

# Triplei LOGISTICS 2021

ANNUAL REGISTRATION STATEMENTS / ANNUAL REPORT 2021  
(FORM 56-1 ONE REPORT)

*The Right  
Solution,  
The Right  
Partner*









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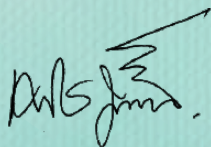
# Message from Chairman of the Board of Directors

2021 has been another challenging year for Thailand as the world continues suffering from the impact of the COVID-19 pandemic. Triple i Logistics Public Company Limited has been closely monitoring the situation and preparing a response to the pandemic's impact. It has also been adjusting its strategic plans to develop the business in order to achieve goals.

In an overview of the company's operations in 2021, Triple i Logistics has shown satisfactory results in its business operations by achieving outstanding growth in all its all core business and new business development. As for good corporate governance, the board of directors has encouraged the company to conduct business with transparency in line with good ethics. In February 2021, the company announced its intention to join the "Thai Private Sector Collective Action against Corruption (CAC)" project in a bid to boost awareness and set guidelines for working ethically. After joining the CAC project, the company provided training, including the preparation of anti-corruption policies and operating manuals to ensure personnel within the company are well informed at all levels.

In order to take care of its personnel and social responsibility, the company and its affiliates organized corporate social responsibility (CSR) activities throughout the year to assist all sectors suffering from the COVID-19 crisis. The CSR activities aimed to help medical organizations that lack medical equipment, as well as take care of employees and people who do not have access to vaccines via community enterprise groups because we believe we can pull through the crisis together by helping each other.

On behalf of the company's board, I would like to thank all stakeholders and shareholders for their trust and support in the company's business operations as always and assure them that we are committed to performing our duties responsibly under good governance, so the company's business operations continue being successful and grow sustainably.



**Mr. Krirkkrai Jirapaet**  
Chairman of the Board of Directors  
Triple i Logistics Public Company Limited





# Message from the Chief Executive Officer

Triple i Logistics Public Company Limited's business operations in 2021 were still dealing with the COVID-19 crisis, which was a major obstacle. However, the company has been well prepared to respond and adapt to the crisis in the business sector, especially with the rapidly changing consumer behavior.

With the company's business strategy focusing on strengthening its basic logistics business, the company has also adopted a diversification strategy by investing in many other logistics-related businesses. This is helping stabilize the revenue structure including effective cost management. Thanks to this business strategy, the company was able to overcome challenges and generate satisfactory results in 2021 with a record net profit of 377.3 million baht, a 132.2% increase compared to the previous year.

In 2022, the company will still employ its business development plans continuously with new businesses and services that are comprehensive and in line with changing consumer needs and behaviors. It also maintains the company's potential to become a leading logistics company in Asia in line with its business goals.

Triple i Logistics' operations results in 2021 are a testament to the success that comes from cooperation in all sectors. I thank the shareholders, business partners and all supporters who have joined this opportunity. I would also like to thank the Board of Directors and all staff for their dedication in driving forward so the company can achieve its goals with pride.

We continue to push the company forward so it grows sustainably and helps develop Thailand's logistics industry so it becomes an economic engine that can generate income for the country in the future.



**Mr. Tipp Dalal**

Chairman of the Management Committee  
and Chief Executive Officer  
Triple i Logistics Public Company Limited





## SIGNIFICANT DEVELOPMENT IN THE YEAR 2021

### March

- The Company invested by purchasing of ordinary shares in A.T.P. Friend Service Company Limited (SHIPSMILE) amounting to 10,200 shares, representing 30 percent of the total paid-up capital with the total investment value of Baht 105.0 million of which Shipsmile is the number one leader in the franchise business for parcel logistics operators and is a collection point for domestic parcel delivery from leading transport companies.
- The Company invested by purchasing 120,000 newly issued ordinary shares in Makesend Express Company Limited (MAKESEND), representing 30 percent of the total paid-up capital with the total investment value of Baht 9.0 million in order to jointly develop products for domestic transportation in one day (Same-day Delivery).

### April

- The Company restructured the airline cargo sales business group (ANI) and was completed in September 2021 to become a regional airline cargo sales representative group with the cooperation between the Company and foreign partners to increase the competitiveness, especially during the current situation with high demand for air cargo, compared to the supply that is still unable to meet the current aviation situation.

### May

- The Company paid dividends to shareholders at the rate of Baht 0.10 per share, totaling of Baht 60,130,777.50, of which such dividends were paid to shareholders on 18 May 2021.
- The Company sold shares from the treasury stock program of 8,000,000 shares on 1 June 2021, totaling of Baht 98,570,440.





## August

- The Company invested by purchasing of 2,720 additional ordinary shares in A.T.P. Friend Service Company Limited (SHIPSMILE) representing 8 percent of the total paid-up capital with the total investment of Baht 28.0 million and the Company then held 38 percent of total paid-up capital of ShipSmile. ShipSmile is the number one leader in the franchise business for parcel logistics operators and is a collection point for domestic parcel delivery from leading transport companies which currently has more than 4,500 branches.

## October

- The Company paid interim dividends to shareholders at the rate of Baht 0.10 per share and such dividends were paid to shareholders on 21 October 2021, totaling of Baht 60,940,777.50.

## November

- The Company invested by purchasing newly issued ordinary shares in Asia Network International Company Limited (ANI) with the total investment value of Baht 300.80 million, which is a joint venture company in order for a source of funds of ANI for purchasing shares in ASIA GSA (M) Sdn. Bhd. ("Asia GSA (M)") in the proportion of 20 percent, which operates as a sales representative of airlines in Malaysia, Singapore and Vietnam.
- The Company invested by purchasing ordinary shares in A.T.P.Friend Service Company Limited (SHIPSMILE), of additional 5.0 percent of the total paid-up capital of ShipSmile, resulting in the Company held 43.0 percent of the total paid-up capital of ShipSmile.
- On 30 November 2021, a shareholder exercised the right to purchase newly issued shares under the Company's warrant (III-W1) and converted it into 11,302,200 ordinary shares of the Company, at the exercise price of Baht 6 per share with the exercise a ratio of 1:1.





# FINANCIAL HIGHLIGHT

		Y 2019	Y 2020	Y 2021
<b>STATEMENTS OF INCOME</b>				
	Million Baht			
Revenue from Sales and Services		2,712.5	1,607.4	2,939.2
Gross Profit		438.1	334.1	527.2
SG&A Expenses		360.9	333.2	362.9
Net Profit for the period		164.5	162.5	377.3

<b>STATEMENTS OF FINANCIAL POSITION</b>				
	Million Baht			
Total Assets		2,225.7	2,406.0	2,949.8
Total Liabilities		946.7	1,114.9	1,204.7
Total Equities		1,279.0	1,291.1	1,745.1

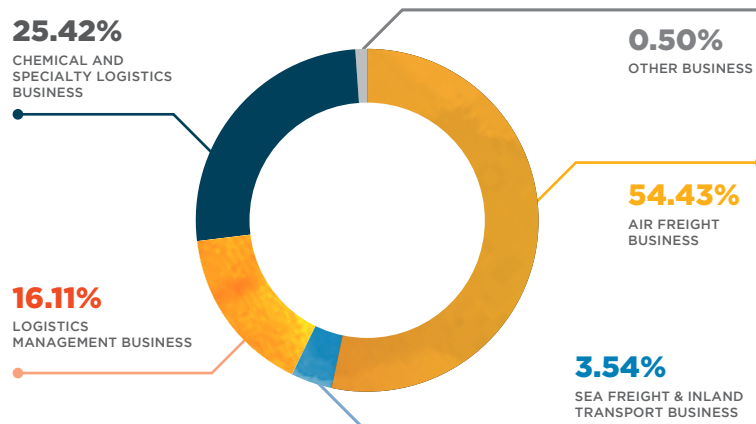
<b>STATEMENTS OF CASH FLOWS</b>				
	Million Baht			
Net Cash generated from (used in) Operating Activities		29.3	75.1	111.2
Net Cash from (used in) Investing Activities		(691.6)	(230.8)	11.8
Net Cash receipts from (used in) Financing Activities		195.6	3.9	(69.2)

<b>KEY FINANCIAL RATIO</b>				
Gross Profit Margin	%	16.1%	20.8%	17.9%
Net Profit Margin	%	6.0%	9.8%	12.5%
Earnings per share <sup>1/</sup>	Baht	0.27	0.27	0.62
Return on Equity (ROE)	%	13.3%	12.6%	24.9%
Current Ratio	X	1.2X	0.9X	1.3X
Average Collection Period	Days	61.6	105.4	76.7
Average Payment Period	Days	68.8	104.4	60.7
Debt to Equity Ratio (D/E ratio)	X	0.7X	0.9X	0.7X

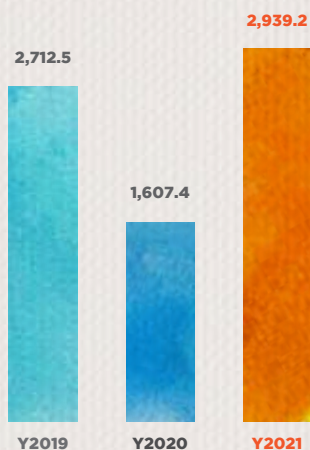
Remarks : <sup>1/</sup> EPS (Earnings per share) is calculated by dividing net profit for the period by weighted average total number of common shares for the period



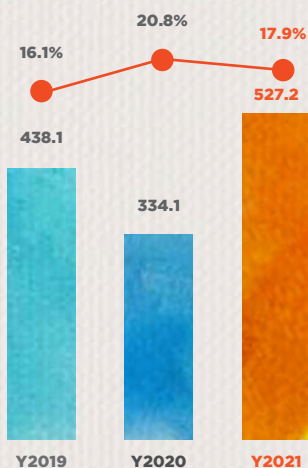
# Revenue Contribution 2021



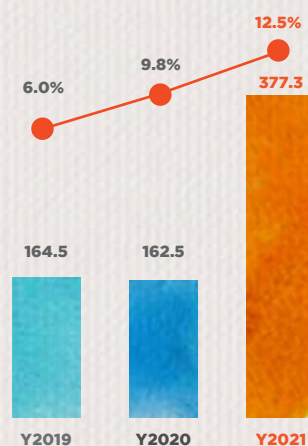
## Revenue from Sales and Services (Million Baht)



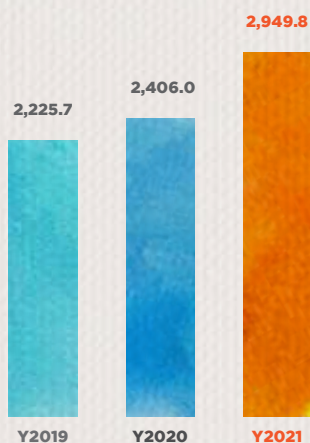
## Gross Profit (Million Baht) Gross Profit Margin (%)



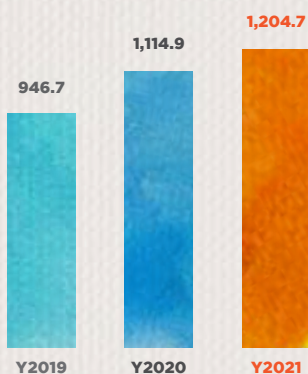
## Net Profit (Million Baht) Net Profit Margin (%)



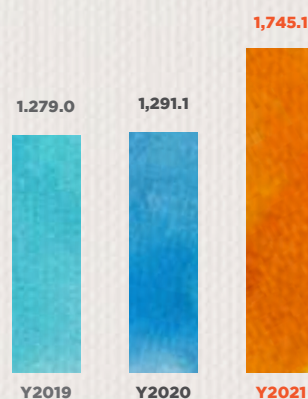
## Total Assets



## Total Liabilities



## Total Equities





# 1 Business and Performance





# Business Overview

The Board of Directors understands the importance of the Company's business operations and has prepared the Company's vision, mission, objectives and strategies in conducting the business for both short-term and long-term. To conduct the business in line with its strategies, the Company prepares and approves the annual business plan and monitors the Company's performance on a quarterly basis. The Company's performance is analyzed and

economic conditions, which have impact on the Company's business, are assessed to enable the Company to operate appropriately and competitively. Such process will lead the Company to achieving its objectives. In addition, the Board of Directors and sub-committees oversee that the Company is in compliance with Principles of Good Corporate Governance prescribed by the Stock Exchange of Thailand.

## OUR VISION

"WE AIM TO BE THE LEADING LOGISTICS GROUP WITH SUSTAINABLE GROWTH IN SOUTHEAST ASIA"

## OUR MISSION

- Deliver logistics services and innovative logistics solutions that provide competitive advantage to our customers and partners. (THE RIGHT SOLUTION)
- Become a valuable business alliance to our customers and partners by building a long lasting relationship and sustainable growth. (THE RIGHT PARTNER)
- Conduct business responsibly through Corporate Governance for the best interest of all stakeholders, community and society. (THE RIGHT CORPORATE CITIZEN)

## STRATEGY AND GOAL

The company's goal is to build strengths and create growth in all business groups. The main strategies are:

- **Revenue Generation:** the group Company's goal is to create business growth by expanding its existing platform which consists of customers, business partners and products.
- **Cost Management and Enhancement of Operational Efficiency:** through continuous investment in information technology system and human resources development in order to increase competitiveness and provide satisfaction to customers and trade partners.
- **Development of personnel** to be knowledgeable and capable.
- **Increase of Business Opportunities:** through development of existing products and innovations in logistics and business expansion domestically and internationally.



# OVERVIEW OF BUSINESS STRUCTURE AND SHAREHOLDING STRUCTURE OF THE GROUP COMPANY

Triple i Logistics Public Company Limited (the “Company” or “TLG”), including its subsidiaries and associated companies, has been providing logistic services for over 30 years. The Company started its first business in international sea freight forwarding in 1991. At present, the group company is a leading total logistics service provider. Our services include local and international logistic services which cover air freight, sea freight, and inland transport business. The group company also provide customs clearance and supply chain management services. Logistics services provided by the Company cover general products and specialty products such as chemical and dangerous goods.

Each type of logistics services requires specialist knowledge, expertise and experience because each of them has different operational procedures, work process, network, alliance, trade partners and customers’ needs. The Group, therefore, has set-up an organization structure which focuses on truly building expertise in each and every type of logistics service and creating customers’ satisfaction and business growth. The Group has conducted annual customer satisfaction survey for every business unit. In 2021, the Group received customer satisfaction at “Very Good” level, with average score of 88.67 percent.

The businesses of the group company are operated by the Company, its subsidiaries and its associated companies with the total of 23 companies within the group company. The businesses of the Company can be divided into 4 main business units.

## 1. AIR FREIGHT BUSINESS

- Triple i Asia Cargo Company Limited (TAC), a subsidiary held 99.99% shares by the Company
- Triple i Air Express Company Limited (TAX), a subsidiary held 99.99% shares by the Company
- Triple i International Pte., Ltd. (TIL), a subsidiary held 100% shares by the Company
- Asia Ground Service Company Limited (AGS), a subsidiary held 99.99% shares by the Company

- Asia Network International Company Limited (ANI), a joint venture held 55.24% by the Company
- GSA Cargo Network (Myanmar) Company Limited (GCN-MM), a joint venture held 50.00% by TIL
- Excel Air (Cambodia) Company Limited (ECA-KH), an associate held 32.00% by the Company
- Teleport (Thailand) Company Limited (TLP), a joint venture held 50.00% by the Company
- SAL Group (Thailand) Company Limited (SAL), a joint venture held 25.00% by the Company

## 2. SEA FREIGHT AND INLAND TRANSPORT BUSINESS

- Triple i Maritime Agencies Company Limited (TMA), a subsidiary held 99.99% shares by the Company
- CK Line (Thailand) Company Limited (CKT), an associate held 42.00% by the Company
- ECU Worldwide (Thailand) Company Limited (ECU), an associate held 43.00% by the Company

## 3. LOGISTICS MANAGEMENT BUSINESS

- Triple i Logistics Public Company Limited (TLG), a company listed on the Stock Exchange of Thailand
- Triple i SupplyChain Company Limited (TSC), a subsidiary held 99.99% shares by the Company
- Cross Border Couriers Company Limited (CBC), a subsidiary held 99.99% shares by the Company
- Galaxy Ventures Company Limited (GV), an associate held 30.00% by the Company
- A.T.P. Friend Services Company Limited (SHIPSMILE), an associate held 43.00% by the Company
- Makesend Express Company Limited (MAKESEND), an associate held 30.00% by the Company



#### 4. CHEMICAL AND SPECIALTY LOGISTICS BUSINESS

- HazChem Logistics Management Company Limited (HLM), a subsidiary held 99.99% shares by the Company
- HazChem TransManagement Company Limited (HTM), a joint venture held 59.99% by HLM
- DG Packaging (Thailand) Company Limited (DPG), a subsidiary held 99.99% shares by the Company
- HazChem Logistics Management Pte., Ltd. (HLM-SG), a joint venture held 55.00% by HLM
- DG Packaging Pte., Ltd. (DGPS), a joint venture held 50.00% by the Company

#### REVENUE STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES

Revenues from sales and services	Consolidated Financial Statements					
	31 December 2019		31 December 2020		31 December 2021	
	Revenue (Baht million)	% of Total Revenue	Revenue (Baht million)	% of Total Revenue	Revenue (Baht million)	% of Total Revenue
1. Air freight business	2,215.6	73.3%	912.3	54.48%	1,639.9	54.43%
2. Sea freight and inland transport business	84.9	2.8%	48.8	2.91%	106.5	3.54%
3. Logistics management business	181.8	6.0%	176.3	10.53%	485.4	16.11%
4. Chemical and specialty logistics business	526.9	17.4%	523.0	31.23%	766.0	25.42%
5. Others <sup>1/</sup>	15.2	0.5%	14.3	0.85%	15.0	0.50%
<b>Total revenues <sup>2/</sup></b>	<b>3,024.4</b>	<b>100.0%</b>	<b>1,674.7</b>	<b>100.0%</b>	<b>3,012.8</b>	<b>100.00%</b>
<b>Total revenues after Inter-Co Transactions</b>	<b>2,712.5</b>		<b>1,607.4</b>		<b>2,939.2</b>	

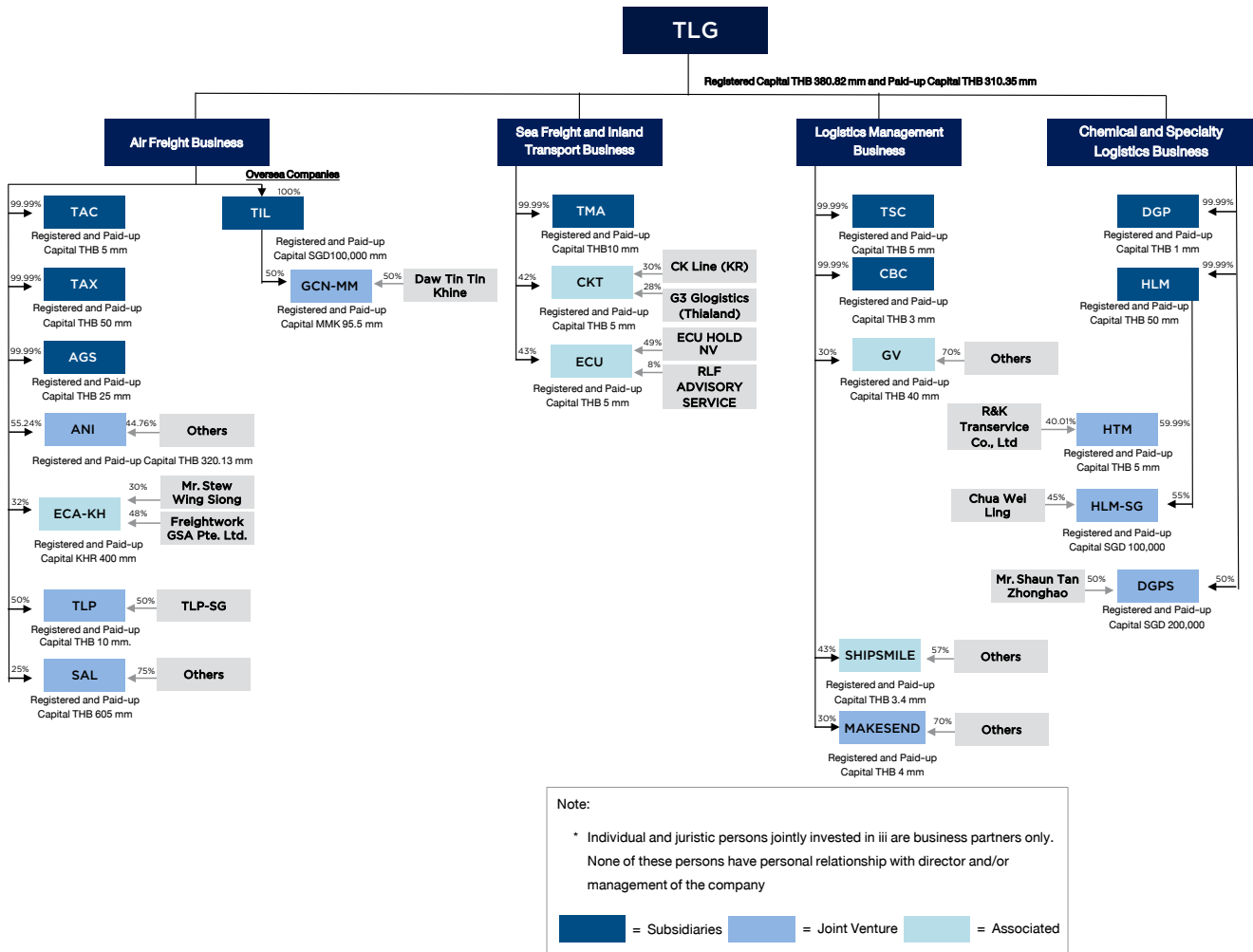
Remarks: <sup>1/</sup> Others: Revenues from other types of management consists of service fees from transport of personnel, office lease and service income.

<sup>2/</sup> Total Revenues before Inter-Co Transaction





## Business Structure and Shareholding Structure, 31 December 2021





# SECURITIES INFORMATION AND SHAREHOLDERS

As of 1 February 2022, the Company has its registered capital of 380,817,359.50 Baht dividing into ordinary shares of 761,634,719 shares with a par value at 0.50 Baht each and paid-up capital of 310,354,987.50 Baht dividing into 620,709,975 shares with a par value at 0.50 Baht each.

## SHAREHOLDERS

Below is the list of top 10 major shareholders as of 1 February 2022:

No.	Name of Shareholder	Number of Shares	Percentage (%)
1	<b>Group Family - Dalal</b>	<b>137,159,386</b>	<b>22.10</b>
	1.1 Mr. Tipp Dalal <sup>/1</sup>	111,159,386	17.91
	1.2 Mrs. Marguerite Linda Dalal	26,000,000	4.19
2	<b>Group Family - Nobnomtham</b>	<b>103,197,074</b>	<b>16.63</b>
	2.1 Mr. Viraj Nobnomtham <sup>/2</sup>	98,197,074	15.82
	2.2 Ms. Nittaya Sanguankongvilai	5,000,000	0.81
3	Thai NVDR Company Limited	48,553,968	7.82
4	<b>Group Family - Isarangkul</b>	<b>28,801,381</b>	<b>4.64</b>
	4.1 Mr. Teeranit Isarangkul <sup>/3</sup>	28,710,381	4.63
	4.2 Ms. Waraporn Rungruangpattana	91,000	0.01
5	Mr. Jirod Panacharas <sup>/4</sup>	24,952,484	4.02
5	Mr. Chalernsak Karnchanawarin <sup>/5</sup>	24,952,484	4.02
6	Ms. Pavasut Jotikasthira	13,171,200	2.12
7	Mr. Thanut Thatayanon <sup>/6</sup>	11,600,591	1.87
8	Good Corporate Governance Long Term Equity Fund	8,285,200	1.34
9	Mrs. Darunee Rakpongpi boon <sup>/7</sup>	7,123,275	1.15
10	Other Shareholders	212,912,932	34.29
	<b>Total</b>	<b>620,709,975</b>	<b>100.00</b>

Remark : <sup>/1</sup> Mr. Tipp Dalal holds the positions of Director, Member of the Investment Committee, Chairman of the Management Committee and Chief Executive Officer.

<sup>/2</sup> Mr. Viraj Nobnomtham holds the positions of Director, Member of the Investment Committee, Member of the Management Committee, Member of the Nomination and Remuneration Committee, Chairman of the Risk Management Sub-Committee and Group CFO.

<sup>/3</sup> Mr. Teeranit Isarangkul holds the positions of Director, Member of the Management Committee, Member of the Corporate Governance Committee and Member of the Risk Management Sub-Committee. (Resignation from all positions in the company. The resignation is effective from 31 January 2022 onwards.)

<sup>/4</sup> Mr. Jirod Panacharas holds the positions of Director, Member of the Management Committee and Member of the Corporate Governance Committee.

<sup>/5</sup> Mr. Chalernsak Karnchanawarin holds the positions of Director, Member of the Management Committee and Member of the Risk Management Sub-Committee.

<sup>/6</sup> Mr. Thanut Thatayanon holds the positions of Director, Member of the Investment Committee, Member of the Management Committee, Member of the Corporate Governance Committee and Member of the Risk Management Sub-Committee.

<sup>/7</sup> Mrs. Darunee Rakpongpi boon holds the positions of Director, Member of the Investment Committee, Member of the Management Committee, Member of the Risk Management Sub-Committee and Company Secretary.



## 1. OFFERING OF OTHER SECURITIES – WARRANT TO PURCHASE THE COMPANY'S ORDINARY SHARES

The Extraordinary General Meeting of shareholders No. 1/2017 held on 15 March 2017 has resolved to approve the issuing and offering of the warrant to purchase the Company's ordinary shares in the type of names of bearers shall be specified and non-transferable in the amount of 10,500,000 units by providing the right to the Company's employees to purchase the Company's shares at the ratio of 1 unit of warrant to right to purchase 1 ordinary share at the exercise price of 4.80 Baht per share, subject to the terms and conditions of the warrant. The last exercise of rights was due on 1 September 2020, with reserved shares that were not exercised. The Company has a duty to write off the unsold shares and decrease the registered capital so that the Company can proceed to increase the registered capital in the future. (In the event that the Company needs to increase its capital). The Company has taken such steps after the 2021 Annual General Meeting of Shareholders has already approved this matter.

In addition, the Company had issued and allotted the Warrants to purchase the newly issued ordinary shares of Triple i Logistics Public Company Limited No.1 ("III-W1") with the term of 3 years in the number of not exceeding 152,326,944 units to proportionally allocate to the existing shareholders (Rights Offering) without charge at the ratio of 4 existing ordinary shares to 1 warrant. The exercise price shall be Baht 6.00 per share (except in the event of adjustment to the exercise price). The exercise date is scheduled to be exercised on the last business day of every 6 months from the date of issuance of the warrants. In the past, the Company has determined that the right has been exercised 3 times as follows: the 1st exercise on 30 November 2020, the 2nd exercise on 31 May 2021, and the 3rd exercise on 30 November 2021. Such issuance and offering of warrants is to reserve fund for the Company's future investments.

## 2. DIVIDEND POLICY

### THE COMPANY'S DIVIDEND POLICY

The Company has the dividend policy to pay dividend to shareholders at the ratio of not less than 40% of the net profit of the Company financial statements after deduction of taxes, legal reserves and obligations of loan agreements provided that the payment of dividend may be changed from the policy depending on operating result, cash flow, necessity of investment, conditions and obligations of loan agreements and other appropriations in the future of the Company. If the Board of Directors resolves to approve the payment of annual dividend, it shall subsequently propose to the shareholders' meeting for approval unless it is a interim dividend payment which the Board of Directors of the Company can approve such payment of interim dividend and subsequently, report to the next shareholders' meeting.

#### Dividend Payment

Year	2020	2021
Dividend per share (Bath)	0.10	0.40
Dividend payout ratio (%)	47.20	50.79

### SUBSIDIARIES' DIVIDEND POLICY

The dividend policy of the Company's subsidiaries for the payment of dividend to their shareholders shall be at the ratio of not less than 40% and shall be approved by the shareholders' meeting of each subsidiary for every year. The dividend shall be paid from the net profit as shown in the financial statements of each subsidiary after deduction of taxes, legal reserves and obligations of loan agreements provided that the payment of dividend may be changed from the policy depending on operating result, cash flow, necessity of investment, conditions and obligations of loan agreements and other appropriations in the future of the each subsidiary. The Board of Directors of each subsidiary can approve the payment of interim dividend and subsequently, shall report to the next shareholders' meeting of each subsidiary.



# NATURE OF BUSINESS AND COMPETITION POLICY

Triple i Logistics Public Company Limited, including its subsidiaries and associated companies, is a leading total logistics service provider, providing local and international logistics services, including air freight, sea freight, inland transport, warehouse management and product distribution services for general products and specialty products such as chemical and dangerous goods. The businesses of the Company can be divided into 4 main business units and 1 business development unit:

## Air Freight Business



## Sea Freight and Inland Transport Business



## Logistics Management Business



## Chemical and Specialty Logistics Business





# Air Freight Business





## 1. AIR FREIGHT BUSINESS

### 1.1 GENERAL SALES AGENT FOR AIRLINES (GSA FOR AIRLINES)

The Company's subsidiaries and associated companies act as sales agent of air cargo by acting as sales of air cargo and performing other duties relating to air freight business for airlines represented by the Company's subsidiaries and associated companies. Those airlines include Bhutan Airlines, Srilankan Airlines, Jeju Air, LAN Chile Airlines, US Bangla Airlines and in 2020 was appointed as the representative of Vietjet Air.

### 1.2 WHOLESALE AIR FREIGHT BUSINESS

The Company provides wholesale air freight forwarder service, both domestic and international market, including customs clearance for both import and export and trucking service from airport to customers who are retail freight forwarders. In addition, the Company acts as a logistics service provider for Thailand Post Company Limited (Thailand Post). The Company expands international wholesale air freight forwarder service to customers who are e-Commerce business which continuous high growth rate.

### 1.3 AIR CARGO TERMINAL AND GROUND HANDLING SERVICES

The company operates warehouse and ground handling services such as loading and unloading goods on planes and good sorting service at Don Mueang Airport. Currently, the Company provides international warehouse service with expansion of capacity from 4,500 square meters to 6,200 square meters. It is licensed by Airports of Thailand Public Company Limited (AOT) and is authorized by customs to be an urgent warehouse service provider in the year 2022. The company will officially open for such service on 15 February 2022.

### TARGET CUSTOMERS

The target customers of air freight business can be categorized based on the following service type:

1. GSA FOR AIRLINES:
  - International freight forwarders
  - Local freight forwarders
  - Partner airlines
2. WHOLESALE AIR FREIGHT BUSINESS (BOTH INTERNATIONAL AND DOMESTIC):
  - International freight forwarders
  - Local freight forwarders
  - Mail and express operators
  - e-Commerce logistics providers
3. AIR CARGO TERMINAL AND GROUND HANDLING SERVICES:
  - Airlines
  - Business partners who require to use airport warehouse
  - Mail and express operators
  - e-Commerce logistics provider

### MARKETING STRATEGY

Due to the outbreak of COVID-2019, every country in the world has imposed lockdown measures to control spreading of the virus. The measures have created limitations on international and regional air freight business as airlines across the world suspended their business since the first quarter of the year 2020. This has a direct impact on operations of the Company's air freight business. Therefore, the Company has modified its business plan as follows:



## 1. EFFECTIVE COST MANAGEMENT

Since airlines across the world could not provide usual services due to the outbreak of COVID-19, the Company has lost revenues, particularly revenues from general sales agent for airlines business and air cargo business at Don Mueang Airport. Therefore, the Company has been focusing on decreasing its costs, including costs of services and administrative expenses.

## 2. CREATION OF NEW REVENUE SOURCE

The Company and TLP-TH offered charter flight service on an on-demand basis. The Company chose routes with high demand and profitability in order to create operating profits that could substitute for the lack of revenues from international air freight business which had not yet resume usual services. Subsequently, the Company changed from offering charter flight service to cargo flight service. The Company created flight schedules with more regular flight frequency and certainties. At the beginning, the Company offered 10 routes that covered major economic cities in Asia such as Hong Kong, Singapore, New Delhi, Colombo, Yangon, Nagoya, Maldives and Chennai.



The Company has also adjusted to find more sources of income from customers who ship more products to Europe and the United States, including market penetration in agricultural products, which has generated additional income.

## 3. SERVICE QUALITY DEVELOPMENT

The Company focuses on providing quality services with competitive pricing. It focuses on punctuality and safety and has been given the following certifications for effective management:

- TAC was awarded ISO 9001:2015 certification for acting as general sales agent for airlines in 2021.
- TAC was granted an extension on its regulated agent certification for domestic transport service at Don Mueang Airport in 2020.
- TAX was awarded ISO 9001:2015 certification for international air freight service in 2020.
- AGS was granted a regulated agent certification for international transport service at Don Mueang Airport in 2020.
- AGS was awarded ISO 9001:2015 certification for international cargo service in 2018.

In addition, the Company regularly organizes trainings in order to equip its personnel with knowledge on operations according the standards and regulations of airlines and the relevant authorities such as The Civil Aviation Authority of Thailand. The company sends its personnel to attend courses provided by IATA. Such courses include Professional Skill for Dangerous Goods Instructor, Aviation Security Awareness, Train the Trainer and Initial Dangerous Goods CAT.6. Those personnel who have attended courses at IATA can provide trainings to the company's employees in order to increase efficiency of service according to the international standards.



# Sea Freight and Inland Transport Business





## 2. SEA FREIGHT AND INLAND TRANSPORT BUSINESS

### 2.1 SHIPPING LINES AGENCIES BUSINESS

The Company's subsidiaries and associated companies act as shipping line agencies, which provide sea freight - full container load (FCL) service and sell freight to the Company's subsidiaries and associated companies. The Company's subsidiaries and associated companies directly sell freight to target customers, such as exporters and importers, and international freight forwarders and third-party logistics providers (3PL) to cover all target customers. In addition, the Company provides other sea freight-related services to shipping line agencies, including cargo management and other related services such as stevedoring and securing inland container depot. At present, the Company is an agent of the following shipping lines:

**CK Line:** CK Line is under the management of CKT, a joint venture company between the Company and CK Line, South Korea, with sea routes between North Asian countries and Southeast Asian countries. It provides service routes between Thailand and other countries, namely Vietnam, China, South Korea, Japan, Hong Kong and Taiwan. Including related services such as container management services in ports and liaising to bring ships to dock.



### 2.2 WORLDWIDE LESS THAN CONTAINER LOAD - LCL SERVICE

ECU Worldwide (Thailand) Co., Ltd., a joint venture company between ECU Worldwide Co., Ltd., a world-leading company which provides LCL service provider to small international freight forwarders. At present, ECU has service routes from Thailand to other countries worldwide, with over 50 direct routes and connecting routes through major port cities in which ECU Worldwide's offices are located. The port cities act as distribution centers for sea freight service to over 530 destinations, there are direct services 2,400 routes worldwide.

### 2.3 INLAND CONTAINER TRANSPORT

Inland container transport is a complementary service to shipping lines agency business, which provides transportation from port to port, expanding to multimodal transport. This business focuses on providing inland transport by containers and also covers port customs service. Containers are transported from port to destinations, both in Thailand and neighboring countries (cross-border service), as required by customers.

In 2017, TMA introduced a new service, providing container haulage import-export service for both laden and empty containers..

### TARGET CUSTOMERS

The target customers of sea freight and inland transport business can be categorized based on the following service type:

1. SHIPPING LINES AGENCIES AND INLAND TRANSPORT BUSINESS
  - Exporters and importers who need sea freight service to countries in which CK Line provide services
  - Freight Forwarder and third-party logistics (3PL)
  - Customers who are subsidiaries of group companies





## 2. WORLDWIDE LESS THAN CONTAINER LOAD - LCL SERVICE

- Multi-national freight forwarders who are global accounts of ECU Worldwide
- Local freight forwarders
- Licensed custom broker
- Target exporters
- Packing companies or packing houses for tourists who wish to transport products especially, handicrafts purchased from Thailand to their home countries

## MARKETING STRATEGY

### 1. SHIPPING LINES AGENCIES AND INLAND TRANSPORT BUSINESS

#### 1) THE SERVICE IN ROUTES THAT HAVE A FEW SERVICE PROVIDERS (NICHE MARKET)

The group company focuses on providing sea freight in routes which have only a few service providers in order to avoid price competition and reduce risk of imbalance in supply and demand of sea freight service.

#### 2) COOPERATION AMONG SUBSIDIARIES WITHIN THE GROUP COMPANY

The group company consists of companies who provide worldwide freight forwarder services such as ECU, TLG, and HLM, who can provide services to customers through TMA and CKT, for both sea freight and inland transport services.

#### 3) MULTIMODAL TRANSPORT SERVICE

TMA had expanded its services from port to port service to multimodal transport, which resulted in expansion of scope of services of the group company, including customs clearance and inland transport for domestic and cross-border destinations as required by customers in order to build network worldwide and expand the business to cover both sea freight and inland transport.

#### 4) EXPANSION TO INLAND CONTAINER TRANSPORT BUSINESS

TMA focuses on expanding the inland container transport business to accommodate shipping lines of which the group company acts as agent and customers of the Company's subsidiaries, expanding its customer base to cover shipping lines' customers. It also conducts feasibility study of conducting container depot business.

#### 5) QUALITY AND CUSTOMER FOCUS DEVELOPMENT

The Company focuses on development of quality service, increase its competitiveness, and creating customer satisfaction. The Company has been awarded the following quality management certifications:

- TMA was granted ISO 9001:2015 Certification for providing freight forwarding service.
- CKT was granted ISO 9001:2015 Certification for providing international sea transportation by container service.



## 2. WORLDWIDE LESS THAN CONTAINER LOAD - LCL SERVICE

### 1) TO BECOME THE WORLD'S LEADING SERVICE PROVIDER WITH GLOBAL NETWORK

ECU is one of the global leaders in non-vessel operating common carrier (NVOCC) business, specializing in less-than-container load (LCL) through worldwide network of ECU Worldwide and provides services under one brand. ECU consists of sales team who can offer services to global, regional, and local customers, focusing on creating customers' satisfaction. In the year 2020, a new route to Incheon, South Korea was added. The consideration on opening of new routes is on-going.



### 2) TO UNDERSTAND THE NEEDS OF EACH CUSTOMER GROUP IN ORDER TO EFFECTIVELY RESPOND TO THOSE NEEDS

ECU conducts quantitative research through focus group by interviewing its target customer group which includes global and regional freight forwarders to understand their needs and provide services efficiently.

### 3) SERVICE QUALITY DEVELOPMENT

ECU has developed information technology for providing services to customers. It is the first NVOCC to connect its services to INTTRA, a web portal which offers services from many leading shipping lines. Customers can reserve freight via an online system which significantly increases efficiency and service quality.

### 4) FAST SERVICE WHICH EFFICIENTLY RESPONDS TO CUSTOMERS' NEEDS

ECU focuses on increasing direct freight service to customers in order to uplift service standard and provide fast and convenient service. In addition, it has set-up sea ports and docks for loading and distribution of products in various locations, for instance, warehouse at Klongtoey Port, warehouse at loading and distribution dock at Lat Krabang, Via Logistics' loading and distribution depot at Amata Nakhon Industrial Estate, Chonburi for convenience to customers, both importers and exports.

ECU Worldwide has been using the TOPAZ system efficiently within their organization since 2019. The system was developed to suit the business in Thailand. The "ECU 360" platform was demonstrated to customers and was registered for them. Connecting via "edi" system was also introduced to be an alternative option to make online communication with customers in order to reduce the manual process which save time and increase efficiency for the benefits of customers.



# Logistics Management Business





### 3. LOGISTICS MANAGEMENT BUSINESS

#### 3.1 INTERNATIONAL LOGISTICS SERVICE

The Company directly provides international logistics, service including air and sea transport, and cross-border transport to importers and exporters. It also provides custom clearance, including preparation and submission of documentation required to facilitate export or import into the country, representing customer during customs examination and assessment, and providing advice to customer on tax benefits and application process for certificate from the Food and Drug Administration.

#### 3.2 WAREHOUSE AND DISTRIBUTION

The Company provides fully integrated logistics services and distribution, including picking up goods from sea port or airport for distribution or transportation to warehousing service, inventory management service to importers and exporters. At present, the Company has warehouses with total service area of 3,296 square meters. The warehouses are located on Klong Song Nam Road (Bangna Km. 19), which is a potential area for logistics business in Thailand.

#### TARGET CUSTOMERS

The target customers of logistics management business can be categorized based on the following service type:

##### 1. INTERNATIONAL LOGISTICS SERVICE

The target customers are importers and exporters, focusing on importers of industrial goods and consumer goods, such as telecommunication products and computers, clothing, cosmetics, food, drug and medical supplies etc.



##### 2. WAREHOUSE AND DISTRIBUTION

The major target customers are importers and distributors, including high-value consumer goods, focusing on customers who require warehousing service, inventory management service, and local distribution service. The customers can be divided into 5 groups: (i) restaurant business operator whose restaurant is located in department store; (ii) distributor of information technology products and office supplies; (iii) distributor of sport equipment; (iv) manufacturer and distributor of healthcare and beauty products; and (v) distributor of clothing such as fashion clothing and bags.

#### MARKETING STRATEGY

##### 1. PROVISION OF ONE-STOP SERVICE

The Company focuses on providing one-stop service. Its services cover all steps of logistics services. One of the strengths of TLG includes being an expert in international logistics service, and one of the strengths of TSC includes being an expert in local logistics management in order to connect between services and provide effective logistics solutions and competitive logistic costs to customers.

##### 2. FOCUS ON DIFFERENTIATED LOGISTICS SERVICE

The Company focuses on providing differentiated logistics service by utilizing its expertise in logistics management, from planning logistics, storage, distribution in accordance with instructions, information analysis to solve problems



for customers and reduce costs, to fixing problems that occurred during logistics process. The Company's objective is to become leading logistics service provider of targeted products.

### **3. ENHANCEMENT OF FULFILLMENT SERVICE TO SUPPORT GROWTH IN ONLINE, E-COMMERCE AND SOCIAL COMMERCE BUSINESS**

The group has established a centralized fulfillment station by installing a conveyor system and an automatic sorting system to increase service efficiency and increase speed, reduce costs, be ready to support all needs of growing number of customers in the e-Commerce and social commerce business at the same time. In addition, the back-office system has been adjusted to support online sales with random boxes, which allows sellers to sell products online without having to worry about managing fulfillment. The group has increased general and temperature-controlled storage space to particularly serve health and beauty products, food, medicines, and medical equipment. The group has adjusted the system to support instant orders at any time and respond to customers' orders in a more real-time manner.

### **4. DEVELOPMENT OF E-COMMERCE ENABLER SERVICES TO HELP CUSTOMERS EFFECTIVELY ENTER THE WORLD OF ONLINE SALES**

The group has developed itself to become an important trade partner in expanding the business for customers, especially the online trading business which has a very high growth rate during the Covid-19 outbreak. The group offers a new service, e-Commerce Enabler service, that helps customers develop from traditional commerce business to the world of online sale, both through e-Marketplace and Social Commerce through iCommerce service.

### **5. ONLINE MARKETING AND ADJUSTMENT OF SERVICE BRANDING TO EASILY REACH CUSTOMERS**

The group is using online marketing materials to reach target customers and change the service branding to easily reach customers such as:

- iFulfillment for fulfillment service
- iDelivery for first and last-mile delivery services

- iProject for integrated logistics services in various turnkey formats
- iCommerce services which help entrepreneurs in conduct online, e-Commerce, and social commerce business

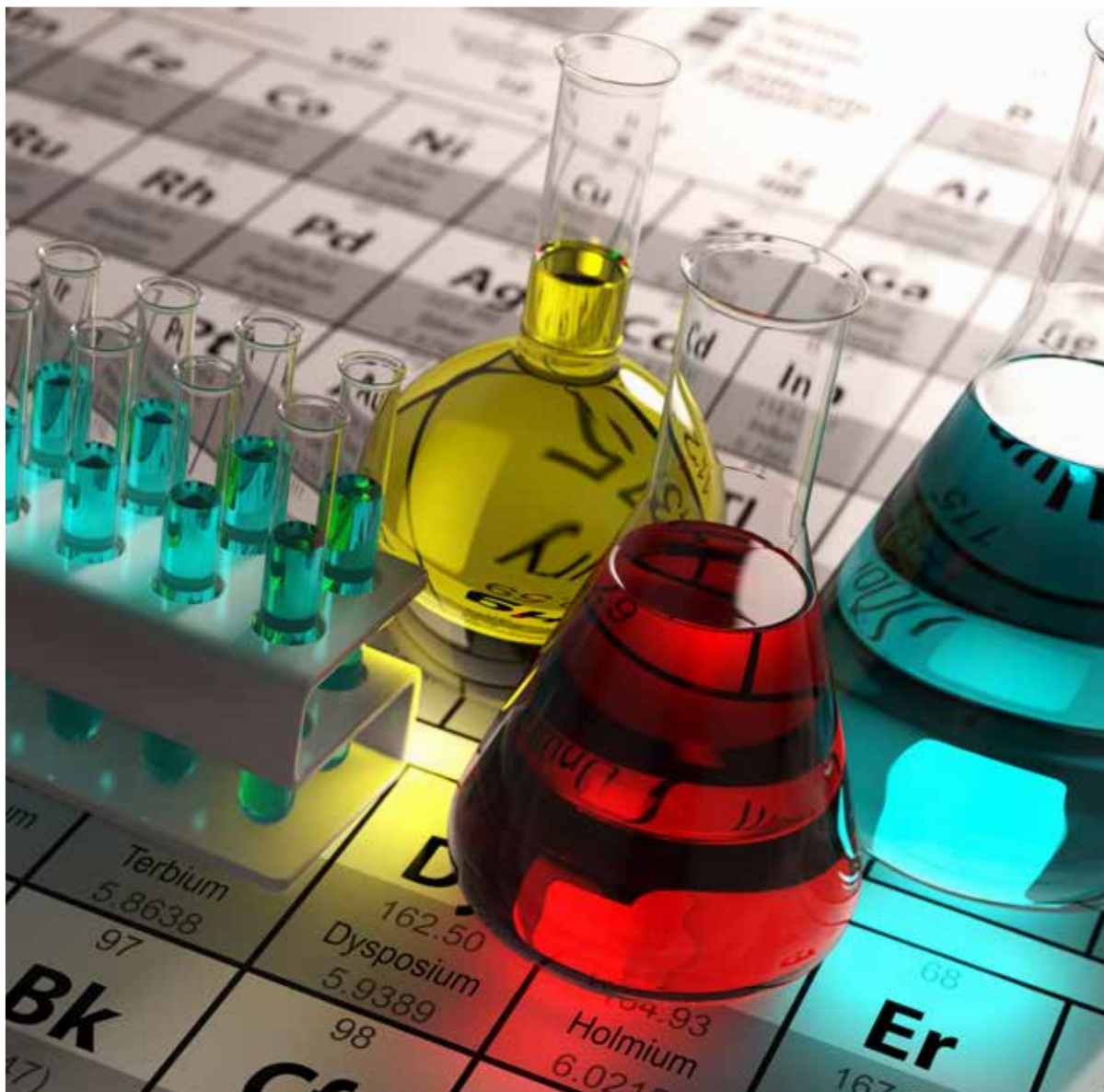
### **6. CONTINUOUS DEVELOPMENT OF SERVICE QUALITY**

The Company focuses on providing quality service which is safe and punctual. Due to its effective management in providing quality service, the Company has been awarded the following certifications:

- TLG was granted ISO 9001:2015 Certification as provider of international logistics service in the year 2016.
- TSC was granted ISO 9001:2015 Certification as provider of domestic transportation service in the year 2017.
- Domestic warehouse service and distribution business, The Company focus on expanding customer into the food, medicines, medical equipment, health and beauty product including a group of e-Commerce customers who have potential growth and increasing profitability per square meter of Centralized Fulfillment Station has more efficiency.
- The company prepare to study air-conditioned storage expansion to support growing number of customer in health and beauty product.
- In respect of international freight forwarding business, the Company focuses on providing a complete range of international freight forwarding and logistics related services. In 2021, the Company started to expand the international freight services into other formats, such as land transport and rail transport in addition to the existing sea and air freight services, to provide alternatives to customers who face problems with container shortage and reduction of the number flights of airlines due to the Covid-19 outbreak.



# Chemical and Specialty Logistics Business





## 4. CHEMICAL AND SPECIALTY LOGISTICS BUSINESS

### 4.1 HAZARDOUS AND DANGEROUS GOODS LOGISTICS INTEGRATOR

The Company provides integration logistics service, including international air and sea transport of dangerous goods and chemicals, custom clearance for both import and export, warehousing service and inventory management of dangerous goods and chemicals, and local transport and distribution or transport from warehouse to overseas destinations. At present, the Company has warehouse service for chemical and dangerous goods, which is located in Frasers Logistics Park on Bangna-Trad Km. 39 Road, Chachoengsao Province. On a total area of 28,000 square meters that can serve the demands for dangerous goods storage, general storage, and cold storage.

### 4.2 DANGEROUS GOODS PACKAGING SOLUTION PROVIDER

The group distributes dangerous goods packaging and providing packing services for dangerous goods used in air freight. The DG-to-GO service has been launched to provide packaging of dangerous goods on-site or at factories or urgent business premises to promptly deliver the dangerous goods to the airport. Triple i Logistics Public Company Limited has invested in DG Packaging Pte., Ltd. (DGPS) since 2018. DGPS is a Singapore-registered company engaged in distribution of dangerous goods packaging and packing services for dangerous goods transported by DGPS. Investment in DGPS is considered an important strategic connection point in expanding packaging business and logistics service for pharmaceutical industry, vaccines, and clinical specimens etc.

### TARGET CUSTOMERS

The target customers of chemical and dangerous goods logistics business can be categorized based on the following service type:

#### 1. HAZARDOUS AND DANGEROUS GOODS LOGISTICS INTEGRATOR

Logistics services for chemicals and dangerous goods will focus on providing integrated services to key target customers, mainly in the chemical industry, including manufacturers, importers, distributors, and users of chemical in production and trade. Over 90% of the Company's customers are multinational corporations, most of which are from Europe, the United States, Japan, Korea, and China. Most of the customers in Thailand are SMEs or dealers/distributors.

For service to multinational corporation, if there is high volume of services required, the customer will open bidding for services. The contract term is usually 1 – 3 years, particularly for warehousing service for hazardous and dangerous goods.

In the past 2021, various market conditions have contributed to continuous growth in dangerous goods logistics service via sea and air freights such as container shortage, shortage of shipping lines and airlines, increasing freight rates, continuous growth in the chemical industry in both manufacturing sector, and import and export etc. There is a higher rate of space utilization for dangerous goods warehouse service due to such conditions.

#### 2. DANGEROUS GOODS PACKAGING SOLUTION PROVIDER

The key target customers are logistic service providers who require packing service, dangerous goods declaration service, labeling according to regulations regarding international air transport of



dangerous goods by DGP, customers in automobile industry who put emphasis on high-quality packaging and services, and customers in chemical industry who transport sample chemicals (dangerous goods) to countries to which they would like to market. Customers in chemical industry who transport sample chemicals (dangerous goods) to countries to which they would like to market.

In 2021, the overall demand in the industry for dangerous goods packaging and related logistics services has increased due to growth in the global chemical industry and growth of the number of goods and chemicals classified under dangerous goods category. This has resulted in increase in the demand for the service.

## MARKETING STRATEGY

### 1. PROVIDING INTEGRATION LOGISTICS SERVICE FOR CHEMICAL AND DANGEROUS GOODS AND BEING A REGIONAL LEADER IN DISTRIBUTION OF DANGEROUS GOODS PACKAGING AND DANGEROUS GOODS LOGISTICS SERVICES, INCLUDING EXPANDING ITS BUSINESS WORLDWIDE

The Company's objective is to develop itself to become specialized logistics integrator who provide full services for transport of chemical and dangerous goods. It focuses on developing services which respond to diversified and specialized needs of customers in chemical and dangerous goods industry through continued development of various services. For instance, HTM is a company specializing in distribution and transport of dangerous goods. Requisite factors in conducting the business include quality of service provided by drivers, quality of trucks including maintenance and internal management systems, strict adherence to rules on safety to health, environment and security, and establishment of DGP to providing certified service packing for provision of dangerous goods packaging that have passed quality control, testing and receive standard certification in accordance with regulations by the United Nations regarding packaging testing and dangerous goods transport. The full and integrated logistics services provided by the group company is also another



factor that will promote customers in using the group company's services and consequently, generate additional revenue to the group company.

### 2. STRATEGIC POSITIONING AS COMPANY WITH KNOWLEDGE AND EXPERTISE IN DANGEROUS GOODS AND CHEMICAL LOGISTICS

The company strategically positions itself as a dangerous goods logistics specialist. This is an in-depth communication to the target customers of which the majority are multinational corporations in chemical industry. The operation of this business focuses on the three following key values:

#### 1) CHEMICAL KNOWLEDGE

The management of chemical and dangerous goods is a delicate and complex matter and, therefore, requires knowledge and expertise from the group company's personnel, including understanding in laws, rules and regulations at local level and international level. The group company has established internal database management system and provides systematic trainings in respect of dangerous goods and chemical in order to become technical knowledge-based DG logistics integrator, which will lead to development of value-added services and continuous development of personnel.

#### 2) LOGISTICS EXPERTISE

The Company has continuously improved and uplifted its service standard and was granted awards and certifications for the following services:



- HLM was granted ISO 9001: 2015
- HLM was awarded Prime Minister's Export Award (PM Export Award)
- HLM was awarded the Thai Chamber of Commerce Business Ethics Standard Test Award from the Thai Chamber of Commerce in the year 2009.
- HTM (Hazchem TransManagement Co., Ltd.) was awarded "Standardized Quality Service for Truck Transport" from Department of Land Transport, Ministry of Transport.
- DGP was granted certification of quality service ISO 9001: 2015

### 3) SAFETY EXCELLENCE

In the year 2019, the Company focuses on continuous development to achieve excellence in safety, occupational health, environment and stability. It conducts business under the principle 'Responsible Care®', operating its business righteously. The business is operated with transparency and examinable for the development of sustainable business in the long run.

HLM was awarded a certification, passing the assessment level of "Platinum" for setting up Occupational Safety and Health Management System Standard in line with Project for Development of Business Premise according to Occupational Safety and Health Management System Standard for the year 2019 on 2 March 2020 by Thailand Institute of Occupational Safety and Health (Public Organization), the Ministry of Labour.

### 3. PROVISION OF KNOWLEDGE AND COOPERATION TO NETWORKS AND IMPLEMENTATION OF CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES TO CREATE CORRECT UNDERSTANDING RELATING TO DANGEROUS GOODS AND CHEMICAL LOGISTICS

The Company focuses on the participation with the network of other organizations and Corporate social responsibility activities in order for building the business's network and to support the corporate image to be organization which has technical knowledges and specialization including to build confidence for customers who use the services, in order to achieve long-term business sustainability. The participating in meetings and being speakers to educate organizations and institutions are to support entrepreneurs to have knowledge on logistics for dangerous goods resulting in more operators in the dangerous goods industry will use logistics service providers specialized in dangerous goods such as the Group. The Company's representative participated in corporate social responsibility activities through the network of other organizations and through various actions in the past several years such as:

- 1) Logistics
- 2) Chemical Management
- 3) Safety, Occupational Health and Environment







## Business Development Unit

After listing on the stock exchange, the Company focuses on expanding its business and continually developing new logistics services both locally and regionally to earn new sources of income and create diversification of business risks. In line with the Company's vision and strategy to become a regional leader in integrated logistics services, the Company has invested in the following businesses:

**Expand the scope of logistics services** for dangerous goods and chemicals to the regional level, the Company invested in DG packaging Pte., Ltd. (DGPS) in Singapore, which distributes packaging for dangerous goods and chemicals and provides packing services for dangerous goods and chemicals used in international shipping.

**Ground handling and passenger services** To expand the scope of services and increase the potential of ground handling and warehouse services, the Company invested in SAL Group (Thailand) Company Limited (SAL), a joint venture company with Airports of Thailand Public Company Limited (AOT), which incorporated AOT Ground Aviation Services Company Limited (AOTGA), to provide ground handling services to various airlines. Currently, AOTGA provides services at Don Mueang Airport and Phuket Airport.

**General sales agent for airlines at the regional level** The Company invested in Around Logistics Management Company Limited in Hong Kong, which is currently representing more than 22 airlines such as Vietnam Airlines and All Nippon Airways with service routes covering 24 countries across

Asia North America and Europe. The investment has generated good returns for the Company. The Company therefore plans to expand cooperation with partners to become a leader in general sales agent for airlines business in the region by restructuring the shareholding of the general sales agent for airlines business and has consolidated its head office in Thailand under the company called Asia Network International (ANI). It has a network covering Hong Kong, Singapore, Vietnam, Myanmar and Cambodia, which is an international production and distribution base. This will increase competitiveness in the business, particularly during the current situation where there is high demand for air freight compared to shortage in supply that cannot respond to the current aviation situation.

**Logistics service for the fast-growing local e-Commerce business** To provide logistics services to e-Commerce and social commerce customers in the country, the Company invested in the company called A.T.P.Friend Service Company Limited (SHIPSMILE), which operates the business in the form of franchise. Currently, ShipSmile has over 4,500 branches for parcel transport. The branches act collection points for domestic parcel delivery from leading logistics companies such as Flash Express, Kerry Express, Thailand Post, SCG Express and DHL etc. The Company has developed a new form of local logistics service called "Super Express" to respond to demand for fast logistics service in the future. The Company invested in Makesend Express Company Limited (MAKSEND), which provides Same-day Delivery services.



# INDUSTRY COMPETITION IN 2021 AND OUTLOOK FOR 2022



## 1. AIR FREIGHT BUSINESS

### INDUSTRY COMPETITION IN 2021

#### ◦ GENERAL SALES AGENT FOR AIRLINES (CARGO GSA AND CSA)

GSA for airlines is a high potential business, which can be developed for continuous growth. To be appointed as the GSA for airlines, a company must have capabilities, expertise and reliable air freight network. Therefore, unlike international air freight forwarders, there are not many Cargo GSA for airlines.

#### ◦ WHOLESALE AIR FREIGHT BUSINESS

Air freight service is a competitive business as there is many air freight service providers in the market with similar capabilities. Hence, there is a high level of price competition. Competitiveness of service providers depends on whether they can secure competitive freight costs. Regardless of the high level of competition, air freight market continues to grow and, given the right strategy, there is an opportunity to develop the business.

#### ◦ AIR CARGO TERMINAL AND GROUND HANDLING SERVICES

Air cargo terminal and ground handling service is a specialized business which requires specific knowledge and the business operations must follow the applicable local and international standards.

However, it is considered a high potential business because over a million tons of air cargo using Thai airport each year with high growth rate.

### OUTLOOK FOR 2022

There will be adjustments in the situation of airlines due to improvement in the Covid-19 situation. Airlines will start adding more flight services. This will have a positive effect on air transport for both passenger-related services, such as ground handling and passenger services, and local and international air freight services. There will be more available freight for servicing customers compared to the past year. However, the situation is still subject to the pandemic.

## 2. SEA FREIGHT AND INLAND TRANSPORT BUSINESS

### INDUSTRY COMPETITION IN 2021

#### ◦ SHIPPING LINES AGENCIES AND INLAND TRANSPORT BUSINESS

Providing service in niche market routes in which average annual supply for sea freight is lower than market demand and with good profitability outlook such as transport routes to outports in Japan, focusing on petrochemical products, agricultural products, and ready-to-eat food. Other existing routes for which services are offered by the Company continue to grow in volume of freight transport. However, due to



competitive environment, other players in the market may apply price-cutting strategy. For instance, during low season, customers with high frequency of freight transport may bargain for lower prices.

#### o **WORLDWIDE LESS THAN CONTAINER LOAD - LCL SERVICE**

There are many LCL service providers in the market, consisting of two groups: (i) local NVOCC players and (ii) global/regional NVOCC players. At present, there are over 30 local NVOCC players, each of whom has expertise in certain and different type of market, and there are less than 10 global/regional NVOCC players, each of whom provides variety of services worldwide. Therefore, global/regional NVOCC players take up 30% - 40% of the market share in aggregate.

The competitive advantage of ECU is being a local and global leader in NVOCC business with network of LCL services covering Thailand countrywide. Such competitive advantage was created through ECU having conducted LCL services for over 21 years and being part worldwide network of ECU Worldwide. At present, the Company provides direct service on 57 routes and many other connecting routes.

#### **OUTLOOK FOR 2022**

If the Covid-19 pandemic eases by the year 2022, the container shortage is expected to ease compared to the year 2021 but will not return to normal level before the pandemic. This is because shipping lines continue to face the problem of containers left idly in many important trading ports, especially in the United States, Europe and Australia, which would take time to be resolved. Freight rates are expected to remain high until at least the middle of 2022. However, if the Covid-19 pandemic is not resolved or a new wave of outbreak occurs in 2022, the container shortage is expected to continue in the same direction as in 2021. The demand for sea freight and containers outweighs the supply provided by shipping lines. As a result, sea freight rates will remain consistently high.

### **3. LOGISTICS MANAGEMENT BUSINESS**

#### **INDUSTRY COMPETITION IN 2021**

##### o **INTERNATIONAL LOGISTICS SERVICE**

The competition in the international freight forwarding business is high due to the presence of many service providers in the market at the national, regional, and global levels. In 2021, container shortage and reduction of the number of flights of various airlines due to the Covid-19 pandemic affect the competition in the international freight forwarding business both sea and air freights. It is no longer price competition, but a competition in supplying freight to serve importers and exporters and development of other forms of international freight forwarding services such as land transport and rail transport.

##### o **WAREHOUSE AND DISTRIBUTION**

At present, a full logistics service is being widely offered by international companies and many local players, providing similar services. Therefore, the company has to position itself clearly to communicate with its customers and effectively compete with its competitors.

#### **OUTLOOK FOR 2022**

The situation of the Covid-19 pandemic is likely to improve due to most population of each country having access to vaccines and decreasing severity of the pandemic. Therefore, government of each country began to relax measures and some countries has canceled measures to control the spread of Covid-19. As a result, economic activities are recovering and improving continuously.

In respect of air freight situation, international airlines gradually return to services. The supply of air cargo tonnage has increased but is still at a much lower level than before the Covid-19 outbreak and lower than the demand for air cargo tonnage. It is expected that these factors will cause air freight rates to remain high.

The impact of the pandemic on sea freight situation has decreased. The economic activities of each port began to return to normal, but container shortage will persist for a while due to various shipping lines have left containers idle in many ports, particularly in the United States, Europe and Australia. This is expected to take time to be resolved.



Therefore, it is estimated that the sea freight rate will remain at a high level compared to before the Covid-19 pandemic.

## 4. CHEMICAL AND SPECIALTY LOGISTICS BUSINESS

### INDUSTRY COMPETITION IN 2021

The nature of services provided by the group focuses mainly on providing integrated logistics services for chemical and dangerous goods industries by combining specialized knowledge in chemicals and dangerous goods with integrated logistics management. Most customers choose a full range of services. Emphasis is placed on evaluating service quality through indicator of service efficiency and effectiveness in each quarter.

The Company focuses on providing full logistics services for chemicals and dangerous goods. By combining knowledge in chemicals and dangerous goods with expertise in logistics, the group company provides integrated logistics services for such products. Most customers will normally use more than one service (multi-services or integrated services). The competition situation of chemical and dangerous goods business is unique as there is only a few competitors in the market who can provide, similar service to the group company, full logistics services for chemicals and dangerous goods. Majority of the competitors provides only certain logistic services for chemicals and dangerous goods or, some competitors provide full logistics services, but do not have expertise on chemicals and dangerous goods. As customers in chemical industry put emphasis on safety to health, environment, and security, capabilities of logistics service providers for chemicals and dangerous goods become more important. Distribution and transport of chemicals and dangerous goods must be done properly and in accordance with complicated and ever more complex regulations regarding dangerous goods transport.

In addition, packaging for air transport of chemicals and dangerous goods requires knowledge and understanding of IATA/ICAO's regulations regarding air transport of dangerous goods. The service provider must have trainings to enable it to strictly comply with such international standards. Such requirements reduce competition and facilitate growth of this business in the future.

### OUTLOOK FOR 2022

The occurrence of accidents in factories and various enterprises in the past 2021 is an important factor which encourages the government, associations of chemical industry and related industries, private sector, educational institutions, other stakeholders, and the society to significantly prioritize improvements in the management of chemicals and dangerous goods throughout the life cycle. It can be expected that there will be many new rules and regulations related to safety, occupational health, and environment in the management of chemicals, chemical products, dangerous goods, and dangerous objects in business premises and industrial plants. There will be revision on regulations to become stringent, modern, and in consistence with international chemical management guidelines.

The key trend to watch out for is increasing freight prices because of significant adjustments in supply and demand for international freight where access to sea freight and air freight will remain an important factor in maintaining the logistics service base.

The changes in framework for dangerous goods classification has led to an increase in the number of dangerous goods each year, coupled with the growth of innovation using certain types of dangerous goods in the industry, such as lithium battery used in the automotive industry for electric vehicles etc. This will be one of the major catalysts for the continuous growth of the dangerous goods packaging and related logistics industry.

At the same time, more logistics operators in the industry are interested in operating chemicals and dangerous goods logistics. Therefore, service expertise, knowledge and management of safety, occupational health, and environment, and the ability to adapt the organization to support changes in rules and regulations will be important factors in the industry trends and future competitive conditions.



