



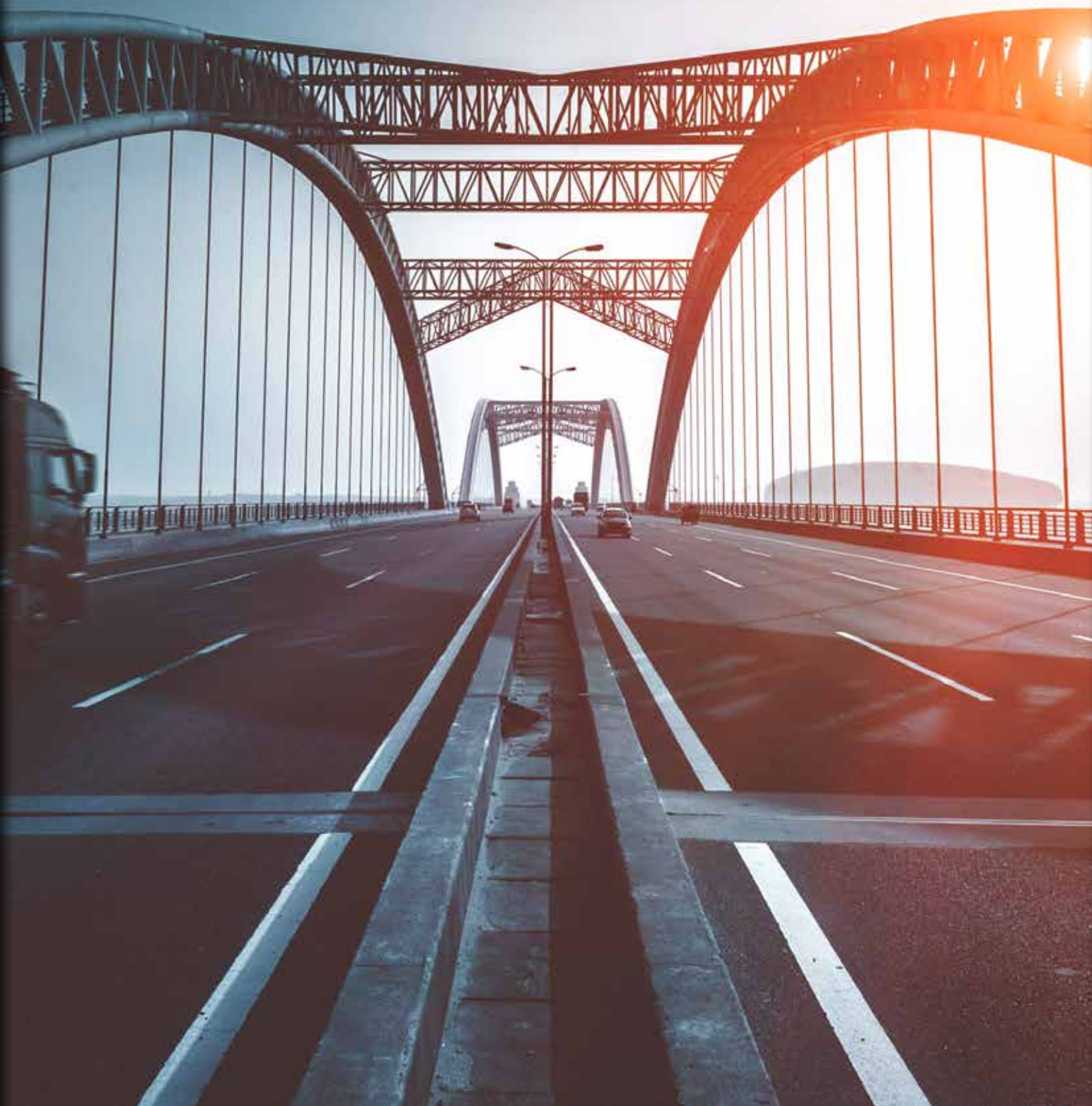
the RIGHT solution,
the RIGHT partner



ANNUAL REGISTRATION STATEMENTS / ANNUAL REPORT 2022 (FORM 56-1 ONE REPORT)

