fixtures and office equipment	3 - 10	years
Vehicles	5 - 15	years

Depreciation is included in determining income.

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

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

4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised 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.

4.8 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

Customer relationship	4 - 16 years
Computer software	3 - 10 years

No amortisation is provided on intangible assets under installation. Intangible asset with indefinite useful life i.e. trademarks is not amortised, but is tested for impairment annually either individually or at the cash-generating unit level. The assessment of indefinite useful life of the intangible assets is reviewed annually.

4.9 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain on profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of 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 recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.10 Leases

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

The Group as a lessee

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

Right-of-use assets

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

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

Leasehold rights on land	30 - 50	years
Land	1 - 12	years
Buildings	1 - 10	years
Motor vehicles	2 - 4	years

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.11 Related party transactions

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

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

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

Gains and losses on exchange are recognised in determining income.

4.13 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets, investment properties and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of goodwill and intangible assets with indefinite useful lives. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment, if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.14 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other special retirement benefits when they reach the retirement age in accordance with the Group policy and other employee benefit plans. The Group treats these severance payment obligations and special benefit as defined benefit plans. In addition, the Group provides other long-term employee benefit plans, namely long service awards.

The obligations under the defined benefit plans and other long-term employee benefit plans are determined by a professionally qualified independent actuary based on actuarial techniques, using the Projected Unit Credit Method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

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

4.15 Provisions

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

4.16 Income tax

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

Current tax

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

Deferred tax

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

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

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 utilised.

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

4.17 Financial instruments

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

Classification and measurement of financial assets

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

Financial assets at amortised cost

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

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

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive income.

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

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

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

Dividends on listed equity investments are recognised as dividend income in profit or loss.

Classification and measurement of financial liabilities

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

Regular way purchases and sales of financial assets

Regular way purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset.

Derecognition of financial instruments

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

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

Impairment of financial assets

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

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information, such as credit rating of issuers.

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

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

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

Offsetting of financial instruments

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

4.18 Derivatives

The Group uses derivatives, such as foreign currency forward contracts and foreign currency option contracts to hedge its foreign currency risks.

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

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

4.19 Fair value measurement

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

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

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

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

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

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

5. Significant accounting judgements and estimates

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

Allowance for expected credit losses of trade receivables

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

Impairment of investments

The Company treats investments in subsidiaries as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

Goodwill and intangible assets from amalgamation

The initial recognition and measurement of goodwill and intangible assets from amalgamation, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash-generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

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

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

Leases

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

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

Estimating the incremental borrowing rate - The Group as a lessee

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

6. Related party transactions

Relationships between the Company and its related parties are summarised below.

Name of related parties	Relationship
Thai Wah Alpha Starch Company Limited	Subsidiary
D I Company Limited	Subsidiary
Thai Nam Tapioca Company Limited	Subsidiary
Tapioca Development Corporation Limited	Subsidiary
Tay Ninh Tapioca Joint Stock Company	Subsidiary
Thai Wah Vietnam Company Limited	Subsidiary
Thai Wah International Trade (Shanghai) Company Limited	Subsidiary
TWPC Investment (Cambodia) Company Limited	Subsidiary
PT Thai Wah Indonesia	Subsidiary
Thai Wah Bio Power Limited	Subsidiary
Bangpakong Turakij Company Limited	Subsidiary
Thai Wah (6) Company Limited	Subsidiary
Bang Thao (6) Company Limited	Subsidiary
Tha Thungna Land Company Limited	Subsidiary
Thai Sin Tapioca (1989) Company Limited	Subsidiary
Mae Hong Son Land Development Limited	Subsidiary
Thai Nam Tapioca (1) Company Limited	Subsidiary
Phang Nga Resort Limited	Subsidiary
Bang Thao (5) Company Limited	Subsidiary
Thai Modified Starch Company Limited	Subsidiary
Mae Joe Land Company Limited	Subsidiary
Asia Tapioca Products Company Limited	Subsidiary
Thai Wah Ventures Company Limited	Subsidiary
Vietnam Tapioca Company Limited	Subsidiary of subsidiary
Laguna Resort & Hotels Public Company Limited	Common shareholders and directors
International Commercial Development Company Limited	Shareholder of subsidiary
Tay Ninh Sugar Corporation	Shareholder of subsidiary
Thai Wah Tower Company Limited	Common directors
Thai Wah Tower (2) Company Limited	Common directors
Thai Wah Plaza Limited	Common directors
Banyan Tree Holdings Limited	Common directors

Name of related parties	Relationship
Banyan Tree Hotel Management (Beijing) Company Limited	Common directors
Thanh Thanh Cong Packing Trading Production Joint Stock Company	Common shareholder with the subsidiary
Laguna (Vietnam) Company Limited	Common shareholders and directors

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

(Unit: Million Baht)

	For the year ended 31 December				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2021	2020	2021	2020	
<u>Transactions with subsidiaries</u>					
(Eliminated from consolidated financial statements)					
Purchases of goods	-	-	609	1,008	Cost plus margin
Sales of goods	-	-	1,261	1,350	Cost plus margin
Dividends received	-	-	9	30	As declared
Rental and service income	-	-	50	8	Contract price
Lease payments and service expenses	-	-	2	1	Contract price
Interest income	-	-	29	28	Contract rate
Other income	-	-	12	9	Actual charge
Other expenses	-	-	1	-	Actual charge
<u>Transactions with related companies</u>					
Purchases of goods	6	5	-	-	Cost plus margin
Dividends received	-	10	-	10	As declared
Dividends paid	4	1	-	-	As declared
Lease payments and service expenses	26	25	14	14	Contract price
Other expenses	3	4	3	4	Actual charge

6.2 As at 31 December 2021 and 2020, the balances of the accounts between the Group and those related companies are as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2021	2020	2021	2020
Trade and other receivables - related parties (Note 8)				
Subsidiaries	-	-	346,516	201,574
Related companies	11	11	11	11
Total	11	11	346,527	201,585
Less: Allowance for expected credit losses	-	-	(5,037)	(5,415)
Total trade and other receivables - related parties - net	11	11	341,490	196,170
Short-term loans to and interest receivables from related parties				
Subsidiaries	-	-	157,065	95,933
Less: Allowance for expected credit losses	-	-	-	-
Total short-term loans to and interest receivables from related parties - net	-	-	157,065	95,933
Long-term loans to and interest receivables from related parties				
Subsidiaries	-	-	608,494	600,409
Less: Allowance for expected credit losses	-	-	(32,318)	(31,896)
Total long-term loans to and interest receivables from related parties - net	-	-	576,176	568,513
Trade and other payables - related parties (Note 19)				
Subsidiaries	-	-	145,450	60,795
Related companies	3,663	1,515	2,057	209
Total trade and other payables - related parties	3,663	1,515	147,507	61,004
Long-term loans from and accrued interests to related parties				
Related company	2,713	2,707	-	-
Total long-term loans from and accrued interests to related parties	2,713	2,707	-	-
Lease liabilities - related parties				
Subsidiaries	-	-	29,016	742
Related companies	129,715	144,090	44,748	49,797
Total lease liabilities - related parties	129,715	144,090	73,764	50,539

6.3 During the years, movements of short-term loans to and interest receivables from related parties are as follows:

(Unit: Thousand Baht)

Short-term loans to and interest receivables from subsidiaries	Separate financial statements							
	Balance as at						Balance as at	
	1 January 2021		Increase		Decrease		31 December 2021	
	Loans	Interest	Loans	Interest	Loans	Interest	Loans	Interest
D I Company Limited	95,551	382	92,400	5,737	(46,000)	(5,005)	141,951	1,114
Thai Nam Tapioca Company Limited	-	-	100,000	535	(100,000)	(535)	-	-
PT Thai Wah Indonesia	-	-	28,000	324	(14,000)	(324)	14,000	-
Total	95,551	382	220,400	6,596	(160,000)	(5,864)	155,951	1,114

As at 31 December 2021, short-term loans to and interest receivables from related parties mature at call and carry interest at 4.50% and 4.84% per annum (31 December 2020: 4.81% per annum).

6.4 During the years, movements of long-term loans to and interest receivables from related parties are as follows:

(Unit: Thousand Baht)

Long-term loans to and interest receivables from subsidiaries	Separate financial statements							
	Balance as at						Balance as at	
	1 January 2021		Increase		Decrease		31 December 2021	
	Loans	Interest	Loans	Interest	Loans	Interest	Loans	Interest
Thai Wah Bio Power Limited	360,500	1,225	-	14,420	-	(13,235)	360,500	2,410
TWPC Investment (Cambodia) Company Limited	72,672	237	35,870	3,093	(25,015)	(3,035)	83,527	295
Thai Wah Vietnam Company Limited	101,300	8,859	-	4,079	-	(4,539)	101,300	8,399
Bang Thao (6) Company Limited	935	1,394	-	45	-	-	935	1,439
Tha Thungna Land Company Limited	390	581	-	19	-	-	390	600
Mae Hong Son Land Development Limited	1,635	2,437	-	12	(1,635)	(2,449)	-	-
Thai Nam Tapioca (1) Company Limited	800	3	-	39	-	(35)	800	7
Mae Joe Land Company Limited	8,048	23,880	-	389	-	-	8,048	24,269
Thai Wah Alpha Starch Company Limited	15,450	63	-	746	-	(684)	15,450	125
Total	561,730	38,679	35,870	22,842	(26,650)	(23,977)	570,950	37,544
Less: Allowance for expected credit losses	(8,048)	(23,848)	-	-	-	(422)	(8,048)	(24,270)
Net	553,682	14,831	35,870	22,842	(26,650)	(24,399)	562,902	13,274

As at 31 December 2021 and 2020, long-term loans to and interest receivables from related parties mature within July 2023 and September 2025 and carry interests at 4.00% and 4.84% per annum (31 December 2020: 4.00% and 4.81% per annum).

6.5 During the years, movements of long-term loans from and accrued interests to related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements							
	Balance as at		Increase		Decrease		Balance as at	
	1 January 2021						31 December 2021	
	Loans	Interest	Loans	Interest	Loans	Interest	Loans	Interest
Long-term loans from and accrued interests to related party								
International Commercial Development Company Limited	2,089	618	-	6	-	-	2,089	624

As at 31 December 2021, long-term loans from and accrued interests to related parties mature in December 2024 and carry interest at 0.20% per annum (31 December 2020: 0.35% per annum).

6.6 Set out below is the movements in the allowance for expected credit losses of loans to and interest receivables from related parties.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Beginning balance	-	-	31,896	75,505
Provision for expected credit losses	-	-	422	941
Amount recovered	-	-	-	(44,550)
Ending balance	-	-	32,318	31,896

6.7 Directors and management's benefits

During for the years ended 31 December 2021 and 2020, the Group had employee benefit expenses payable to the directors and management as below.

(Unit: Thousand Baht)

	Consolidated / Separate	
	financial statements	
	2021	2020
Short-term employee benefits	59,069	51,122
Post-employment benefits	3,516	3,385
Other long-term benefits	5,722	22
Total	68,307	54,529

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Cash	4,377	9,709	589	732
Bank deposits	885,129	843,521	377,289	433,894
Total	889,506	853,230	377,878	434,626

As at 31 December 2021, bank deposits in saving accounts and fixed deposits carried interests between 0.01% and 3.20% per annum (2020: between 0.05% and 3.30% per annum).

8. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	11	2	166,399	118,866
Past due				
Up to 3 months	-	9	69,006	38,349
3 - 6 months	-	-	9,976	1,671
6 - 12 months	-	-	12,223	7,375
Over 12 months	-	-	11,905	4,307
Total trade receivables - related parties	11	11	269,509	170,568
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	673,509	535,051	293,095	248,874
Past due				
Up to 3 months	118,107	153,025	66,967	91,374
3 - 6 months	37,260	2,506	7,890	146
6 - 12 months	181	2,845	46	33
Over 12 months	5,365	2,286	2,108	2,186
Total	834,422	695,713	370,106	342,613
Less: Allowance for expected credit losses	(7,172)	(3,613)	(3,304)	(3,506)
Total trade receivables - unrelated parties - net	827,250	692,100	366,802	339,107
Total trade receivables - net	827,261	692,111	636,311	509,675

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<u>Other receivables</u>				
Interest receivables - unrelated parties	22	3,686	-	3,582
Other receivables - related parties	-	-	77,018	31,017
Other receivables - unrelated parties	12,057	12,909	4,149	5,399
Total	12,079	16,595	81,167	39,998
Less: Allowance for expected credit losses	(1,136)	(835)	(5,037)	(6,250)
Total other receivables - net	10,943	15,760	76,130	33,748
Total trade and other receivables - net	838,204	707,871	712,441	543,423

The normal credit term is 30 to 120 days.

Set out below is the movements in the allowance for expected credit losses of trade and other receivables.

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Beginning balance	4,448	2,413	9,756	7,419
Provision for expected credit losses	4,995	2,225	1,136	2,385
Amount written off	(1,143)	(190)	(2,544)	(44)
Amount recovered	(7)	(4)	(7)	(4)
Effect from foreign exchange rates	15	4	-	-
Ending balance	8,308	4,448	8,341	9,756

9. Inventories

(Unit: Thousand Baht)

Consolidated financial statements						
	Cost		Allowance for reducing cost of inventories to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	1,079,741	855,857	(13,036)	(24,656)	1,066,705	831,201
Raw materials	363,451	199,069	(14)	(142)	363,437	198,927
Goods in transit	35,557	16,461	-	-	35,557	16,461
Packing materials	87,522	69,017	(1,493)	(1,456)	86,029	67,561
Factory supplies	68,736	58,467	(6,999)	(3,946)	61,737	54,521
Other	2,063	144	-	-	2,063	144
Total	<u>1,637,070</u>	<u>1,199,015</u>	<u>(21,542)</u>	<u>(30,200)</u>	<u>1,615,528</u>	<u>1,168,815</u>

(Unit: Thousand Baht)

Separate financial statements						
	Cost		Allowance for reducing cost of inventories to net realisable value		Inventories - net	
	2021	2020	2021	2020	2021	2020
Finished goods	401,820	343,481	(4,610)	(7,258)	397,210	336,223
Raw materials	138,637	99,063	-	-	138,637	99,063
Goods in transit	31,536	15,738	-	-	31,536	15,738
Packing materials	59,235	43,963	(1,195)	(1,155)	58,040	42,808
Factory supplies	36,478	31,386	(3,838)	(2,099)	32,640	29,287
Total	<u>667,706</u>	<u>533,631</u>	<u>(9,643)</u>	<u>(10,512)</u>	<u>658,063</u>	<u>523,119</u>

10. Restricted bank deposits

As at 31 December 2021, fixed deposits which the subsidiaries pledged with the banks to secure credit facilities carried interest at the rate of 0.10% - 4.60% per annum (2020: 0.25% - 5.10% per annum).

11. Other financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
<u>Financial assets measured at fair value through profit or loss</u>				
Investments in debt securities	270,372	280,752	270,372	280,752
Investments in mutual funds	280,702	343,582	270,506	306,496
Derivative assets	1,910	3,915	1,452	3,843
Total financial assets measured at fair value through profit or loss	552,984	628,249	542,330	591,091
<u>Financial assets measured at fair value through other comprehensive income</u>				
Laguna Resort & Hotels Public Company Limited	103,536	93,095	103,536	93,095
Total financial assets measured at fair value through other comprehensive income	103,536	93,095	103,536	93,095
Total financial assets - net	656,520	721,344	645,866	684,186
Current	543,236	617,965	532,582	580,807
Non-current	113,284	103,379	113,284	103,379
	656,520	721,344	645,866	684,186

Equity instruments designated at FVOCI include listed equity investments which the Company considers these investments to be strategic in nature.