# ASSETS OF BUSINESS OPERATION

## FIXED ASSETS

As of 31 December 2021, the Company and its subsidiaries had the fixed assets for operating of business after the deduction of accumulated depreciations as presented in the Consolidated Financial Statements of the Company of Baht 191,102,395, the details are as follows:

Type / Nature of Assets	Net Book Value (Baht)	Type of Ownership	Encumbrances
<b>Consolidated Financial Statements</b>			
Lands	33,432,000	Owner	-
Buildings and Building Improvements	51,477,117	Owner/ Operating Lease	-
Tool and Equipment	35,841,738	Owner	-
Vehicles and Equipment	13,227,756	Owner	-
Furniture and Fixture	3,588,834	Owner	-
Office Equipment	28,281,985	Owner	-
Construction in progress	25,252,965	Owner	-
Total	191,102,395		

Details of locations and purpose of possession of core assets for operating of business of the Group as of 31 December 2021 are as follows:

## 1. LANDS AND LAND IMPROVEMENTS

Company	Location	Area	Purpose of Possession	Type of Ownership	Encumbrances
TLG	628 Triple i Building, 3 <sup>rd</sup> Floor, Soi Klab Chom, Nonsee Road, Chongnonsee Yannawa, Bangkok	3 Ngan 61.3 Sq. Wah	Office Building	Owner	None
TAX	Land title deed no. 74806, Pongtalong Sub-district, Pak Chong District, Nakhonratchasima Province	61 Sq. Wah	For seminar and client reception	Owner	None
Total		3 Ngan 122.3 Sq. Wah			



## 2. BUILDING AND BUILDING IMPROVEMENTS

Company	Location	Area	Purpose of Possession	Type of Ownership	Encumbrances
TLG	628 Triple i Building, 3 <sup>rd</sup> Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok	Improvement of Rama III Building	Office	Owner	None
TAX	Pongtalong Sub-district, Pak Chong District, Nakhonratchasima Province	Building Improvement of Khao Yai Building	For seminar and client reception	Owner	None
TAX	628 Triple i Building 6 <sup>th</sup> Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok	Improvement of Rama III Building	Office	Right to lease from TLG	None
AGS	Cargo Terminal 2, Don Mueang Airport	Improvement of Cargo Terminal 2, Don Mueang Airport	Warehouse	Right to lease from Airports of Thailand Public Company Limited	None
AGS	Cargo Terminal 1 (International Cargo), Don Mueang Airport	Improvement of Cargo Terminal 1, Don Mueang Airport	Warehouse	Right to lease from Airports of Thailand Public Company Limited	None
TAC	Suvarnabhumi Airport	Improvement of office No. 2134, Suvarnabhumi Airport	Office	Right to lease from Airports of Thailand Public Company Limited	None
TAC	628 Triple i Building 6 <sup>th</sup> Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok	Improvement of Rama III Building	Office	Right to lease from TLG	None
TAC	Don Mueang Airport	Improvement of Storage Room, Don Mueang Airport	Warehouse	Right to lease from Airports of Thailand Public Company Limited	None
TAC	Don Mueang Airport	Improvement of Office Space, Don Mueang Airport	Office	Right to lease from Airports of Thailand Public Company Limited	None
TAC	Don Mueang Airport	Improvement of Cargo, Don Mueang Airport	Storage Room	Right to lease from Airports of Thailand Public Company Limited	None
TAC	Hat Yai Airport	Improvement of Warehouse, Hat Yai Airport	Warehouse	Right to lease from Airports of Thailand Public	None



### 3. VEHICLES AND EQUIPMENT

Company	Location	Area	Purpose of Possession	Type of Ownership	Encumbrances
TAX	Cargo Terminal, Suvarnabhumi - Don Mueang Airport	3 Six-wheels Trucks	Freight Services	Owner	None
TAX	Cargo Terminal, Suvarnabhumi - Don Mueang Airport	2 Six-wheels Trucks	Freight Services	Owner	None
TAX	Cargo Terminal, Suvarnabhumi - Don Mueang Airport	2 Four-wheels Pick-up Trucks	Freight Services	Owner	None
TAX	628, Triple i Building, 6 <sup>th</sup> Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok	1 Sedan Car	For Business Operation	Owner	None
TAX	628, Triple i Building, 6 <sup>th</sup> Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok	1 Sedan Car	For Business Operation	Owner	Financial Lease
TAC	Don Mueang Airport	2 Loading Truck Conveyors	Goods Transport at Airport	Owner	None
TAC	Don Mueang Airport	2 Pick-up Trucks	Goods Transport at Airport	Owner	None
TAC	Don Mueang Airport	7 Trailers	Goods Transport at Airport	Owner	None
TMA	628, Triple i Building, 2 <sup>nd</sup> Floor, Soi Klab Chom, Nonsee Road, Chongnonsee Yannawa, Bangkok	1 sedan car	For Business Operation	Owner	None
TMA	628 Triple i Building, 2 <sup>nd</sup> Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok	1 sedan car	For Business Operation	Owner	None
TMA	280 Moo.6 Phuchaosamingprai Road, Samrong-Tai, Prapadaeng District, Samutprakarn Province	12 Trailers	For Business Operation	Owner	None
TMA	280 Moo.6 Phuchaosamingprai Road, Samrong-Tai, Prapadaeng District, Samutprakarn Province	17 Semi-trailers	For Business Operation	Owner	None



## INSURANCE OF ASSETS OF BUSINESS OPERATION

The Group's insurances are the all-risks insurances and transport insurances which cover the loss or damage of movable assets and immovable assets arising from any disasters and accidents (Industrial All Risks Insurance), cargo liabilities, custom liabilities and third-party liabilities and errors and omissions.

As of 31 December, 2021, the Group had the insurance coverage amount under such insurances of Baht 2,710.72 million, the details are as follows:

Company	Type of Insurance	Insured Assets	Beneficiary	Insurance Coverage (Million Baht)	
TLG	Industrial All Risks Insurance	Buildings and office's Equipment	TLG	176	
TAC	Industrial All Risks Insurance	1. Buildings	TAC	1.2	
		2. Inventories and Parcel Posts		5	
		3. Tools and Equipment for Operating of Business		66.52	
TAX	Transportation Specialist Legal Liability Insurance Policy	1. Cargo Liability	TAX	20	per time
		2. Custom Liability	TAX	2	per time
		3. Third-party Liability	TAX	20	per time
		4. Errors and Omissions	TAX	4	per time
AGS TAC TAX	Industrial All Risks Insurance	1. International Cargo and Domestic Cargo, Don Mueang Airport Liability	AGS	6	per time
		2. Building Liability	TAC		
		3. Cargo Liability	TAX		
		4. Equipment Liability			
		5. Business Operation Liability			
HLM	Industrial All Risks Insurance	Warehouse, Office and Other Related Businesses	HLM	1,200	
HLM	Public Liability Insurance	Property and Third Party Liability	HLM	40	
TSC	Industrial All Risks Insurance	Inventories and Furnitures	TSC	800	
TSC	Public Liability Insurance	Property and Third Party Liability	TSC	20	
HLM	Transportation Specialist Legal Liability Insurance Policy	1. Cargo Liability	HLM	10	per time
		2. Custom Liability	HLM	2.5	per time
		3. Third Party Liability	HLM	10	per time
		4. Errors and Omissions	HLM	2.5	per time
		Liability No.1-4	HLM	not exceed 20	per time
TLG	Transportation Specialist Legal Liability Insurance Policy	1. Cargo Liability	TLG	10	per time
		2. Custom Liability	TLG	2.5	per time
		3. Third Party Liability	TLG	10	per time
		4. Errors and Omissions	TLG	2.5	per time
TSC	Inland Transit Insurance	All Risks Insurance	TSC	100	
HLM DGP HTM	Inland Transit Insurance	All Risks Insurance	HLM DGP HTM	180	



# Report of the Investment Committee

Triple i Logistics Public Company Limited aims to be a leading logistics service provider in the region. The Company focuses on continuous growth from the original business groups and development of new business by expanding business locally and internationally in accordance with the Company's strategies to create opportunities for development of a variety of logistics services and diversify the Company's risks. The Investment Committee supervises important investments in accordance with the investment policy with due care. It also considers management of investment risks to an acceptable level for the best interests of the organization, shareholders and relevant stakeholders. The Investment Committee was appointed by the Board of Directors on 23 February 2021, consisting of the following members:

- |    |                |                |  |
|----|----------------|----------------|--|
| 1. | Mr. Woodtipong | Moleechad      | Chairman of the Investment Committee (Independent Director)  |
| 2. | Mr. Vipoota    | Trakulhoon     | Member of the Investment Committee (Independent Director)    |
| 3. | Mr. Tipp       | Dalal          | Member of the Investment Committee (Chief Executive Officer) |
| 4. | Mr. Viraj      | Nobnomtham     | Member of the Investment Committee (Chief Financial Officer) |
| 5. | Mr. Thanut     | Thatayanon     | Member of the Investment Committee (Executive Director)      |
| 6. | Mrs. Darunee   | Rakpongpi boon | Member of the Investment Committee (Executive Director)      |

In the year 2021, there was a total of 6 meetings of the Investment Committee. The Investment Committee performed its duties as stipulated in the Investment Committee Charter. The key performances of duties include:

## Screening of investment projects

The Investment Committee considered risks of new investment projects in the country and overseas in order to screen and give recommendations to the Board of Directors. The focus was on projects that were in line with the Company's strategy and business development goals. In the year 2021, the Investment Committee reviewed 4 new investment projects proposed by the management.

## Monitoring on performance of investment projects

The Investment Committee monitored the performance of local and overseas investment projects invested by the Company and provided advice on the Company's business development and investments. The management has to report the investment performance to the Investment Committee at least twice a year.

The Investment Committee has performed all duties in accordance with the charter and as assigned by the Board of Directors by considering various matters thoroughly to ensure that all stakeholders will obtain the maximum benefits.



Mr. Woodtipong Moleechad  
Chairman of the Investment Committee



# Risk Management Sub-Committee Report

Triple i Logistics Public Company Limited values corporate risk management. The objectives are to mitigate or control the impact of risks, both external and internal factors on business operations. In order to ensure that the risk management process in place is effective and being continually ingrained into the Company's corporate culture. Integrating risk management into the Company's strategic and operational plans helps ensure that the Company's operations meet business objectives, support sustainable growth and create long-term value for shareholders.

The Risk Management Sub-Committee consists of the management committee and high-level executives, who have capabilities, experience, and understanding in the business, from the relevant units. The Risk Management Sub-Committee consists of the following 5 members:

1. Mr. Viraj	Nobnomtham	Chairman of the Risk Management Sub-Committee
2. Mr. Teeranit	Isarangkul	Member of the Risk Management Sub-Committee
3. Mr. Thanut	Thatayanon	Member of the Risk Management Sub-Committee
4. Mr. Chalernsak	Karnchanawarin	Member of the Risk Management Sub-Committee
5. Mrs. Darunee	Rakpongpi boon*	Member of the Risk Management Sub-Committee

Remark: \* Mrs. Darunee Rakpongpi boon was appointed on 5 May 2021 in place of Mr. Suchart Tanasoontrarat

In 2021, the Risk Management Sub-Committee had 3 meetings. The Risk Management Sub - committee has performed its duties as assigned by the Board of Director and in accordance with the Risk Management Charter. The substances are summarized as follows:

1. Consider the risk factors affecting the achievement of the organization's strategic goals by carefully considering the risks, including external risk and internal risk cover all dimensions throughout the organization.
2. Consider the measures and the crisis management plans relevant to the COVID - 19 situation that emphasize the importance of safety and health of employees, customers, suppliers and protecting the business for its continuity by managing and responding to the challenging conditions proactively, efficiently and effectively in order to reduce the chance of incidents and the impact of the outbreak situation that occurred.
3. Provide opinions and approve the preparation of the risk assessment on anti-corruption of the organization to participate in the Thai Private Sector Collective Action Against Corruption (CAC) by determining it in accordance with the Company's business operations, strategic plans and goals.
4. Report risk management results throughout the organization to the Audit Committee.

Mr. Viraj Nobnomtham

Chairman of the Risk Management Sub-Committee



# RISK MANAGEMENT

## 1. RISK MANAGEMENT POLICY AND PLAN

Triple i Logistics Public Company Limited (the “Company”) attaches great importance to risk management. The Company realizes that risk management is a part of good corporate governance and an important foundation for the Company to achieve sustainable business objectives and helps building confidence for investors and stakeholders, communities, society, environment, and shareholders. This enables the management to make better decisions and helps reducing the impact on the business, as well as optimizing the use of important resources. There is a preparation to cope with new risks that will arise in the future and gives the Company an opportunity to create added values.

### Risk Management Structure

The Company has established a systematic risk management structure through sub-committees and regularly reviews the risk management system. In 2021, the Company’s risk management structure is divided into 2 levels, namely the organization level and the management level. Corporate risk management is carried out through the Investment Committee appointed by the Board of Directors to advise the Company’s strategic direction on business development and investments. At the management level, there is a Risk Management Sub-Committee appointed by the Management Committee who is responsible for assessment, monitoring and performing risk management tasks in various dimensions in operation. This is an enterprise risk management framework that complies with international standards.

In addition to recognizing effective risk management, the Company also attaches importance to supervision of adequacy of the risk management system operated by the Audit Committee (AC) and the review of the effectiveness of the risk management performance by the Board of Directors.

### Risk Management Process

The Company has a risk management process used to identify, analyse, assess, and classify risks affecting the achievement of the Company’s process objectives, as well as establishing control guidelines to prevent or reduce risks to an acceptable level. The Company’s risk management process consists of the following 5 steps:

- 1) Determination of objectives
- 2) Risk identification
- 3) Risk assessment
- 4) Risk management
- 5) Monitoring and assessment of risk management results

In 2021, the Company has implemented guidelines and risk management process. The risks of the Company and the group can be summarized by considering all levels of stakeholders and environmental social and governance dimension (ESG) risks as guidelines for good corporate governance and for sustainable business growth.





## 2. RISK FACTORS

The Company analyzes the internal and external environment, including economic, social, political, technological, industrial, competitor and other trends, to determine the risk factors at the organization level as follows:

### 2.1 RISKS TO THE GROUP'S BUSINESS OPERATIONS

#### RISK OF RELYING ON MAJOR TRADE PARTNER

The Group is aware of its dependence on large business partners especially in the air freight business. Previously, the main business partner was the Air Asia Group. However, to reduce dependence on one airline and increase the coverage of service routes, the Group has restructured the airline freight forwarding business by using Asia Network International Co., Ltd., (ANI) as the parent company and invests in related companies both domestically and internationally, covering services in Thailand, Vietnam, Hong Kong, China, Cambodia, and Myanmar, representing more than 20 airlines. In addition, there are more contacts and negotiations to be a sales representative for freight with other airlines, focusing on contacting and negotiating with airlines in different routes that do not conflict with flights routes of the airlines that the Group currently represents, both in the country and in the ASEAN region (AEC), where the Group of companies has several airlines serving as freight forwarding agents continuously, thus the Group does not rely mainly on any particular airlines.

#### RISK OF RELYING ON MAJOR CUSTOMER

The Group is aware of the risk of reliance on major customers. Currently the Group's reliance on major customers has decreased and does not significantly impact income of the Group. The Group realizes such risk and has created a business plan requiring each business unit of the Group to provide good service to customers in order to create customer satisfaction and, consequently, customers will continue to renew service contracts with the Group. For regular customers who have good relationship with the Group for a long period of time, the Group prepares long-term or continuous contracts with such customers. The Group also creates a plan for securing new customers in order to expand the business and replace those customers who decide not to renew contracts with the Group.

In addition, the Group conducts many logistics businesses, providing various services at competitive market prices, which helps reducing risk of relying on single type of customer in respect of both each business unit and the Group as a whole.

#### RISK OF FLUCTUATION IN FREIGHT CHARGE

Due to the situation and the impact of the Covid-19 pandemic, freight charges, including air freight and sea freight have substantially increased. The group has planned and adapted to the situation and manage the risk of higher freight charges by closely monitoring and checking freight rates, including the business operations of the group as an agent and as the air freight and sea freight forwarder. In respect of air freight business, freight cost which varies based on the market price is a direct cost to the group company charged by airlines or airline's representatives without going through any other agents. Therefore, the Group is able to manage its air freight to be at competitive market price. Air freight charge for each route has a reference price. The price offered to customers is a cost-plus price. Hence, the Group is able to pass through part of fluctuation in freight charge to customers. As one of the major players in air freight service and the Group's freight booking is quite substantial, the Group has high bargaining power in negotiating freight charge. Therefore, the Group's freight charge from airlines has less fluctuation than other small players.

In respect of sea freight business, the Group undertakes to closely monitor freight rates to forecast the situation and price trends in order to set the price with a margin that can accommodate changes in price. In addition, if the transportation route required by the customer is the route of the shipping line represented by the Group, the Group will choose the service of the shipping line to increase competitiveness on price and profitability. In addition to the aforementioned cost management approach, the Group receives benefits from a joint venture with ECU Hold NV Ltd., a leading global consolidation for sea freight company, by setting up ECU to provide international sea freight service. This joint venture between the Group and the leading global service provider will allow usage of sea freight services by the Group through services of the joint venture company which has power bargaining on price with shipping companies.



## **RISK OF COMPETITION IN THE LOGISTICS INDUSTRY**

Logistics business in Thailand is a highly competitive business. There are a large number of operators in the industry because the business does not require high investment but focuses on having good relationship with customers and partners and the ability to sell freight which makes it possible for new competitors to compete in the industry. If competition is more intense or there are new operators, this may affect the Group's business operation. Consequently, the Group may have fewer customers or has to lower the price, which could result in lower revenue and profit.

However, competing in the logistics business relies on expertise in routes and management of each type of goods, fast response to accommodate customers' needs, having a quality network, ability to provide services to customers at reasonable prices and meeting customers' needs and providing a reliable experience. The Group has a long-standing expertise in the business. The Group's experience has accumulated for over 29 years and, hence, it has created regular customers. Not many operators would have such experience. The Group is large and has substantial booking of freight, therefore it can control cost of service to a competitive level.

In addition, the Group is aware of the risk of competition and has developed and expanded to provide a full range of services to cover all aspects of logistics services. The business segment is divided into four business groups, namely air freight, sea freight and inland transport, logistics management and chemicals and dangerous goods logistics. The Group focuses on providing in-depth services in order to create expertise in the area of services. It can accommodate both specialized customers and general customers. To differentiate itself, the Group also focuses on enhancing its service capabilities to comply with international standards and develop efficient technology in providing services and reduce duplication of works, including quick response to tasks and reducing costs. The Group has jointly invested with international business partners including regional and global companies such as ECU, CK Line, Around Logistic Group and DGP to protect the investment and penetration into the logistics market of foreign companies. The expansion and

development of services of the Group will enhance the ability to compete and retain customers.

However, in 2021, the Company has established an additional business unit, namely Business Development Unit, for diversification of risks in investments in related business. To respond to the situation and rapidly changing industrial conditions, in 2021 the Company by this new business unit, considered investing in "SHIPSMILE" and "MAKESEND" to expand its business as local transport service provider. The Company also restructured its general sales agent for airlines business as part of the growth plan to become a regional player which is one of the group's core missions.

## **RISK FROM DAMAGE OR DELAYED DELIVERY DUE TO PROBLEMS DURING TRANSPORT**

With provision of full range of logistics services, the Group faces risk of claims arising from provision of services, such as damage or loss of goods, accident during performance of service or delayed delivery of goods. The causes of such incidents could be serious accidents such as fire accident or natural disasters, including rainstorm or other force majeure events, which may cause injury or damage to property belonging to customers and the Group. This will result in payment for damages, penalties, and has impact on reputation and revenues of the Group. In the year 2021, the Group incurred payment for damages to its customers in the amount of Baht 1.41 million or representing 0.05% of the Group's total revenues. The Group could not guarantee that all shipments will be delivered on time or no damages will occur because there are uncontrollable factors such as flight cancellation incident, riot, and natural disaster etc. Nevertheless, the foregoing factors have already been included in the non-liability clause under the Group's service contract with customers.

The Group is aware of such risk and has insurance for its business operations, covering goods of customers stored in its warehouse. The terms and conditions of the insurance include liabilities of the insurer and the maximum coverage for the Group. This help reducing burden and conflict which may arise between the Group and its customers. Logistics industry has laws and regulations relating to international logistics which cover maximum liability of logistics business operators including sea freight,



air freight and inland transport such as IATA, FIATA, and Carriage of Goods by Sea Act etc.

The Group has also developed guidelines and various systems to reduce damages or delayed in delivery of goods as follows:

- prevention and action plan in the event of emergency;
- liabilities and penalties in the event that supplier cannot deliver goods according to specifications or within specified period and conduct evaluation on suppliers on an annual basis;
- include internal audit of work systems and liaise within the organization to clearly specify roles and responsibilities. For instance, liaising with warehouse on period of time required to load goods and finding measures to prevent delays, such as overtime work in the morning or loading of goods in advance etc;
- development of information technology system to track status of delivery during transportation.

## 2.2. OPERATIONAL AND BUSINESS RISKS

### RISK OF INVESTMENTS IN FOREIGN COUNTRIES

The Group operates its businesses in foreign countries, in the forms of both limited companies and branches. The risk of investing in foreign countries may occur due to difference and unfamiliarity in laws, regulations, and culture. In addition, a foreign market may have a large number of logistics service providers who provide similar services with the Group. Therefore, business expansion to foreign countries may cause the Group to face competition with competitors and higher aforementioned risk.

The Group realizes such risk and has prepared analysis of information on business and risks in foreign countries to support decision-making on investments in foreign countries. The Group's policy is to consider business partner who has expertise and experience in logistics business in each country as joint venture partner. Such cooperation will help manage the business operation in respect of laws and regulations, culture, and competition. Incorporation of company and business operation in foreign country requires substantial investment. Having a business partner

will lower risks arising from lack of experience in investment in such country and the foreign business partner will also help manage the business in foreign country. The Group has applied this business model as can be seen in its joint investment with DGP for dangerous goods and chemical logistics business and joint investment with Around Logistic Management for air freight business, representing airlines in various countries including Vietnam, Hong Kong, China Myanmar Cambodia and Thailand.

### RISK OF JOINT INVESTMENTS IN THAILAND AND FOREIGN COUNTRIES

The Group has invested in businesses relating to the Group's business in Thailand and foreign countries in order to expand its business and procure business partners. Such investments were in the forms of both joint investment and business acquisition. The Group may be exposed to risk of inability of joint venture company to conduct business operation and generate results as targeted. This may have impact on investment by the Group and the Group's operating results.

The Group realizes such risk and analyzes business information and operational risks before investing in high-value investments. The Group also conducts financial, accounting and legal due diligence, including enterprise valuation. The Group acquires shares in the target in the proportion of not exceeding 50% shareholding so that the existing shareholders remain with the target and the management continues to operate the business. There will be agreements on compensations to executives and existing shareholders, who sell the shares to the Group, based on profitability of the target after acquisition. Such arrangement reduces risk of the target not achieving targeted results. In addition, the Company has established guidelines for monitoring and report the operating result of the joint venture companies to various committees regularly. In addition, the Group sends its personnel to study activities of its foreign investments to understand and being able to manage the business in the future.

### RISK OF WAREHOUSING AND TRANSPORTATION OF DANGEROUS GOODS AND CHEMICAL

The chemical and specialty logistics is a business which requires expertise in management of chemical and dangerous goods, including storage



and transportation of chemical and dangerous goods. For instance, if there is a chemical leak, it could affect goods, personnel, or property of customers or the Group itself, including other persons and environment around the warehouse.

The Group is aware of this risk, therefore, the Group focuses on security and continues to strive for excellence in management and compliance with laws where the Group considers goods that will be transported and stored, procures tools and equipment and storage which is appropriate for chemical and dangerous goods and prepare the manual for usage of tools and equipment with safety and work procedures, guidelines and knowledge, preliminary work process and complies with the laws regarding the standard practice of international transport including domestic laws. In addition, the Group continues to organize training for employees in order to increase employees' proficiency in providing services and to strengthen defensive measure in order to lower risks which may incur during storage or transportation of dangerous goods and chemical.

In addition, the Group has insurance to protect and compensate loss that might occur during both domestic and international freight services and asset insurance for indemnifying of loss and damage that may occur from international transport to cover liabilities for goods, custom and third party and omission and damage of goods that may occur from accident arising from external factors such as disaster, terrorist, and other accidents, including burglary.

#### **RISK OF STABILITY OF INFORMATION TECHNOLOGY SYSTEM**

The Group's business operations in all business units are mainly engaged with information technology system, starting from transportation, pick up, warehousing, distribution until tracking. The information technology is used to increase efficiency, speed, and reduce cost and redundancy in provision of service by the Group. If the information technology system fails, resulting in loss of information, the system failure may affect business operations, reputation, and financial positions of the Group.

The Group is aware of the importance of database and information technology system, which may be subject to internal and external risk

factors and damages on database and information technology system, including equipment, may occur due to such risk factors. To manage risk of stability of information technology system, protect information which is considered important property of the Group, and create security of information that can be utilized effectively for the business operations, the Group has formed a special unit for overseeing information technology system. Such unit's responsibilities include developing, rectifying, and maintaining the information technology system of the Group, ensuring stability of the system. The unit should be able to rectify issues with the system promptly and regularly review its workplan. In addition, the Group has invested in Storage Area Network (SAN) and Disaster Recovery Site to create backup of information and be prepared for emergency situations, preventing loss of information and maintaining the operations, including information and computer system, uninterrupted in an efficient way at the needed time. The Group also conduct test on DR Site on an annual basis to ensure that the system could be operated with continuity in the event of emergency situations.

#### **RISK OF BEING HIGHLY DEPENDENT ON EXPERIENCED PERSONNEL**

Logistics and international transport business requires understanding in regulations relating to import and export, laws of various countries, and international payment and custom formalities to create trust and confidence in customers that the business can comply with all relevant rules and regulations and can deliver goods on time. In provision of dangerous goods and chemical logistics service, operators must comply with many rules, regulations, and laws at international level and of relevant countries. The business also relies on personnel with knowledge and expertise on safety of goods during transportation, safety precautions and emergency response plan as mistakes or accidents during transportation or storage of dangerous goods and chemical may cause damages to assets, environment or life, injury or health. It may also consequently have impact on reputation, revenue, expense and profit of the Group. As the Group's logistics business requires personnel with special expertise, personnel are one of the key factors contributing to success of the Group. Therefore, the Group faces risk of lacking personnel. If the Group loses personnel and could not find a replacement, it may have significant impact on its



financial position, business operations and loss of business opportunity.

The Group is aware of such risk and has prepared human resource development plan, training plan to continuously improve capabilities of its personnel, analysis on employee turnover, and plan on allocation of compensation and welfare suitable to knowledge and capabilities of each personnel. In addition, the Group has prepared succession plan to ensure continuity of work in key positions. During the years 2020 - 2021, the Company was affected by the Covid-19 pandemic, causing the restructuring of organization, but there would still be an increase in remuneration for the management and employees of the group to create incentives for executives and employees and prevent the loss of key personnel.

#### **RISK OF POLICIES BY GOVERNMENT AND RELEVANT AUTHORITIES**

With provision of full range of logistics services, governmental policies, particularly tax policies such as import and export duties, duty free zone, policy on development of seaport and airport, have direct impact on the Group's business operations. If government or relevant authorities change its policy in a direction that creates negative impact on the Group's business operations such as increase of import duty or VAT, cancellation of lease contract in seaport and airport area, the Group or customers may incur additional cost as a consequence. Policy of Airport of Thailand (AOT) on low cost airlines and policy on ASEAN Community (AEC) may result in more foreign operators investing in Thailand. As a result, the Group may face higher competition in logistics service. The Group may also face risk of change in policy on usage of local and international warehouses by AOT. Such factors may have impact on financial position and business operations of the Group. The Group is aware of this risk and has been monitoring policies of government, AOT and other relevant authorities to assess impact and risks to the Group's business operations. Including to be the alliance with AOT in order to plan for negotiation and revise management plan and investment to be in line with the existing circumstances. Although, such policies may not be easily changed.

The Group focuses on entry into long-term contract and negotiating on conditions which

may have impact on the Group. Policy on ASEAN Community may result in higher competition due to entry into the market by new business operators and, consequently, partial loss of revenue by the Group. At the same time, ASEAN Community will result in the need to exchange more products and resources and expand Thai logistics industry. The Group also has a plan to increase its readiness and capabilities to compete in the event of change in government's policies. It creates a network of business partners with as large coverage as possible. At present, the Group has investment plan and business plan in AEC with business partners in AEC member countries such as joint investments with business partners in Singapore and Myanmar and representatives in various countries across the region. The Group is ready to develop business plan, response to customers' needs and increase its competitiveness in the market.

#### **ENVIRONMENTAL AND SOCIAL RISKS**

Today, the world focuses on environmental and social management. The group is one of the businesses that pays attention to environmental and social management. The group is committed to reducing the impact of its performance on the environment. There are plans to reduce the amount of energy and utilities, waste reduction and promote activities to preserve nature and conserve energy to efficiently use resources. In the year 2021, the Company has initiated a reduction in energy consumption and air pollution. The Company's associated company, Makesend, a Same-day Delivery service provider, uses electric motorcycles in providing services, which helps promoting the use of clean energy and reduces the cost of service. The company plans to increase activities that help manage the environment by installing an electric charging station for electric vehicles and using clean energy vehicles and transportation service that reduces greenhouse gas emission. All departments of the group are encouraged to follow such initiatives.

#### **RISK FROM THE COVID-19 OUTBREAK**

The year 2020 - 2021 was challenging year for conducting business due to Covid-19 pandemic, which affected the economy and societies around the world. It had impacts on companies, partners, customers, in terms of both production and overall business operations, including creating more limitations. The Company's Board of Directors and executives have



placed importance to risk management of impacts from such situation by closely monitoring the situation and preparing supporting measures such as Business Continuity Plan (BCP) and the following measures:

1. Hygiene measures for employees and customers : employees are allowed to work from home and online meetings are encouraged.
2. Strict and safe cleaning measures, for example, all employees and visitors must wear masks. Screening of employees, customers, and visitors is conducted before entering the office building, work area or use of service in the area. Alcohol gel is provided at various points. Safe distances have been determined according to social distancing measure in all public areas. Regular cleaning of common areas, such as cafeterias, bathrooms, and elevators is performed to prevent infection.

### **RISK OF FLUCTUATION IN FOREIGN EXCHANGE RATES**

The Group provides international freight services and has business operations in foreign countries. Part of its revenues and costs of service is in foreign currencies. In the year 2020 - 2021, the Group's revenues from services in foreign currencies accounted for 19.9% and 25.8% of total revenues from services respectively. Part of the income is from dividends received from investments in foreign businesses. It is evident that there is a small portion of foreign currency compared to the total revenue of the Group.

However, the Group has a business partner to service overseas customers, who is a local logistics service provider in the country of service, acting as the Group's representative in providing services, receiving payment from customers, and paying costs of service in foreign countries such as sea freight, air freight, freight charge and custom clearance fees. Such payment of costs is in the same currency as revenue earned. Having revenues and costs in the same currency (Natural Hedge) helps reducing risk of fluctuation in foreign exchange rates to a certain level. The Group closely monitors foreign exchange rates to assess situations and trend of foreign exchange rates. In addition, the Group has a plan to purchase forward contracts without speculating on foreign exchange

rates and opens branch office in foreign country to manage revenues and costs in foreign currencies. This is one way to mitigate risk of fluctuation in foreign exchange rates by having revenues and costs in the same currency (Natural Hedge).

The abovementioned factors have mitigated the group company's risk. The group company presently has a low risk of fluctuation in foreign exchange rates, and the risk is at a manageable level. The group company's 2021 consolidated financial statements has a slight foreign exchange loss of Baht 5.9 million.

### **MANAGEMENT RISK**

Risk of major shareholders having influence over determination of policies and business operations. As of 31 December 2021, the executives and management committee of the Group held shares of 54.3% of the total paid-up capital. As a result, the executives and management committee of the Group has influence in the management policy in one direction and can control the policy and management of the Group. It also controls the approval of the majority of shareholders meeting except that the laws or regulations requires three-fourth of the votes from the shareholders who attend meeting and have the voting right. Therefore, other shareholders may not be able to collect votes to monitor and balance of agendas proposed by the major shareholders.

To prevent the risk of being controlled by a large group of shareholders and to ensure transparency in the management and monitoring and balance of power of executives and directors, the Group responds to such risks by the appointment of 4 independent directors whereby those independent directors are the directors of the Company and 3 members of the Audit Committee and one chairman of the Board of Directors from the total of 11 directors for the purpose of auditing, check and balance and approve any matters before propose to the shareholders meeting for approval. In addition, the Group has established a code of business ethics as a guideline for the performance of duties of directors and executives in accordance with the code of conduct to comply with the principles of good corporate governance in accordance with the guidelines of the Stock Exchange of Thailand and the scope of duties and the delegation of authority of the Board of Directors is clear and no conflict of interest.



# DRIVING BUSINESS FOR SUSTAINABILITY



## 1. SUSTAINABILITY MANAGEMENT POLICY AND GOALS

The Company focuses on operating sustainability under the vision “the Company is committed to being a group of companies’ leaders in logistics in Southeast Asia, with continuous and sustainable growth.” In addition, policies and guidelines for social responsibility, environment and good governance have been formulated (*the full policy can be viewed at <https://investor.iii-logistics.com/en/home> under the topic of corporate governance*), to become a listed company with outstanding performance in Environment, Social responsibility and Good corporate governance (Environmental, Social and Governance: ESG); with the goal to bring the Company’s business operations on the ESG Emerging List of sustainable companies.

Reporting on the management approach and the Company’s performance on significant matters (Materiality) is defined through a process of evaluating materiality based on the Global Reporting Initiative (GRI) standard regarding the human rights content which is based on the UN Guiding Principles Reporting Framework for Business.

The Company has established guidelines for business operations to create economic value as well as shared values for society and the environment, along with creating good returns for shareholders and sustainable growth of the organization.



### Economic and Governance

Goal	Being an organization that provides a sustainable return on investment.
Sustainability Guidelines	<ul style="list-style-type: none"> <li>There is operational risk management for the performance to achieve the goals with diversification of investment risks, continuous business expansion and effective cost management.</li> <li>Promoting the governance of internal control systems and internal audits, support anti-corruption and provide effective channels for receiving information / complaints.</li> </ul>





### Social

Goal	Being a good partner of customers, partner and an organization that employees choose.
Sustainability Guidelines	<ul style="list-style-type: none"> <li>Delivering the right services and logistics options to enhance competitiveness for customers and partners (The Right Solution), including developing relationships and sustainable business growth with customers and partners (The Right Partner).</li> <li>Promoting well-being, work safety and career advancement for employees.</li> </ul>



### Environmental

Goal	Being an environment responsible organization.
Sustainability Guidelines	<ul style="list-style-type: none"> <li>Conducting business in strict compliance with the law, requirements and standards for quality, safety, occupational health, and environment; including giving importance to the participation of the community and society to improve lifestyle and well-being, and to promote the efficient use of resources and appreciation of their value.</li> </ul>

## 2. MANAGING IMPACT ON STAKEHOLDERS IN THE BUSINESS VALUE CHAIN

### Business Value Chain Stakeholder Analysis

Triple i Logistics Public Company Limited places importance on stakeholder management throughout the business value chain, including those affected or may affect the operations, along with effective business value chain management. This ensures that stakeholders are treated in a balanced manner in accordance with the Company's mission.

The Company divides the stakeholders into 7 groups. The external stakeholders are shareholders and investors, customers, business partners, government agencies, community and society, environment, and stakeholders within the organization such as employees.





### Shareholder and Investor

Stakeholder Expectations	<ul style="list-style-type: none"> <li>• Increase competitiveness and profitability, good dividend payout.</li> <li>• Risk management and administration that will affect the Company's business operations in both short-term and long-term.</li> <li>• Access to accurate and up-to-date information on the Company's news and performance.</li> </ul>
Fulfilling Expectations	<ul style="list-style-type: none"> <li>• There is a close assessment of situations affecting business operations. Business strategies are adjusted to suit business competition with diversification of investment risks, continuous expansion of new business, and effective cost management.</li> <li>• Analyze, monitor, and establish measures to manage risks that affect business operations regularly.</li> <li>• Provide opportunities for shareholders to directly present their opinions and complaints to the Company.</li> <li>• Disclose information accurately in accordance with listed company information disclosure guidelines.</li> </ul>
Channel for Participation	<ul style="list-style-type: none"> <li>• Annual Report</li> <li>• Annual Shareholders' Meeting</li> <li>• Company complaints channels</li> <li>• Contact through Investor Relations / Company Secretary</li> <li>• Company website</li> </ul>



### Customer

Stakeholder Expectations	<ul style="list-style-type: none"> <li>• Good service quality.</li> <li>• Equal treatment to all customers.</li> <li>• Respect human rights, do not take advantage of customers.</li> </ul>
Fulfilling Expectations	<ul style="list-style-type: none"> <li>• Deliver logistics services that suit the needs of customers.</li> <li>• Operate business in accordance with the principles of morality and business ethics.</li> <li>• Adhere to the principles of fair and equitable treatment of customers.</li> </ul>
Channel for Participation	<ul style="list-style-type: none"> <li>• Customer satisfaction survey with the service provided by the Company</li> <li>• Company complaints channels</li> <li>• Company website</li> </ul>





### Trade Partner

Stakeholder Expectations	<ul style="list-style-type: none"> <li>• Conduct business with honesty, transparency, and fairness.</li> <li>• Do not take advantage of partners. Payments are made on time.</li> <li>• Transparency and fairness in the procurement process.</li> <li>• Relationship development for sustainable business growth.</li> </ul>
Fulfilling Expectations	<ul style="list-style-type: none"> <li>• Declare the intention and join the Thai private sector collective action against corruption.</li> <li>• Operate the business in accordance with the Code of Conduct.</li> <li>• Compliance with a written procurement policy, easy to understand and with the same standard.</li> <li>• Building strategic partnerships to expand business with potential trade partners.</li> </ul>
Channel for Participation	<ul style="list-style-type: none"> <li>• Company visit</li> <li>• Meeting</li> <li>• Channels to submit suggestions and complaints</li> </ul>



### Government Agency

Stakeholder Expectations	<ul style="list-style-type: none"> <li>• Compliance with relevant laws and regulations</li> <li>• Good Corporate Governance</li> </ul>
Fulfilling Expectations	<ul style="list-style-type: none"> <li>• Supervise to ensure compliance with relevant laws and regulations.</li> </ul>
Channel for Participation	<ul style="list-style-type: none"> <li>• Company visit and occasional meeting</li> </ul>



### Community & Society

Stakeholder Expectations	<ul style="list-style-type: none"> <li>• Participation and support to alleviate the spread of the COVID-19.</li> <li>• The Company's business operations must not affect community and society.</li> </ul>
Fulfilling Expectations	<ul style="list-style-type: none"> <li>• Support of medical equipment to help hospitals and public health agencies, provide care for COVID-19 patients, provide Sino Farm vaccines from Chulabhorn Research Institute as an alternative vaccine for those who lack access to vaccines.</li> <li>• Conduct business with prudence and caution to prevent impacts on society, community, and environment.</li> <li>• Comply with the law, other requirements, or relevant international guidelines.</li> </ul>
Channel for Participation	<ul style="list-style-type: none"> <li>• Organize CSR activities</li> <li>• Company media, such as Company website, Facebook fan page.</li> <li>• Conduct media communication activities through all forms of communication tools.</li> </ul>





### Environment

Stakeholder Expectations	<ul style="list-style-type: none"> <li>Valuable use of natural resources.</li> <li>Reducing environmental impact.</li> </ul>
Fulfilling Expectations	<ul style="list-style-type: none"> <li>Support activities that help protect the environment.</li> <li>Use of recycle materials / renewable energy.</li> </ul>
Channel for Participation	<ul style="list-style-type: none"> <li>Social and environmental activities</li> </ul>



### Employee

Stakeholder Expectations	<ul style="list-style-type: none"> <li>Fair compensation and benefits</li> <li>Career advancement opportunities</li> <li>Workplace Safety and Occupational Health</li> <li>Knowledge development</li> </ul>
Fulfilling Expectation	<ul style="list-style-type: none"> <li>Communicate Company's goals, strategies, and operation performance to employees at all levels.</li> <li>Fair compensation, benefits, performance evaluation and promotion systems.</li> <li>Promote the development of potential and knowledge suitable for performing duties for employees.</li> <li>Training satisfaction survey.</li> <li>Employee opinion survey on corporate culture.</li> </ul>
Channel for Participation	<ul style="list-style-type: none"> <li>Organizing meetings within departments / companies Communication through various channels within the Company</li> <li>Training satisfaction survey</li> <li>Employee opinion survey on corporate culture</li> <li>Channels for submitting suggestions and complaints</li> </ul>

## 2. SUSTAINABILITY MANAGEMENT IN THE ENVIRONMENTAL DIMENSION

### Environmental Policies and Practices

The Company realizes the importance of protecting the environment and considers business operations which may be related to laws and regulations on environmental impact. Therefore, the environmental policy is set as a guideline for business operations with prudence and cautiousness, not to cause any impact on the environment in nearby communities. The Company also encourages the proper and reduced wasteful use of resources. There are guidelines for the Company's personnel for promoting knowledge and understanding and to comply strictly with the requirements of the law and related quality, safety, health and environmental requirements and standards. The Company also promotes a culture in the organization that all employees are aware of and take part in inventing and seeking ways to reduce resource use and the use of renewable energy in various forms. (Full policy can be studied at <https://investor.iii-logistics.com/en/home> under the topic of corporate governance).



### Environmental Performance

- **Renewable Energy Pilot Project.** The Company has installed solar cells in the parking lot of the office, to use natural energy from sunlight to replace the use of electricity at night.



- Campaign for cost-effective management of office equipment by reusing used office equipment that is still in good condition for maximum benefit, such as document folders, envelopes, as well as improving the work system within the organization to be paperless, such as online approval instead of printing approval documents on paper.
- Supporting effective digital meetings to save resources, reduce the use of paper to prepare meeting documents. The Company has organized meetings in a digital format, for internal meetings at all levels, meetings within the department, between departments and meeting between the Company and external parties such as meetings with customers and trade partners.
- Co-sponsor the project “Separate Bottles to Help Doctors” organized by Less Plastic Group, Thammasat University, which recycled plastic drinking water PET (Polyethylene Terephthalate) bottles to produce PPE (Personal Protective Equipment) protective clothing for medical personnel during the COVID-19 pandemic. The Company has publicized the employees to donate plastic bottles, collect and deliver to the project.





## 4. SUSTAINABILITY MANAGEMENT IN SOCIAL DIMENSIONS

### Social Policy and Practice

The Company conducts business operation according to human rights principles and the emphasis is on fair and equal treatment of stakeholders. The Company has laid down the principles and framework of operations in the policies and guidelines for social responsibility, environment, and good governance as well as employee care and responsibility to the community and society (*Full Corporate Governance Policy can be studied at <https://investor.iii-logistics.com/en/home> under the topic of corporate governance.*), with the following principles:

- **Respect for Human Rights**

The Company operates its business giving importance and respect for human rights. Do not take advantage of customers, business partners, and employees, and treat all parties fairly and equally. Do not do anything that violates the rights and freedoms of any person directly and indirectly.

- **Fair Treatment of Workers**

The Company realizes the importance of human resource development and fair treatment for workers. The Company sets guidelines for treating Company employees with respect to their rights according to human rights principles and in compliance with labor laws. Fair compensation and benefits are provided.

- **Human Resource Development**

The Company gives importance to developing the potential of employees by organizing training, seminars, practice and sending personnel to attend the seminar and training in various fields related to the development of knowledge and competence for employees. It also creates opportunities for advancement in the field as well as instills good attitude, morality, ethics, and teamwork among personnel.

- **Caring for Employees' Well-being and Safety at Work**

Provide various benefits for employees as required by law such as social security, and beyond those required by law such as health insurance and accident insurance, including providing various subsidies to employees such as funeral assistance, etc. The Company also provides annual health check-up to all levels of the Company's personnel by considering the risk factors according to the level, age, gender and working environment of individual, and improves working environment to ensure safety and good hygiene for employees on a regular basis.

### Social Performance

In 2021, the Company has social activities covering operational guidelines and activities related to employees, customers, and communities as follows:

#### Employee

- The Company organizes training for employees. The average hour of employee training per year is 3.86 hours per person per year. Due to the COVID-19 pandemic, training can be arranged only through online channels. The development of personnel focuses on continuous development of knowledge within the organization. A system has been developed to support various legal requirements. Training plans were also developed to systematically transfer knowledge to the Company's employees. To ensure that the operation provide maximum benefits to all parties, employees have been sent to attend training on various operations related to the Company's ongoing business operations such as international freight forwarding, logistics and supply chain, warehouse management service, transportation of dangerous goods by sea, air and road, storage of dangerous goods and products, accounting and procurement standards training, training on environmental, sanitation operations, air cargo security control training, dangerous goods regulations training, radiation protection training and forklift driving skills, etc.



- Statistics of employee injuries at work causing forced absence is 2 persons, which is unchanged from the previous year. However, the Company will take steps to control and prevent various types of losses due to accidents, fires and various errors that occur, as well as maintain a safe working environment for the Company's personnel and there are regular rehearsals of safety plans.
- The Company held a corporate culture survey of employees in March 2021, to apply the survey results to adjust the organizational culture in accordance with the vision, operational goals, and the expectations of employees in the same direction.
- The importance of employee safety. Due to the spread of COVID-19, the Company has established measures to prevent and control the outbreak. The Company has procured Sino Farm vaccines from Chulabhorn Research Institute as alternative vaccine for employees. The Company arranged a work from home program to reduce the risk of infection among employees and campaigned for employees to strictly observe government measures including the preparation of Home Isolation Kits which consisted of medical kits and basic medicines for the illnesses were sent to employees infected with COVID-19 to alleviate the initial symptoms during their stay at home.

### **Social Activities Related Directly To The Company's Operations (CSR in Process)**

The Company focuses on carrying out social activities to target groups who are stakeholders that affect the Company's core business operations with the aim of raising the level of knowledge development of all relevant sectors. Those stakeholders are customers, business partners, employees of the Company, educational institutions training Institutes, government agencies, associations, and the private sectors. The knowledge is in various matters such as training on dangerous goods transport, and regulations for dangerous goods transport by air, sea and road, the classification and labeling of chemicals that are harmoniously harmonized throughout the world, chemical risk assessment, training on the framework of regulations and laws on chemical management in Thailand, logistics and supply chain management, international trade, and international trade regulations, etc.

### **Customers and Trade partners of the Company, Government Sectors, Private Institutions**

The Company has organized training and knowledge transfer in many areas for important customer groups, e.g. the Company's trading partners, government agencies, private companies, associations, training institutions, educational institutions and university. In the past year, the Company's representatives joined as speakers in various forums and agencies such as Krungsri Business Academy courses on digital marketing and taking business fully into the online world.

- **Logistics Industry**

The Company is involved in driving the logistics industry both domestically and internationally. The Company's representative has been re-elected for another term as the Secretary-General of the Thai International Freight Forwarders Association (TIFFA). Significant contribution in the past year was the preparation of the TIFFA Mark Award "Aiming for Superior Logistics Standards" and the Association's 2021-2023 Strategic Plan. The Company was appointed for another term as a member of the Advisory Committee for the Development of Logistics Manpower (Industry Competency Board: Logistics) of the Institute of Professional Qualifications (Public Organization) [Thailand Professional Qualification Institute (Public Organization): TPQI], with important achievements in the past year in the preparation of industry trend analysis reports and logistics manpower development.



- **Chemical Industry**

The Company's representative is a consultant in the Chemical Industry Group, the Federation of Thai Industry Council which has driven the strategic work of the group and was a delegate attending the seminar "Chemistry - the hero or the villain" Part 2, the chemical accident episode. The representative of the Group is also the President of the Responsible Care® of the Chemical Industry Group, Federation of Thai Industries. There are operations to push the agency's important plans through cooperation both at home and abroad in many important areas, such as organizing the ASEAN Chemical Regulatory Cooperation Workshop (ARCP) in a Webinar format via online system. Representatives from government and private sectors from 10 countries in the ASEAN Economic Community attended the meeting.

Organizing seminars to educate excellence in safety, occupational health, and environment 6 days 6 codes via online system 2 times. The first time was organized with the Department of Industrial Works, Ministry of Industry under Code: Process Safety, Safe Working Processes; the second time organized with the Department of Labor Protection and Welfare, Ministry of Labor and Department of Industrial Works, Ministry of Industry under Code: Employee Health and Safety.

Implementation of a collaboration project on chemical management with the Association for Overseas Technical Scholarship (AOTS) Alumni (Thailand) through support from the Ministry of Economy Japan's trade and industry (METI). Co-operation with the Hazardous Substance Management Division Department of Industrial Works, Ministry of Industry to organize a seminar on globally harmonized classification and labeling of chemicals and chemical risk assessment (GHS and Risk Assessment).

Implementation of the project for the government as a consultant for the information system project for the management of chemical safety in industrial plants of the Department of Industrial Works, Ministry of Industry. Being a representative of the Department of Industrial Works in giving a lecture on Chemical Risk Assessment in the seminar forum ASEAN Sustainable Energy Week organized with the Department of Industrial Works, Ministry of Industry. Commenting on the meeting guidelines for the development of secondary laws of (draft) the Chemicals Act. The Company's representatives also serve on the committee of the Hazardous Substances Logistics Association (HASLA) and play an important role in the policy and practical implementation of new laws related to the handling of chemicals and dangerous goods.

- **Educational sectors and various universities**

The Company attaches great importance to education. In the past year, a representative of the Group was re-appointed as an advisor to the Executive Committee of the Center for Safety, Health and Environment, Chulalongkorn University for another term, by providing opinions on strategic actions and the management policy of the Occupational Safety, Health and Environment Management Center of Chulalongkorn University and attending Committee's meetings monthly.

The Company gives importance to participating in the dissemination of logistics knowledge to educational institutions, universities and the Institute of International Freight Forwarding (ITBS), with representatives from the group of companies to lecture on logistics and supply chain knowledge international trade, being a lecturer for knowledge of the New Breed Logistics Project (Non-degree) Batch 3 under the Import/Export Trade Logistics for Young Executive Program, for executives at the beginning level. This is a collaboration project between the College of Logistics and Supply Chain, Sripatum University in partnership with International Freight Forwarders Association (TIFFA) and the International Transport and Business School (ITBS).



## **SOCIAL ACTIVITIES THAT ARE NOT DIRECTLY RELATED TO THE COMPANY'S OPERATIONS (CSR AFTER PROCESS)**

Triple i Logistics Public Company Limited attaches importance to business operations along with social activities with the belief that business cannot be sustained successfully without social concern. In the first half of 2021, while all parts of Thailand continued to be affected by the spread of the Covid-19, the management team and employees of the Company and its subsidiaries have joined a variety of projects to be part of solving problems for various agencies to help alleviate the suffering of the people who suffered from the pandemic.

When the pandemic became severe, the Company sponsored supplies of PPE kits, face masks, face shields, fingertip oxygen monitors, rubber gloves and alcohol spray to the COVID-19 Infectious Disease Surveillance Center to support the medical agencies treating patients infected with COVID-19 in the public health area, Chom Bueng District, Ratchaburi Province.

In August 2021, Thailand faced the crisis of overflowing patients with insufficient medical equipment. The Company and its subsidiaries donated 4 High Flow Oxygen ventilators and various medical equipment to Sirindhorn Hospital and the Medical Office, Bangkok Metropolitan to support important medical tools to treat patients. In addition, 7 10-litre oxygen concentrators were donated to the COVID-19 Intensive Care Unit (Field ICU) at Siriraj Hospital and 5 more were distributed to Phra Narai Maharaj Hospital and Chai Badan Hospital, Lopburi Province.

The Company also donated food supplements, drinking water, baby supplies, and sponsored three daily meals for the children and staff in the Camillian Home for Children with disabilities, Lat Krabang after some children and staff at the facility were infected with Covid-19.

Later in the end of 2021, many provinces in the south faced severe flooding, people suffered from lack of food and drinking water, the Company provided transport vehicles for drinking water to the Regional Development Office 4, Military Development Command Unit, Pa Bon District, Phatthalung Province.

To help to stimulate the economy, the Company participated in the "Rayong Influencer Challenge 2021" project to raise income to support community enterprises who distribute community products in Rayong province.

In addition, subsidiaries such as Triple i SupplyChain Co., Ltd., Hazchem Logistics Management Co., Ltd. and DG Packaging (Thailand) Co., Ltd. also donated information technology equipment to Suan Kaew Foundation for public benefit.

From the intention to be a small part with the opportunity to help society throughout the year 2021, the Company has prepared various projects with total value of more than two million and five hundred thousand Thai Baht (Baht 2.5 million) and still strives to be an organization that grows sustainably alongside the social sector and the community and move forward together because we believe that even in difficult times, we overcome the crises together by helping.



# MANAGEMENT DISCUSSION AND ANALYSIS

The Company generated highest net profit in the year 2021 with a new high in every quarter from diversification of risks through various investments, continuous business expansion, and effective cost management. The Company generated a new high profit in the year 2021 at Baht 377.3 million, which has more than doubled the previous year net profit of Baht 162.5 million, creating strengths in the Company's core business units and diversifying investments in related business, even though the international air freight situation remained affected by the Covid-19 pandemic during the past year and airlines around the world were unable to operate normally. Such operating results were achieved through adjustments in the business strategy by finding new products and services and new business to generate revenue growth of more than Baht 2,939.2 million in the year 2021 or an increase by over 82.9% from the year 2020, effective cost management, and investments in related business locally and overseas which can generate good returns

## SUMMARY OF OPERATING PERFORMANCE IN YEAR 2021

Unit : Million Baht	2020	2021	% Change + / (-)
<b>Revenues from sales and services</b>	<b>1,607.4</b>	<b>2,939.2</b>	<b>82.9%</b>
Costs of sales and services	1,273.3	2,412.0	89.4%
<b>Gross profit</b>	<b>334.1</b>	<b>527.2</b>	<b>57.8%</b>
Gross profit margin (%)	20.8%	17.9%	(2.9%)
Other income	57.0	73.7	29.4%
Selling expenses	67.1	84.9	26.6%
Administrative expenses	266.1	278.0	4.5%
(Loss) gain on exchange rates - net	(0.8)	5.9	n.m.
Finance costs	31.4	28.0	(10.8%)
Share of profits from investments in associates and joint ventures	135.4	223.4	64.9%
<b>Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)</b>	<b>293.7</b>	<b>567.4</b>	<b>93.2%</b>
<b>Net profit for the period</b>	<b>162.5</b>	<b>377.3</b>	<b>132.2%</b>
Net profit margin (%)	10.1%	12.8%	2.7%

In respect of the operating results in 2021, the Company's revenues were Baht 2,939.2 million, an increase by 82.9% from the previous year due to increase in revenues from core business units, particularly revenues from air freight service in the year 2021 of more than Baht 1,639.90 million, an increase by more than 79.76% from the year 2020. This was the period that was affected by change in the business models and impact of the Covid-19 pandemic in which the Company operated charter flights that has continued to generate revenues. Overall, other business units have continued to grow by 80.1% compared to the year 2020.

The Company's gross profit in the year 2021 was Baht 527.2 million, an increase by over 57.8% compared to the year 2020. Although gross profit margin of the group has reduced to 17.9% due to increase in air freight and sea freight rates. However, the Company was able to manage costs well and gross profit increased from the year 2020.



The selling expenses in the year 2021 were totaled at 84.9 million baht, an increase of 26.6% in line with an increase in revenue. Meanwhile, administrative expenses in 2021 only slightly increased by 4.5 percent, to a total of 278.0 million baht, due to efficient management.

Share of profits from investments in associates and joint ventures in the year 2021 was Baht 223.4 million, representing a 64.9% growth from the year 2020, which was in line with the Company's business risk management strategy by investing in foreign companies including DG Packaging Pte., Ltd. in 2019 and Asia Network International Limited (ANI) (as part of the restructuring of the Around Logistics Management Co., Ltd. and other companies operating the general sales agent for airlines in the group) which are generating good returns and meeting the target performance. Together with conglomerates and joint ventures investments benefiting from increasing sea freight such as ECU Worldwide (Thailand) Co., Ltd. and CK Line (Thailand) Co., Ltd. In the year 2021, the Company has also invested in a related business such as A.T.P. Friend Services Co., Ltd. or ShipSmile, which provides parcel delivery service, responding to the Company's strategy and business plan to develop the group's local transport and generate respectable profits to the Company.

In the year 2021, the Company has restructured the general sales agent for airlines business through cooperation between the Company and its foreign partners. The Company expects to list ANI on the Stock Exchange of Thailand within this year to raise funds for investments in related business and generate long-term returns for shareholders.

Even in the economy that has been affected by the ongoing pandemic since the beginning of the year, the management of business risks by investments in foreign companies and management of costs, expenses, and profits from disposal of investment have resulted in the Company's net profit in the year 2021 being equivalent to Baht 377.3 million, an increase of more than 132.2% from the year 2020, and created a new high of the group's operating results, particularly the fourth quarter of 2021 which generated a net profit of more than Baht 113.9 million.

## OPERATING PERFORMANCE BY BUSINESS UNIT

Business Unit	Revenues (Million Baht)		% change + / (-)	% Total Revenues	Gross Profit (Million Baht)		% change + / (-)
	2020	2021			2020	2021	
1. Air freight business	912.3	1,639.9	79.8%	54.4%	118.1	192.9	63.3%
2. Sea freight and inland transport business	48.8	106.5	118.5%	3.5%	23.1	29.0	25.7%
3. Logistics management business	176.3	485.4	175.4%	16.1%	59.3	120.2	102.8%
4. Chemical and specialty logistics business	523.0	766.0	46.5%	25.4%	137.9	197.1	43.0%
5. Other business	14.3	14.9	4.5%	0.5%	3.9	3.9	(0.5%)
<b>Total</b>	<b>1,674.7</b>	<b>3,012.8</b>	<b>79.9%</b>	<b>100.0%</b>	<b>342.3</b>	<b>543.1</b>	<b>58.7%</b>
Intercompany transactions	67.3	73.6			8.1	15.9	
<b>Net of intercompany transactions</b>	<b>1,607.4</b>	<b>2,939.2</b>	<b>82.9%</b>		<b>334.1</b>	<b>527.2</b>	<b>57.8%</b>



## **AIR FREIGHT BUSINESS**

In the year 2021, revenue from air freight business was Baht 1,639.9 million, an increase by 79.8% compared to the year 2020 which was the period when the air freight business has changed its business model and was affected by the Covid-19 pandemic. However, since the fourth quarter of 2020, the air freight business has adjusted its strategy by providing air freight service in the form of cargo flight, which has been continuously generating revenue until present.

Gross profit in the year 2021 was Baht 192.9 million, an increase by 63.3% from the previous year. This was due to offering of cargo flight service and cost management in international warehouse service to serve decreasing service usage during the Covid-19 outbreak. The strategy of adjusting service fee has resulted in higher gross profit in the warehouse business.

## **SEA FREIGHT AND INLAND TRANSPORT BUSINESS**

Revenue from sea freight and inland transport business in the year 2021 was Baht 106.5 million, an increase by 118.5% from the year 2020. This was due to additional works from new agent in sea freight forwarding business and increase in trailer service volume.

Gross profit in the year 2021 increased by 25.7% from the previous year to Baht 29.0 million, in line with the abovementioned increase in revenue.

## **LOGISTICS MANAGEMENT BUSINESS**

Revenue from logistics management business in the year 2021 was Baht 485.4 million, a significant increase of 175.4% from the year 2020. This was mainly due to increasing number of customers in international freight forwarding business as the logistics management business unit was able to secure cargo space for customers amidst problem of container shortage and high sea freight price due to such circumstance. While growth in service volume of other services such as local freight, distribution and e-fulfillment compared to the previous year could be maintained due to increasing in e-Commerce transactions.

As a result, gross profit in the year 2021 was Baht 120.2 million, an increase by over 102.8% compared to the previous year in line with the increase in revenue.

## **CHEMICAL AND SPECIALTY LOGISTICS BUSINESS**

Revenue from dangerous goods and chemicals logistics business was Baht 766.0 million, an increase by 25.4%. This was mainly due to an increase in service volume by key customer accounts for dangerous goods and chemicals logistics service via sea freight and growth of the chemical industry. As a result, the volume of dangerous goods and chemicals logistics service via sea freight significantly increased. In addition, freight prices have increased due to shortage of shipping lines and containers. There is also continuous demand for dangerous goods warehouse service. At present, the utilization rate per year of warehouse is 98% - 100%.

Gross profit for the year 2021 was Baht 197.1 million, an increase by 43.0% compared to the previous year. This was due to increase in gross profit from dangerous goods and chemicals logistics service via sea freight, dangerous goods and chemicals warehouse service, and dangerous goods and chemicals logistics service via air freight.



## FINANCIAL POSITION ANALYSIS

Unit : Million Baht

Statement of Financial Position	31 December 2020	31 December 2021	Increase (Decrease)	%
Total assets	2,406.0	2,949.8	543.8	22.6%
Total liabilities	1,114.9	1,204.7	89.8	8.1%
Shareholders' equity	1,291.1	1,745.1	454.0	35.2%

### TOTAL ASSETS

As of 31 December 2021, the Company's total assets was Baht 2,949.8 million, an increase from that as of 31 December 2020 by Baht 543.8 million. This was mainly due to increase in trade receivables to Baht 801.3 million or an increase by Baht 368.2 million, which was in line with the increase in revenues. And increase in investments in joint ventures from the Company's investment in 43% shareholding of A.T.P. Friend Services Co., Ltd. with the total investment amount of Baht 153.0 million.

### TRADE AND OTHER RECEIVABLES

Trade and other receivables consist of trade receivables from logistics services, prepaid expenses, accrued income, other receivables, trade receivables - related parties, and dividends receivable - related parties. As of 31 December 2020, and 31 December 2021, the Company's net trade and other receivables were Baht 433.2 million and Baht 801.4 million respectively, an increase by Baht 368.2 million or 85% increase from the previous year.

Most of trade receivables - other parties are trade receivables which are overdue for less than 3 months. This was consistent with average collection period of the group which equal to 105.4 days and 76.7 days as of 31 December 2020 and 31 December 2021. The reason for the decrease in average collection period of the group was due to high proportion of revenue from charter flight services and average collection period of charter flight services was 15-30 days.

The Company has a policy to set an allowance for doubtful accounts by considering the overdue period and the customer's financial status. The allowance for doubtful accounts at the end of 2020 and 2021 was set at a relatively low level, at 4.6% and 2.7% of trade receivables - other parties respectively.

During the year 2021, the Company trade and other receivables significantly increased due to increase in trade receivables - other parties, prepaid expenses, and trade receivables - related parties in the amount of Baht 224.8 million, Baht 28.6 million, and Baht 10.8 million respectively.

### INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

As of 31 December 2020 and 31 December 2021, the Company's investments in associates and joint ventures were Baht 1,238.5 million and Baht 1,460.7 million respectively. There was a significant change in investments in associates and joint ventures in the year 2021 due to investment by the Company in A.T.P. Friend Services Co., Ltd. (SHIPSMILE). As at the end of 2021, the Company had 43% of the total shares of ShipSmile. The Company acquired 30% of the total shares of ShipSmile in April 2021. The total consideration was Baht 153.0 million.

### TOTAL LIABILITIES

As of 31 December 2021, the Company's total liabilities was Baht 1,204.7 million, an increase from that as of 31 December 2020 by Baht 89.8 million due to increase in trade payables by Baht 174.4 million which is within the Company's normal business operations. In addition, the Company has loans from financial institutions, which are used for investment in various businesses, with short-term loans of Baht 120.0 million and long-term loans of Baht 375.0 million. This illustrates that the Company has strong financial ratios. It has a debt-to- equity ratio of 0.69 times and an interest-bearing debt to equity ratio of 0.35 times.



## LONG-TERM AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTION

As of 31 December 2021, the Company had short-term loans from financial institutions in the amount of Baht 120.0 million and long-term loans from a financial institution in the amount of Baht 375.0 million for investment in other businesses. The repayment period is 5.5 years.

## SHAREHOLDERS' EQUITY

As of 31 December 2021, the Company's shareholders' equity was Baht 1,745.1 million, an increase by Baht 454.0 million from that as of 31 December 2020 from increase in retained earnings as a result of profit in the previous year, newly issued ordinary shares from the exercise of warrants no. 1 to purchase the Company's ordinary shares proportionally allocated to shareholders, and sale of repurchased shares. In the year 2021, the Company paid interim dividends at the rate of Baht 0.10 per share, totaling Baht 60.9 million.

## LIQUIDITY ANALYSIS

The Company's cash flows are as set out below.

	Consolidated financial statements		
	2019	2020	2021
Net cash generated from (used in) operating activities	29.3	75.1	111.2
Net cash generated from (used in) investing activities	(691.5)	(230.8)	11.8
Net cash generated from (used in) financing activities	195.6	3.9	(69.2)
Net increase (decrease) in cash and cash equivalents	(466.6)	(151.9)	53.8
Cash and cash equivalents at the beginning of the year	731.8	262.5	110.5
Currency translation differences	(2.7)	(0.0)	3.8
Cash and cash equivalents at the ending of the year	262.5	110.5	168.1

## CASH FLOWS FROM OPERATING ACTIVITIES

In 2020 and 2021, the Company's net cash generated from (used in) operating activities were Baht 75.1 million and Baht 111.2 million respectively.

During the year 2021, net cash generated from operating activities increased. This was mainly due to increase in trade and other payables in the amount of Baht 175.0 million and decrease in other non-current assets in the amount of Baht 21.9 million. The Company's profit before income tax in 2021 increased from Baht 161.1 million in 2020 to Baht 439.2 million in 2021.

## CASH FLOWS FROM FINANCING ACTIVITIES

In 2020, the Company's net cash used in investing activities was Baht 230.8 million and, in 2021, the Company's net cash generated from investing activities was Baht 11.8 million.

During 2021, most of the cash used in investing activities consisted of payments for investments in associates and joint ventures in the amount of Baht 186.1 million, payments for short-term loans to related parties in the amount of Baht 83.1 million, payments for purchases of equipment and intangible assets in the amount of Baht 18.3 million, and dividends received from associates and joint ventures in the amount of Baht 190.2 million.



## CASH FLOWS FROM FINANCING ACTIVITIES

In 2020, the Company's net cash generated from financing activities was Baht 3.9 million. In 2021, the Company's net cash used in financing activities was Baht 69.2 million.

In 2021 and 2020, net cash used in financing activities consisted of repayments of short-term loans from financial institutions of Baht 440.0 million and Baht 120.0 million respectively. In 2021, proceeds from short-term loans and long-term loans from financial institutions were Baht 430.0 million and Baht 105.0 million respectively. The Company paid dividends in the amount of Baht 121.0 million in 2021.

## FACTORS OR EVENTS THAT MAY SIGNIFICANTLY AFFECT THE FINANCIAL POSITIONS OR OPERATIONS IN THE FUTURE (FORWARD LOOKING)

### 1. Increase in air freight and sea freight prices

Due to the impact of the Covid-19 pandemic, there is a shortage of supply in the transportation of goods. As a result, freight prices of airlines and shipping lines have increased. As sales agents for airlines and international freight is the Company's core business, the Company is able to manage costs and create profit margins that can be billed to customers due to reduced supply and there is still high demand for transportation. Therefore, such circumstance does not affect the ability to sell the Company's services and the Company is able to maintain its performance at a good level.

### 2. Economic situation and the Covid-19 pandemic situation

In 2021, the Company continues to be affected by the Covid-19 outbreak since the beginning of 2020, particularly air freight and related businesses. Due to the implementation of measures to prevent the spread of Covid-19 in the country and overseas, the number of passenger aircraft in service has decreased. As a result, passenger aircraft freight business has been affected. However, there has been adjustment on the business plan through cooperation with airlines by using more passenger aircrafts to provide air freight service, starting from 2020, which has greatly strengthened the overall performance of the group.

### 3. Development factors and their impact on the environment and society

The Company places importance on development sustainability that may either positively or negatively affect the operations of the organization and its stakeholders, by analyzing both internal and external factors, as well as trends, directions, and environmental, social and governance impacts. (Environmental, Social and Governance Dimension: ESG). In the year 2021, the Company has placed emphasis on environmental issues by striving to reduce the impact of operations on the environment with plans to reduce the amount of energy and utilities consumptions and waste reduction, including promoting activities to preserve nature and conserve energy in order for a more efficient use resources where the company has initiated the reduction of energy consumption and air pollution. In 2021, the company's associated company, Makesend, a Same-day Delivery service provider, started employing electric motorcycles to provide its services which helps promote clean energy use and reduce the cost of service.



## MANAGEMENT'S VIEWPOINTS ON TREND AND STRATEGY FOR YEAR 2022

The Company expects that the global trend of the COVID-19 pandemic will begin to improve through distribution of vaccines covering most of the population of each country and reducing severity of illness. This can be seen from policies of each country which have started to relax measures to control the pandemic causing economic activities to gradually recover. It is anticipated that there will be an opportunity for growth in air freight and sea freight in the year 2022. The Monetary Policy Committee, the Bank of Thailand expects that the Thai economy will continue to recover by 3.4% and Thai exports are expected to expand by 3.0% - 4.0%, supported by a recovery in domestic consumption and gradual return of foreign tourists after the opening of the country.

### BUSINESS PLANS OF CORE BUSINESS UNITS

The air freight situation has improved due to adjustments in additional flight plans by various airlines. It is expected that airlines worldwide will begin to resume services at the end of Quarter 2/2022. Some countries in Asia will start to open the countries in March such as Malaysia, Vietnam and other countries should start to relax measures in April. This will benefit air freight service and services relating to passenger service, including ground handling services and air freight service of which airlines are resuming normal service. In addition, airlines represented by the Company such as SriLankan Airlines and Thai Vietjet Air will provide additional flights. This will increase freight area that can be offered to customers compared to the previous year.

The shortage of shipping containers in the past year has eased. However, it is expected that the first half of 2022 will still be affected as there are remaining containers in many ports, particularly in the United States, Europe, and Australia. This will cause freight rates to remain at a high level close to the year 2021. As for CK Line represented by the Company, there are plans to add more service areas to support the expansion of its customer base in the future.

In respect of international freight forwarding business, it is expected that there will be a continuous growth in sea freight and air freight, including land transportation and multimodal cross-border freight provided by the Company as an alternative to customers from container shortage situation in the previous year.

In relation to warehouse and related logistics services, the Company continues to focus on providing logistics services to e-commerce and social commerce customers by focusing on expanding the customer base in the health and beauty group and increasing utilization by the one-stop packaging center.

Due to the occurrence of many chemical accidents in factories and business establishments over the past year, the government sector, private sector and related agencies have paid more attention to safety control and uplift the management of chemicals. This will benefit dangerous goods and chemicals logistics business. In addition, the growth of innovation in using certain types of dangerous goods in industries such as lithium batteries used in the automotive industry for electric vehicles will be one of the major catalysts for continuous growth in dangerous goods packaging and related logistics services. The Company, therefore, plans to expand dangerous goods and chemical warehouse by approximately 2,000 square meters in early 2022.