TRIPLE I LOGISTICS PUBLIC COMPANY LIMITED

**the RIGHT solution
the RIGHT partner**





INDEX

2

Message from
Chairman of the
Board of Directors

3

Message from Chief
Executive Officer

4

Significant
Development in the
Year 2022

6

Financial
Highlight

Part 1 Business and Performance

Business Overview	9
Shareholders Details / Business Structure and Shareholding Structure	10
Securities Information and Shareholders	13
Nature of Business and Competition Policy	15
Industry Competition in 2022 and Business Outlook for 2023	32
Assets of Business Operation	42
Investment Committee Report	46
Risk Management Sub-Committee Report	47
Risk Management	49
Driving Business for Sustainability	57
Management Discussion and Analysis	97
Financial Positions and Operating Performance	104
General Information and Other Significant information	112
Legal Disputes	117

Part 2 Corporate Governance

Management Structure	119
Nomination and Remuneration Committee Report	151
Corporate Governance and Sustainable Development Committee Report	153
Good Corporate Governance and Corporate Governance Operations	155
Internal Control	179
Related - Party Transaction	181

Part 3 Financial Statement

Audit Committee Report	201
Responsibilities of the Board of Directors for Financial Report	204
Independent Auditor's Report	205
Consolidated and Separate Financial Statements	211

Attachment

Information of the Board of Directors, Executives Controlling Persons.	293
Details of the Person Supervising Accounting, Internal Audit and Head of Compliance	297
Business Assets and Details on Asset Valuation	301



Message from Chairman of the Board of Directors



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

In 2022, Triple i Logistics Public Company Limited recorded strong financial performance despite the ongoing COVID-19 pandemic and signs of global economic recession.

However, the good results can be put down to the Board of Directors and executives move to always adjust the company's business strategy according to the current business situation. This strategy has been proven successful by the company's strong financial performance, which has generated satisfactory returns as its core business continues to grow. Meanwhile, its new business in collaboration with its business partners has continued expanding, covering logistics services in the wider region.

The company is also committed to conducting business transparently as well as adhering to good corporate governance and ethics. Thanks to this commitment, Triple i Logistics was certified as a member of the Private Sector Collective Action Coalition Against Corruption in Thailand by the Thai Institute of Directors Association (IOD) in the first quarter of 2022.

In line with its commitment to transparency, the company has also started preparing its 2022 Sustainability Report for the shareholders, investors and the public along with the annual information disclosure form.

Triple i Logistics aims to become a guiding light for conducting and developing business responsibly, so it becomes a "sustainable stock" in the future. On behalf of the Board of Directors, I would like to thank the shareholders, customers, partners and all stakeholders for trusting and supporting the company. I would also like to assure you that we are committed to developing the organization to become a fully integrated logistics company in Thailand.

The company will grow sustainably in the region and conduct business with good governance and ethics by taking into account the interests of stakeholders, communities and society.



Message from the Chief Executive Officer



Mr. Tipp Dalal
Chief Executive Director
Triple i Logistics Public Company Limited

Despite many volatile factors impacting the global economy, which include high inflation, the tight monetary policy of banks around the world, the Russia-Ukraine conflict and a sharp declining in freight rates, Triple i Logistics Public Company Limited has shown a very outstanding performance in year 2022. It has set a new high record for a second year with a net profit of 795.7 million baht, marking an increase of 116.8% compared to the previous year.

With its initial success that came from the growth of core businesses, which continued maintaining good profits, and effective cost management, the company's actual growth comes from its new business development. Triple i Logistics has maintained investments since raising capital via the Stock Exchange of Thailand, in particular investment in the Airlines Cargo GSA (General Sales Agent) business as a regional company through ANI. This has been the proven strategy to generate satisfactory returns on investments for the company.

The company's continuous development can also be put down to its sustainable growth strategy along the concept of "Logistics and Beyond", which focuses on strengthening existing business units by expanding the customer base and business alliances to boost competitiveness. This also adds new sources of income through the extension of related businesses both domestically and internationally to cover future logistics needs from all dimensions.