During the year 2021, the Company has not received dividends from equity instruments designated at FVOCI which still existed at the reporting date (2020: Baht 10.44 million).

12. Investments in subsidiaries

12.1 Details of investments in subsidiaries as presented in separate financial statements are as follows:

	Country of incorporation	Paid-up capital		Percentage of shareholding		Investments at cost method	
		2021	2020	2021	2020	2021	2020
		(Million Baht)	(Million Baht)	(%)	(%)	(Thousand Baht)	(Thousand Baht)
Investments in subsidiary companies							
Agricultural business							
Thai Wah Alpha Starch Company Limited	Thailand	18.00	18.00	99.99	99.99	17,999	17,999
D I Company Limited	Thailand	10.00	10.00	99.93	99.93	9,408	9,408
Thai Nam Tapioca Company Limited	Thailand	86.60	86.60	70.00	70.00	60,620	60,620
Tapioca Development Corporation Limited	Thailand	50.00	50.00	33.33	33.33	54,751	54,751
Tay Ninh Tapioca Joint Stock Company	Vietnam	192.53	192.53	69.99	69.99	86,877	86,877
Thai Wah Vietnam Company Limited	Vietnam	98.22	98.22	100.00	100.00	98,217	98,217
Thai Wah International Trade (Shanghai) Company Limited	China	5.27	5.27	100.00	100.00	5,267	5,267
TWPC Investment (Cambodia) Company Limited	Cambodia	46.72	46.72	100.00	100.00	46,721	46,721
PT Thai Wah Indonesia	Indonesia	11.10	5.65	99.00	99.00	10,989	5,594
Holding business							
Asia Tapioca Products Company Limited	Thailand	105.25	105.25	30.00	30.00	31,600	31,600
Thai Wah Ventures Company Limited	Thailand	25.00	-	99.99	-	24,999	-
Land holding and others							
Thai Wah Bio Power Limited	Thailand	450.00	450.00	99.99	99.99	469,012	469,012
Bangpakong Turakij Company Limited	Thailand	91.00	91.00	99.99	99.99	90,999	90,999
Thai Wah (6) Company Limited	Thailand	69.00	69.00	99.99	99.99	68,998	68,998
Bang Thao (6) Company Limited	Thailand	21.50	21.50	99.99	99.99	21,499	21,499
Tha Thungna Land Company Limited	Thailand	15.00	15.00	99.99	99.99	14,999	14,999
Thai Sin Tapioca (1989) Company Limited	Thailand	5.00	5.00	99.99	99.99	4,999	4,999
Mae Hong Son Land Development Limited	Thailand	2.00	2.00	84.97	84.97	1,699	1,699
Thai Nam Tapioca (1) Company Limited	Thailand	1.00	1.00	69.95	69.95	700	700
Phang Nga Resorts Limited	Thailand	-	30.60	-	99.93	-	30,578
Bang Thao (5) Company Limited	Thailand	-	19.50	-	99.93	-	19,486
Thai Modified Starch Company Limited	Thailand	10.00	10.00	94.62	94.62	9,462	9,462
Mae Joe Land Company Limited	Thailand	3.00	3.00	49.99	49.99	1,500	1,500
Total						1,131,315	1,150,985
Less: Allowance for impairment on investments						(396,024)	(445,400)
Investments in subsidiaries - net						735,291	705,585

The Company recognised dividend income from subsidiaries in the separate financial statements for the year ended 31 December 2021 and 2020 as follows:

(Unit: Thousand Baht)

	Separate financial statements	
	2021	2020
Tapioca Development Corporation Limited	-	26,666
Tay Ninh Tapioca Joint Stock Company	8,719	3,183
Total	8,719	29,849

The significant events related with investments in subsidiaries which were sequenced by transaction dates are summarised below.

Year 2021

On 24 February 2021, the Group has additionally invested 25% of PT Thai Wah Indonesia's share, or a total of IDR 2,500 million or Baht 5.45 million.

On 12 March 2021, the Annual General Meeting of shareholders of Bang Tao (5) Company Limited and Phang Nga Reports Limited (subsidiaries) passed a resolution to approve the dissolution. These subsidiary companies also registered for the dissolution with the Ministry of Commerce on the same date. The Company received its return on investment approximately Baht 0.6 million on 4 November 2021.

On 10 June 2021, the Extraordinary General Meeting of shareholders of Mae Hong Son Land Development Limited (a subsidiary) passed a resolution to approve the dissolution. This subsidiary company also registered for the dissolution with the Ministry of Commerce on the same date. The subsidiary has been in the liquidation process.

On 30 September 2021, the Extraordinary General Meeting of shareholders of Thai Modified Starch Company Limited (a subsidiary) passed a resolution to approve the dissolution. This subsidiary company registered for the dissolution with the Ministry of Commerce on 1 October 2021. The subsidiary has been in the liquidation process.

Thai Wah Ventures Company Limited has been registered in Thailand since 16 December 2021, with the registered capital of Baht 100 million. The objective of the company is to engage in investing in other companies. The Company will hold both directly and indirectly 100% of its registered shares in this company. On 21 December 2021, the Company has invested 25% of its registered share in this company, or a total of Baht 25 million.

Year 2020

On 31 January 2020, Thai Wah (6) Company Limited, a subsidiary, in which the Company is holding 99.99% of the share capital, purchased 973,000 ordinary shares of Asia Tapioca Products Company Limited (ATP) (or 69.50% of the total issued and paid up 1,400,000 shares), or a total of Baht 49.64 million. ATP is holding 70% interest investments in a subsidiary in Vietnam. As a result of the transaction, the Group's investment proportion in ATP and in that indirect associate in Vietnam increased from 30% to 99.50% and from 21% to 69.65%, respectively. The Company changed the recording of the investments in ATP from investments in associate to investments in subsidiary from Thai Wah (6) Company Limited's investment date onwards.

These consolidated financial statements included the consolidated statement of financial position of ATP as at 31 December 2020 and the consolidated comprehensive income for the period from the investment date to 31 December 2020. The company recorded the net assets acquired at their fair value as of the acquisition date. The remaining excess of the purchase price under the fair value of the net assets acquired has been recorded as gain from business acquisition in consolidated income statement. During the first quarter of 2020, the Company already obtained the appraisal report of fair value of assets acquired and liabilities assumed as prepared by an independent valuation appraiser.

Details of the fair value for net assets of ATP and its subsidiary are as follows:

(Unit: Thousand Baht)

	Fair value
Assets	
Cash and cash equivalents	4,876
Investments in open ended fund	1,926
Trade and other receivables	12,320
Inventories	52,620
Property, plant and equipment	70,928
Right-of-use assets - land	32,348
Other assets	2,575
Total assets	177,593
Liabilities	
Short-term loans from financial institutions	19,339
Trade and other payables	3,341
Provision for long-term employee benefits	2,052
Deferred tax liabilities	13,465
Other liabilities	1,894
Total liabilities	40,091
Net assets value	137,502
Equity of the Group (%)	69.65%
Fair value of net asset value attributable to the Group's investments	95,770

The Group recognised the loss on revaluation of previously held investments, related to reclassification of investments in associate to investments in subsidiary and gain on bargain purchase in the consolidated income statement, in accordance with related financial reporting standard as detailed below.

Details of the acquisition were as follows:

(Unit: Thousand Baht)

Fair value of previously held investments	21,276
Book value of previously held investments in equity method as at acquisition date	(21,325)
Loss from reclassification of investments recognised in the income statement	(49)
Consideration paid for additional investments	(49,643)
Fair value of previously held investments	(21,276)
Fair value of net assets under interests acquired	95,770
Gain on bargain purchase recognised in the income statement	24,851

Net effect from this transaction can be presented as follows:

(Unit: Thousand Baht)

Loss from reclassification of investments recognised in the income statement	(49)
Gain on bargain purchase recognised in the income statement	24,851
Net gain from acquisition recognised in the income statement	24,802

PT Thai Wah Indonesia was registered in Indonesia on 7 February 2020, with the registered capital of IDR 10,000 million or Baht 23 million. The objective of the company is to engage in trading activities of tapioca starch products, rice flour products and glucose including starch related food products such as vermicelli and noodles. The Company will hold both directly and indirectly 100% of its registered shares in this company. On 10 July 2020, the Group had invested 25% of its share in this company, or a total of IDR 2,500 million or Baht 5.65 million.

During the second quarter of 2020, Chiang Saen Land Company Limited (the subsidiary) sold its investment property and recognised gain on sale by Baht 18.47 million. The subsidiary registered the dissolution with the Ministry of Commerce on 29 April 2020. The Company received its return on investment approximately Baht 44.38 million on 23 July 2020.

On 11 November 2020, a meeting of the Company's Board of Directors approved an increase of Baht 18.5 million in the registered capital of Bang Thao (5) Company Limited, resulting in a total registered share capital of Baht 19.5 million and an increase of Baht 29.6 million in the registered capital of Phang Nga Resorts Limited, resulting in a total registered share capital of Baht 30.6 million. The Company still holds 100% of its shares in these companies.

12.2 Details of investments in subsidiaries that have material non-controlling interests

Company's name	(Unit: Million Baht)							
	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit/loss allocated to non-controlling interests during the year ended		Dividend paid to non-controlling interests during the year ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	(%)	(%)						
Thai Nam Tapioca Company Limited	30.00	30.00	165.04	132.10	32.94	5.17	-	-
Tay Ninh Tapioca Joint Stock Company	30.00	30.00	190.86	163.22	9.95	(1.05)	3.79	1.37

12.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling interests.

Summarised information about financial position as at 31 December 2021 and 2020 is as follows:

	(Unit: Million Baht)			
	Thai Nam Tapioca Company Limited		Tay Ninh Tapioca Joint Stock Company	
	2021	2020	2021	2020
Current assets	563.76	424.75	573.10	358.95
Non-current assets	301.63	318.97	261.12	264.85
Current liabilities	297.24	285.07	180.04	61.64
Non-current liabilities	24.77	25.08	14.54	14.66

Summarised information about comprehensive income for the year ended 31 December 2021 and 2020 is as follows:

(Unit: Million Baht)				
	Thai Nam Tapioca Company Limited		Tay Ninh Tapioca Joint Stock Company	
	2021	2020	2021	2020
Revenue	1,699.63	1,302.76	1,140.41	806.00
Profit (loss)	109.81	17.22	33.18	(3.50)
Total comprehensive income	109.81	17.22	33.18	(3.50)

Summarised information about cash flow for the year ended 31 December 2021 and 2020 is as follows:

(Unit: Million Baht)				
	Thai Nam Tapioca Company Limited		Tay Ninh Tapioca Joint Stock Company	
	2021	2020	2021	2020
Cash flow from operating activities	144.70	(65.30)	(151.34)	93.66
Cash flow from investing activities	(26.25)	(23.41)	(19.24)	(79.22)
Cash flow from financing activities	(55.51)	70.16	93.97	(20.28)
Net increase (decrease) in cash and cash equivalents	62.94	(18.55)	(76.61)	(5.84)

12.4 Impairment testing of investments in subsidiaries

For the purpose of impairment testing of investments in subsidiaries, the Company determined the recoverable amount of some significant investments in subsidiaries which have events indicating that assets may be impaired. The recoverable amount of an asset is the higher of the asset's fair value less costs to sell and its value in use. The estimated future cash flows were determined using cash flow projections covering a five-year period extracted from financial budgets approved by the management.

Key assumptions used in the value in use calculations are summarised below:

(Unit: % per annum)		
	2021	2020
Long-term growth rate	0 - 1	0 - 1
Discount rate	9.47 to 12.88	7.26 to 9.86

The management determined the budgeted gross profit margin and growth rate based on historical operating results and expected market growth of those subsidiaries. The discount rate used reflects specific risks relating to the relevant segments of those subsidiaries.

The growth rate used to extrapolate cash flow projections beyond the period covered by the most recent forecasts does not exceed the long-term average growth rate for the industries in which those subsidiaries operate.

The management determined that allowance for impairment of investments in subsidiaries of Baht 396.03 million (2020: Baht 445.40 million), which was recorded in the statements of financial position as at 31 December 2021, was adequate.

13. Investment properties

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Cost	72,330	105,578	504	504
Less: Allowance for impairment	(2,104)	(25,658)	-	-
Net book value	70,226	79,920	504	504

Movements of the investment properties during the years ended 31 December 2021 and 2020 are as summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net book value at the beginning of year	79,920	131,455	504	504
Disposals during the year	(14,446)	(79,643)	-	-
Write-off during the year	(18,802)	-	-	-
Reversal of allowance for impairment	23,554	28,108	-	-
Net book value at the end of year	70,226	79,920	504	504

The investment properties of the Group represent land awaiting for sale. Their fair value has been determined based on the valuation performed by an accredited independent valuer, using comparative method. As at 31 December 2021, their fair value is amounting to Baht 328.0 million (2020: Baht 353.4 million) (Separate financial statements: Baht 248.9 million and 2020: Baht 248.9 million).

14. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements							
	Land and improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under installation and under construction	Total
Cost:							
1 January 2020	618,111	1,809,547	3,271,339	144,762	185,715	121,520	6,150,994
Increase from acquisition of subsidiary	-	58,467	106,960	8,355	8,441	-	182,223
Additions	-	12,232	38,794	12,569	8,274	169,681	241,550
Disposals	-	(10,950)	(34,641)	(632)	(5,568)	-	(51,791)
Write-off	-	(2,346)	(9,212)	(550)	(1,351)	-	(13,459)
Transfer in (out)	(431)	28,000	173,905	2,072	-	(203,395)	151
Translation adjustment	(1,220)	12	(11,710)	3,662	(313)	1,541	(8,028)
31 December 2020	616,460	1,894,962	3,535,435	170,238	195,198	89,347	6,501,640
Additions	137	4,804	56,974	14,761	3,871	225,240	305,787
Disposals	-	(6,420)	(108,571)	(3,747)	(9,353)	-	(128,091)
Write-off	-	-	-	(372)	-	-	(372)
Transfer in (out)	(621)	37,976	115,231	13,831	100	(165,979)	538
Translation adjustment	3,200	22,038	69,457	3,110	4,181	423	102,409
31 December 2021	619,176	1,953,360	3,668,526	197,821	193,997	149,031	6,781,911
Accumulated depreciation:							
1 January 2020	(1,349)	(584,524)	(1,747,372)	(85,779)	(95,819)	-	(2,514,843)
Increase from acquisition of subsidiary	-	(16,703)	(83,978)	(277)	(10,336)	-	(111,294)
Depreciation for the year	(2,731)	(83,367)	(259,417)	(21,779)	(24,841)	-	(392,135)
Depreciation on disposals	-	5,182	25,413	512	2,750	-	33,857
Depreciation on write-off	-	2,194	9,186	550	1,351	-	13,281
Translation adjustment	48	985	4,679	(5,252)	5,572	-	6,032
31 December 2020	(4,032)	(676,233)	(2,051,489)	(112,025)	(121,323)	-	(2,965,102)
Depreciation for the year	(2,749)	(85,925)	(271,226)	(22,565)	(24,092)	-	(406,557)
Depreciation on disposals	-	2,453	100,230	2,496	5,324	-	110,503
Depreciation on write-off	-	-	-	366	-	-	366
Translation adjustment	(453)	(9,088)	(41,899)	(1,633)	(2,740)	-	(55,813)
31 December 2021	(7,234)	(768,793)	(2,264,384)	(133,361)	(142,831)	-	(3,316,603)
Allowance for impairment:							
1 January 2020	-	(6,825)	-	-	-	-	(6,825)
Increase during the year	-	(1,969)	(137)	-	-	-	(2,106)
Reversal during the year	-	1,969	137	-	-	-	2,106
31 December 2020	-	(6,825)	-	-	-	-	(6,825)
Increase during the year	-	-	-	-	-	-	-
Reversal during the year	-	-	-	-	-	-	-
31 December 2021	-	(6,825)	-	-	-	-	(6,825)
Net book value:							
31 December 2020	612,428	1,211,904	1,483,946	58,213	73,875	89,347	3,529,713
31 December 2021	611,942	1,177,742	1,404,142	64,460	51,166	149,031	3,458,483
Depreciation for the year							
For the year ended 31 December 2020 (Baht 365.6 million included in manufacturing cost, and the balance in administrative expenses)							392,135
For the year ended 31 December 2021 (Baht 325.4 million included in manufacturing cost, and the balance in administrative expenses)							406,557

(Unit: Thousand Baht)

Separate financial statements

	Land and land improvement	Buildings and building improvement	Machinery and equipment	Furniture, fixtures and office equipment	Vehicles	Assets under installation and under construction	Total
Cost:							
1 January 2020	433,825	1,223,709	1,701,806	109,056	117,651	65,724	3,651,771
Additions	-	5,963	17,404	9,188	2,721	90,382	125,658
Disposals	-	(5,385)	(30,176)	(413)	(5,038)	-	(41,012)
Write-off	-	(2,058)	(602)	(259)	(550)	-	(3,469)
Transfer in (out)	-	23,399	69,858	2,049	-	(95,407)	(101)
31 December 2020	433,825	1,245,628	1,758,290	119,621	114,784	60,699	3,732,847
Additions	-	1,500	22,850	10,820	3,117	135,741	174,028
Disposals	-	(1,390)	(7,337)	(3,116)	(7,273)	-	(19,116)
Write-off	-	-	-	(372)	-	-	(372)
Transfer in (out)	-	11,968	72,422	11,435	101	(95,942)	(16)
31 December 2021	433,825	1,257,706	1,846,225	138,388	110,729	100,498	3,887,371
Accumulated depreciation:							
1 January 2020	-	(371,655)	(793,641)	(62,137)	(58,598)	-	(1,286,031)
Depreciation for the year	-	(51,099)	(152,027)	(16,019)	(15,644)	-	(234,789)
Depreciation on disposals	-	710	20,958	309	2,221	-	24,198
Depreciation on write-off	-	1,906	581	260	550	-	3,297
31 December 2020	-	(420,138)	(924,129)	(77,587)	(71,471)	-	(1,493,325)
Depreciation for the year	-	(52,065)	(150,019)	(16,529)	(13,759)	-	(232,372)
Depreciation on disposals	-	275	6,887	1,865	3,843	-	12,870
Depreciation on write-off	-	-	-	365	-	-	365
31 December 2021	-	(471,928)	(1,067,261)	(91,886)	(81,387)	-	(1,712,462)
Allowance for impairment:							
1 January 2020	-	-	-	-	-	-	-
Increase during the year	-	(1,969)	(137)	-	-	-	(2,106)
Reversal during the year	-	1,969	137	-	-	-	2,106
31 December 2020	-	-	-	-	-	-	-
Increase during the year	-	-	-	-	-	-	-
Reversal during the year	-	-	-	-	-	-	-
31 December 2021	-	-	-	-	-	-	-
Net book value:							
31 December 2020	433,825	825,490	834,161	42,034	43,313	60,699	2,239,522
31 December 2021	433,825	785,778	778,964	46,502	29,342	100,498	2,174,909
Depreciation for the year							
For the year ended 31 December 2020 (Baht 216.8 million included in manufacturing cost, and the balance in administrative expenses)							234,789
For the year ended 31 December 2021 (Baht 205.9 million included in manufacturing cost, and the balance in administrative expenses)							232,372

As at 31 December 2021, certain plant, machinery and equipment items of the Group were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 1,141 million (2020: Baht 853 million) (Separate financial statements: Baht 716 million and 2020: Baht 522 million).

The Group has mortgaged some of their land, construction and machinery with the net book value amounting to approximately Baht 505.86 million (2020: Baht 516.88 million) as collateral against credit facilities received from financial institutions (Separate financial statements: Baht 360.80 million and 2020: Baht 364.65 million).

15. Leases

15.1 The Group as a lessee

The Group has lease contracts for various items of property, plant, and equipment used in its operations. Leases generally have lease terms between 1 - 12 years.

a) Right-of-use assets

Movements of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Leasehold rights on land	Land	Buildings	Motor vehicles	Total
1 January 2020	9,376	95,420	117,378	10,760	232,934
Increase from acquisition of subsidiary	32,348	-	-	-	32,348
Increase during the year	-	9,432	277	4,309	14,018
Write-off during the year	-	(785)	-	-	(785)
Depreciation for the year	(3,391)	(11,001)	(15,831)	(4,418)	(34,641)
Translation adjustment	(118)	-	-	-	(118)
31 December 2020	38,215	93,066	101,824	10,651	243,756
Increase during the year	-	1,479	2,476	6,838	10,793
Decrease from lease modification	-	(24)	-	-	(24)
Write-off during the year	-	-	(5,468)	(3,349)	(8,817)
Depreciation for the year	(3,703)	(10,786)	(16,091)	(5,361)	(35,941)
Translation adjustment	1,399	-	-	-	1,399
31 December 2021	35,911	83,735	82,741	8,779	211,166

(Unit: Thousand Baht)

Separate financial statements					
	Leasehold				
	rights on land	Land	Buildings	Motor vehicles	Total
1 January 2020	12	3,046	58,892	10,760	72,710
Increase during the year	-	292	903	3,717	4,912
Write-off during the year	-	(785)	-	-	(785)
Depreciation for the year	(12)	(1,652)	(7,314)	(4,203)	(13,181)
31 December 2020	-	901	52,481	10,274	63,656
Increase during the year	-	11,519	22,117	6,839	40,475
Decrease from lease modification	-	(24)	-	-	(24)
Write-off during the year	-	-	-	(3,349)	(3,349)
Depreciation for the year	-	(1,438)	(8,112)	(5,145)	(14,695)
31 December 2021	-	10,958	66,486	8,619	86,063

b) Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Lease payments	207,165	242,177	99,423	71,015
Less: Deferred interest expenses	(25,900)	(35,090)	(12,024)	(8,644)
Total	181,265	207,087	87,399	62,371
Less: Portion due within one year	(29,113)	(28,937)	(13,954)	(12,780)
Lease liabilities - net of current portion	152,152	178,150	73,445	49,591

Movements of the lease liability account during the years ended 31 December 2021 and 2020 are summarised below:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Beginning balance	207,087	222,413	62,371	71,553
Additions	10,793	14,018	40,475	4,912
Accretion of interest	8,875	9,614	2,999	2,746
Repayments	(39,672)	(38,173)	(18,422)	(16,055)
Write-off during the year	(5,794)	(785)	-	(785)
Decrease from lease modification	(24)	-	(24)	-
Ending balance	181,265	207,087	87,399	62,371

A maturity analysis of lease payments is disclosed in Note 35.2 under the liquidity risk.

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Depreciation expense of right-of-use assets	35,941	34,641	14,695	13,181
Interest expense on lease liabilities	8,875	9,614	2,999	2,746
Expense relating to short-term leases	19,392	10,884	11,168	8,882
Expense relating to leases of low-value assets	257	202	160	137

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2021 of Baht 50.45 million (2020: Baht 42.39 million), including the cash outflow related to short-term lease and leases of low-value assets.

15.2 Group as a lessor

The Company has entered into operating leases for its investment property portfolio (land) and office building of the lease terms are approximately 3 years.

The Company has future minimum rentals receivable under non-cancellable operating leases to local subsidiaries as at 31 December 2021 and 2020 as follows:

	(Unit: Thousand Baht)	
	Separate	
	financial statements	
	2021	2020
Within 1 year	5,327	6,341
Over 1 and up to 5 years	8,400	1,067
Total	13,727	7,408

During 2021, the Company has sub-lease income from local subsidiaries amounting to Baht 2.56 million (2020: Baht 2.56 million).

16. Intangible assets

The net book values of intangible assets as at 31 December 2021 and 2020 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				
	Trademarks	Customer relationship	Computer software	Software under installation	Total
As at 31 December 2020					
Cost	264,303	273,042	100,838	4,250	642,433
Less: Accumulated amortisation	-	(106,499)	(35,890)	-	(142,389)
Ney book value	264,303	166,543	64,948	4,250	500,044
As at 31 December 2021					
Cost	264,303	273,042	104,675	4,667	646,687
Less: Accumulated amortisation	-	(125,740)	(46,272)	-	(172,012)
Net book value	264,303	147,302	58,403	4,667	474,675

(Unit: Thousand Baht)

	Separate financial statements				
	Trademarks	Customer relationship	Computer software	Software under installation	Total
As at 31 December 2020					
Cost	264,303	247,223	68,102	4,250	583,878
Less: Accumulated amortisation	-	(98,108)	(28,006)	-	(126,114)
Net book value	264,303	149,115	40,096	4,250	457,764
As at 31 December 2021					
Cost	264,303	247,223	69,188	4,667	585,381
Less: Accumulated amortisation	-	(114,767)	(35,456)	-	(150,223)
Net book value	264,303	132,456	33,732	4,667	435,158

A reconciliation of the net book value of intangible assets for the years 2021 and 2020 is presented below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2020	524,302	477,155
Acquisition during the year - Cost	5,567	5,206
Disposal during the year - Net book value	(27)	-
Amortisation for the year	(30,999)	(24,597)
Translation adjustment	1,201	-
Net book value as at 31 December 2020	500,044	457,764
Acquisition during the year - Cost	4,255	1,663
Write-off during the year - Net book value	(150)	(57)
Amortisation for the year	(31,070)	(24,212)
Translation adjustment	1,596	-
Net book value as at 31 December 2021	474,675	435,158

17. Goodwill and intangible assets with indefinite useful lives

The Company allocates goodwill acquired through business combination and trademarks with indefinite useful lives to an asset's cash-generating unit (CGUs), for annual impairment testing as follows:

	(Unit: Thousand Baht)	
	Food Segment	
	2021	2020
Goodwill	100,678	100,678
Trademarks with indefinite useful lives	264,303	264,303

The Company has determined the recoverable amounts of its cash-generating units based on value in use using cash flow projections from financial estimation approved by management covering a five-year period for food segment unit.

Key assumptions used in value in use calculations are as follows:

	(Unit: % per annum)	
	2021	2020
Sale growth rate	5 - 10	4 - 6
Long-term growth rate	2.00	2.00
Discount rate	10.86	8.95

The management determined the budgeted gross profit margin and long-term growth rate based on past performance and its expectations of market development. The discount rate used reflects specific risks relating to the relevant segments.

The long-term growth rate used to extrapolate cash flow projections beyond the period covered by the most recent forecasts does not exceed the long-term average growth rate for the industry in which the CGU operates.

Management has considered the above and believes that there is no occurrence of impairment of goodwill and trademarks with indefinite useful lives.

If the long-term growth rate were reduced by 0.1 percent per annum (2020: 6 percent per annum) or the discount rate were increased by 0.5 percent per annum (2020: 3.5 percent per annum) or the sale growth rate were reduced by 0.07 percent per annum (2020: 4 percent per annum), the recoverable amount would be equal to the carrying amount.

18. Short-term loans from financial institutions

	(Unit: Thousand Baht)					
	Interest rate (% per annum)		Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020	2021	2020
Promissory notes	2.45	2.55	180,000	230,000	-	-
Short-term loans	2.80 - 3.80	-	107,536	-	-	-
Total			287,536	230,000	-	-

Short-term loans from financial institutions are secured by the mortgage of land and construction thereon of a local subsidiary as described in Note 14 to the consolidated financial statements.

19. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Trade payables - related parties	1,531	1,107	144,001	60,325
Trade payables - unrelated parties	325,671	267,295	191,569	154,687
Other payables - related parties	2,132	408	3,150	323
Payables for purchase of fixed assets - related parties	-	-	356	356
Payables for purchase of fixed assets - unrelated parties	62,599	66,789	47,321	46,415
Payables for electricity charges	28,083	26,547	16,331	15,815
Accrued factory expenses	121,023	89,336	91,481	74,257
Accrued expenses	200,960	128,247	129,708	81,357
Total trade and other payables	741,999	579,729	623,917	433,535

20. Long-term loans from financial institutions

			(Unit: Thousand Baht)	
Loan	Interest rate (% per annum)	Repayment schedule	Consolidated / Separate financial statements	
			2021	2020
1	Prime rate - 2.50%	Monthly installments of Baht 5 million and mature in June 2026	270,000	330,000
Less: Current portion			(60,000)	(60,000)
Long-term loans from financial institutions - net of current portion			210,000	270,000

Movements of the long-term loan account during the years ended 31 December 2021 and 2020 are summarised below:

	(Unit: Thousand Baht) Consolidated / Separate financial statements
Balance as at 1 January 2020	170,000
Add: Additional borrowings	220,000
Less: Repayments	(60,000)
Balance as at 31 December 2020	330,000
Add: Additional borrowings	-
Less: Repayments	(60,000)
Balance as at 31 December 2021	270,000

The loans are secured by the mortgage of land and construction thereon of the Company as described in Note 14 to the consolidated financial statements.

As at 5 November 2021, the Company entered into a credit agreements with a local commercial bank to obtain a facility of Baht 1,500 million. The drawdown period for the first loan is from 24 April 2022 to 30 December 2022 and the interest rate is 2.90% per annum. The loan is repayable from the 3rd month from the date of the first loan drawdown and the payment must be settled within 7 years and 10 months. The drawdown period for the second loan is by 30 December 2023 and the interest rate is BIBOR 1 month plus 2.21% per annum. The repayment is to be made every 3 months for 24 installments and must be settled within 8 years.

All loan agreements contain several covenants which, among other things, require the Company to maintain debt-to-equity ratio and debt service coverage ratios at the rate prescribed in the agreements.

As at 31 December 2021, the long-term credit facilities of the Company which have not yet been drawdown amounted to Baht 1,500 million (2020: the Company had fully drawdown the above credit facilities).