### BUSINESS PLAN OF BUSINESS DEVELOPMENT UNIT

In the past year, the Company was able to generate satisfactory operating results. This success comes from closely assessing the situation and being able to adapt according to the situation and strategic plan to create new sources of income and diversify investment risks. In the year 2022, the Company will continue to focus on business development expanding from the existing logistics services provided by the Company to create exponential growth by developing new businesses. There will be new services to be offered by the Company including:



- **Rail transport services**

The Company has started providing local product transport during the end of 2021 and expects to start international rail transport within Quarter 2/2022.

In addition, the Company has cooperated with partners to expand the business invested in the year 2022 including:

- **Development to become a regional general sales agent for airlines to be in line with the Company's vision and strategy to become a leader in comprehensive logistics services in the region**

The general sales agent for airlines business has undergone the restructuring since the year 2021 to allow the Company to become a leader in general sales agent for airlines business in the region covering Thailand, Hong Kong, Singapore, Vietnam, Myanmar and Cambodia, which are international production and distribution base, and the head office is located in Thailand under Asia Network International Company Limited (ANI). The restructuring is expected to be completed and ANI is ready for raising funds in the stock market in the year 2022.

- **Airport ground handling and passenger services**

Since the government has relaxed the lockdown measures and has started a policy to open the country, piloted by Phuket Sandbox Project, the Company has expanded its service at Phuket Airport in addition to Don Mueang Airport through services by AOT Ground Aviation Services Company Limited (AOTGA), a joint venture company between SAL and Airports of Thailand Public Company Limited (AOT) to operate airport ground handling and passenger services. AOTGA started to have good operating results in Quarter 4/2021. It is expected that when the country is fully opened, the company will be able to expand the services to more airports.

- **Development of local logistics service for e-Commerce customers**

The Company has cooperated with Sabuy Technology Public Company Limited to develop Shipsmile to become stronger and have the potential to generate additional profits. The Company has also cooperated with a business partner like Kerry and included other services apart from being a point of delivery of parcels such as sales of freight insurance, life insurance, and accident insurance, car insurance renewal, and payment services for utility bills. In the year 2021, there is a total of 4,500 branches and the goal is to expand to 9,000 branches this year.

Apart from developing new business models and cooperating with partners to expand the business already invested by the Company, the Company plans to grow in other inorganic ways such as investing in logistics-related businesses that have the potential to be a new source of revenues in line with its business strategy.



# Financial Positions and Operating Performance

## Key Financial Information

### Statements of Financial Position

Item	Consolidated financial statements					
	31 December 2019		31 December 2020		31 December 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Assets</b>						
<b>Current Assets</b>						
Cash and cash equivalents	262.5	11.8%	110.5	4.6%	168.1	5.7%
Trade and other receivables, net	495.3	22.3%	433.2	18.0%	801.4	27.2%
Short-term loans to related parties	11.3	0.5%	1.3	0.1%	14.4	0.5%
Inventories	1.3	0.1%	1.4	0.1%	1.4	0.0%
Other current assets	6.0	0.3%	5.8	0.2%	52.5	1.8%
Non-current assets classified as held-for-sale	-	0.0%	32.8	1.4%	-	0.0%
<b>Total current assets</b>	<b>776.4</b>	<b>34.9%</b>	<b>585.0</b>	<b>24.3%</b>	<b>1,037.8</b>	<b>35.2%</b>
<b>Non-current assets</b>						
Investments in associates	14.6	0.7%	87.0	3.6%	268.5	9.1%
Investments in joint ventures	877.9	39.4%	1,151.5	47.9%	1,192.2	40.4%
Other long-term investments	88.5	4.0%	-	0.0%	-	0.0%
Financial assets measured at fair value through other comprehensive income	-	0.0%	0.0	0.0%	0.0	0.0%
Property, plant and equipment, net	276.8	12.4%	202.8	8.4%	191.1	6.5%
Right-of-use assets, net	-	0.0%	219.8	9.1%	121.3	4.1%
Intangible assets, net	15.4	0.7%	13.9	0.6%	14.8	0.5%
Deferred tax assets	17.2	0.8%	18.7	0.8%	11.3	0.4%
Retentions	33.1	1.5%	14.7	0.6%	14.9	0.5%
Other non-current assets	125.8	5.6%	112.6	4.7%	97.9	3.3%
<b>Total non-current assets</b>	<b>1,449.3</b>	<b>65.1%</b>	<b>1,821.0</b>	<b>75.7%</b>	<b>1,912.0</b>	<b>64.8%</b>
<b>Total assets</b>	<b>2,225.7</b>	<b>100.0%</b>	<b>2,406.0</b>	<b>100.0%</b>	<b>2,949.8</b>	<b>100.0%</b>



Item	Consolidated financial statements					
	31 December 2019		31 December 2020		31 December 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Liabilities and equity</b>						
<b>Current liabilities</b>						
Short-term loans from financial institutions	-	0.0%	130.0	5.4%	120.0	4.1%
Trade and other payables	414.2	18.6%	313.9	13.0%	488.3	16.6%
Current portion of contingent consideration paid for investments in joint ventures, net	131.5	5.9%	-	0.0%	-	0.0%
Current portion of long-term loans from a financial institution, net	60.0	2.7%	90.0	3.7%	105.8	3.6%
Current portion of lease liabilities	-	0.0%	64.1	2.7%	52.2	1.8%
Current portion of finance lease liabilities	9.6	0.4%	-	0.0%	-	0.0%
Derivatives liabilities	-	0.0%	-	0.0%	0.0	0.0%
Income tax payables	-	0.0%	0.5	0.0%	27.6	0.9%
Other current liabilities	38.6	1.7%	21.6	0.9%	35.7	1.2%
<b>Total current liabilities</b>	<b>653.9</b>	<b>29.4%</b>	<b>620.1</b>	<b>25.8%</b>	<b>829.6</b>	<b>28.1%</b>
<b>Non-current liabilities</b>						
Long-term loans from financial institutions	240.0	10.8%	300.0	12.5%	269.2	9.1%
Lease liabilities, net	-	0.0%	148.6	6.2%	69.6	2.4%
Finance lease liabilities, net	13.4	0.6%	-	0.0%	-	0.0%
Employee benefit obligations	29.1	1.3%	27.4	1.1%	23.4	0.8%
Decommissioning provision	-	0.0%	6.8	0.3%	7.1	0.2%
Derivatives liabilities	-	0.0%	9.5	0.4%	4.6	0.2%
Other non-current liabilities	10.3	0.5%	2.5	0.1%	1.2	0.0%
<b>Total non-current liabilities</b>	<b>292.8</b>	<b>13.2%</b>	<b>494.8</b>	<b>20.6%</b>	<b>375.1</b>	<b>12.7%</b>
<b>Total liabilities</b>	<b>946.7</b>	<b>42.5%</b>	<b>1,114.9</b>	<b>46.3%</b>	<b>1,204.7</b>	<b>40.8%</b>



Item	Consolidated financial statements					
	31 December 2019		31 December 2020		31 December 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Equity</b>						
<b>Share capital</b>						
Authorised share capital	307.5		383.7		380.8	
Issued and paid-up share capital	304.7	13.7%	304.7	12.7%	310.4	10.5%
Share premium, net	708.6	31.8%	708.6	29.5%	771.4	26.1%
Surplus arising from business combination under common control	30.7	1.4%	30.7	1.3%	30.7	1.0%
Surplus arising from share-based payments	21.9	1.0%	22.8	0.9%	22.8	0.8%
Premium on treasury shares	-	0.0%	-	0.0%	58.5	2.0%
Discount from changes in shareholding of subsidiary	(0.2)	(0.0%)	(0.2)	(0.0%)	(0.2)	(0.0%)
<b>Retained earnings (losses)</b>						
Appropriated - Legal reserve	30.5	1.4%	39.0	1.6%	50.2	1.7%
Appropriated - Treasury share reserve	-	0.0%	40.1	1.7%	-	0.0%
Unappropriated	189.8	8.5%	199.4	8.3%	490.9	16.6%
Less Treasury shares	-	0.0%	(40.1)	(1.7%)	-	0.0%
Other components of equity	(7.0)	(0.3%)	(13.9)	(0.6%)	10.4	0.4%
Equity attributable to owners of the Company	1,279.0	57.5%	1,291.1	53.7%	1,745.1	59.2%
Non-controlling interests	-	0.0%	-	0.0%	-	0.0%
<b>Total equity</b>	<b>1,279.0</b>	<b>57.5%</b>	<b>1,291.1</b>	<b>53.7%</b>	<b>1,745.1</b>	<b>59.2%</b>
<b>Total liabilities and equity</b>	<b>2,225.7</b>	<b>100.0%</b>	<b>2,406.0</b>	<b>100.0%</b>	<b>2,949.8</b>	<b>100.0%</b>



## Statements of Comprehensive Income

Item	Consolidated financial statements					
	31 December 2019		31 December 2020		31 December 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
<b>Revenues</b>						
Revenues from services	2,698.1	99.5%	1,590.0	98.9%	2,918.1	99.3%
Revenues from sales	14.4	0.5%	17.4	1.1%	21.1	0.7%
Cost of services	(2,271.2)	(83.7%)	(1,269.0)	(78.9%)	(2,406.7)	(81.9%)
Cost of sales	(3.3)	(0.1%)	(4.3)	(0.3%)	(5.3)	(0.2%)
<b>Gross profit</b>	<b>438.1</b>	<b>16.1%</b>	<b>334.1</b>	<b>20.8%</b>	<b>527.2</b>	<b>17.9%</b>
Other income	11.8	0.4%	57.0	3.5%	73.7	2.5%
Selling expenses	(80.9)	(3.0%)	(67.1)	(4.2%)	(84.9)	(2.9%)
Administrative expenses	(280.0)	(10.3%)	(254.4)	(15.8%)	(276.3)	(9.4%)
Loss from impairment on financial assets	-	0.0%	(11.7)	(0.7%)	(1.7)	(0.1%)
Other gain (loss), net	8.0	0.3%	(0.8)	(0.0%)	5.8	0.2%
Finance costs	(14.9)	(0.6%)	(31.4)	(2.0%)	(28.0)	(1.0%)
Share of profits from investments in associates and joint ventures	96.2	3.5%	135.4	8.4%	223.3	7.6%
<b>Profit before income tax</b>	<b>178.2</b>	<b>6.6%</b>	<b>161.1</b>	<b>10.0%</b>	<b>439.1</b>	<b>14.9%</b>
Income tax	(13.7)	(0.5%)	(12.7)	(0.8%)	(61.8)	(2.1%)
<b>Profit for the year</b>	<b>164.5</b>	<b>6.1%</b>	<b>148.4</b>	<b>9.2%</b>	<b>377.3</b>	<b>12.8%</b>
<b>Other comprehensive income (expenses):</b>						
Items that will not be reclassified subsequently to profit or loss						
Loss on measurement of investment in equity instrument at fair value through other comprehensive income	-	0.0%	(30.6)	(1.9%)	-	0.0%
Remeasurement of post-employment benefit obligations	(4.1)	(0.2%)	-	0.0%	6.4	0.2%
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	(0.3)	(0.0%)	-	0.0%	1.3	0.0%
Income tax relating to items that will not be reclassified subsequently to profit or loss	0.8	0.0%	6.1	0.4%	(1.3)	(0.0%)
<b>Total items that will not be reclassified subsequently to profit or loss</b>	<b>(3.6)</b>	<b>(0.1%)</b>	<b>(24.5)</b>	<b>(1.5%)</b>	<b>6.4</b>	<b>0.2%</b>
Items that will be reclassified subsequently to profit and loss						
Gain (loss) from changes in fair value of cash flow hedge	-	0.0%	(0.6)	(0.0%)	4.8	0.2%
Currency translation differences on financial statements	(3.7)	(0.1%)	(1.4)	(0.1%)	17.5	0.6%



Item	Consolidated financial statements					
	31 December 2019		31 December 2020		31 December 2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Share of other comprehensive income of joint ventures accounted for using the equity method	(0.4)	(0.0%)	2.0	0.1%	3.1	0.1%
Income tax relating on items that will be reclassified subsequently to profit or loss	-	0.0%	0.1	0.0%	(1.0)	(0.0%)
Total items that will be reclassified subsequently to profit or loss	(4.1)	(0.2%)	0.2	0.0%	24.4	0.8%
Other comprehensive income (expenses) for the year, net of tax	(7.7)	(0.3%)	(24.3)	(1.5%)	30.8	1.0%
<b>Total comprehensive income for the year</b>	<b>156.8</b>	<b>5.8%</b>	<b>124.1</b>	<b>7.7%</b>	<b>408.1</b>	<b>13.9%</b>
<b>Profit (loss) attributable to:</b>						
Owners of the Company	164.5	6.1%	162.5	10.1%	377.3	12.8%
Non-controlling interests	-	0.0%	(14.1)	(0.9%)	-	0.0%
	164.5	6.1%	148.4	9.2%	377.3	12.8%
<b>Total comprehensive income (expense) attributable to:</b>						
Owners of the Company	156.8	5.8%	138.2	8.6%	408.1	13.9%
Non-controlling interests	-	0.0%	(14.1)	(0.9%)	-	0.0%
	156.8	5.8%	124.1	7.7%	408.1	13.9%
<b>Earnings (loss) per share attributable to owners of the parent:</b>						
Basic earnings (loss) per share (Baht per share) <sup>/1</sup>	0.271		0.273		0.622	

Remark:<sup>V</sup>

Earnings per share is calculated from net profit divided by the weighted average number of ordinary shares issued during the year.



## Statements of Cash Flows

Item	Consolidated financial statements		
	2019	2020	2021
	Million Baht	Million Baht	Million Baht
<b>Cash flows from operating activities</b>			
Profit before income tax	178.2	161.1	439.2
<b>Adjustments for:</b>			
Depreciation and amortisation	48.8	101.2	100.3
Share of profit from investments in associates and joint ventures	(96.2)	(135.4)	(223.4)
Gain on disposal of investments in subsidiaries	-	(44.0)	-
Gain on restructuring	-	-	(52.1)
(Gain) loss from disposal and written-off of equipment	0.1	0.6	(2.0)
(Reversal of) employment benefit obligations	(5.9)	(0.4)	3.6
Loss from impairment on financial assets	-	11.7	1.7
Allowance for doubtful accounts	0.2	-	-
(Gain) loss on foreign exchange rate	(7.8)	4.4	(5.7)
Loss from changes in fair value of derivatives	-	0.2	0.0
Gain from lease termination and modification	-	(0.5)	(4.5)
Interest income	(2.0)	(0.8)	(1.2)
Dividend income	-	-	-
Expense on share-based payments	1.3	0.9	-
Finance costs	14.9	31.4	28.0
<b>Profit from operating activities before adjustment of changes in operating assets and liabilities</b>	<b>131.6</b>	<b>130.4</b>	<b>283.9</b>
<b>Changes in working capital</b>			
<b>Operating assets decrease (increase)</b>			
Trade and other receivables	(49.5)	49.7	(297.5)
Inventories	0.3	(0.1)	0.0
Other current assets	1.9	0.1	(46.5)
Retentions	8.3	18.3	(0.2)
Other non-current assets	(11.7)	20.9	21.9
<b>Operating liabilities increase (decrease)</b>			
Trade and other payables	(23.0)	(101.5)	175.0
Other current liabilities	8.0	(14.0)	14.0
Employee benefit obligations paid	(0.7)	(1.3)	(1.3)
Other non-current liabilities	1.4	(7.8)	(1.4)
<b>Cash flows from operations</b>	<b>66.6</b>	<b>94.7</b>	<b>147.9</b>
Income tax paid	(37.3)	(19.6)	(36.7)
<b>Net cash generated from (used in) operating activities</b>	<b>29.3</b>	<b>75.1</b>	<b>111.2</b>



Item	Consolidated financial statements		
	2019	2020	2021
	Million Baht	Million Baht	Million Baht
<b>Cash flows from investing activities</b>			
Interest income received	2.2	0.9	1.2
Proceeds from disposal of equipment	2.0	0.5	1.8
Proceeds from disposal of non-current assets classified as held-for-sale	-	-	34.7
Payments for purchases of equipment and intangible assets	(81.9)	(29.0)	(18.3)
Proceeds from disposal of investments in a subsidiary, net of cash in a subsidiary	-	136.4	-
Proceeds from dissolution of a joint venture	-	-	1.4
Payments for investments in subsidiaries	-	(163.5)	-
Payments for investments in associates and joint ventures	(546.0)	(273.9)	(186.1)
Payments for general investments	(88.5)	-	-
Proceeds from short-term loans to related parties	-	14.9	70.0
Payments for short-term loans to related parties	(9.0)	(5.0)	(83.1)
Dividends received from subsidiaries	29.7	-	-
Dividends received from associates and joint ventures	-	87.9	190.2
<b>Net cash generated from (used in) investing activities</b>	<b>(691.5)</b>	<b>(230.8)</b>	<b>11.8</b>
<b>Cash flows from financing activities</b>			
Interest paid	(9.6)	(31.3)	(27.7)
Proceeds from short-term loans from financial institutions	-	485.0	430.0
Repayments of short-term loans from financial institutions	-	(355.0)	(440.0)
Payments for lease liabilities	-	(53.5)	(62.4)
Payments for finance lease liabilities	(12.9)	-	-
Proceeds from long-term loans from a financial institution	300.0	199.4	105.0
Repayments of long-term loans from a financial institution	(1.9)	(109.4)	(120.0)
Net proceeds from shares issued	23.1	-	-
Proceeds from resales of treasury shares	-	-	98.6
Payments for treasury shares	-	(40.1)	-
Proceeds from exercise of warrants	-	-	68.5
Dividends paid	(103.1)	(91.4)	(121.0)
<b>Net cash generated from (used in) financing activities</b>	<b>195.6</b>	<b>3.7</b>	<b>(69.2)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(466.6)</b>	<b>(152.0)</b>	<b>53.8</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>731.8</b>	<b>262.5</b>	<b>110.5</b>
Exchange losses on cash and cash equivalents	(2.7)	(0.0)	3.8
<b>Cash and cash equivalents at the end of the year</b>	<b>262.5</b>	<b>110.5</b>	<b>168.1</b>



## Key Financial Ratios

Key Financial Ratios	Unit	Consolidated financial statements		
		2019	2020	2021
Liquidity Ratio				
Current ratio	(times)	1.2	0.9	1.3
Quick ratio	(times)	1.2	0.9	1.2
Cash flow liquidity ratio	(times)	0.1	0.1	0.2
Account receivable turnover	(times)	5.9	3.5	4.8
Average collection period	(days)	61.6	105.4	76.7
Inventory turnover <sup>1/</sup>	(times)	2.3	3.2	3.8
Average inventory turnover <sup>1/</sup>	(days)	162.2	113.6	94.9
Account payable turnover	(times)	5.3	3.5	6.0
Payment period	(days)	68.8	104.4	60.7
Cash Cycle <sup>2/</sup>	(days)	(7.2)	1.1	16.0
Profitability Ratio				
Gross profit margin	%	16.1%	20.8%	17.9%
Operating profit margin	%	7.1%	11.6%	15.5%
EBITDA margin	%	8.9%	18.3%	19.3%
Other profit margin	%	0.4%	3.4%	2.4%
Cash to profit margin	%	78.2%	50,383.3%	86.9%
Net profit margin	%	6.0%	9.8%	12.5%
Return on equity <sup>3/</sup>	%	13.3%	12.6%	24.9%
Efficiency Ratio				
Return on assets	%	9.4%	8.3%	17.4%
Return on fixed assets <sup>4/</sup>	%	81.4%	60.7%	117.6%
Asset turnover	(times)	1.3	0.7	1.1
Financial Policy Ratio				
Debt to equity ratio	(times)	0.7	0.9	0.7
Interest coverage ratio	(times)	16.2	9.3	20.2
Debt service coverage ratio (Cash Basis)	(times)	0.1	0.1	0.2
Dividend payout ratio <sup>5/</sup>	%	55.6%	37.0%	65.5%

### Remarks :

<sup>1/</sup> Inventories is not a significant item to the group's business as it focuses on provision of services.

<sup>2/</sup> Exclusive of average inventory period which is not a significant item to the group's business.

<sup>3/</sup> Profit to average shareholders' equity.

<sup>4/</sup> Profit attributable to owners of the Company includes depreciation of property, plant and equipment and depreciation of right-of-use assets to property, plant and equipment-net and price of right-to-use assets-net (average).

<sup>5/</sup> Annual dividends (as announced in the Stock Exchange of Thailand (including interim dividends)) to net profit attributable to owners of the Company.



# General Information and Other Signification Information

## 1.1 Corporate General Information

Company Name	:	Triple i Logistics Public Company Limited (iii)
Business Type	:	Triple i Logistics Public Company Limited is a total logistics service provider. We provide our services as a carrier, logistics operator, freight forwarder for international and domestic air freight, sea freight, inland transport as well as providing our service in logistics and supply chain management for both of general cargo and hazardous & dangerous goods.
Registration Number	:	0107560000095
Registered Capital	:	380,817,359.50 Baht dividing into ordinary shares of 761,634,719 shares with a par value at 0.50 Baht each
Paid-up Capital	:	310,354,987.50 Baht dividing into 620,709,975 shares with a par value at 0.50 Baht each
Head Office	:	628 Triple i Building, 3 <sup>rd</sup> Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Telephone Number : 0-2681-8700 Facsimile : 0-2681-8701 Website : <a href="http://www.iii-logistics.com">http://www.iii-logistics.com</a>
The CEO Office and Company Secretary	:	Telephone Number : 0-2681-8700 Ext. 100, 101 Facsimile : 0-2681-8701 e-mail : <a href="mailto:secretary@iii-logistics.com">secretary@iii-logistics.com</a>
Investor Relations	:	Telephone Number : 0-2681-8700 Ext. 103, 104 Facsimile : 0-2681-8701 e-mail : <a href="mailto:ir@iii-logistics.com">ir@iii-logistics.com</a>

### Reference

Securities Registrar	:	Thailand Securities Depository Company Limited 93 The Stock Exchange of Thailand Building, Ratchdapisek Road, Din Daeng, Bangkok 10400 Telephone : 0-2009-9000 Facsimile : 0-2009-9991
Auditor	:	Pricewaterhouse Coopers ABAS Company Limited 179/74-80 Bangkok City Tower, South Sathorn Road, Sathorn, Bangkok 10120 Mr. Vichien Khingmontri CPA Registration No. 3977



## 2. General Information of The Subsidiary and Associated Companies.

### Air Freight Business

No.	Subsidiaries	Business	Registered capital	Par value per share	Paid-up capital	Percentage of investment
1	<b>Triple i Asia Cargo Co., Ltd. (TAC)</b> Address: 628, 6 <sup>th</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-7900 Fax : 02-681-7901	Management of local and international air freight for airlines and related services	Baht 5,000,000	Baht 100	Baht 5,000,000	99.99
2	<b>Triple i Air Express Co., Ltd. (TAX)</b> Address: 628, 6 <sup>th</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-5888 Fax : 02-681-5889	Management of local and international freight	Baht 50,000,000	Baht 100	Baht 50,000,000	99.99
3	<b>Triple i International Pte., Ltd. (TIL)</b> Address: 80 Robinson Road #02-00 Singapore 068898 Tel : +65-6223-1848 Fax : +65-6223-6967	General sales agent for airlines	SGD 100,000	SGD 1	SGD 100,000	100.00
4	<b>Asia Ground Service Co., Ltd. (AGS)</b> Address: 628, 6 <sup>th</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-5888 Fax : 02-681-5889	Warehouse management services	Baht 25,000,000	Baht 100	Baht 25,000,000	99.99
5	<b>Asia Network International Co., Ltd. (ANI)</b> Address: 628, 6 <sup>th</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-7900 Fax : 02-681-7901	International freight forwarder	Baht 320,132,750	Baht 25	Baht 320,132,750	55.24



No.	Subsidiaries	Business	Registered capital	Par value per share	Paid-up capital	Percentage of investment
6	<b>GSA Cargo Network (Myanmar) Co., Ltd. (GCN-MM) (Joint Ventures held by TIL)</b> Address: No.62, Mahabandoola Housing Complex (B), Room 1003, 10 <sup>th</sup> Floor, TawataIntha Street, Pazundaung Township, Yangon, Myanmar Tel : +95-1-296995 Fax : -	Air freight forwarder	95,500,000 Myanmar Kyats	10,000 Myanmar Kyats	95,500,000 Myanmar Kyats	50.00
7	<b>Excel Air (Cambodia) Limited (ECA-KH)</b> Address: Attwood business center Building, Unit #39-41 E2 Level 2, Street 110A, Sangkat Toeuk Thla, Khan Sen Sok, Phnom Penh Tel : +855-99-222939 Fax : -	Air freight forwarder	400 million Cambodia Riels	4,000 Cambodia Riels	400 million Cambodia Riels	32.00
8	<b>Teleport (Thailand) Co., Ltd (TLP)</b> Address: 628, 6 <sup>th</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-7900 Fax : -	Air freight forwarder	Baht 10,000,000	Baht 10	Baht 10,000,000	50.00
9	<b>SAL Group (Thailand) Co., Ltd. (SAL)</b> Address: 628, 6 <sup>th</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-029-7888 Fax : -	Provision of ground services and ground equipment rental services to companies and airlines in airports	Baht 605,000,000	Baht 100	Baht 605,000,000	25.00



## Sea Freight and Inland Transport Business

No.	Subsidiaries	Business	Registered capital	Par value per share	Paid-up capital	Percentage of investment
1	<b>Triple i Maritime Agencies Co., Ltd. (TMA)</b> Address: 628, 2 <sup>nd</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-8988 Fax : 02-681-8955	Management of local and international transportation	Baht 10,000,000	Baht 100	Baht 10,000,000	99.99
2	<b>CK Line (Thailand) Co., Ltd (CKT)</b> Address: 628, 3 <sup>rd</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-8711 Fax : 02-681-5811	Management of sea freight and inland transport locally and internationally	Baht 5,000,000	Baht 100	Baht 5,000,000	42.00
3	<b>ECU Worldwide (Thailand) Co., Ltd. (ECU)</b> Address: 628, 5 <sup>th</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-8555 Fax : 02-681-8265	Management of international inland transport and sea freight	Baht 5,000,000	Baht 100	Baht 5,000,000	43.00

## Logistics Management Business

No.	Subsidiaries	Business	Registered capital	Par value per share	Paid-up capital	Percentage of investment
1	<b>Triple i SupplyChain Co., Ltd. (TSC)</b> Address: 628, 6 <sup>th</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-3722 Fax : 02-681-8999	Warehouse and warehouse management services, local and international inland transport, sea freight and air freight services	Baht 5,000,000	Baht 100	Baht 5,000,000	99.99
2	<b>Cross Border Couriers Co., Ltd. (CBC)</b> Address: 628, 7 <sup>th</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-5888 Fax : 02-681-5889	Provision of international air freight services	Baht 3,000,000	Baht 100	Baht 3,000,000	99.99
3	<b>Galaxy Ventures Co., Ltd. (GV)</b> Address: 149, 8 <sup>th</sup> Floor Galaxy Place Building (Room 8/1-8/2), Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-687-2700 Fax : -	Investment in other companies	Baht 40,000,000	Baht 10	Baht 40,000,000	30.00
4	<b>A.T.P. Friend Services Co., Ltd. (SHIPSMILE)</b> Address: 38/92 Moo 1, Talat Khwan, Mueang Nonthaburi, Nonthaburi 11000 Tel : 02-009-0555 Fax : -	Provision of collection points for domestic parcel delivery	Baht 3,400,000	Baht 100	Baht 3,400,000	43.00
5	<b>Makesend Express Co., Ltd. (MAKESEND)</b> Address: 69 Ratchadaphisek Road, Wong Sawang, Bang Sue, Bangkok 10800 Tel : 02-430-0596 Fax : -	Local parcel delivery service	Baht 4,000,000	Baht 10	Baht 4,000,000	30.00



## Chemical and Specialty Logistics Business

No.	Subsidiaries	Business	Registered capital	Par value per share	Paid-up capital	Percentage of investment
1	<b>HazChem Logistics Management Co., Ltd. (HLM)</b> Address: 628, 4 <sup>th</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-8000 Fax : 02-681-8999	Local and international freight forwarder, warehouse management and distribution services relating to chemical products and products related to chemical industry	Baht 50,000,000	Baht 100	Baht 50,000,000	99.99
2	<b>HazChem TransManagement Co., Ltd. (HTM)</b> (Joint Ventures held by HLM) Address: 628, 4 <sup>th</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-8000 Fax : 02-681-8999	Management of local freight	Baht 5,000,000	Baht 100	Baht 5,000,000	59.99
3	<b>DG Packaging (Thailand) Co., Ltd. (DGP)</b> Address: 628, 4 <sup>th</sup> Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel : 02-681-8122 Fax : 02-681-8121	The company's main business includes packaging sale and local and international freight forwarder service.	Baht 1,000,000	Baht 100	Baht 1,000,000	99.99
4	<b>Hazchem Logistics Management Pte., Ltd. (HLM-SG)</b> (Joint Ventures held by HLM) Address: 24 Sin Ming Lane #05-107 Singapore 573970 Tel : (65) 6543-9015 Fax : -	Local and international chemical freight forwarder	SGD 100,000	SGD 1	SGD 100,000	55.00
5	<b>DG Packaging Pte., Ltd. (DGPS)</b> Address: 56 Loyang Way #05-01 Loy Ang Enterprise Building Singapore 508775 Tel : (65) 6385-5888 Fax : -	Packaging sale and packing service	SGD 200,000	SGD 1	SGD 200,000	50.00

# Legal Disputes

As of 31 December 2021, the Company and its subsidiaries did not have any ongoing legal disputes which may affect assets of the Company or its subsidiaries in the amount of greater than 5% of the shareholders' equity and there is no dispute that significantly affects the business operations of the Company and its subsidiaries.

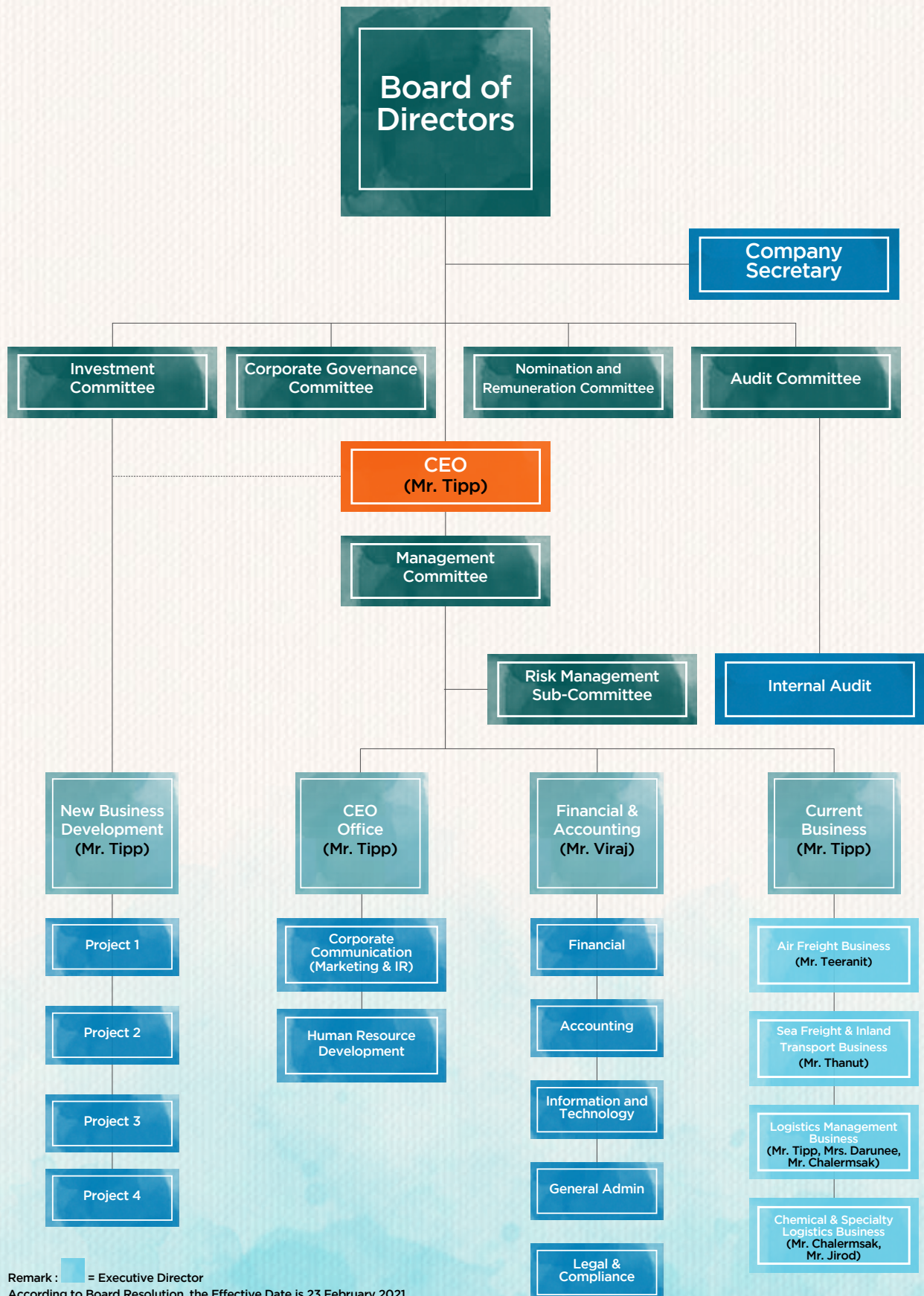


# 2 Corporate Governance





# Management Structure





# BOARD OF DIRECTORS



**MR. KRIRKKRAI JIRAPAE**  
CHAIRMAN OF THE BOARD /  
INDEPENDENT DIRECTOR



**MR. WOODTIPONG MOLEECHAD**  
VICE CHAIRMAN OF THE BOARD /  
INDEPENDENT DIRECTOR /  
CHAIRMAN OF THE AUDIT COMMITTEE



**MR. APICHART CHIRABANDHU**  
DIRECTOR /  
INDEPENDENT DIRECTOR



**MR. VIPOOTA TRAKULHOON**  
DIRECTOR /  
INDEPENDENT DIRECTOR



**MR. TIPP DALAL**  
DIRECTOR /  
CHAIRMAN OF MANAGEMENT COMMITTEE  
/ GROUP CEO



**MR. VIRAJ NOBNOMTHAM**  
DIRECTOR / GROUP CFO



**MR. TEERANIT ISARANGKUL**  
DIRECTOR



**MR. THANUT THATAYANON**  
DIRECTOR



**MRS. DARUNEE RAKPONGPIBOON**  
DIRECTOR /  
COMPANY SECRETARY



**MR. JIROD PANACHARAS**  
DIRECTOR



**MR. CHALERMSAK KARNCHANAWARIN**  
DIRECTOR

## Board of Directors

As of 31 December 2021, the Board of Directors consists of 11 persons as follows:

Name – Surname		Position
1.	Mr. Krirkkrai Jirapaet <sup>/1</sup>	Chairman of the Board / Independent Director
2.	Mr. Woodtipong Moleechad <sup>/2</sup>	Vice Chairman of the Board / Independent Director / Chairman of the Audit Committee/ Chairman of the Investment Committee
3.	Mr. Vipoota Trakulhoon <sup>/3</sup>	Director / Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee / Member of the Investment Committee
4.	Mr. Apichart Chirabandhu <sup>/4</sup>	Director / Independent Director / Member of the Audit Committee / Chairman of the Corporate Governance Committee / Member of the Nomination and Remuneration Committee
5.	Mr. Tipp Dalal	Director / Member of the Investment Committee / Chairman of the Management Committee / Group CEO
6.	Mr. Viraj Nobnomtham	Director / Member of the Nomination and Remuneration Committee / Member of the Investment Committee / Member of the Management Committee / Chairman of the Risk Management Sub-Committee / Group CFO
7.	Mr. Teeranit Isarangkul	Director / Member of the Management Committee / Member of the Corporate Governance Committee / Member of the Risk Management Sub-Committee
8.	Mr. Thanut Thatayanon	Director / Member of the Investment Committee / Member of the Management Committee / Member of the Corporate Governance Committee / Member of the Risk Management Sub-Committee
9.	Mrs. Darunee Rakpongpi boon <sup>/5</sup>	Director / Member of the Investment Committee / Member of the Management Committee / Member of the Risk Management Sub-Committee / Company Secretary
10.	Mr. Jirod Panacharas	Director / Member of the Management Committee / Member of the Corporate Governance Committee
11.	Mr. Chalerm Sak Karnchanawarin	Director / Member of the Management Committee / Member of the Risk Management Sub-Committee

### Remarks:

None of the directors was employee or partner of the audit firm engaged by the Company.

All directors have completed Director Accredited Program (DAP) and/or Director Certification Program (DCP) organized by Thai Institute of Directors (IOD).

<sup>/1</sup> Mr. Krirkkrai Jirapaet is an independent director with knowledge, expertise and experience in local and international trade management, and organizational management according to principles of good corporate governance.

<sup>/2</sup> Mr. Woodtipong Moleechad is an independent director with experience in the Company's business (former Senior Vice President of Operations Department of Thailand Post Co., Ltd.).

<sup>/3</sup> Mr. Vipoota Trakulhoon is an independent director with knowledge and experience in accounting and financial statements review.

<sup>/4</sup> Mr. Apichart Chirabandhu is an independent director with knowledge and experience in laws.

<sup>/5</sup> Mrs. Darunee Rakpongpi boon was appointed as the Company Secretary on 15 November 2016 and completed Company Secretary Program 68/2016 organized by Thai Institute of Directors (IOD).



## AUTHORIZED DIRECTORS TO BIND THE COMPANY

The authorized directors to bind the Company are Mr. Tipp Dalal, Mr. Viraj Nobnomtham, Mr. Teeranit Isarangkul, Mr. Thanut Thatayanon, Mr. Jirod Panacharas and Mrs. Darunee Rakpongpi boon, any two of six directors jointly sign together with the Company's seal affixed.

## SCOPE OF AUTHORITIES, DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors has the authorities, duties and responsibilities of management of the Company to comply with the laws, objectives and Articles of Association of the Company including the resolution of the shareholders' meeting by exercising of duty of good faith, duty of care and duty of Company's benefit protection, the details of the authorities, duties and responsibilities are as follows:

1. To determine visions, missions, policies, strategies and financial goals of the Company and its subsidiaries including to approve policies and business directions as proposed by the management team, to supervise the management team to comply with the visions, missions, policies, strategies and financial goals by considering of all relevant stakeholders.
2. To consider and approve business operations of the Company and its subsidiaries which to be in line with the Articles of Association of each company of which it shall include annual budget, quarter and annual financial statements, interim dividend payments, acquisitions, establishments, disposals or liquidations of significant assets or businesses of company, change of authorizations of persons as previously authorized by the Board of Directors.
3. To determine organizations and procedures of the Company and its subsidiaries to ensure that it will be operated in accordance with the orders, Articles of Association, Board of Directors' resolutions, shareholders' resolutions with duty of good faith and duty of care.
4. To determine organizations and procedures of the Company and its subsidiaries for having risk management system, supervisory and auditing including appropriate internal control.
5. To follow up and evaluate performance of management of the Company and its subsidiaries to achieve strategy and plan under budget as approved by the Board of Directors.
6. To supervise the preparation of accountings and maintaining of financial accounts and relevant documents including financial information, operating result, related party transactions and acquisitions or disposals of significant assets to be accurately and completely disclosed to shareholders and public.
7. To review and act to ensure that the Company and its subsidiaries comply with required ethics.
8. To appoint persons to act as director or executive of subsidiary and to determine scope of duties and responsibilities including determining of certain scope of authorizations and to ensure that the voting of Board of Directors' subsidiary on significant matters will be obtained the prior approval of the Company's Board of Directors.
9. Determine the risk assessment related to corruption within the Company. Approve the implementation of policies, guidelines, practices and measures/procedures in anti-corruption and anti-corruption practices to be implemented properly and throughout the organization.
10. Supervise the compliance of the guidelines and measures/procedures to prevent dishonesty and corruption. Provide a system that supports effective anti-dishonest and corruption to ensure that the management has realized and given importance to anti-dishonesty and corruption in all forms in all activities of the Company and instilling it as a corporate culture.
11. Determine that the Company have a good corporate governance policy with a business ethics manual to consider the roles and duties of the Board of Directors. The Board of Directors determines the roles, duties, and policies of good corporate governance for directors, executives, employees, and stakeholders to implement.

The authorization of duties and responsibilities of the Company's Board of Directors shall not be the authorization or sub-authorization that the Board of Directors or authorized person is able to approve transaction that they or persons that may have conflict (pursuant to the definition as defined in the Notification of the Securities and Exchanges Commission or Notification of the Capital Market Supervisory Board), may have conflict of interest or may receive benefits in any manners or may have other conflict of interest with the Company or subsidiary saved for the approval of transaction that is in accordance with policies and conditions as approved by the shareholders' meeting or Board of Directors.

## Term of Office

One-third of directors of the Board of Directors shall be discharged by rotation in every annual general meeting of shareholders. The directors who have the longest term shall be discharged and if such discharged directors cannot be divided into one-third, the closest number of one-third of total directors shall be discharged. The discharged director can be reappointed.

In order to comply with the good corporate governance principle, the term of Independent Director shall not be more than 9 years without any exemption. Apart from the retirement by rotation, the director shall retire upon the following circumstances:

- 1) Death
- 2) Resignation
- 3) Disqualification or having prohibited characteristics under the public companies act and the law on securities and exchange
- 4) Dismissal by the resolution of board of directors' meeting or shareholders' meeting
- 5) Dismissal by the court order





## MR. KRIRKKRAI JIRAPAET

AGE 78 YEARS

CHAIRMAN OF THE BOARD /  
INDEPENDENT DIRECTOR

Appointed as director on 15 March 2017, 24 April 2019  
(The 1<sup>st</sup> re-elected)

(%) Share Possession\* as of 1 February 2022 -

Changes in number of Shares during the year -

Relationship between the executive -

### Educations

- Bachelor of Arts (Hons), Political Science,  
Chulalongkorn University
- Master of Economics,  
Sydney University, Australia

### Certifications

- Director Certification Program (DCP)  
Class 61/2005, Thai Institute of Directors (IOD)
- The Role of Chairman Program (RCP),  
Thai Institute of Directors (IOD)
- Audit Committee Program (ACP),  
Thai Institute of Directors (IOD)

Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies /  
Affiliated Companies

- 2017 – Present : Chairman of the board /  
Independent Director,  
Triple i Logistics PLC.
- 2021 – Present : Chairman of the board /  
Asia Network International  
Co., Ltd.

### Positions in Other Listed Companies

- 2016 – Present : Chairman of Advisers to  
Banpu PCL.
- 2016 – Present : Chairman of the board /  
Independent Director,  
QTC Energy PCL.
- 2008 – 2016 : Chairman of the board /  
Independent Director, Banpu PCL.

### Positions in Non Listed Companies

- 2014 – Present : Director,  
Sammitr Green Power Co., Ltd.

### Positions in Other Organizations

- 2017 – Present : Honorary Chairman /  
Thai Institute of Directors (IOD)
- 2015 – Present : Member of Council of State
- 2005 – Present : Deputy Chairman of UTCC Council
- 2014 – 2015 : Member of National Reform Council

\* Includes holding by spouse and minor children



## MR. WOODTIPONG MOLEECHAD

AGE 73 YEARS

VICE CHAIRMAN OF THE BOARD /  
INDEPENDENT DIRECTOR /  
CHAIRMAN OF THE AUDIT COMMITTEE /  
CHAIRMAN OF THE INVESTMENT  
COMMITTEE

Appointed as director on 15 March 2017, 24 April 2019  
(The 1<sup>st</sup> re-elected), 20 April 2021 (The 2<sup>nd</sup> re-elected)  
(%) Share Possession\* as of 1 February 2022 -  
Changes in number of Shares during the year -  
Relationship between the executive -

### Educations

- Bachelor of Economics, Thammasat University

### Certifications

- Director Certification Program (DCP)  
Class 130/2010, Thai Institute of Directors (IOD)
- Director Certification Program Update (DCPU)  
Class 3/2015, Thai Institute of Directors (IOD)
- Anti-Corruption for Executive Program (ACEP),  
Thai Institute of Directors (IOD)

### Working Experiences for the past 5 years

#### Positions in Company / Joint Venture Companies / Affiliated Companies

- 2017 – Present : Independent Director /  
Chairman of the Audit Committee,  
Triple i Logistics PLC.
- 2021 – Present : Independent Director /  
Chairman of the Investment  
Committee, Triple i Logistics PLC.
- 2019 – Present : Vice Chairman of the Board,  
Triple i Logistics PLC.

### Positions in Other Listed Companies

- 2015 – Present : Chairman of the Board /  
Independent Director,  
Business Alignment PCL.
- 2009 – Present : Chairman of the Board /  
Independent Director /  
Member of the Audit Committee  
Chairman of the Nomination,  
Compensation and Corporate  
Governance Committee,  
Symphony Communication PLC.

### Positions in Non Listed Companies

-

### Positions in Other Organizations

-

\* Includes holding by spouse and minor children





## MR. APICHART CHIRABANDHU

AGE 63 YEARS

DIRECTOR / INDEPENDENT DIRECTOR /  
MEMBER OF THE AUDIT COMMITTEE /  
CHAIRMAN OF THE CORPORATE  
GOVERNANCE COMMITTEE /  
MEMBER OF THE NOMINATION AND  
REMUNERATION COMMITTEE

Appointed as director on 15 March 2017, 20 April 2020  
(The 1<sup>st</sup> re-elected)

(%) Share Possession\* as of 1 February 2022 -  
Changes in number of Shares during the year -  
Relationship between the executive -

### Educations

- Bachelor of Laws, Ramkhamhaeng University
- Diploma, The National Defence College of Thailand (NDC)

### Certifications

- Director Accreditation Program (DAP) Class 103/2013, Thai Institute of Directors (IOD)
- Politics and Governance in Democratic Systems for Executives Class 18/2014 King Prajadhipok's Institute
- Advanced Audit Committee Program (AACP) Class 31/2018, Thai Institute of Directors (IOD)
- Corporate Governance for Executives Program (CGE) Class 15/2019, Thai Institute of Directors (IOD)

Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies /  
Affiliated Companies

2017 – Present : Director / Independent Director /  
Member of the Audit Committee /  
Chairman of the Corporate  
Governance Committee /  
Member of the Nomination and  
Remuneration Committee,  
Triple i Logistics PLC.

### Positions in Other Listed Companies

2018 – Present : Independent Director /  
Chairman of the Audit Committee /  
Member of the Corporate  
Governance Nomination  
Committee,  
Thai Vegetable Oil PLC.

2015 – Present : Member of the Corporate  
Governance Committee,  
Millcon Steel PLC.

2014 – Present : Independent Director /  
Member of the Audit Committee /  
Member of the Nomination  
Committee, Millcon Steel PLC.

2013 – 2021 : Independent Director /  
Member of the Audit Committee /  
Chairman of the Nomination and  
Remuneration Committee,  
Nok Airlines PLC.

### Positions in Non Listed Companies

2009 – Present : Director, AC Worldwide Co., Ltd.

2014 – 2018 : Director, Continental Holding Co., Ltd.

2002 – 2018 : Director,  
Siam Premier Service Co., Ltd.

1991 – 2018 : Director, Siam Premier  
International Law Office Limited

### Positions in Other Organizations

2019 – Present : Specialist of Senator

2009 – Present : Treasurer of the Business Lawyers  
Foundation

2018 – 2019 : Advisor to the Minister of Tourism  
and Sports

\* Includes holding by spouse and minor children



## MR. VIPOOTA TRAKULHOON

AGE 55 YEARS

DIRECTOR / INDEPENDENT DIRECTOR /  
MEMBER OF THE AUDIT COMMITTEE /  
CHAIRMAN OF THE NOMINATION  
AND REMUNERATION COMMITTEE /  
MEMBER OF THE INVESTMENT  
COMMITTEE

Appointed as director on 15 March 2017, 24 April 2018  
(The 1<sup>st</sup> re-elected), 20 April 2021 (The 2<sup>nd</sup> re-elected)  
(%) Share Possession\* as of 1 February 2022 -  
Changes in number of Shares during the year -  
Relationship between the executive -

### Educations

- Bachelor of Business Administration,  
Major of Banking and Finance,  
Chulalongkorn University
- Master of Business Administration,  
Sasin Graduate Institute of Business  
Administration of Chulalongkorn University

### Certifications

- Director Accreditation Program (DAP)  
Class 120/2015, Thai Institute of Directors (IOD)
- Advanced Audit Committee Program (AACP)  
Class 42/2021, Thai Institute of Directors (IOD)

Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies /  
Affiliated Companies

- 2017 - Present : Director / Independent Director /  
Member of the Audit Committee /  
Chairman of the Nomination and  
Remuneration Committee,  
Triple i Logistics PLC.
- 2021 - Present : Independent Director /  
Member of the Investment  
Committee, Triple i Logistics PLC.

### Positions in Other Listed Companies

- 2021 - Present : Independent Director /  
Member of the Audit Committee,  
Thai Vegetable Oil PCL.
- 2021 - Present : Independent Director /  
Member of the Audit Committee,  
SKY ICT PCL.
- 2020 - Present : Independent Director /  
Director, SKY ICT PCL.
- 2016 - Present : Independent Director /  
Member of the Audit Committee,  
Business Alignment PCL.
- 2014 - Present : Director, Millcon Steel PLC.

### Positions in Non Listed Companies

- 2015 - Present : Director,  
Creative Kobelco Millcon Co., Ltd
- 2015 - Present : Director, IFAC Advisory Co., Ltd.
- 2014 - Present : Director, Creative Power Co., Ltd.

### Positions in Other Organizations

-

\* Includes holding by spouse and minor children





## MR. TIPP DALAL

AGE 55 YEARS

DIRECTOR /  
MEMBER OF THE INVESTMENT  
COMMITTEE /  
CHAIRMAN OF THE MANAGEMENT  
COMMITTEE /  
GROUP CEO

Appointed as director on 15 March 2017, 24 April 2018  
(The 1<sup>st</sup> re-elected), 20 April 2021 (The 2<sup>nd</sup> re-elected)  
(%) Share Possession\* as of 1 February 2022

22.10

Changes in number of Shares during the year

-4,647,000 shares (- 1.17 %)

Relationship between the executive

-

### Educations

- Bachelor of Business Administration,  
Major in Merchant Marine,  
Chulalongkorn University

### Certifications

- Director Certification Program (DCP)  
Class 228/2016, Thai Institute of Directors (IOD)
- Director Accreditation Program (DAP)  
Class 124/2016, Thai Institute of Directors (IOD)
- Leadership Program Batch 25,  
Capital Market Academy
- Achieving Organizational Agility,  
Thai Institute of Director (IOD)
- Diploma, National Defence College Class 63,  
The National Defence Course

### Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies / Affiliated  
Companies

- |                |   |  |
|----------------|---|--|
| 2017 - Present | : | Director / Chairman of the<br>Management Committee /<br>Group CEO, Triple i Logistics PLC. |
| 2021 - Present | : | Member of the Investment<br>Committee, Triple i Logistics PLC.                             |
| 2021 - Present | : | Director,<br>A.T.P. Friend Services Co., Ltd.  |
| 2020 - Present | : | Director, Teleport (Thailand) Co., Ltd.  |
| 2020 - Present | : | Director, Galaxy Ventures Co., Ltd.  |
| 2019 - Present | : | Director, Excel Air (Cambodia)<br>Co., Ltd.  |
| 2019 - Present | : | Director, JPK Asia (Thailand)<br>Co., Ltd.   |
| 2019 - Present | : | Director, Around Logistics<br>Management Co., Ltd.   |

- |                |   |   |
|----------------|---|---|
| 2018 - Present | : | Director, DG Packaging Pte., Ltd.                   |
| 2016 - Present | : | Director, GSA Cargo Network<br>(Myanmar) Co., Ltd.  |
| 2015 - Present | : | Director,<br>Cross Border Couriers Co., Ltd.        |
| 2015 - Present | : | Director, Triple i International Pte., Ltd.         |
| 2015 - Present | : | Director, Excel Air (Guangzhou)<br>Co., Ltd.        |
| 2014 - Present | : | Director, HazChem<br>TransManagement Co., Ltd.      |
| 2013 - Present | : | Director, Asia Ground Service Co., Ltd.             |
| 2013 - Present | : | Director, Triple i SupplyChain Co., Ltd.            |
| 2013 - Present | : | Director, Excel Air Co., Ltd.                       |
| 2012 - Present | : | Director, Asia Network International<br>Co., Ltd.   |
| 2011 - Present | : | Director, CK Line (Thailand) Co., Ltd.              |
| 2010 - Present | : | Director, DG Packaging (Thailand)<br>Co., Ltd.      |
| 2008 - Present | : | Director, Triple i Asia Cargo Co., Ltd.             |
| 2007 - Present | : | Director, Triple i Air Express Co., Ltd.            |
| 2004 - Present | : | Director, HazChem Logistics<br>Management Co., Ltd. |
| 1996 - Present | : | Director, Triple i Maritime Agencies<br>Co., Ltd.   |
| 2012 - 2021    | : | Director, GSA Asia Cargo Co., Ltd.                  |
| 2020 - 2020    | : | Director, SAL Group (Thailand) Co., Ltd.            |
| 2020 - 2020    | : | Director, AOT Ground Aviation<br>Services Co., Ltd. |
| 2012 - 2020    | : | Director, CWT Chemical Logistics Co., Ltd.          |

### Positions in Other Listed Companies

-

### Positions in Non Listed Companies

-

### Positions in Other Organizations

-

\* Includes holding by spouse and minor children



## MR. VIRAJ NOBNOMTHAM

AGE 56 YEARS

DIRECTOR /  
MEMBER OF THE INVESTMENT  
COMMITTEE / MEMBER OF THE  
MANAGEMENT COMMITTEE /  
MEMBER OF THE NOMINATION AND  
REMUNERATION COMMITTEE /  
CHAIRMAN OF THE RISK MANAGEMENT  
SUB-COMMITTEE / GROUP CFO

Appointed as director on 15 March 2017, 24 April 2019  
(The 1<sup>st</sup> re-elected)

(%) Share Possession\* as of 1 February 2022  
16.63

Changes in number of Shares during the year  
-7,147,000 shares (- 1.48 %)

Relationship between the executive -

### Educations

- Bachelor of Business Administration,  
Major in Merchant Marine, Chulalongkorn University

### Certifications

- TLCA CFO Professional Development Program (TLCA CFO CPD) 2/2020 "Transfer pricing", Thai Listed Companies Association (Online Training)
- TLCA CFO Professional Development Program (TLCA CFO CPD) 4/2020 "Capital structure and funding strategy", Thai Listed Companies Association (Online Training)
- TLCA CFO Professional Development Program (TLCA CFO CPD) 7/2020 "Data privacy law and cyber security", Thai Listed Companies Association (Online Training)
- TLCA CFO Professional Development Program (TLCA CFO CPD) 1/2021 "Economic update for CFO", Thai Listed Companies Association (Online Training)
- TLCA CFO Professional Development Program 5/2021 "Fraud & Cyber Security Risk", Thai Listed Companies Association (Online Training)
- TLCA CFO Professional Development Program (TLCA CFO CPD) 6/2021 "ESG Integration in Sustainable Investing", Thai Listed Companies Association (Online Training)

Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies / Affiliated Companies

2017 - Present : Director / Member of the Management Committee / Member of the Nomination and Remuneration Committee / Chairman of the Risk Management Sub-Committee / Group CFO, Triple i Logistics PLC.

2021 - Present : Member of the Investment Committee, Triple i Logistics PLC.  
2021 - Present : Director, Makesend Express Co., Ltd.  
2021 - Present : Director, Aero Flight Service Co., Ltd.  
2019 - Present : Director, SAL Group (Thailand) Co., Ltd.  
2016 - Present : Director, GSA Cargo Network (Myanmar) Co., Ltd.  
2015 - Present : Director, Cross Border Couriers Co., Ltd.  
2015 - Present : Director, Triple i International Pte., Ltd.  
2013 - Present : Director, Asia Ground Service Co., Ltd.  
2013 - Present : Director, Triple i SupplyChain Co., Ltd.  
2012 - Present : Director, Asia Network International Co., Ltd.  
2011 - Present : Director, CK Line (Thailand) Co., Ltd.  
2008 - Present : Director, Triple i Asia Cargo Co., Ltd.  
2007 - Present : Director, Triple i Air Express Co., Ltd.  
2005 - Present : Managing Director, ECU Worldwide (Thailand) Co., Ltd.  
2004 - Present : Director, HazChem Logistics Management Co., Ltd.  
1996 - Present : Director, Triple i Maritime Agencies Co., Ltd.  
2020 - 2020 : Director, AOT Ground Aviation Services Co., Ltd.

### Positions in Other Listed Companies

-

### Positions in Non Listed Companies

-

### Positions in Other Organizations

-

\* Includes holding by spouse and minor children





## MR. TEERANIT ISARANGKUL

AGE 52 YEARS

DIRECTOR /  
MEMBER OF THE MANAGEMENT  
COMMITTEE /  
MEMBER OF THE CORPORATE  
GOVERNANCE COMMITTEE /  
MEMBER OF THE RISK MANAGEMENT  
SUB-COMMITTEE

Appointed as director on 15 March 2017, 20 April 2020  
(The 1<sup>st</sup> re-elected)

(%) Share Possession\* as of 1 February 2022  
4.63

Changes in number of Shares during the year  
-32,000,000 Shares (-5.35%)

Relationship between the executive  
-

### Educations

- Bachelor of Art, UTCC

### Certifications

- Director Accreditation Program (DAP)  
Class 127/2016, Thai Institute of Directors (IOD)
- Financial Statements for Directors  
Class 30/2016, Thai Institute of Directors (IOD)

Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies /  
Affiliated Companies

- 2017 - Present : Director / Member of the  
Management Committee /  
Member of the Corporate  
Governance Committee /  
Member of the Risk Management  
Sub-Committee, Triple i Logistics PLC.
- 2020 - Present : Director, AOT Ground Aviation  
Services Co., Ltd.
- 2020 - Present : Director / Country Head of Thailand,  
Teleport (Thailand) Co., Ltd.
- 2019 - Present : Director, Around Logistics  
Management Co., Ltd.

- 2019 - Present : Director, SAL Group (Thailand)  
Co., Ltd.
- 2013 - Present : Director / Managing Director,  
Asia Ground Service Co., Ltd.
- 2008 - Present : Director / Managing Director,  
Triple i Asia Cargo Co., Ltd.
- 2007 - Present : Director / Managing Director,  
Triple i Air Express Co., Ltd.
- 2012 - 2020 : Director, GSA Asia Cargo Co., Ltd.
- 2009 - 2017 : Director / Managing Director,  
Asia Network International Co., Ltd.

Remark: Resignation from all positions in the company. The resignation is  
effective from 31 January 2022 onwards

### Positions in Other Listed Companies

-

### Positions in Non Listed Companies

-

### Positions in Other Organizations

-

\* Includes holding by spouse and minor children



## MR. THANUT THATAYANON

AGE 52 YEARS

DIRECTOR / MEMBER OF THE  
INVESTMENT COMMITTEE /  
MEMBER OF THE MANAGEMENT  
COMMITTEE /  
MEMBER OF THE CORPORATE  
GOVERNANCE COMMITTEE /  
MEMBER OF THE RISK MANAGEMENT  
SUB-COMMITTEE

Appointed as director on 15 March 2017, 24 April 2019  
(The 1<sup>st</sup> re-elected), 20 April 2021 (The 2<sup>nd</sup> re-elected)  
(%) Share Possession\* as of 1 February 2022

1.87

Changes in number of Shares during the year

-600,000 Shares (-0,13%)

Relationship between the executive

-

### Educations

- Bachelor of Accountancy, Chulalongkorn University
- Master of Business Administration, Chulalongkorn University

### Certifications

- Top Executive Program in Commerce and Trade (TEPCoT) Class 9/2015, Thai Chamber of Commerce
- Director Accreditation Program (DAP) Class 127/2016, Thai Institute of Directors (IOD)
- Director Certification Program (DCP) Class 240/2017, Thai Institute of Directors (IOD)
- Business Revolution and Innovation Network (Brain) Class 1/2017, The Federation of Thai Industries
- Advanced Master of Management Program Class 2/2018, National Institute of Development Administration (NIDA)
- Leadership Program Batch 29, Capital Market Academy

Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies /  
Affiliated Companies

- 2017 – Present : Director / Member of Management Committee / Member of the Corporate Governance Committee / Member of the Risk Management Sub-Committee, Triple i Logistics PLC.
- 2021 – Present : Member of the Investment Committee, Triple i Logistics PLC.
- 2009 – Present : Director / Managing Director, CK Line (Thailand) Co., Ltd.
- 2007 – Present : Director / Managing Director, Triple i Maritime Agencies Co., Ltd.

### Positions in Other Listed Companies

-

### Positions in Non Listed Companies

-

### Positions in Other Organizations

- 2020 – Present : Advisor to the Corporate Communications Affairs Committee, The Federation of Thailand Industries
- 2020 – Present : Marine Sub – Committee, Board of Trade of Thailand

\* Includes holding by spouse and minor children





## MRS. DARUNEE RAKPONGPIBOON

AGE 51 YEARS

DIRECTOR /  
MEMBER OF THE INVESTMENT  
COMMITTEE / MEMBER OF THE  
MANAGEMENT COMMITTEE /  
MEMBER OF THE RISK MANAGEMENT  
SUB-COMMITTEE /  
COMPANY SECRETARY

Appointed as director on 15 March 2017, 24 April 2018  
(The 1<sup>st</sup> re-elected), 20 April 2020 (The 2<sup>nd</sup> re-elected)  
(%) Share Possession\* as of 1 February 2022

1.15

Changes in number of Shares during the year

-580,000 Shares (-0.11%)

Relationship between the executive

-

### Educations

- Bachelor of Science, Chulalongkorn University
- Master of Business Administration, Chulalongkorn University

### Certifications

- Director Accreditation Program (DAP) Class 127/2016, Thai Institute of Directors (IOD)
- Company Secretary Program Class 68/2016, Thai Institute of Directors (IOD)
- Financial Statements for Directors Class 34/2017, Thai Institute of Directors (IOD)
- IR Fundamental Course 2018, Thailand Securities Institute (TSI)
- Top Executive Program in Commerce and Trade (TEPCoT) Class 12/2019, Thai Chamber of Commerce

Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies /  
Affiliated Companies

- 2017 - Present : Director / Member of the Management Committee / Company Secretary, Triple i Logistics PLC.
- 2021 - Present : Member of the Investment Committee / Member of the Risk Management Sub-Committee, Triple i Logistics PLC.

### Positions in Other Listed Companies

-

### Positions in Non Listed Companies

-

### Positions in Other Organizations

- 2020 - 2021 : Member of Policy and Strategic Development Sub-Committee, The Liquor Distillery Organization, The Excise Department
- 2020 - 2021 : Member of Risk Management and Internal Control Sub-Committee, The Liquor Distillery Organization, The Excise Department

\* Includes holding by spouse and minor children



## MR. JIROD PANACHARAS

AGE 49 YEARS

DIRECTOR /  
MEMBER OF THE MANAGEMENT  
COMMITTEE /  
MEMBER OF THE CORPORATE  
GOVERNANCE COMMITTEE

Appointed as director on 15 March 2017, 24 April 2019  
(The 1<sup>st</sup> re-elected)

(%) Share Possession\* as of 1 February 2022  
4.02

Changes in number of Shares during the year  
-3,000,000 Shares (-0.57%)

Relationship between the executive  
-

### Educations

- Bachelor of Business Administration, Assumption University
- Master of Science (CEM), Assumption University

### Certifications

- Director Accreditation Program (DAP) Class 127/2016, Thai Institute of Directors (IOD)
- Financial Statements for Directors Class 34/2017, Thai Institute of Directors (IOD)
- Senior Executive Program for Nation Building Class 8

Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies /  
Affiliated Companies

2017 – Present : Director / Member of the  
Management Committee /  
Member of the Corporate  
Governance Committee,  
Triple i Logistics PLC.

2018 – Present : Director, Triple i SupplyChain Co., Ltd.  
2014 – Present : Director,  
HazChem TransManagement Co., Ltd.  
2010 – Present : Director / Managing Director,  
DG Packaging (Thailand) Co., Ltd.  
2008 – Present : Director / Executive Director,  
HazChem Logistics Management Co., Ltd.

### Positions in Other Listed Companies

-

### Positions in Non Listed Companies

-

### Positions in Other Organizations

-

\* Includes holding by spouse and minor children





## MR. CHALERMSAK KARNCHANAWARIN

AGE 45 YEARS

DIRECTOR / MEMBER OF THE  
MANAGEMENT COMMITTEE /  
MEMBER OF THE RISK MANAGEMENT  
SUB-COMMITTEE

Appointed as director on 24 April 2018, 20 April 2020  
(The 1<sup>st</sup> re-elected)

(%) Share Possession\* as of 1 February 2022

4.02

Changes in number of Shares during the year

-3,000,000 Shares (-0.57%)

Relationship between the executive

-

### Educations

- Bachelor of Business Administration, Assumption University
- Master of Business Administration, Assumption University

### Certifications

- Director Accreditation Program (DAP)  
Class 126/2016, Thai Institute of Directors (IOD)

### Working Experiences for the past 5 years

#### Positions in Company / Joint Venture Companies / Affiliated Companies

2018 - Present	:	Director, Triple i Logistics PLC.
2017 - Present	:	Member of Management Committee / Member of the Risk Management Sub-Committee, Triple i Logistics PLC.
2018 - Present	:	Director, DG Packaging Pte., Ltd.
2014 - Present	:	Director, HazChem TransManagement Co., Ltd.
2013 - Present	:	Director, Triple i SupplyChain Co., Ltd.
2010 - Present	:	Director, DG Packaging (Thailand) Co., Ltd.
2008 - Present	:	Director / Managing Director, HazChem Logistics Management Co., Ltd.

### Positions in Other Listed Companies

-

### Positions in Non Listed Companies

-

### Positions in Other Organizations

2020 - Present	:	Chairman, Responsible Care Management Committee of Thailand: RCMCT, Chemical Industry Club: CIC, the Federation of Thai Industries: FTI
2020 - Present	:	Advisor, Executive Committee of Center for Safety, Health and Environment of Chulalongkorn University: SHECU
2020 - Present	:	Director, Industry Competency Board: Logistics, Thailand Professional Qualification Institute (Public Organization)
2019 - Present	:	Secretary General, Thai International Freight Forwarders Association: TIFFA
2014 - Present	:	Advisor, Chemical Industry Club: CIC, the Federation of Thai Industries: FTI
2007 - Present	:	Director, Hazardous Substances Logistics Association: HASLA

\* Includes holding by spouse and minor children

## MANAGEMENT COMMITTEE

As of 31 December 2021, the Management Committee consists of 7 persons as follows:

List of the Management Committee			Position
1.	Mr. Tipp	Dalal	Chairman of the Management Committee / Group CEO
2.	Mr. Viraj	Nobnomtham	Member of the Management Committee / Group CFO
3.	Mr. Teeranit	Isarangkul*	Member of the Management Committee
4.	Mr. Thanut	Thatayanon	Member of the Management Committee
5.	Mrs. Darunee	Rakpongpi boon	Member of the Management Committee
6.	Mr. Jirod	Panacharas	Member of the Management Committee
7.	Mr. Chalernsak	Karnchanawarin	Member of the Management Committee

Remark:

\*Mr. Teeranit Isarangkul resigned from a member of the Management Committee from 31 January 2022 onwards.

## SUB-COMMITTEE OF THE COMPANY

### AUDIT COMMITTEE

As of 31 December 2021, the Audit Committee consists of 3 persons as follows:

Name - Surname			Position
1.	Mr. Woodtipong	Moleechad	Chairman of the Audit Committee
2.	Mr. Vipoota	Trakulhoon	Member of the Audit Committee
3.	Mr. Apichart	Chirabandhu	Member of the Audit Committee

The 3 members of the Audit Committee are independent directors and have knowledges and experiences pursuant to the qualifications as specific by the Securities and Exchange Commission. Mr. Vipoota Trakulhoon is the member of the Audit Committee who has the knowledges and experiences in relation to the review of financial statements.