The company's strong record growth has been possible thanks to the dedication of every team member, who brings us closer to our goal of becoming Asia's leading logistics provider. I would like to thank the Board of Directors, the management team and all members of staff for their determination in performing their duties to the best of their abilities. I also thank our shareholders, customers and business partners for all their support. Please be confident that we will overcome all limitations and will make our best endeavors to achieve our goals.



Significant Development in the Year 2022

February

- The Company disposed its 50% shareholding in Teleport (Thailand) Co., Ltd. (TLP-TH) to Teleport Commerce (Thailand) Co., Ltd. (TLP-Com) for the total consideration of Baht 13.35 million.

August

The company and Sitthi Logistics Laos Co., Ltd. jointly established TSL Logistics Co., Ltd. (TSL) to develop international rail freight service, which connects rail freight service between China-Laos-Thailand. The company held 51% shareholding of the total registered capital of THB 10 million.

May

- The Company disposed its 43% shareholding in A.T.P.Friend Services Co., Ltd. (SHIPSMILE) to Sabuy Speed Co., Ltd. (SBS) for the total consideration of Baht 180.2 million. The consideration consisted of cash in the amount of Baht 18 million and 18% shareholding in SBS. After the transaction, The Company has become a shareholder of SBS with 18% shareholding. SBS hold shares in parcel delivery point business and other services. As of 31 December 2022, the SBS has more than 18,500 branches.
- The Company paid dividends for the year 2021 to shareholders at the rate of Baht 0.40 per share, totaling Baht 247,153,770.00. The 2021 dividends consisted of the interim dividend payment to shareholders at the rate of Baht 0.10 per share, totaling Baht 60,940,777.50, which was paid on 21 October 2021, and the dividend payment for the year 2021 at the rate of Baht 0.30 per share, totaling Baht 186,212,992.50, which was paid on 17 May 2022.
- On 31 May 2022, shareholders exercised III-W1 (No. 4) to convert the warrants into 20,129,138 ordinary shares in aggregate at the exercise price of Baht 6 per share. The exercise ratio was 1 : 1.



September

- The Company paid an interim dividend for the year 2022 to shareholders at the rate of Baht 0.15 per share, totaling Baht 96,125,866.95. The interim dividend was paid on 9 September 2022.

December

- The Company allotted 46,168,826 newly issued ordinary shares at the par value of Baht 0.50 per share to the existing shareholders in proportionate to their current shareholding (Rights Offering). The offering price is Baht 12.00 per share at an allotment ratio of 15 existing shares for 1 newly issued ordinary shares. The existing shareholders exercised 46,165,510 shares with the total value of Baht 553,986,120.

November

- On 30 November 2022, shareholders exercised III-W1 (No. 5) to convert the warrants into 51,693,271 ordinary shares in aggregate at the exercise price of Baht 6 per share. The exercise ratio was 1 : 1.
- The Company held the Extraordinary General Meeting of Shareholders No. 1/2022 on Tuesday, 29 November 2022. The meeting approved the important resolutions as set out below.
 - The meeting resolved to approve the acquisition of 80% shareholding in Asia GSA (M) Sdn. Bhd by Superior GSA Pte. Ltd., ANI's subsidiary. The current shareholding in Asia GSA (M) by Superior GSA Pte., Ltd. is 20%. After the acquisition, Superior GSA Pte., Ltd. will have 100% shareholding in Asia GSA (M). The total consideration is SGD 212.3 million or equivalent to Baht 5,520 million.
 - The meeting resolved to approve the restructuring of general sales agent for airlines business. The restructuring includes disposal of all shares in TAC held by the Company of 99.99 percent of the total registered and paid-up capital for the total value of not exceeding Baht 168.00 million to ANI in exchange of 550,798 ordinary shares in ANI with the par value of Baht 25 per share at the price of Baht 305 per share. The total consideration shall not exceed Baht 168.0 million.
 - The meeting resolved to approve the capital decrease in the amount of Baht 53.50 from the current registered capital of Baht 380,817,359.50 to the new registered capital of Baht 380,817,306.00 by cancelling 107 ordinary shares at the par value of Baht 0.50 per share that have not been paid-up.
 - The meeting resolved to approve the allotment of the Company's ordinary shares of not exceeding 50,775,641 shares at the par value of Baht 0.50 per share to existing shareholders in proportionate to their current shareholding (Rights Offering). The offering price is Baht 12.00 per share at the allotment ratio of 15 existing shares for 1 newly issued ordinary share.