21. Debentures

				Consolidated / Separate financial statements			
				Number of debenture		Amount	
				(Units)		(Thousand Baht)	
No.	Interest rate (% per annum)	Age	Maturity	2021	2020	2021	2020
No. 1/2019	4.00	3 years	24 April 2022	1,000,000	1,000,000	1,000,000	1,000,000
Less: Unamortised portion of deferred transaction costs						(461)	(1,912)
Debentures - net						999,539	998,088
Less: Current portion of debentures						(999,539)	-
Debentures - net of current portion						-	998,088

Movements in debenture account during the years ended 31 December 2021 and 2020 are summarised below:

		(Unit: Thousand Baht)
		Consolidated / Separate financial statements
Balance as at 1 January 2020		996,693
Amortisation of transaction costs of debenture during the year		1,395
Balance as at 31 December 2020		998,088
Amortisation of transaction costs of debenture during the year		1,451
Balance as at 31 December 2021		999,539

On 24 April 2019, the Company issued debentures to the institutions and high net-worth investors as approved by the shareholders at the Annual General Meeting held on 27 April 2018. The debentures are registered unsubordinated and unsecured debentures with a debenture holders' representatives in the name - registered certificate at 1 million units, Baht 1,000 par value, totaling principal amount of Baht 1,000 million. The debentures have a term of 3 years with a fixed interest rate of 4% per annum. The interest is payable every 6 months throughout the debenture term. The proceeds from the issuance of debentures were used for business expansion and used as general working capital.

In addition, the debentures were issued with covenants relating to various matters such as maintaining the debt-to-equity ratio of not exceeding 1.5 times at every quarter end.

22. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2021 and 2020 is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Provision for compensation on employees' retirement	296,679	282,029	244,934	232,383
Provision for special retirement benefits	4,041	3,950	3,243	3,072
Provision for long service awards	61,770	62,418	44,473	44,639
Total	362,490	348,397	292,650	280,094

Provision for long-term employee benefits is as follows:

(Unit: Thousand Baht)

	Consolidated financial statements					
	2021			2020		
	Post-employment benefits	Other long-term benefits	Total	Post-employment benefits	Other long-term benefits	Total
Provision for long-term employee benefits at beginning of year	285,979	62,418	348,397	262,942	63,096	326,038
Current service cost	26,195	5,248	31,443	28,449	6,477	34,926
Interest cost	4,103	998	5,101	3,704	1,008	4,712
Increase from acquisition of subsidiary	-	-	-	2,052	-	2,052
Actuarial (gain) loss	-	-	-	-	-	-
Benefits paid during the year	(15,557)	(6,894)	(22,451)	(11,168)	(8,163)	(19,331)
Provision for long-term employee benefits at end of year	300,720	61,770	362,490	285,979	62,418	348,397

(Unit: Thousand Baht)

	Separate financial statements					
	2021			2020		
	Post-employment benefits	Other long-term benefits	Total	Post-employment benefits	Other long-term benefits	Total
Provision for long-term employee benefits at beginning of year	235,455	44,639	280,094	216,403	46,815	263,218
Current service cost	21,660	3,747	25,407	21,575	3,685	25,260
Interest cost	3,419	628	4,047	3,068	633	3,701
Actuarial (gain) loss	-	-	-	-	-	-
Transfer employee	1,285	629	1,914	-	-	-
Benefits paid during the year	(13,642)	(5,170)	(18,812)	(5,591)	(6,494)	(12,085)
Provision for long-term employee benefits at end of year	248,177	44,473	292,650	235,455	44,639	280,094

The Group expects to pay Baht 15.23 million of long-term employee benefits during the next year (2020: Baht 9.27 million) (Separate financial statements: Baht 10.90 million and 2020: Baht 6.27 million).

As at 31 December 2021 and 2020, the weighted average duration of the liabilities for long-term employee benefits is 5 - 8 years (Separate financial statements: 8 years).

Significant actuarial assumptions at the valuation date are summarised below:

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Discount rate (% per annum)	1.50 (Thailand) 3.50 (Vietnam)	1.50 (Thailand) 3.50 (Vietnam)	1.50	1.50
Salary increase rate (% per annum)	4 - 8	4 - 8	4 - 8	4 - 8
Turnover rate (% per annum)	2 - 23	2 - 23	2 - 23	2 - 23
Gold price (Baht)	22,660	22,660	22,660	22,660

The Company has changed the policy for long service award and special retire benefit to permanent employees that converted from providing gold to cash, which specified that 1 Baht gold is equivalent to Baht 22,000. This change is effective since 2021 that shall apply to all employees that eligible for this benefit.

The results of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	As at 31 December 2021			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (+/- 0.50%)	(11,206)	22,588	(7,880)	19,957
Salary increase rate (+/- 1.00%)	39,021	(23,501)	34,103	(18,343)
Turnover rate (+/- 1.00%)	(4,315)	18,421	(2,384)	16,408
Gold price (+/- Baht 1,000)	3,360	(2,926)	2,489	(2,082)

(Unit: Thousand Baht)

	As at 31 December 2020			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (+/- 0.50%)	(15,633)	16,563	(12,725)	13,843
Salary increase rate (+/- 1.00%)	30,318	(26,626)	25,515	(22,057)
Turnover rate (+/- 1.00%)	(9,203)	11,882	(7,640)	9,706
Gold price (+/- Baht 1,000)	1,420	(5,419)	201	(4,374)

23. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Dividends from retained earnings as at 31 December 2020	Annual General Meeting of the shareholders on 23 April 2021	117.97	0.13
Total dividends for 2021		117.97	0.13
Dividends from retained earnings as at 31 December 2019	Annual General Meeting of the shareholders on 27 April 2020	117.98	0.13
Total dividends for 2020		117.98	0.13

24. Statutory reserve

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

According to Section 1202 of the Civil and Commercial Code, the subsidiaries are required to set aside a statutory reserve at least 5% of their net income each time the subsidiaries pay a dividend, until such reserve reaches 10% of their registered share capital. The statutory reserve can neither be used to offset with deficit nor be used for dividend payment.

25. Finance income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Interest income on debt instruments measured at amortised cost	2,672	5,508	30,405	29,427
Interest income on debt instruments measured at FVTPL	-	5,054	-	5,054
Total	2,672	10,562	30,405	34,481

26. Finance cost

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Interest expenses on loan from	16,840	17,713	10,956	10,386
Interest expenses on debentures	41,451	41,505	41,450	41,505
Interest expenses on lease liabilities	8,875	9,614	2,999	2,746
Total	67,166	68,832	55,405	54,637

27. Expenses by nature

Significant expenses classified by nature for the years ended 31 December 2021 and 2020 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Salaries, wages and other employee benefits	1,192,159	1,065,366	865,800	779,252
Depreciation	442,498	426,776	247,067	247,970
Amortisation	31,070	30,999	24,212	24,597
Rental and service expenses from operating lease agreements	19,649	11,086	11,328	9,019
Raw materials, consumables used and purchase of goods	6,373,026	3,505,346	3,110,991	1,897,502
Changes in finished goods	(223,884)	94,176	(58,340)	(24,241)

28. Income tax

Income tax expenses for the years ended 31 December 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Current income tax:				
Current income tax charge	92,294	32,976	29,980	15,500
Deferred tax:				
Relating to origination and reversal of temporary differences	(26,481)	(23,470)	(11,228)	(13,121)
Translation adjustment	281	(60)	-	-
Income tax expenses reported in profit or loss	66,094	9,446	18,752	2,379

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax on gain (loss) from the change in fair value of investments in equity instruments	2,088	(10,615)	2,088	(10,615)
Total	2,088	(10,615)	2,088	(10,615)

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Accounting profit before tax	428,703	44,374	235,550	90,861
Applicable tax rate	20%, 25%	20%, 25%	20%	20%
Accounting profit before tax multiplied by income tax rate	89,510	10,349	47,110	18,172
Adjustment in respect of income tax of previous year	951	(616)	-	(816)
Effects of:				
Promotional privileges (Note 29)	(15,572)	(3,904)	(15,572)	(3,904)
Non-deductible expenses	(7,755)	1,344	(9,427)	2,493
Additional deductible expenses	(3,451)	(8,940)	(2,698)	(5,549)
Tax losses	7,763	14,598	-	-
Share of loss from investments in associates	-	67	-	-
Dividend income	-	(2,088)	(1,744)	(8,058)
Translation adjustment	(7,325)	(1,616)	-	-
Others	1,973	252	1,083	41
Total	(24,367)	(287)	(28,358)	(14,977)
Income tax expense reported in profit or loss	66,094	9,446	18,752	2,379

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Deferred tax assets				
Allowance for reducing cost of inventories to net realisable value	4,249	2,808	1,929	1,612
Provision for long-term employee benefits	71,010	68,619	58,530	56,019
Leases	27,750	12,797	17,480	12,395
Unutilised tax losses	10,707	6,610	-	-
Others	18,705	16,336	8,377	9,985
Total	132,421	107,170	86,316	80,011

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Deferred tax liabilities				
Accumulated depreciation - building and equipment	27,904	31,215	17,087	20,104
Leases	26,457	12,486	17,213	12,654
Surplus of fair value from the amalgamation	126,976	130,700	126,976	130,700
Surplus of fair value from acquisition of subsidiary	35,193	40,641	-	-
Others	306	936	259	912
Total	216,836	215,978	161,353	164,370
Net deferred tax liabilities	(84,415)	(108,808)	(75,219)	(84,359)

Presented in the statements of financial position as follows:

Deferred tax assets	22,305	11,624	-	-
Deferred tax liabilities	(106,720)	(120,432)	(75,219)	(84,359)
Net deferred tax liabilities	(84,415)	(108,808)	(75,219)	(84,359)

As at 31 December 2021, the subsidiaries had unused tax losses totaling Baht 221.17 million (2020: Baht 167.96 million), on which deferred tax assets have not been recognised as the subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses of the subsidiaries amounting to Baht 221.17 million (2020: Baht 167.96 million) will expire by 2026 (2020: 2025).

29. Promotional privileges

The Company received promotional privileges from the Board of Investment as follows:

- For the manufacture of producing dried rice noodles, pursuant to the investment promotion certificate No. 59-0098-0-00-1-2 issued on 20 January 2016. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues, to the extent that the amount of tax exempted does not exceed 100% of investment capital exclusive of land and working capital.

- For the improvement production efficiency of vermicelli for alternative energy utilisation, pursuant to the investment promotion certificate No. 62-0293-1-04-1-0 issued on 22 March 2019. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax cap does not exceed 50% of the investment capital exclusive of land and working capital, for a period of 3 years from the date of revenue generating after promotion certificate issuance. The corporate income tax exemption will not exceed of Baht 35.65 million.

The local subsidiary received promotional privileges from the Board of Investment for the production of biogas and electricity, pursuant to the investment promotion certificate No. 60-0077-1-00-1-0 issued on 23 January 2017. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 8 years from the date the promoted operations begin generating revenues, to the extent that the amount of tax exempted does not exceed 100% of investment capital exclusive of land and working capital.

The Group's operating revenues for the years ended 31 December 2021 and 2020, divided between promoted and non-promoted operations, are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements					
	Promoted operations		Non-promoted operations		Total	
	2021	2020	2021	2020	2021	2020
Sales						
Domestic sales	1,193,896	1,114,440	4,757,730	3,450,164	5,951,626	4,564,604
Export sales	158,450	117,396	2,967,195	2,394,885	3,125,645	2,512,281
Total sales	<u>1,352,346</u>	<u>1,231,836</u>	<u>7,724,925</u>	<u>5,845,049</u>	<u>9,077,271</u>	<u>7,076,885</u>

(Unit: Thousand Baht)

	Separate financial statements					
	Promoted operations		Non-promoted operations		Total	
	2021	2020	2021	2020	2021	2020
Sales						
Domestic sales	1,193,896	1,114,440	909,665	793,961	2,103,561	1,908,401
Export sales	158,450	117,396	2,789,526	2,831,424	2,947,976	2,948,820
Total sales	<u>1,352,346</u>	<u>1,231,836</u>	<u>3,699,191</u>	<u>3,625,385</u>	<u>5,051,537</u>	<u>4,857,221</u>

30. Basic earnings per share

Basic earnings per share is calculated by dividing profit attributable to equity holders of the Company for the years ended 31 December 2021 and 2020 (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Profit for the year (Thousand Baht)	323,027	38,266	216,797	88,482
Number of ordinary shares (shares)	880,420,930	880,420,930	880,420,930	880,420,930
Earnings per share (Baht/share)	0.37	0.04	0.25	0.10

31. Segment information

Operating segment information is reported in a manner consistent with the internal reports 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 organised into business units based on their products and services and have reportable segments as follows:

- the manufacture and distribution of starch and other agricultural products
- the manufacture and distribution of vermicelli and other food products

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss, total assets and total liabilities and on a basis consistent with that used to measure 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 following tables present revenue and profit, total assets and total liabilities information regarding the Group's operating segments for the years ended 31 December 2021 and 2020.

(Unit: Thousand Baht)

	For the year ended 31 December 2021				
	Starch	Food	Total reportable segments	Adjustments and eliminations	Consolidated financial statements
Revenue from external customers	7,356,423	1,767,388	9,123,811	(18,372)	9,105,439
Interest revenue	1,839	833	2,672	-	2,672
Depreciation and amortisation	(362,574)	(110,994)	(473,568)	-	(473,568)
Gain (loss) on sale of investments	1,041	(1,581)	(540)	-	(540)
Gain on sale of investments properties	2,554	-	2,554	-	2,554
Loss from fair value measurement of derivatives	(2,626)	-	(2,626)	-	(2,626)
Finance cost	(63,348)	(3,818)	(67,166)	-	(67,166)
Income tax expenses	(38,885)	(27,290)	(66,175)	81	(66,094)
Segment profit	212,795	148,242	361,037	1,572	362,609
Timing of revenue recognition:					
Revenue recognised at a point in time					9,077,271
Revenue recognised over time					28,168
Total revenue from contracts with customers					<u>9,105,439</u>
Segment total assets	5,644,243	2,982,884	8,627,127	(23,031)	8,604,096
Decrease of non-current assets other than financial instruments and deferred tax assets	(78,821)	(25,789)	(104,610)	(561)	(105,171)
Segment total liabilities	2,486,607	634,096	3,120,703	(50,437)	3,070,266

(Unit: Thousand Baht)

For the year ended 31 December 2020

	Starch	Food	Total reportable segments	Adjustments and eliminations	Consolidated financial statements
Revenue from external customers	5,563,174	1,566,533	7,129,707	(39,517)	7,090,190
Gain from business acquisition	24,802	-	24,802	-	24,802
Interest revenue	4,266	6,296	10,562	-	10,562
Dividend income	10,441	-	10,441	-	10,441
Depreciation and amortisation	(347,994)	(109,781)	(457,775)	-	(457,775)
Gain (loss) on sale of investments	281	(3,515)	(3,234)	-	(3,234)
Gain on sale of investments properties	18,465	-	18,465	-	18,465
Gain from fair value measurement of derivatives	3,221	-	3,221	-	3,221
Share of loss from investments in associates	-	(333)	(333)	-	(333)
Finance cost	(64,807)	(4,025)	(68,832)	-	(68,832)
Income tax expenses	22,541	(31,987)	(9,446)	-	(9,446)
Segment profit	(86,024)	120,952	34,928	-	34,928
Timing of revenue recognition:					
Revenue recognised at a point in time					7,076,885
Revenue recognised over time					13,305
Total revenue from contracts with customers					7,090,190
Segment total assets	5,242,833	2,963,710	8,206,543	(86,492)	8,120,051
Addition of non-current assets other than financial instruments and deferred tax assets	21,312	15,548	36,860	(11,567)	25,293
Segment total liabilities	2,370,480	658,147	3,028,627	(114,224)	2,914,403

Revenue from external customers and non-current assets are based on locations of the Group.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2021	2020
Revenue from external customers		
Thailand	4,968,805	4,464,201
Vietnam	1,548,560	1,091,346
China	2,410,482	1,498,712
Cambodia	65,226	35,931
Indonesia	112,366	-
Total	9,105,439	7,090,190

(Unit: Thousand Baht)

	Consolidated financial statements	
	2021	2020
Non-current assets (other than financial instruments and deferred tax assets)		
Thailand	3,753,286	3,814,835
Vietnam	545,633	588,972
China	4,090	4,239
Cambodia	64,127	64,358
Indonesia	97	-
Total	4,367,233	4,472,404

Major customers

For the year 2021, the Group has revenue from one major customer in amount of Baht 708 million, arising from sales of starch segment (2020: Baht 684 million, arising from sales of starch segment).

32. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by MFC Asset Management Public Company Limited, will be paid to the employees upon termination in accordance with the fund rules. During the year, the Group contributed Baht 14.62 million (2020: Baht 14.28 million) (Separate financial statements: Baht 12.74 million and 2020: Baht 12.77 million) to the fund.

33. Commitments and contingent liabilities

33.1 Investment commitment

As at 31 December 2021, the Company was committed to pay uncalled portions of its investments in overseas subsidiaries of US Dollar 1.59 million and IDR 5,000 million and of its investments in two local subsidiaries, approximately of Baht 85.43 million (31 December 2020: the Company was committed to pay uncalled portions of its investments in overseas subsidiaries of US Dollar 1.59 million and IDR 7,500 million and of its investments in a local associate, approximately of Baht 10.43 million).

33.2 Capital commitments

The Group had commitments related to the construction of buildings and the purchases of machinery, equipment and computer software as follows:

(Unit: Million)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Baht	59.19	51.33	46.14	30.87
Vietnam Dong	807.91	4,036.92	-	-
US Dollar	0.02	0.02	0.02	0.02
Euro	0.66	-	0.66	-

33.3 Purchase of raw material commitments

The Group had outstanding future payment commitments in respect of agreements to purchase raw materials as follows:

(Unit: Million)

	Consolidated / Separate	
	financial statements	
	2021	2020
US Dollar	3.58	6.73

33.4 Commitment under tapioca industry development cooperation agreement

The Company has collaborated with a local foundation on a project to jointly develop and bring new tapioca species into commercialisation. The Company received tapioca stems for propagation and cultivation.

As at 31 December 2021 and 2020, the Company has obligation to return the tapioca stems under condition as identified in agreement with the maximum value of Baht 5 million.

As at 31 December 2021, the Company has obligation to contribute to the fund as identified in agreement approximately Baht 0.68 million per annum for 3 years (31 December 2020: Nil).

33.5 Operating lease commitments

As at 31 December 2021 and 2020, the Group had future minimum payments required under these non-cancellable leases contracts that have not yet commenced and leases that have a lease term of 12 months or less at the commencement date, or are leases of low-value assets as follows:

(Unit: Million)				
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Baht				
Within 1 year	0.27	0.11	0.20	0.04
1 to 5 years	0.07	0.08	0.07	0.04
Total	0.34	0.19	0.27	0.08
Vietnam Dong				
Within 1 year	163.69	108.62	-	-
1 to 5 years	357.53	434.47	-	-
More than 5 years	-	31.68	-	-
Total	521.22	574.77	-	-

33.6 Service agreement commitments

(Unit: Million)				
	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Service agreements				
Baht	14.10	15.57	12.12	14.16
Vietnam Dong	-	29.50	-	-
US Dollar	0.12	-	0.11	-

33.7 Guarantees

As at 31 December 2021 and 2020, the Group had outstanding bank guarantees issued by the banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business as follows.

(Unit: Million)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Baht	40.50	37.72	19.55	20.62
Vietnam Dong	440.50	438.31	-	-

34. Fair value hierarchy

As at 31 December 2021 and 2020, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements			
	As at 31 December 2021			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Investments in mutual funds	280.70	-	-	280.70
Investments in debt securities	-	260.62	9.75	270.37
Financial assets measured at FVOCI				
Equity investments	103.54	-	-	103.54
Derivatives				
Foreign currency forward contracts	-	1.91	-	1.91
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	1.31	-	1.31
Assets for which fair value are disclosed				
Investment property	-	-	328.00	328.00
Liabilities for which fair value are disclosed				
Debentures	-	1,000.00	-	1,000.00

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2020				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Investments in mutual funds	343.58	-	-	343.58
Investments in debt securities	-	270.47	10.28	280.75
Financial assets measured at FVOCI				
Equity investments	93.10	-	-	93.10
Derivatives				
Foreign currency forward contracts	-	3.92	-	3.92
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	0.69	-	0.69
Assets for which fair value are disclosed				
Investment property	-	-	353.40	353.40
Liabilities for which fair value are disclosed				
Debentures	-	1,001.26	-	1,001.26

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2021				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Investments in mutual funds	270.51	-	-	270.51
Investments in debt securities	-	260.62	9.75	270.37
Financial assets measured at FVOCI				
Equity investments	103.54	-	-	103.54
Derivatives				
Foreign currency forward contracts	-	1.45	-	1.45
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	0.92	-	0.92
Assets for which fair value are disclosed				
Long-term loans to and interest receivables				
from related parties	-	552.25	-	552.25
Investment property	-	-	248.90	248.90
Liabilities for which fair value are disclosed				
Debentures	-	1,000.00	-	1,000.00

(Unit: Million Baht)

	Separate financial statements			
	As at 31 December 2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Investments in mutual funds	306.50	-	-	306.50
Investments in debt securities	-	270.47	10.28	280.75
Financial assets measured at FVOCI				
Equity investments	93.10	-	-	93.10
Derivatives				
Foreign currency forward contracts	-	3.84	-	3.84
Liabilities measured at fair value				
Derivatives				
Foreign currency forward contracts	-	0.40	-	0.40
Assets for which fair value are disclosed				
Long-term loans to and interest receivables				
from related parties	-	542.78	-	542.78
Investment property	-	-	248.90	248.90
Liabilities for which fair value are disclosed				
Debentures	-	1,001.26	-	1,001.26

35. Financial instruments

35.1 Derivatives

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2021	2020	2021	2020
Derivative assets				
Derivative assets not designated as hedging instruments				
Foreign exchange forward contracts	1,910	3,915	1,452	3,843
Total derivative assets	<u>1,910</u>	<u>3,915</u>	<u>1,452</u>	<u>3,843</u>
Derivative liabilities				
Derivatives liabilities not designated as hedging instruments				
Foreign exchange forward contracts	1,315	693	923	398
Total derivative liabilities	<u>1,315</u>	<u>693</u>	<u>923</u>	<u>398</u>

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 1 to 12 months.

35.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, trade accounts receivable, loans to, investments, and short-term and long-term loans from. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to trade accounts receivable, loans, deposits with banks and financial institutions and other financial instruments. Except for derivatives, the maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position. The Group's maximum exposure relating to derivatives is noted in the liquidity risk topic.

Trade receivables

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

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The Group classifies customer segments by product type and customer type. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Financial instruments and cash deposits

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

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

Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk. The Group enters into a variety of derivatives to manage its risk exposure, including:

- foreign exchange forward contracts and foreign exchange option contracts to hedge the foreign currency risk arising on the export or import of goods.

Foreign currency risk

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

As at 31 December 2021 and 2020, the Group had the balances of financial assets and liabilities denominated in foreign currencies which are summarised below.

Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2021	2020	2021	2020	2021	2020
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
USD	10.69	8.47	1.55	0.84	33.41	30.04
EUR	0.19	0.23	-	0.04	37.89	36.88
KHR	12.52	31.99	791.08	-	0.8208	0.7448
CAD	-	-	-	0.02	26.14	23.45

As at 31 December 2021 and 2020, the Group has foreign exchange forward contracts and foreign exchange option contracts outstanding as summarised below.

31 December 2021						
Foreign currencies	Bought amount (Thousand)	Sold amount (Thousand)	Contractual exchange rate		Contractual maturity date	
			Bought	Sold	Bought	Sold
			(Baht per 1 foreign currency unit)			
<u>The Company</u>						
USD	-	6,067	-	32.31 - 34.07 Baht against USD	-	25 February 2022 - 15 November 2022
EUR	-	172	-	38.01 - 38.47 Baht against EUR	-	24 May 2022 - 27 June 2022
CNY	-	32,500	-	5.18 - 5.29 Baht against CNY	-	21 January 2022 - 25 February 2022
<u>Local subsidiary</u>						
USD	-	2,225	-	32.86 - 34.00 Baht against USD	-	28 March 2022 - 15 November 2022
CNY	-	6,000	-	5.23 - 5.27 Baht against CNY	-	18 February 2022 - 25 February 2022
31 December 2020						
Foreign currencies	Bought amount (Thousand)	Sold amount (Thousand)	Contractual exchange rate		Contractual maturity date	
			Bought	Sold	Bought	Sold
			(Baht per 1 foreign currency unit)			
<u>The Company</u>						
USD	18	4,474	30.05 Baht against USD	29.99 - 31.75 Baht against USD	15 March 2021	21 January 2021 - 28 December 2021
EUR	-	238	-	36.74 - 36.84 Baht against EUR	-	2 June 2021 - 25 June 2021
CNY	-	14,500	-	4.56 - 4.60 Baht against CNY	-	29 January 2021 - 5 March 2021
<u>Local subsidiary</u>						
USD	-	1,928	-	29.94 - 30.18 Baht against USD	-	23 June 2021 - 5 January 2022
CNY	-	14,400	-	4.56 - 4.60 Baht against CNY	-	15 January 2021 - 5 March 2021

Fair value of the above foreign exchange forward contracts and foreign exchange option contracts was recorded in other current financial assets and other current financial liabilities accounts.

The following tables demonstrate the sensitivity of the Group's profit before tax to a reasonably possible change in US dollar exchange rates, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives as at 31 December 2021 and 2020. The Group's exposure to foreign currency changes for all other currencies is not material. This information is not a forecast or prediction of future market conditions and should be used with care.

Currency	2021		2020	
	Increase / decrease	Effect on profit before tax	Increase / decrease	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
USD	+3	9,163	+3	6,874
	-3	(9,163)	-3	(6,874)

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, bank overdrafts, debentures, short-term and long-term loans from. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2021

	Fixed interest rate		Floating interest rate	Non - interest bearing	Total	Effective interest rate (% per annum)
	within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	-	-	885.13	4.38	889.51	0.01 - 3.20
Trade and other receivables	-	-	-	838.20	838.20	-
Other current financial assets	260.62	-	-	282.61	543.23	2.60 - 5.05
Restricted bank deposits	43.15	-	-	-	43.15	0.10 - 4.60
Other non-current financial assets	-	-	-	113.28	113.28	-
	303.77	-	885.13	1,238.47	2,427.37	
Financial liabilities						
Short-term loans from financial institutions	287.54	-	-	-	287.54	2.45 - 3.80
Trade and other payables	-	-	-	742.00	742.00	-
Lease liabilities	29.11	152.15	-	-	181.26	3.25 - 17.24
Long-term loans from and accrued interests to related parties	-	2.71	-	-	2.71	0.20
Long-term loans from financial institutions	60.00	210.00	-	-	270.00	Prime rate - 2.50
Debentures	999.54	-	-	-	999.54	4.15
	1,376.19	362.15	-	742.00	2,483.05	

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2020

	Fixed interest rate		Floating interest rate	Non - interest bearing	Total	Effective interest rate (% per annum)
	within 1 year	1 - 5 years				
Financial assets						
Cash and cash equivalents	-	-	843.52	9.71	853.23	0.05 - 3.30
Trade and other receivables	-	-	-	707.87	707.87	-
Other current financial assets	270.47	-	-	347.50	617.97	2.60 - 4.15
Restricted bank deposits	41.98	-	-	-	41.98	0.25 - 5.10
Other non-current financial assets	-	-	-	103.38	103.38	-
	312.45	-	843.52	1,168.46	2,324.43	
Financial liabilities						
Short-term loans from financial institutions	230.00	-	-	-	230.00	2.55
Trade and other payables	-	-	-	579.73	579.73	-
Lease liabilities	28.94	178.15	-	-	207.09	3.25 - 17.24
Long-term loans from and accrued interests to related parties	-	2.71	-	-	2.71	0.35
Long-term loans from financial institutions	60.00	270.00	-	-	330.00	Prime rate - 2.50
Debentures	-	998.09	-	-	998.09	4.15
	318.94	1,448.95	-	579.73	2,347.62	

(Unit: Million Baht)

	Separate financial statements					
	As at 31 December 2021					
	Fixed interest rate			Non -		
	within	1 - 5	Floating	interest		Effective
	1 year	years	interest rate	bearing	Total	interest rate
						(% per annum)
Financial assets						
Cash and cash equivalents	-	-	377.29	0.59	377.88	0.01 - 0.25
Trade and other receivables	-	-	-	712.44	712.44	-
Short-term loans to and interest						
receivables from related parties	-	-	157.07	-	157.07	4.50 - 4.84
Other current financial assets	260.62	-	-	271.96	532.58	2.60 - 5.05
Other non-current financial assets	-	-	-	113.28	113.28	-
Long-term loans to and interest						
receivables from related parties	-	556.43	19.75	-	576.18	4.00 - 4.84
	260.62	556.43	554.11	1,098.27	2,469.43	
Financial liabilities						
Trade and other payables	-	-	-	623.92	623.92	-
Lease liabilities	13.95	73.45	-	-	87.40	3.25 – 17.24
Long-term loans from financial						
institutions	60.00	210.00	-	-	270.00	Prime rate - 2.50
Debentures	999.54	-	-	-	999.54	4.15
	1,073.49	283.45	-	623.92	1,980.86	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2020						
Fixed interest rate			Non -		Total	Effective interest rate (% per annum)
within 1 year	1 - 5 years	Floating interest rate	interest bearing			
Financial assets						
Cash and cash equivalents	-	-	433.90	0.73	434.63	0.05 - 0.25
Trade and other receivables	-	-	-	543.42	543.42	-
Short-term loans to and interest receivables from related parties	-	-	95.93	-	95.93	4.81
Other current financial assets	270.47	-	-	310.34	580.81	2.60 - 4.15
Other non-current financial assets	-	-	-	103.38	103.38	-
Long-term loans to and interest receivables from related parties	-	544.79	23.72	-	568.51	4.00 - 4.81
	270.47	544.79	553.55	957.87	2,326.68	
Financial liabilities						
Trade and other payables	-	-	-	433.53	433.53	-
Lease liabilities	12.78	49.59	-	-	62.37	3.25 - 17.24
Long-term loans from financial institutions	60.00	270.00	-	-	330.00	Prime rate - 2.5
Debentures	-	998.09	-	-	998.09	4.15
	72.78	1,317.68	-	433.53	1,823.99	

Interest rate sensitivity

The following table demonstrates the sensitivity of the Group's profit before tax to a reasonably possible change in interest rates on that portion of loans affected as at 31 December 2021 and 2020, with all other variables held constant. This information is not a forecast or prediction of future market conditions and should be used with care.