Ms. Sichon Chotveerasatanont acts as the secretary of the Audit Committee with effective from 15 November 2016.

### CORPORATE GOVERNANCE COMMITTEE

As of 31 December 2021, the Corporate Governance Committee consists of 4 persons as follows:

Name - Surname			Position
1.	Mr. Apichart	Chirabandhu*	Chairman of the Corporate Governance Committee
2.	Mr. Thanut	Thatayanon	Member of the Corporate Governance Committee
3.	Mr. Jirod	Panacharas	Member of the Corporate Governance Committee
4.	Mr. Teeranit	Isarangkul**	Member of the Corporate Governance Committee

Remark:

\* Independent Director

\*\* Mr. Teeranit Isarangkul resigned from a member of the Corporate Governance Committee from 31 January 2022 onwards.



**NOMINATION AND REMUNERATION COMMITTEE**

As of 31 December 2021, the Nomination and Remuneration Committee consists of 3 persons as follows:

Name - Surname		Position
1. Mr. Vipoota	Trakulhoon*	Chairman of the Nomination and Remuneration Committee
2. Mr. Apichart	Chirabandhu*	Member of the Nomination and Remuneration Committee
3. Mr. Viraj	Nobnomtham	Member of the Nomination and Remuneration Committee

Remarks:

\*Independent Director

**INVESTMENT COMMITTEE**

As of 31 December 2021, the Investment Committee consists of 6 persons as follows:

Name - Surname		Position
1. Mr. Woodtipong	Moleechad*	Chairman of the Investment Committee
2. Mr. Vipoota	Trakulhoon*	Member of the Investment Committee
3. Mr. Tipp	Dalal	Member of the Investment Committee
4. Mr. Viraj	Nobnomtham	Member of the Investment Committee
5. Mr. Thanut	Thatayanon	Member of the Investment Committee
6. Mrs. Darunee	Rakpongpi boon	Member of the Investment Committee

Remarks:

\*Independent Director

**RISK MANAGEMENT SUB-COMMITTEE**

As of 31 December 2021, the Risk Management Sub-committee consists of 5 persons as follows:

Name - Surname		Position
1. Mr. Viraj	Nobnomtham	Chairman of the Risk Management Sub-Committee
2. Mr. Teeranit	Isarangkul*	Member of the Risk Management Sub-Committee
3. Mr. Thanut	Thatayanon	Member of the Risk Management Sub-Committee
4. Mr. Chalerm sak	Karnchanawarin	Member of the Risk Management Sub-Committee
5. Mrs. Darunee	Rakpongpi boon	Member of the Risk Management Sub-Committee

Remark:

\* Mr. Teeranit Isarangkul resigned from a member of the Risk Management Sub-Committee from 31 January 2022

### MEETING ATTENDANCE RECORD OF THE BOARD OF DIRECTORS FOR THE YEAR 2021

The Board of Director sets meeting schedule for the whole year in advance and inform all directors at the beginning of the year. In 2021, Meeting Attendance Record are as follows:

	Name of Directors	Board of Directors	Audit Committee	Corporate Governance Committee	Nomination and Remuneration Committee	Investment Committee	Annual General Meeting
1.	Mr. Krirkkrai Jirapaet	10/10					1/1
2.	Mr. Woodtipong Moleechad	10/10	4/4			6/6	1/1
3.	Mr. Vipoota Trakulhoon	10/10	4/4		2/2	6/6	1/1
4.	Mr. Apichart Chirabandhu	10/10	4/4	3/3	2/2		1/1
5.	Mr. Tipp Dalal	10/10				6/6	1/1
6.	Mr. Viraj Nobnomtham	10/10			2/2	6/6	1/1
7.	Mr. Thanut Thatayanon	10/10		3/3		6/6	1/1
8.	Mrs. Darunee Rakpongpi boon	10/10				6/6	1/1
9.	Mr. Teeranit Isarangkul	9/10		2/3			1/1
10.	Mr. Jirod Panacharas	10/10		3/3			1/1
11.	Mr. Chalernsak Karnchanawarin	10/10					1/1

Remarks:

Number of Attendance / Number of Meeting

	Name - Surname	Management Committee
1.	Mr. Tipp Dalal	9/10
2.	Mr. Viraj Nobnomtham	10/10
3.	Mr. Teeranit Isarangkul	9/10
4.	Mr. Thanut Thatayanon	10/10
5.	Mrs. Darunee Rakpongpi boon	10/10
6.	Mr. Jirod Panacharas	10/10
7.	Mr. Chalernsak Karnchanawarin	10/10

Remark:

Number of Attendance / Number of Meeting

	Name - Surname	Risk Management Sub-Committee
1.	Mr. Viraj Nobnomtham	3/3
2.	Mr. Teeranit Isarangkul	2/3
3.	Mr. Thanut Thatayanon	3/3
4.	Mr. Chalernsak Karnchanawarin	3/3
5.	Mrs. Darunee Rakpongpi boon*	2/2

Remark:

Number of Attendance / Number of Meeting

\*Mrs. Darunee Rakpongpi boon held the position of member of the Risk Management Sub-Committee in place of Mr. Suchart Tanasoontrarat 5 May 2021



### Independent Directors' Meeting

In year 2021, the Company has held one Independent Directors' meeting on 1 December 2021 of which only the Independent Directors attended and no executive directors or managements attended the meeting in order to give the opportunity to Independent Directors to discuss any issues or to provide opinion on the operation of the Company independently such as Company's business strategy, Guidelines for trends and opportunities to business expansion in the future and the management structure and operating culture of the company.

### Training attendance by the Board of Directors in the year 2021

The Board of Directors emphasizes the importance of, and encourage directors to attend, training programs or conferences relating to their duties and responsibilities in order to increase knowledge in performing their duties.

Name of Directors			Training / Seminar attended in year 2021
1.	Mr. Krirkkrai	Jirapaet	- Anti-Fraud and Corruption Awareness Promotion
2.	Mr. Woodtipong	Moleechad	- Anti-Fraud and Corruption Awareness Promotion
3.	Mr. Vipoota	Trakulhoon	- Advanced Audit Committee Program (AACP) Class 42/2021, Thai Institute of Directors (IOD) - Anti-fraud and corruption Awareness promotion
4.	Mr. Apichart	Chirabandhu	- Anti-Fraud and Corruption Awareness Promotion
5.	Mr. Tipp	Dalal	- Anti-Fraud and Corruption Awareness Promotion
6.	Mr. Viraj	Nobnomtham	- TLCA CFO Professional Development Program (TLCA CFO CPD) 1/2021 "Economic update for CFO" (Online Training), Thai Listed Companies Association - TLCA CFO Professional Development Program 5/2021 "Fraud & Cyber Security Risk" (Online Training), Thai Listed Companies Association - TLCA CFO Professional Development Program (TLCA CFO CPD) 6/2021 "ESG Integration in Sustainable Investing" (Online Training), Thai Listed Companies Association
7.	Mr. Thanut	Thatayanon	- Anti-Fraud and Corruption Awareness Promotion
8.	Mrs. Darunee	Rakpongpi boon	- Course "Business Model Reinvention", The Stock Exchange of Thailand - Course "HR after COVID-19", The Stock Exchange of Thailand - ESG Showcase: Topic "ESG Integration for Sustainability" of Siam Cement PCL., Thai Listed Companies Association - Anti-Fraud and Corruption Awareness Promotion
9.	Mr. Teeranit	Isarangkul	- Anti-Fraud and Corruption Awareness Promotion
10.	Mr. Jirod	Panacharas	- Anti-Fraud and Corruption Awareness Promotion

Name of Directors	Training / Seminar attended in year 2021
11. Mr. Chalernsak Karnchanawarin	<ul style="list-style-type: none"> <li>- Course "Customer Insights", The Stock Exchange of Thailand</li> <li>- Course "Digital Transformation", The Stock Exchange of Thailand</li> <li>- ESG Showcase: Topic "ESG Integration for Sustainability" of Siam Cement PCL, Thai Listed Companies Association</li> <li>- Anti-Fraud and Corruption Awareness Promotion</li> </ul>

## REMUNERATION OF DIRECTORS AND EXECUTIVES

### 1. DIRECTOR'S REMUNERATION

#### 1.1 MONETARY REMUNERATION

The Annual General Meeting of shareholders 2021 has resolved to approve the determination of remuneration of directors for the year 2021 as follows:

Director's remuneration Monthly remuneration, payment on monthly basis as follows:

- Chairman 30,000 Baht per month
- Vice - Chairman 25,000 Baht per month
- Director 20,000 Baht per month

Meeting allowance, payment on attendance basis as follows:

- Chairman 20,000 Baht per meeting
- Director 10,000 Baht per meeting

Audit Committee's remuneration, payment on attendance basis as follows:

- Chairman of the Audit Committee 15,000 Baht per meeting
- Member of the Audit Committee 10,000 Baht per meeting

Nomination and Remuneration Committee's remuneration, payment on attendance basis as follows:

- Chairman of the Nomination and Remuneration Committee 15,000 Bath per meeting
- Member of thhe Nomination and Remuneration Committee 10,000 Baht per meeting

Good Corporate Governance Committee, payment on attendance basis as follows:

- Chairman of the Good Corporate Governance Committee 15,000 Bath per meeting
- Member of the Good Corporate Governance Committee 10,000 Bath per meeting

Investment Committee, payment on attendance basis as follows:

- Chairman of the Investment Committee 15,000 Bath per meeting
- Member of the Investment Committee 10,000 Bath per meeting

In any event, the monthly remuneration, meeting allowance, and additional remuneration in aggregate shall not exceed Baht 4,700,000. The allocation of additional remuneration shall be considered and approved by the Nomination and Remuneration Committee and proposed to the Board of Directors for approval. Any director, who is not an Independent Director, shall not be entitled to receive meeting allowance for the Board of Directors' meetings, sub-committee meetings and additional remuneration.



In year 2021, the payment of directors' remuneration can be summarized as follows:

Name of Directors			Year 2021
			Remuneration (Baht)
1.	Mr. Krirkkrai	Jirapaet	1,550,000
2.	Mr. Woodtipong	Moleechad	1,170,000
3.	Mr. Vipoota	Trakulhoon	970,000
4.	Mr. Apichart	Chirabandhu	1,010,000
5.	Mr. Tipp	Dalal <sup>/1</sup>	-
8.	Mr. Viraj	Nobnomtham <sup>/1</sup>	-
6.	Mr. Thanut	Thatayanon <sup>/1</sup>	-
7.	Mrs. Darunee	Rakpongpi boon <sup>/1</sup>	-
8.	Mr. Teeranit	Isarangkul <sup>/1</sup>	-
9.	Mr. Jirod	Panacharas <sup>/1</sup>	-
10.	Mr. Chalernsak	Karnchanawarin <sup>/1</sup>	-
Total			4,700,000

Remark:

<sup>/1</sup> the director who is not the independent director shall not be received meeting allowance of meeting of Board of Directors and Sub-committee.

## 1.2 Non-monetary remuneration

- None -

## 2. EXECUTIVE'S REMUNERATION

The remuneration of executives who hold the directorship and executives who do not hold the directorship for the accounting periods ended 31 December 2019, 31 December 2020 and 31 December 2021 are as follow:

	2019	2020	2021
Number (Person)	7	7	7
Total Remuneration (Million Baht)	53.42	48.28	66.78

Remuneration of the Chief Executive Officer, in the form of salary bonus and provident funds, is determined by the Nomination and Remuneration Committee by considering actual performance of the Chief Executive Officer against short-term and long-term mission and strategies of the Company. Details as follows:

- Short Term: The compensation paid in the form of salary and bonus based on performance (KPIs).
- Long term: The compensation paid in the form of a provident funds and health insurance considering based on the balance scorecard and the evaluation of the CEO's performance in managing the work according to the strategy and business plan for both medium and long term.

## EMPLOYEES

The number of employees of the Company (exclusive of the executives) dividing into each company as of 31 December 2019, 31 December 2020 and 31 December 2021 are as follows:

Business Line	Number of Employees (Person)		
	31 December 2019	31 December 2020	31 December 2021
Air Freight Business	693	328	347
Sea Freight and Inland Transport Business	89	20	26
Logistics Management Service Business	92	94	100
Chemical and Specialty Logistics Service Business	225	214	253
Total	1,099	656	726

## REMUNERATION OF EMPLOYEES (EXCLUSIVE OF THE EXECUTIVES)

In the year 2019, 2020 and 2021, the Company paid employee compensation (excluding executive compensation) in the amount of Baht 297.07 million, Baht 174.62 million and Baht 221.35 million respectively. The employee compensation was in the forms of salary, bonus, overtime payment, employer's contribution to provident fund and other welfares. The employee's contribution to provident fund that the company paid in the year 2019, 2020 and 2021 in the amount of Baht 8.25 million, Baht 6.33 million and Baht 6.87 million respectively.

In addition to the employee compensation, the Company understands the values of its employees and offered the employee stock option program (ESOP) and warrant to attract and motivate employees to work for the Company in the long-run. In 2017, the Company as part of ESOP offered 4,500,000 ordinary shares and 10,500,000 warrants to its employees. The program offers 4 periods for exercising ESOP warrants: upon the end of 1 year and 6 months from the issuance of ESOP warrants on 1 September 2017 and, subsequently, every 6 months ending 1 September 2020. The employees have exercised their warrant four times consisting of the exercise no.1 on 1 March 2019 in the number of 2,329,088 warrant units, the exercise no. 2 on 30 August 2019 in the number of 2,478,687 warrant units, the exercise no. 3 on 28 February 2020 in the number of - warrant unit and the exercise no. 4 on 1 September 2020 in the number of - warrant unit.

To reduce cost of living and to support well-being of employees and their family and to have good health which to support the best performance and living of employees, the Company has provided welfare to employees and has announced such welfare for acknowledgement of employees through the work rules of employees of which the details of such welfare are as follows:

- Financial support such as emergency loan, wedding allowance, funeral allowance
- Medical and life insurance such as life insurance, medical insurance and annual health checkup
- Fund such as provident fund

## SIGNIFICANT LABOR DISPUTE IN THE PAST THREE YEARS

- None -



## HUMAN RESOURCES POLICY

The Company values the development of human resources. It organizes trainings on specific knowledge in logistics business for employees such as Professional Skill for Dangerous Goods Instructor, Aviation Security Awareness, Maritime Transport of Dangerous Goods, and Dangerous Goods Regulations Course etc. The Company also ensures that its employees are knowledgeable in the area required for their performance of duties and responsibilities.

In 2021, the average hours of training per year per employee was 3.86 hours. The Company incurred human resources development expenses in the amount of Baht 570,223.35. The average hours of training per year per employee in 2020 was 52.47 hours and human resources development expenses in 2020 was Baht 841,350.72

## AUDIT FEES

For the financial year 2019 to 2021, the Group appointed the following auditor and provided the following fees to the auditor:

Financial year	Name of the Auditor	Audit fees (Baht)	Other fees (Baht)
2019	Pricewaterhouse Coopers ABAS Ltd.	7,659,000	-
2020	Pricewaterhouse Coopers ABAS Ltd.	6,615,000	-
2021	Pricewaterhouse Coopers ABAS Ltd.	4,700,000	-

# Nomination and Remuneration Committee Report

Triple i Logistics Public Company Limited has appointed the Nomination and Remuneration Committee consists of 3 members and more than half of the total members of the committee are independent directors as follows:

1. Mr. Vipoota Trakulhoon  
Chairman of the Nomination and Remuneration Committee (Independent Director)
2. Mr. Apichart Chirabandhu  
Member of the Nomination and Remuneration Committee (Independent Director)
3. Mr. Viraj Nobnomtham  
Member of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee has the duties and responsibilities in accordance with the Charter of the Nomination and Remuneration Committee including considering remuneration of the Board of Directors, Sub-Committees and Chief Executive Officer.

In 2021 the Nomination and Remuneration Committee held 2 meetings in total. Duties performed by the committee can be highlighted as follows:

1. To review the structure and composition of the Company's Board of Directors, Sub-Committees' Members including the suitable number of Directors given the nature of the Company's business, and determine the rules and procedures for recruitment and qualifications of, and identify, suitable candidates for the roles of Directors, Sub-Committees' Members and Executives, before endorsing to the Board of Directors' Meeting and/or proposing to the Shareholders' Meeting for consideration and approval.
2. To formulate the policies for reviewing the rules for determining monetary remuneration and non-monetary remuneration for the Directors, Committees' Members, Chief Executive Officer and Executives which have established fair compensation methods and criteria. By considering the performance operational success against key operational goals and indicators, including their obligations. Assigned responsibility as well as operating results business environment and factors that may have an appropriate impact on the Company's business and the overall economy.
3. The committee nominated persons who are suitable to hold the position of the Company's directors in replace of those who are retired by rotation and proposed to the Board of Directors for consideration prior to further submission to the 2021 Annual General Meeting of Shareholders for appointment of directors in replace of those who are retired by rotation.
4. The committee considered remuneration of the Board of Directors and Sub-Committees for the year 2021 and proposed the matter to the Board of Directors and the Annual General Meeting of shareholders for approval.
5. Evaluate the Chief Executive Officer's performance for the year 2021 and informed to the Board of Directors.
6. The committee determined salary adjustment and bonus for the Chief Executive Officer by considering performance evaluation results of the Chief Executive Officer for the year 2021.
7. The committee reviewed succession plan which is part of the duties of the Nomination and Remuneration Committee. It relates to the performance of duties of the directors in accordance with good corporate governance principles as well as preparing for the development of manpower management system and human resource development.
8. The committee reviewed Charter of the Nomination and Remuneration Committee for the year 2021 and proposed to the Board of Directors for consideration.

**Mr. Vipoota Trakulhoon**  
Chairman of the Nomination  
and Remuneration Committee



# Corporate Governance Committee Report

The Corporate Governance Committee of Triple i Logistics Public Company Limited stresses commitment to promote the company to become a corporation of transparency morality, honesty and resistance to the fraud and corruption. The Company operates business under the good corporate governance principle and business ethics which aims to improve and enhance the good corporate governance of the Company to be more efficient, which will in turn enhance the Company's creditability in the eyes of and gaining confidence from all stakeholders. The committee consists of the following members:

1. Mr. Apichart Chirabandhu	Chairman of the Corporate Governance Committee (Independent Director)
2. Mr. Teeranit Isarangkul	Member of the Corporate Governance Committee
3. Mr. Thanut Thatayanon	Member of the Corporate Governance Committee
4. Mr. Jirod Panacharas	Member of the Corporate Governance Committee

In 2021, the Corporate Governance Committee held 3 meetings in total. The committee also performed its duties as specified under the Charter of the Corporate Governance Committee. Duties performed by the committee can be highlighted as follows:

1. The Corporate Governance Committee has monitored the progress in preparation to participate in the Thai Private Sector Collective Action Against Corruption (CAC), a project organized by the Thai Institute of Directors. The Company has proceeded as planned. In the year 2021, the Corporate Governance Committee reviewed the preparation of various policies and practices prepared according to CAC's assessment criteria before presenting them to the Board of Directors' meeting for approval.
2. The Corporate Governance Committee considered and approved the corporate governance plan for the year 2021 and reviewed the past performance in order to improve the Company's corporate governance. As a result, the Company received an assessment of the Corporate Governance Survey of Thai Listed Companies for 2021 at "excellent" level for the third consecutive year.
3. The committee has provided the Company's shareholders the right to propose meeting agenda and nominate candidate for appointment as the Company's director in the 2022 Annual General Meeting of Shareholders in advance during 24 December 2021 – 31 January 2022. This is in line with Principles of Good Corporate Governance in relation to right of shareholders and equitable treatment of shareholders.
4. The committee reviewed Charter of the Corporate Governance Committee on an annual basis to review and amend the Charter to be suitable and propose the Charter to the Board of Directors for consideration and approval.
5. The committee reviewed the current operations of the Company to be in line with the Principles of Good Corporate Governance for Listed Companies for the year 2017 by the Securities and Exchange Commission and the Stock Exchange of Thailand. Overall, the Company has applied the principles of good corporate governance for listed companies in 2017 to its corporate governance of which the structure is still suitable for the current business conditions.
6. To organize the annual performance assessment of the Board of Directors, Sub-Committees and self-assessment. It has the objective to review performance in order to develop the performance of committee to be more effective.
7. The Corporate Governance Committee resolved to include environment, society, and governance (Environment Social Government) to be matters that should be emphasized in order to strengthen confidence from all business partners for success and creating sustainable development to the Company.

Mr. Apichart Chirabandhu

Chairman of the Corporate Governance Committee

# Good Corporate Governance and Corporate Governance Operations

## GOOD CORPORATE GOVERNANCE POLICY

Triple i Logistics Public Company Limited and the group of companies (the “Company”) operate business by always adhering to the principles of good corporate governance and business ethics and are committed to developing organization for sustainable growth.

## OVERVIEW OF POLICIES AND GUIDELINES FOR GOOD CORPORATE GOVERNANCE

The Board of Directors attaches great importance to compliance with good corporate governance principles by recognizing roles, duties and responsibilities of the Board of Directors and the management team to foster good corporate governance, increase competitiveness of the business, give confidence to shareholders, institutional shareholders, investors, and all related parties with efficient and transparent management. Therefore, a policy to support corporate governance has been established. It covers the main principles in accordance with the principles of good corporate governance in the following categories:

*(Please refer to more information on the good corporate governance policy at <https://investor.iii-logistics.com/en/home> under the heading Corporate Governance).*

### SECTION 1: RIGHTS OF SHAREHOLDERS

Shareholders and institutional shareholders shall have rights as the owner of the Company. They must have the right to attend the shareholders’ meeting, determine the directions of the Company’s operations through the Board of Directors appointed by the shareholders, act or make decisions that have a significant impact on the Company. The shareholders’ meeting is an important platform for shareholders to express their opinions, ask questions and vote on whether to proceed or not to proceed with any matter. Therefore, shareholders are entitled to attend the meeting. There should be enough time for consideration and acknowledge results of the resolutions. In the past 2021, the Company has promoted the fundamental rights of shareholders as follows:

- 1.1 Disseminate information about important operations and transactions, including information memorandum and details of the exercise of rights in various matters considering the equality in the perception of news and exercise period. The information will be published through the website of the Stock Exchange of Thailand and the Company’s website to facilitate shareholders to access the Company’s information through various channels.
- 1.2 In respect of the Annual General Meeting of Shareholders, the Company has implemented and promoted the fundamental rights of shareholders with details as follows:

#### BEFORE THE MEETING

- Promote the rights of shareholders to continually hold annual meetings. The 2021 Annual General Meeting of Shareholders was held on 20 April 2021 at 2.00p.m. at Surasak 1 Room, 11th Floor, Eastin Grand Hotel Sathorn, No. 33/1 South Sathorn Road, Yannawa Sub-district, Sathorn District, Bangkok. In addition, the Company considers convenience of meetings and prepares the meeting venue to be of sufficient size for the number of shareholders attending the meeting. Due to the Covid-19 pandemic, the Company has strictly conducted the meeting in accordance with the requirements of the meeting arrangements under the Covid-19 pandemic as well as having a live broadcast (Live Streaming) of the shareholders’ meeting through the Company’s Facebook fan page <https://www.facebook.com/iiilogistics>.



- Provide an opportunity for shareholders to propose meeting agendas and names of persons to be appointed as directors in advance from 18 December 2020 to 31 January 2021 (at least 3 months prior to the date of the Annual General Meeting of Shareholders). The criteria and procedures for consideration have been disclosed on the Company's website, including an opportunity for shareholders to submit questions about the meeting agenda to the Company Secretary in advance of the meeting date. In this regard, there were no shareholders proposing the meeting agenda or nominating a person to be considered for appointment as a director in the 2021 Annual General Meeting of Shareholders.
- Disseminate the resolutions of the Board of Directors' meeting regarding the determination of the date of the 2021 Annual General Meeting of Shareholders to the shareholders in advance, including the date for determination of the names of shareholders who are entitled to attend the Annual General Meeting of Shareholders, and the right to receive dividends (Record Date) through the website of the Stock Exchange of Thailand and the Company's website.
- Disseminate the invitation letter to the meeting in Thai and English versions. Meeting documents and proxy forms were posted on the Company's website on 17 March 2021, and the invitation letter to the meeting was sent to shareholders by post on 26 March 2021 (7 days in advance before the meeting date as required by law) for the shareholders to have enough time to study the information for the meeting. The foreign shareholders will receive English version of the documents.
- To maintain the rights of shareholders who are unable to attend the meeting in person, the Company allows shareholders to appoint other persons as their proxies or appoint independent directors to attend the meeting and vote. The proxy form has been sent to all shareholders by post together with the invitation letter.

#### MEETING DAY

- Due to the Covid -19 pandemic, the Company has strictly conducted the meeting in accordance with the requirements of the meeting arrangements under the Covid-19 pandemic by providing enough staff to welcome, facilitate and advise attendees on the procedures and methods of registration and document verification, as well as providing a stamp duty to facilitate the proxies in the document inspection process.
- Apply technology of barcode system in the meeting both registration and vote counting to run meetings quickly with accuracy and precision.
- Notify rules used in the meeting and voting procedures before the beginning of the agenda.
- The Chairman allocates sufficient time for the meeting and conducts the meeting appropriately and transparently according to the agenda set forth in the invitation letter without adding or amending the agenda. In addition, shareholders are given an opportunity to express their opinions, or ask questions in that agenda. Shareholders are allowed to ask questions or give additional suggestions in addition to the determined agenda.
- At the 2021 Annual General Meeting of Shareholders, 11 directors attended the meeting out of the total of 11 directors. Senior management and the Company Secretary also attended the meeting to answer questions and listen to the opinion of shareholders.

#### AFTER THE MEETING

- Disseminate the meeting resolutions with details of the number of votes in each agenda clearly via the Stock Exchange of Thailand's website. After the 2021 Annual General Meeting of Shareholders, the Company published the meeting resolutions on 20 April 2021.
- Shareholders can view the recordings of the 2021 Annual General Meeting of Shareholders via webcast on the Company's website.

- The Company Secretary has prepared the minutes of the shareholders' meeting in both Thai and English languages with all details and important matters recorded in accordance with the guidelines of the Good Corporate Governance of the Stock Exchange of Thailand by specifying names of directors and executives attending the meeting, meeting resolutions, and number of votes of attendees in each agenda, including issues, questions and suggestions of shareholders; and submitted to the Stock Exchange of Thailand and published on the Company's website within 14 days from the date of the meeting.

## SECTION 2: THE EQUITABLE TREATMENT OF SHAREHOLDERS

The Company will treat shareholders equally regardless of gender, age, race, nationality, religion, belief, political opinion, or disability. If the shareholders are unable to attend the meeting due to any inconvenience, shareholders have the right to appoint other persons to attend the meeting on their behalf. In the past 2021, the Company has promoted and operated in accordance with the principles of equitable treatment of shareholders as follows:

1. The Opportunity is given to shareholders who hold shares of not less than 5% of the total voting rights of the Company, who may be one or more shareholders to propose meeting agendas and names of persons to be elected as directors between 18 December 2020 and 31 January 2021, the criteria and procedures for consideration have been disclosed on the Company's website.
2. The Board of Directors nominates at least one independent director as an alternative for appointing shareholders and/or any other persons as proxy in the shareholders' meeting. The Company has delivered the proxy form as specified by the Ministry of Commerce together with the invitation letter for every shareholder meeting (Form A., Form B., Form C.)
3. In voting at the shareholders' meeting, 1 share is equal to 1 vote. If any shareholder has a special interest in any matter, that shareholder will not have the right to vote on that matter.
4. The publication of the invitation letter in Thai and English versions, meeting documents and proxy forms on the Company's website on 17 March 2021. The invitation letter was sent to shareholders by the registered mail on 26 March 2021 and 24 days prior to the meeting date to allow shareholders enough time to study the information for the meeting. The foreign shareholders will receive the English version.
5. All shareholders such as major shareholders, minority shareholders, institutional investor, general investor, foreign investors, and analyst can suggest opinions or ask questions directly to management on Opportunity Day activities or at analyst meetings, etc.

## SECTION 3: ROLE OF STAKEHOLDERS

The business operations of the Company and its subsidiaries involve many parties, from shareholders, directors, executives, employees, creditors, customers, business partners, competitors to communities, nations, and the world society. The Company realizes the importance of taking care and considering all stakeholder groups. The Company's business operations also consider the rights of all stakeholders and expects management and operations to be transparent, clear, and fair, with a clear guideline in business operations and develop into a sustainable organization. The details of operations are as follows:



 <b>Shareholders</b>	<p>Respect the fundamental rights of shareholders in all respects, including the right to buy, sell or transfer shares, the right to receive a share of the profits of the enterprise, the right to receive adequate business information the right to attend the shareholders' meeting for approval on various agendas as required by law; including creating quality and stable growth for shareholders to receive sustainable returns with good and efficient performance and does act in anyway that infringes or limits the rights of shareholders.</p>
 <b>Employees</b>	<p>Treat employees fairly and appropriately in terms of opportunities, compensation, appointments, transfers, and employee potential development, respect the rights of employees according to human rights and comply with labor laws, take care of the working environment to be safe for the lives and properties of employees, as well as providing opportunities for employees to file complaints through various channels if employees are not treated fairly as well as giving employees an opportunity to express their opinions or complaints about unfair practices or improper actions in the Company including providing protection to employees who report such matters.</p>
 <b>Customers</b>	<p>Deliver services and products that meet standards, meet the needs of customers with reasonable price &amp; fair conditions, keep up with the situation and quality, follow the conditions that have been agreed with customers as best as possible, build trust and fairness to customers by providing accurate and truthful information about the features and/or quality of services and/or goods, conduct customer satisfaction surveys and use the results to continuously improve the service, ready to answer customer questions as well as take action on complaints, provide advice and follow-up on progress on issues as informed by customers.</p>
 <b>Trade Partners</b>	<p>Treat partners with equality considering mutual benefits, develop and maintain lasting relationships and build mutual trust. The Company adheres to the procurement regulations, which clearly define the procedures and practices and do not use the information obtained from the procurement work for personal benefit or other unrelated persons.</p>
 <b>Creditors / Debtors</b>	<p>Strictly comply with conditions with creditors, ensure that payments are made to creditors in full on time, comply with the terms of the agreement in full including building relationships and treating creditors based on honesty, trust, and mutual trust. It is also responsible for building relationships and treating debtors based on honesty, mutual trust, and trust, including being responsible, paying attention and giving importance to the conditions that have been agreed upon with the debtor as best as possible.</p>
 <b>Competitors</b>	<p>Operate business under the framework of fair competition. Do not seek confidential information of competitors by dishonest or inappropriate means and not do anything that infringes the intellectual property of others or competitors.</p>
 <b>Society, Community and Environment</b>	<p>Treat the local surrounding community living and/or any property with friendliness, support the development of communities to have good living, promote the development and promotion of social activities, preserving the environment and improving the quality of life of people in the community. The Company adheres to behave as a good citizen, respect human rights and fully comply with all applicable laws and regulations as well as continuously instilling awareness of social and environmental responsibility in the Company's personnel at all levels.</p>

## SECTION 4: DISCLOSURE AND TRANSPARENCY

The Company has disclosed important information completely, accurately, and without distorting facts for stakeholders to use in making decisions, disclosure is an indicator of operational transparency that is a key factor in ensuring investor confidence in the integrity of our operations and as a mechanism to monitor operations. The Company attaches great importance to information disclosure and try to add channels to provide information all the time. The details of operations are as follows.

1. Disclosure of important information in accordance with the required criteria and by law, with both Thai and English versions of the information disclosed.
2. The Board of Directors attaches importance to and maintains an effective internal control system to reasonably ensure that accounting records are accurate, complete, and sufficient to maintain assets and to identify weaknesses to prevent corruption or material irregularities including the appointment of the Audit Committee comprising non-executive directors to audit financial reports and internal control system. The Audit Committee will report directly to the Board of Directors.
3. Prepare a report on the assessment of the status and trends of the Company and its subsidiaries. Report on the Board of Directors' responsibility in preparing the financial reports shown in conjunction with the auditor's report in the annual registration statement Form 56-1 One Report.
4. The Company has sent financial reports and Management Discussion and Analysis (MD&A) to the Stock Exchange of Thailand and the Securities and Exchange Commission within the specified period.
5. Disclose policy on remuneration payment to directors and senior management reflecting their duties and responsibilities, including the form or nature of the compensation as detailed in the topic "Remuneration of directors and executives" in the annual registration statement Form 56-1 One Report.
6. Report of the meeting attendance of the Board of Directors and sub-committees by comparing it to the number of meetings held each year as detailed in the topic "Meeting Attendance Record of The Board of Directors for The Year 2021" in the annual registration statement Form 56-1 One Report.
7. Disclose audit fees and other service fees that the auditors as detailed in the topic "Auditor's Remuneration" in the annual registration statement Form 56-1 One Report.
8. The Company has arranged briefings for analysts and investors, including interested shareholders for the disclosure of earnings and prepare press releases based on events in case of significant changes as well as provided opportunities for securities analysts, shareholders, and institutional investors to meet with the management to inform investors about operating results, strategic plans, and important events. In 2021, the Company has carried out the following activities: analyst meeting, Company visits, and listed companies meeting with investors (Opportunity Day) in total 3 times, organized by the Stock Exchange of Thailand on 25 February 2021, 25 August 2021, and 16 November 2021.

## SECTION 5: BOARD RESPONSIBILITY

The Board of Directors plays an important role in overseeing the Company's operations, determines good corporate governance, anti-corruption policy, code of conduct, and policies of social responsibility, environment, and good governance as a guideline for business operations that will develop into a sustainable organization. The Board of Directors consists of knowledgeable people with expertise and experience that can benefit the Company with full dedication and time. Directors are allowed to hold directorships in no more than 5 companies listed on the Stock Exchange of Thailand. The term of office of independent directors shall not exceed 9 years, with no exceptions. It also plays an important role in formulating company policies, determine the vision, mission, business plan and budget of the Company annually as well as review and supervise to ensure that the operation is in accordance with the goals to add economic value to shareholders, considering all stakeholders involved. The Company has a policy on the responsibilities of the Board of Directors such as board composition, Director's qualifications, roles, and duties of the Board of Directors in accordance with the principles of good corporate governance and adherence to the principle of "Good Conduct for Directors of Listed Companies" as prescribed by the Stock Exchange of Thailand. The details are as follows:



## 5.1 Composition of the Board of Directors

The Board of Directors is composed of the directors according to the number determined by the shareholders' meeting but not less than 5 persons. In addition, the number of directors not less than 3 or one-third of the total number of directors. (Whichever is higher) must be an independent director. At present, the Company has 11 directors, consisting of 7 executives, 4 non-executive directors, more than one third of the total number of directors. This will create an appropriate balance in the consideration and voting on matters. A third of the Board members will be removed from office at any Annual General Meeting of shareholders however, such director who retired by rotation can be reappointed and to be in line with good corporate governance principles, the appointment of Independent Director should not exceed 9 consecutive years without exemption.

## 5.2 Independency of Board of Directors

The director shall analyze, make comment and vote in the matters that the Board of Directors has its authority to make decision if the decision of the Board of Directors is under the pressure of duties or family or interest on such matter, it will distort decisions to make decisions for themselves, close-friends, or for their own benefit. To protect the shareholder and Company benefit, the director who does not have independency, shall not make decision.

5.2.1 For the Board of Directors under the leadership of the Chairman to have leadership and can control the operations of the management efficiently and effectively, the Company shall segregate roles and responsibilities between the Company's Chairman and Chief Executive Officer where the roles and responsibilities of the Chairman are as follows:

- To supervise, monitor and ensure that the performance of the Board of Directors is efficient and meets the objectives and main goals of the organization.
- To ensure that all directors have participation in promoting of organization culture with ethics and good corporate governance principle.
- To determine agendas of Board of Directors' meeting by seeking consultation with the Chairman.
- To allocate enough time for the managements to propose matters and directors to discuss on significant matter prudently. To support the directors to use prudent decision and provide opinion freely.
- To promote good relationship between executive directors and non-executive directors, managements and the Board of Directors.

5.2.2 The Independent Director shall have the right to access the financial and business information which are enough to provide opinion freely. The Independent Director shall protect the interest of relevant parties and attend the meeting continually as well as attend the meeting of all Independent Directors at least once a year and report their independency upon appointment and on annual basis for disclosing on the Company's annual report.

5.2.3 The Independent Director shall have its independency pursuant to the notification of the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand on qualification and scope of responsibilities of the independent director in order to protect the best interest of shareholders equally and to take care not to cause conflicts of interest between the Company, executives or major shareholders or other companies which have the same management or major shareholders. In addition, they must be able to provide opinions in the meeting independently.

## 5.3 Roles and Responsibilities of the Board of Directors

The Board of Directors has the role and responsibility to oversee the operation of the Company, to comply with the law, objectives, regulations and resolutions of the shareholders' meeting, good corporate governance principles, good practices for directors of listed companies of the Stock Exchange of Thailand, to benefit the Company and shareholders by appointment of Chief Executive Officer, board committees, the Company's Secretary, and determination of remuneration for directors of sub-committees (no more than the total amount approved by the shareholders).

5.3.1 To consider and approve the operation of Company and its subsidiaries to in line with the Articles of Association of each company which include the following matters:

- Vision, Mission, Policy and Strategic Plan
- Annual Business Plan, Annual Budget Plan, Quarter Financial Statements and Annual Financial Statements
- Interim dividend payment
- Change of organization chart in the group level and other significant changes in the organization
- Acquisition, incorporation, disposal or suspension of significant assets or business of the Company
- Change of authorization from the Board of Directors to any persons

5.3.2 To give the authority to the sub-committees from time to time.

5.3.3 To comply with duties and responsibilities of the Board of Directors as specified in the laws, Memorandum of Association, Articles of Association and shareholders' resolution which include the followings:

- To determine vision, mission, policy, strategy and financial goal for the Company and its subsidiaries including to consider and approve the policies and direction as proposed by the management team and to supervise the management team to comply with such vision mission, policy, strategy and financial goal of which the target is to add economic values to shareholders by considering all stakeholders.
- To review the Charter of Board of Directors at least once a year.
- To determine framework and process of the Company and its subsidiaries to ensure that the operation will proceed in accordance with the rules, regulations and resolutions of the Board of Directors including resolutions of shareholders' meeting with honesty and careful.
- To determine framework and process of the Company and its subsidiaries to have appropriate risk management system, supervision and audit and internal control.
- To follow up and evaluate the performance in management of the Company and its subsidiaries to achieve the strategic plan under the budget approved by the Board of Directors.
- To monitor the preparation of accounting and collection of accounting record and relevant documents including the disclosing of appropriate information to the shareholders and public
- To review and take action to ensure that the Company and its subsidiaries comply with the ethics as determined by the Board of Directors including to determine the Company and its subsidiaries policies in good corporate governance and corporate social responsibility.
- To appoint persons to be director or executive of subsidiary in the number of at least according to the shareholding in such subsidiary and to determine scope of duties and responsibilities of directors and executives clearly including to determine the limitation of power on voting in the board of directors of subsidiary in significant matter which will be approved by the Board of Directors in advance. To control the management to in line with the Company's policies and to have the power to approve the connected transactions and other transactions to be legitimate including the disclosing of financial status, operating result and acquisition and disposal of assets with accuracy and completeness.
- Determine the risk assessment related to corruption within the Company. Approve the implementation of policies, guidelines, practices and measures/procedures in anti-corruption and anti-corruption practices to be implemented properly and throughout the organization.
- Supervise the compliance of the guidelines and measures/procedures to prevent dishonesty and corruption. Provide a system that supports effective anti-dishonest and corruption to ensure that the management has realized and given importance to anti-dishonesty and corruption in all forms in all activities of the Company and instilling it as a corporate culture.
- Determine that the Company have a good corporate governance policy with a business ethics manual to consider the roles and duties of the Board of Directors. The Board of Directors determines the roles, duties, and policies of good corporate governance for directors, executives, employees, and stakeholders to implement.



The Authorization of powers, duties and responsibilities of the Board of Directors shall not be the authorization or sub-authorization that the Board of Directors or its authorized person can approve transaction with connected persons (pursuant to the definition under the notification of the Securities and Exchange Commission and notification of Capital Market Supervisory Board) or persons that may have conflict of interest or may receive any benefits or may have other conflict of interest with the Company or subsidiary saved for the approval of transaction in accordance with the policy and rule that approved by the shareholders' meeting and Board of Directors.

#### **5.4 Director Nomination Process**

The Nomination and Remuneration Committee has a duty to select and nominate persons as the Company's directors. The selection and nomination process are as follows:

- 5.4.1 Determination of required qualifications, knowledge, and skills. The committee shall consider diversity in the Board of Directors' composition and compare with the Board Skill Matrix in order to select and nominate persons with diversified knowledge, capabilities and experience which are in line with the Company's business strategies.
- 5.4.2 Selection of directors and/or directors of sub-committee by nominating candidates to the Board of Directors for consideration. Existing directors may be considered for re-appointment, or shareholders are provided with the opportunity to propose suitable candidates, or using of recruitment company or conducting search on pool of directors, or requesting each director to nominate suitable persons etc.
- 5.4.3 Nomination to the Board of Directors for consideration and inclusion under the invitation to the shareholders' meeting for shareholders' approval. (as the case may be)

#### **5.5 Director's Remuneration**

The Company has appointed the Nomination and Remuneration Committee to consider the method and criteria for payment of remuneration for directors which will consider the operating result, business size by comparing with the director's remuneration of the companies listed on the Stock Exchange of Thailand in the similar section and business size to propose to the shareholders' meeting for consideration, the details of guideline are as follows:

- 5.5.1 The shareholders have the right to consider the rules and policy on the determination of director's remuneration on annual basis. The Board of Directors with the recommendation of the Nomination and Remuneration Committee shall propose the director's remuneration to shareholders for consideration by specifying it as the agenda of the Annual General Meeting of shareholders.
- 5.5.2 The Board of Directors and senior managements shall report the policy on director's remuneration, reason and rational in the Company's annual report.

#### **5.6 Board of Directors' meeting**

The Company has determined the procedure of the Board of Director's meeting as follows:

- 5.6.1 The Board of Directors shall determine the meeting schedule in advance. It shall have the meeting at least 6 times per year and shall convene the meeting at least 1 time in every 3 months and it may call extraordinary meeting as it deems necessary and appropriate.
- 5.6.2 The Board of Directors shall dedicate time and provide dedication and attention to the Company's operations and shall be ready to attend the meeting. The directors must meet at least half of the total number of directors to constitute a quorum. If the directors are unable to attend the meeting, such director shall notify the Chairman of the Board of Directors in writing.
- 5.6.3 The Chairman of the Board of Directors, by joint considering with the Chief Executive Officer, shall approve the agendas of the meeting and the Company Secretary shall ensure that the invitation letter and supporting documents shall be circulated to directors at least 7 days in advance saved for urgent matters.

5.6.4 The Chairman of the Board of Directors shall ensure that the Board of Directors allocate enough time for the executives to present the information and for the Board of Directors to consider and discuss on significant matters.

5.6.5 A director who may have conflict of interest in any agenda, such director shall abstain from voting, refrain from providing comments or leave the meeting room.

5.6.6 The minutes of the Board of Directors shall be clear in both the meeting resolution and the opinion of the Board of Directors for reference.

## 5.7 Sub-Committees

To scrutinize important operations carefully and efficiently, the Board of Directors has set up specific committees as follows:

### 5.7.1 Audit Committee

The Audit Committee of the Company consists of three independent directors with the qualifications as specified by the Office of the Securities and Exchange Commission as follows:

Name – Surname		Position
1. Mr. Woodtipong	Moleechad	Chairman of the Audit Committee / Independent Director
2. Mr. Apichart	Chirabandhu	Member of the Audit Committee / Independent Director
3. Mr. Vipoota	Trakulhoon*	Member of the Audit Committee / Independent Director

Remark:

\*The member of the Audit Committee who has knowledge and experience in reviewing the reliability of financial statements.

### Scope of Authority and Responsibilities of the Audit Committee

- 1) To select, appoint and remove an independent person to serve as the auditor and to consider the remuneration of the auditor of the Company and propose the remuneration to the Board of Directors.
- 2) To approve the appointment, remove, transfer, dismissal and evaluation of performance of the internal audit department.
- 3) In the performance of duties, the Audit Committee shall have the power to invite the management, executives or employees of related companies to provide opinions, attend a meeting, or send a document that is relevant or necessary.
- 4) To be able to hire consultants or third parties in accordance with the Company's regulations to provide opinions or advice in case of necessity.
- 5) To review financial reports to ensure that they are accurate and reliable and to adequately disclose information by coordinating with external auditors and executives responsible for preparing quarterly and annual financial reports.
- 6) To review the Company's internal control system and internal audit system to ensure that they are suitable and effective; to consider the independence of the internal audit unit; and may also suggest reviewing or verifying any items as it deems necessary and important; to recommend the improvement of the internal control system; and to review the Company's internal control system and internal audit system with an external auditor and internal audit department manager.
- 7) To review the compliance with the Securities and Exchange Act or the Stock Exchange of Thailand's requirements, policies, regulations, and other laws related to the business of the Company.
- 8) To attend meetings with the auditor without the executives at least once a year.
- 9) To review the internal audit plans of the Company under generally accepted measures and standards.
- 10) To consider connected transactions or transactions that may lead to a conflict of interest to comply with the law, the Stock Exchange of Thailand's regulations, and the disclosure of the Company's information in such matter shall be accurate and complete to ensure that the transaction is reasonable and beneficial to the Company.



- 11) The Company's operations in accordance with the anti-dishonesty and anti-corruption policies and practices in a concrete manner and operating with environmental responsibility and social responsibility.
- 12) To review and ensure that the Company has appropriate and effective risk management systems.
- 13) To report the Audit Committee's performance to the Board of Directors at least 4 times a year.
- 14) To prepare a report of the Audit Committee to be disclosed in the Company's annual report. The report must be signed by the Chairman of the Audit Committee and consist of at least the following information.
  - opinions on the accuracy, completeness and creditability of the Company's financial report;
  - opinions on the adequacy of the Company's internal control system;
  - opinions on the compliance with the law on securities and exchange, the Stock Exchange of Thailand's requirements, and the laws relating to the Company's business;
  - comments on the suitability of the auditor;
  - comments on connected transactions or transactions that may lead to a conflict of interest;
  - the number of the Audit Committee's meetings and the attendance of each member of the Audit Committee;
  - comments or observations received by the Audit Committee on its performance of duties under the Charter;
  - other items that shareholders and general investors should know under the scope of duties and responsibilities assigned by the Company's Board of Directors.
- 15) To provide opinions on the appointment, removal, evaluation of the work performance of the internal audit unit.
- 16) The Audit Committee shall evaluate its performance by self-assessment method and report the results of the evaluation, together with problems and obstacles in performing work that may cause the performance to fail to achieve the purpose of establishing the Audit Committee, to the Board of Directors every year.
- 17) To review and improve the Charter of the Audit Committee at least once a year for the approval of the Board of Directors.
- 18) To perform other tasks as assigned by the Board of Directors within the scope of duties and responsibilities of the Audit Committee.

#### 5.7.2 Corporate Governance Committee

The Company has 4 members of the Corporate Governance Committee as follows:

Name – Surname		Position
1.	Mr. Apichart Chirabandhu	Chairman of the Corporate Governance Committee / Independent Director
2.	Mr. Teeranit Isarangkul	Member of the Corporate Governance Committee
3.	Mr. Thanut Thatayanon	Member of the Corporate Governance Committee
4.	Mr. Jirod Panacharas	Member of the Corporate Governance Committee

#### Scope of Authority and Responsibilities of the Corporate Governance Committee

- 1) To set policies and guidelines for good corporate governance, follow up to ensure that there is an implementation on good corporate governance, and review and update the policies regularly.
- 2) To supervise the compliance with the good corporate government policies of the Company and the employees to ensure that it is in accordance with the guidelines set by the Board of Directors.
- 3) To provide an annual performance evaluation on the Board of Directors, each director, and the committees.

- 4) Providing advice on good corporate governance policies and practices to the Board of Directors including the implementation of the anti-corruption policy in a concrete manner, and on major operations in terms of sustainable management, environmental responsibility, and social responsibility.

#### 5.7.3 Nomination and Remuneration Committee

The Company's Nomination and Remuneration Committee consists of 3 members as follows:

Name – Surname	Position
1. Mr. Vipoota Trakulhoon	Chairman of the Nomination and Remuneration Committee / Independent Director
2. Mr. Apichart Chirabandhu	Member of the Nomination and Remuneration Committee / Independent Director
3. Mr. Viraj Nobnomtham	Member of the Nomination and Remuneration Committee

#### Scope of Authority and Responsibilities of the Nomination and Remuneration Committee

- 1) To consider the structure, composition, and qualifications of the Board of Directors and sub-committees.
- 2) To determine how to recruit the appropriate person to be the director and/or the directors of sub-committees to suit the nature and business of the organization by determining qualifications and expertise in each subject as required.
- 3) To recruit directors and/or directors of sub-committees when it is the time to nominate candidates to be a director and propose their names to the Board of Directors for consideration. The recruitment may be considered from the existing directors and appoint them to hold the position or by engaging a third-party company to assist on the recruitment, considering from the list of individuals of professional director directory (Director Pool), or allowing each director to nominate an appropriate person.
- 4) To propose the names of candidates to the Board of Directors to consider and include the names in the notice of the shareholders' meeting for their consideration and appointment; (as the case may be).
- 5) To consider and recruit a chief executive officer as instructed by the Board of Directors.
- 6) To consider if the criteria for remuneration payments paid to directors, directors of sub-committees and the Chief Executive Officer is appropriate and review if the currently effective criteria is appropriate and compare them with the remuneration information of other companies in the same industry, and to determine appropriate criteria to achieve the expected results, to be fair, to be a reward for a person who helps the Company achieve its work.
- 7) To review all forms of compensation such as fixed compensation, compensation based on performance, and meeting allowances by taking into account the same industry practices, the Company's performance and size of business, responsibilities, knowledge, ability, and experience of directors, directors of sub-committees and the Chief Executive Officer as required by the Company.
- 8) To consider the criteria for Chief Executive Officer's evaluation as instructed by the Board of Directors.
- 9) To determine annual remuneration of directors, directors of sub-committees and the Chief Executive Officer according to the payment criteria already considered and propose it to the Board of Directors for approval; and for the directors' remuneration and the directors of sub-committees, the Board of Director shall propose to the shareholders' meeting for approval.
- 10) To consider the suitability and approval in case of offering newly issued shares to the directors and employees based on the principle of fairness to shareholders, and to motivate the directors and employees to create additional value for the shareholders on a long-term basis and to be able to retain qualified employees.



- 11) To review the Charter of the Nomination and Remuneration Committee at least once a year for the approval of the Board of Directors.
- 12) The Nomination and Remuneration Committee has the power to request for an independent opinion of any professional consultant when necessary at the expenses of the Company and the engagement must be in accordance with the Company's regulations.
- 13) To perform any other actions as instructed by the Board of Directors in relation to the nomination and determination of remuneration of directors and executives.

#### 5.7.4 Investment Committee

The Company has 6 members of the Investment Committee as follows:

Name - Surname		Position
1. Mr. Woodtipong	Moleechad	Chairman of the Investment Committee / Independent Director
2. Mr. Vipoota	Trakulhoon	Member of the Investment Committee / Independent Director
3. Mr. Tipp	Dalal	Member of the Investment Committee
4. Mr. Viraj	Nobnomtham	Member of the Investment Committee
5. Mr. Thanut	Thatayanon	Member of the Investment Committee
6. Mrs. Darunee	Rakpongpi boon	Member of the Investment Committee

#### Scope of Authority and Responsibilities of the Investment Committee

- 1) Recommend the Company's direction for business development and investment strategy.
- 2) Consider and scrutinize various projects and investment opportunities, including business expansion both domestically and internationally in accordance with the Company's strategy before presenting to the Board of Directors for approval.
- 3) Consider and screen the establishment of a new business, liquidation, merger, business transfer or joint venture before submitting to the Board of Directors for approval.
- 4) Examine the risks and consider hedging investment risks, financially and within related laws and regulations.
- 5) Supervise the investment management to be in accordance with the investment plan.
- 6) Consider and approve investments in securities and others such as debt instruments, government bonds.
- 7) Supervise on good governance, transparency, and prevention of conflicts of interest related to investment transactions.
- 8) Follow up and evaluate the investment projects that have been implemented and report to the Board of Directors regularly.

#### 5.7.5 Management Committee

The Company has 7 members of the Management Committee as follows:

Name - Surname		Position
1. Mr. Tipp	Dalal	Chairman of the Management Committee / Chief Executive Officer
2. Mr. Viraj	Nobnomtham	Member of the Management Committee / Chief Financial Officer
3. Mr. Teeranit	Isarangkul	Member of the Management Committee
4. Mr. Thanut	Thatayanon	Member of the Management Committee
5. Mrs. Darunee	Rakpongpi boon	Member of the Management Committee
6. Mr. Jirod	Panacharas	Member of the Management Committee
7. Mr. Chalerm Sak	Karnchanawarin	Member of the Management Committee

### Scope of Authority and Responsibilities of the Management Committee

- 1) To consider and set goals of the Company and its subsidiaries and to advise on strategic directions, management structure, annual operation plans, budgets of the Company and its subsidiaries.
- 2) To manage the business operations of the Company and its subsidiaries in accordance with the visions, missions, strategies, policies, objectives, and targets that have been set out.
- 3) To review the performance of the Company and its subsidiaries and report to the Board of Directors.
- 4) To review and provide recommendations on the dividend policy of the Company and its subsidiaries to the Board of Directors.
- 5) To verify and approve transactions related to investment or sales of assets of the Company and its subsidiaries, human resource management, finance, general administration, and transactions related to the business of the Company under the scope of authority approved by the Board of Directors.
- 6) To consider and monitor risk management and risk management system of the Company and its subsidiaries by appointing the Risk Management Sub-Committee to act in accordance with the Charter of the Risk Management Sub-Committee and the Management Committee must report to the Board of Directors if there is a risk that affects the Company to be unable to achieve the target.
- 7) The Management Committee may authorize an executive or employee to perform specific duties as it deems appropriate. The Management Committee or the person authorized by the Management Committee shall in no way act or approve any transaction if the Management Committee or a person may have a conflict against the Management Committee, have a conflict of interest, benefit by any means, or have a conflict of interest against the Company and its subsidiaries (as defined in the Notification of the Capital Market Supervisory Board or the Notification of the Securities and Exchange Commission). The approval of the transaction must be in accordance with the policies and principles as determined by the Board of Directors and relevant laws.
- 8) To engage a consultant or independent person to provide comments or recommendations as required.
- 9) To ensure that the executives and employees attend the Management Committee's meetings or provide information related to the subject matter discussed at the meetings.
- 10) To report the Board of Directors on matters regularly handled by the Management Committee under the scope of authority and duties of the Management Committee, including any other matters that are necessary and appropriate to be proposed to the Board of Directors.
- 11) To study feasibility of investment in a new project and to have the power to consider and approve the investment or joint investment by the Company and the power to consider and approve capital expenditures such as entering into contracts under the scope of authority approved by the Board of Directors.
- 12) To examine and evaluate the adequacy of this charter by comparing the performance of the Management Committee with the compliance with the charter. The Management Committee will take into account the results from the evaluation to improve their performance.
- 13) To perform any other tasks as instructed by the Board of Directors and/or Chief Executive Director.

#### 5.7.6 Risk Management Sub-Committee

The Company's Risk Management Sub-Committee consists of 5 members as follows:

Name – Surname		Position
1. Mr. Viraj	Nobnomtham	Chairman of the Risk Management Sub-Committee
2. Mr. Teeranit	Isarangkul	Member of the Risk Management Sub-Committee
3. Mr. Thanut	Thatayanon	Member of the Risk Management Sub-Committee
4. Mr. Chalernsak	Karnchanawarin	Member of the Risk Management Sub-Committee
5. Mrs. Darunee	Rakpongpi boon	Member of the Risk Management Sub-Committee



### Scope of Authority and Responsibilities of the Risk Management Sub-Committee

- 1) To prepare a risk management policy to be proposed to the Management Committee for consideration. The risk management policy must include overall risk management and key risks such as market risk, liquidity risk, operational risk, and the risk that affects the reputation of the business.
- 2) To plan strategies in accordance with the risk management policy and to be able to evaluate, follow-up, and maintain the organization's level of risk at an appropriate level.
- 3) To review the adequacy of risk management policies and systems, including the effectiveness of the system and compliance with the policies.
- 4) To review and evaluate operational risk which may occur corruptions at least once a year according to Anti-Corruption Policy.
- 5) To consider and evaluate the risk of new investment of company, which need to be approved by Management Committee.
- 6) To provide the Management Committee with suggestions on what requires to be done and to be improved according to the policies and strategies set by the Management Committee.
- 7) To review the charter of the Risk Management Sub-Committee which changing significantly for the approval of the Management Committee.

### 5.8 Performance Assessment of the Board of Directors and Sub-Committee

The Corporate Governance Committee has resolved to approve the annual performance assessment of the Board of Directors and all Sub-Committees which include the Audit Committee, Corporate Governance Committee, Nomination and Remuneration Committee, Investment Committee, Management Committee and Risk Management Sub-Committee for each committee and each director every year. It has the objective to review performance, problem and various issues in the past year to develop the performance of committee to be more effective, the details are as follows:

#### Assessment Criteria

- 1) Structure and qualification of director
- 2) Preparation and conducting of meeting
- 3) Roles, duties and responsibilities

#### Assessment Method

- 1) To provide the Assessment Form to all directors every year by the Company Secretary.
- 2) To collect Assessment Form and Result including to prepare and present report of such assessment to the Chairman of each committee and the Chairman of the Nomination and Remuneration Committee to review the Result of Assessment together in order to determine the development method of performance of directors.

The Self-assessment result of the Board of Directors and all sub-committees for each committee and each director for the year 2021 was in the level of "Excellent". The Corporate Governance Committee has resolved that all committees has completely perform their duties in appropriate with scope of authorization and in accordance with the Good Corporate Governance principle.

### 5.9 Chief Executive Officer

The appointment of the Chief Executive Officer is the authority of the Board of Directors. In this regard, the Board of Directors has a policy that the Chief Executive Officer is appointed to be a director in other companies outside the Group of Company must be approved by the Board of Directors before holding a position with realize to the interests of the company. The directors can hold director position in companies listed on the Stock Exchange of Thailand not more than 5 companies.

### Scope of Authority and Responsibilities of the Chief Executive Officer

- 1) To be responsible for, supervise, manage, perform, and/or administrate daily tasks of the Company, including to supervise the overall performance to ensure that it is in accordance with the business policies and strategies, targets, and implementation plans, financial plans, and budgets of the Company as approved by the Board of Directors and/or the resolution of a shareholders' meeting.
- 2) To prepare a business plan and determine the management power and prepare a budget for the business operation and annual budget for expenses to propose to the Board of Directors to approve and to report progress in accordance with the approved plan and budget to the Board of Directors.
- 3) To set an organization structure, management approaches, including recruitment, trainings, employment and termination, salary, remuneration, salary, bonus, and welfare for all employees and subordinates whose positions are lower than the Chief Executive Officer, and to delegate authority and duties to the said employees and subordinates as the Chief Executive Officer deems appropriate.
- 4) To monitor and report the Company's status and to propose alternatives and strategies consistent with the policy and market conditions.
- 5) To supervise and control the Company's operations on various matters such as finance, risk management, internal control, operation, supporting work, and resource work.
- 6) To represent the Company and to have the power to contact government agencies and other regulatory agencies.
- 7) To communicate with the public, shareholders, customers, and employees to enhance the reputation and good image of the Company.
- 8) To ensure there is good corporate governance.
- 9) To have the power to issue, amend, change, and improve rules, orders, and regulations related to the Company's business such as recruitment, appointment, dismissal, and discipline of staffs and employees.
- 10) To consider, negotiate, enter into a contract and/or perform any action related to the daily implementation and/or administration of the company within the transaction value approved by the Board of Directors according to the Company's approval authority table.
- 11) To have the power, duties, and responsibilities as instructed or prescribed under the policies instructed by the Board of Directors.
- 12) To be responsible, oversee, manage, operate, supervise the overall policies of the subsidiaries to comply with the business strategies policies, targets, implementation plans, financial goals, and budgets of the subsidiaries.

However, the Chief Executive Office shall not exercise the power above if he/she has interest or a conflict of interest against the Company.

#### 5.10 Company's Secretary

### Scope of Authority and Responsibilities of the Company's Secretary

- 1) To prepare and maintain the following Company's documents:
  - Director registration
  - Notice and minutes of the Board of Directors' meeting
  - Notice and minutes of the shareholders' meeting
  - Annual report
- 2) To maintain reports on conflicts of interest reported by directors or executives.
- 3) To perform actions in relation to meetings of the Board of Directors and of shareholders.
- 4) To advise on rules and regulations that the Board of Directors and the executives should be aware of.
- 5) To organize trainings and orientation and to provide information necessary for the existing directors and the newly appointed directors to perform their duties.



- 6) To supervise and coordinate with the Company to fully and completely comply with the laws, rules, regulations, and resolutions made by the Board of Directors and by the shareholders, including corporate governance policies and business ethics.
- 7) To performance any other actions as prescribed by the Capital Market Supervisory Board.

#### 5.11 Nomination and Appointment of Directors and High-Level Executives

##### Composition and Nomination of the Board of Directors

Nomination and appointment of directors is conducted in accordance with the procedures set out in the Company's articles of association. The Company's Nomination and Remuneration Committee will select qualified candidates who have experience, knowledge, and skills related to the Company's business, qualifications and do not have any disqualifications as prescribed by law. The candidates must be approved and appointed by the shareholders' meeting. The details of which can be summarized below.

- 1) The Board of Directors consists of at least 5 directors but not over 15 directors and not less than half of the directors shall reside in the Kingdom of Thailand and be qualified under the law.
- 2) The meeting of shareholders shall elect a director in accordance with the following criteria and procedures:
  - One shareholder shall have one vote for one share. The shareholder shall use all the votes to elect one candidate or candidates to be a director and shall not split the number of votes;
  - The shareholders shall cast their votes to elect a director individually;
  - The candidates who received the highest number of votes in descending order shall be elected as directors. The number of directors shall equal to the required number of directors or the number of director elected at that time. In the event that the candidates who have been elected in the next order receive the same number of votes in excess of the number of directors to be elected or elected at that time, the Chairman of the meeting shall have the casting vote.
- 3) At every annual general meeting of shareholders, one third of the total directors shall be retire from their position. If the number of directors cannot be divided by three, the directors shall retire by the number nearest to one-third of the total directors required to retire at the first year. For the second year after the Company's incorporation, directors will retire from their position by drawing lots. In subsequent years, the directors who have been in the longest term shall retire. Directors who are retired by rotation may be re-elected.

#### 5.12 Nomination and Appointment of Independent Director

The Board of Directors and the Nomination and Remuneration Committee will jointly consider the qualifications of the candidates to be appointed as independent directors by considering the qualifications and disqualifications of a director pursuant to Public Limited Companies Act, the law concerning securities and exchange, notifications of the Capital Market Supervisory Board, and relevant notifications and/or regulations. In addition, the Nomination and Remuneration Committee shall consider and select independent directors by considering from expertise, work experience, and other appropriate factors, and shall further propose to the Board of Directors and the shareholders to consider and appoint them to be the Company's directors. The Company has a policy to appoint independent directors at least one-third of the total directors. The number of independent directors shall not be less than 3 directors and their qualifications shall accord with the Notification of the Securities and Exchange Commission as follows:

- 1) Holding shares not exceeding one percent of the total number of shares with voting rights of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director;
- 2) Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of filing an application with the SEC Office. 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 applicant;

- 3) Not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the Company or its subsidiary company;
- 4) Neither having nor used to have a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgement, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the Office. The term 'business relationship' shall include any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or its 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 Baht twenty million or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences;
- 5) Neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate 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 company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years;
- 6) Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding Baht two million per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years;
- 7) Not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to major shareholder;
- 8) not undertaking any business in the same nature and in competition to the business of the Company or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one percent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the Company or its subsidiary company;
- 9) Not having any other characteristics which cause the inability to express independent opinions with regard to the Company's business operations;
- 10) Not being a director assigned by the Board of Directors to take part in the business decision of the Company, its subsidiary company, associated company, same-level subsidiary company, major shareholder, or controlling person of the Company.

#### **COMPOSITION AND NOMINATION OF THE AUDIT COMMITTEE**

The Audit Committee shall consist of at least 3 independent directors but not over 5 independent directors. The Company set its policies for the nomination of the Audit Committee/Independent Directors in accordance with the following criteria:

1. Being appointed by the board of directors or the shareholders' meeting (as the case may be);
2. Not being a director assigned by the board of directors to take part in the business decision of the applicant, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person;



3. Not being a director of the subsidiary company or same-level subsidiary company, which is a listed company.
4. Having sufficient knowledge and experience to perform duties as audit committee member, provided that at least one member of the Audit Committee shall have sufficient knowledge and experience to review the reliability of financial statements.

### **COMPOSITION AND NOMINATION OF THE CORPORATE GOVERNANCE COMMITTEE**

The Corporate Governance Committee shall be appointed by the Board of Directors and consist of at least 3 members acting as the Company's director and at least one member must be an independent director. The Board of Directors shall appoint one member of the Corporate Governance Committee to chair the Corporate Governance Committee.

### **COMPOSITION AND NOMINATION OF THE NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee shall be appointed by the Board of Directors and consist of at least 3 members and at least one member must be an independent director. The Board of Directors shall appoint one member of the Nomination and Remuneration Committee to chair the Nomination and Remuneration Committee.

### **COMPOSITION AND NOMINATION OF THE INVESTMENT COMMITTEE**

The Investment Committee shall be appointed by the Board of Directors and consist of at least 5 members but not over 7 members and at least two members must be an independent director. The Board of Directors shall appoint one member of the Investment Committee to chair the Investment Committee.

### **COMPOSITION AND NOMINATION OF THE MANAGEMENT COMMITTEE**

The Management Committee shall be appointed by the Board of Directors according to the recommendations of the Chief Executive Officer. Members of the Management Committee shall be selected from directors and executives according to the number as the Board of Directors deems appropriate and sufficient for managing the Company's business. The Chief Executive Office shall chair the Management Committee.

### **COMPOSITION AND NOMINATION OF THE RISK MANAGEMENT SUB-COMMITTEE**

The Risk Management Sub-Committee shall consist of at least 3 members and/or assigned person from the director of subsidiary company which appointed by the Management Committee. The Management Committee shall appoint one member of the Risk Management Sub-Committee to chair the Risk Management Sub-Committee.

### **COMPOSITION AND NOMINATION OF THE CHIEF EXECUTIVE OFFICER**

To recruit the Company's Chief Executive Officer, the Nomination and Remuneration Committee shall preliminary consider and select candidates who are qualified have knowledge, experience, expertise that can benefit the Company's business and well understand the nature of the Company's business, and are able to manage the work to achieve objectives and targets determined by the Company, propose their names to the Board of Directors to consider and appoint.

## SUCCESSION PLAN

Triple i Logistics Public Company Limited has prepared its succession plan to develop the management system regarding manpower and human resource development to increase efficiency of organization in relation to the strategic workforce plan by developing and managing manpower to increase capacities of human resource and to increase efficiency of management system including promoting to prepare system for replacement of human resource for short-term and long-term to support any changes and to in line with the direction of organization's system development. In addition, the Company has determined its strategy for management and development of human resource as the guideline for management and development of human resource to be more effective and success, particularly the senior management position which may impact the lack of potential manpower and loss of manpower by retirement.

The Company's succession plan has been prepared by the meeting of working group of relevant parties to consider and determine the following criteria:

### 1. SELECTION OF POTENTIAL POSITION AND DETERMINATION OF CRITERIA OF QUALIFIED POTENTIAL CANDIDATE FOR REPLACEMENT

The selection of potential position which requires potential successor for replacement is the first important step for the preparation of succession plan. However, it can select from the position which has been prepared career path for the preparation of succession plan of Company's management position. This time, the company has selected potential position from position which has been prepared career path and has selected from additional potential position in accordance with appropriation of the following positions:

- 1) Chief Executive Officer
- 2) Chief Financial Officer
- 3) Managing Director
- 4) Executive Director

Each of potential position has determined main duties and responsibilities, main achievements, main performance indicators, knowledges, skills and capacities including primary criteria for selection of potential candidates.

### 2. DETERMINATION OF POTENTIAL CANDIDATES TO BE SUCCESSOR

To clearly determine the selection process for successor of Chief Executive Officer, Chief Financial Officer, Managing Director and Executive Director.

### 3. MONITORING, EVALUATION AND ADJUSTMENT OF DEVELOPMENT METHODS

To develop potential candidates for the replacement of potential position, the Succession Committee shall appoint the career coach of which such career coach or first level supervisor or assigned person to monitor potential candidate as successor, and shall monitor the performance of such potential candidate and review the performance of such candidate from time to time by discussing the capacities which have been developed and which have not been developed, and providing feedback to such candidate to acknowledge his or her strength and weakness in order to develop the knowledge, skill and capacity of working as assigned in the present and in the future including changing method of development and adjusting ability as appropriate as well as preparing of plan of further development.



## MAJOR CHANGES AND DEVELOPMENTS RELATED TO GOOD CORPORATE GOVERNANCE

### • Summary of major changes and developments in the past year

#### 1. Establishment of policies and guidelines

The Company has intended to join the Thai Private Sector Collective Action Against Corruption (CAC) on 23 February 2021, the CAC project requires the Company to have policies and practices (Anti-Corruption Principle & Policy) in writing according to the criteria. Therefore, the Company has issued policies and guidelines in accordance with the law and regulations and related criteria as follows:

- The Company has made improvements to the policy to be consistent with the policy and practice (Anti-Corruption Principle & Policy) of CAC as follows:
  - Anti-Fraud and Corruption Policy
  - Policy and Practice Guidelines on Whistleblowing and Whistleblower Protection
  - Subsidiaries' Governance and Management Policy
  - Environmental Social and Governance Policy and Guidelines
  - The Code of Conduct
- The Company has established new policies related to participation in the CAC project and the Anti-Corruption Measures Manual as follows:
  - Political Neutrality Policy
  - Policy on the Employment of Government Officials
  - Policy and measures on Stakeholders Protection
  - Policy and Guidelines on Gifts, Hospitalities and Other Benefits
  - Anti-Fraud and Corruption Handbook

#### 2. The Company has established a personal data protection policy in accordance with the Personal Data Protection Act B.E. 2562.

#### 3. Communicate to directors, executives, employees, and related persons to comply with anti - fraud and corruption policy by providing training to educate about the anti-fraud and corruption and anti-fraud and corruption guidelines.

#### 4. Communicate to directors, executives, employees, and related persons to comply with policy and practice guidelines on whistleblowing and whistleblower protection, so they are aware the guidelines for receiving complaints, investigations, and convictions, including confidentiality and protection for whistleblowers and informants.

#### 5. Communicate to directors, executives, employees, and related persons to ask for cooperation to refrain from accepting - giving gifts, entertainment, or any other benefits to all groups of stakeholders including following up on compliance with the aforementioned regulations.

#### 6. Submit the Company's information to be assessed by external agencies as follows: Corporate Governance Report of Thai Listed Companies 2021 : CGR assessed by the Thai Institute of Directors. In 2021, the Company received an evaluation result of 94% and was in the 5-star rating (Excellent).

### • Applying good corporate governance principles for listed companies in 2017

Triple i Logistics Public Company Limited has emphasized the adoption of Corporate Governance Code 2017 (CG Code 2017) in accordance with the Securities and Exchange Commission. In 2021, the Good Corporate Governance Committee has reviewed the principles of good corporate governance for listed companies in 2017 by the meeting of the Corporate Governance Committee No. 3/2021 held on 21 December 2021 and it was proposed to the Board of Directors for acknowledgment.

### • Compliance with other good corporate governance principles

The assessment of AGM Checklist by Thai Investors Association for listed companies in Thailand for the convening the shareholders' meetings to compare with international standards through the criteria used in the assessment covering various procedures, at the shareholders' meeting of which the Company has received 100 points of the AGM Checklist.

## THE CODE OF CONDUCT

The Board of Directors determined the Code of Conduct in compliance with the Company's Corporate Governance Policy of Triple i Logistics Public Company Limited and its subsidiaries which is applicable to the directors, executives, employees and relevant individuals. This is to be used together with The Company's rules and regulations. The aim of the Code of Conduct is to ensure that the manner of business management and conducts are transparent, unequivocal, fair, efficient, rightful and honorable to forge trust and confidence from business partners, customers and the public. It affirms the clear manner of the Company's business conduct leading to long-term sustainability. The Code of Conduct covers the following aspects;

### 1. Directors, Executives and Advisers' Conducts

To demonstrate the determination of transparent, ethical and socially responsible business conducts, the directors, executives and advisers shall;

- 1.1 Always comply with laws, relevant rules, objectives, regulations, board and shareholder's resolutions along with the Company's policy and Corporate Governance Policy.
- 1.2 Conduct oneself in the honest, careful, thorough, transparent, fair and accountable manners. This is for the benefits of the Company and its stakeholders.
- 1.3 Dedicate to the best of one's time, ability, knowledge, capability when working and participate in all assigned meeting unless otherwise engaged.
- 1.4 Keep Company's secrets and never reveal confidential information to irrelevant individuals which results in adverse consequences to the Company or its stakeholders unless required by law.
- 1.5 Avoid any conflict of interests, direct or otherwise. This includes;
  - 1) Never seek personal gains from one's conduct be it direct or otherwise.
  - 2) Never use business information to gain personal or others' benefit unethically.
  - 3) Never involve oneself in managing or conducting business in other companies that can be detrimental to the Company's benefits.
  - 4) Never conduct oneself in any manner that are deemed competing with the Company, direct or otherwise.
  - 5) Never gain benefits in any forms from signing the Company's contracts.
  - 6) Never take gifts or benefits that are in conflict of interests to the Company.

### 2. Employee's Conducts

In order to create a unity working approach leading to a shared company culture under the principles of honesty and accountability to the stakeholders, this Code of Conducts is applicable to the employees alongside work rules, regulations, procedures, company's orders and announcements. The employees shall;

- 2.1 Conduct
  - 1) Study and comply with laws, objectives, company's rules, corporate governance policy, business ethics and relevant policies.
  - 2) Undertake learning and gain experiences to develop oneself to be equipped with skills and knowledge to improve work efficiency and productivity.
  - 3) Discharge duties with honesty, dedication, patience and maintain ethical standard.
  - 4) Never seek to benefit oneself with position, gratification and other forms of benefits from superior officer nor other individuals, directly or otherwise.
  - 5) Avoid all vices and narcotic substances, never conduct oneself in a disgraceful manner to oneself and the Company.
  - 6) Co-operate and support the efficient use of resources.
  - 7) Maintain and create unity.
- 2.2 Conducts on Work colleagues
  - 1) Learn to work as a team, share and assist work colleagues for the benefits of the Company.
  - 2) Always treat colleagues with politeness, helpfulness, friendliness and adjust oneself to be part of the working team and share important work-essential information to colleagues.



- 3) Respect individual's rights, never make unsubstantiated accusation on others.
- 4) Superior officers must conduct oneself in a respectable manner. Be polite to subordinates and other colleagues.
- 5) Employees must treat superior officers with respect and take superior officers' advices.
- 6) Avoid discussing and disclosing individual's information and issue including personal and work which may cause damages to individual's or Company's reputations.
- 7) Never engage in any unethical conducts or sexual assaults that causes the deteriorating work environment. Never act in defensive, aggressive and disruptive manners at work.

### 2.3 Conducts on the Company

- 1) Conduct duties with responsibility, honesty and dedication along with adhering to rules and regulations, the Corporate Governance Policy, business ethics, policies, company values and maintain the company's interests.
- 2) Maintain Company, customers and business partners' secrets. Ensure that confidential documents and information are secured and not leaked no disclosed to the irrelevant parties which may cause damages to the Company.
- 3) Never make accusations or any other actions that causes disunity and damages to the Company and individuals in the Company.
- 4) Act honorably and never damage Company's image and reputation.
- 5) Build good relationships with the society, community, government agencies and relevant organizations.
- 6) Never take part in any actions or covered actions involving conflict of interests, corruptions, and illegal activities.
- 7) Always report potential corruption activities to the superior officers or responsible individuals. Alternatively, through the company-provided reporting channel and co-operate with investigations as specified in the company's regulations.
- 8) Keep company's properties and resources in good condition and never use company's resources for personal gains.

## 3. Human Rights and Conducts on Employees

- 3.1 Respect human rights and never discriminate against individuals because of the differences or similarities in ethnicity, religion, gender, age, education, social-background. Also respect personal's liberty and protect personal data.
- 3.2 Employ performance assessment system for remunerations, awards and punishments based on fairness, explicable and non-discrimination.
- 3.3 Facilitate and value knowledge, skill and capability developments among employees. This should be concurrent and equal facilitations. Work succession procedures for position of importance must be established.
- 3.4 Use knowledge, skills, suitability and performance as indicators for promotions and transfers in a fair, equal and explicable manners.
- 3.5 Facilitate work-life balance among employees. Providing supports on positive activities promoting physical and mental health along with quality of life for the employees, their families, communities and the society.
- 3.6 Implement procedure to handle employee's complaints. The procedure must be clearly stated in its working and steps.

## 4. Communities, Society, Environment, Health and Safety

- 4.1 Adhere fully to the laws on Quality, Safety, health, and Environment (QSHE). Encourage the implementation of internationally-accepted management system for the QSHE management.
- 4.2 Design safe service procedures.
- 4.3 Assess, monitor and evaluate the mitigation approaches that affect on the environment and communities in terms of bio-security and safety.

- 4.4 Communicate to create understanding and co-operations in disclosing information to the communities, society, investors, shareholders and the public on the company's status and development without withholding truth.
- 4.5 Use resources and energy efficiently for the benefits of the nature and the environment.
- 4.6 Dedicate oneself in the development and participation on socially-responsible activities, environmental protections activities and life quality development projects under the sustainable and co-development frameworks.
- 4.7 Create awareness on social and environmental responsibilities throughout the Company.
- 4.8 Facilitate, support and maintain Thai values and cultures by providing assistance and support to public and private sectors' activities deemed to be beneficial to the society.

## **5. Receiving and Giving Assets or Other Benefits as a Mean of Persuasion**

- 5.1 Always conduct duties with honesty, dedication, and responsibility.
- 5.2 Provide truthful information in whole if the flaws in such information may result in examination/assessment inaccuracies.
- 5.3 Never ask for assets, items or benefits from those involve in the business conduct with an intention to act or to deliberately neglect resulting in wrongful conduct or in exchange for the benefits and favors from the company.
- 5.4 Never use power bestowed in the work position for personal gains.
- 5.5 One may only receive gifts and souvenirs on appropriate occasions based on cultures and business traditions. The value of the received item may not exceed 3,000 Baht. Should the value of the received item exceeds 3,000 Baht, superior officers, legal and compliance department must be notified. The employee must follow the company's Policy and Guidelines on Gifts, Hospitalities and Other Benefits in a transparent manner.
- 5.6 Never engage in activities or relationships that can be detrimental to the neutrality of the work position along with the actions that may be in conflict of interests.

## **6. Conflict of Interests**

- 6.1 Avoid actions that results in conflict of interests with the Company or actions that may impact the neutrality of business decisions.
- 6.2 Act carefully in personal relationships with individuals who may have conflict of interests or are in competition with the Company. Also, in conducting personal business and relationship with colleagues that may create conflict or impacts on the work environment and business conducts.
- 6.3 Never take benefits or opportunities from the Company's employee status or Company's information for personal gains or for personal business gains or performing works other than assigned by the Company which may impede one's duties.
- 6.4 Never engage in actions which are in conflict of interests with the Company and in competition with the Company's business resulting in undue losses and damages.
- 6.5 Conduct in accordance to rules, processes and disclosures as per stipulated by the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) fully.

## **7. Trading of Company's stocks and Insider Information**

- 7.1 Avoid the use of internal (insider) information and disclosing such information to other parties. This includes information that is available publicly for the benefit of the Company's stock trading. The Company's executives should avoid Company's stock trading within the periods closing of company's information releases. This is to enable the investors have sufficient time to analyze the content of the information. This shall be in compliance with the Company's Data Protection Policy.
- 7.2 Never reveal Company's financial performance and trend that are not publicly available nor provide opinions on behalf of the Company to investors, analysts, external advisers. This is applicable to both online or at public venues that are not authorized by the Company.



- 7.3 Avoid providing opinion to external parties and the media on the Company's business that have no clear policy or process on that particular matter. This includes other matters or businesses that may affect the value of the Company's stock.
- 7.4 Store sensitive data in a securely. Access to such data should only be given to essential users and the authorized users must be informed on the confidentiality and the limitation of data usage. Also, users must be informed on the restriction on the use of such data including the use for stock trading.
- 7.5 Protect the business data and never use the data for personal gain or for unlawful activities.
- 7.6 Directors and senior management of the Company shall report sale and purchase and holding of Company's securities to the Board of Directors at every meeting.

## **8. Laws, Rules, Regulations, Policy and Company's Practice Compliances**

- 8.1 Perform work fully within the scope of law and the Company's regulations. Take responsibility to identify legal compliance guidelines and practices and keep notes of updates, amendments to such laws and regulations with an aim to ensure that the work is conducted legally and within the Company's regulations.
- 8.2 Study and Understand the Company's regulations and relevant laws on one's duties. This shall include disciplinary and legal actions to the level that one shall be able to explain to the subordinates and the superior officer.
- 8.3 Maintain self and subordinates' discipline in the work practice. Exercise discretion by considering the context, the circumstance and the practicality.
- 8.4 Respect and support activities, businesses that are lawful and in line with the Company's ethics.
- 8.5 Maintain and adhere to the policies and Code as stipulated by the Company. For example, the Corporate Governance Policy, the Anti-Fraud and Corruption Policy, the Policy and Guidelines on Gifts, Hospitalities and Other Benefits and the Anti-Fraud and Corruption Handbook, etc.

## **9. The Use and Maintenance of Company's Assets, Data, Information Technology, Intellectual Properties**

- 9.1 Abide by the legal and Company's regulations on the use of information technology.
- 9.2 Never breach intellectual property rights and trade mark rules which will result in damages to the Company.
- 9.3 Only use company-provided software and hardware.
- 9.4 Restrict access to internal files and programs for external parties to essential work only. The external parties given such access must comply with laws and Company's policies on information technology and communication fully.
- 9.5 Keep information technology system secured, never reveal Company's data access password to others.
- 9.6 Utilize Company's assets efficiently and for the benefits to the company along with work-capability development. Never use Company's assets for personal gains.
- 9.7 Protect Company's intellectual property from damages, losses, depreciations. The intellectual property must be used efficiently and beneficially to the Company and keep confidential data secured.

## **10. Conduct on Customers and Product Quality/Marketing Communication**

- 10.1 Advertise Company's products and services truthfully, never mislead and create conflict in the society. Always respect values and cultures.
- 10.2 Endeavour to deliver products and services as agreed to the customers.
- 10.3 Maintain standard and quality of products and services for customer's trust and satisfaction.
- 10.4 Willing to accept customer complaints and rectify the problems within a timely manner. Should the problems require time or face constraints, the customers should be informed of the issues in due course and should be kept updated regularly on the progress.
- 10.5 Never ask for financial, material and other benefits which is indicative of corrupted actions from customers.

## 11. Conducts on Contract Partners (Business Partners and Creditors)

- 11.1 Strictly follow the conditions, agreements or contracts. In case of failure to fulfil obligations, contract partners must be notified for negotiations and solutions along with providing fair compensations.
- 11.2 Purchasing and acquisitions must be transparent. Stakeholders must be treated fairly, equally, correctly, fully and in accountable manner.
- 11.3 Purchasing and acquisitions must be sourced from law-abiding companies. The contract partners must not engage in or benefited from illegal labor and manufacturing practices. Also, the contract partners must observe social values and cultures.
- 11.4 Evaluate the safety and quality of acquired products and services that may have an impact on users, employees, communities, society and the environment.
- 11.5 Never use information from purchasing and acquisition activities for personal or others' gains.
- 11.6 Business negotiation and agreement must be fair and the contract partners must not be taken advantage of. The negotiation and agreement must maintain Company's reputation and image.

## 12. Conducts on Business Competitors

- 12.1 Never make unsubstantiated accusations on competitors.
- 12.2 Never seek competitor's confidential trade information and data in a corrupted manner.
- 12.3 Promote fair competition and adhering to competition rules fully.
- 12.4 Never enter into trade collusion with competitors or individuals.
- 12.5 Consider equality and honesty in business conduct and shared-interest with contract partners. Business must be conducted in an ethical manner.

## 13. Punishments

- 13.1 The directors, executives and all employees must follow and promote the work practice in compliance to this Code of Conduct. The following actions are considered to be in breach of the code of conduct;
  - 1) Failure to follow the Code of Conduct.
  - 2) Suggest, support and facilitate others to violate the Code of Conduct.
  - 3) Deliberately neglect the actions within the scope of one's responsibilities that are in breach of Code of Conduct.
  - 4) Failure to co-operate or obstruct investigations on the breach of Code of Conduct.
  - 5) Act unfairly to complainants who lodge complaints on the breach of Code of Conduct.
- 13.2 This Code of Conduct requires strict compliance from the directors, the management team and the employees. Any actions in breach of the Code of Conduct will results in punishment and may face legal actions should such actions were deemed illegal.
- 13.3 Those found in breach of the Code of Conduct will be disciplined on a case-by-case basis based on the severity of the action. The Directors, executive and employees shall have a good understanding of the Code and adhere to the Code strictly. The punishment for Code of Conduct breaching are as follows;
  - 1) Verbal warning
  - 2) Written warning
  - 3) Unpaid work suspension
  - 4) Dismissal or contract termination

Disciplinary actions are to be decided based on the Corporate Authority Index. For personnel holding MD/ED position or higher, the Management Committee member will make disciplinary decision by holding prior-discussions with the Audit Committee and/or the Corporate Government Committee. Furthermore, the process must adhere to the Company's Whistle blowing and Whistle Blower Protection Policy.

In order for the Company's personnel to perform the duty in accordance with the business ethics as determined by the Board of Directors, the Company has procured its managements and employees to do the self-assessment according to the Corporate Governance Self-Assessment and the Company has also organized the project on selection of best employees in good moral area for 1 time per annum. Such selection has two levels: officer position and manager and above whereby the selection criteria is based on the Company's business ethics.



## SUPERVISION OF SUBSIDIARY AND ASSOCIATED COMPANY'S BUSINESS OPERATION

The Company has set a policy to supervise and manage the subsidiaries' business. Its objective is to determine direct and indirect measures and mechanisms to enable the Company to supervise and manage the operations of its subsidiaries and associated companies and to monitor and ensure that the subsidiaries and associated companies comply with the measures and mechanisms as if they were a department in the Company and with the Company's policies, including Public Limited Company Act, the Civil and Commercial Code, securities law, relevant laws, notifications, regulations, and other criteria of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, in order to maintain the benefits of the Company's investment in such subsidiaries and associated companies.

In the event that the policies require any transaction or action which has a significant impact on the financial status and performance of the subsidiaries to be approved by the Board of Directors of a shareholders' meeting (as the case may be), the directors shall have the duty to hold a meeting for the Company's Board of Directors and/or for the shares to consider and approve the transaction or action prior to the meeting of the subsidiaries' board of directors and/or shareholders to consider and approve before entering into the transaction or performing the act. The Company shall disclose information and fully comply with the rules, conditions, steps, and procedures related to the approval according to the provisions prescribed under Public Company Limited Act, the Civil and Commercial Code, securities law, relevant laws, notifications, regulations, and other criteria of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission, the Stock Exchange of Thailand, mutatis mutandis (to the extent that there will be no conflict).

### **Investment policies in subsidiaries, associated companies and related companies are as follows:**

The Company will invest in subsidiaries, associated companies, and related companies with the objective of operating a logistics business that is the same as the Company's main business or similar businesses or businesses that support the Company's business by focusing on investments in businesses that have potential for growth in line with the Company's goal and strategic plans for business expansion, as well as generating a good return on investment. The request for approval of investments in subsidiaries, associated companies and related companies must be in accordance with the Notification of the Capital Market Supervisory Board Re: Rules on Significant Transactions Constituting an Acquisition or Disposal of Assets and the Notification of the Stock Exchange of Thailand Re: Disclosure of Information and Practice of Listed Companies Concerning the Acquisition or Disposition of Assets B.E. 2547 (2004). In this regard, the Company has a policy to invest in a proportion sufficient to participate in the management and determination of business operations of such subsidiary, associated company and related company.

The Company may consider investing in other businesses that are not its existing core businesses, provided that the investment must be in accordance with the Company's business conditions, policies, goals, direction of business growth and strategic plan.

## ENVIRONMENTAL, SOCIAL AND GOVERNANCE POLICY AND GUIDELINES

Triple i Public Company Limited and its subsidiaries (the "Company") resolve to conduct its business with an emphasis on environmental, social and governance (ESG). As a listed company, the Company aims to be an exceptional ESG performer and to be included in the ESG Emerging List. Hence, the Company focus to enhance competitiveness and long-term business sustainability as follows;

### **1. Corporate Governance**

- 1.1 The Company implements good governance working process with transparency, equality and fairness to create confidences among the shareholders, investors, and all of the stakeholders.

- 1.2 The company endeavors to conduct its businesses with honesty and consider the public and national interests. It shall conduct its business operations under applicable rules and regulations along with respecting the interests of third parties who conduct business dealing with the Company. The directors, executives and employee shall comply with the Company's rules and regulations. Business conduct shall be exercised with care to avoid the involvement in any wrongdoings resulting in the damages to the Company. Also, the Company's personnel shall provide assistance and support to public and private organizations involving in the Company's audit.
- 1.3 The Company believes in fair competition. It considers competition to be a source of its strength and continuous development. Hence, the Company has a policy to require continuous developments of its management and employees' skills and capabilities. Additionally, the company shall refuse to engage in any anti-competitive or unethical behaviors to the disadvantage of its competitors.

### Practice Guidelines

The Company's business conduct shall be in compliance with the Company's Corporate Governance Policy which has been adopted under the good governance principles for listed company as stipulated by the Stock Exchange of Thailand and the Securities and Exchange Commission.

## 2. Respect for Human Rights

- 2.1 The Company has a policy for the management and employees to conduct their businesses with equal treatments to each individual who has business dealing with the company. The Company promotes and encourages the equal treatments to all individual based on the human rights and equalities principles. The equal treatments shall be made irrespective of ethnicity, skin color, gender, language, religious, political and other beliefs along with socio-economic backgrounds, social standing and wealth. The Company encourages its personnel to provide feedback or to make complaints on the human right matters.
- 2.2 The Company has a policy to support and respect human right protection. Stakeholders including business partners, communities, and the societies shall be treated respect on human rights, equality and freedom. The Company promotes and encourage the equal treatments to all individuals based on the human rights and equalities principles. The equal treatments shall be made irrespective of ethnicity, skin color, gender, language, religious, political and other beliefs along with socio-economic backgrounds, social standing and wealth. The Company shall not engage in any actions that are in breach of human rights such as child-slavery, sexual harassments, etc.
- 2.3 The Company supports human right compliance monitoring. The feedback sessions and the reporting channel for human rights violations relating to the Company shall be arranged along with provisions for appropriate compensations. To ensure effective human rights compliance, the Company shall create the practical knowledge and awareness of human rights within the Company.

### Practice Guidelines

- 1) Support and respect human rights and prevent the Company from the involvement of human rights violations.
- 2) Support and promote the Company personal's compliance with the international standard on human rights. This includes the activities within the Company, its subsidiaries, joint ventures and business partners.
- 3) Equal treatments shall be given to the Company's personnel irrespective of the place of birth, ethnicity, sexual-orientation, age, skin color, religious beliefs, physical capability, wealth, social standing, educational background or any status that are irrelevant to the fulfilment of work's duty and responsibility.



### 3. Employee Treatments

- 3.1 The Company is aware of the importance of human resources development and the fair treatment of its employee which is the factor in increasing the Company's value and competitiveness for the long-term sustainability.
- 3.2 The Company believes that human resources are the most important factor in increasing the value and returns to its business. This is because the Company requires skills, capability, physical and mental dedications to conduct its businesses. The Company has therefore adopted a policy on equal treatment for all employees in the basis of human rights and international practices. The Company's personnel shall also treat their colleagues with respect in individual's honors and rights. The Company shall maintain minimal data on the personnel's personal information as required for work purposes and in compliance with the laws. The personal information will be confidential and disclosures may only be made when required by individuals with legal rights.
- 3.3 The Company has implemented guidelines on employee treatments. The executives shall treat the employees fairly and without prejudices. All personnel shall be supported in terms of skill and capability for career and work efficiency developments. The employee shall have an understanding on the Code of Conduct. The Company shall provide appropriate benefits and welfares, secured work environment for the health and safety reasons. Furthermore, the Company shall be willing to accept employees' feedbacks and suggestions.

#### Practice Guidelines

- 1) Respect the human rights of employees and comply with labor laws.
- 2) Implement fair recruitment process and contract along with a fair process for awards and remunerations.
- 3) Promote personal developments by means of trainings, seminars, workshops and sending employees to take part in seminars or courses to develop skills and capabilities along with the development of positive work attitudes, ethics, and team works.
- 4) Provide welfares and benefits as required by law such as social security. Also provide welfares and benefits outside the scope of laws such as health and accident insurances along with providing financial assistances that may include scholarships for employee's children and funeral support, etc.
- 5) The Company shall provide annual physical check-ups to its personnel in every level based on the individual's risk factors which include age, gender and work environment.
- 6) Implement health and safety practices at workplace. Adopt safety procedures and promote safety awareness among the employees including providing training and promoting health and well-being and keeping the workplace clean and safe.
- 7) Providing feedback and complaint channels to the employees for any misconducts and unfair treatments. Also, employees who lodge complaints or providing feedbacks shall be protected.

### 4. Environmental Protections

- 4.1 The Company values the importance of the environments and its impact on human and is aware of the importance of environmental protection. The Company's certain business conducts may fall under the jurisdiction of environmental laws and regulations. Therefore, the Company has adopted the environmental policy as a guideline for careful business conducts to minimize environmental externalities to the surrounding communities.
- 4.2 The Company cares for the health and safety of its employees and the affected communities. The Company shall cultivate quality, health and safety conscious among its personnel for the benefits of the Company, the communities and the society. It also promotes waste reduction and effective use of resources.

### Practice Guidelines

- 1) Promote an understanding and awareness of the importance of safety. Adopt terms and standards on quality, security, safety, occupational health and the environment. The Company's terms and standards must, at least, meet the legal and international standard requirements. The Company's personnel shall have an understanding and conduct works in compliance with the legal requirements and the policy and terms and standards on quality, safety, occupational safety and the environment in full.
- 2) Establishing control process and damage prevention measures from fire, injuries, and sicknesses from work, property damages and losses, safety measure violations, work procedural violations and any other incidents. A safe working environment shall be maintained. Regular security drills shall be carried out and it is the duty and responsibility of the executives and employee of the relevant companies to report accidents, incidents through the stated procedures. The management and the Company's employees are responsible for reporting accidents in accordance with the prescribed procedures. In the year 2021, 2 staffs was injured or experienced accident as a result of work.
- 3) Communicate and produce media to disseminate the policy, regulation, procedure and guideline on quality, security, safety, occupational health and the environments for the Company and contractor's personnel and stakeholders to ensure correct compliance thereby reducing risk on health, asset and the environment.
- 4) Practice on health, security, safety, occupational health and the environment for the benefits of the society at large. The Company shall utilize natural resources in the optimal manner and shall be aware of the importance of the environment and health and safety of the stakeholders. It shall promote social activities involving the protection of the environment and the life-quality development projects for the members of the community for a long-term sustainability.
- 5) The Company's personnel shall temporarily suspend the assigned task should it deemed to be unsafe or unable to comply with the terms and standard on quality, security, safety, occupational health and the environment and report to the colleagues, superior officer and the responsible departments to solve or identify the solution for the issue. Working will be strictly prohibited during the solution finding process.
- 6) Produce reports on social and environmental activities that include the business conducts on the environment, safety and society.
- 7) Information shall be accurate and the different channels of information should be provided for easy access by the stakeholders.

## 5. Anti-Frauds and Corruptions

The directors, executives and employees of the Company shall strictly comply with the Anti-Fraud and Corruption Policy, the Anti-Fraud and Corruption Handbook and the Code of Conduct as follow;

- 5.1 It is forbidden to seek and pay bribery to any contacted individual and government organizations in exchange for undue benefits.
- 5.2 Avoid receiving-giving gifts, hospitalities and other benefits along with financial supports that are in an inappropriate value from customers or business partners. If the receiving-giving of gift is unavoidable because of local tradition or business cultures, the value of the gift shall not exceed the value specified by the Company. The personnel is require to notify the Company for the gift/fund to be transferred to the Company. The policy on receiving-giving gifts, hospitalities and other benefits must be strictly adhered to.
- 5.3 Establish internal control process to prevent frauds and corruptions that includes Company's rules and regulations, work procedures, payment authority and responsibility system and shall always be accompanied with verifiable documentations.



- 5.4 The Company's personnel shall not neglect or overlook actions or suspicions of fraud and corruption that may impact the Company. Such incidents shall be reported to the superior officer, the legal and compliance corporate governance department in compliance with the policy and practice guidelines on whistleblowing and whistleblowers protection.
- 5.5 Conduct personnel training to create understanding on the anti-fraud and corruption policy and practice guidelines and to cultivate honesty and responsibility among the Company's personnel.
- 5.6 Conduct business in ethical manner to build confidence among the stakeholders for a long-term positive impact on the Company.

### Practice Guidelines

- (1) Avoid actions that may cause conflict of interests. Should the conflict of interest arise, a fair mitigation and full information disclosures shall be made.
- (2) Promote free and fair competitions, avoiding collusion and unfair practices.
- (3) It is forbidden to involve or take actions that violate intellectual property rights.
- (4) Establish management system to prevent or detect bribery, frauds and corruptions in a timely manner. Furthermore, an effective misconduct solution process with ensured fairness shall be adopted.
- (5) Promote the importance of anti-fraud, corruptions, extortions, and bribes to the directors, executives and employees.

## 6. Relationships with Customers, Business Partners and Creditors

### 6.1 Relationship with Customers

- The Company has a duty to foster long-term relationships and co-operations with its customers and must be based upon the principles of honesty, trustworthiness on both sides.
- The Company has a duty to create customer satisfactions through responsibility and care, delivering high-standard products and services, fair and equal treatments of customers, adherence to the terms and conditions of the contracts and disclose truthful and correct information.
- The Company accepts customer complaints on the issues on its products and services along with the truthful and correct disclosures of product and service information to create trust and fairness the customers.
- The Company shall attempt to maximize customer satisfaction by offering good-quality products and services at reasonable pricings and always be responsible on its products and services.

### 6.2 Relationships with Business Partners

- The Company shall foster a good relationship with every business partner. The Company has the duty to enable every business partner to present their products and service equally. The personnel shall treat every business partner with honesty and equality. All decisions shall be made on the basis of quality assessment and comparison along with the terms and condition with the Company's benefit at the center. Business partners' confidential information shall be kept. No bribes and commissions shall be sought from the business partners.
- The Company has a duty to seek and contract business partners who are able to comply with the Company's policies on environmental protection and pollution control. Fair and equal treatment should be given to the business contract's employees in terms of works and employment.
- The Company has a duty to advise the business partners working in the Company's premises to ensure compliance on safety and occupational health.

### 6.3 Relationship with Creditors

- The Company has a duty to foster relationships and treat the creditors with honesty along with building trust in both parties.

- The Company has a responsibility in providing due care and attention to the agreed terms and conditions with the creditors to the best of its ability.

#### Practice Guidelines

- 1) The Company endeavors to develop a holistic solution for its products and services. It shall deliver its service in a timely manner and in high quality to satisfy customer's demand. The Company's personnel shall dedicate themselves to customers' demand and offer products and services at a reasonable price, with a fair terms and conditions, up-to-date manner and with good quality.
- 2) Never mislead, over-state the quality of the Company's products and services.
- 3) Business partners shall be treated with honesty and equality. All decisions shall be made on the basis of quality assessment and comparison along with the terms and condition with the Company's benefit at the center. Business partners' confidential information shall be kept.
- 4) Foster relationship and treat the creditors with honesty along with building trust in both parties. Providing due care and attention to the agreed terms and conditions with the creditors to the best of its ability.

### 7. Communities and the Society

- 7.1 The Company is inseparable from the society. Hence, it has a duty to develop and share the profits back to the communities and the societies to ensure the Company and society's long-term sustainability. It is the Company's duty and policy to focus pay importance on the communities and society's activities. It shall support the social developments in the aspects of the environment protection and promotion, religions, educations, and public activities for the disadvantages for a self-sustainability and strong community.
- 7.2 The Company has a policy for the executives and employees be a good citizen, respect human rights and treats the surrounding communities with friendliness that include children, women, the disabled and the elderly.
- 7.3 The Company has a social responsibility to support the communities and the society by providing support or participating in community developments in the areas including education, culture, public health, economics and job and income opportunities.
- 7.4 The Company has a duty to offer employment opportunities to those residing in the surrounding communities. The Company also has a policy to recruit employees from the local communities as appropriate.
- 7.5 The Company has a duty to support socially-benefiting activities, providing support to the government organizations and other agencies for the benefits of the society.
- 7.6 The Company has a duty to innovate. It shall use the created innovations for the good of the Company's business and the society.

#### Practice Guidelines

- 1) Adopt the policy on social responsibility in compliance with the Stock Exchange of Thailand's practice guidelines on the social responsibilities for listed companies. The executives and every personnel shall comply with the social and environmental responsibility policy.
- 2) The Company endeavors to create an understanding and to communicate with the public on the Company's status, the business, responsibilities on the communities, the society and the environment. The Company shall not withhold the non-confidential information and shall assist in providing up-to-date information to the investors, shareholders and the public.
- 3) The Company endeavors to constantly participate in the quality, security, occupational safety and the environment. It shall utilize natural resources in an efficient manner by paying attention on the importance of the environment and the safety of the stakeholders. This also includes providing supports on environmental protection and life-quality development projects for the communities for a long-term sustainability.



- 4) The Company shall consider different alternative options for natural resource utilization to reduce externalities on the society, the environment and the livelihood of the public. It shall also promote the energy and resource conservation.
- 5) The Company shall constantly cultivate the social and environmental responsibility awareness and behavior among its personnel. It shall consider doing business with the business partners who share the same values and objectives on social and environmental responsibility. It shall also promote and conservation of energy usage for the future generations.
- 6) The Company shall regularly hold social and environmental development activities. Such activities shall be held for the concrete benefits of the communities, the society and the environment. For donations, the Company shall verify the information of the donated party to ensure that the donation will be effectively used for the stated benefits and all donations shall be accompanied with verifiable evidence.
- 7) Examine existing processes of the Company and identify risks on the society and the environment. Adopt the mitigation measures for the identified risks. Also, examine and evaluate the work processes for the potential business innovations.
- 8) Disclose the information on the created innovations that pose positive impacts on the society and the environment for potential adoptions by other companies.
- 9) Continuously identify solutions and create innovations. This is to facilitate the developments of new products and services that result in the profit growth and long-term sustainability.

## INTERNAL INFORMATION POLICY

The Company has policies and procedures for directors and executives to use the Company's internal information which is not publicly available for personal purposes and benefits, including securities trading, as follows:

1. The Company will educate the directors, executives, and those who hold executive positions in the account or finance department at a managerial level or higher (as defined by the Capital Market Supervisory Board and the Stock Exchange of Thailand) on duties to prepare and report holding of securities of the Company under section 59 and the penalties under section 275 of the Securities and Exchange Act, B.E. 2535 (1992), as amended (the "Securities Act"), and reporting on the acquisition or disposal of securities of the Company under section 246 and penalties under section 298 of the Securities Act.
2. The directors, executives, and those who hold executive positions in the accounting or finance department at a managerial level or higher shall prepare and disclose reports on holding of securities issued by their companies and held by them, their spouse, and minor children under section 59 at every time there is a change in the holding of securities. The disclosure shall be made to the Company's Secretary to propose to the Office of the Securities and Exchange Commission at any time within the specified period. The Company's Secretary shall report the securities holding and the change of securities holding to the Board of Directors for acknowledge every six (6) months on a regular basis.
3. The directors, executives, those who hold executive positions in the accounting or finance department at a managerial level or higher, and related persons who receive significant internal information that has impacts on the change of securities price shall be prohibited to purchase, sell, offer for purchase and sale, solicit to buy, sell, offer for purchase or sale shares or other types of securities (if any) of the Company, whether directly or indirectly, during the period prior to the disclosure of financial statements or of financial status and performance of the Company until the Company has disclosed the information to the public. The Company will inform the directors, executives, and those who hold executive positions in the accounting or finance department at a managerial level or higher to refrain from doing so in writing at least 30 days prior to the public disclosure and to wait at least 24 hours after the disclosure to the public before they may enter into the above transactions.

4. The directors, executives, and employees of the Company and its subsidiaries are prohibited to use the internal information of the Company and its subsidiaries that affects or likely to affect the price of the Company's securities, that has not been disclosed to the public of which they learn from their position, for the purpose of purchasing, selling offering to purchase or sell any shares or other types of securities (if any) of the Company, whether directly or indirectly, and whether it is done for the benefit of themselves or others; or to disclose the information to others to enable them to do so whether or not the directors, executives, and employees of the Company and its subsidiaries will benefit from the disclosure.
5. The directors, executives, employees of the Company and its subsidiaries or former directors, executives, and employees who have resigned from their position shall be prohibited to disclose the internal information or secrets of the Company and its subsidiaries that they learn from their position, including the confidential information of partners of the Company and its subsidiaries, to third parties whether or not the disclosure shall not cause damage to the Company, its subsidiaries, or partners.
6. The directors, executives, and employees of the Company and its subsidiaries shall not disclose the internal information of the Company and its subsidiaries and not use their position in the Company and/or subsidiaries or use the internal information or significant information, that they learn or acknowledge during their performance for the Company and/or subsidiaries and that has not been disclosed to the public, to exploit and benefit for themselves in bad faith or to disclose the information to third parties for their personal benefits or for others, whether directly or indirectly and no matter they will benefit from the disclosure.
7. The directors, executives, employees of the Company and its subsidiaries or former directors, executives, and employees who have resigned from their position shall keep the internal information of the Company and its subsidiaries confidential. The directors, executives, and employees of the Company and its subsidiaries shall be prohibited to use the confidential information and/or internal information of the Company and its subsidiaries to benefit other companies.
8. The directors, executives, and employees of the Company and its subsidiaries shall have the duty to comply with the guidelines for the use of inside information under the Securities and Exchange Act, B.E. 2535 (1992), the Public Limited Companies Act, B.E. 2535 (1992), and other relevant regulations.

## ANTI-CORRUPTION

The Company is committed to conducting business with honesty, transparency, fairness and in accordance with the principles of good corporate governance. Currently, the Company is in the process of preparing a self-assessment to apply for certification as a member of the Thai Private Sector Collective Action Coalition against Corruption (CAC) organized by leading business organizations in the country such as the Thai Institute of Directors, Thai Chamber of Commerce and Thai Listed Companies Association. To prepare for participation in the Thai Private Sector Collective Action Against Corruption (CAC), the Company has established policies, guidelines, and procedures for the appropriate action on the prevention of corruption that may occur and to help business operations and decisions that may have risks of dishonesty and corruption, be considered and acted carefully, accurately, and concretely. The Company has announced its intention to join the Thai Private Sector Collective Action Against Corruption (CAC) on 23 February 2021. The Company also supports activities that promote and instill awareness, values and attitudes among executives and employees in compliance with relevant laws and regulations. This is set out in the work regulations and clearly defined penalties including measures not to demote, punish, or give negative effects to employees who refuse corruption, even if doing so will cause the Company to lose business opportunities. The Company provides appropriate and safe channels for receiving complaints. The aim is for all employees to jointly supervise the operations within the organization or to file complaints in the event of inappropriate behavior or violations of business ethics in accordance with the Company's Code of Conduct on an ongoing basis. The Company has established Anti-Fraud and Corruption policy, policy and practice guidelines on whistleblowing and whistleblower protection and Anti-Fraud and Corruption handbook including other policies and guidelines related as a guideline for the Company's clear



operations in the business that will develop into a sustainable organization in the future by publicizing on the Company website [www.iii-logistics.com](http://www.iii-logistics.com) so that management, employees and all groups of stakeholders are aware of the requirements and compliance with the policy which are summarized as follows:

## **ANTI-FRAUD AND CORRUPTION POLICY**

The Company's directors, executives and all employees must comply fully with the provisions stipulated in the Anti-Fraud and Corruption policy. It is forbidden for the Company's personnel to be involved in frauds and corruptions, directly or otherwise. The personnel are advised to exercise caution when dealing with the following high risk circumstances;

### **1. Political Contributions**

The Company and its subsidiaries shall not contribute to activities of any political parties. It shall maintain non-partisan position and shall not engage in any acts that may be partial to or in support of a political party or individual with political powers. There shall be no financial and/or material contributions to political parties to persuade wrongful actions or neglections of duty. All personnel of the Company irrespective of his/her position has the democratic right and duty to take part or to support political activities freely in the personal capacity outside of the office hours and shall not use the Company's and its subsidiaries' resources for political activities.

### **2. Charitable Donations**

The Company and its subsidiaries may make financial or material donation from the Company and its subsidiaries for charitable purposes. However, such donations must only be made on behalf of the Company and its subsidiaries. The donation receiving parties must be foundations, charitable organizations, temples (Wat), hospitals, medical facilities, or social enterprises. These organizations shall be listed and recognized by the Revenue Department and the Ministry of Finance and must be in compliance with the Company and its subsidiaries' terms or guidelines.

### **3. Sponsorship or Financial Support for Businesses**

The Company and its subsidiaries may donate its fund or assets to support or sponsor projects. The sponsorship must be made on behalf of the Company and its subsidiaries with the objectives of business dealings, building brand image and reputation of the Company and its subsidiaries. The sponsor payment shall be made with clearly stated objectives and verifiable evidence.

### **4. Receiving and Giving Gifts**

Receiving or giving gifts during festive seasons or in accordance to local traditions and business cultures is allowed in which the value of the gift shall not exceed 3,000 Baht. Should the value of the give exceed 3,000 Baht, report must be made to the superior officer or to the Legal and Compliance Department and must comply with Policy and Guidelines on Gifts, Hospitalities and Other Benefits. Gift-giving and receiving must be transparent and done on behalf of the Company or its subsidiaries and shall be accompanied with verifiable evidence.

### **5. Hospitalities**

Hospitalities or service payments may be made if deemed necessary as per business cultures and local traditions. Such payments are to be directly made for hospitalities or services that facilitate business benefits and must be in compliance with relevant laws. The value of hospitality and service payments must be appropriate in its purpose and shall not create undue influence in decision and shall be accompanied with verifiable evidence in compliance with the Company's and its subsidiary terms and guidelines.

## 6. Facilitation Payments

The Company and its subsidiaries do not make facilitation payments, direct or otherwise. It does not tolerate any actions or act in anyway in exchange with business facilitation that may lead to frauds and corruptions.

*(Please refer to more information on the good corporate governance policy at <https://investor.iii-logistics.com/en/home> under the heading Corporate Governance).*

## POLICY AND PRACTICE GUIDELINES ON WHISTLEBLOWING AND WHISTLEBLOWER PROTECTION

The Company endeavors to conduct its business operations with responsibility, rightfulness and transparency in compliance with the Corporate Governance Policy and its Code of Conduct. The Company believes that our employees must be treated with fairness and expect the employees' conducts to be honest and in strict compliance the Company's Code of Conduct. The Company is determined to protect its employees, business operations and assets from any actions in breach of the Code of Conducts along with any potential frauds and corruptions resulting in the Company's reputational damage or its stock value. Hence, the Company resolves to prevent any frauds and corruptions in the Company in which punishments will be given to those found to be engaging in frauds and corruptions. To ensure effective implementation of the Anti-Fraud and Corruption Policy and principle, this policy has been implemented for following objectives;

1. To provide whistleblowing with reporting channels and encourage the employees and external individuals to confidently report frauds and corruptions in the Company.
2. To provide protection against threats, position transfers, suspensions, dismissals or other unfair treatments to the whistleblowers and those who provide co-operation to the Company on the matter of frauds and corruptions.
3. To specify a clear and fair procedure in fraud and corruption investigations.
4. To prevent potential frauds and corruptions and to detect and reduce damages from such actions.
5. To cultivate ethical values for the Company and its employees.
6. To stipulate guidelines for whistleblowing process and protection of the whistleblowers and those who refuse to take part in frauds and corruptions.

### Scope of this policy

1. This policy is applicable to all employees within the Company and its subsidiaries.
2. This policy covers frauds and corruptions (both apparent and suspected acts) involving employees, vendors, creditors, customers, business partners, shareholders, directors and all stakeholders involving in business dealings with the Company and/or its subsidiaries.
3. This policy provides protections to every stakeholder. In this policy, the Company specifies channels to report fraud and corruption activities by the employees, executives or directors or those affected from refusing to take part in fraud and corruptions.

### Whistleblowing Process

It is the responsibility of every employee to report any wrongdoings, frauds and corruptions. The report must be submitted with good-intent and the employees must not overlook when encountering with breaches of government regulations or any suspicious actions that may involves wrongdoings, frauds and corruptions. Such occurrences must be reported through the provided reporting channels.



Intentioned accusations causing damages to individuals and the Company will result in disciplinary and legal actions. The following are the whistleblowing procedures;

1. For whistleblowers who are the Company's employees who witness suspicious acts or wrongdoings involving the Company or its subsidiaries must immediately report to the department assigned to deal with whistleblowing as stipulated by the committee. This can be verbal or written report as attached in the Fraud and Corruption Report Form. Employees are advised against conducting self-investigation or self-questioning on the matter.

For non-employee whistleblowers, the report can be submitted to the channel stipulated in the Article whistleblowing process.

Whistleblowers are required to provide name, address and telephone number when the report is made. Nevertheless, the whistleblowers may opt not to reveal their names to the Investigating Committee during the investigation.

2. If the whistleblowers are not willing to report to the assigned department for whistleblowing, the following alternative reporting channels are available;

#### Alternative Contact Persons for Whistleblowing

Chairman of the Board, Chair of the Audit Committee, Chair of the Corporate Governance Committee, the Chief Executive Officer and Management Committee and/or Compliance Manager

#### Reporting Channels

- Written report: Triple i Logistics Public Company Limited, 628 Triple i Building, 3<sup>rd</sup> Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120
- e-mail report: whistleblowing@iii-logistics.com
- Verbal report: Compliance Manager
- Suggestion boxes
- Website: www.iii-logistics.com

In the event of whistleblowing involving high-ranking personnel (Managing Director and over or the head of the Internal Audit Department or head of Human Resource Department), the report must be submitted to the chair of the Audit Committee or the Board of Directors or the Chairman of the Board or the Chair of the Corporate Governance Committee.

When notified by the whistleblowers, the superior officer and the department must immediately report to the Legal and Corporate Governance Department.

3. The departments receiving whistleblower's reports must keep indexed record of whistleblowing reports. The summary report of whistleblowing activities must be submitted to the audit committee or the good governance committee, at least on a quarterly basis.

#### Protection Measures for the Whistleblowers

The Company has implemented the mechanism to protect the whistleblowers who report or provide information along with those refusing to partake in the act of frauds and corruptions. This is to ensure that the whistleblowers will not suffer from adverse consequences from reporting. The measures are as follows;

1. To protect the rights of the whistleblowers or those who refused to partake in frauds and corruptions involving the Company and to ensure safety, fairness and to prevent any adverse consequences along with those who lodge complaints, witnesses and information sources, the Company shall keep the information of such individuals confidential in accordance to the Company's regulations on restricted information access and document security. Only individuals responsible for the investigation will be given access to the files and information. The individuals handling the whistleblowing activities have the duty to keep the information, the content and documentations from the whistleblower confidential. These shall not be revealed to unauthorized persons unless required by law.
2. The Company does not tolerate treats, harassments of the whistleblowers and individuals who corporate with the investigation with good-intention. The Company shall protect such individuals

and will prohibit the employees or executives to dismiss, suspend, discipline and from threatening the whistleblowers. Also including the prevention on unfair and inappropriate treatments or damages to other individuals. The protection also covers the cases where the individuals are facing legal charges, act as the witness to give statement or assisting the court of justice or government agencies. Breaching this protection will result in disciplinary actions and may result in legal actions should it was deemed to be unlawful.

3. The Company may offer additional protection as appropriate. This will be considered based on the severity and the significant of the matter of complaint. Should the whistleblowers receive threat or harassment, the matter must be reported to the head of HR Department immediately in which the head of HR Department will act as the whistleblower protection officer in accordance to this policy.
4. Even if the investigation finds no misconducts by the accused, the whistleblowers and information providers who did so with good-intention will not face punishment. Nevertheless, if the investigation finds that the report of misconduct is ill-intent and the accusation is baseless, the Company will consider disciplinary actions on the whistleblowers in accordance to the work regulation with punishment ranging from verbal and written warning, suspension to dismissal and potential legal actions.
5. The Company will not demote, discipline or create adverse impacts on the employees and executives who refuse to partake in frauds and corruptions even if such refusal resulted in the loss of business opportunities.

*(Please refer to more information on the good corporate governance policy at <https://investor.iii-logistics.com/en/home> under the heading Corporate Governance).*



# INTERNAL CONTROL

Good internal control system is essential to listed companies. It helps preventing, managing, mitigating risks or damages which may occur to listed companies and their stakeholders. Hence, the Company values the importance of good internal control system according to good corporate governance principles and guidance on internal control by the SEC and the Stock Exchange of Thailand. Such guidance is in line with the international standard called “COSO” which sets out the internal control framework. The internal control framework consists of 5 components and 17 internal control principles which clarify the original components. The Board of Directors’ Meeting No. 6/2021 held on 11 May 2021, No. 7/2021 held on 10 August 2021, No. 9/2021 held on 9 November 2021 and No. 1/2022 held on 22 February 2022 had evaluated the Company’s internal control system through enquiries with the management and completed the Internal Control System Sufficiency Evaluation Form in respect of the following five components:

1. Control environment
2. Risk assessment
3. Control activities
4. Information and communication
5. Monitoring activities

## THE BOARD OF DIRECTORS’ OPINION ON THE COMPANY’S INTERNAL CONTROL SYSTEM

The Board of Directors is of the view that the Company has adequate, appropriate and effective internal control system which supports achievement of the Company’s mission and objectives and compliance with the relevant laws, rules and regulations. The internal control system protects assets of the Company and its subsidiaries from being misused or misappropriated by any person or his/her related persons. The Company’s accounts have been prepared and its financial reports are correct, reliable and suitable to nature and type of the Company’s business. The internal control system covers transactions with the Company’s shareholders, directors, executives or their related persons. Such transactions were approved by the authorized persons and were accurately and completely recorded in the Company’s accounts to achieve the reliability of the Company’s financial reporting.

To provide confidence that the Company’s internal control system, risk management and corporate governance are effective and have continuously been improved to support the achievement of the Company’s mission, the Company had appointed KPS Audit Company Limited as outsourced internal auditor (the “Internal Auditor”). The Company assigned Miss Sichon Chotveerasatanont as coordinator between the Company and the Internal Auditor. The Internal Auditor is responsible for evaluating adequacy of the internal control system and is independent and reports directly to the Audit Committee and the Internal Audit Charter is approved by the Audit Committee. The Internal Audit Charter is reviewed on an annual basis to ensure that it is up-to-date with current environment. The internal auditor shall report results of internal audit to the Audit Committee and the Company’s executives on a quarterly basis to achieve good corporate governance.

KPS Audit Company Limited has used results of risk management by the Company’s executives in the year 2021 as information in preparing internal audit plan for the year 2022 and submitted to the Audit Committee for consideration and approval. The internal audit plan focuses on reliability of accounts and financial information, efficiency and effectiveness of operations, and compliance with laws and regulations. The Internal Auditor evaluated adequacy of the Company’s internal control system by auditing the key systems. The management

and supervision of associated companies and joint ventures process, inventory management process, expense management process, assessment on COSO2013 internal control framework and management according to the Thai Private Sector Collective Action Against Corruption (CAC). The Company plans to apply for a self-assessment certificate to establish an anti-corruption system by the year 2022. However, the internal auditor has reviewed to ensure that the Company can comply with policies, operating manuals, compilation and reporting procedures, approval authorities, and forms correctly and in accordance with the self-assessment form, and the implementation is successful as planned. In addition, the Company conducts an evaluation and assessment of operational risks, which may cause corruptions, at least once a year according to its anti-corruption policy. Based on the evaluation by the Risk Management Sub-Committee, risk relating to operation and assets arising from non-compliance with the anti-corruption policy was not found. The Company also assessed risks which may arise from non-compliance with policies and business ethics and corruptions by giving an opportunity for its employees or third-party to report any misconduct against the anti-corruption policy in the year 2021. There was neither any report of misconduct nor claim of any kind. Therefore, the Company is confident that it has control over risks relating to anti-corruption that is in line with its anti-corruption policy and follows up on outstanding issues from internal audit during Quarter 1 – 3 of the year 2021. Based on the internal audit results, the Company's internal control system is adequate and effective. The Company has good internal control system and, with cooperation from the management, majority of the issues found in respect of the internal control system have already been rectified.

However, for those internal audit issues which remain outstanding and are under process of correction and prevention, the management and the Executive Committee has prepared plan for correction and monitoring so that they can be corrected and improved as intended by the Company.



## CONNECTED TRANSACTION POLICY

### 1. PROCEDURE FOR APPROVAL OF CONNECTED TRANSACTION

The entry into connected transaction of the company and its subsidiaries shall be in accordance with the rules of the Securities and Exchange Act and the Capital Market Supervisory Board's Notification no. ThorJor. 21/2551 re: the rules on entry into the connected transaction together with the Stock Exchange of Thailand's Notification re: the disclosure and the procedure of a listed company in relation to the connected transaction including the relevant regulations of the Office of the SEC and/or the SET as well as complying with rule on the disclosure of connected transactions in the footnote to financial statement audited by the auditor of the company and the Annual Registration Statement (Form 56-1 One Report).

If the company is required by laws to obtain the approval from the Board of Directors or the shareholders' meeting prior to the entry into connected transaction, the company will procure the Audit Committee to review and provide opinion on such transaction and such opinion of the Audit Committee will be proposed to the Board of Directors or the shareholders, as the case may be, to ensure that the entry into connected transaction for the best benefits of the company. Transactions having general and non-general trading conditions shall be conducted under the following principles:

- **TRANSACTIONS HAVING GENERAL TRADING CONDITIONS**

In respect of an entry into a transaction having general trading conditions among the Company and its subsidiaries and directors, executives or a related person, the Company shall make a request for approval in principle to the Board of Directors. The Board of Directors may approve the transaction if it is a commercial agreement that is generally done in a similar situation by parties having the same bargaining powers without having influence as a director, executive, or related person. The Company shall prepare a summary report on the related-party transaction to report in the Audit Committee's meeting and the Board of Directors' meeting every quarter.

- **TRANSACTIONS HAVING NON-GENERAL TRADING CONDITIONS**

An entry into a transaction having non-general trading conditions must be considered and reviewed by the Audit Committee prior to the consideration and approval by the Board of Directors and/or a shareholders' meeting in accordance with the laws concerning securities and exchange, regulations, notifications, orders, and requirements of the Capital Markets Supervisory Board and the Stock Exchange of Thailand, and regulations concerning disclosure of information related to related-party transactions.

If there have connected transactions between the company and/or its subsidiaries with any person who may have conflict of interest, stake or conflict of interest in the future, the Audit Committee will provide its opinion on the necessity of the entry into transaction and the appropriate of value of such transaction by considering any conditions in accordance with the normal business operation in the industry and/or comparison with third party price and/or market price and/or price or condition relating to the entry into such transaction at the similar standard as third party and/or to proof that the entry into such transaction has determined the price or conditions with reasonable and fairness. If the Audit Committee does not have expertise to consider the connected transaction that may occur, the company will appoint the independent expert or the company's auditor to provide opinion on such transaction for consideration of the Board of Directors, the Audit Committee and/or shareholders, as the case may be.

In principle, the management team can approve such transaction if such transaction have a commercial terms in the characteristic that the person of ordinary prudence shall act with general counterparty in the similar situation with the power bargaining that without influence of status as director, executive or connected person. The company will prepare summary report on the entry into transactions for acknowledgement in the next Board of Directors' meeting.

In respect of the approval of connected transaction, any person who may have conflict of interest or stake in the entry into such transaction, cannot vote in the approval of such connected transaction. This is to ensure that the entry into such transaction shall not be the transition or transfer of benefits between the company or shareholders of the company, but it will be the transaction that the company considers the highest benefit of all shareholders. The company will disclose the connected transaction in the footnote to financial statement audited by the company's auditor, annual report and Annual Registration Statement (Form 56-1 One Report).

After being the listed company of the Stock Exchange of Thailand, the company will comply with the rules, regulation, protocol of the Office of the Securities and Exchange Commission, the Capital Market Supervisory Board, the Stock Exchange of Thailand on the entry into the connected transaction, and the acquisition or disposal of assets under the relevant regulation of the listed company strictly.

## 2. CONNECTED TRANSACTION POLICY

- 2.1 The directors and executives of the company shall prepare report on their conflict of interest or connected persons and notify the company for using as the information for complying with the relevant regulations on the entry into connected transaction.
- 2.2 To avoid the entry into connected transaction that may create conflict of interest.
- 2.3 If it is necessary to enter into connected transaction, the company will comply with procedure and will perform in accordance with the relevant laws including the regulations of the Office of the Securities and Exchange Commission, the Capital and the Stock Exchange of Thailand.
- 2.4 To determine price and conditions of connected transaction on arm's length basis which shall be fair, reasonable and highest benefit to the company and all shareholders. If there is no such price, the company will compare the price of good or service with the external price under the similar conditions.
- 2.5 The connected person who enters into connected transaction cannot approve or vote to approve for the relevant matters.
- 2.6 In consideration of connected transaction, the company may appoint the independent appraisal to evaluate and compare the price for the significant connected transaction to ensure that such connected transaction is reasonable and for the highest benefits of the company and all shareholders.

## POLICY OR FUTURE TRENDS REGARDING INTERCOMPANY TRANSACTIONS

Future connected transactions include service fees charged by TLG for issuance of bank guarantee from financial institution, lease and service fees for office space and dangerous goods and chemical logistics service charged to joint venture and consortium, and container trucking service with R&K. Logistics service and related services of joint venture and consortium which will not occur in the future include restructuring of the group company, sale and purchase of assets, and intercompany loans between the Company's subsidiaries, associated companies and joint ventures. If such transactions occur, the Company will comply with policy and procedures relating to connected transactions.

If the group company has any future connected transaction, it will comply with policy and procedures relating to connected transactions and the Board of Directors shall comply with laws relating to securities and exchange and rules, announcements, orders or regulations of the Capital Market Supervisory Board and the Stock Exchange of Thailand, regulations relating to disclosure of connected transactions by the Company or its subsidiaries, and the accounting standards issued by Thailand Federation of Accounting Professions.



# Related-Party Transaction

## Relationships between the Group and individuals/juristic entities that may have a conflict

Triple i Logistics Public Company Limited and its subsidiaries and associated companies

Company	Abbreviation	Shareholding
Triple i Logistics Public Company Limited	TLG	N/A
Triple i Asia Cargo Company Limited	TAC	99.99% shares held by TLG
Triple i Air Express Company Limited	TAX	99.99% shares held by TLG
Asia Ground Service Company Limited	AGS	99.99% shares held by TLG
Triple i Maritime Agencies Company Limited	TMA	99.99% shares held by TLG
Triple i SupplyChain Company Limited	TSC	99.99% shares held by TLG
Cross Border Couriers Company Limited	CBC	99.99% shares held by TLG
DG Packaging (Thailand) Company Limited	DGP	99.99% shares held by TLG
HazChem Logistics Management Company Limited	HLM	99.99% shares held by TLG
Triple i International Pte., Ltd.	TIL	100% shares held by TLG
Asia Network International Company Limited	ANI	55.24% shares held by TLG
Excel Air Company Limited	ECA-BKK*	30% shares held by TLG
CK Line (Thailand) Company Limited	CKT	42% shares held by TLG
ECU Worldwide (Thailand) Company Limited	ECU	43% shares held by TLG
HazChem Trans Management Company Limited	HTM	59.99% shares held by HLM
HazChem Logistics Management Pte., Ltd.	HLM-SG	55% shares held by HLM
Excel Air (Guangzhou) Limited	ECA-GZ*	25% shares held by TIL
Excel Air Limited	ECA-HK*	20% shares held by TIL
Freightwork GSA (HK) Limited	Freight-HK*	20% shares held by TIL
GSA Cargo Network (Myanmar) Company Limited	GCN-MM	50% shares held by TIL
DG Packaging Pte., Ltd.	DGPS	50% shares held by TLG
Around Logistics Management Company Limited	AROUND*	50% shares held by TLG
JPK Asia (Thailand) Company Limited	JPK*	34% shares held by TLG
Excel Air (Cambodia) Limited	ECA- KH	32% shares held by TLG
Teleport (Thailand) Company Limited	TLP	50% shares held by TLG
SAL Group (Thailand) Company Limited	SAL	25% shares held by TLG
Galaxy Ventures Company Limited	GV	30% shares held by TLG
A.T.P. Friend Services Company Limited	SHIPSMILE	43% shares held by TLG
Makesend Express Company Limited	MAKESEND	30% shares held by TLG

\* During the year, this company has been restructured, therefore the relate party transactions have been presented until the date of restructuring.

Persons who may have conflicts include:

- directors or executives of the Company.
- major shareholders of the Company.
- controlling persons of the Company.
- a person having blood relations or legal relations by marriage or registration with the persons stated in (a) (b) and (c) such as father, mother, spouse, siblings, offspring, spouse of the offspring.
- a juristic entity in which the person under (a) (b) or (c) holds shares or have significant control or other interests whether directly or indirectly.

The relationships between the Company and the person(s) who may have conflicts against the Company and have entered into related transactions during 2021, 2020 and 2019 can be summarized as follows:

Person with potential conflict of interest	Relationship
R & K Transervice Company Limited (R&K)	All types of freight services provider and a major shareholder of HTM, holding 40% of the total shares.
G3 Glogistics (Thailand) Company Limited (G3)	A cargo agent for freight services and a major shareholder of CKT, holding 28% of the total shares.
Sammitr Green Power Company Limited (SAMMITR)	A company that engages in the business of installing material and components of gas system for cars and machinery, of which Mr. Krirkkrai Jirapaet is a director (acting as the Chairman of the Board and Independent Directors of the Company).
Business Alignment Public Company Limited (BIZ)	A trading company that trades and produces medical instruments, medical science devices, and medicine, of which Mr. Woodtipong Moleechad is the Chairman of the Board and Independent Director (acting as the Vice Chairman of the Board, Independent Director, Chairman of the Audit Committee and the Chairman of the Investment Committee of the Company) and Mr. Vipoota Trakulhoon is an Independent Director and Member of the Audit Committee (acting as an Independent Director, Chairman of the Nomination and Remuneration Committee and Member of the Audit Committee of the Company).
Symphony Communication Public Company Limited (SYMC)	A company that engages in telecommunication businesses which have Mr. Woodtipong Moleechad as the Chairman of the Board (acting as the Vice Chairman of the Board, Independent Director, and the Chairman of the Audit Committee and the Investment Committee of the Company).
Spring Mineral Water Company Limited (SPRING MINERAL)	A company engages in production and distribution of drinking water which have Mr. Krirkkrai Jirapaet as the shareholder (acting as the Chairman of the Board and Independent Directors of the Company).
Nadine Bistro Company Limited (NADINE)	A company engages in food and beverage business which have Miss Waraporn Rungruangpattana, who is a wife of Mr. Teeranit Isarangkul Na Ayudhaya, the executive director of air freight business and shareholder of 9.96% shares in the Company, holds 20% shares in NADINE.
Teleport Everywhere Pte., Ltd. (TLP-SG)	A company engages in air freight business, and it is a major shareholder holding of 50% in TLP.
CK Lines Company Limited (CKL)	A company engages in sea freight business, and it is a major shareholder holding of 30% in CKT.



## 1 Related-party transactions in relation to borrowing and lending

### 1. Borrowing and Lending Transaction

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
Transaction between TLG and ANI					
ANI borrowed from TLG					
• Loan	Beginning 2,250,000 Increase - Decrease - Ending 2,250,000	Beginning 2,250,000 Increase - Decrease (900,000) Ending 2,850,000	Beginning 2,850,000 Increase 1,600,000 Decrease - Ending 4,450,000	On 30 June 2017 and 27 June 2017, 26 March 2021 and 27 September 2021, ANI agreed to enter into a promissory note with TLG to use the loan as its working capital for its business in the amount of Baht 6,750,000 with MLR interest rate per year - the market interest rate. The amount of loan is proportioned with an investment amount.	The promissory note has been approved by the Audit Committee on: 8 August 2017 7 November 2017 20 February 2018 8 May 2018 7 August 2018 13 November 2018 26 February 2019 6 August 2019 5 November 2019 25 February 2020 12 May 2020 13 August 2020 3 November 2020 23 February 2021 11 May 2021 10 August 2021 22 February 2022 The current interest rate is reasonable.
• Interest received	Beginning 140,625 Increase - Decrease - Ending 140,625	Beginning - Increase - Decrease - Ending -	Beginning 176,666 Increase - Decrease - Ending -		
• Accrued interest receivable	Beginning 11,944 Increase 140,625 Decrease (152,569) Ending -	Beginning 117,750 Increase (111,496) Decrease 6,254 Ending -	Beginning 6,254 Increase 176,666 Decrease (162,247) Ending 20,673	ANI pays interest under the promissory note to TLG at the end of every month.	

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<u>Transactions between TLG and ECU</u> <b>ECU borrowed from TLG</b> <ul style="list-style-type: none"> <li>• Loan</li> </ul>	Beginning - Increase 9,000,000 Decrease - Ending 9,000,000	Beginning 9,000,000 Increase 5,000,000 Decrease (14,000,000) Ending -	Beginning - Increase 70,000,000 Decrease (70,000,000) Ending -	On 20 January 2021, 23 March 2021, 28 March 2021, 16 July 2021 and 20 August 2021 ECU has entered into the promissory note with TLG as its working capital for short-term business in the amount of Baht 70,000,000 with MLR interest rate per year - the market interest rate. The promissory note amount is not proportioned with an investment amount due to it is a short-term loan.	The Audit Committee considered such transaction and resolved that the loan was beneficial for increasing financial liquidity of the associated company of the Group. The promissory note between the Company and its associated company of the Group had interest rate at market rate and did not create any financial burden for the Company.
<ul style="list-style-type: none"> <li>• Interest received</li> </ul>	21,575	-	629,425	On 2 March 2021, 5 May 2021, 11 May 2021, 4 August 2021, 4 October 2021 and 2 November 2021, ECU has repaid the money under the promissory note to TLG of Baht 10,000,000, Baht 10,000,000, Baht 5,000,000, Baht 10,000,000, Baht 20,000,000 and Baht 15,000,000, respectively and it has paid the interest under the promissory note to TLG on the last day of every month.	



Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Transactions between TLG and MAKESEND</b> <b>MAKESEND borrowed from TLG</b> <ul style="list-style-type: none"> <li>Loan</li> </ul>	Beginning - Increase - Decrease - Ending -	Beginning - Increase - Decrease - Ending -	Beginning - Increase 10,000,000 Decrease - Ending 10,000,000  110,674	On 3 August 2021, 18 August 2021, 26 August 2021, 14 September 2021, 27 October 2021, 23 November 2021 and 28 December 2021, MAKESEND has entered into the promissory note with TLG as its working capital for short-term business in the amount of Baht 10,000,000 with MLR interest rate per year - the market interest rate. The promissory note amount is not proportioned with an investment amount due to it is a short-term loan.  MAKESEND has paid the interest under the promissory note to TLG on the last day of every month.	The Audit Committee considered such transaction and resolved that the loan was beneficial for increasing financial liquidity of the associated company of the Group. The promissory note between the Company and its associated company of the Group had interest rate at market rate and did not create any financial burden for the Company.
<ul style="list-style-type: none"> <li>Interest received</li> </ul>	-	-	-		

## 2. Fees for letter of guarantee from financial institutions by using TLG's credit of its letter of guarantee

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<u>Transactions between TLG and FW-HK</u> <b>FW-HK requested for a letter of guarantee from a financial institution by using TLG's credit of its letter of guarantee</b> <ul style="list-style-type: none"> <li>• Fee for a letter of guarantee</li> </ul>	-	156,344	209,779	FW-HK entered into a letter of guarantee with a financial institution for a credit amount of Baht 20,977,899.67 by using TLG's credit of its letter of guarantee. FW-HK is required to pay TLG fees at the rate of 1.0%.	The Audit Committee considered this transaction and is of the view that using TLG's credit will create financial liquidity for the Group because it is not necessary to use their own fixed deposit accounts as a guarantee. This transaction is not considered a financial burden for TLG as there is a fee charged between the parties.
<u>Transaction between TLG and ECA-KH</u> <b>ECA-HK requested for a letter of guarantee from a financial institution by using TLG's credit of its letter of guarantee</b> <ul style="list-style-type: none"> <li>• Fee for a letter of guarantee</li> </ul>	557,437	9,353	17,530	ECA-KH entered into a letter of guarantee with a financial institution for a credit amount of Baht 1,752,984 by using TLG's credit of its letter of guarantee. ECA-KH is required to pay TLG fees at the rate 1.0%.	The Audit Committee considered this transaction and is of the view that using TLG's credit will create financial liquidity for the Group because it is not necessary to use their own fixed deposit accounts as a guarantee. This transaction is not considered a financial burden for TLG as there is a fee charged between the parties.



Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<u>Transaction between TLG and ECA-GZ</u> <b>ECA-GZ requested for a letter of guarantee from a financial institution by using TLG's credit of its letter of guarantee</b> <ul style="list-style-type: none"> <li>• Fee for a letter of guarantee</li> </ul>	-	15,794	51,806	ECA-GZ entered into a letter of guarantee with a financial institution for a credit amount of Baht 5,180,640 by using TLG's credit of its letter of guarantee. ECA-GZ is required to pay TLG fees at the rate 1.0%.	The Audit Committee considered this transaction and is of the view that using TLG's credit will create financial liquidity for the Group because it is not necessary to use their own fixed deposit accounts as a guarantee. This transaction is not considered a financial burden for TLG as there is a fee charged between the parties.
<u>Transaction between TLG and ECA-HK</u> <b>ECA-HK requested for a letter of guarantee from a financial institution by using TLG's credit of its letter of guarantee</b> <ul style="list-style-type: none"> <li>• Fee for a letter of guarantee</li> </ul>	-	30,071	60,460	ECA-HK entered into a letter of guarantee with a financial institution for a credit amount of Baht 4,234,872 by using TLG's credit of its letter of guarantee. ECA-HK is required to pay TLG fees at the rate 1.0%.	The Audit Committee considered this transaction and is of the view that using TLG's credit will create financial liquidity for the Group because it is not necessary to use their own fixed deposit accounts as a guarantee. This transaction is not considered a financial burden for TLG as there is a fee charged between the parties.

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<u>Transaction between TLG and JPK</u> <b>JPK requested for a letter of guarantee from a financial institution by using TLG's credit of its letter of guarantee</b> <ul style="list-style-type: none"> <li>• Fee for a letter of guarantee</li> </ul>	18,347	16,455	15,670	<p>JPK entered into a letter of guarantee with a financial institution for a credit amount of Baht 1,567,000 by using TLG's credit of its letter of guarantee. JPK is required to pay TLG fees at the rate 1.0%.</p> <p>The Audit Committee considered this transaction and is of the view that using TLG's credit will create financial liquidity for the Group because it is not necessary to use their own fixed deposit accounts as a guarantee. This transaction is not considered a financial burden for TLG as there is a fee charged between the parties.</p>	
<u>Transaction between TLG and GCN-MM</u> <b>GCN-MM requested for a letter of guarantee from a financial institution by using TLG's credit of its letter of guarantee</b> <ul style="list-style-type: none"> <li>• Fee for a letter of guarantee</li> </ul>	151,059	31,010	20,148	<p>GCN-MM entered into a letter of guarantee with a financial institution for a credit amount of Baht 2,014,800 by using TLG's credit of its letter of guarantee. GCN-MM is required to pay TLG fees at the rate 1.0%.</p> <p>The Audit Committee considered this transaction and is of the view that using TLG's credit will create financial liquidity for the Group because it is not necessary to use their own fixed deposit accounts as a guarantee. This transaction is not considered a financial burden for TLG as there is a fee charged between the parties.</p>	

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<p>Transaction between TLG and ANI</p> <p><b>ANI requested for a letter of guarantee from a financial institution by using TLG's credit of its letter of guarantee</b></p> <ul style="list-style-type: none"> <li>Fee for a letter of guarantee</li> </ul>	-	-	29,000	<p>ANI entered into a letter of guarantee with a financial institution for a credit amount of Baht 2,900,000 by using TLG's credit of its letter of guarantee. ANI is required to pay TLG fees at the rate 1.0%.</p> <p>The Audit Committee considered this transaction and is of the view that using TLG's credit will create financial liquidity for the Group because it is not necessary to use their own fixed deposit accounts as a guarantee. This transaction is not considered a financial burden for TLG as there is a fee charged between the parties.</p>	



### 3. Related-party transactions in relation to the provision and use of services

#### 3.1 Associated companies and joint venture companies' lease of office space and relevant services with the Company

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<u>Transactions between TLG and ECU</u> <b>ECU leases office space from TLG</b> <ul style="list-style-type: none"> <li>Office rental and service expenses</li> <li>Rent receivable</li> </ul>	4,018,490  Beginning 503,247 Increase 4,203,440 Decrease (4,309,688) Ending 396,999	3,934,314  Beginning 396,999 Increase 4,170,655 Decrease (4,181,332) Ending 386,322	3,848,657  Beginning 386,322 Increase 5,088,269 Decrease (5,104,207) Ending 370,384	On 1 February 2021, ECU entered into an office space lease agreement and utility services agreement with TLG at the rental and service rates based on the market mechanism. The renewal of such agreements will be considered every 1 years.	The transaction has been considered and approved by the Audit Committee on 23 February 2021 and the Audit Committee has resolved that the office lease and service is reasonable because it was used as an office building of the Group and provides convenience for the business. The rental rate is the rate normally charged and comparable to the market price.
<u>Transactions between TLG and CKT</u> <b>CKT leases office space from TLG</b> <ul style="list-style-type: none"> <li>Office rental and service expenses</li> <li>Rent receivable</li> </ul>	2,222,631  Beginning 106,569 Increase 2,335,753 Decrease (2,413,255) Ending 29,067	2,196,162  Beginning 29,067 Increase 2,323,433 Decrease (2,327,122) Ending 25,378	2,232,670  Beginning 25,378 Increase 2,362,497 Decrease (2,362,055) Ending 25,820	On 1 January 2021, CKT entered into an office space lease agreement and utility services agreement with TLG at the rental and service rates based on the market mechanism. The renewal of such agreements will be considered every 1 years.	The transaction has been considered and approved by the Audit Committee on 23 February 2021 and the Audit Committee has resolved that the office lease and service is reasonable because it was used as an office building of the Group and provides convenience for the business. The rental rate is the rate normally charged and comparable to the market price.

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<p><u>Transactions between TLP and TLP</u></p> <p><b>TLP leases office space from TLG</b></p> <ul style="list-style-type: none"> <li>Office rental and service expenses</li> <li>Rent receivable</li> </ul>	<p>-</p> <p>Beginning Increase Decrease Ending</p>	<p>2,107,478</p> <p>Beginning Increase Decrease Ending</p>	<p>2,142,305</p> <p>Beginning Increase Decrease Ending</p>	<p>On 1 January 2020, TLP entered into an office space lease agreement and utility services agreement with TLG at the rental and service rates based on the market mechanism. The renewal of such agreements will be considered every 3 years.</p>	<p>The transaction has been considered and approved by the Audit Committee on 12 May 2020 and the Audit Committee has resolved that the office lease and service is reasonable because it was used as an office building of the Group and provides convenience for the business. The rental rate is the rate normally charged and comparable to the market price.</p>

### 3.2 Transportation and distribution of chemical and dangerous goods and trailer trucking services transactions with R&K

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<u>Transactions between HLM and R&amp;K</u> <b>Transportation and distribution of chemical and hazardous goods and trailer trucking services</b> <ul style="list-style-type: none"> <li>• Service fee</li> <li>• Account payable</li> </ul>	30,761,171  Beginning 3,353,111 Increase 30,761,171 Decrease (30,466,844) Ending 3,647,438	28,038,952  Beginning 3,647,438 Increase 28,038,952 Decrease (28,443,524) Ending 3,242,868	30,830,178  Beginning 3,242,868 Increase 30,830,178 Decrease (30,598,770) Ending 3,474,276	R&K is the company that provides transportation and distribution of chemical and hazardous good services and trailer trucking services. R&K is a major shareholder of HTM, holding 40 percent of shares.  R&K provides transportation and distribution of chemical and hazardous good services and trailer trucking services to HLM at the service fee rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and a normal commercial transaction without being dependent on any person who may have conflicts in any way. The pricing is also based on the market price.
<u>Transactions between DGP and R&amp;K</u> <b>Transportation and distribution of chemical and hazardous goods and trailer trucking services</b> <ul style="list-style-type: none"> <li>• Service fee</li> </ul>	38,901	-	17,190	DGP provides transportation and distribution of chemical and hazardous good services and trailer trucking services to R&K at the service fee rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and a normal commercial transaction without being dependent on any person who may have conflicts in any way. The pricing is also based on the market price.



### 3.3 Logistics service and related service of associated companies

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Transactions between TLG and ECU</b> <b>Sea freight</b> <ul style="list-style-type: none"> <li>Freight and other fee</li> <li>Freight and other fee payable</li> </ul>	1,501,742  Beginning 1,108,631 Increase 2,676,449 Decrease (3,723,046) Ending 62,034	1,818,399  Beginning 62,034 Increase 3,144,542 Decrease (3,045,967) Ending 160,608	130,155,683  Beginning 160,608 Increase 140,572,043 Decrease (122,320,923) Ending 18,411,728	TLG paid sea freight to ECU. This transaction is a normal commercial transaction and charged at the rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and will enhance efficiencies in providing services of the Group.
<b>Commission shares in referring customers</b> <ul style="list-style-type: none"> <li>Commission income</li> <li>Commission fee receivable</li> </ul>	5,751,773  Beginning 880,987 Increase 6,121,455 Decrease (4,623,494) Ending 2,378,948	5,691,637  Beginning 2,378,948 Increase 6,090,022 Decrease (6,611,527) Ending 1,857,443	37,945,464  Beginning 1,857,443 Increase 40,601,647 Decrease (32,745,964) Ending 9,713,126	TLG referred customers from overseas to use freight services with ECU and received shared profits from the income received at the rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Drinking water Fees</b> <ul style="list-style-type: none"> <li>Drinking water fee</li> </ul>	1,920	660	2,010	The price is equal to the price paid by TLG to supplier which is the average cost per bottle.	The Audit Committee has resolved that such transaction was the sale of the Groups brand's drinking water and the fees were charged at the actual cost which considered as the normal business.
<b>Sea freight</b> <ul style="list-style-type: none"> <li>Freight and other income</li> <li>Freight and other fee receivable</li> </ul>	-  Beginning - Increase - Decrease - Ending -	-  Beginning - Increase - Decrease - Ending -	25,360,000  Beginning - Increase 26,196,500 Decrease - Ending 26,196,500	ECU paid sea freight to TLG. This transaction is a normal commercial transaction and charged at the rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and will enhance efficiencies in providing services of the Group.

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<u>Transaction between TLG and CKT</u> <b>Sea freight</b> <ul style="list-style-type: none"> <li>Freight and other fee</li> </ul>	55,388	91,247	10,222	TLG paid sea freight to CKT. This transaction is a normal commercial transaction and charged at the rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and will enhance efficiencies in providing services of the Group.
<b>Drinking water fee</b> <ul style="list-style-type: none"> <li>Drinking water fee</li> </ul>	495	1,350	1,800	The price is equal to the price paid by TLG to supplier which is the averaged cost per bottle.	The Audit Committee has resolved that such transaction was the sale of the Groups brand's drinking water and the fees were charged at the actual cost which considered as the normal business.
<u>Transaction between TLG and HTM</u> <b>Drinking water income</b> <ul style="list-style-type: none"> <li>Drinking water income</li> </ul>	-	765	1,260	The price is equal to the price paid by TLG to supplier which is the averaged cost per bottle.	The Audit Committee has resolved that such transaction was the sale of the Groups brand's drinking water and the fees were charged at the actual cost which considered as the normal business.
<u>Transaction between TLG and Spring Mineral Water</u> <b>Drinking water fee</b> <ul style="list-style-type: none"> <li>Drinking water fee</li> </ul>	89,250	77,250	42,000	TLG purchased drinking waters with the Company's logo affixed from Spring Mineral Water at the service rate based on the market mechanism.	The Audit Committee has resolved that such transaction reasonable which considered as the normal business at the market price.
<u>Transaction between TLG and TLP</u> <b>Custom service fee</b> <ul style="list-style-type: none"> <li>Service fee</li> </ul>	-	-	5,500	TLG paid the custom service fees to TLP is a normal commercial transaction and charged at the rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and will enhance efficiencies in providing services of the Group.

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<u>Transactions between HLM and ECU</u> <b>Forwarding fee</b> <ul style="list-style-type: none"> <li>• Fee</li> <li>• Account payable</li> </ul>	36,747  Beginning Increase Decrease Ending	14,678  Beginning Increase Decrease Ending	10,570  - Beginning 9,219 Increase (8,305) Decrease 914 Ending	This transaction is an expense incurred in the case where HLM conducts international sea shipping by using a forwarder of ECU due to HLM does not have its own forwarder to do sea freight at a relevant port. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<u>Transactions between HLM and CKT</u> <b>Bill of lading paid by CK Line for HLM's customers</b> <ul style="list-style-type: none"> <li>• Service fee</li> </ul>	135,568	110,481	180,418	HLM normally uses CKT's sea transport services to do international shipping within the Group. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<u>Transactions between HLM and HTM</u> <b>Administrative services</b> <ul style="list-style-type: none"> <li>• Service income</li> </ul>	1,690,909	1,427,000	1,572,640	HLM provides administrative services for HTM, an associated company of which shares are held by HLM, in order to reduce repetitive management and to control expenses. Therefore, HTM engaged HLM to manage and prepare accounts for HTM.	The Audit Committee considered this transaction and is of the view that the transaction is to support administrative assignments of HLM, an associated company, to reduce repetitive management and to control expenses. The service fee is reasonably charged.



Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Transportation and distribution services for hazardous and chemical goods</b> <ul style="list-style-type: none"> <li>• Service fee</li> <li>• Service fee payable</li> </ul>	43,332,237  Beginning 3,618,026 Increase 43,332,237 Decrease (43,073,061) Ending 3,877,202	43,725,898  Beginning 3,877,202 Increase 43,725,898 Decrease (43,440,406) Ending 4,162,694	48,429,758  Beginning 4,162,694 Increase 48,429,758 Decrease (47,482,471) Ending 5,109,981	HTM provides distribution services for the main customers of HLM, supporting four-wheel and six-wheel vehicles. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Delivery and distribution services</b> <ul style="list-style-type: none"> <li>• Service income</li> </ul>	-	-	1,000	HTM is a customer of HLM in delivery and distribution services which is considered as the normal business. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Transactions between HLM and HLM-SG</b> <b>Transportation and distribution services for hazardous and chemical goods</b> <ul style="list-style-type: none"> <li>• Service fee</li> <li>• Service fee payable</li> </ul>	2,297,386  Beginning 665,889 Increase 2,297,386 Decrease (2,628,523) Ending 334,752	2,186,225  Beginning 334,752 Increase 2,186,225 Decrease (2,354,970) Ending 166,007	6,164,556  Beginning 166,007 Increase 6,164,556 Decrease (5,192,720) Ending 1,137,843	HLM-SG engages in the business of transportation of hazardous and chemical goods in Singapore. If HLM has customers who wish to transport chemical and hazardous goods in Singapore, HLM will engage HLM-SG since it is a direct agent of HLM.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Integrated logistics services for chemical and hazardous</b> <ul style="list-style-type: none"> <li>Service income</li> <li>Service fee receivable</li> </ul>	7,507,954  Beginning 2,320,267 Increase 7,507,954 Decrease (7,337,572) Ending 2,490,649	1,391,272  Beginning 2,490,649 Increase 1,391,272 Decrease (3,484,843) Ending 397,078	1,098,523  Beginning 397,078 Increase 1,098,523 Decrease (1,359,344) Ending 136,257	This transaction is the service provided in the case where HLM-SG has customers who require integrated logistics services for chemical and hazardous goods in Thailand. HLM-SG will use HLM's services, a parent company of HLM-SG.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Transaction between HLM and DGPS</b> <b>Transportation and distribution services for hazardous and chemical goods</b> <ul style="list-style-type: none"> <li>Service fee</li> <li>Service fee payable</li> </ul>	467,264  Beginning 7,849 Increase 467,264 Decrease (412,821) Ending 62,292	3,757,907  Beginning 62,292 Increase 3,757,907 Decrease (2,260,253) Ending 1,559,947	4,211,486  Beginning 1,559,947 Increase 4,211,486 Decrease (3,954,185) Ending 1,817,248	DGPS engages in selling and packaging services for hazardous and chemical goods in Singapore. If HLM has customer who need to use packaging services for hazardous and chemical goods in Singapore, HLM will use the services from DGPS which is the direct agent of HLM.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Transaction between HLM and MAKESEND</b> <b>Management services</b> <ul style="list-style-type: none"> <li>Service income</li> </ul>	-	-	225,000	HLM provides administrative services in MAKESEND, an affiliated company that the group of companies has to reduce administrative duplication and control costs. MAKESEND therefore hired HLM to manage and manage the accounting for MAKESEND.	The Audit Committee considered this transaction and is of the view that the transaction is to support administrative assignments of the group's Company to reduce repetitive management and to control expenses. The service fee is reasonably charged.

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Transaction between DGP and DGPS</b> <b>Hazardous and chemical goods box fee</b> <ul style="list-style-type: none"> <li>Cost of box</li> </ul>	1,957,998	2,538,818	2,295,769	DGPS engages in selling and packaging services for hazardous and chemical goods in Singapore. If DGP needs to purchase the box for hazardous and chemical goods, DGP will purchase the box from DGPS which is the direct agent of DGP.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Advertisement fees of IATA group</b> <ul style="list-style-type: none"> <li>Advertising fee</li> </ul>	29,813	29,173	31,239	DGP pays for group advertising, that sells DGPS packaging in the media of IATA	The Audit Committee has considered the said transaction and is of the opinion that the transaction is reasonable and is a normal business transaction. The price is calculated according to the market rate.
<b>Transportation and distribution services for hazardous and chemical goods</b> <ul style="list-style-type: none"> <li>Service income</li> </ul>	-	-	84,443	DGP engages in selling and packaging services for hazardous and chemical goods in Thailand. If DGPS has customer who needs to use goods transportation services in Thailand, DGPS will use the services from DGPS which is the direct agent in Thailand.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.



Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Transaction between DGP and HTM</b> <b>Transportation and Distribution services for hazardous and chemical goods</b> <ul style="list-style-type: none"> <li>Transportation fee</li> </ul>	37,100	23,814	75,403	DGP used the transportation and distribution services for hazardous and chemical goods from HTM at the service rate based on market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction by not relying on people who may have conflicts in interest. The price is charged at the market rate.
<b>Packaging services for hazardous and chemical goods</b> <ul style="list-style-type: none"> <li>Packaging service income</li> <li>Packaging service receivable</li> </ul>	192,698	60,150	566,558	DGP provided packaging service to HTM at the service fees based on market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Hazardous and chemical goods Packaging</b> <ul style="list-style-type: none"> <li>Packaging service income</li> </ul>	-	-	19,730	DGP provided packaging service to HTM at the service fees based on market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Administration services</b> <ul style="list-style-type: none"> <li>• Service income</li> </ul>	360,000	360,000	360,000	DGP provided administration and accounting services to HTM at the service fees based on market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Transactions between DGP and ECU</b> <b>Hazardous and chemical goods Packaging</b> <ul style="list-style-type: none"> <li>• Packaging service income</li> </ul>	34,600	3,500	6,900	DGP provided packaging service to ECU at the service fees based on market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<ul style="list-style-type: none"> <li>• Service fee receivable</li> </ul>	Beginning Increase Decrease Ending - 34,600 (34,600) -	Beginning Increase Decrease Ending - 3,500 (3,500) -	Beginning Increase Decrease Ending - 6,900 (483) 7,383		
<b>Transactions between TAX and ECU</b> <b>Air freight service</b> <ul style="list-style-type: none"> <li>• Service income</li> </ul>	8,067,544	3,814,205	8,974,364	ECU is a TAX's customer that uses air freight services as a normal transaction of the Group. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable due to the transaction is the lease for an office space of the company within the Group in order to provide convenience for the business. The rental rate is a rate normally charged and comparable to the market price.
<ul style="list-style-type: none"> <li>• Service fee receivable</li> </ul>	Beginning Increase Decrease Ending 756,897 8,067,544 (7,088,753) 1,735,687	Beginning Increase Decrease Ending 1,735,687 3,814,205 (3,907,508) 1,642,384	Beginning Increase Decrease Ending 1,642,384 8,974,364 (10,051,534) 565,214		

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Transactions between TAX and ANI</b> <b>Lease and service income</b> <ul style="list-style-type: none"> <li>Rental and service fee</li> </ul>	1,731,506  Beginning 1,355 Increase 1,731,506 Decrease (1,730,850) Ending 2,011	1,740,184  Beginning 2,011 Increase 1,740,184 Decrease (1,588,678) Ending 153,517	1,772,033  Beginning 153,517 Increase 1,772,033 Decrease (1,794,264) Ending 131,286	TAX allows ANI to lease an office space and to use services at the rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable due to the space of the company within the Group in order to provide convenience for the business. The rental rate is a rate normally charged and comparable to the market price.
<b>Air freight service</b> <ul style="list-style-type: none"> <li>Service fee</li> <li>Service fee payable</li> </ul>	29,526,695  Beginning 145,377 Increase 29,526,695 Decrease (26,906,286) Ending 2,765,786	5,984,647  Beginning 2,765,786 Increase 5,984,647 Decrease (8,137,816) Ending 612,617	9,294,274  Beginning 612,617 Increase 9,294,274 Decrease (9,095,783) Ending 811,108	TAX is a ANI's customer that uses air freight services as a normal transaction of the Group. ANI engages in the business of an airlines freight forwarder for Jeju Air and LAN Chilli. ANI is the sole operator that oversees the marketing and sales of cargo to airlines for departure flights from Thailand. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Transactions between TAX and ECA-BKK</b> <b>Air freight service</b> <ul style="list-style-type: none"> <li>Service fee</li> </ul>	16,495,528	54,125,035	26,871,306	TAX is a ECA-BKK's customer that uses air freight services as a normal transaction of the Group. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.



Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<div>1</div> <div>2</div> <div>3</div> <div>4</div> <u>Transaction between TAX and Nadine</u> <b>Food and beverage fee</b> <ul style="list-style-type: none"> <li>• Service fee</li> </ul>	73,449	97,924	52,810	TAX used the services from Nadine at service fee rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<u>Transactions between TAX and TLP</u> <b>Air freight service</b> <ul style="list-style-type: none"> <li>• Service income</li> <li>• Service fee receivable</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>Beginning</li> <li>Increase</li> <li>Decrease</li> <li>Ending</li> </ul>	1,117,096 <ul style="list-style-type: none"> <li>Beginning</li> <li>Increase</li> <li>Decrease (504,480)</li> <li>Ending</li> </ul>	1,277,821 612,616 1,277,821 (1,183,158) 707,279	TLP is the customer of TAX in air freight service as a normal transaction of the Group. The price for wholesale air freight based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Air freight service</b> <ul style="list-style-type: none"> <li>• Service fee</li> <li>• Service fee payable</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>Beginning</li> <li>Increase</li> <li>Decrease</li> <li>Ending</li> </ul>	134,699,335 <ul style="list-style-type: none"> <li>Beginning</li> <li>Increase</li> <li>Decrease (121,418,636)</li> <li>Ending</li> </ul>	313,830,131 13,280,699 313,830,131 (282,400,665) 44,710,165	TAX is the customer of TLP in air freight service as a normal transaction of the Group. The price for wholesale air freight based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<u>Transactions between TAX and BIZ</u> <ul style="list-style-type: none"> <li>• Covid test kits</li> </ul>	-	-	15,000	TAX is the customer of BIZ in purchasing the Covid-19 test kits. The price is based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Transaction between TIL and TLP-SG</b> <b>Air freight service</b> <ul style="list-style-type: none"> <li>Service fee</li> </ul>	-	24,523,808	20,097,079	TIL is the customer of TLP-SG in air freight service as a normal transaction of the Group of which TLP-SG is the agent of Air Asia airline. The price for wholesale air freight based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Transactions between TAC and ANI</b> <b>Consulting income</b> <ul style="list-style-type: none"> <li>Consulting income</li> </ul>	1,884,000	1,884,000	1,256,000	Income received from providing consultation is charged at the rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction supports the business of associated companies to enhance operational efficiencies of companies within the Group. The service fee is a rate normally charged and comparable to the market price.
<b>Transactions between TAC and ECA-BKK</b> <b>Gasoline card income</b> <ul style="list-style-type: none"> <li>Gasoline card income</li> </ul>	52,105	46,440	30,654	This price is equivalent to the cost that TAC pays to its suppliers and is charged based on the actual expenses.	The Audit Committee considered this transaction and is of the view that the transaction is an advance payment, charged based on actual expenses, and considered a normal commercial transaction.

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<u>Transaction between TAC and TLP</u> <b>Supporting income</b> <ul style="list-style-type: none"> <li>• Service income</li> <li>• Service fee receivable</li> </ul>	-  Beginning Increase Decrease Ending	8,752,696  Beginning Increase Decrease Ending	8,275,142  Beginning Increase Decrease Ending	TAC is the ground service provider to TLP and TLP is the normal air freight service provider of the Group. The service fee rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Domestic warehouse service income</b> <ul style="list-style-type: none"> <li>• Service income</li> <li>• Service fee receivable</li> </ul>	-  Beginning Increase Decrease Ending	2,400,000  Beginning Increase Decrease Ending	2,400,000  Beginning Increase Decrease Ending	TAC provides domestic warehouse service to TLP. The service fee rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<u>Transactions between TAC and MAKESEND</u> <b>Equipment and space services</b> <ul style="list-style-type: none"> <li>• Service income</li> </ul>	-	-	248,000	TAC provides equipment and office space to MAKESEND. The service fee rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<u>Transactions between TMA and CKT</u> <b>Administrative service</b> <ul style="list-style-type: none"> <li>• Service income</li> <li>• Service fee receivable</li> </ul>	2,479,338  Beginning Increase Decrease Ending	2,413,807  Beginning Increase Decrease Ending	2,216,615  Beginning Increase Decrease Ending	TMA provides management services for maritime business to CKT. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction supports the administrative work of the associated companies within TMA's Group. The service fee is charged at the reasonable rate.



Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Trailer trucking services</b>					
• Service income	301,000	308,000	520,800	TMA provides trailer trucking services to CKT. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
• Service fee receivable	Beginning 18,200 Increase 301,000 Decrease (285,600) Ending 33,600	Beginning 33,600 Increase 308,000 Decrease (310,800) Ending 30,800	Beginning 30,800 Increase 383,400 Decrease (355,400) Ending 58,800		
<b>Imports and exports services of container by sea</b>					
• Service fee	3,645	190,883	400,496	CKT provides imports and exports services of container by sea to TMA as a normal service. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
• Service fee payable	Beginning - Increase 3,645 Decrease (1,045) Ending 2,600	Beginning 2,600 Increase 190,883 Decrease (168,515) Ending 24,968	Beginning 24,968 Increase 400,496 Decrease (372,163) Ending 53,301		
<b>Transactions between TMA and ECU</b>					
<b>Trailer trucking services</b>					
• Service income	743,258	364,100	43,800	TMA provides trailer trucking services to ECU. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Imports and exports services of container by sea</b>					
• Service income	-	2,826,280	17,586,556	TMA provides imports and exports services of container by sea to ECU. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
• Service fee receivable	Beginning - Increase - Decrease - Ending -	Beginning - Increase 2,826,280 Decrease (434,075) Ending 2,392,205	Beginning 2,392,205 Increase 17,586,556 Decrease (16,153,385) Ending 3,825,376		

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Using imports and exports services of container by sea</b>	• Service fee	-	-	1,523,038	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
	• Service fee payable	-	-	-	
	• Increase	Beginning	Beginning	1,523,038	
	• Decrease	Increase	Increase	(1,397,985)	
<b>Transactions between TMA and G3</b>	• Ending	Decrease	Decrease	125,053	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
	• Trailer trucking services	Ending	Ending	1,166,300	
	• Service income	2,147,544	1,750,630	97,711	
	• Service fee receivable	Beginning	Beginning	1,166,300	
<b>Container transport service</b>	• Service income	Increase	Increase	1,166,300	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
	• Service fee receivable	Decrease	Decrease	(1,176,180)	
	• Ending	Ending	Ending	87,831	
	• Service income	2,147,544	1,750,630	97,711	
<b>Transactions between TMA and CKL</b>	• Service income	-	-	1,574,160	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
	• Service fee receivable	-	-	50,400	
	• Increase	Beginning	Beginning	1,574,160	
	• Decrease	Increase	Increase	(1,475,680)	
<b>Sea port service</b>	• Service income	-	-	148,880	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
	• Service fee receivable	-	-	3,337,197	
	• Increase	Beginning	Beginning	143,000	
	• Decrease	Increase	Increase	3,337,197	
<b>Sea port service</b>	• Service income	-	-	(3,063,997)	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
	• Service fee receivable	-	-	416,200	
	• Increase	Beginning	Beginning	143,000	
	• Decrease	Increase	Increase	3,337,197	
<b>Sea port service</b>	• Service income	-	-	416,200	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
	• Service fee receivable	-	-	416,200	
	• Increase	Beginning	Beginning	143,000	
	• Decrease	Increase	Increase	3,337,197	

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
Using imports and exports services of container by sea					
• Service fee	-	2,407,122	25,821,003	TMA uses imports and exports services of container by CK Line. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
• Service fee payable	Beginning	Beginning	Beginning		
	Increase	Increase	Increase		
	Decrease	Decrease	Decrease		
	Ending	Ending	Ending		
Transaction between TSC and BIZ					
Income from warehouse storage service					
• Service income	273,571	521,237	18,238	Service fees charged to BIZ for using warehouse storage service provided by TSC. The service fee is charged based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
• Service fee receivable	Beginning	Beginning	Beginning		
	Increase	Increase	Increase		
	Decrease	Decrease	Decrease		
	Ending	Ending	Ending		
Transaction between TSC and Mr. Tipp Dalal					
Income from warehouse storage service					
• Service income	1,550	2,750	2,900	Service fees charged to Mr. Tipp Dalal for using warehouse storage service provided by TSC. The service fee is charged based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
Transaction between TSC and HTM					
Transport service					
• Service fee	11,000	23,018	4,846	HTM provided distribution services to the TSC's customers with 4-wheels vehicles and 6-wheels vehicles and the service fee is charged based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.



Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Transaction between TSC and MAKESEND</b> <b>Income from transport service</b> <ul style="list-style-type: none"> <li>• Service income</li> <li>• Account receivable</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>Beginning</li> <li>Increase</li> <li>Decrease</li> <li>Ending</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>Beginning</li> <li>Increase</li> <li>Decrease</li> <li>Ending</li> </ul>	3,401 - 3,401 (238) 3,639	TSC provided distribution services to the MAKESEND customers with 4-wheels vehicles and 6-wheels vehicles and the service fee is charged based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Transport service cost</b> <ul style="list-style-type: none"> <li>• Service fee</li> <li>• Service fee payable</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>Beginning</li> <li>Increase</li> <li>Decrease</li> <li>Ending</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>Beginning</li> <li>Increase</li> <li>Decrease</li> <li>Ending</li> </ul>	508,947 - 508,947 (322,316) 186,631	MAKESEND provided distribution services to the TSC customers with 4-wheels vehicles and 6-wheels vehicles and the service fee is charged based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Transaction between TSC and SHIPSMILE</b> <b>Transport service</b> <ul style="list-style-type: none"> <li>• Service fee</li> <li>• Account payable</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>Beginning</li> <li>Increase</li> <li>Decrease</li> <li>Ending</li> </ul>	<ul style="list-style-type: none"> <li>-</li> <li>Beginning</li> <li>Increase</li> <li>Decrease</li> <li>Ending</li> </ul>	38,900 - 38,900 (31,700) 7,200	SHIPSMILE provided distribution services to the TSC's customers with 4-wheels vehicles and 6-wheels vehicles and the service fee is charged based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<b>Transaction between AGS and ANI</b> <b>Administrative service</b> <ul style="list-style-type: none"> <li>• Service income</li> </ul>	924,000	924,000	616,000	AGS provided administration services for airfreight to ANI. The service fee is charged based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is supporting transaction in relation to administration services for the Group of TLG and the fee charged at reasonable rate.

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
<b>Warehouse income</b> <ul style="list-style-type: none"> <li>Service income</li> </ul>	-	-	11,515	This transaction is a warehouse storage service that AGS provides to ANI. The service fee rate is charged and based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<u>Transaction between AGS and Symphony</u> <b>High-speed internet service</b> <ul style="list-style-type: none"> <li>Service fee</li> <li>Account payable</li> </ul>	522,000  Beginning Increase Decrease Ending	319,220  Beginning Increase Decrease Ending	469,800  Beginning Increase Decrease Ending	The service fees are for high-speed internet for Don Muang Airport charged by Symphony with the service fee rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<u>Transaction between AGS and TLP</u> <b>Warehouse fee</b> <ul style="list-style-type: none"> <li>Service income</li> </ul>	-	-	12,013	It is the service fee for using the international warehouse provided by TLP to AGS. The service fee rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
<u>Transaction between AGS and ECA-BKK</u> <b>Warehouse income</b> <ul style="list-style-type: none"> <li>Service income</li> </ul>	-	-	53,148	It is the service fee for using the international warehouse provided by AGS to ECA-BKK. The service fee rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2019	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021		
Transaction between AGS and SAL					
• Consulting fee	-	-	400,000	AGS provides advisory services to SAL. The service fee rate based on the market mechanism.	The Audit Committee considered this transaction and is of the view that the transaction is reasonable and considered a normal commercial transaction charged at the market rate.
• Consulting account receivable	Beginning	Beginning	-		
	Increase	Increase	400,000		
	Decrease	Decrease	(346,500)		
	Ending	Ending	53,500		



# 3 Financial Statement





# Audit Committee Report

The Board of Directors of Triple i Logistics Public Company Limited appointed the Audit Committee consisting of 3 independent directors with specializations in finance, accounting, laws, and management. The directors have all qualifications as set out under the Company's Audit Committee Charter, which was prepared according to guidelines and regulations prescribed by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Audit Committee consists of the following members:

- |                             |  |
|-----------------------------|--|
| 1. Mr. Woodtipong Moleechad | Independent Director and Chairman of the Audit Committee |
| 2. Mr. Vipoota Trakulhoon*  | Independent Director and Member of the Audit Committee   |
| 3. Mr. Apichart Chirabandhu | Independent Director and Member of the Audit Committee   |

\* Member of Audit Committee who has knowledge and experience in evaluating the reliability of financial statements

All members of the Audit Committee carried out their duties independently within the scope of responsibility stated in the Audit Committee Charter. The audit was performed, and the good corporate governance was promoted, while a risk management system was put in place, and the adequacy of the internal audit and internal control system was assured so as to ensure that the Company runs its operations with transparency and honesty to achieve sustainable development and enhance its value, which would be beneficial to shareholders. During the year 2021, the Audit Committee held 4 meetings. The performance of duties by the Audit Committee were regularly reported to the meetings of the Board of Directors. Summary on performance of duties by the Audit Committee is as follows:

## 1. Review of Financial Statements

The Audit Committee has reviewed accuracy, completeness, and reliability of separate and consolidated financial statements of the Company and its subsidiaries audited by the Company's auditor, including quarterly and annual financial statements for the year 2021, preparation of the financial statements and information under notes to the financial statements. The Audit Committee asked questions and used due care so that the preparation of financial statements and disclosure of information under notes to the financial statements is reliable, transparent, and accurate according to accounting standards and financial reporting standards, which shall be further reported to the Board of Directors. In addition, the Audit Committee attended the meeting with the Company's auditor without the presence of the Company's management in order to freely discuss receipt of information, independence in conducting the audit, review of significant information for preparing the financial statements and recommendations on internal control system. In the process of preparing financial report and financial statements for the year 2021, the auditor did not observe any significant issues.

## 2. Transactions with possible conflict of interests

The Audit Committee reviewed, monitored and provided opinion on connected transactions or transactions with possible conflict of interests on a quarterly basis by considering reasonableness and benefits of the Company's stakeholders. Sufficient information was disclosed according to the Stock Exchange of Thailand's regulations.

## 3. Compliance with laws and regulations

The Audit Committee monitored if the Company has strictly complied with laws, the Stock Exchange of Thailand's regulations or laws relating to the Company's business.

## 4. Internal control and Oversight of Internal control

The Audit Committee evaluated the adequacy of the Company's internal control system by reviewing reports of the internal auditor and the auditor. The adequacy and efficiency of the internal control system are evaluated. The Audit Committee has a duty to recommend, appoint, rotate and remove internal auditor. The Audit Committee considered audit objectives and scope of work of the internal auditor in overseeing internal audit. The Audit Committee approved internal audit plan for the year 2022 prepared by the internal audit department and provided recommendations and observations on the internal audit plan. The Audit Committee



acknowledged audit results for the year 2021 and recommendations to internal auditor. It reported results of every meetings of the Audit Committee to the Board of Directors and provided useful recommendations to the Company's management. The management had applied such recommendations to the Company's operations as appropriate and in line with best practices for the Audit Committee and regulations of the Stock Exchange of Thailand.

The Audit Committee independently attended meetings with Head of the Internal Audit Unit to ensure that the Internal Audit Unit can independently, efficiently and effectively conduct internal audit activities and roles and responsibilities in respect of corporate governance, risk management system, internal control system and compliance with laws and regulations.

## 5. Monitoring of Risk Management

The Audit Committee monitored the risk management practices through attending meetings with representative of the Risk Management Sub-committee. The Audit Committee is of the view that the Company has appropriate risk management system which allows for effective and efficient business operations. In addition, the Audit Committee provided recommendation that the Company shall determine all risks and its significant changes in order to promptly manage risk which may arise from disruptive change from high level of competition.

## 6. Oversight of corporate governance

The Audit Committee monitored if the Company has been operating its business according to the principles of good corporate governance in order to create transparency and fairness and confidence to the Company's stakeholders.

## 7. Appointment of auditor and determination of audit fees

The Audit Committee has a role in appointment and removal of auditor. In selecting qualified auditor and determining audit fees, the Audit Committee considers quality and audit expertise of the auditor and the amount of work done by the auditor. For the fiscal year 2022, the Audit Committee recommended the Board of Directors to propose the appointment of PricewaterhouseCoopers ABAS Ltd. as the Company's auditor for approval by the shareholders' meeting. Set out below is the list of auditors:

Ms. Sukhumaporn	Wong-ariyaporn	Certified Public Accountant No. 4843 and / or
Mr. Chaisiri	Ruangritchai	Certified Public Accountant No. 4526 and / or
Ms. Varaporn	Vorathitikul	Certified Public Accountant No. 4474

## 8. Review of Audit Committee Charter

The Audit Committee reviews and amends the Audit Committee Charter on an annual basis so that the Audit Committee Charter is in line with good practices, regulations of the Capital Market Supervisory Board and the Stock Exchange of Thailand, and international standards.

In conclusion, the Audit Committee fulfilled its duties and responsibilities in 2021 as stated in the Audit Committee Charter by leveraging its knowledge, caution, prudence and independence, and provided opinions and recommendations which are constructive and in the interest of the stakeholders in an equitable manner. The Audit Committee expressed opinions that Triple i Logistics Public Company Limited dearly values efficiency and effectiveness of its work performance, with reliability and materiality of the financial statements in compliance with financial reporting standards, including transparent disclosure of connected transactions and transactions with potential conflicts of interest under systematic good corporate governance, a decent risk management system, appropriate and effective internal control and internal audit systems, as well as full compliance with laws, rules and regulations applicable to the business.

**Mr. Woodtipong Moleechad**  
Chairman of the Audit Committee



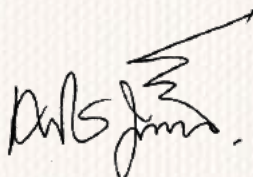
# Responsibilities of The Board Of Directors for Financial Report

The Board of Directors is responsible for the financial statements of Triple i Logistics Public Company Limited and its subsidiaries, including financial information disclosed under the Annual Report (56-1 One Report). The financial statements have been prepared in accordance with the Thailand financial reporting standards. The financial statements have been prepared in accordance with the generally accepted accounting principles. The Company has exercised due care and chosen reasonable forecast method. Important information has been adequately disclosed under the notes to financial statements for the benefit of shareholders and investors.

The Board of Directors has instituted corporate governance along with proper risk management and internal control systems to ensure that all account entries are accurate, complete, timely, and adequate to maintain the Company's assets and prevent fraud or significant irregularities.

In this regard, the Board of Directors has appointed the Audit Committee, consisting of independent directors. The Audit Committee is responsible for monitoring quality of financial reports and efficiency of internal control system and internal audit. The Audit Committee also has a duty to review connected transactions. Opinion of the Audit Committee in respect of connected transactions has been included in this form 56-1 one report under Report of the Audit Committee section. Triple i Logistics Public Company's financial statements has audited by an auditor by Pricewaterhouse Coopers ABAS Company Limited that the Board of Directors provided information and documents to the external auditor in order to audit and comment under the accounting standard. The external auditor has expressed its unqualified views as seen in the financial report, which also appears in this form 56-1 one report.

The Board of Directors is of the view that the Company's internal control system and internal audit are at 'Good' level. The evaluation of such systems has provided satisfactory results and, hence, it is confident that the financial statements for the year ending 31 December 2021 of Triple i Logistics Public Company Limited and its subsidiaries are reliable, fairly presenting in all material respects financial positions, operating performance, and cash flows according to the financial reporting standards. The auditor has given his opinion with respect to such financial statements in this Annual Report under the Auditor's Report section.



**Mr. Krirkkrai Jirapaet**  
Chairman of the Board of Directors



**Mr. Tipp Dalal**  
Chairman of Management Committee and  
Chief Executive Officer



# Independent Auditor's Report

To the shareholders of Triple i Logistics Public Company Limited

## My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Triple i Logistics Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial statements of the Company as at 31 December 2021, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

## What I have audited

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2021;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

## Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. 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 consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
<p><b>Revenue recognition for service income</b></p> <p>Refer to Note 5.21 'Accounting policy for revenue recognition' to the consolidated and separate financial statements.</p> <p>The Group provides domestic and international freight forwarding services, and integrated logistics services. The Group's aggregate revenues from services are Baht 2,918.11 million, representing 99% of total revenues in the consolidated financial statements.</p> <p>Revenues from services are recognised when the Group satisfies a performance obligation and control of services is transferred to the customers over the contract term. The Group determines whether each performance obligation is satisfied over time or satisfied at a point in time, depending on the terms of the arrangement.</p> <p>I focused on the audit of revenue recognition for service income because the revenue amount was material to the consolidated financial statements and the recognition depends on the conditions stipulated in each contract. I examined whether the revenue transactions were valid and occurred in the relevant period.</p>	<p>I tested the revenue recognition for service income of the Group by carrying out the following procedures:</p> <ul style="list-style-type: none"> <li>- evaluated and validated the key controls over the Group's revenue cycle, by enquiring with the Group's personnel to understand the revenue cycle and internal controls. I sampled revenue transactions to validate key controls on the recording of revenue. This validation included examining invoices and supporting documents, such as bills of lading or airway bills, and quotations, as well as examining whether service invoices were reviewed and approved by an authorised person. I also traced cash receipts from customers to service invoices and transactions in the bank statements.</li> <li>- performed substantive tests on transactions by sampling each type of service revenue transaction to check that the Group has provided services to customers and recorded revenue at the appropriate recognition point according to the service conditions. I also examined invoices and the bills of lading or airway bills to determine whether the transactions were valid and occurred in the relevant period. For revenue transactions that had been collected, the cash receipts from customers were traced to invoices and transactions in the bank statements.</li> <li>- sent account receivable confirmations, on a sampling basis, to check that the Group's revenues represented valid revenue transactions and that the accounts receivable existed. For non-responses, an alternative audit procedure will be performed i.e. examining subsequent cash receipts.</li> <li>- performed analytical procedures on the Group's revenue for each revenue type to consider whether there were irregular revenue fluctuations. This included testing the appropriateness of journal entries related to revenues and other related adjusting entries to assess whether there were any invalid revenue transactions.</li> </ul> <p>As a result of these procedures, I determined that revenue recognition for service income was appropriate in accordance with the available evidence.</p>





## Key audit matter

## How my audit addressed the key audit matter

**Purchase price allocation (PPA) for business combination**

Refer to Note 16.2 'Investments in joint ventures' to the consolidated and separate financial statements.

In May 2020, the Company made an additional investment of Baht 188.00 million in SAL Group (Thailand) Co., Ltd. (SAL) which is holding company resulting in its shareholding proportion increasing from 15.86% to 58.20%. The Company gained control over SAL and so classified the investment in SAL as investment in a subsidiary. In September 2020, the Company sold 33.20% of SAL shares to a buyer for Baht 157.72 million. The sale resulted in the Company's shareholding proportion decreasing from 58.20% to 25.00% and the Company lost control over SAL. However, the Company and the buyer have joint control over SAL so the Company reclassified its investment in SAL from a subsidiary to a joint venture. As of 31 December 2020, the Company was in the process of determining the fair value of net assets acquired as part of the PPA at the date of acquiring SAL as a subsidiary and at the date when control was lost, and SAL became a joint venture.

In 2021, management engaged an external valuation expert to measure the fair value of net assets acquired and to consider the PPA. The fair value of net assets acquired at the date of acquiring SAL as a subsidiary (58.20%) was Baht 160.14 million, compared with the total consideration which comprised of Baht 188.00 million in cash and the fair value of previously held equity interest in SAL before the business combination of Baht 74.05 million, totalling Baht 262.05 million. So, goodwill of Baht 101.91 million was recognised. At the date when control was lost, the proportionate fair value of the remaining net assets (25.00%) was Baht 73.44 million, compared with the fair value of investment of Baht 129.56 million. Thus, goodwill of Baht 56.12 million was recognised as part of the investment in the joint venture.

I focused on the PPA for this investment acquisition because the measurement of fair value of net assets acquired involved significant judgement by management and the external valuation expert, especially where the fair value of investment in an associate of SAL was calculated based on expected future cash flow. The key assumptions were revenue growth rate, number of years for the estimation and discount rate.

I carried out the following procedures to evaluate the PPA for business combination:

- assessed the competence, knowledge and experience of the external valuation expert engaged by management.
- assessed the appropriateness of the procedures to determine the fair value of the net assets acquired from the business combination.
- read the report from the external valuation expert to determine whether management and the external valuation expert appropriately and completely identified the assets acquired from the business combination.
- assessed the appropriateness of the measurement of the fair value of investment in an associate of SAL by through the following procedures:
  - compared the revenue growth rate against the actual historical performance.
  - compared the number of years used for the estimation with the underlying agreement and evaluated whether it is appropriate with nature of business.
  - engaged my firm's valuation expert to assess the reasonableness of the valuation technique and discount rate.
- tested the calculation of the PPA and goodwill arising from the business combination.

As a result of these procedures, I determined that the PPA for the business combination was reasonable based on supporting evidence.



## Key audit matter

## How my audit addressed the key audit matter

**Business restructuring**

Refer to Note 16.2 'Investments in joint ventures' to the consolidated and separate financial statements.

In September 2021, the Company restructured the General Sales Agent Business for Airlines (GSA) by giving Asia Network International Co., Ltd. (ANI), of which the Company formerly held 60% of total registered shares, to hold shares in the companies under the GSA business. ANI is still considered as a joint venture of the Company. The Company transacted the GSA business restructuring by disposing the investments in companies under GSA business which the Company directly and indirectly held to ANI, whereby ANI paid for the shares in those companies by issuing newly ordinary ANI shares to the Company.

In the separate financial statements, the Company had a profit of Baht 136.32 million, which was from the difference between ANI shares with a value of Baht 704.42 million that the Company received and the total cost of disposed investments of Baht 568.10 million.

In the consolidated financial statements, the total changes in direct and indirect equity interest of each company under GSA business are considered as the exchange between a decrease of equity interest in companies and an increase of equity interest in other companies. The equity interest increase is considered as additional investment in joint ventures. The fair value of the increase in the Company's equity interest is Baht 55.76 million compared with carrying value of the decrease in the Company's equity interest of Baht 3.68 million. Therefore, the Group has a profit of Baht 52.08 million.

I focused on the measurement of fair value of the companies under restructuring because it will materially impact the profits of the Group and the Company. The measurement of fair value was based on the discounted cash flow approach which involved significant judgement by management. The key assumptions of the valuation were revenue growth rate, gross profit margin and discount rate.

I carried out the following procedures to obtain evidence of the fair value measurement of the companies under restructuring:

- read the agreement to understand the key terms and conditions of the restructuring.
- evaluated the appropriateness of accounting treatment with the requirement of relevant financial reporting standards.
- evaluated management's assessment of the classification of the investment in ANI after restructuring under the relevant financial reporting standards.
- assessed the appropriateness of the fair value of the companies under restructuring by testing the key assumptions with the following procedures:
  - compared revenue growth rate against actual historical growth and estimated industry growth.
  - compared gross profit margin against actual historical performance and average industry margin.
  - engaged my firm's valuation expert to assess the reasonableness of the valuation technique and discount rate.

As a result of these procedures, I determined that the measurement of fair value for companies under restructuring was reasonable based on supporting evidence.



### Emphasis of matter

I draw attention to note 4.4 of the consolidated and separate the financial statements, which describes the accounting policies in relation to adopting the temporary exemptions announced by the Federation of Accounting Professions to relieve the impact of COVID-19 for the reporting periods ending between 1 January 2020 and 31 December 2020. My opinion is not modified in respect to this matter

### Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

### Responsibilities of the directors for the consolidated and separate financial statements

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

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

### Auditor's responsibilities for the audit of the consolidated and separate financial statements

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





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

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

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

PricewaterhouseCoopers ABAS Ltd.

**Vichien Khingmontri**  
 Certified Public Accountant (Thailand) No. 3977  
 Bangkok  
 22 February 2022

## Consolidated and Separate Financial Statements



# Statements of Financial Position

Triple i Logistics Public Company Limited

As at 31 December 2021

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
<b>Assets</b>					
<b>Current Assets</b>					
Cash and cash equivalents	10	168,108,157	110,488,033	53,914,908	34,021,248
Trade and other receivables, net	11	801,356,595	433,190,953	328,401,689	116,391,419
Short-term loans to related parties	37.5	14,450,000	1,350,000	195,450,000	233,566,300
Inventories		1,372,071	1,390,321	-	-
Other current assets	13	52,519,577	5,771,421	42,388,602	424,652
Non-current assets classified as held-for-sale	14	-	32,754,206	-	-
<b>Total current assets</b>		<b>1,037,806,400</b>	<b>584,944,934</b>	<b>620,155,199</b>	<b>384,403,619</b>
<b>Non-current assets</b>					
Investments in subsidiaries	15	-	-	157,948,570	152,948,570
Investments in associates	16.1	268,509,455	87,001,158	231,472,563	75,522,563
Investments in joint ventures	16.2	1,192,181,445	1,151,461,632	1,185,431,646	989,926,124
Financial assets measured at fair value through other comprehensive income	17	13,250	13,250	-	-
Investment properties, net	18	-	-	73,138,069	77,456,255
Property, plant and equipment, net	19	191,102,395	202,834,467	29,218,602	22,099,177
Right-of-use assets, net	20	121,259,633	219,777,421	4,069,367	11,011,833
Intangible assets, net	21	14,841,470	13,929,246	211,199	594,978
Deferred tax assets	22	11,268,986	18,651,544	2,167,746	8,217,117
Retentions		14,948,390	14,739,551	2,393,270	1,878,270
Other non-current assets	23	97,871,112	112,600,399	12,027,973	13,152,309
<b>Total non-current assets</b>		<b>1,911,996,136</b>	<b>1,821,008,668</b>	<b>1,698,079,005</b>	<b>1,352,807,196</b>
<b>Total assets</b>		<b>2,949,802,536</b>	<b>2,405,953,602</b>	<b>2,318,234,204</b>	<b>1,737,210,815</b>

The accompanying notes on pages 17 to 87 are an integral part of these consolidated and separate financial statements.



## Statements of Financial Position

Triple i Logistics Public Company Limited

As at 31 December 2021

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	25.1	120,000,000	130,000,000	120,000,000	130,000,000
Trade and other payables	24	488,319,582	313,913,813	68,072,884	23,749,256
Current portion of long-term loans from a financial institution, net	25.2	105,750,000	90,000,000	105,750,000	90,000,000
Current portion of lease liabilities	20	52,212,118	64,124,415	1,922,355	2,909,340
Derivatives liabilities	7	2,668	-	2,668	-
Income tax payables		27,611,117	474,621	25,757,647	-
Other current liabilities	26	35,723,930	21,671,488	10,824,651	3,602,569
<b>Total current liabilities</b>		<b>829,619,415</b>	<b>620,184,337</b>	<b>332,330,205</b>	<b>250,261,165</b>
<b>Non-current liabilities</b>					
Long-term loans from a financial institution	25.2	269,250,000	300,000,000	269,250,000	300,000,000
Lease liabilities, net	20	69,641,825	148,564,144	2,080,635	4,184,606
Employee benefit obligations	27	23,379,954	27,406,885	3,830,935	5,081,538
Decommissioning provision		7,052,304	6,761,270	61,822	59,240
Derivatives liabilities	7	4,640,029	9,461,871	4,640,029	9,461,871
Other non-current liabilities		1,168,000	2,536,486	843,379	843,382
<b>Total non-current liabilities</b>		<b>375,132,112</b>	<b>494,730,656</b>	<b>280,706,800</b>	<b>319,630,637</b>
<b>Total liabilities</b>		<b>1,204,751,527</b>	<b>1,114,914,993</b>	<b>613,037,005</b>	<b>569,891,802</b>

The accompanying notes on pages 17 to 87 are an integral part of these consolidated and separate financial statements.

# Statements of Financial Position

Triple i Logistics Public Company Limited

As at 31 December 2021

		Consolidated		Separate	
		financial statements		financial statements	
		2021	2020	2021	2020
Notes		Baht	Baht	Baht	Baht
Liabilities and equity (continued)					
Equity					
Share capital	28				
Authorised share capital					
761,634,719 ordinary shares at a par value of Baht 0.50 each					
(2020 : 767,326,944 ordinary shares at a par value of Baht 0.50 each)		380,817,360	383,663,472	380,817,360	383,663,472
Issued and paid-up share capital					
620,709,975 ordinary shares at a par value of Baht 0.50 each					
(2020: 609,307,775 ordinary shares at a par value of Baht 0.50 each)		310,354,988	304,653,888	310,354,988	304,653,888
Share premium	28	771,351,427	708,639,327	771,351,427	708,639,327
Surplus arising from business combination under common control		30,726,984	30,726,984	-	-
Surplus arising from share-based payments		22,755,038	22,755,038	22,755,038	22,755,038
Premium on treasury shares	28	58,481,254	-	58,481,254	-
Discount from changes in shareholding of subsidiary		(187,500)	(187,500)	-	-
Retained earnings					
Appropriated - Legal reserve	31	50,200,000	39,000,000	38,100,000	28,900,000
Appropriated - Treasury share reserve	28	-	40,089,186	-	40,089,186
Unappropriated		490,941,773	199,357,830	507,866,516	109,940,258
Less Treasury shares	28	-	(40,089,186)	-	(40,089,186)
Other components of equity		10,427,045	(13,906,958)	(3,712,024)	(7,569,498)
Equity attributable to owners of the Company		1,745,051,009	1,291,038,609	1,705,197,199	1,167,319,013
Non-controlling interests		-	-	-	-
Total equity		1,745,051,009	1,291,038,609	1,705,197,199	1,167,319,013
Total liabilities and equity		2,949,802,536	2,405,953,602	2,318,234,204	1,737,210,815

The accompanying notes on pages 17 to 87 are an integral part of these consolidated and separate financial statements.

# Statements of Comprehensive Income

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
Revenue from services		2,918,113,876	1,589,971,271	407,253,060	107,614,897
Revenue from sales		21,106,786	17,402,386	-	-
Cost of services		(2,406,737,205)	(1,268,946,912)	(298,648,863)	(63,615,377)
Cost of sales		(5,310,167)	(4,315,805)	-	-
<b>Gross profit</b>		<b>527,173,290</b>	<b>334,110,940</b>	<b>108,604,197</b>	<b>43,999,520</b>
Dividend income	37.1	-	-	334,839,530	126,089,891
Other income	32	73,718,670	56,952,762	204,962,683	68,921,289
Selling expenses		(84,905,743)	(67,092,217)	(16,267,869)	(9,318,337)
Administrative expenses		(276,325,363)	(254,318,630)	(87,620,430)	(76,773,673)
Loss from impairment on financial assets		(1,714,255)	(11,747,036)	(1,455,729)	(173,273)
Other gain (loss), net		5,856,320	(765,162)	3,878,771	(3,522,056)
Finance costs	33	(28,034,522)	(31,433,849)	(20,167,758)	(19,671,348)
Share of profits from investments in associates and joint ventures	16	223,384,369	135,427,017	-	-
<b>Profit before income tax</b>		<b>439,152,766</b>	<b>161,133,825</b>	<b>526,773,395</b>	<b>129,552,013</b>
Income tax	35	(61,811,731)	(12,709,013)	(40,175,227)	(2,165,891)
<b>Profit for the year</b>		<b>377,341,035</b>	<b>148,424,812</b>	<b>486,598,168</b>	<b>127,386,122</b>
<b>Other comprehensive income (expenses):</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Loss on measurement of investment in equity instrument at fair value through other comprehensive income		-	(30,612,001)	-	(30,612,001)
Remeasurement of post-employment benefit obligations	27	6,362,061	-	1,872,936	-
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		1,323,518	-	-	-
Income tax relating to items that will not be reclassified subsequently to profit or loss		(1,272,412)	6,122,400	(374,587)	6,122,400
<b>Total items that will not be reclassified subsequently to profit or loss</b>		<b>6,413,167</b>	<b>(24,489,601)</b>	<b>1,498,349</b>	<b>(24,489,601)</b>
<i>Items that will be reclassified subsequently to profit and loss</i>					
Gain (loss) from changes in fair value of cash flow hedge		4,821,842	(580,910)	4,821,842	(580,910)
Currency translation differences on financial statements		17,453,913	(1,358,570)	-	-
Share of other comprehensive income of joint ventures accounted for using the equity method		3,022,616	2,013,827	-	-
Income tax relating on items that will be reclassified subsequently to profit and loss		(964,368)	116,182	(964,368)	116,182
<b>Total items that will be reclassified subsequently to profit or loss</b>		<b>24,334,003</b>	<b>190,529</b>	<b>3,857,474</b>	<b>(464,728)</b>
Other comprehensive income (expenses) for the year, net of tax		30,747,170	(24,299,072)	5,355,823	(24,954,329)
<b>Total comprehensive income for the year</b>		<b>408,088,205</b>	<b>124,125,740</b>	<b>491,953,991</b>	<b>102,431,793</b>

The accompanying notes on pages 17 to 87 are an integral part of these consolidated and separate financial statements.



# Statements of Comprehensive Income

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
<b>Profit (loss) attributable to:</b>					
Owners of the Company		377,341,035	162,491,422	486,598,168	127,386,122
Non-controlling interests		-	(14,066,610)	-	-
		<u>377,341,035</u>	<u>148,424,812</u>	<u>486,598,168</u>	<u>127,386,122</u>
<b>Total comprehensive income</b>					
<b>(expense) attributable to:</b>					
Owners of the Company		408,088,205	138,192,350	491,953,991	102,431,793
Non-controlling interests		-	(14,066,610)	-	-
		<u>408,088,205</u>	<u>124,125,740</u>	<u>491,953,991</u>	<u>102,431,793</u>
<b>Earnings per share</b>					
Basic earnings per share	36.1	0.6220	0.2732	0.8021	0.2142
Diluted earnings per share	36.2	0.5634	0.2732	0.7265	0.2142

The accompanying notes on pages 17 to 87 are an integral part of these consolidated and separate financial statements.

# Statements of Changes in Equity

Triple i Logistics Public Company Limited

For the year ended 31 December 2021

Consolidated financial statements																												
Notes		Other components of equity																			Total equity attributable to owners of the Company				Non-controlling interests		Total equity	
		Other comprehensive income (expense)																										
		Measurement of equity/instrument at fair value through other comprehensive income																										
Issued and paid-up ordinary shares		Share premium		Surplus arising from business combination under common control		Surplus arising from share-based payments		Premium on treasury shares		Discount from changes in shareholding of subsidiary		Retained earnings		Treasury shares		Currency translation differences on financial statements		Share of other comprehensive income from joint ventures		Gain (loss) from changes in fair value of cash flow hedge		Investment in equity/instrument		Total equity				
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht		
Opening balances as at 1 January 2021																												
	304,653,888	708,639,327	30,726,984	22,755,038	-	-	-	-	-	(187,500)	39,000,000	40,089,186	199,357,830	(40,089,186)	(7,988,940)	1,651,480	(7,569,498)	-	(13,906,958)	1,291,038,609	-	-	-	1,291,038,609	-	-		
29	Exercise of warrants	5,701,100	62,712,100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	68,413,200	-	-	-	68,413,200	-	-		
28	Resale of treasury shares	-	-	-	-	-	-	58,481,254	-	-	-	-	-	-	-	-	-	-	-	98,570,440	-	-	-	98,570,440	-	-		
28	Transfer treasury share reserve	-	-	-	-	-	-	-	-	-	-	(40,089,186)	40,089,186	-	-	-	-	-	-	-	-	-	-	-	-	-		
30	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	(121,059,445)	-	-	-	-	-	-	(121,059,445)	-	-	-	(121,059,445)	-	-		
31	Legal reserve	-	-	-	-	-	-	-	-	-	9,200,000	-	(9,200,000)	-	-	-	-	-	-	-	-	-	-	-	-	-		
31	Legal reserve of subsidiaries	-	-	-	-	-	-	-	-	-	2,000,000	-	(2,000,000)	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total comprehensive income for the year		-	-	-	-	-	-	-	-	-	-	-	383,754,202	-	17,453,913	3,022,616	3,857,474	-	24,334,003	40,089,205	-	-	-	40,089,205	-	-		
Closing balance as at 31 December 2021		310,354,988	771,351,427	30,726,984	22,755,038	-	-	58,481,254	-	(187,500)	39,000,000	40,089,186	490,847,773	-	9,464,973	4,674,096	(3,712,024)	-	10,427,045	1,745,951,009	-	-	-	1,745,951,009	-	-		
Opening balances as at 1 January 2020																												
Acquisition of non-controlling interests through business combination																												
Non-controlling interests decrease from loss of control in a subsidiary																												
28	Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	115,254,760	-	1,283,446,144		
	Treasury share reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
	Share-based payments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(40,089,186)	-	-		
39	Dividends paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
30	Legal reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
31	Legal reserve of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Total comprehensive income for the year		-	-	-	-	-	-	-	-	-	-	-	162,481,422	-	(1,358,070)	2,013,827	(464,728)	(24,489,601)	(24,299,072)	138,192,350	-	-	-	138,192,350	-	-		
Transfer loss on fair value measurement of investment in equity instrument through other comprehensive income to retained earnings																												
Closing balance as at 31 December 2020		304,653,888	708,639,327	30,726,984	22,755,038	-	-	-	-	(187,500)	39,000,000	40,089,186	199,357,830	(40,089,186)	(7,988,940)	1,651,480	(7,569,498)	-	(13,906,958)	1,291,038,609	-	-	-	1,291,038,609	-	-		

The accompanying notes on pages 17 to 87 are an integral part of these consolidated and separate financial statements.

# Statements of Changes in Equity

Triple i Logistics Public Company Limited

For the year ended 31 December 2021

Separate financial statements													
Other components of equity													
Other comprehensive income (expense)													
Measurement of													

The accompanying notes on pages 17 to 87 are an integral part of these consolidated and separate financial statements.



## Statements of Cash Flows

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021 Baht	2020 Baht	2021 Baht	2020 Baht
<b>Cash flows from operating activities</b>					
Profit before income tax		439,152,766	161,133,825	526,773,395	129,552,013
Adjustments for:					
Depreciation and amortisation		100,255,704	101,161,984	9,772,237	9,779,944
Share of profit from investments in associates and joint ventures	16	(223,384,369)	(135,427,017)	-	-
Gain on disposal of investments in subsidiaries		-	(43,983,971)	-	(8,228,282)
Gain on restructuring	16.2	(52,077,997)	-	(136,318,022)	-
Loss from disposal and written-off of equipment		(2,024,253)	641,047	-	-
(Reversal of) employment benefit obligations	27	3,615,462	(396,176)	622,333	592,485
Loss from impairment on financial assets		1,714,255	11,747,036	1,455,729	173,273
(Gain) loss on foreign exchange rate		(5,657,548)	4,424,225	(4,361,381)	4,102,065
Loss from changes in fair value of derivatives		2,668	161,552	2,668	122,724
Gain from lease termination and modification		(4,515,948)	(616,385)	-	-
Interest income	32	(1,203,302)	(801,256)	(9,183,406)	(10,427,259)
Dividend income		-	-	(334,839,530)	(126,089,891)
Expense on share-based payments	39	-	885,452	-	885,452
Finance costs	33	28,034,522	31,433,849	20,167,758	19,671,348
		283,911,960	130,364,165	74,091,781	20,133,872
<b>Changes in working capital</b>					
Operating assets decrease (increase)					
Trade and other receivables		(297,527,871)	49,730,682	(134,918,083)	(7,783,315)
Inventories		18,250	(93,091)	-	-
Other current assets		(46,481,156)	128,688	(41,963,950)	79,372
Retentions		(208,839)	18,345,253	(515,000)	12,700
Other non-current assets		21,863,125	20,936,183	1,124,336	-
Operating liabilities increase (decrease)					
Trade and other payables		175,037,298	(101,678,374)	47,186,495	1,213,763
Other current liabilities		13,980,857	(13,984,835)	7,222,080	807,382
Employee benefit obligations paid	27	(1,280,332)	(1,302,936)	-	-
Other non-current liabilities		(1,446,084)	(7,778,096)	-	21,000
<b>Cash flows from operations</b>		147,867,208	94,667,639	(47,772,341)	14,484,774
Income tax paid		(36,685,038)	(19,614,503)	(9,707,163)	(2,901,884)
<b>Net cash generated from (used in) operating activities</b>		111,182,170	75,053,136	(57,479,504)	11,582,890

The accompanying notes on pages 17 to 87 are an integral part of these consolidated and separate financial statements.

## Statements of Cash Flows

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
<b>Cash flows from investing activities</b>					
Interest income received		1,188,884	816,577	8,800,369	9,578,620
Proceeds from disposal of equipment		1,806,173	547,964	-	-
Proceeds from disposal of non-current assets classified as held-for-sale		34,705,200	-	-	-
Payments for purchases of equipment and intangible assets		(18,267,643)	(28,963,001)	(6,847,231)	(18,078,813)
Proceeds from disposal of investments in a subsidiary, net of cash in a subsidiary		-	136,361,469	-	157,715,979
Proceeds from dissolution of a joint venture	16.2	1,430,616	-	-	-
Payments for investments in subsidiaries	15	-	(163,540,435)	(5,000,000)	(188,000,000)
Payments for investments in associates and joint ventures		(186,137,500)	(273,882,990)	(215,137,500)	(273,882,990)
Proceeds from short-term loans to related parties	37.5	70,000,000	14,900,000	203,216,300	145,900,000
Payments for short-term loans to related parties	37.5	(83,100,000)	(5,000,000)	(165,100,000)	(92,400,000)
Dividends received from subsidiaries		-	-	81,230,061	61,836,000
Dividends received from associates and joint ventures		190,204,214	87,918,730	178,509,912	83,322,250
<b>Net cash generated from (used in) investing activities</b>		<b>11,829,944</b>	<b>(230,841,686)</b>	<b>79,671,911</b>	<b>(114,008,954)</b>

The accompanying notes on pages 17 to 87 are an integral part of these consolidated and separate financial statements.