Currency	2021		2020	
	Increase / Decrease	Effect on profit	Increase / Decrease	Effect on profit
		before tax		before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Thai Baht Loans	+20	(1,755)	+20	(2,145)
	-20	1,755	-20	2,145

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the use of bank overdrafts, trade and other payables, bank loans, debentures and lease contracts. Approximately 85.31% of the Group's debt will mature in less than one year at 31 December 2021 (2020: 38.28%) (the Company only: 85.69% and 2020: 27.76%) based on the carrying value of borrowings reflected in the financial statements. The Group has assessed the concentration of risk with respect to refinancing its debt and concluded it to be low. The Group has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2021 and 2020 based on contractual undiscounted cash flows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2021				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Short-term loans from financial institutions	-	287,536	-	-	287,536
Trade and other payables	-	741,999	-	-	741,999
Lease liabilities	-	29,113	152,152	-	181,265
Long-term loans from and accrued interests to related parties	-	-	2,713	-	2,713
Long-term loans from financial institutions	-	60,000	210,000	-	270,000
Debentures	-	999,539	-	-	999,539
Total non-derivatives	-	2,118,187	364,865	-	2,483,052
Derivatives					
Cash inflows	-	486,149	-	-	486,149
Cash outflows	-	(481,715)	-	-	(481,715)
Total derivatives	-	4,434	-	-	4,434

(Unit: Thousand Baht)

	Consolidated financial statements				
	As at 31 December 2020				
	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Short-term loans from financial institutions	-	230,000	-	-	230,000
Trade and other payables	-	579,729	-	-	579,729
Lease liabilities	-	28,937	178,150	-	207,087
Long-term loans from and accrued interests to related parties	-	-	2,707	-	2,707
Long-term loans from financial institutions	-	60,000	270,000	-	330,000
Debentures	-	-	998,088	-	998,088
Total non-derivatives	-	898,666	1,448,945	-	2,347,611
Derivatives					
Cash inflows	-	328,962	8,994	-	337,956
Cash outflows	-	(322,839)	(8,960)	-	(331,799)
Total derivatives	-	6,123	34	-	6,157

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2021

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	623,917	-	-	623,917
Lease liabilities	-	13,954	73,445	-	87,399
Long-term loans from financial institutions	-	60,000	210,000	-	270,000
Debentures	-	999,539	-	-	999,539
Total non-derivatives	-	1,697,410	283,445	-	1,980,855
Derivatives					
Cash inflows	-	380,211	-	-	380,211
Cash outflows	-	(376,644)	-	-	(376,644)
Total derivatives	-	3,567	-	-	3,567

(Unit: Thousand Baht)

Separate financial statements

As at 31 December 2020

	On demand	Less than 1 year	1 to 5 years	> 5 years	Total
Non-derivatives					
Trade and other payables	-	433,535	-	-	433,535
Lease liabilities	-	12,780	49,591	-	62,371
Long-term loans from financial institutions	-	60,000	270,000	-	330,000
Debentures	-	-	998,088	-	998,088
Total non-derivatives	-	506,315	1,317,679	-	1,823,994
Derivatives					
Cash inflows	-	213,999	-	-	213,999
Cash outflows	-	(208,770)	-	-	(208,770)
Total derivatives	-	5,229	-	-	5,229

35.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

The estimated fair value of financial instruments, in comparison with the related amounts carried in the statements of financial position, is as follows:

	(Unit: Million Baht)							
	Consolidated financial statements				Separate financial statements			
	Carrying amount		Fair value		Carrying amount		Fair value	
	2021	2020	2021	2020	2021	2020	2021	2020
Long-term loans to and interest								
receivables from related parties	-	-	-	-	576.18	568.51	552.25	542.78
Debentures	999.54	998.09	1,000.00	1,001.26	999.54	998.09	1,000.00	1,001.26

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, accounts receivable and short-term loans to, accounts payable and short-term loans from, the carrying amounts in the statement of financial position approximate their fair value.
- The fair value of debts securities is generally derived from quoted market prices as announced by the Thai Bond Market Association.
- The fair value of equity securities and mutual funds is generally derived from quoted market prices.
- The fair value of long-term loans is estimated by discounting expected future cash flows by the current market interest rate of loans with similar terms and conditions.
- The fair value of fixed rate debentures and long-term loans is estimated by discounting expected future cash flow by the current market interest rate of loans with similar terms and conditions.
- The carrying amounts of long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

- g) The fair value of derivatives has been determined by using a discounted future cash flow model and a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, yield curves of the respective currencies and interest rate yield curves. The Group considers counterparty credit risk when determining the fair value of derivatives

During the current year, there were no transfers within the fair value hierarchy.

35.4 Reconciliation of recurring fair value measurements, of financial assets and liabilities, categorised within Level 3 of the fair value hierarchy.

	(Unit: Thousand Baht)
	Consolidated / Separate
	Financial Statements
	Investments in debt securities
Balance as of 1 January 2020	20,439
Net loss recognised into profit or loss	(10,155)
Balance as of 31 December 2020	10,284
Net loss recognised into profit or loss	(536)
Balance as of 31 December 2021	9,748

36. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value and it meets financial covenants attached to the loan agreements. The Group has complied with these covenants throughout the reporting periods.

As at 31 December 2021, the Group's debt-to-equity ratio was 0.59:1 (2020: 0.60:1) (Separate financial statements: 0.55:1 and 2020: 0.53:1).

37. Event after the reporting period

On 18 January 2022, the Company entered into a loan agreement with an overseas subsidiary to provide (a facility of) Baht 50 million. The loan carries the interest rate of 4% per annum and will be matured by 31 December 2027. From 20 January 2022 to the present, the loan has been gradually granted to the subsidiary for a total of Baht 24 million.

On 22 February 2022, the meeting of the Company's Board of Directors passed the resolution to propose to Annual General Meeting of the Company's shareholders for approval for dividend payment from the retained earnings as at 31 December 2021, to be paid in cash at a rate of Baht 0.2159 per share. Payment of this dividend is dependent on approval being granted by the shareholders.

38. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 22 February 2022.

Attachment 1

Information of the Board of Directors, Executives,
the Person Taking the Highest Responsibility
in Finance and Accounting, the person Supervising
Accounting and Company Secretary

As at 31 December 2021



Board of Directors



Mr. Ho KwonPing Chairman of the Board

Age 69 years

Appointed

- 1, 2015

Re-elected

- April 26, 2016
- April 26, 2019

Percentage of Shareholding in the Company : 6.50%
(57,194,534 shares)

(also including total no. of shares held by spouse)

Highest Educational Background / Director Certificate Program

- Honorary Doctorate of Business Administration in Hospitality Management, Johnson & Wales University, USA
- Honorary Doctorate of Business Administration, Hong Kong Polytechnic University
- Bachelor of Arts (Economics), National University of Singapore

Family Relation between Management

Mr. Ho KwonCjan's elder brother and Mr. Ho Ren Hua's and Ms. Ho Ren Yung's father

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Chairman of the Board, Thai Wah Public Company Limited
- Chairman of the Board & Executive Chairman of the Group, Laguna Resorts & Hotels Public Company Limited
- Executive Chairman and Director, Banyan Tree Holdings Limited

2013 - 2020

- Non-Executive Director, Audit Committee Member, Nomination Committee Member and Remuneration Committee Member, Diageo plc

In Non-Listed Companies

Present

- Chairman of the board / Director, Certain related companies of Banyan Tree Holdings Limited
- Chairman of the board / Director, Tropical Resorts Limited
- Chairman of the board / Director, Tropical Resorts Management Co., Ltd
- Chairman of the Board of Trustees, Singapore Management University
- Director, Alosa Holdings Ltd.
- Director, Baruto Investments Ltd.
- Director, Bibace Investments Ltd and certain related companies
- Director, Bibace Management Company Limited
- Director, Campion Investments Pte. Ltd.
- Director, Chang Fung Company Limited
- Director, Freesia Investments Ltd
- Director, ICD (HK) Limited
- Director, KAP Holdings Ltd. and certain related companies
- Director, Li-Ho Holdings (Private) Limited and certain related companies
- Director, Li-Ho (BVI) Ltd
- Director, Mae Samat Land Limited
- Director, Maypole Ltd. and certain related companies
- Director, Platinum Enterprise Limited and certain related companies
- Director, Recourse Investments Ltd. and certain related companies
- Director, RHYC Pte. Ltd.
- Director, Sin-Hai Offshore Company Limited
- Director, United Insulation Services Pte. Ltd.

2013 - 2018

- Chairman, School of Hotel and Tourism Management of the Hong Kong Polytechnic

2000 - 2016

- Director, Asia Tapioca Products Company Limited



Mr. Ariel P Vera Director

Age 69 years

Appointed

• October 1, 2015

Re-elected

• April 26, 2016

• April 26, 2019

Percentage of Shareholding in the Company : 0.22%
(1,926,105 shares)

Highest Educational Background / Director Certificate Program

- Master of Business Administration, National University of Singapore
- Bachelor of Science in Business Administration, University of the East, Philippines
- Certified Public Accountant of Philippines

Family Relation between Management

No relation

Working Experiences for the Past 5 Years In Listed Companies

Present

- Non-Executive Director, Thai Wah Public Company Limited
- Independent Director, Laguna Resorts & Hotels Public Company Limited

2013 - 2020

- Non-Independent and Non-Executive Director, Banyan Tree Holdings Limited

In Non-Listed Companies

2015 - 2020

- Director, ICD (HK) Limited



Dr. Sretsei Saittagaroon Deputy Chairman of the Board

Age 67 years

Appointed

• October 1, 2015

Re-elected

• April 20, 2017

• April 27, 2020

Percentage of Shareholding in the Company : 0.27%
(2,344,029 shares)

Highest Educational Background / Director Certificate Program

- Doctor in Agricultural Science (Food Chemistry), Nagoya University, Japan
- Directors Certification Program (DCP 10/2001), Thai Institute of Directors Association
- Finance Directors (1/2005), Thai Institute of Directors Association

Family Relation between Management

No relation

Working Experiences for the Past 5 Years In Listed Companies

Present

- Deputy Chairman of the Board, Thai Wah Public Company Limited

In Non-Listed Companies

2000-2020

- Director, Asia Tapioca Products Company Limited

2005-2019

- Director, Tapioca Development Corporation Limited

2017-2018

- Director, TWPC Investment (Cambodia) Co., Ltd.

2016-2018

- Director, Thai Wah International Trade (Shanghai) Company Limited

- Chairman, Thai Wah Vietnam Company Limited

2014-2017

- Chairman, Vietnam Tapioca Company Limited
- Director, Tay Ninh Tapioca Joint Stock Company



Mr. Ho KwonCjan Director

Age 65 years

Appointed

Re-elected

- October 1, 2015
- April 20, 2017
- April 26, 2019
- April 23, 2021

Percentage of Shareholding in the Company : 3.91%
(34,416,488 shares)

Highest Educational Background / Director Certificate Program

- Bachelor of Architecture (Hons),
National University of Singapore

Family Relation between Management

Mr. Ho KwonPing's younger brother and Mr. Ho Ren Hua's and
Ms. Ho Ren Yung's uncle

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Non-Executive Director, Thai Wah Public Company Limited
- Director, Laguna Resorts & Hotels Public Company Limited
- Senior Vice President, Group Chief Designer, Banyan Tree Holdings Limited

In Non-Listed Companies

Present

- Director, Certain related companies of Laguna Resorts & Hotels Public Company Limited
- Director, Certain related companies of Banyan Tree Holdings Limited
- Director, Profit Chain Ltd.
- Director, Lanna Land Development Company Limited
- Director, Mae Malai Doi Resorts Company Limited
- Director, Platinum Enterprise Limited and certain related companies
- Director, Li-Ho Holdings (Private) Limited and certain related companies
- Director, Li-Ho (BVI) Ltd
- Director, Chang Fung Company Limited
- Director, PT Bintan Hotels
- Director, Freesia Investments Ltd
- Director, Vail Enterprises Group Corp.

2006 - 2016

- Director, Bibace Investments Ltd

2000 - 2016

- Director, Asia Tapioca Products Company Limited



Mr. Ho Ren Hua * Director

Age 39 years

Appointed

Re-elected

- October 1, 2015
- April 20, 2017
- April 27, 2020

Percentage of Shareholding in the Company : 1.06%
(9,343,724 shares)

Highest Educational Background / Director Certificate Program

- Bachelor of Science in Economics with Honors, concentrating in Finance and Management, The Wharton School, University of Pennsylvania, USA
- Chartered Director Class (CDC 10/2015), Thai Institute of Directors Association
- Directors Certification Program (DCP 214/2015), Thai Institute of Directors Association
- Diploma Examination (47/2016), Thai Institute of Directors Association

Family Relation between Management

Mr. Ho KwonPing's son, Mr. Ho Kwon Cjan's nephew and
Ms. Ho Ren Yung's elder brother

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Director and Chief Executive Officer, Thai Wah Public Company Limited
- Director, Laguna Resorts & Hotels Public Company Limited
- Non-Executive and Non-Independent Director, Banyan Tree Holdings Limited

In Non-Listed Companies

Present

- Board of Commissioner / Chairman / Director, Subsidiaries companies of Thai Wah Public Company Limited
- Chairman / Director, Certain related companies of Banyan Tree Holdings Limited
- Director, Maypole Ltd. and certain related companies
- Director, Sin-Hai Offshore Company Limited
- Director, ICD (HK) Limited
- Director, United Insulation Services Pte. Ltd.
- Director, Casita Holdings Ltd
- Director, Campion Investments Pte. Ltd.
- Director, Dawina Investments Ltd
- Director, Rocket International Investments Limited
- Director, Bibace Management Company Limited
- Director, RH Ltd.
- Director, Sandstone Ventures International Limited

2008 - 2020

- Director, Bibace Investments Ltd

2016 - 2017

- Director, Asia Tapioca Products Company Limited



Mr. Umnad Sukprasongphol * Director

Age 58 years

Appointed

• October 1, 2015

Re-elected

• April 27, 2018

• April 27, 2020

Percentage of Shareholding in the Company : 0.03%
(250,240 shares) (also including total no. of shares held by spouse)

Highest Educational Background / Director Certificate Program

- Master of Business Administration, Central State University (Currently known as University of Central Oklahoma), USA
- Directors Certification Program (DCP 15/2011), Thai Institute of Directors Association
- Financial Statements for Directors (FSD 17/2012), Thai Institute of Directors Association
- Ethical Leadership Program (ELP 10/2017), Thai Institute of Directors Association

Family Relation between Management

No relation

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Director and Senior Advisor to CEO, Thai Wah Public Company Limited

2015-2021

- Managing Director (Starch Business), Thai Wah Public Company Limited

In Non-Listed Companies

Present

- Chairman / Director, Subsidiaries companies of Thai Wah Public Company Limited
- Vice President & Chairman of Starch sub-committee, The Thai Tapioca Trade Association (TTTA)



Mr. Vudhiphol Suriyabhivadh Independent Director

Age 77 years

Appointed

• October 1, 2015

Re-elected

• April 26, 2016

• April 26, 2019

Percentage of Shareholding in the Company : 0.02%
(213,053 shares) (held by spouse)

Highest Educational Background / Director Certificate Program

- Bachelor of Commerce (Accountancy), University of New South Wales, Australia
- Bachelor of Law, Sukhothai Thammathirat University
- Directors Certification Program (DCP 36/2003), Thai Institute of Directors Association
- Audit Committee Program (ACP 7/2005), Thai Institute of Directors Association
- Executive Course, IMD, Lausanne, Switzerland