## Statements of Cash Flows

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

	Notes	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
		Baht	Baht	Baht	Baht
<b>Cash flows from financing activities</b>					
Interest paid		(27,743,489)	(31,188,988)	(20,165,176)	(18,781,891)
Proceeds from short-term loans					
from financial institutions		430,000,000	485,000,000	430,000,000	485,000,000
Repayments of short-term loans					
from financial institutions		(440,000,000)	(355,000,000)	(440,000,000)	(355,000,000)
Payments for lease liabilities		(62,410,107)	(53,506,746)	(3,090,956)	(4,787,924)
Proceeds from long-term loans					
from a financial institution	25.2	105,000,000	199,398,691	105,000,000	150,000,000
Repayments of long-term loans					
from a financial institution	25.2	(120,000,000)	(109,398,691)	(120,000,000)	(60,000,000)
Proceeds from resales of treasury shares	28	98,570,440	-	98,570,440	-
Payments for treasury shares	28	-	(40,089,186)	-	(40,089,186)
Proceeds from exercise of warrants	29	68,413,200	-	68,413,200	-
Dividends paid		(121,026,255)	(91,362,568)	(121,026,255)	(91,362,568)
<b>Net cash generated from (used in) financing activities</b>		<b>(69,196,211)</b>	<b>3,852,512</b>	<b>(2,298,747)</b>	<b>64,978,431</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>53,815,903</b>	<b>(151,936,038)</b>	<b>19,893,660</b>	<b>(37,447,633)</b>
Cash and cash equivalents at the beginning of the year		110,488,033	262,472,916	34,021,248	71,468,881
Exchange gains (losses) on cash and cash equivalents		3,804,221	(48,845)	-	-
<b>Cash and cash equivalents at the end of the year</b>		<b>168,108,157</b>	<b>110,488,033</b>	<b>53,914,908</b>	<b>34,021,248</b>
<b>Non-cash transactions</b>					
Acquisition of right-of-use assets under lease liabilities	38	24,143,095	14,628,587	-	-
Dividends receivable	11	102,957,666	32,666,010	139,805,568	61,496,151
Dividends payable		36,475	212,041	36,475	212,041
Purchase of fixed assets on payable		-	1,708,100	-	1,600,000
Share-based payments		-	885,452	-	885,452
Increase in investment in a joint venture from					
changing status from subsidiary		-	129,552,500	-	-
Net increase in investment in joint ventures					
from share swap		52,077,997	-	136,318,022	-

The accompanying notes on pages 17 to 87 are an integral part of these consolidated and separate financial statements.



# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

## 1 General information

Triple i Logistics Public Company Limited (the "Company") is a public company listed in the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The address of the Company's registered office is as follows:

628, 3rd Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120, Thailand.

For reporting purposes, the Company and its subsidiaries are referred to as "the Group".

The principal business operations of the Group are domestic and international freight forwarding and integrated logistics services provider.

The consolidated financial statements include the following subsidiaries:

Subsidiaries	Nature of business	Country of incorporation	Percentage of shareholding (Direct and indirect holding)	
			2021 %	2020 %
<b><u>Direct subsidiaries</u></b>				
Asia Ground Service Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00
Triple i Air Express Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00
Triple i Asia Cargo Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00
HazChem Logistics Management Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00
Triple i Supplychain Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00
Triple i Maritime Agencies Co., Ltd.	Sea freight forwarding	Thailand	100.00	100.00
DG Packaging (Thailand) Co., Ltd.	Selling packages and providing packing services	Thailand	100.00	100.00
Cross Border Couriers Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00
Triple i International Pte. Ltd.	Air freight forwarding	Singapore	100.00	100.00
<b><u>Indirect subsidiary</u></b>				
Triple i International Japan Co., Ltd. (held by Triple i International Pte. Ltd.)	Air freight forwarding	Japan	-	100.00

The consolidated and separate financial statements were authorised by the Board of Directors on 22 February 2022.

## 2 Significant events during the current period

### 2.1 COVID-19 pandemic

In 2021, the Group was still affected by the COVID-19 pandemic since early 2020. The impact is most prevalent in the airfreight and related businesses due to various measures being put in place to prevent the outbreak of COVID-19 that occur both domestically and internationally which caused a major reduction in passenger aircrafts and affected the air freight on passenger aircrafts. However, with various strategic changes to the Group's operations and business plans, the Group has made plans with airlines to adopt and convert more passenger aircrafts for air cargo which started in 2020. This could further strengthen the Group's overall performance. In addition, there have also been high freight rates due to the lack of both air and sea freight supply. This has made a positive contribution to the Group's operating results.

### 2.2 Restructuring of General Sales Agent Business ("GSA")

The Board of Directors' Meeting No.4/2021 on 1 April 2021 and No.5/2021 on 27 April 2021 and No.8/2021 on 21 September 2021 approved the restructuring of General Sales Agent Business ("GSA") by disposal of investments that the Company is a direct shareholder. Asia Network International Co., Ltd. ("ANI") will make a payment for shares that the Company disposed by way of issuing newly issued ordinary shares of ANI to the Company. As a result, ANI will be an Operating Holding company for the business of general sales agent for airlines of the Company. After the completion of the restructuring of General Sales Agent Business (GSA), the Company will hold 55.61% shares of the total registered and paid-up shares of ANI. As at 31 December 2021, the Company has executed all the related restructuring transaction, except for the investments in Excel Air (Cambodia) Limited and GSA Cargo Network (Myanmar) Limited which are in the process of legal registration (Details of GSA business restructuring are disclosed in Note 16.2).

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2021

## 3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except financial assets measured at fair value through other comprehensive income and derivative instrument as described in the related accounting policies.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 8.

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

## 4 New and amended financial reporting standards

- 4.1 New financial reporting standards that are effective for accounting period beginning on or after 1 January 2021 do not have significant impacts to the Group.
- 4.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2022 that are relevant to the Group and have not been early adopted by the Group.

**Interest rate benchmark (IBOR) reform - phase 2, amendments to TFRS 9, TFRS 7, TFRS 16 and TFRS 4, and accounting guidance, financial instruments and disclosures for insurance business** provide relief measures addressing issues that might affect financial reporting during the reform, including the effects of changes to contractual cash flows or hedging relationship arising from the replacement of one benchmark with an alternative benchmark.

Key relief measures of the phase 2 amendments are as follows:

- When changing the basis for determining contractual cash flows for financial assets and financial liabilities (including lease liabilities), changes that are necessary as a direct result of the IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. TFRS 16 has also been amended to require lessees to use a similar practical expedient when accounting for lease modifications that change the basis for determining future lease payments as a result of the IBOR reform.
- Hedge accounting relief measures will allow most TFRS 9 hedge relationships that are directly affected by the IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

TFRS 7 requires additional disclosure about:

- the nature and extent of risks arising from the IBOR reform to which the entity is exposed to
- how the entity manages those risks
- the entity's progress in transitioning from the IBOR to alternative benchmark rates and how the entity is managing this transition.

The Group's management is currently assessing the impact of these financial reporting standards to the financial statements.

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

## 5 Accounting policies

### 5.1 Principles for consolidation

#### a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

#### b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting.

In the separate financial statements, investments in associates are accounted for using cost method.

#### c) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

##### *Joint operations*

A joint operation is a joint arrangement whereby the Group has rights to the assets, and obligations for the liabilities relating to the arrangement. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the Group's financial statement line items.

##### *Joint ventures*

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using cost method.

#### d) Equity method

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.



## Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

### e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

### f) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

## 5.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

### Acquisition-related cost

Acquisition-related cost are recognised as expenses in the consolidated financial statements

### Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

### Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

## 5.3 Foreign currency translation

### a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional and presentation currency.

### b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

### c) Group companies

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

- Assets and liabilities are translated at the closing rate at the date of respective statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

## 5.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date.

## 5.5 Trade receivables

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 5.7(f).

## 5.6 Inventories

Inventories are stated at the lower of cost and net realisable value .

Cost of inventories is determined by the first-in, first-out method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs, overhead and directly attributable costs in bringing the inventories to their present location and condition.

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

## 5.7 Financial assets

### a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

### b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

### c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

### d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains (losses). Interest income is included in finance income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains (losses) in the period in which it arises.



# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2021

## e) Equity instruments

The Group measures all equity investments at fair value. Where the Group has elected to present fair value gains and losses on equity instruments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the right to receive payments is established.

## f) Impairment

The Group applies the TFRS 9 simplified approach in measuring the impairment of trade receivables and accrued income which applies lifetime expected credit loss, from initial recognition, for all trade receivables.

For other financial assets carried at amortised cost and FVOCI, the Group applies TFRS 9 general approach in measuring the impairment of those financial assets. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

Impairment and reversal of impairment losses are recognised in profit or loss as a separate line item.

## 5.8 Non-current assets held-for-sale

Non-current assets (or disposal groups) are classified as assets held-for-sale when their carrying amount will be recovered principally through a sale transaction and a sale is considered highly probable. They are measured at the lower of the carrying amount and fair value less costs to sell.

An impairment loss is recognised for write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised.

## 5.9 Investment property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

Subsequently, they are carried at cost less accumulated depreciation and impairment.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Buildings	20 years
Building improvement	5 and 15 years

## Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2021

### 5.10 Property, plant and equipment

Land is stated at historical cost less any accumulated impairment losses (if any). Other property, plant and equipment are stated at historical cost less accumulated depreciation and any accumulated impairment losses (if any). Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. Capitalised where there is future economic benefit. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings	20 years
Building improvement	5, 6 and 10 years
Tool and equipment	5 and 10 years
Vehicles and equipment	5 and 10 years
Furniture and fixtures	5 and 10 years
Office equipment	5 and 10 years

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

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

### 5.11 Intangible assets

Expenditure on acquired computer software is capitalised as intangible asset on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised using the straight-line method over its estimated useful lives of 5 years.

Cost of maintenance are recognised as an expense as incurred.

### 5.12 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. Where the reasons for previously recognised impairments no longer exist, the impairment losses will be reversed.

Goodwill included in investments in associates and joint ventures is a part of investment. Hence, there is no separate impairment test, but the impairment will be tested when there is an indication of impairment for investment.

### 5.13 Leases

#### Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2021

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise copy machine.

## Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised 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 asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

## 5.14 Financial liabilities

### a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.



# Notes to the Consolidated and Separate Financial Statements

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## b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

## c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains (losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains (losses) in profit or loss.

## 5.15 Borrowing costs

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (assets that take long time to get ready for its intended use or sale) are added to the cost of those assets less investment income earned from those specific borrowings. The capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

Other borrowing costs are expensed in the period in which they are incurred.

## 5.16 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

### Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

# Notes to the Consolidated and Separate Financial Statements

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## 5.17 Employee benefits

### a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries and bonuses that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

### b) Defined contribution plan

The Group pays contributions to a separate fund in accordance with the provident fund Act B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

### c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

### d) Other long-term benefits

The Group gives money rewards to employees when they have worked for the Group and completed the service years according to the Group's policy.

These obligations are measured similar to defined benefit plans except remeasurement gains and losses that are charged to profit or loss.

### e) Termination benefits

The Group recognises termination benefits at the earlier of (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

## 5.18 Share-based payment

The Company operated a number of equity-settled, share-based compensation plans in exchange for past performance of the management of the Group. This was part of the shareholding restructuring of the Group's management. The number of shares issued to each member of the management reflects their past performance. The total amount to be expensed is determined by reference to the fair value of the shares issued:

- including any market performance conditions;
- excluding the impact of any service and non-market performance vesting conditions and
- excluding the impact of any non-vesting conditions.

# Notes to the Consolidated and Separate Financial Statements

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Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each reporting period, the Group revises its estimates of the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

When the options are exercised, the Company issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium.

The grant by the Group of options over its equity instruments to the employees of subsidiary undertakings in the Group is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investment in subsidiary, in separate financial statement undertakings, with a corresponding credit to equity.

## 5.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

## 5.20 Share capital

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options (net of tax) are shown as a deduction in equity.

### *Treasury share*

Where any companies within the Group repurchases its shares, the consideration paid, including any directly attributable incremental costs (net of taxes) is deducted from equity, presented next to retained earnings, until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity.

## 5.21 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfilment of the obligation to the customer.

### Logistics management revenues

The Group recognised revenues from logistics at the point in time when control of service was transferred to the customer. Revenues from warehousing services are recognised over the contract term.

### Freight forwarding revenues

The Group recognised revenues from the freight forwarding services over the contract term.

### Sales of goods

The Group recognised revenues from sales of goods when control of goods were transferred to the customer.

### Other income

Interest income is recognised by effective interest rate and other income is recognised on an accrual basis in accordance with the substance of the relevant agreements.

Dividend income is recognised upon entitlement.



# Notes to the Consolidated and Separate Financial Statements

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## 5.22 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

## 5.23 Derivatives and hedging activities

### a) Derivatives that do not qualify for hedge accounting

Derivatives that do not qualify for hedge accounting is initially recognised at fair value. Changes in the fair value are included in other gains(losses).

Fair value of derivatives is classified as a current or non-current following its remaining maturity.

### b) Interest rate swap and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges).

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months. Trading derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss.

When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

The fair values of derivative financial instruments designated in hedge relationships are disclosed in Note 7.

The Group does not apply hedge accounting in fair value hedges and net investment hedges

## 5.24 Financial guarantee contracts

Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value and subsequently at the higher of:

- the amount determined in accordance with the expected credit loss model under TFRS 9; and
- the amount initially recognised less the cumulative amount of income recognised in accordance with the principles of TFRS 15.

The fair value of financial guarantees is determined based on the present value of the difference in cash flows between a) the contractual payments required under the debt instrument; and b) the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Where guarantees in relation to loans or other payables of associates are provided for no compensation, the fair values are accounted for as contributions and recognised as part of the cost of the investment.

# Notes to the Consolidated and Separate Financial Statements

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## 6 Financial risk management

### 6.1 Financial risk

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Financial risk management is carried out by the Group Treasury Committee. The Group's policy includes areas such as foreign exchange risk, interest rate risk, price risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for Treasury team of the Group.

#### 6.1.1 Market risk

##### a) Foreign exchange risk

The Group are exposed to foreign exchange risk from future commercial transactions, net investments in foreign operations, and net monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency.

##### Exposure

The Group's and the Company's exposure to foreign currency risk at the end of the reporting period, expressed in Baht are as follows:

	Consolidated financial statements			
	US Dollar Thousand Baht	Singapore Dollar Thousand Baht	US Dollar Thousand Baht	Singapore Dollar Thousand Baht
Cash and cash equivalents	111,274	274	2	768
Trade and other receivables, net	80,625	-	6,069	-
Trade and other payables	(9,498)	(1,143)	(8,810)	(619)
Foreign currency forwards				
- Purchase of foreign currency trading	(1,442)	-	-	-
	Separate financial statements			
	US Dollar Thousand Baht	US Dollar Thousand Baht	US Dollar Thousand Baht	US Dollar Thousand Baht
Cash and cash equivalents		922		2
Trade and other receivables, net		4,548		1,591
Trade and other payables		(4,624)		(2,479)
Foreign currency forwards				
- Purchase of foreign currency trading		(1,442)		-

The changes in exchange rate do not have significant impact to the Group's net profit.

# Notes to the Consolidated and Separate Financial Statements

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## b) Interest rate risk

The Group is exposed to interest rate risk through the impact of rate changes on interest bearing liabilities and assets. These exposures are managed partly by using natural hedges that arise from offsetting interest rate sensitive assets and liabilities, and partly through fixed rate borrowings and the use of derivative financial instruments such as interest rate swaps. The Group monitors interest rate exposure on a monthly basis by currency and business unit, taking into consideration proposed financing and hedging arrangements.

Cash flow interest rate risk is the risk that changes in market interest rates will impact cash flows arising from variable rate financial instruments. Borrowings at floating rates therefore expose the Group to cash flow interest rate risk. The Group manages this risk by using interest rate swaps converting borrowings from floating rate to fixed rate.

Fair value interest rate risk is the risk that the value of a financial asset or liability and derivative financial instruments will fluctuate because of changes in market interest rates. The Group manages its fair value interest rate risk by entering into interest rate swaps which have the effect of converting borrowings from fixed rate to floating rate, to maintain the Group's fixed rate instruments within the Group's guideline.

### Instruments used by the Group

The Company entered into interest rate swaps covering the principal of loans with floating rate. The fixed interest rate of the swaps is 4.1% and the variable rates of the loans are 1.6% above THBFIX 6M. At the end of the reporting period, the interest rate is 2.00%.

The swap contracts require settlement of net interest receivable or payable every 30 days. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

### Effect of hedge accounting on the financial position and performance

The effects of the interest rate-related hedging instruments on the Group and the Company's financial position and performance are as follows:

	Consolidated and Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht
<i>Interest rate swaps</i>		
Carrying amount (liability)	4,640	9,462
Notional amount	300,000	300,000
Maturity date	2024	2024
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedge instruments since 1 January	4,822	(581)
Change in value of hedged item used to determine hedge effectiveness	(4,822)	581
Weighted average strike rate for outstanding hedging instruments	4.1%	4.1%

The reconciliations of cash flow hedge reserves which show in other components of equity for the year ended 31 December are as follows:

	Consolidated and Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht
Opening balance 1 January	(7,570)	(7,105)
Less: Change in fair value of hedging instrument recognised in OCI	4,822	(5,800)
Add: Reclassified from OCI to profit or loss	-	5,219
Add: Deferred tax	(964)	116
<b>Closing balance 31 December</b>	<b>(3,712)</b>	<b>(7,570)</b>



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Significant financial assets and liabilities classified by type of interest rates are summarised in the table below.

	Consolidated financial statements								
	Fixed interest rates			Floating interest rates			Non-Interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years			
As at 31 December 2021	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
<b>Financial assets</b>									
Cash and cash equivalents	-	-	-	159,808	-	-	8,300	168,108	0.05 - 0.50
Short-term loans to related parties	-	-	-	14,450	-	-	-	14,450	5.47
	-	-	-	174,258	-	-	8,300	182,558	
<b>Financial liabilities</b>									
Short-term loans from financial institutions	-	-	-	120,000	-	-	-	120,000	2.33 - 2.35
Long-term loans from a financial institution	60,000	120,000	-	45,750	149,250	-	-	375,000	4.10 - 4.13
Lease liabilities	44,324	77,530	-	-	-	-	-	121,854	4.10
	104,324	197,530	-	165,750	149,250	-	-	616,854	
	Consolidated financial statements								
	Fixed interest rates			Floating interest rates			Non-Interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years			
As at 31 December 2020	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
<b>Financial assets</b>									
Cash and cash equivalents	-	-	-	107,259	-	-	3,229	110,488	0.05 - 0.50
Short-term loans to related parties	-	-	-	1,350	-	-	-	1,350	5.47
	-	-	-	108,609	-	-	3,229	111,838	
<b>Financial liabilities</b>									
Short-term loans from financial institutions	-	-	-	130,000	-	-	-	130,000	2.34 - 2.35
Long-term loans from a financial institution	60,000	180,000	-	60,000	90,000	-	-	390,000	4.07 - 4.10
Finance lease liabilities	64,124	148,564	-	-	-	-	-	212,688	4.10
	124,124	328,564	-	190,000	90,000	-	-	732,688	

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For the year ended 31 December 2021

As at 31 December 2021	Separate financial statements								
	Fixed interest rates			Floating interest rates			Non-Interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years			
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
<b>Financial assets</b>									
Cash and cash equivalents	-	-	-	53,915	-	-	-	53,915	0.10 - 0.05
Short-term loans to related parties	181,000	-	-	14,450	-	-	-	195,450	4.10 - 5.47
	181,000	-	-	68,365	-	-	-	249,365	
<b>Financial liabilities</b>									
Bank overdrafts and short-term loans from financial institutions	-	-	-	120,000	-	-	-	120,000	2.33 - 2.35
Long-term loans from a financial institution	60,000	120,000	-	45,750	149,250	-	-	375,000	4.10 - 4.13
Lease liabilities	1,012	2,991	-	-	-	-	-	4,003	
	61,012	122,991	-	165,750	149,250	-	-	499,003	
As at 31 December 2020	Separate financial statements								
	Fixed interest rates			Floating interest rates			Non-Interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years			
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
<b>Financial assets</b>									
Cash and cash equivalents	-	-	-	34,021	-	-	-	34,021	0.05 - 0.10
Short-term loans to related parties	232,132	-	-	1,424	-	-	-	233,556	4.10 - 5.47
	232,132	-	-	35,445	-	-	-	267,577	
<b>Financial liabilities</b>									
Short-term loans from financial institutions	-	-	-	130,000	-	-	-	130,000	2.34 - 2.35
Long-term loans from a financial institution	60,000	180,000	-	60,000	90,000	-	-	390,000	4.07 - 4.10
Lease liabilities	2,272	4,822	-	-	-	-	-	7,094	3.40 - 5.70
	62,272	184,822	-	190,000	90,000	-	-	527,094	

## Sensitivity

Profit or loss is sensitive as a result of changes in interest rates as follows:

	Impact to net profit			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Interest rate - increase 1%	2,986	(1,528)	3,578	(2,078)
Interest rate - decrease 1%	(2,986)	1,528	(3,578)	2,078

\* Holding all other variables constant

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## c) Price risk

The Group is exposed to risk of fluctuation in freight charges which are major operating costs. In respect of air freight business, the air freight charge is a fixed cost. The Group pays to airlines in a fixed lump sum. If the freight charges are variable depending on market price, the Group will determine the price as a cost-plus method. Hence, the Group is able to pass through part of fluctuation in freight charge to customers. In respect of sea freight business, the Group forecasts the volume of demand for freight and books large quantity of freight in order to increase price bargaining power. The Group undertakes to closely monitor freight rates to forecast the situation and price trends in order to set the price with a margin that can accommodate changes in price.

## 6.1.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt investments carried at amortised cost, derivative financial instruments as well as credit exposures to customers, including outstanding receivables.

### a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, the Group makes transactions with the creditable financial institutions.

For transaction with customers, the Group assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set based on tips assessments in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

### b) Impairment of financial assets

The Group and the Company have financial assets that are subject to the expected credit loss model:

- Trade and other receivables
- Loan to related parties
- Retentions

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, management assessed that cash and cash equivalents have no significant credit risk.

The Group and the Company write-off trade receivables when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments or cannot be contacted for a long time.

Expected credit losses on trade receivables are presented as net expected credit losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

The recognition of expected credit loss is disclosed in Note 11.

## 6.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. The purpose is to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding at the end of reporting period by maintaining availability under committed credit lines.



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## a) Financing arrangements

The Group has access to the following undrawn credit facilities as at 31 December as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Floating rate</b>				
Expiring within one year				
- Bank overdraft	47,000	47,000	5,000	5,000
- Promissory note	320,000	160,000	320,000	160,000
	367,000	207,000	325,000	165,000

The bank overdraft facilities may be drawn at any time and may be terminated by the Bank without notice. The promissory note facilities may be drawn at any time subjected to the Bank's discretion and the Bank has the right to review and terminate the contract at any time. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in Thai Baht and have average maturity of 1 year (2020 : 1 year).

## b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities for:

- all non-derivative financial liabilities; and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Consolidated financial statements				
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount Thousand Baht
<b>Contractual maturities of financial liabilities</b>					
<b>As at 31 December 2021</b>					
<b>Non-derivatives</b>					
Short-term loans from financial institutions	120,000	-	-	120,000	120,000
Trade and other payables	471,760	16,560	-	488,320	488,320
Other current liabilities	3,683	-	-	3,683	3,683
Lease liabilities	47,870	81,508	-	129,378	121,854
Long-term loans from a financial institution	118,953	284,164	-	403,117	375,000
Other non-current liabilities	-	-	1,168	1,168	1,168
<b>Total non-derivatives</b>	<b>762,266</b>	<b>382,232</b>	<b>1,168</b>	<b>1,145,666</b>	<b>1,110,025</b>
<b>Total</b>	<b>762,266</b>	<b>382,232</b>	<b>1,168</b>	<b>1,145,666</b>	<b>1,110,025</b>
<b>Derivatives</b>					
Gross settled (interest rate swap					
- cash flow hedges)					
(inflow)	(2,909)	(2,268)	-	(5,177)	-
outflow	6,044	4,713	-	10,757	4,640
<b>Total derivatives</b>	<b>3,135</b>	<b>2,445</b>	<b>-</b>	<b>5,580</b>	<b>4,640</b>
<b>Total</b>	<b>765,401</b>	<b>384,677</b>	<b>1,168</b>	<b>1,151,246</b>	<b>1,114,665</b>

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Consolidated financial statements					
	Within 1 year Thousand Baht	1 – 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount Thousand Baht
<b>As at 31 December 2020</b>					
<b>Non-derivatives</b>					
Short-term loans from financial institutions	130,000	-	-	130,000	130,000
Trade and other payables	287,449	26,285	180	313,914	313,914
Other current liabilities	2,481	-	-	2,481	2,481
Lease liabilities	71,356	151,213	9,343	231,912	212,689
Long-term loans from a financial institution	104,046	320,714	-	424,760	390,000
Other non-current liabilities	-	-	2,536	2,536	2,536
<b>Total non-derivatives</b>	<b>595,332</b>	<b>498,212</b>	<b>12,059</b>	<b>1,105,603</b>	<b>1,051,620</b>
<b>Total</b>	<b>595,332</b>	<b>498,212</b>	<b>12,059</b>	<b>1,105,603</b>	<b>1,051,620</b>
<b>Derivatives</b>					
Gross settled (interest rate swap					
- cash flow hedges)					
(inflow)	(3,766)	(4,600)	-	(8,366)	-
outflow	8,297	10,135	-	18,432	9,462
<b>Total derivatives</b>	<b>4,531</b>	<b>5,535</b>	<b>-</b>	<b>10,066</b>	<b>9,462</b>
<b>Total</b>	<b>599,863</b>	<b>503,747</b>	<b>12,059</b>	<b>1,115,669</b>	<b>1,061,082</b>
Separate financial statements					
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount Thousand Baht
<b>As at 31 December 2021</b>					
<b>Non-derivatives</b>					
Short-term loans from financial institutions	120,000	-	-	120,000	120,000
Trade and other payables	68,073	-	-	68,073	68,073
Other current liabilities	2,048	2,186	-	4,234	4,003
Lease liabilities	118,953	284,164	-	403,117	375,000
Long-term loans from a financial institution	-	-	843	843	843
Other non-current liabilities	120,000	-	-	120,000	120,000
<b>Total non-derivatives</b>	<b>309,074</b>	<b>286,350</b>	<b>843</b>	<b>596,267</b>	<b>567,919</b>
<b>Total</b>	<b>309,074</b>	<b>286,350</b>	<b>843</b>	<b>596,267</b>	<b>567,919</b>
<b>Derivatives</b>					
Gross settled (interest rate swap					
- cash flow hedges)					
(inflow)	(2,909)	(2,268)	-	(5,177)	-
outflow	6,044	4,713	-	10,757	4,640
<b>Total derivatives</b>	<b>3,135</b>	<b>2,445</b>	<b>-</b>	<b>5,580</b>	<b>4,640</b>
<b>Total</b>	<b>312,209</b>	<b>288,795</b>	<b>843</b>	<b>601,847</b>	<b>572,559</b>

# Notes to the Consolidated and Separate Financial Statements

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	Separate financial statements				
	Within 1 year Thousand Baht	1 - 5 years Thousand Baht	Over 5 years Thousand Baht	Total Thousand Baht	Carrying amount Thousand Baht
<b>As at 31 December 2020</b>					
<b>Non-derivatives</b>					
Short-term loans from financial institutions	130,000	-	-	130,000	130,000
Trade and other payables	23,749	-	-	23,749	23,749
Other current liabilities	3,145	4,417	-	7,562	7,094
Lease liabilities	104,046	320,714	-	424,760	390,000
Long-term loans from a financial institution	-	-	843	843	843
Other non-current liabilities	130,000	-	-	130,000	130,000
<b>Total non-derivatives</b>	<b>260,940</b>	<b>325,131</b>	<b>843</b>	<b>586,914</b>	<b>551,686</b>
<b>Total</b>	<b>260,940</b>	<b>325,131</b>	<b>843</b>	<b>586,914</b>	<b>551,686</b>
<b>Derivatives</b>					
Gross settled (foreign currency forwards					
- cash flow hedges)					
(inflow)	(3,766)	(4,600)	-	(8,366)	-
outflow	8,297	10,135	-	18,432	9,462
<b>Total derivatives</b>	<b>4,531</b>	<b>5,535</b>	<b>-</b>	<b>10,066</b>	<b>9,462</b>
<b>Total</b>	<b>265,471</b>	<b>330,666</b>	<b>843</b>	<b>596,980</b>	<b>561,148</b>

## 6.2 Capital management

### 6.2.1 Risk management

The Group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

#### Loan covenants

Under the terms of the major borrowing facilities, the Group is required to maintain the debt service coverage ratio (DSCR) on consolidated financial statements must be not less than 1.25, and the interest bearing debt to equity (IBDE) on consolidated financial statements must be not more than 1.25. The Group has complied with these covenants.

## 7 Fair value

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of the asset or liability is based on the current bid price by reference to the Stock Exchange of Thailand.
- Level 2: The fair value of the asset or liability is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of asset or liability is not based on observable market data.



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The following table shows fair values of financial assets and liabilities by category.

	Consolidated financial statements					
	Level 1		Level 2		Level 3	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 Baht	2020 Baht
<b>Assets</b>						
Financial assets measured at fair value through other comprehensive income	-	-	-	-	13,250	13,250
<b>Liabilities</b>						
Foreign currency forward contracts	-	-	2,668	-	-	-
Interest rate swap	-	-	4,640,029	9,461,871	-	-
	Separate financial statements					
	Level 1		Level 2		Level 3	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht	2021 Baht	2020 Baht
<b>Liabilities</b>						
Foreign currency forward contracts	-	-	2,668	-	-	-
Interest rate swap	-	-	4,640,029	9,461,871	-	-

There was no transfer between such levels during the period.

## Valuation techniques used to measure fair value level 2

Fair value of foreign currency forward contracts is determined using forward exchange rates that are quoted in an active market. Fair value of interest rate swaps is determined using forward interests extracted from observable yield curves. The effects of discounting are generally insignificant for Level 2 derivatives.

## Valuation techniques used to measure fair value level 3

The Group measured financial asset at fair value through other comprehensive income which is an investment in equity instrument based on net book value of investment. The management considers that it is close to the fair value.

The Group discloses fair value of investment properties in Note 18.

Fair value of financial assets and liabilities of the Group approximates the carrying value because most of them are short-term financial instruments and long-term loans from a financial institution with floating rates which are close to the market rate.

## 8 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

### a) Recognition of deferred tax assets

The recognition of deferred tax assets is based upon whether it is probable that sufficient taxable profits will be available in the future against which the reversal of temporary differences can be deducted. The Group has determined the future taxable profits by referencing to the latest available financial forecasts. The recognition, therefore, involves judgement regarding the future financial performance of the Group in which the deferred tax assets have been recognised.

### b) Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in Note 27.

# Notes to the Consolidated and Separate Financial Statements

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**c) Estimate of the fair value of the net identifiable assets acquired from the acquisition of investment in an associate and a joint venture**

The Group recognised the investments in joint ventures by determining fair value of the net identifiable assets acquired and performing purchase price allocation in accordance with the concepts in TFRS 3 "Business Combination".

The assessment of the fair value of the net identifiable assets involved significant judgment by management and the appropriateness and reliability of information and assumptions.

**d) Classification of joint ventures**

The Group holds less than and more than 50% of the voting right in some joint ventures (Note 16.2). However, the Group concluded that it has joint control over the joint ventures under the contractual agreement which requires unanimous consent from all parties to the agreement. The Group and counterparties to the agreement also, has rights to the net assets of the joint ventures.

**e) Determination of lease terms**

Critical judgement in determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group considers i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group.

**f) Impairment of financial assets**

The loss allowances for financial assets are based on assumptions about default risk and expected loss rates. The Group uses judgement in making these assumptions and selecting the inputs used in the impairment calculation, based on the Group's past history and existing market conditions at the end of each reporting period.

## 9 Segment information

Segment information is reported by segment and this was reviewed by the chief operating decision-maker, which is the Board of Directors. Similar segments are reported together. The chief operating decision-maker measures the financial performance of each segment using the gross profit margin. Reported segments comprise air freight, sea and in-land freight, logistics management, chemical and hazardous goods logistics management, and other management services.

Air freight	Operates as an air freight forwarder, both local and overseas, for airlines, and provides related services, including warehouse management services at airports.
Sea and in-land freight	Operates as a sea and in-land freight forwarder, both local and overseas.
Logistics management	Provides warehouse management and logistics services, both air and sea, and both local and overseas.
Chemical and hazardous goods logistics	Operates as a freight forwarder both local and overseas and provides warehouse management and logistics services for chemical goods including goods in the chemical industry.
Other management services	Provides office rental and other management services.

# Notes to the Consolidated and Separate Financial Statements

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Consolidated financial statements									
2021									
	Air freight Baht	Sea and in-land freight Baht	Logistics management Baht	Chemical and hazardous goods logistics Baht	Other management services Baht	Total before elimination Baht	Elimination Baht	Total after elimination Baht	
Revenue from sales and services	1,639,897,138	106,546,608	485,392,003	766,031,723	14,949,567	3,012,817,039	(73,596,377)	2,939,220,662	
Cost of sales and services	(1,447,011,875)	(77,563,764)	(365,148,431)	(568,917,604)	(11,052,609)	(2,469,694,283)	57,646,911	(2,412,047,372)	
<b>Segment profit</b>	<b>192,885,263</b>	<b>28,982,844</b>	<b>120,243,572</b>	<b>197,114,119</b>	<b>3,896,958</b>	<b>543,122,756</b>	<b>(15,949,466)</b>	<b>527,173,290</b>	
Other income								73,718,670	
Selling expenses								(84,905,743)	
Administrative expenses								(276,325,363)	
Loss from impairment on financial assets								(1,714,255)	
Other gain (loss), net								5,856,320	
Finance costs								(28,034,522)	
Share of profits from associates and joint ventures								223,384,369	
<b>Profit before income tax</b>								<b>439,152,766</b>	
Income tax								(61,811,731)	
<b>Profit for the year</b>								<b>377,341,035</b>	
<b>Timing of revenue recognition</b>									
At a point in time	-	-	70,595,910	35,354,190	-	105,950,100	(2,133,775)	103,816,325	
Over time	1,639,897,138	106,546,608	414,796,093	730,677,533	14,949,567	2,906,866,939	(71,462,602)	2,835,404,337	
<b>Total revenue</b>	<b>1,639,897,138</b>	<b>106,546,608</b>	<b>485,392,003</b>	<b>766,031,723</b>	<b>14,949,567</b>	<b>3,012,817,039</b>	<b>(73,596,377)</b>	<b>2,939,220,662</b>	



# Notes to the Consolidated and Separate Financial Statements

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	Consolidated financial statements					
	2020					
	Air freight Baht	Sea and in-land freight Baht	Logistics management Baht	Chemical and hazardous goods logistics Baht	Other management services Baht	Total before elimination Baht
Revenue from sales and services	912,281,540	48,771,146	176,260,843	523,036,016	14,301,279	1,674,650,824
Costs of sales and services	(794,150,887)	(25,713,932)	(116,966,411)	(385,182,691)	(10,384,446)	(1,332,398,367)
<b>Segment profit</b>	<b>118,130,653</b>	<b>23,057,214</b>	<b>59,294,432</b>	<b>137,853,325</b>	<b>3,916,833</b>	<b>342,252,457</b>
Other income						56,952,762
Selling expenses						(67,092,217)
Administrative expenses						(254,318,630)
Loss from impairment on financial assets						(11,747,036)
Other gain (loss), net						(765,162)
Finance costs						(31,433,849)
Share of profits from associates and joint ventures						135,427,017
<b>Profit before income tax</b>						<b>161,133,825</b>
Income tax						(12,709,013)
<b>Profit for the year</b>						<b>148,424,812</b>
<b>Timing of revenue recognition</b>						
At a point in time	-	-	30,374,483	28,723,874	-	59,098,357
Over time	912,281,540	48,771,146	145,886,360	494,312,142	14,301,279	1,615,552,467
<b>Total revenue</b>	<b>912,281,540</b>	<b>48,771,146</b>	<b>176,260,843</b>	<b>523,036,016</b>	<b>14,301,279</b>	<b>1,674,650,824</b>
						(67,277,167)
						1,607,373,657

The Group has aggregate overseas revenues from the entity incorporated in Singapore, amounting to Baht 47.32 million. (2020 : Baht 63.82 million).

## Major customers of the Group

In 2021 and 2020, the Group had no revenue with a single external customer that amounts to 10% or more of the Group's revenue. Therefore, the Group does not present the information about major customers.

## Notes to the Consolidated and Separate Financial Statements

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### 10 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Cash on hand	224,933	232,486	-	-
Cheques on hand	8,075,162	2,996,263	-	-
Deposits at financial institutions				
- current accounts	15,814,093	33,025,137	506,758	900,081
- savings accounts	143,993,969	74,234,147	53,408,150	33,121,167
	168,108,157	110,488,033	53,914,908	34,021,248

### 11 Trade and other receivables, net

#### 11.1 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade receivables - other parties	551,454,732	326,612,165	102,776,020	24,973,453
<u>Less</u> Expected credit loss	(15,019,915)	(15,154,824)	(2,365,089)	(909,360)
Trade receivables - other parties, net	536,434,817	311,457,341	100,410,931	24,064,093
Trade receivables - related parties (Note 37.3)	20,323,725	9,497,963	12,867,686	3,673,550
Prepaid expenses	36,941,260	8,349,491	28,792,065	1,500,980
Accrued income	67,289,838	62,266,383	4,041,745	5,396,355
Other receivables - other parties	12,837,349	6,218,501	1,948,734	663,240
Other receivables - related parties (Note 37.3)	24,571,940	2,735,264	40,534,960	19,597,050
Dividends receivable - related parties (Note 37.4)	102,957,666	32,666,010	139,805,568	61,496,151
	801,356,595	433,190,953	328,401,689	116,391,419

Outstanding trade receivables as at 31 December can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
<u>Trade receivables - other parties</u>				
Current	391,540,244	226,616,941	56,436,648	16,437,828
Overdue:				
Not over 3 months	108,550,377	66,479,172	43,072,748	6,703,659
3 - 6 months	18,860,238	4,316,743	2,445,665	609,957
6 - 12 months	21,852,154	23,455,659	-	756,415
Over 12 months	10,651,719	5,743,650	820,959	465,594
	551,454,732	326,612,165	102,776,020	24,973,453
<u>Less</u> Expected credit loss	(15,019,915)	(15,154,824)	(2,365,089)	(909,360)
	536,434,817	311,457,341	100,410,931	24,064,093
<u>Trade receivables - related parties</u>				
Current	18,878,755	5,188,167	12,822,545	2,546,808
Overdue:				
Not over than 3 months	1,406,520	4,309,796	45,141	1,126,742
3 - 6 months	38,450	-	-	-
	20,323,725	9,497,963	12,867,686	3,673,550

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## 11.2 Impairments of trade receivables

The loss allowance for trade receivables was determined as follows:

Consolidated financial statements						
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
<b>As 31 December 2021</b>						
Gross carrying amount						
- trade receivables						
- other parties	391,540,244	108,550,377	18,860,238	21,852,154	10,651,719	551,454,732
Loss allowance	1,258,719	1,045,927	263,642	1,799,908	10,651,719	15,019,915
Consolidated financial statements						
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
<b>As at 31 December 2020</b>						
Gross carrying amount						
- trade receivables						
- other parties	226,616,941	66,479,172	4,316,743	23,455,659	5,743,650	326,612,165
Loss allowance	88,195	223,031	156,992	9,473,539	5,213,067	15,154,824
Separate financial statements						
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
<b>As at 31 December 2021</b>						
Gross carrying amount						
- trade receivables						
- other parties	56,436,648	43,072,748	2,445,665	-	820,959	102,776,020
Loss allowance	646,262	725,801	172,067	-	820,959	2,365,089
Separate financial statements						
	Not yet due Baht	Up to 3 months Baht	3 - 6 months Baht	6 - 12 months Baht	More than 12 months Baht	Total Baht
<b>As at 31 December 2020</b>						
Gross carrying amount						
- trade receivables						
- other parties	16,437,828	6,703,659	609,957	756,415	465,594	24,973,453
Loss allowance	40,993	95,218	42,351	265,204	465,594	909,360

The reconciliations of loss allowance for the year ended 31 December are as follow:

	Consolidated financial statements		Separate financial statements	
	Trade receivables		Trade receivables	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Loss allowance as at 1 January	15,154,824	9,586,721	909,360	831,392
Increase in loss allowance recognised in profit or loss during the year	1,714,255	11,747,036	1,455,729	173,273
Receivable written off during the year as uncollectible	(1,849,164)	(6,178,933)	-	(95,305)
<b>As at 31 December</b>	<b>15,019,915</b>	<b>15,154,824</b>	<b>2,365,089</b>	<b>909,360</b>



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### 12 Financial assets and financial liabilities

As at 31 December, classification of the Group's financial assets and financial liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
<b>Financial assets</b>				
Financial assets at amortised cost				
- Cash and cash equivalents	168,108,157	110,488,033	53,914,908	34,021,248
- Trade and other receivables, net	764,415,335	424,841,462	299,609,624	114,890,439
- Short-term loans to related parties	14,450,000	1,350,000	195,450,000	233,566,300
- Deposit	40,000,000	-	40,000,000	-
- Retentions	14,948,390	14,739,551	2,393,270	1,878,270
- Other non-current assets	30,205,769	30,205,769	-	-
Financial assets at fair value through other comprehensive income (FVOCI)	13,250	13,250	-	-
	1,032,140,901	581,638,065	591,367,802	384,356,257
<b>Financial liabilities</b>				
Liabilities at amortised cost				
- Short-term loans from financial institutions	120,000,000	130,000,000	120,000,000	130,000,000
- Trade and other payables	488,319,582	313,913,813	68,072,884	23,579,256
- Other current liabilities	2,074,556	2,480,998	-	-
- Long-term loans from a financial institution	375,000,000	390,000,000	375,000,000	390,000,000
- Lease liabilities, net	121,853,943	212,688,559	4,002,990	7,093,946
- Other non-current liabilities	1,168,000	2,536,486	843,379	843,382
Derivative financial instruments				
- Foreign currency forwards	2,668	-	2,668	-
- Interest rate swap under hedge accounting	4,640,029	9,461,871	4,640,029	9,461,871
	1,113,058,778	1,061,081,727	572,561,950	560,978,455

### 13 Other current assets

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Undue input value added tax	5,748,626	5,328,819	1,510,037	424,652
Refundable value added tax	1,191,464	10,058	878,565	-
Deposit	40,000,000	-	40,000,000	-
Others	5,579,487	432,544	-	-
	52,519,577	5,771,421	42,388,602	424,652

In 2021, the Company paid a deposit of Baht 40.00 million to perform legal, accounting, and financial due diligence in order to make a decision to invest in a company, whereby the Company received shares of a listed company as collateral for the refund of the said deposit. The due diligence process was completed, and the parties agreed to cease the investment and to return the deposit within 31 March 2022.

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## 14 Non-current assets classified as held-for-sale

The following assets were reclassified as held for sale:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Tool and equipment	-	32,754,206	-	-
<b>Total assets</b>	<b>-</b>	<b>32,754,206</b>	<b>-</b>	<b>-</b>

On 25 February 2021, the subsidiary sold the tool and equipment classified as held for sale with the book value of Baht 32.75 million to a private company in an amount of Baht 34.71 million. The subsidiary had gain on disposal of assets of Baht 1.96 million presented in other income.

## 15 Investments in subsidiaries

The details of investments in subsidiaries as at 31 December are as follows:

Nature of business	Country of incorporation	Shareholding Direct and indirect		Separate financial statements		
				Cost		
		2021 %	2020 %	2021 Baht	2020 Baht	
<u>Direct subsidiary</u>						
Asia Ground Service Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00	24,999,800	24,999,800
Triple i Air Express Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00	50,499,780	50,499,780
Triple i Asia Cargo Co., Ltd.	Air freight forwarding	Thailand	100.00	100.00	4,999,900	4,999,900
HazChem Logistics Management Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00	50,499,780	50,499,780
Triple i Supplychain Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00	9,999,800	4,999,800
Triple i Maritime Agencies Co., Ltd.	Sea freight forwarding	Thailand	100.00	100.00	10,299,780	10,299,780
DG Packaging (Thailand) Co., Ltd.	Selling packages and providing packing services	Thailand	100.00	100.00	1,099,880	1,099,880
Cross Border Couriers Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00	2,999,850	2,999,850
Triple i International Pte. Ltd.	Air freight forwarding	Singapore	100.00	100.00	2,550,000	2,550,000
<u>Indirect subsidiary</u>						
Triple i International Japan Co., Ltd. (held by Triple i International Pte. Ltd.)	Air freight forwarding	Japan	-	100.00	-	-
					157,948,570	152,948,570

The movements of investments in subsidiaries during the year are as follows:

	Separate financial statements	
	2021 Baht	2020 Baht
Net book value as at 1 January	152,948,570	152,948,570
Change from investment in equity instrument measured at fair value through other comprehensive income	-	74,050,405
Addition	5,000,000	188,000,000
Proceeds from disposal of investment in a subsidiary	-	(149,487,697)
Change from investment in a subsidiary to investment in a joint venture	-	(112,562,708)
<b>Net book value as at 31 December</b>	<b>157,948,570</b>	<b>152,948,570</b>

## Notes to the Consolidated and Separate Financial Statements

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### Additional investments in increased share capital of subsidiary

On 28 May 2021, the Company made additional investment in Triple i Supplychain Co., Ltd., a subsidiary that increased its share capital by issuing 50,000 ordinary shares at a par value of Baht 100. The Company fully paid the additional investment of Baht 5.00 million. The Company's shareholding proportion in the subsidiary remains unchanged.

### Dissolution of subsidiary

Triple i International Japan Co., Ltd, an indirect subsidiary, dissolved the company on 1 June 2020 and the liquidation was completed in March 2021. The subsidiary has received cash of Baht 0.17 million from this indirect subsidiary.

### Dividends paid

The Board of Director's Meeting No. 1/2021 on 30 September 2021 of Triple i International Pte. Ltd. approved the interim dividend payment to the shareholders of USD 10.45 per share for 100,000 shares, totalling USD 1,045,000 or Baht 35.00 million approximately. The subsidiary paid the dividends on 28 October 2021.

The Board of Director's Meeting No. 1/2021 on 24 November 2021 of HazChem Logistics Management Co., Ltd. approved the interim dividend payment to the shareholders of Baht 60 per share for 500,000 shares, totalling Baht 30.00 million. The subsidiary will pay the dividends in 2022.

The Board of Director's Meeting No. 1/2021 on 24 November 2021 of DG Packaging (Thailand) Co., Ltd. approved the interim dividend payment to the shareholders of Baht 200 per share for 10,000 shares, totalling Baht 2.00 million. The subsidiary will pay the dividends in 2022.

The Board of Director's Meeting No. 2/2021 on 30 November 2021 of Triple i International Pte. Ltd. approved the interim dividend payment to the shareholders of USD 3.13 per share for 100,000 shares, totalling USD 312,700 or Baht 10.00 million approximately. The subsidiary paid the dividends on 28 December 2021.

The Board of Director's Meeting No. 1/2021 on 22 December 2021 of Triple i Air Express Co., Ltd. approved the interim dividend payment to the shareholders of Baht 30 per share for 500,000 shares, totalling Baht 15.00 million. The subsidiary paid the dividend Baht 5.00 million on 24 December 2021 and will pay the remaining dividends within 2022.



# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

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## 16 Investments in associates and joint ventures

The amounts recognised in the statement of financial position are as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Associates	268,509,455	87,001,158	231,472,563	75,522,563
Joint ventures	1,192,181,445	1,151,461,632	1,185,431,646	989,926,124
	1,460,690,900	1,238,462,790	1,416,904,209	1,065,448,687

The amounts recognised in the statement of comprehensive income are as follow:

Share of profits (losses) from investments in associates and joint ventures

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Associates	40,999,978	(21,327,134)	-	-
Joint ventures	182,384,391	156,754,151	-	-
	223,384,369	135,427,017	-	-

Share of other comprehensive income (loss) from investments in associates and joint ventures

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Associates	264,699	-	-	-
Joint ventures	4,081,435	2,013,827	-	-
	4,346,134	2,013,827	-	-

## Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

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### 16.1 Investments in associates

	Nature of business	Country of incorporation	Shareholding Direct and indirect		Consolidated financial statements		Separate financial statements	
			2021	2020	Equity method	Equity method	Cost	Cost
			%	%	2021	2020	2021	2020
					Baht	Baht	Baht	Baht
<u>Direct associates</u>								
CK Line (Thailand) Co., Ltd	International maritime shipping agency	Thailand	42.00	42.00	14,368,179	7,032,638	2,100,000	2,100,000
ECU Worldwide (Thailand) Co., Ltd.	International freight forwarding	Thailand	43.00	43.00	15,116,816	4,457,088	2,365,215	2,365,215
Excel Air (Cambodia) Limited	Air freight agency	Cambodia	32.00	32.00	2,154,332	805,061	972,348	972,348
Galaxy Ventures Co., Ltd.	Holding company	Thailand	30.00	30.00	71,424,574	71,254,972	73,085,000	70,085,000
A.T.P. Friend Services Co., Ltd.	Pick up point service and domestic freight	Thailand	43.00	-	165,445,554	-	152,950,000	-
<u>Indirect associate</u>								
Excel Air Limited	Air freight agency	Hong Kong	-	20.00	-	3,451,399	-	-
(held by Triple i International Pte. Ltd.)								
					268,509,455	87,001,158	231,472,563	75,522,563

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
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The movements of investments in associates during the year are as follows:

For the year ended 31 December	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Opening net book value	87,001,158	14,627,442	75,522,563	5,437,563
Change of investment status from restructuring of General Sales Agent Business (Note 16.2)	(3,648,830)	-	-	-
Increase from acquisition of a subsidiary (Note 16)	-	223,004,406	-	-
Decrease from losing control in a subsidiary	-	(193,594,858)	-	-
Investments in associate	155,950,000	70,085,000	155,950,000	70,085,000
Share of profit (loss)	40,999,978	(21,327,134)	-	-
Share of other comprehensive income	264,699	-	-	-
Dividends received	(12,646,088)	(5,770,000)	-	-
Currency translation differences	588,538	(23,698)	-	-
Closing net book value	268,509,455	87,001,158	231,472,563	75,522,563

## Additional investments in associates

### 1) A.T.P. Friend Services Co., Ltd. ("ATP")

On 9 March 2021, the Board of Directors' Meeting No. 3/2021 approved the purchase of shares in A.T.P. Friend services Co., Ltd. ("ATP") from the previous shareholders of 10,200 shares, representing 30.00% of the total registered and paid-up share capital. On 8 April 2021, the Company paid for the investment of Baht 105 million and 30.00% of share capital were transferred to the Company. Transaction cost relating to investment in this associate of Baht 1.20 million was included in cost of investments in associate.

Details of the cost of investment in ATP and the portion (30%) of carrying value of net assets acquired and recognised at the acquisition date are as follows:

	8 April 2021 Thousand Baht
Cash and cash equivalents	26,510
Trade and other receivables	4,244
Other assets	1,088
Trade and other payables	(20,474)
Other liabilities	(2,235)
Carrying value of net assets	9,133
The consideration of investment comprises of	
Payment on acquisition date	105,000
Transaction costs	1,200
Total	106,200
Goodwill (estimate) - include in investments in associate	97,067

On 10 August 2021, the Board of Directors' Meeting No. 7/2021 approved an additional investment in ATP for 2,720 shares, totalling Baht 28.00 million from the existing shareholders. The investment resulted in an increase in the Company's shareholding proportion from 30.00% to 38.00% of registered share capital. On 1 September 2021, the Company paid for the investment of Baht 28.00 million and 8.00% of share capital were transferred to the Company.



## Notes to the Consolidated and Separate Financial Statements

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Details of the cost of investment in ATP and the portion (8%) of carrying value of net assets acquired and recognised at the acquisition date are as follows:

	<b>1 September 2021 Thousand Baht</b>
Cash and cash equivalents	4,356
Trade and other receivables	1,679
Other assets	1,347
Trade and other payables	(1,795)
Other liabilities	(1,244)
Carrying value of net assets	4,343
The consideration of investment comprises of Payment on acquisition date	28,000
Goodwill (estimate) - include in investments in associate	23,657

On 1 December 2021, the Board of Directors' Meeting No. 9/2021 approved an additional investment in ATP for 1,700 shares, totalling Baht 18.75 million from the existing shareholders. The investment resulted in an increase in the Company's shareholding proportion from 38.00% to 43.00% of registered share capital. On 1 December 2021, the Company paid for the investment of Baht 18.75 million and 5.00% of share capital were transferred to the Company.

Details of the cost of investment in ATP and the portion (5%) of carrying value of net assets acquired and recognised at the acquisition date are as follows:

	<b>1 December 2021 Thousand Baht</b>
Cash and cash equivalents	7,221
Trade and other receivables	1,093
Other assets	799
Trade and other payables	(1,581)
Other liabilities	(4,276)
Carrying value of net assets	3,256
The consideration of investment comprises of Payment on acquisition date	18,750
Goodwill (estimate) - include in investments in associate	15,494

As at 31 December 2021, the Company was under the process of determining fair value of the net assets acquired and reviewing purchase price allocation ("PPA") of an acquisition of investment in ATP.

### 2) Galaxy Ventures Co., Ltd.

On 27 April 2021, the Company increased its investment in Galaxy Ventures Co., Ltd. by purchasing 300,000 new ordinary shares at Baht 10 per share, totalling Baht 3.00 million. The Company's shareholding proportion of 30.00% had not been changed.

### Dividends received from associates

On 31 March 2021, the Board of Directors' Meeting of Excel Air Limited, an indirect associate, approved the interim dividend payment to the shareholders of HKD 2.50 per share for 1,000,000 shares, totalling HKD 2,500,000. The subsidiary will receive the dividend as proportion of 20.00% shareholding, amounting to HKD 500,000 or approximately of Baht 1.95 million on 15 June 2021.

On 14 June 2021, the Extraordinary Shareholders' Meeting of CK Line (Thailand) Co., Ltd, a direct associate, approved the interim dividend payment to the shareholders of Baht 100 per share for 50,000 shares, totalling Baht 5.00 million. The Company received the dividend as proportion of 42.00% shareholding, amounting to Baht 2.10 million on 30 June 2021.

# Notes to the Consolidated and Separate Financial Statements

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On 15 December 2021, the Board of Directors' Meeting No. 1/2021 of ECU Worldwide (Thailand) Co., Ltd. approved the interim dividend payment of Baht 400 per share for 50,000 ordinary shares, totalling Baht 20.00 million. The Company received the dividend in the proportion of 43% shareholding, totalling Baht 8.60 million. The Company already received the dividend Baht 4.30 million on 24 December 2021 and the remaining dividend will be received within 2022.

## Summary of financial information of significant associates

Set out below are the summarised financial information for significant associates which are accounted for using the equity method.

## Summarised statements of financial position

As at 31 December	ECU Worldwide (Thailand) Co., Ltd.		Galaxy Ventures Co., Ltd.		A.T.P. Friend Services Co., Ltd.	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
<b>Current portion</b>						
Cash and cash equivalents	978	13,876	12,434	6,337	149,536	-
Other current assets (exclude cash)	353,746	62,658	-	-	25,645	-
Total current assets	354,724	76,534	12,434	6,337	175,181	-
Current liabilities	316,942	62,608	76	65	116,807	-
<b>Non-current portion</b>						
Investments in associates and joint ventures	-	-	224,416	231,669	-	-
Non-current assets	8,705	7,646	4,666	3,636	15,726	-
Total non-current assets	8,705	7,646	229,082	235,305	15,726	-
Other non-current liabilities	11,332	11,207	3,492	4,194	6,130	-
<b>Net assets</b>	35,155	10,365	237,948	237,383	67,970	-

## Summarised statements of comprehensive income

For the year ended 31 December	ECU Worldwide (Thailand) Co., Ltd.		Galaxy Ventures Co., Ltd.*		A.T.P. Friend Services Co., Ltd.**	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Revenue	1,226,805	372,391	-	-	735,196	-
Net profit (loss) for the year	44,462	11,488	(9,435)	3,900	37,526	-
Other comprehensive income (loss)	328	-	-	-	-	-
Total comprehensive income	44,790	11,488	(9,435)	3,900	37,526	-
Dividend received	8,600	4,300	-	-	-	-

\* For the year 2020, summarised statement of comprehensive income of Galaxy Ventures Co., Ltd. represents the information for the period from 27 March 2020 (date of acquisition) to 31 December 2020.

\*\* For the year 2021, summarised statement of comprehensive income of A.T.P. Friend Services Co., Ltd. represents the information for the period from 8 April 2021 (date of acquisition) to 31 December 2021.

This information is amounts included in consolidated financial statement of associates (which are not only part of the Group in the associates) and adjusted for differences between accounting policies of the Group and the associates.

## Notes to the Consolidated and Separate Financial Statements

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### Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in associates

As at 31 December	ECU Worldwide (Thailand) Co., Ltd.		Galaxy Ventures Co., Ltd. *		A.T.P. Friend Services Co., Ltd.**	
	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht	2021 Thousand Baht	2020 Thousand Baht
Opening net assets	10,365	8,877	237,383	223,483	30,444	-
Net profit (loss) for the year	44,462	11,488	(9,435)	3,900	37,526	-
Other comprehensive income (loss)	328	-	-	-	-	-
Dividend paid	(20,000)	(10,000)	-	-	-	-
Increase in share capital	-	-	10,000	10,000	-	-
Net assets as at year end	35,155	10,365	237,948	237,383	67,970	-
Interest in associates (%)	43	43	30	30	43	-
Carrying value	15,117	4,457	71,385	71,215	29,227	-
Goodwill from purchase of investment	-	-	40	40	136,219	-
<b>Total</b>	<b>15,117</b>	<b>4,457</b>	<b>71,425</b>	<b>71,255</b>	<b>165,446</b>	<b>-</b>

\* The opening net assets of Galaxy Ventures Co., Ltd. represents the information as at 27 March 2020.

\*\* The opening net assets of A.T.P. Friend Services Co., Ltd. represents the information as at 8 April 2021.

### Individually immaterial associates

In addition to the interest in associates as disclosed above, the Group also has interests in immaterial associates that are accounted for using the equity method.

	2021 Baht	2020 Baht
Aggregate carrying amount of individually immaterial associates	16,522,511	11,289,098
Aggregate amounts of the group's share of:		
Net profit	12,480,644	1,972,520
Other comprehensive income	447,688	-
Total comprehensive income	12,928,332	1,972,520



# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

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## 16.2 Investments in joint ventures

	Nature of business	Country of incorporation	Shareholding		Consolidated financial statements				Separate Financial statements			
			Direct and indirect		Equity method		(Direct investment)		Cost			
			2021	2020	2021	2020	2021	2020	2021	2020		
			%	%	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Direct joint ventures												
Asia Network International Co., Ltd.	Air freight forwarding	Thailand	55.24	60.00	697,894,005	2,602,724	705,170,594	187,494				
Excel Air Co., Ltd.	Air freight agency	Thailand	-	30.00	-	34,342,676	-	600,000				
DG Packaging Pte. Ltd.	Package and packaging services	Singapore	50.00	50.00	274,664,765	271,722,746	271,198,344	271,198,344				
JPK Asia (Thailand) Co., Ltd.	Air freight agency	Thailand	-	34.00	-	2,104,472	-	1,700,000				
Around Logistics Management Co., Ltd.	International freight forwarding	Hong Kong	-	50.00	-	627,693,922	-	536,802,578				
Teleport (Thailand) Co., Ltd.	Air freight forwarding	Thailand	50.00	50.00	13,340,420	4,196,360	5,000,000	5,000,000				
SAL Group (Thailand) Co., Ltd.	Holding company	Thailand	25.00	25.00	191,035,871	186,900,241	195,062,708	174,437,708				
Makesend Express Co., Ltd.	Domestic transportation and unloading services	Thailand	30.00	-	3,359,406	-	9,000,000	-				
Indirect joint ventures												
CWT Chemical Logistics Co., Ltd. (held by Hazchem Logistics Management Co., Ltd.)	Domestic freight forwarding	Thailand	51.00	51.00	-	1,920,492	-	-				
HazChem Trans Management Co., Ltd. (held by Hazchem Logistics Management Co., Ltd.)	Domestic freight forwarding	Thailand	60.00	60.00	4,526,673	4,166,210	-	-				
GSA Cargo Network (Myanmar) Co., Ltd. (held by Triple i International Pte Ltd.)	Air freight agency	Myanmar	50.00	50.00	3,946,892	3,125,033	-	-				
HazChem Logistics Management Pte. Ltd. (held by Hazchem Logistics Management Co., Ltd.)	Air freight forwarding for chemical goods	Singapore	55.00	55.00	3,413,413	3,776,016	-	-				
Freightworks GSA (HK) Limited (held by Triple i International Pte Ltd.)	Air freight agency	Hong Kong	-	20.00	-	8,066,770	-	-				
Excel Air (Guangzhou) Limited (held by Triple i International Pte Ltd.)	Air freight agency	China	-	25.00	-	843,970	-	-				
					1,192,181,445	1,151,461,632	1,185,431,646	989,926,124				

Even if the Company has shareholding less than 50 percent in some joint ventures, however the Company has voting rights and joint control in the joint venture agreement.

Even if the Company has shareholding more than 50 percent in some joint ventures, the Company does not have control power over those joint ventures. This is specified as a joint control in the joint venture agreements.

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The movements of investments in joint ventures during the year are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
<b>For the year ended 31 December</b>				
Opening net book value	1,151,461,632	877,894,185	989,926,124	810,488,416
Change from investment in equity instrument measured at fair value through other comprehensive income	-	10	-	10
Change from investment in subsidiaries to investment in joint ventures	-	129,552,500	-	112,562,708
Addition	30,187,500	66,874,990	30,187,500	66,874,990
Changes from restructuring of General Sales Agent Business				
- Purchase investments from a subsidiary	-	-	29,000,000	-
- Change of investment status	3,648,830	-	-	-
- Decrease in equity interest in investment	(3,681,786)	-	(568,102,578)	-
- Increase in equity interest in investment	55,759,783	-	704,420,600	-
Share of profit	182,384,391	156,754,151	-	-
Share of other comprehensive income (loss)	4,081,435	2,013,827	-	-
Dividends received	(244,207,613)	(79,972,510)	-	-
Dissolution	(1,430,616)	-	-	-
Currency translation differences	13,977,889	(1,655,521)	-	-
Closing net book value	1,192,181,445	1,151,461,632	1,185,431,646	989,926,124

### Additional investments in joint ventures

#### 1) Makesend Express Co., Ltd. ("MAKE")

On 9 March 2021, the Board of Directors' Meeting No. 3/2021 approved the purchase of shares in Makesend Express Co., Ltd. ("MAKE") of 120,000 shares, representing 30.00% of the total registered and paid-up share capital. On 2 April 2021, the Company paid for the investment of Baht 9.00 million and 30.00% of share capital were transferred to the Company.

Details of the cost of investment in MAKE and the portion (30%) of carrying value of net assets acquired and recognised at the acquisition date are as follows:

	2 April 2021 Thousand Baht
Other receivables	1,188
Carrying value of net assets	1,188
The consideration of investment comprises of	
Consideration paid - cash	9,000
Goodwill (estimate) - include in investments in joint ventures	7,812

As at 31 December 2021, the Company was under the process of determining fair value of the net assets acquired and reviewing purchase price allocation ("PPA") of an acquisition of investment in a joint venture, which is expected to be finalised within 12 months from the acquisition date.

#### 2) SAL Group (Thailand) Co., Ltd.,

On 5 July 2021, SAL Group (Thailand) Co., Ltd., called for paid-up the remaining 25.00% of 760,600 ordinary shares and 64,400 preferred shares with the par value of Baht 100.00 which is the proportion of the Company's investment. The Company has already paid for this collection in an amount of Baht 20.63 million. The Company's shareholding proportion in the joint venture remains unchanged.

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

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## 3) Asia Network International Co., Ltd.,

On 23 August 2021, Asia Network International Co., Ltd. called for paid-up the remaining 75.00% of 50,000 shares with the par value of Baht 25.00. The Company already paid for this collection in an amount of Baht 0.56 million. The Company's shareholding proportion in the joint venture remains unchanged.

### Restructuring of General Sales Agent Business

On 1 September 2021, the Company has restructured the General Sales Agent Business for Airlines (GSA) ("GSA Business Group Restructuring") by considering Asia Network International Co., Ltd. ("ANI"), of which the Company formerly held 60 % of the total registered shares, to hold shares in the Company under GSA business. ANI will by then act as the Operating Holding company for the general sales agent business for airlines of the Company. This GSA Business Group Restructuring adheres to the Company's vision and strategy to be the leader of the international transportation and logistics service provider in the region. The Company has agreed with the business partners to jointly operate the restructuring, whereby ANI will still be considered as a joint venture of the Company.

The Company transacted the GSA Business Group Restructuring by disposing the investments in GSA companies of which the Company directly and indirectly held to ANI, whereby ANI made a payment for the shares of those companies by issuing the newly issued ordinary shares of ANI to the Company. Moreover, ANI also acquired shares in other GSA companies of which the business partners jointly held with the Company and made payments by issuance of ANI shares as well. The Company and business partners agreed the transaction price at the fair value of ANI shares at Baht 100 per share (par value at Baht 25 per share).

The Company disposed the investment in Around Logistics Managements Co., Ltd. whereby the Company held 50 % at the value of Baht 513.33 million; JPK Asia (Thailand) Co., Ltd. whereby the Company held 34 % at the value of Baht 1.70 million; Excel Air Co., Ltd. whereby the Company held 30 % at the value of Baht 157.50 million; Freightworks GSA (HK) Limited whereby the Company held 20 % at the value of Baht 20.61 million; Excel Air (Guangzhou) Limited whereby the Company held 25 % at the value of THB 1.03 million; and Excel Air Limited whereby the Company held 20 % at the value of Baht 8.25 million; and the Company received ANI shares in the total of 7,044,205 shares at the value of Baht 100 per shares. The Company acquired Freightworks GSA (HK) Limited and Excel Air (Guangzhou) Limited and Excel Air Limited from Triple i International Pte. Ltd., a subsidiary of the Company, in the total of Baht 29 million as a part of the shares disposal to ANI.

After the GSA Business Group Restructuring as per the agreed terms and conditions, the Company will hold 55.61 % of ANI's total registered and paid-up shares. Presently, the Company has executed all the related restructuring transactions, except for the investments in Excel Air (Cambodia) Limited and GSA Cargo Network (Myanmar) Limited which are in the process of legal registration.

The Company had gain a total of Baht 136.32 million from this restructuring, which is presented in the separate financial statements as other income. The gain is from the difference between ANI shares value of Baht 704.42 million that the Company acquired and the total cost of investments of Baht 568.10 million that the Company disposed.

In the consolidated financial statements, the total changes in direct and indirect equity interest of each company are considered as the exchange between a decrease of equity interest in companies and an increase of equity interest in other companies. The increase in equity interest is considered as additional investment in joint ventures. The differences between fair value of the decrease in the Company's equity interest (which equivalent to fair value of the increase in the Company's equity interest) and carrying value of the decrease in the Company's equity interest are recognised in profit or loss presented in other income. Details are as follows:

	<b>Consolidated financial statements Thousand Baht</b>
Fair value received from the restructuring (Fair value of the decrease in the Company's equity interest)	55,760
Carrying value of net assets transferred (Carrying value of the decrease in the Company's equity interest)	(3,682)
Gain on restructuring - include in other income	52,078



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Carrying value of identifiable assets acquired and liabilities assumed of the companies under ANI Group at the portion of increase in equity interest is as follows:

	Value at the acquisition date Thousand Baht
Cash and cash equivalents	15,395
Trade and other receivables	21,132
Other current assets	2,956
Other non-current assets	2,001
Trade and other payables	(17,636)
Other current liabilities	(10,945)
Carrying value of net assets acquired	12,903
The consideration comprises of	
Fair value of the decrease in equity interest	55,760
Goodwill (estimate) - include in investments in joint ventures	42,857

As 31 December 2021, the Company was under the process of determining fair value of the net assets acquired and reviewing purchase price allocation ("PPA") of an acquisition of the investment, which is expected to be finalised within 12 months from the acquisition date.