Family Relation between Management

No relation

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Independent Director, Audit, Risk and Corporate Governance Committee Chairman, Nomination and Remuneration Committee Member and Strategic and Innovation Committee Member, Thai Wah Public Company Limited
- Independent Director, Audit, Risk and Corporate Governance Committee Chairman and Nomination and Remuneration Committee Member, Laguna Resorts & Hotels Public Company Limited
- Independent Director, Audit Committee Chairman and Vice Chairman of the Board, L.P.N. Development Public Company Limited

2015-2020

- Independent Director, Audit Committee Chairman and Nomination and Remuneration Committee Chairman, Bangkok Ranch Public Company Limited

2015-2018

- Nomination, Remuneration and Good Corporate Governance Committee Chairman, L.P.N. Development Public Company Limited



Dr. Jingjai Hanchanlash Director

Age 79 years

Appointed
Re-elected

- October 1, 2015
- April 20, 2017
- April 27, 2020

Percentage of Shareholding in the Company : 0.30%
(2,643,039 shares) (held by spouse)

Highest Educational Background / Director Certificate Program

- Doctorate University de Caen (Mention droit), France
- Certificate in Project Analysis, University of Connecticut, USA
- Certificate in Mid-Career Management Training, University of Western Ontario, Canada
- Directors Accreditation Program (DAP 1/2003), Thai Institute of Directors Association
- Audit Committee Program (ACP 19/2007), Thai Institute of Directors Association

Family Relation between Management
No relation

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Independent Director, Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Chairman and Strategic and Innovation Committee Member, Thai Wah Public Company Limited
- Independent Director, Audit, Risk and Corporate Governance Committee Member and Nomination and Remuneration Committee Chairman, Laguna Resorts & Hotels Public Company Limited
- Vice Chairman, Muang Thai Insurance Public Company Limited
- Advisor to Chairman, Loxley Public Company Limited
- Director and Executive Director, Asian Phytochemicals Public Company Limited

2017-2019

- Vice-Chairman of the Executive Board, Loxley Public Company Limited

2014-2019

- Director, Loxley Public Company Limited

In Non-Listed Companies

Present

- Chairman and CEO, Rutnin-Gimbel Excimer Laser Eye Centre
- Chairman, Societe Commerciale Lao
- Chairman, Loxley Simulation Technology Company Limited
- Director of the Executive Board, King Prajadhipok's Institute
- Member, Chumbhot-Pantip Foundation Council
- President, Alliance Francaise Bangkok
- Honorary Consul, Honorary Consulate of Jamaica to Thailand
- Board member, Development Cooperation Foundation
- Chairman, Thai-Canada Economic Cooperation Foundation

2003 - 2020

- Board Member, SPIE Oil & Gas Services (Thailand) Limited



Mr. Subhak Siwaraksa Independent Director

Age 64 years

Appointed
Re-elected

- February 21, 2017
- April 27, 2018
- April 27, 2020

Percentage of Shareholding in the Company : None

Highest Educational Background / Director Certificate Program

- Doctor of Philosophy in Economics, University of Pennsylvania, USA
- Master in Law and Diplomacy, Fletcher School of Law and Diplomacy, Tufts University, Massachusetts, USA
- Bachelor in English Literature Honors Program and Economics, Georgetown University, Washington D.C., USA
- Advanced Audit Committee Program (AACP 26/2017) Thai Institute of Directors Association
- Financial Institutions Governance Program (FGP 3/2011) Thai Institute of Directors Association
- Directors Certification Program (DCP 72/2006) Thai Institute of Directors Association
- Directors Accreditation Program (DAP 42/2005) Thai Institute of Directors Association

Family Relation between Management

No relation

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Independent Director, Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Member and Strategic and Innovation Committee Member, Thai Wah Public Company Limited
- Independent Director and Audit Committee Member, Samitivej Public Company Limited
- Independent Director, Bangkok Dusit Medical Services Public Company Limited
- Independent Director, Siam City Cement Public Company Limited

In Non-Listed Companies

Present

- Board Director, Chairman of Risk Oversight Committee, Member of Audit Committee and Member of Monetary Policy Committee, Bank of Thailand
- Chairman of Audit Committee and Independent Director, Prudential Life Assurance (Thailand) Public Company Limited
- Country Chairman, Jardine Matheson Group in Thailand
- Commissioner, The Securities and Exchange Commission, Thailand

2016 - 2018

- Governor, Member of the Audit Committee and Member of the Corporate Governance and Social Responsibility Committee, The Stock Exchange of Thailand



Mr. Chanin Archjananun Independent Director

Age 57 years

Appointed

• October 1, 2015

Re-elected

• April 27, 2018

• April 23, 2021

Percentage of Shareholding in the Company : None

Highest Educational Background / Director Certificate Program

- Master of Business Administration, Western Illinois University, USA
- Directors Certification Program (DCP 231/2016), Thai Institute of Directors Association
- Advanced Audit Committee Program (AACP 34/2019), Thai Institute of Directors Association

Family Relation between Management

No relation

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Independent Director, Audit, Risk and Corporate Governance Committee Member, Nomination and Remuneration Committee Member and Strategic and Innovation Committee Member, Thai Wah Public Company Limited

In Non-Listed Companies

Present

- Consultant, Masan Consumer (Thailand) Ltd.
- Director, Internart (Thailand) Co., Ltd.
- Director, Wanli Packing Enterprise Co., Ltd.
- Director, Natura Harvest Co., Ltd.
- Independent Director, Audit and Risk Committee and Nomination and Remuneration Committee, Aurora Design Co., Ltd



Mrs. Supattra Paopiamsap ** Independent Director

Age 58 years

Appointed

• February 24, 2021

Percentage of Shareholding in the Company : None

Highest Educational Background / Director Certificate Program

- Master of Business Administration (Marketing), Georgia State University, Atlanta, Georgia, USA
- Bachelor of Business Administration (Accounting) (Honor), Assumption University
- Directors Certification Program (DCP 264/2018), Thai Institute of Directors Association

Family Relation between Management

No relation

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Independent Director and Strategic and Innovation Committee Member, Thai Wah Public Company Limited

2017-2020

- Deputy Group CEO, Pruksa Holding Public Company Limited

In Non-Listed Companies

Present

- Managing Director, Meragie Co., Ltd
- Consultant, Greenspot Co., Ltd
- Consultant, Big C Supercenter Co., Ltd

2019-2020

- Chief Executive Officer, Pruksa Real Estate Public Company Limited

2017-2018

- Non-Executive Chairman, Unilever Thailand

2014-2017

- CEO Thailand, Unilever Thailand



Ms. Parnsiree Amatayakul Independent Director

Age 51 years

Appointed

- April 27, 2018

Re-elected

- April 23, 2021

Percentage of Shareholding in the Company : None

Highest Educational Background / Director Certificate Program

- Master of Business Administration, Anderson School of Management, UCLA, USA
- Bachelor of Business Administration, Chulalongkorn University
- Directors Certification Program (DCP 99/2008), Thai Institute of Directors Association

Family Relation between Management

No relation

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Independent Director and Strategic and Innovation Committee Member, Thai Wah Public Company Limited
- Independent Director, Audit Committee Member and Remuneration Committee Member, Siam Cement Public Company Limited
- Independent Director, Bangkok Bank Public Company Limited
- Independent Director, Audit Committee Member and Risk Management Committee Member, Thai Union Group Public Company Limited
- Independent Director, Banyan Tree Holdings Limited

In Non-Listed Companies

2019-2021

- General Manager, Sales Enterprise and Commercial, IBM ASEAN

2011-2018

- Managing Director, IBM Thailand Company Limited



Mr. Shankar Chandran Director

Age 59 years

Appointed

- December 25, 2016

Re-elected

- April 27, 2018

- April 23, 2021

Percentage of Shareholding in the Company : None

Highest Educational Background / Director Certificate Program

- Postgraduate Diploma in Management Studies, Kingston University, London, UK
- Higher National Diploma Finance South West London College, UK

Family Relation between Management

No relation

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Non-Executive Director, Thai Wah Public Company Limited
- Director and Chief Executive Officer, Laguna Resorts & Hotels Public Company Limited
- Executive Vice President, Group Business Performance, Banyan Tree Holdings Limited

2017 - 2019

- Managing Director, Owned Hotels and Managing Director (Spa Operations), Banyan Tree Holdings Limited

In Non-Listed Companies

Present

- Director, Certain related companies of Laguna Resorts & Hotels Public Company Limited
- Director, Certain related companies of Banyan Tree Holdings Limited
- Director, Banyan Tree Hotels & Resorts (Thailand) Limited



Mr. Prateep Lertvatanakijkul *

Director

Age 57 years

Appointed

• April 27, 2018

Re-elected

• April 23, 2021

Percentage of Shareholding in the Company : 0.01%
(100,000 shares)

Highest Educational Background / Director Certificate Program

- Master of Business Administration (Marketing), National Institute of Development Administration
- Bachelor of Agro-Industry, Kasetsart University
- Ethical Leadership Program (ELP 10/2017), Thai Institute of Directors Association
- Directors Certification Program (DCP 267/2018) Thai Institute of Directors Association

Family Relation between Management

No relation

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Director and Chief Operating Officer, Thai Wah Public Company Limited

2016-2021

- Managing Director (Food Business), Thai Wah Public Company Limited

In Non-Listed Companies

Present

- Chairman / Director, Subsidiary companies of Thai Wah Public Company Limited



Ms. Ho Ren Yung

Director

Age 36 years

Appointed

• April 27, 2020

Percentage of Shareholding in the Company : None

Highest Educational Background / Director Certificate Program

- Bachelor of Science in Sociology and Economic Development, London School of Economics
- A Certificate in Accounting and Finance, National University of Singapore

Family Relation between Management

Mr. Ho KwonPing's daughter, Mr. Ho KwonCjan's niece and Mr. Ho Ren Hua's younger sister

Working Experiences for the Past 5 Years

In Listed Companies

Present

- Non-Executive Director, Thai Wah Public Company Limited
- Non-Executive Director, Laguna Resorts & Hotels Public Company Limited
- Senior Vice President, Brand HQ, Banyan Tree Holdings Limited

In Non-Listed Companies

Present

- Director, ICD (HK) Limited
- Business Unit Head, Banyan Tree Spa & Gallery
- Director, Bibace Management Company Limited
- Director, Mamaboss Pte. Ltd.
- Director, RY Ltd
- Co-Founder, Matter Prints

2008 - 2020

- Director, Bibace Investments Ltd

2016 - 2017

- Director of Retail Operations, Banyan Tree Gallery

Remarks :

No directors of the Company have any record of committing any illegal action

* Authorized directors of the Company are Mr. Ho Ren Hua and Mr. Umnad Sukprasongphol or Mr. Ho Ren Hua and Mr. Prateep Lertvatanakijkul can jointly sign with the Company's seal affixed in accordance with the Affidavit

** The Board of Directors' Meeting No. 1/2021 held on February 24, 2021 approved the appointment of Mrs. Supattra Paopiamsap, as a new Independent Director and Strategic and Innovation Committee Member of the Company, replacing Mr. Surapon Supratya who resigned from the Company effective January 1, 2021

Management

Name/Position	Age (years)	Highest Educational Background / Director Certificate Program	Percentage of Shareholding in the Company	Family Relation between Management	Working Experiences for the Past 5 Years
(1) Mr. Ho Ren Hua Chief Executive Officer Appointed October 1, 2015					
(2) Mr. Umnad Sukprasongphol Senior Advisor to CEO Appointed March 1, 2021					
(3) Mr. Prateep Lertvatanakijkul Chief Operating Officer Appointed March 1, 2021					
Profile as shown in the section of “Board of Directors as at December 31, 2021”					
(4) Ms. Naruemon Srisuma Vice President-Group Research and Development Appointed October 1, 2016	63	o Doctor of Philosophy (Food Science and Human Nutrition), Michigan State University, USA	None	No relation	In Listed Companies Present o Vice President-Group Research and Development, Thai Wah Public Company Limited In Non-Listed Companies 2017-2019 o Director, Tapioca Development Corporation Limited o Director, Tay Ninh Tapioca Joint Stock Company

Name/Position	Age (years)	Highest Educational Background / Director Certificate Program	Percentage of Shareholding in the Company	Family Relation between Management	Working Experiences for the Past 5 Years
(5) Ms. Orn-A-Nong Witchucharn Group Chief Financial Officer Appointed January 1, 2019 (The person taking the highest responsibility in finance and accounting and The person supervising accounting)	49	<ul style="list-style-type: none"> o Master of Business Administration, The American Graduate School of International Management (Thunderbird), Arizona, USA o Directors Certificate Program (DCP 224/2016), Thai Institute of Directors Association o Diploma Examination (52/2016), Thai Institute of Directors Association o Ethical Leadership Program (ELP 10/2017), Thai Institute of Directors Association o CMA-GMS International Program (5/2019), Capital Market Academy o Director Leadership Certification Program (DLCP 3/2021), Thai Institute of Directors Association 	0.00% (10,000 shares)	No relation	In Listed Companies <ul style="list-style-type: none"> o Present o Group Chief Financial Officer, Thai Wah Public Company Limited o 2017-2018 o Chief Financial Officer, Thai Wah Public Company Limited o 2015-2017 o Group Finance Director, Thai Wah Public Company Limited In Non-Listed Companies <ul style="list-style-type: none"> o Present o Chairwoman / Director, Subsidiaries companies of Thai Wah Public Company Limited

Company Secretary

Name/Position	Age (years)	Highest Educational Background / Director Certificate Program	Percentage of Shareholding in the Company	Family Relation between Management	Working Experiences for the Past 5 Years
Ms. Manee Lueprasert Company Secretary Appointed October 1, 2015	55	<ul style="list-style-type: none"> Master of Business Administration, Thammasat University Anti-Corruption : The Practical Guide (ACPG 11/2014), Thai Institute of Directors Association Corporate Secretary Development Program, Thai Listed Companies Association Fundamental Practice for Corporate Secretary (FPCS 18), Thai Listed Companies Association and Thai Company Secretary Club Corporate Governance Code (CG Code), PWC Thailand Enhancing Good Corporate Governance based on CGR Score Card, Thai Institute of Directors Association 	0.05% (483,671 shares)	No relation	<p>In Listed Companies</p> <ul style="list-style-type: none"> Present <ul style="list-style-type: none"> Director of Corporate Affairs and Treasury and Company Secretary, Thai Wah Public Company Limited <p>In Non-Listed Companies</p> <ul style="list-style-type: none"> Present <ul style="list-style-type: none"> Director, Subsidiaries companies of Thai Wah Public Company Limited

Remark: No management of the Company have any record of committing any illegal action