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## Dividend received from joint ventures

Details of dividend received from joint ventures during the year 2021 are as follows:

	Meeting of	Date	Dividend paid	Amount received in proportion of investment (Million Baht)	Receipt date
Direct joint ventures	Around Logistics Management Co., Ltd.	Board of Director's Meeting No. 1/2021	SGD 4.80 per share for 250,000 shares, totalling SGD 1,200,000	13.43	1 March 2021
		Board of Director's Meeting No. 2/2021	SGD 17.60 per share for 250,000 shares, totalling SGD 4,400,000	52.83	25 October 2021 and 29 December 2021
		Board of Director's Meeting No. 3/2021	SGD 28.80 per share for 250,000 shares, totalling SGD 7,200,000	86.18	Within 2022
	DG Packaging Pte. Ltd.	Extraordinary Meeting of Shareholders No. 1/2021	SGD 2.25 per share for 200,000 shares, totalling SGD 450,000	5.07	30 March 2021
		Extraordinary Meeting of Shareholders No. 2/2021	SGD 2.25 per share for 200,000 shares, totalling SGD 450,000	5.25	30 June 2021
		Extraordinary Meeting of Shareholders No. 3/2021	SGD 2.25 per share for 200,000 shares, totalling SGD 450,000	5.34	29 September 2021
		Extraordinary Meeting of Shareholders No. 4/2021	SGD 2.25 per share for 200,000 shares, totalling SGD 450,000	5.05	30 November 2021
		Extraordinary Meeting of Shareholders No. 5/2021	SGD 2.25 per share for 200,000 shares, totalling SGD 450,000	5.95	31 January 2022
	JPK Asia (Thailand) Co., Ltd.	Extraordinary Meeting of Shareholders No. 1/2021	Baht 14 per share for 50,000 shares, totalling Baht 0.70 million	0.24	30 June 2021
	Excel Air Co., Ltd.	Board of Director's Meeting No. 2/2021	Baht 5,000 per share for 20,000 shares, totalling Baht 100.00 million	30.00	30 July 2021
Indirect joint ventures		Board of Director's Meeting No. 3/2021	Baht 3,800 per share for 20,000 shares, totalling Baht 76.00 million	22.80	24 August 2021
				232.14	
	Freightworks GSA (HK) Limited	Board of Director's Meeting No. 1/2021	HKD 16.00 per share for 500,000 shares, totalling HKD 8,000,000	6.23	29 November 2021
		Board of Director's Meeting No. 2/2021	HKD 5.00 per share for 500,000 shares, totalling HKD 2,500,000	2.18	Within 2022
	Hazchem Logistics Management Pte. Ltd.	Extraordinary Meeting of Shareholders	SGD 0.50 per share for 100,000 shares, totalling SGD 50,000	0.66	30 August 2021
	HazChem Trans Management Co., Ltd.	Board of Director's Meeting No. 1/2021	Baht 100 per share for 50,000 shares, totalling Baht 5.00 million	3.00	Within 2022
				12.07	
				244.21	
	Total				

## Notes to the Consolidated and Separate Financial Statements

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### Dissolution of joint venture

On 1 November 2018, CWT Chemical Logistics Co., Ltd., an indirect joint venture, passed a resolution to dissolve the company. The dissolution was registered to the Ministry of Commerce on 1 November 2018 and the liquidation was completed in March 2021. The subsidiary received cash of Baht 1.43 million from this indirect joint venture on 2 June 2021.

### Purchase price allocation - Investment in SAL Group (Thailand) Co., Ltd. ("SAL")

On 12 May 2020, the Company invested in SAL for 1,164,449 shares, totalling Baht 188.00 million (comprising 1,124,449 ordinary shares and 40,000 preferred shares). The investment resulted in an increase in the Company's shareholding proportion from 15.86% to 58.20% of registered share capital and the Company had voting rights and control over SAL. Thus, the Company classified the investment in SAL as investment in a subsidiary.

On 29 September 2020, the Company entered into an agreement to sell 33.20% of SAL shares to a listed company in Thailand (buyer), totalling Baht 157.72 million. The sales resulted in a decrease in the Company's shareholding proportion from 58.20 % to 25.00%. The Company reclassified investment in SAL from subsidiary to joint venture because the decision of relevant activities of SAL must be approved by both the Company's and buyer's directors.

As at 31 December 2020, the Company was under the process of determining fair value of the net assets acquired and reviewing purchase price allocation ("PPA") of an acquisition of investment as at the date to the subsidiary and the date to be investment in a joint venture.

During the first quarter of 2021, the Company measured the fair value of the identifiable assets acquired and completed purchase price allocation. The details are as follows:

- 1) Fair value of identifiable assets acquired and liabilities assumed from acquisition of SAL to be a subsidiary is as follows:

	12 May 2020 Thousand Baht
Cash and cash equivalents	24,460
Trade and other receivables	520
Investment in an associate	235,620
Property, plant and equipment, net	21,318
Other assets	2,036
Trade and other payables	(736)
Other liabilities	(2,887)
Fair value of net assets	280,331
<u>Less</u> Non-controlling interests	(120,189)
Fair value of net assets acquired	160,142
The consideration comprises of	
Consideration paid - cash	188,000
Fair value of equity interest in SAL held before the business combination	74,050
Total	262,050
Goodwill	101,908



## Notes to the Consolidated and Separate Financial Statements

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- 2) Fair value of identifiable assets acquired and liabilities assumed on the date of classification investment in SAL from a subsidiary to a joint venture is as follows:

	<b>29 September 2020 Thousand Baht</b>
Cash and cash equivalents	21,355
Trade and other receivables	517
Investment in an associate	257,040
Property, plant and equipment, net	20,369
Other assets	2,167
Trade and other payables	(620)
Other liabilities	(2,499)
Fair value of net assets	298,329
<u>Less</u> Net fair value of venture	(224,893)
Fair value of net assets acquired	73,436
Consideration - Fair value of remaining interest 25.00%	129,553
Goodwill - include in investment in a joint venture	56,117

The impact from the purchase price allocation is not material to the previously reported consolidated financial statements. The Group, therefore, recognised this impact in the financial statements for the first quarter of 2021.

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

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Set out below are the summarised financial information of significant joint ventures which are accounted for using the equity method.

## Summarised statements of financial position

As at 31 December	Asia Network International Co., Ltd.				DG Packaging Pte. Ltd.				Around Logistics Management Co., Ltd.				SAL Group (Thailand) Co., Ltd.			
	2021		2020		2021		2020		2021*		2020		2021		2020	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>Current</b>																
Cash and cash equivalents	605,943	551	32,617	20,497	-	-	457,303	18,774								
Other current assets (not including cash)	677,771	4,821	63,194	76,781	-	-	395,567	1,847								
Total current assets	1,283,714	5,372	95,811	97,278	-	-	852,870	20,621								
Current liabilities	1,026,173	5,027	71,359	79,259	-	-	558,310	188								
<b>Non-current</b>																
Non-current assets	1,193,721	4,803	94,016	88,017	-	-	2,256	542,981								
Other non-current liabilities	9,687	810	47,832	41,284	-	-	-	19,788								
<b>Net assets</b>	1,441,575	4,338	70,636	64,752	-	-	296,816	543,625								
Less Non-controlling interest	51,519	-	-	-	-	-	71,627	3,978								
<b>Net assets of owners of the parent</b>	1,390,056	4,338	70,636	64,752	-	-	225,189	539,647								

\* As a result of GSA business group restructuring, the Company does not directly hold shares in Around Logistics Management Co., Ltd. ("AROUND"). Therefore, the Company does not present the financial information of AROUND as at 31 December 2021.

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

## Summarised statements of comprehensive income

For the year ended 31 December	Asia Network International Co., Ltd.				DG Packaging Pte. Ltd.				Around Logistics Management Co., Ltd.				SAL Group (Thailand) Co., Ltd.			
	2021		2020		2021		2020		2021*		2020		2021		2020**	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Revenue	2,268,145	19,973	2,268,145	19,973	398,326	293,834	2,779,857	2,995,974	-	-	-	-	-	-	-	(10)
Depreciation and amortisation expenses	(2,422)	(205)	(2,422)	(205)	(4,905)	(4,879)	(4,084)	(1,129)	(2,202)	(2,202)	(1,129)	(1,129)	(2,202)	(2,202)	(734)	(734)
Interest income	244	4	244	4	-	-	488	461	-	-	-	-	-	-	26	12
Interest expense	(613)	(245)	(613)	(245)	(768)	-	-	-	-	-	-	-	-	-	-	-
<b>Profit before income tax</b>	<b>224,618</b>	<b>(2,383)</b>	<b>224,618</b>	<b>(2,383)</b>	<b>67,833</b>	<b>50,322</b>	<b>275,334</b>	<b>340,493</b>	<b>275,334</b>	<b>275,334</b>	<b>340,493</b>	<b>340,493</b>	<b>(66,475)</b>	<b>(66,475)</b>	<b>(18,721)</b>	<b>(18,721)</b>
Income tax expense	(64,971)	119	(64,971)	119	(11,888)	(7,868)	(56,070)	(68,262)	-	-	-	-	-	-	-	-
<b>Profit for the year</b>	<b>159,647</b>	<b>(2,264)</b>	<b>159,647</b>	<b>(2,264)</b>	<b>56,145</b>	<b>42,454</b>	<b>219,264</b>	<b>272,231</b>	<b>219,264</b>	<b>219,264</b>	<b>272,231</b>	<b>272,231</b>	<b>(66,475)</b>	<b>(66,475)</b>	<b>(18,721)</b>	<b>(18,721)</b>
<b>Total comprehensive income</b>	<b>162,090</b>	<b>(1,994)</b>	<b>162,090</b>	<b>(1,994)</b>	<b>59,214</b>	<b>44,769</b>	<b>245,998</b>	<b>189,287</b>	<b>245,998</b>	<b>245,998</b>	<b>189,287</b>	<b>189,287</b>	<b>(66,475)</b>	<b>(66,475)</b>	<b>(18,721)</b>	<b>(18,721)</b>
<b>Profit for the year - parent company</b>	<b>126,116</b>	<b>(2,264)</b>	<b>126,116</b>	<b>(2,264)</b>	<b>56,145</b>	<b>42,454</b>	<b>142,126</b>	<b>191,028</b>	<b>142,126</b>	<b>142,126</b>	<b>191,028</b>	<b>191,028</b>	<b>(65,957)</b>	<b>(65,957)</b>	<b>(18,109)</b>	<b>(18,109)</b>
<b>Other comprehensive income (expenses) - parent company</b>	<b>1,987</b>	<b>270</b>	<b>1,987</b>	<b>270</b>	<b>3,069</b>	<b>2,315</b>	<b>26,734</b>	<b>(1,741)</b>	<b>26,734</b>	<b>26,734</b>	<b>(1,741)</b>	<b>(1,741)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income - parent company</b>	<b>1,987</b>	<b>270</b>	<b>1,987</b>	<b>270</b>	<b>59,214</b>	<b>44,769</b>	<b>168,860</b>	<b>189,287</b>	<b>168,860</b>	<b>168,860</b>	<b>189,287</b>	<b>189,287</b>	<b>(65,957)</b>	<b>(65,957)</b>	<b>(18,109)</b>	<b>(18,109)</b>
<b>Dividend received from joint ventures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,665</b>	<b>24,333</b>	<b>152,437</b>	<b>29,143</b>	<b>152,437</b>	<b>152,437</b>	<b>29,143</b>	<b>29,143</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Summarised statements of comprehensive income for the year 2021 of Around Logistics Management Co., Ltd. represents the information for the period from 1 January to 31 August 2021.

\*\* Summarised statements of comprehensive income for the year 2020 of SAL Group (Thailand) Co., Ltd. represents the information for the period from 29 September to 31 December 2020.

The above information is amounts included in the financial statements of joint ventures (which are not only part of the Group in the associates) that have been adjusted for differences between accounting policies of the Group and those of the joint ventures.



# Notes to the Consolidated and Separate Financial Statements

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## Reconciliation of summarised financial information

	Asia Network International Co., Ltd.			DG Packaging Pte. Ltd.			Around Logistics Management Co., Ltd.			SAL Group (Thailand) Co., Ltd.		
	2021		2020	2021		2020	2021**		2020	2021		2020*
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<b>As at 31 December</b>												
Opening net assets	4,338	6,333	64,752	68,648	-	94,189	-	539,647	310,256	-	-	-
Profit for the year	124,518	(2,264)	56,145	42,454	-	191,028	-	(65,957)	(18,109)	-	-	-
Other comprehensive income (expense)	1,987	270	3,069	2,315	-	(1,741)	-	-	-	-	-	-
Dividends paid	-	-	(53,330)	(48,665)	-	(58,287)	-	-	-	-	-	-
Share increase	1,259,213	-	-	-	-	-	-	82,500	247,500	-	-	-
<b>Net assets at the year end</b>	<b>1,390,056</b>	<b>4,338</b>	<b>70,636</b>	<b>64,752</b>	<b>-</b>	<b>225,189</b>	<b>-</b>	<b>556,190</b>	<b>539,647</b>	<b>-</b>	<b>-</b>	<b>-</b>
Interest in joint ventures (%)												
<b>Carrying value</b>	<b>55.24</b>	<b>60</b>	<b>50</b>	<b>50</b>	<b>-</b>	<b>50</b>	<b>-</b>	<b>25</b>	<b>25</b>	<b>-</b>	<b>-</b>	<b>25</b>
Goodwill from investment	767,867	2,603	35,318	32,376	-	112,595	-	139,048	134,912	-	-	-
Impact from restructuring	42,857	-	239,347	239,347	-	515,099	-	51,988	51,988	-	-	-
	(112,830)	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>697,894</b>	<b>2,603</b>	<b>274,665</b>	<b>271,723</b>	<b>-</b>	<b>627,694</b>	<b>-</b>	<b>191,036</b>	<b>186,900</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* For SAL Group (Thailand) Co., Ltd., opening net assets balance is on 29 September 2020.

\*\* As a result of GSA business group restructuring, the Company does not directly hold shares in Around Logistics Management Co., Ltd. ("AROUND"). Therefore, the Company does not present the financial information of AROUND as at 31 December 2021.

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Besides the interest in joint ventures as disclosed above, the Group also has interests in individually immaterial joint ventures that are accounted for by using the equity method as follows:

	2021 Baht	2020 Baht
Aggregate carrying amount of individually immaterial joint ventures	28,586,804	26,605,687
Aggregate amounts of the group's share of:		
Net profit	29,038,546	5,505,047
Other comprehensive income	2,324,384	-
Total comprehensive income	31,362,930	5,505,047

## Notes to the Consolidated and Separate Financial Statements

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### 17 Financial assets measured at fair value through other comprehensive income

The details of financial assets measured at fair value through other comprehensive income as at 31 December are as follows:

Company	Nature of business	Country of incorporation	Shareholding, both direct and indirect		Consolidated financial statements	
			2021	2020	2021	2020
			%	%	Baht	Baht
Indirect investment Triifa Logistics (2008) Co., Ltd. (held by Hazchem Logistics Management Co., Ltd.)	Providing warehouse services and packaging	Thailand	0.27	0.27	13,250	13,250
					13,250	13,250



# Notes to the Consolidated and Separate Financial Statements

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## 18 Investment properties, net

	Separate financial statements				Total Baht
	Land Baht	Building improvement Baht	Buildings Baht	Construction in progress Baht	
<b>As at 1 January 2020</b>					
Cost	32,517,000	51,670,772	15,785,531	77,320	100,050,623
<u>Less</u> Accumulated depreciation	-	(14,883,074)	(3,290,004)	-	(18,173,078)
Net book amount	32,517,000	36,787,698	12,495,527	77,320	81,877,545
<b>For the year ended 31 December 2020</b>					
Opening net book amount	32,517,000	36,787,698	12,495,527	77,320	81,877,545
Reclassify to property, plant, and equipment	-	-	-	(77,320)	(77,320)
Depreciation charges	-	(3,355,349)	(988,621)	-	(4,343,970)
Closing net book amount	32,517,000	33,432,349	11,506,906	-	77,456,255
<b>As at 31 December 2020</b>					
Cost	32,517,000	51,670,772	15,785,531	-	99,973,303
<u>Less</u> Accumulated depreciation	-	(18,238,423)	(4,278,625)	-	(22,517,048)
Net book amount	32,517,000	33,432,349	11,506,906	-	77,456,255
<b>For the year ended 31 December 2021</b>					
Opening net book amount	32,517,000	33,432,349	11,506,906	-	77,456,255
Depreciation charges	-	(3,332,266)	(985,920)	-	(4,318,186)
Closing net book amount	32,517,000	30,100,083	10,520,986	-	73,138,069
<b>As at 31 December 2021</b>					
Cost	32,517,000	51,670,772	15,785,531	-	99,973,303
<u>Less</u> Accumulated depreciation	-	(21,570,689)	(5,264,545)	-	(26,835,234)
Net book amount	32,517,000	30,100,083	10,520,986	-	73,138,069

As at 31 December, fair value of investment properties is as follows:

	Separate financial statement	
	2021 Baht	2020 Baht
Land and building	131,863,000	133,897,172

The Company's investment properties were valued by independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. Fair value of land and building were appraised by using market comparison approach and replacement cost approach. The fair value of both approaches is within level 2 of the fair value hierarchy.

Amounts recognised in profit and loss that are related to investment properties are as follows:

	Separate financial statement	
	2021 Baht	2020 Baht
Rental income	4,534,617	4,310,945
Direct operating expense arise from investment properties that generated rental income	4,624,040	4,918,119

# Notes to the Consolidated and Separate Financial Statements

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## 19 Property, plant and equipment, net

	Consolidated financial statements								
	Land Baht	Buildings Baht	Building improvement Baht	Tool and equipment Baht	Vehicles and equipment Baht	Furniture and fixtures Baht	Office equipment Baht	Construction in progress Baht	Total Baht
As at 1 January 2020									
Cost	33,432,000	26,870,531	69,036,492	89,916,267	55,047,280	29,396,038	87,099,058	27,446,978	418,244,644
Less Accumulated depreciation	-	(6,242,969)	(25,494,889)	(33,851,989)	(31,248,379)	(21,558,621)	(53,731,648)	-	(172,128,495)
Net book amount	33,432,000	20,627,562	43,541,603	56,064,278	23,798,901	7,837,417	33,367,410	27,446,978	246,116,149
For the year ended 31 December 2020									
Opening net book amount	33,432,000	20,627,562	43,541,603	56,064,278	23,798,901	7,837,417	33,367,410	27,446,978	246,116,149
Reclassification	-	-	-	-	188,300	-	(188,300)	-	-
Additions	-	-	-	3,295,166	619,260	613,869	1,492,612	19,713,715	25,734,622
Assets classified as held for sale (Note 14)	-	-	-	(32,754,206)	-	-	-	-	(32,754,206)
Disposals, net	-	-	-	-	(33,027)	(86,567)	(1,018,136)	-	(1,137,730)
Write-offs, net	-	-	-	(870)	-	(23,969)	(26,442)	-	(51,281)
Depreciation charges	-	(1,544,008)	(5,072,486)	(11,437,136)	(5,394,298)	(2,735,896)	(8,889,263)	-	(35,073,087)
Transfers in (out)	-	-	-	5,327,103	-	-	-	(5,327,103)	-
Closing net book amount	33,432,000	19,083,554	38,469,117	20,494,335	19,179,136	5,604,854	24,737,881	41,833,590	202,834,467
As at 31 December 2020									
Cost	33,432,000	26,870,531	69,036,492	59,057,926	57,186,589	29,251,877	86,235,360	41,833,590	402,904,365
Less Accumulated depreciation	-	(7,786,977)	(30,567,375)	(38,563,591)	(38,007,453)	(23,647,023)	(61,497,479)	-	(200,069,898)
Net book amount	33,432,000	19,083,554	38,469,117	20,494,335	19,179,136	5,604,854	24,737,881	41,833,590	202,834,467

# Notes to the Consolidated and Separate Financial Statements

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	Consolidated financial statements								
	Land Baht	Buildings Baht	Building improvement Baht	Tool and equipment Baht	Vehicles and equipment Baht	Furniture and fixtures Baht	Office equipment Baht	Construction in progress Baht	Total Baht
<b>For the year ended</b>									
<b>31 December 2021</b>									
Opening net book amount	33,432,000	19,083,554	38,469,117	20,494,335	19,179,136	5,604,854	24,737,881	41,833,590	202,834,467
Additions	-	-	-	1,112,885	-	301,798	4,804,497	6,280,250	12,499,430
Reclassify from right-of-use assets, net	-	-	-	4,339,486	-	-	3,910,692	-	8,250,178
Disposals, net	-	-	(1)	(15)	(1,614,547)	(1,972)	(104,092)	-	(1,720,627)
Write-offs, net	-	-	-	(2,467)	-	(5,686)	(4,133)	-	(12,286)
Depreciation charges	-	(1,539,791)	(4,733,762)	(9,145,041)	(4,336,833)	(2,310,160)	(8,683,180)	-	(30,748,767)
Transfers in (out)	-	-	198,000	19,042,555	-	-	3,620,320	(22,860,875)	-
Closing net book amount	33,432,000	17,543,763	33,933,354	35,841,738	13,227,756	3,588,834	28,281,985	25,252,965	191,102,395
<b>As at 31 December 2021</b>									
Cost	33,432,000	26,870,531	69,202,993	87,767,579	54,405,305	29,354,168	99,634,009	25,252,965	425,919,550
Less Accumulated depreciation	-	(9,326,768)	(35,269,639)	(51,925,841)	(41,177,549)	(25,765,334)	(71,352,024)	-	(234,817,155)
Net book amount	33,432,000	17,543,763	33,933,354	35,841,738	13,227,756	3,588,834	28,281,985	25,252,965	191,102,395



## Notes to the Consolidated and Separate Financial Statements

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	Separate financial statements				
	Office equipment Baht	Furniture and fixtures Baht	Vehicles Baht	Construction in progress Baht	Total Baht
<b>As at 1 January 2020</b>					
Cost	5,641,496	4,164,297	50,982	3,000,000	12,856,775
<u>Less</u> Accumulated depreciation	(2,733,788)	(3,215,768)	(18,510)	-	(5,968,066)
Net book amount	2,907,708	948,529	32,472	3,000,000	6,888,709
<b>For the year ended 31 December 2020</b>					
Opening book amount	2,907,708	948,529	32,472	3,000,000	6,888,709
Reclassify from investment properties	-	-	-	77,320	77,320
Additions	36,301	214,769	-	16,217,744	16,468,814
Depreciation charges	(906,852)	(418,594)	(10,220)	-	(1,335,666)
Closing net book amount	2,037,157	744,704	22,252	19,295,064	22,099,177
<b>As at 31 December 2020</b>					
Cost	5,377,796	4,379,068	50,982	19,295,064	29,102,910
<u>Less</u> Accumulated depreciation	(3,340,639)	(3,634,364)	(28,730)	-	(7,003,733)
Net book amount	2,037,157	744,704	22,252	19,295,064	22,099,177
<b>For the year ended 31 December 2021</b>					
Opening net book amount	2,037,157	744,704	22,252	19,295,064	22,099,177
Additions	1,823,215	174,016	-	3,250,000	5,247,231
Reclassify from right-of-use assets, net	3,910,692	-	-	-	3,910,692
Depreciation charges	(1,677,463)	(350,844)	(10,191)	-	(2,038,498)
Closing net book amount	6,093,601	567,876	12,061	22,545,064	29,218,602
<b>As at 31 December 2021</b>					
Cost	13,877,890	4,553,084	50,982	22,545,064	41,027,020
<u>Less</u> Accumulated depreciation	(7,784,289)	(3,985,208)	(38,921)	-	(11,808,418)
Net book amount	6,093,601	567,876	12,061	22,545,064	29,218,602

### 20 Right-of-use assets, net

As at 31 December, the statements of financial position show the following amounts relating to leases:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
<b>Right-of-use assets</b>				
Land	4,079,336	5,453,639	3,146,431	4,140,758
Building	73,336,881	157,439,706	-	-
Machinery and equipment	30,972,674	31,103,316	-	-
Vehicles	11,415,841	19,993,247	922,936	2,960,383
Others	1,454,901	5,787,513	-	3,910,692
Total	121,259,633	219,777,421	4,069,367	11,011,833
<b>Lease liabilities</b>				
Current portion	52,212,118	64,124,415	1,922,355	2,909,340
Non-current portion	69,641,825	148,564,144	2,080,635	4,184,606
Total	121,853,943	212,688,559	4,002,990	7,093,946

# Notes to the Consolidated and Separate Financial Statements

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For the year ended 31 December, amounts charged to profit or loss and cash flows relating to leases are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Depreciation charge of right-of-use assets:				
Land	1,672,385	2,235,023	994,327	-
Building	40,292,060	39,340,705	-	997,051
Machinery and equipment	14,927,280	14,726,606	-	-
Vehicles	8,577,405	9,177,426	2,037,447	2,043,029
Others	889,918	1,610,333	-	669,150
Total	66,359,048	67,090,093	3,031,774	3,709,230
Addition to the right-of-use assets during the year	24,143,095	14,628,587	-	-
Total cash outflow for leases	73,550,628	63,580,724	3,368,309	5,229,275
Interest expense (included in finance cost)	7,803,301	8,436,624	236,163	396,751
Expense relating to short-term leases	2,066,607	1,091,909	-	-
Expense relating to leases of low-value assets	1,270,613	545,445	41,190	44,600

## 21 Intangible assets, net

	Consolidated financial statements		
	Computer software Baht	Assets under installation Baht	Total Baht
<b>As at 1 January 2020</b>			
Cost	23,815,735	2,551,650	26,367,385
<u>Less</u> Accumulated amortisation	(10,931,420)	-	(10,931,420)
Net book amount	12,884,315	2,551,650	15,435,965
<b>For the year ended 31 December 2020</b>			
Opening net book amount	12,884,315	2,551,650	15,435,965
Additions	913,000	1,341,838	2,254,838
Amortisation charges	(3,761,557)	-	(3,761,557)
Transfer in (out)	644,250	(644,250)	-
Closing net book amount	10,680,008	3,249,238	13,929,246
<b>As at 31 December 2020</b>			
Cost	25,372,985	3,249,238	28,622,223
<u>Less</u> Accumulated amortisation	(14,692,977)	-	(14,692,977)
Net book amount	10,680,008	3,249,238	13,929,246
<b>For the year ended 31 December 2021</b>			
Opening net book amount	10,680,008	3,249,238	13,929,246
Additions	441,000	3,619,112	4,060,112
Amortisation charges	(3,147,888)	-	(3,147,888)
Transfer in (out)	1,735,750	(1,735,750)	-
Closing net book amount	9,708,870	5,132,600	14,841,470
<b>As at 31 December 2021</b>			
Cost	27,549,735	5,132,600	32,682,335
<u>Less</u> Accumulated amortisation	(17,840,865)	-	(17,840,865)
Net book amount	9,708,870	5,132,600	14,841,470

## Notes to the Consolidated and Separate Financial Statements

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	Separate financial statements Computer software Baht
<b>As at 1 January 2020</b>	
Cost	1,952,905
<u>Less</u> Accumulated amortisation	(966,850)
Net book amount	986,055
<b>For the year ended 31 December 2020</b>	
Opening net book amount	986,055
Amortisation charges	(391,077)
Closing net book amount	594,978
<b>As at 31 December 2020</b>	
Cost	1,952,905
<u>Less</u> Accumulated amortisation	(1,357,927)
Net book amount	594,978
<b>For the year ended 31 December 2021</b>	
Opening net book amount	594,978
Amortisation charges	(383,779)
Closing net book amount	211,199
<b>As at 31 December 2021</b>	
Cost	1,952,905
<u>Less</u> Accumulated amortisation	(1,741,706)
Net book amount	211,199

### 22 Deferred tax assets

Deferred tax assets comprise the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
<b>Deferred tax assets</b>	11,268,986	18,651,544	2,167,746	8,217,117
	11,268,986	18,651,544	2,167,746	8,217,117

The movements of deferred income taxes are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
As at 1 January	18,651,544	16,077,053	8,217,117	4,144,426
Recognised in other comprehensive income	(2,236,780)	6,238,582	(1,338,955)	6,238,582
Recognised in profit or loss (Note 35)	(5,145,778)	(3,664,091)	(4,710,416)	(2,165,891)
As at 31 December	11,268,986	18,651,544	2,167,746	8,217,117



# Notes to the Consolidated and Separate Financial Statements

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The movements of deferred tax assets are as follows:

	Consolidated financial statements			
	As at 1 January 2021 Baht	Recognised in other comprehensive income Baht	Recognised in profit or loss Baht	As at 31 December 2021 Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	2,990,344	-	(19,737)	2,970,607
Employee benefit obligations	5,481,377	(1,272,412)	467,025	4,675,990
Taxable loss carried forward	6,921,749	-	(4,227,900)	2,693,849
Derivative financial instrument	1,892,374	(964,368)	534	928,540
Fair value measurement of investments	1,365,700	-	(1,365,700)	-
<b>Total</b>	<b>18,651,544</b>	<b>(2,236,780)</b>	<b>(5,145,778)</b>	<b>11,268,986</b>

	Consolidated financial statements			
	As at 1 January 2020 Baht	Recognised in other comprehensive income Baht	Recognised in profit or loss Baht	As at 31 December 2020 Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	1,323,164	-	1,682,714	3,005,878
Employee benefit obligations	5,821,199	-	(339,822)	5,481,377
Taxable loss carried forward	10,426,390	-	(3,504,643)	6,921,747
Derivative financial instrument	1,743,881	116,182	16,779	1,876,842
Fair value measurement of investments	(3,237,581)	6,122,400	(1,519,119)	1,365,700
<b>Total</b>	<b>16,077,053</b>	<b>6,238,582</b>	<b>(3,664,091)</b>	<b>18,651,544</b>

	Separate financial statements			
	As at 1 January 2021 Baht	Recognised in other comprehensive income Baht	Recognised in profit or loss Baht	As at 31 December 2021 Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	181,872	-	291,146	473,018
Employee benefit obligations	1,016,307	(374,587)	124,468	766,188
Taxable loss carried forward	3,760,864	-	(3,760,863)	-
Derivative financial instrument	1,892,374	(964,368)	534	928,540
Fair value measurement of investments	1,365,700	-	(1,365,700)	-
<b>Total</b>	<b>8,217,117</b>	<b>(1,338,955)</b>	<b>(4,710,416)</b>	<b>2,167,746</b>

	Separate financial statements			
	As at 1 January 2020 Baht	Recognised in other comprehensive income Baht	Recognised in profit or loss Baht	As at 31 December 2020 Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	166,278	-	15,594	181,872
Employee benefit obligations	897,810	-	118,497	1,016,307
Taxable loss carried forward	4,566,272	-	(805,408)	3,760,864
Derivative financial instrument	1,751,647	116,182	24,545	1,892,374
Fair value measurement of investments	(3,237,581)	6,122,400	(1,519,119)	1,365,700
<b>Total</b>	<b>4,144,426</b>	<b>6,238,582</b>	<b>(2,165,891)</b>	<b>8,217,117</b>

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Deferred income tax assets are recognised for taxable loss carried forwards only to the extent to which realisation of the related tax benefit through the future taxable profits is probable. Some subsidiaries did not recognise deferred tax assets of Baht 12.06 million (2020 : Baht 11.89 million) in respect of taxable losses amounting to Baht 60.28 million (2020 : Baht 59.46 million) that can be carried forward against future taxable income.

The expiry dates of unused taxable losses are as follows:

	Consolidated financial statements	
	2021 Baht	2020 Baht
Expiring in 2021	-	711,115
Expiring in 2022	9,146,717	47,191
Expiring in 2023	109,341	109,341
Expiring in 2024	54,289	9,153,815
Expiring in 2025	37,705,210	49,438,007
Expiring in 2026	13,260,768	-
	60,276,325	59,459,469

### 23 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Corporate income tax withheld	41,899,831	46,697,346	12,027,973	13,152,309
Receivables - the Revenue Department	-	291,048	-	-
Value added tax receivable	25,765,512	35,406,236	-	-
Other advance	30,205,769	30,205,769	-	-
	97,871,112	112,600,399	12,027,973	13,152,309

### 24 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Trade payables - other parties	229,172,091	148,029,879	2,314,041	10,390,046
- related parties (Note 37.3)	69,789,604	43,722,971	22,100,941	855,546
Other payables - other parties	12,121,297	17,736,245	125,832	1,529,277
- related parties (Note 37.3)	-	16,857	250,000	-
Accrued expenses - other parties	176,472,271	104,407,861	41,825,747	10,959,040
- related parties (Note 37.3)	764,319	-	1,456,323	15,347
	488,319,582	313,913,813	68,072,884	23,749,256

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
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## 25 Borrowings

### 25.1 Short-term loans from financial institutions

As at 31 December 2021, short-term loans of Baht 120 million (2020 : Baht 130 million) represent promissory notes from financial institutions, which denominated in Thai Baht and no collateral. The loans are due to payment in 3 months and bear interest at the rate of 2.33% - 2.35% per annum. (2020 : 2.34 - 2.35 per annum)

### 25.2 Long-term loans from a financial institution

Long-term loans from a financial institution as at 31 December comprise the following:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Current portion of long-term loans from a financial institution	105,750,000	90,000,000	105,750,000	90,000,000
Non-current portion of long-term loans from a financial institution	269,250,000	300,000,000	269,250,000	300,000,000
Total	375,000,000	390,000,000	375,000,000	390,000,000

Movements of long-term loans from a financial institution for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
As at 1 January	390,000,000	300,000,000	390,000,000	300,000,000
Increase during the year	105,000,000	199,398,691	105,000,000	150,000,000
Repayments during the year	(120,000,000)	(109,398,691)	(120,000,000)	(60,000,000)
As at 31 December	375,000,000	390,000,000	375,000,000	390,000,000

Long-term loans from a financial institution have floating interest rate, so fair value of loans approximates the carrying value.

Long-term loans for the year ended 31 December are as follows:

	Principle Baht	Objective	2021 Baht	2020 Baht	Interest rate	Repayment terms	
						Principal repayment	Interest repayment
Loan 1	300,000,000	Purchasing other company's shares	180,000,000	240,000,000	THBFIX6M plus margin	20 periods (every 3 month) first repayment on January 2020	Monthly
Loan 2	150,000,000	Purchasing other company's shares	90,000,000	150,000,000	MLR - 1.40%	20 periods (every 3 months) first repayment on February 2021	Monthly
Loan 3	105,000,000	Purchasing other company's shares	105,000,000	-	MLR - 2.40%	20 periods (every 3 months) first repayment on April 2022	Monthly
			375,000,000	390,000,000			

All of the Company's credit facilities are clean-loan. However, the Company must maintain the financial ratios indicated in the loans contracts which are disclosed in Note 6.2.



## Notes to the Consolidated and Separate Financial Statements

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### 26 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Withholding taxes payable	5,431,836	3,428,341	1,779,894	773,884
Value added tax payable	4,575,061	3,993,142	-	749,299
Undue output value added tax	22,034,499	11,769,007	9,044,757	2,079,386
Guarantees	2,645,256	2,445,256	-	-
Others	1,037,278	35,742	-	-
	35,723,930	21,671,488	10,824,651	3,602,569

### 27 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
As at 31 December	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Statement of financial position				
Retirement benefits	21,363,857	25,544,747	3,830,935	5,081,538
Other long-term benefits	2,016,097	1,862,138	-	-
	23,379,954	27,406,885	3,830,935	5,081,538
Profit or loss				
Retirement benefits	3,306,503	(364,741)	622,333	592,485
Other long-term benefits	308,959	(31,435)	-	-
	3,615,462	(396,176)	622,333	592,485
Other comprehensive income				
Remeasurement for retirement benefits	6,362,061	-	1,872,936	-

#### 27.1 Retirement benefits plans

The plans are final salary retirement plans, which provide benefits to members in the form of a guaranteed level of pension payable. The level of benefits provided depends on members' length of service and their salary in the final year leading up to retirement.

The amount recognised in the statement of financial position is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Present value of funded obligations	21,363,857	25,544,747	3,830,935	5,081,538
Liability in the statement of financial position	21,363,857	25,544,747	3,830,935	5,081,538

# Notes to the Consolidated and Separate Financial Statements

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The movement in the defined benefit obligations during the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
As at 1 January	25,544,747	26,807,888	5,081,538	4,489,053
Current service cost	3,129,899	3,030,055	540,847	520,855
Past service cost	(249,052)	-	-	-
Interest cost	425,656	378,640	81,486	71,630
Staff transfer	-	(3,773,436)	-	-
	3,306,503	(364,741)	622,333	592,485
Remeasurements:				
Gain from change in financial assumptions	(5,483,031)	-	(760,309)	-
Experience gain	(879,030)	-	(1,112,627)	-
	(6,362,061)	-	(1,872,936)	-
Benefit payments	(1,125,332)	(898,400)	-	-
As at 31 December	21,363,857	25,544,747	3,830,935	5,081,538

The principal actuarial assumptions used as at the date of the consolidated and separate statements of financial position are as follows:

	2021	2020
Discount rate (%)	0.51% - 3.59%	1.19% - 2.51%
Salary increment rate (%)	5.00% - 6.00%	6.00% - 7.00%
Staff turnover rates		
- Age less than 30	20.00%	20.00%
- Age between 30 to less than 40	15.00%	15.00%
- Age between 40 to less than 55	9.00%	9.00%
- Age 55 or above	0.00%	0.00%

## Sensitivity analysis

			Consolidated financial statements		Separate financial statements	
			Impact on defined benefit obligation		Impact on defined benefit obligation	
Change in assumption			Increase (decrease) in obligation		Increase (decrease) in obligation	
	2021	2020	2021	2020	2021	2020
			Baht	Baht	Baht	Baht
Discount rate	Increase 1%	Increase 1%	(2,159,803)	(4,663,576)	(373,403)	(499,647)
	Decrease 1%	Decrease 1%	2,528,612	5,500,474	429,226	575,791
Salary increment rate	Increase 1%	Increase 1%	2,449,801	5,635,050	416,735	598,492
	Decrease 1%	Decrease 1%	(2,121,520)	(4,871,801)	(367,851)	(528,339)
Staff turnover rate	Increase 20%	Increase 20%	(2,675,894)	(6,386,215)	(422,275)	(623,674)
	Decrease 20%	Decrease 20%	3,572,780	8,600,721	525,607	775,746

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation, the same method has been applied as when calculating the pension liability recognised within the statement of financial position which is the projected unit credit method.

There were no changes in method and assumptions used for sensitivity analysis from previous year.

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The weighted average duration of the employee benefit obligations for the consolidated and separate financial statements was 15.1 years (2020: 15.2 years).

Expected maturity analysis of undiscounted retirement benefits is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
<u>Maturity within</u>				
Less than 1 year	2,006,949	1,438,731	-	-
Between 1 - 2 years	2,102,725	209,670	-	-
Between 2 - 5 years	3,014,769	5,607,333	847,534	966,062
Over 5 years	66,678,417	88,022,129	11,647,223	13,676,881
	73,802,860	95,277,863	12,494,757	14,642,943

### 27.2 Other long-term benefits

The amount recognised in the statement of financial position is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Present value of funded obligations	2,016,097	1,862,138	-	-
Liability in the statement of financial position	2,016,097	1,862,138	-	-

Change in other long-term benefit obligation for the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
At 1 January	1,862,138	2,298,109	-	-
Current service cost	377,023	330,025	-	-
Interest cost	25,889	22,054	-	-
Staff transfer	-	(383,514)	-	-
Remeasurement:				
Gross from change in financial assumptions	(22,632)	-	-	-
Experience gain	(71,321)	-	-	-
	308,959	(31,435)	-	-
Benefit payments	(155,000)	(404,536)	-	-
At 31 December	2,016,097	1,862,138	-	-

The principal actuarial assumptions used as at the date of the consolidated and separate statements of financial position are as follows:

	2021	2020
Discount rate	0.51% - 3.59%	1.19% - 2.51%
Staff turnover rates		
- Age less than 30	20.00%	20.00%
- Age between 30 to less than 40	15.00%	15.00%
- Age between 40 to less than 55	9.00%	9.00%
- Age 55 or above	0.00%	0.00%



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Sensitivity analysis of actuarial assumptions is as follows:

	Consolidated financial statements			
	Change in assumption		Impact on other long-term benefits	
			Increase (decrease) in obligation	
	2021	2020	2021 Baht	2020 Baht
Discount rate	Increase 1%	Increase 1%	(86,100)	(150,246)
	Decrease 1%	Decrease 1%	89,650	166,076
Staff turnover rate	Increase 20%	Increase 20%	(224,589)	(456,495)
	Decrease 20%	Decrease 20%	274,247	577,637

## 28 Share capital

Movements of share capital for the year ended 31 December 2021 and 2020 are as follows:

	Authorised shares		Issued and paid-up share capital		Share premium Baht	Premium on Treasury shares Baht	Treasury shares Baht
	Number of shares Share	Amount Baht	Number of shares Share	Amount Baht			
As at 1 January 2020	615,000,000	307,500,000	609,307,775	304,653,888	708,639,327	-	-
Proceeds from share issued - employee share option scheme	152,326,944	76,163,472	-	-	-	-	-
Less Treasury shares	-	-	-	-	-	-	(40,089,186)
As at 31 December 2021	767,326,944	383,663,472	609,307,775	304,653,888	708,639,327	-	(40,089,186)
Decrease in share capital	(5,692,225)	(2,846,112)	-	-	-	-	-
Exercise of warrants (Note 29)	-	-	11,402,200	5,701,100	62,712,100	-	-
Resale of treasury shares	-	-	-	-	-	58,481,254	40,089,186
As at 31 December 2021	761,634,719	380,817,360	620,709,975	310,354,988	771,351,427	58,481,254	-

### 2021

On 20 April 2021, the 2021 Annual General Meeting of Shareholders approved the decrease of registered capital of the Company in the amount of Baht 2.85 million from the authorised share capital of Baht 383.66 million to Baht 380.82 million due to the end of the Employee Stock Option Program (ESOP) on 1 September 2020. There were 5,692,225 remaining shares, totalling authorised share capital of Baht 2.85 million, which were reserved for the warrants but have not been exercised (not been sold). The Company registered the decrease of share capital with the Ministry of Commerce on 23 April 2021.

On 11 May 2021, the Board of Directors' Meeting approved the resale of treasury shares for 8,000,000 treasury shares which has a repurchase cost of Baht 40.09 million. The resale of treasury shares period has been fixed to be from 26 May 2021 to 25 May 2023. The Company already completed the resale of treasury shares on June 2021, totalling Baht 98.57 million. The Company recorded a premium on treasury shares amounting to Baht 58.48 million and transferred all reserve for treasury shares to the retained earnings.

### 2020

On 20 April 2020, the 2020 Annual General Meeting of Shareholders approved 152,326,944 shares increase in the Company's registered capital at par value of 0.50 Baht per share, totalling Baht 76,163,472. The Company registered the increase of share capital with the Ministry of Commerce on 27 April 2020.

On 12 May 2020, the Board of Directors' Meeting approved the treasury stock program for management purposes to repurchase shares not exceeding 10,000,000 shares, or up to 1.64% of paid-up shares. The maximum budget of the program is Baht 50 million. The program will be conducted from 27 May 2020 to 26 November 2020, the Company has purchased the 8,000,000 treasury shares during the third quarter of 2020 in an amount of Baht 40.09 million. The Company sets aside treasury share reserve from retained earnings with the cost of treasury shares.

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2021

## 29 Warrants to purchase ordinary shares

On 28 May 2020, the Company issued warrants (III-W1) to its existing shareholders. The details are as follows:

Type of warrants	:	Issued in the names of respective holder and negotiable
Term of warrants	:	3 years from the issuing and offering date
Number of warrants	:	152,326,837 units
Offering ratio	:	1 unit per 1 offered ordinary share
Offering price	:	Baht 0.00 per unit (Nil)
Exercise ratio	:	1 warrant can be exercised for a purchase of 1 ordinary share
Exercise price	:	Baht 6.00 per a new ordinary share
Exercise date	:	On the last business day of each 6 months from the issuing and offering date (November and May) in each year, throughout the term of warrants
Initial exercise date	:	30 November 2020
Last exercise date	:	13 May 2023

For the year ended 31 December 2021, the warrants holder exercised their warrant of 11,402,200 units to purchase 11,402,200 ordinary shares of Baht 6.00 per each totalling Baht 68,413,200. The Company has already received all amount of payment in 2021. As at 31 December 2021, the outstanding share options were 140,924,637 warrants which will be expired in 2023.

## 30 Dividends paid

### 2021

On 20 April 2021, the 2021 Annual General Meeting of Shareholders approved a dividend payment at Baht 0.10 per share for the fiscal year ended 31 December 2020. The number of ordinary shares eligible to receive dividend was 601,238,375 shares, totalling Baht 60.12 million. The Company determined the record date to be 28 April 2021, and the dividends were paid to the shareholders on 18 May 2021.

On 21 September 2021, the Board of Directors' Meeting No.8/2021 approved an interim dividend payment at Baht 0.10 per share for the operating results from 1 January 2021 to 30 June 2021. The number of ordinary shares eligible to receive dividend was 609,407,775 shares, totalling Baht 60.94 million. The Company determined the record date to be 6 October 2021, and the dividends were paid to the shareholders on 21 October 2021.

### 2020

On 20 April 2020, the 2020 Annual General Meeting of Shareholders approved appropriate legal reserve of Baht 6.10 million and approved the dividend payment at the rate of Baht 0.15 per share for the fiscal year ended 31 December 2019. The number of ordinary shares eligible to receive dividend was 609,307,775 shares, totalling Baht 91.40 million. The dividends were paid to the shareholders on 18 May 2020.

## 31 Legal reserve

Under the Public Limited Company Act, B.E. 2535, the Company is required to set aside a legal reserve at least 5% of its net profit after accumulated deficits (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

## 32 Other income

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Rental income	485,756	518,384	-	-
Interest income	1,203,302	801,256	9,183,406	10,427,259
Management fee	4,584,000	4,656,000	56,000,000	48,320,000
Gain on disposal of investment	-	43,983,971	-	8,228,282
Gain on disposal of asset	2,036,540	-	-	-
Gain on restructuring (Note 16.2)	52,077,997	-	136,318,022	-
Others	13,331,075	6,993,151	3,461,255	1,945,748
	73,718,670	56,952,762	204,962,683	68,921,289

## 33 Finance costs

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Interest expense on:				
- Loans from a financial institution	19,940,188	21,824,991	19,929,013	18,385,140
- Lease liabilities	7,803,301	8,436,624	236,163	396,751
- Contingent consideration paid for investments in joint ventures	-	886,874	-	886,874
- Others	291,033	285,360	2,582	2,583
	28,034,522	31,433,849	20,167,758	19,671,348

## 34 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Freight cost	1,935,022,595	866,723,297	222,182,746	17,775,689
Employee benefit expenses	329,628,973	285,858,611	65,087,600	54,482,587
Depreciation and amortisation	100,255,704	101,161,984	9,772,237	9,779,943
Losses on write-off of assets (Note 19)	12,286	51,281	-	-
Loss from impairment of financial assets (Note 11)	1,714,255	11,747,036	1,455,729	173,273
Share-based payments (Note 39)	-	885,452	-	885,452
Expenses related to operating leases	15,722,409	27,830,378	67,723	32,550
Utility expenses	30,967,837	31,397,753	10,173,395	10,243,489
Professional and other fees	54,089,372	44,994,161	27,418,472	19,263,662
Repair and maintenance expenses	13,900,679	12,048,350	2,152,728	1,511,371



## Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

### 35 Income tax expense

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Current tax on profit for the year	56,665,953	9,044,922	35,464,811	-
Deferred income taxes (Note 22)	5,145,778	3,664,091	4,710,416	2,165,891
	61,811,731	12,709,013	40,175,227	2,165,891

Income taxes in the statement of comprehensive income were calculated from taxable income at tax rate of 20% for the Company and 17% or 20% for the subsidiaries.

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Profit before income tax	439,152,766	161,133,825	526,773,395	129,552,013
Tax calculated at a tax rate of 17% or 20% (2020 : 17% or 20%)	119,052,162	31,992,608	105,354,679	25,910,403
Tax effects of:				
Share of profit from investments in associates and joint ventures	(44,676,874)	(27,085,403)	-	-
Revenues exempted from income tax	(14,745,742)	(6,577,631)	(66,967,790)	(25,217,978)
Expenses additionally deductible for tax purpose	(3,507,045)	(2,059,631)	(382,581)	(1,079,599)
Non-tax deductible expenses	4,210,970	4,731,564	2,170,919	2,553,065
Utilisation of prior period's tax loss for which deferred tax asset had not been recognised	(1,640,931)	-	-	-
Current period's tax loss for which deferred tax asset had not been recognised	2,652,154	9,887,601	-	-
Prior period's tax loss for which reversed deferred tax asset in this year	467,037	1,819,905	-	-
Income tax expense	61,811,731	12,709,013	40,175,227	2,165,891

The weighted average applicable tax rate for the year ended 31 December 2021 for the consolidated financial statements was 14.08% (2020: 7.88%) and for the separate financial statements was 7.63% (2020: 1.67%). The income tax rate of the consolidated financial statements and the separate financial statements changed from the prior year due to inconsistency of adjustment on taxable income.

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2021

## 36 Earnings per share

### 36.1 Basic earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to the ordinary shareholders by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net profit attributable to owners of the Company (Baht)	377,341,035	162,491,422	486,598,168	127,386,122
Weighted average number of ordinary shares (shares)	606,643,506	594,713,290	606,643,506	594,713,290
Basic earnings per share (Baht per share)	0.6220	0.2732	0.8021	0.2142

### 36.2 Diluted earnings per share

Diluted earnings per share are calculated by dividing the net profit attributable to the ordinary shareholders by the number of ordinary shares for basic earnings per share calculation plus the weighted average number of shares to be issued as if warrants were exercised.

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Net profit attributable to owners of the Company (Baht)	377,341,035	162,491,422	486,598,168	127,386,122
Total number of ordinary shares for basic earnings per share calculation (shares)	606,543,506	594,713,290	606,543,506	594,713,290
<u>Add</u> weighted average number of shares to be issued as if warrants were exercised (shares)	63,167,516	-	63,167,516	-
Number of ordinary shares for diluted earnings per share calculation (shares)	669,811,022	594,713,290	669,811,022	594,713,290
Diluted earnings per share (Baht per share)	0.5634	0.2732	0.7265	0.2142

## Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

### 37 Related party transactions

There are 2 major shareholders which are directors of the Company whose aggregate shareholding was 33.73% per (2020 : 35.64%).

The following transactions were carried out with related parties:

#### 37.1 Service income

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
<b>Service income</b>				
Subsidiaries	-	-	9,040,384	10,447,619
Associates	91,174,324	13,748,514	64,016,689	6,214,384
Joint ventures	16,454,842	34,520,617	620,503	367,569
	107,629,166	48,269,131	73,677,576	17,029,572
	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
<b>Rental income and related services:</b>				
Subsidiaries	-	-	6,287,275	5,716,692
Associates	6,081,327	6,130,475	6,081,327	6,130,475
Joint ventures	2,142,305	2,113,178	2,142,305	2,113,178
	8,223,632	8,243,653	14,510,907	13,960,345
	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
<b>Revenue from management fee:</b>				
Subsidiaries	-	-	56,000,000	48,320,000
Associates	2,160,000	2,220,000	-	-
Joint ventures	2,424,000	2,436,000	-	-
	4,584,000	4,656,000	56,000,000	48,320,000
	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
<b>Dividend income:</b>				
Subsidiaries	-	-	92,000,000	43,743,901
Associates	-	-	10,700,000	5,770,000
Joint ventures	-	-	232,139,530	76,575,990
	-	-	334,839,530	126,089,891



# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2021

## 37.2 Purchases of services

### Purchases of services from:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Subsidiaries	-	-	9,515,329	5,378,553
Associates	132,338,627	2,342,549	130,165,905	1,998,712
Joint ventures	399,259,412	267,209,527	-	-
	531,598,039	269,552,076	139,681,234	7,377,265

## 37.3 Outstanding balances from service income and purchase of services

### Trade receivables

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Subsidiaries	-	-	81,186	1,368,583
Associates	17,425,565	6,568,354	12,786,500	2,281,756
Joint ventures	2,898,160	2,929,609	-	23,211
	20,323,725	9,497,963	12,867,686	3,673,550

### Other receivables

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Subsidiaries	-	-	16,979,843	19,597,050
Associates	23,519,330	-	23,519,330	-
Joint ventures	1,052,610	2,735,264	35,787	-
	24,571,940	2,735,264	40,534,960	19,597,050

### Trade payables

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Subsidiaries	-	-	3,689,213	690,377
Associates	18,598,194	191,436	18,411,728	165,169
Joint ventures	51,191,410	43,531,535	-	-
	69,789,604	43,722,971	22,100,941	855,546

### Other payables

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Subsidiaries	-	-	250,000	-
Associates	-	16,857	-	-
	-	16,857	250,000	-

### Accrued expenses

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Subsidiaries	-	-	1,456,323	15,347
Joint ventures	764,319	-	-	-
	764,319	-	1,456,323	15,347

## 37.4 Dividends receivable

### Dividends receivable

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Subsidiaries	-	-	42,000,000	31,230,061
Associates	4,300,000	2,150,000	4,300,000	2,150,000
Joint ventures	98,657,666	30,516,010	93,505,568	28,116,090
	102,957,666	32,666,010	139,805,568	61,496,151

## Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

### 37.5 Short-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Subsidiaries	-	-	181,000,000	232,216,300
Joint ventures	14,450,000	1,350,000	14,450,000	1,350,000
	14,450,000	1,350,000	195,450,000	233,566,300

Short-term loans to related parties bear interest rates of 4.10% - 5.47% per annum (2020: 4.10% - 6.25% per annum) and are repayable at call.

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
As at 1 January	1,350,000	11,250,000	233,566,300	287,066,300
Additions during the year	83,100,000	5,000,000	165,100,000	92,400,000
Repayments during the year	(70,000,000)	(14,900,000)	(203,216,300)	(145,900,000)
As at 31 December	14,450,000	1,350,000	195,450,000	233,566,300

### 37.6 Key management compensation

Key management includes directors and executive management (regardless of whether they are in the managerial level or not), top management, corporate secretary, and internal audit department head. Compensation paid or payable to key management is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Salaries and other short-term benefits	68,534,025	48,971,158	23,111,285	17,466,556
Share-based payments	-	885,452	-	885,452
	68,534,025	49,856,610	23,111,285	18,352,008

### 37.7 Guarantee

The Company has bank guarantees of Baht 400.07 million for related parties (Note 40.1). (2020 : Baht 379.71 million).

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2021

## 38 Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities is as follow:

	Non-cash transactions				31 December 2021 Baht
	1 January 2021 Baht	Cash flows (net) Baht	Addition Baht	Lease	
				termination and modification Baht	
Consolidated financial statements					
Short-term loans from financial institutions	130,000,000	(10,000,000)	-	-	120,000,000
Long-term loans from a financial institution	390,000,000	(15,000,000)	-	-	375,000,000
Lease liabilities	212,688,599	(62,410,107)	24,143,095	(52,567,604)	121,853,943
Separate financial statements					
Short-term loans from financial institutions	130,000,000	(10,000,000)	-	-	120,000,000
Long-term loans from a financial institution	390,000,000	(15,000,000)	-	-	375,000,000
Lease liabilities	7,093,046	(3,090,956)	-	-	4,002,990

	1 January 2020 Baht	Cash flows (net) Baht	<div>Non-cash transactions</div> Addition Baht	31 December 2020 Baht
<b>Consolidated financial statements</b>				
Short-term loans from financial institutions	-	130,000,000	-	130,000,000
Long-term loans from a financial institution	300,000,000	90,000,000	-	390,000,000
Lease liabilities	251,566,718	(53,506,746)	14,628,587	212,688,559
<b>Separate financial statements</b>				
Short-term loans from financial institutions	-	130,000,000	-	130,000,000
Long-term loans from a financial institution	300,000,000	90,000,000	-	390,000,000
Lease liabilities	11,881,870	(4,787,924)	-	7,093,946

## 39 Share-based payment

On 29 August 2017, the Company issued 10,500,000 warrants for sale to eligible directors and employees during the registration of the Company to the Stock Exchange of Thailand. One warrant is convertible to one ordinary share. The vesting period of which is 3 years. This resulted in share-based payment of Baht 3,990,000 which was referenced to the fair value of warrants. Share-based payment is to be recognised over the vesting period.

The warrants expired on 2 September 2020.

During the year ended 31 December 2020, the Company recognised the share-based payment expense of Baht 885,452.



# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited  
For the year ended 31 December 2021

## 40 Commitments

### 40.1 Bank guarantees

As at 31 December 2021, the Group and the Company have bank guarantees for the providing services in the consolidated financial statements and separate financial statements in an amount of Baht 400.07 million and Baht 311.46 million, respectively (31 December 2020: Baht 379.71 million and Baht 259.31 million, respectively).

### 40.2 Financial instruments

#### 40.2.1 Foreign exchange forward contracts

Foreign exchange forward contracts hedge risks from fluctuation in foreign exchange rates.

As at 31 December 2021, the settlement period on open forward contracts is within 1 year. Fair values of foreign exchange forward contract is disclosed in Note 7.

#### 40.2.2 Interest rate swap contracts

Interest rate swap contracts hedge risks from fluctuation in interest rates.

The details of outstanding interest rate swap contracts as at 31 December 2021 are as follows:

Principal amount	Interest income rate swap in agreements	Interest expense rate swap in agreements	Termination date
Baht 300,000,000	Floating rate 6-month THB-THBFIX plus 1.6%	Fixed rate 4.1% per annum	31 October 2024

Fair values of interest rate swaps is disclosed in Note 7.

### 40.3 Capital expenditure commitments

Capital expenditure contracted as at the statement of financial position date but not recognised as liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2021 Baht	2020 Baht	2021 Baht	2020 Baht
Building and parking car	-	3,050,000	-	3,050,000

# Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2021

## 41 Events after the reporting period

### 41.1 Dividends

On 22 February 2022, the Board of Directors Meeting No. 1/2022 approved to propose to the 2020 Annual General Meeting of Shareholders 2022 to consider and approve the dividend payment to all ordinary shareholders, from the annual 2021 operating results, at the rate of 0.40 baht per share, totalling Baht 24.34 million. The Company has already paid an interim dividend on 21 October 2021, at the rate of 0.10 baht per share, therefore, the Company will pay additional dividend of 0.30 baht per share, totalling Baht 186.2 million.

### 41.2 Additional Investment in Asia Network International Co., Ltd.

On 4 January 2022, the Company made an additional investment in Asia Network International Co., Ltd. ("ANI") amounting to Baht 300.8 million by purchasing 3,008,000 ordinary shares at a price of 100 baht per share (par value 25 baht per share) which the investment amount is to be used as source of funds for ANI's, through Superior GSA Pte., Ltd., investments via acquisition of 20% shares in Asia GSA (M) SDN BHD, a group of companies which operate as general sales agent for airlines in Malaysia, Singapore and Vietnam. After the above transaction, the Company's shareholding in ANI will be reduced from 55.24% to 50.30% of the registered capital.

### 41.3 Incorporation of LLL Logistics Co., Ltd.

On 22 February 2022, the Board of Directors Meeting No. 1/2022 approved the incorporation of a joint venture company to be named LLL Logistics Company Limited, with the registered capital of Baht 10 million which the Company will hold 51% shares of the registered and paid-up capital, together with the business partner, to carry on business as an agent for domestics and international rail-freights.

### 41.4 Disposal of investment in Teleport (Thailand) Company Limited

On 22 February 2022, the Board of Directors Meeting No. 1/2022 passed a resolution to approve the disposal of the Company's investment in Teleport (Thailand) Company Limited ("TLP-TH"), a company operating in the general sales agent for airline, which the Company holds 50 percent stake to a non-related party with a value of Baht 13.35 million.

# Attachment







	Mr. Tipp Dalai	Mr. Viraj Nobnomtham	Mr. Teeranit Isarangkul	Mr. Jirod Panacharas	Mr. Thanut Thatayanon	Mrs. Darunee Rakpongpiboon	Mr. Krikkrai Jirapaet	Mr. Woodtipong Moleechad	Mr. Vipoota Trakulhoon	Mr. Apichart Chirabandhu	Mr. Chalermesak Karnchananawarin	Mr. Shaun Tan Zhonghao	Ms. Waraporn Chaiyarach	Mrs. Darika Laowattana
CK Line (Thailand) Company Limited	D	D	-	-	D, M	-	-	-	-	-	-	-	-	-
ECU Worldwide (Thailand) Company Limited	-	D, M	-	-	-	-	-	-	-	-	-	-	-	-
HazChem TransManagement Company Limited	D	-	-	D, M	-	-	-	-	-	-	D	-	-	-
GSA Cargo Network Company Limited	D	D	-	-	-	-	-	-	-	-	-	-	-	-
JPK Asia (Thailand) Company Limited	D	-	-	-	-	-	-	-	-	-	-	-	-	-
Around Logistics Management Company Limited	D	-	D	-	-	-	-	-	-	-	-	-	-	-
DG Packaging Pte., Ltd.	D	-	-	-	-	-	-	-	-	-	D	-	-	-
Excel Air (Guangzhou) Company Limited	D	-	-	-	-	-	-	-	-	-	-	-	-	-
Excel Air (Cambodia) Company Limited	D	-	-	-	-	-	-	-	-	-	-	-	-	-
Teleport (Thailand) Company Limited	D	-	D	-	-	-	-	-	-	-	-	-	-	-
Galaxy Ventures Company Limited	D	-	-	-	-	-	-	-	-	-	-	-	-	-
SAL Group (Thailand) Company Limited	-	D	D	-	-	-	-	-	-	-	-	-	-	-
A.T.P. Friend Services Company Limited	D	-	-	-	-	-	-	-	-	-	-	-	-	-
Makesend Express Company Limited	-	D	-	-	-	-	-	-	-	-	-	-	-	-
<b>Related Company</b>														
Millcon Steel Public Company Limited	-	-	-	-	-	-	-	-	D	D, ID, AC, RE, CG	-	-	-	-
Thai Vegetable Oil Public Company Limited	-	-	-	-	-	-	-	-	D, ID, AC	D, ID, AC, RE, CG	-	-	-	-



# Attachment 2 DETAILS OF THE PERSON SUPERVISING ACCOUNTING, INTERNAL AUDIT AND HEAD OF COMP

- THE PERSON SUPERVISING ACCOUNTING

Name – Surname	Age (year)	Educations/ Training	Share Possession (%)	Relationship between the executive	Working Experiences for the past 5 years		
					Period	Positions	Company
<b>Mr. Prayudth Usareevong</b> (The person supervising accounting)	56	- Bachelor of Accountancy, University of the Thai Chamber of Commerce	- none -	-	2016 - Current	The person supervising accounting	Triple i Logistics Public Company Limited
		- Diploma in Auditing, Thammasat University					
		- Master's of Accountancy, Chulalongkorn University					
		- Financial Reporting Standard. No 16: Leases. (IFRS 16), Federation of Accounting Professions					
		- Financial Reporting Trend 2021					
		- Financial Transformation					
		- Digital Assets					
		- Merger and Acquisition (M&A): Investment Sustainability ESG and Company's Report					
		- Thai Financial Reporting Standard (IFRS), Class 2/2019, Federation of Accounting Professions					
		- Case Study for Pack 5 & Fair Value, Class 2/2019, Federation of Accounting Professions					
		- TFRS Group of Financial Instruments, Federation of Accounting Professions					
		- Revenue Recognition Principles for Revenue from Contracts with Customers (IFRS 15), Federation of Accounting Professions					
		- Thai Financial Reporting Standards (IFRS) No 3: Business Combination, Federation of Accounting Professions					
		- Thai Financial Reporting Standards (IFRS) No 11: Joint Arrangement, Federation of Accounting Professions					
		- Thai Accounting Standards (TAS) No 12: Income Taxes, Federation of Accounting Professions					
		- Financial Statement Analysis					



- **PERSONS RESPONSIBLE FOR INTERNAL AUDITS.**

The Company has engaged an external agency, namely KPS Audit Company Limited (“KPS Audit”), to audit the internal control system of the Company and its subsidiaries. The head of the internal control audit team has qualifications, educational qualifications and working experience as follows:

Name-Surname / Date of Appointment	Educational qualifications	Shareholding in the Company (%)	Relationship with the Management	Working Experiences in the past 5 years		
				Period	Positions	Company
Mr. Wiwat Limnantasilp (The person who is responsible for the internal audit) KPS Audit Co., Ltd. 2 December 2017	<b>Educational qualifications</b> <ul style="list-style-type: none"><li>Bachelor's degree in Business Administration Accounting</li><li>Faculty of Business Administration</li><li>Ramkhamhaeng University</li></ul> <b>Related training</b> <ul style="list-style-type: none"><li>Executive of Internal Unit Certificate, Class no. 1, the Federation of Accounting Professions</li><li>Thailand Internal Audit Certificate (CPIAT), Class no. 12, the Member of the Institute of Internal Auditors Thailand (IIAT)</li><li>Anti-Corruption: The Practical Guided Tools and Techniques for the audit manager</li><li>Assessing business risk for internal audit</li><li>Quality management System Auditor / Lead Auditor Training Course</li><li>Certificate QMS ISO9001:2000/2008/ISO/IEC27001:2005 Training Course</li><li>QMS Internal Audit Training Course</li><li>Effective Internal Control for Success IPO" organized by the Stock Exchange of Thailand</li><li>Latest Internal Control Framework: COSO2013, the Federation of Accounting Professions</li><li>New Way of Reporting of Audit</li><li>Risk Assessment for Planning of Audit</li><li>Value Creation and Enhancement for Listed Companies with the New COSO 2017 Enterprise Risk Management (ERM)</li><li>, organized by the Faculty of Commerce and Accountancy Thammasat University together with the Stock Exchange of Thailand</li></ul>	- none -	-	2015 – present	Managing Director	KPS Audit Company Limited / Internal Audit and Consulting Services Business
				2015 – 2017	Internal Audit Manager	Ivelt Group Company Limited / The business provides auditing, internal audit, and consulting services.
					2011- 2015	Internal Audit Manager

**Responsibility:**

1. To prepare an annual audit plan based on risks (Risk Based Audits), with appropriate risk assessment methods as determined by the management, and to propose for approval from the Audit Committee, and to present the audit results and audit activities on a regular basis.
2. To perform the audit according to the plan, and to perform special audits as requested by the management and the Audit Committee.
3. To follow up on the remedial results from the detected observation and suggestions given to that department and to report it directly to the Audit Committee.
4. To conduct an audit according to international standards for professional practice of internal auditing.
5. To develop knowledge, competence, and audit skills of internal auditors to be able to perform their duties effectively.

The Audit Committee has considered the qualifications of KPS Audit Co., Ltd., and Mr. Wiwat Limnanthasilp and viewed that their qualifications were sufficient and appropriate to perform such duties and being independent with 27 years of internal audit experience. In addition, he has a good understanding of the activities and operations of the Company.

For the consideration and approval on the appointment, removal, and transfer of the person holding the position of the head of the internal audit unit of the Company, it shall be approved by the Audit Committee.

## • COMPLIANCE MANAGER

Name - Surname	Age (year)	Educations/ Training	Share Possession (%)	Relationship between the executive	Working Experiences for the past 5 years		
					Period	Positions	Company
Ms. Chaweewan Kraiwat (Compliance Manager)	48	- Bachelor Degree in Law, Payap University	- none	-	2021	Compliance Manager	Triple i Logistics Public Company Limited
	-	- Master Degree of Public Administration, Graduate School of Public Administration, Burapha University			- Current		Transportation & Logistics
	-	- Diploma in International Trade Law, Thammasat University					

## Attachment 3 BUSINESS ASSETS AND DETAILS ON ASSET VALUATION

- none -







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