Attachment 2 : Details of Directors of the Subsidiaries as at December 31, 2021

Name	TWPC	Subsidiaries																								
		BPT	BT5	BT6	CSL	DI	MHSL	MJ	PNR	TMS	TN	TN1	TNT	TS 1989	TTL	TW6	TWAS	TWBP	TWVT	TWIT	TWIC	TWVC	TWIN	TDC	ATP	VTC
Mr. Ho KwonPing	X																									
Mr. Ariel P Vera	/																									
Mr. Ho KwonCjan	/																									
Mr. Ho Ren Hua	/, E																	/	X	/	/	BoC	/			
Dr. Sretsei Saittagaroon	XX																									
Mr. Umnad Sukprasongphol	/, E	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	X	/	X	/	/	/
Mr. Shankar Chandran	/																									
Mr. Vudhiphol Suriyabhinivadh	ID, ARCGC, NRC, SIC																									
Dr. Jingjai Hanchanlash	ID, ARCG, NRCC, SIC																									
Mr. Subhak Siwaraksa	ID, ARCG, NRC, SIC																									
Mr. Chanin Archjananun	ID, ARCG, NRC, SIC																									
Ms. Pamsiree Amatayakul	ID, SIC																									
Mrs. Supattra Paopiamsap	ID, SIC																									
Mr. Prateep Lertvatanakijkul	/, E				/					/	/	/	/	/	/	/	/	/	/	/	X	/	/	/	/	/
Ms. Ho Ren Yung	/																									
Ms. Naruemon Srisuma	E																									
Ms. Orn-A-Nong Witchucharn	E	/	/	/	/	/	/	/	/	/	/	/	X	/	/	/	/	/	/	/	/	/	/	/	/	X
Ms. Manee Lueprasert		/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/						/
Mr. Nam Chitdechchai										/	/															
Ms. Orawan Charoenpatchayakul							/																			
Ms. Hataikan Kamolsirisakul																		/								
Mr. Tanachart Ralsiripong																		/								
Mr. Chalermkeit Chalempromkit												/									/				/	/

Name	TWPC	Subsidiaries																							
		BPT	BT5	BT6	CSL	DI	MHSL	MJ	PNR	TMS	TN	TN1	TNT	TS 1989	TTL	TW6	TWAS	TWBP	TWVT	TWIT	TWVC	TWIN	TDC	ATP	VTC
Mr. Sorasak Thanadeecharoenchok													HSB												
Mr. Nguyen Quoc Viet													XX												
Ms. Vo Thi Linh Phuong													/,GD												/
Ms. Phu Thi Diem Chi													MSB												
Mr. Dao Duy Thi													MSB												
Mr. Pham Van Minh																									/
Mr. Nguyen Phong Phu																									/
Mr. Nguyen Minh Tung													/,												
													DGD												
Mr. Nguyen Thanh Chuong													/												XX
Mr. T. Rizky Johan Sjarif																						/			

Remarks :

X	=	Chairman of the Board	ARCGC	=	Audit, Risk and Corporate Governance Committee Chairman	HSB	=	Head of Supervisory Board
XX	=	Deputy Chairman of the Board	ARCG	=	Audit, Risk and Corporate Governance Committee Member	MSB	=	Member of Supervisory Board
/	=	Director	NRCC	=	Nomination and Remuneration Committee Chairman	DGD	=	Deputy General Director
ID	=	Independent Director	NRC	=	Nomination and Remuneration Committee Member	GD	=	General Director
	=	Strategic and Innovation Committee Member	SIC	=	Management according to the definition of the Securities and Exchange Commission, Thailand	BoC	=	Board of Commissioners
	=	Management according to the definition of the Securities and Exchange Commission, Thailand	E					

Abbreviation	Company Name in Full
ATP	Asia Tapioca Products Company Limited
BPT	Bangpakong Turakij Company Limited
BT5	Bang Thao (5) Company Limited
BT6	Bang Thao (6) Company Limited
CSL	Chiang Saen Land Company Limited
DI	DI Company Limited
LRH	Laguna Resorts & Hotels Public Company Limited
MHSL	Mae Hong Son Land Development Limited
MJ	Mae Joe Land Company Limited
PNR	Phang Nga Resorts Limited
TDC	Tapioca Development Corporation Limited
TMS	Thai Modified Starch Company Limited
TN	Thai Nam Tapioca Company Limited
TN1	Thai Nam Tapioca (1) Company Limited
TNT	Tay Ninh Tapioca Joint Stock Company
TRL	Tropical Resorts Limited
TS1989	Thai Sin Tapioca (1989) Company Limited
TTL	Tha Thungna Land Company Limited
TW6	Thai Wah (6) Company Limited
TWAS	Thai Wah Alpha Starch Company Limited
TWBP	Thai Wah Bio Power Limited
TWVT	Thai Wah Ventures Company Limited
TWIN	PT Thai Wah Indonesia
TWIC	TWPC Investment (Cambodia) Company Limited
TWIT	Thai Wah International Trade (Shanghai) Company Limited
TWPC	Thai Wah Public Company Limited
TWVC	Thai Wah Vietnam Company Limited
VTC	Vietnam Tapioca Company Limited

Attachment 3 : Details of Head of Internal Audit Department

Profile

Name: Mr. Sorasak Thanadeecharoenchok

Age: 41 Years

Education Background:

Bachelor degree of Business Administration, Major in Accounting, Thammasat University

Experiences:

2020-Present	Senior Manager - Internal Audit, Thai Wah Public Company Limited
2015-2019	Internal Audit Manager, Thai Wah Public Company Limited
2014-2015	Internal Audit Manager, Thai Wah Food Products Public Company Limited
2011-2013	Assistant Internal Audit Manager, Thai Wah Food Products Public Company Limited

Training and Seminars:

- Anti-Corruption: The Practical Guide
- Procurement Fraud, eDiscovery and Robotic Process Automation (RPA)
- Crisis Management and Business Continuity Plan Incentive
- Business Continuity Management & Risk Management Masterclass
- Cyber Security and Infrastructure Protection, Governance, Risk Management
- PDPA Guideline and Action
- Cyber Risk in the Current Business Environment

Attachment 4 : Business Assets and Details on Asset Valuation

-None-

Attachment 5 : Corporate Governance Policy and Code of Business Conduct

Details of Corporate Governance Policy and Code of Business Conduct have been disclosed in the Company's website (www.thaiwah.com) under the heading Corporate Governance.

Attachment 6

Report of the Sub-committees



Report of the Audit, Risk and Corporate Governance Committee

In order to enhance the Company's good corporate governance, the Board of Directors' Meeting dated August 6, 2019 approved the enlargement of the scope of duties and responsibilities of the Audit and Risk Committee to include corporate governance and renamed it to be read as "Audit, Risk and Corporate Governance Committee (ARCG)".

The Audit, Risk and Corporate Governance Committee of Thai Wah Public Company Limited ("the Company") comprise of 4 independent directors. The Committee is empowered to:

- review the Company's financial reports, internal control and internal audit systems, disclosure of connected transactions and compliance with all relevant regulations and laws;
- recommend special audit plans to the internal auditor as well as approve the appointment, transfer and termination of employment of the chief of the internal audit unit;
- advise management on matters related to the principles of good corporate governance;
- select and propose the appointment and termination of an independent person to be the external auditor of the Company and propose their remuneration;
- review and encourage the Company to enforce and comply with an appropriate and efficient risk management policy, as well as to oversee and monitor the Enterprise Risk Management Committee;
- Supervise the compliance with the Anti-corruption Policy;
- To supervise the performance of management to strictly comply with the Company's good corporate governance policy;
- To review the corporate governance policy and code of business conduct of the Company at least once a year;
- To oversee the anti-corruption policy to ensure it's sufficient and appropriate for the Company's business;
- To supervise and offer advices related to the operation concerning the Company's sustainable development.

During 2021, the Audit, Risk and Corporate Governance Committee formally convened four meetings with the Company's external auditors and internal auditors including the management in order to review the compliance with accounting standard requirements and internal controls prior to approving the quarterly reports and the annual financial statements. The meetings also included the discussions with the Company's internal auditor to review and advise on its findings and to follow up on matters arising from the schedule of work it had approved the internal auditor to undertake during 2021 thereby ensuring that the work was both sufficient and effective. Besides, the Audit, Risk and Corporate Governance Committee attended one non-management meeting with the external auditor to deliberate accounting approaches and audit plans also approved the Internal Audit's work plan for the year 2022.

All members of the Audit, Risk and Corporate Governance Committee attended the meetings convened in 2021.

In regard to Risk Management, the Audit, Risk and Corporate Governance Committee was assigned by the Board to oversee the Company's risk management processes and activities in order to mitigate and manage risk at the acceptable level. The Audit, Risk and Corporate Governance Committee had received a report from the Risk Management Committee which comprised of Senior Management on the operational risks and the measures taken to address them. The Audit, Risk and Corporate Governance Committee approved the 2022 Risk Management Committee's work plan and reviewed the progress on risk management of the Company on a quarterly basis. In addition, the Audit, Risk and Corporate Governance Committee also provided recommendations to the Risk Management Committee in order to enhance the effectiveness and appropriateness of the risk management system suitable for the Company's operations.

The Audit, Risk and Corporate Governance Committee agrees with the certified public accountant that the Company's financial statements and disclosures of relevant information were adequate and fairly presented, in all material respects, in accordance with the general accepted accounting principles. The Audit, Risk and Corporate Governance Committee is satisfied that the Company's internal control system comprising of 5 components namely control environment, risk assessment, control activities, information & communication and monitoring activities is sufficient both to support the operations including financial procedures and to enable the external auditors to fairly express an opinion on the financial statements. Where internal control weaknesses have been detected during the course of the Audit, Risk and Corporate Governance Committee's review, the management has been alerted and has taken appropriate corrective action.

The Audit, Risk and Corporate Governance Committee also reviewed the connected transactions that required the Board of Directors or Shareholders' approval in compliance with the Stock Exchange of Thailand and Securities and Exchange Commission regulations as well as the disclosure of the Company's connected transactions. The Audit, Risk and Corporate Governance Committee is satisfied that the connected transactions had been entered into an arms' length basis applying the principle of an open market between willing parties and the disclosure is sufficient and transparent.

The Audit, Risk and Corporate Governance Committee is satisfied that the Company has performed in compliance with the Securities and Exchange Commission/The Stock Exchange of Thailand rules and regulations and the laws related to the business of the Company and that the Company had supported and continuously developed its good corporate governance principles. The Company does not discriminate against any groups of the stakeholders. At the same time the interest of all shareholders remains the principal objective of the Audit, Risk and Corporate Governance Committee. The Audit, Risk and Corporate Governance Committee has reviewed the corporate governance policy and code of business conduct, as well as provide recommendations for the Company's sustainable development and reviewed the Operating results and financial reports for transparency and completeness.

As for the Anti-Corruption, the Audit, Risk and Corporate Governance Committee reviewed the anti-corruption policy and assigned the Internal Audit Department to review and establish the internal annual audit plan in order to comply with the Anti-Corruption Policy. In this regard the Audit, Risk and Corporate Governance Committee has satisfactorily resolve all matters arising within the terms of its Charter with both the management and the external and internal auditors. Audit, Risk and Corporate Governance Committee also reviewed the self-evaluation tool for re-submitting to Private Sector Collective Action Coalition Against Corruption (CAC).

The Audit, Risk and Corporate Governance Committee conducted its self-evaluation (as a whole) for the year 2021, results of which was reported to the Board of Directors as well as disclosed in the Company's form 56-1 one report.

The Audit, Risk and Corporate Governance Committee has recommended the Board to appoint Ms. Runnapa Lertsuwankul, Certified Public Accountant No. 3516 and/or Ms. Pimjai Manitkajohnkit, Certified Public Accountant No. 4521 and/or Ms. Rosaporn Decharkom, Certified Public Accountant No. 5659 and/or Ms. Sumana Punpongsanon, Certified Public Accountant No. 5872 of EY Office Limited to be the Company's auditors for the fiscal year 2022 with the recommended auditing fee of Baht 2,500,000. The appointment and the auditing fee would be subject to the approval at the Annual General Shareholders' Meeting.



Mr. Vudhiphol Suriyabhivadh

Audit, Risk and Corporate Governance Committee Chairman

February 17, 2022

Report of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee (“NRC”) of Thai Wah Public Company Limited (“the Company”) comprises four independent directors and has the following objectives:

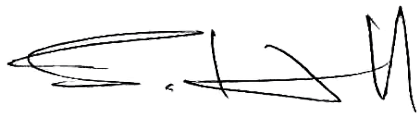
1. To formulate and align HR policies and programs for senior management to business goals and market practices.
2. To attract and retain the right people for senior management positions in the Company.
3. To ensure that the Company’s senior management remuneration and benefit package remain competitive with the industry’s benchmark.
4. To advise the Board on matters relating to the composition of the Board and its committees so that the Board is able to adequately discharge its responsibilities and duties
5. To resolve and/or advise on any employee’s remuneration which have conflict-of-interest issues.

In the pursuit of its objectives, the NRC is empowered to perform the following functions:

1. To propose guidelines and make broad recommendations for the annual salary increment and bonus policies for the Company.
2. To review the performance and award the bonus, salary increment and incentives of the Company’s Chief Executive Officer and his relatives who are employees of the Company.
3. To review and approve the expense claims of the Company’s Chief Executive Officer.
4. To review and if necessary, propose changes to the remuneration of the Company’s directors serving on the Board of Directors and sub-committees.
5. To review and if necessary, propose changes or additions to senior management welfare, benefit (such as employee stock options and other employee welfare allowances, subsidies and schemes), salary increment and bonus policies. The emolument of individual employees shall be determined by the management of the Company.
6. To establish criteria for Board membership.
7. To formulate a standard and transparent process for the selection of directors.
8. To propose and/or evaluate directorial candidates and Board committee members for consideration by the Board when there is a vacancy.
9. To assess independent directors to identify if the independence of any is compromised and if new independent directors are required under the Board’s policy
10. To inform the Board of the names of directors and Board committee members who are retiring by rotation and make recommendations to the Board as to whether the Board should support the renomination of those retiring directors and committee members.

11. To review the Committee charter at least once a year and recommend modifications to the Board of Directors as needed.
12. To report to the Board of Directors on the Committee's activities and findings.
13. To co-operate and consult with Board of Directors/Management in selecting a candidate for the position of top executives (Managing Director/Chief Finance Officer) in accordance with the selection criteria of the Company.
14. To implement and oversee the annual self-performance evaluations including reviewing the evaluation results and reporting the results to the Board on an annual basis.

The NRC met five times in 2021 to deliberate and decide on the level of annual bonus and salary increment for the Company's employees and the Chief Executive Officer. The NRC also considered and made recommendation to the Board regarding the remuneration for the directors and sub-committee members and on the re-nomination of directors. The NRC conducted its self-evaluation (as a whole) for the year 2021, results of which was reported to the Board of Directors as well as disclosed in the Company's one report. Apart from this, the NRC finalized the balanced scorecard framework for CEO and direct reports for the year 2021. The NRC also discussed and finalized the framework for the Company's new long term incentive grant.



Dr. Jingjai Hanchanlash
Nomination and Remuneration Committee Chairman
17 February 2022

Attachment 7 : Board of Directors' Responsibility for the Company's Financial Statements

The Board of Directors is responsible for the Company's financial statements including the notes to the financial statements.

In its review of the financial statements, the Board of Directors has relied upon the reports and work performed by the Company's external auditors, EY Office Limited, and the Company's Audit, Risk and Corporate Governance Committee which has carried out extensive discussions with management of the Company. The Board has also satisfied itself that there is no material weaknesses in the Company's internal accounting controls, internal control system and standard operating procedures.

The Board of Directors is therefore able to conclude that the financial statements for the year ended 2021 have been prudently prepared in accordance with generally accepted accounting principles to give a correct and complete presentation, in all material aspects, the financial position of the Company.



Mr. Ho KwonPing
Chairman of the Board



Mr. Ho Ren Hua
Chief Executive Officer



THAI WAH PUBLIC COMPANY LIMITED

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