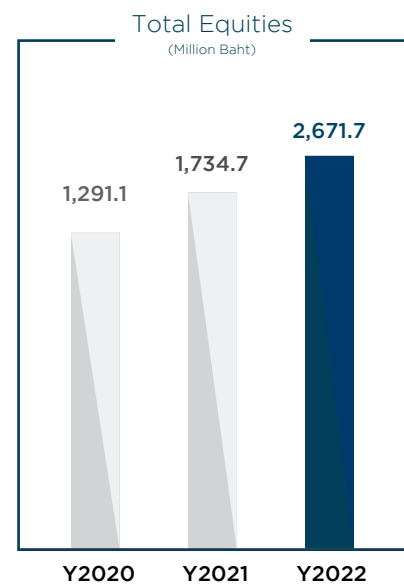
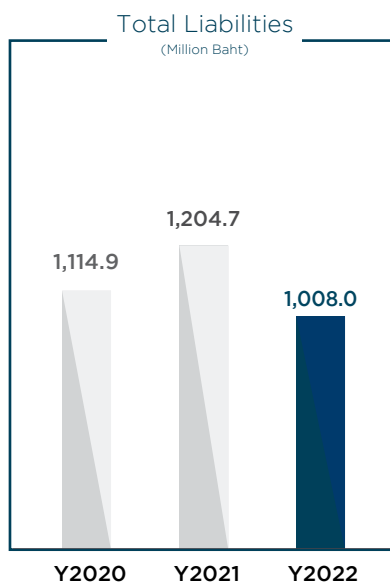
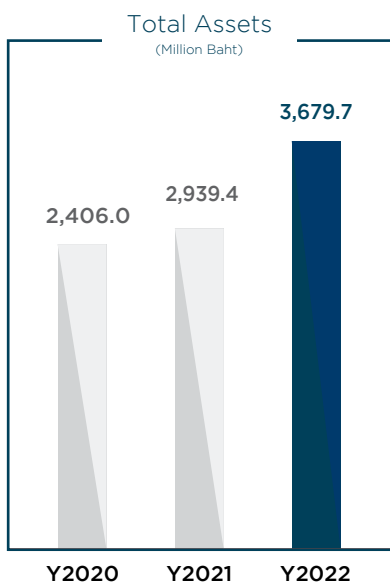
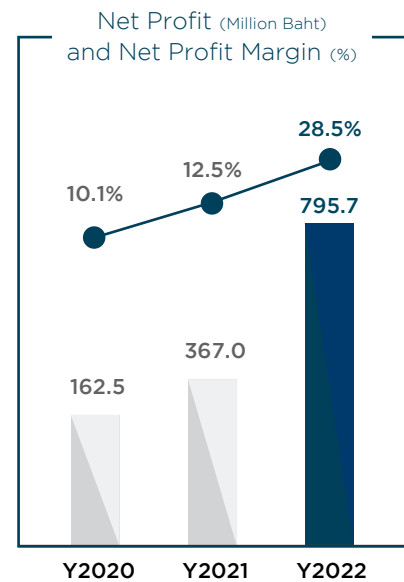
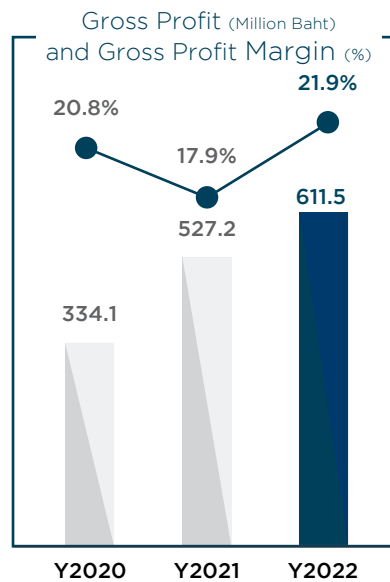
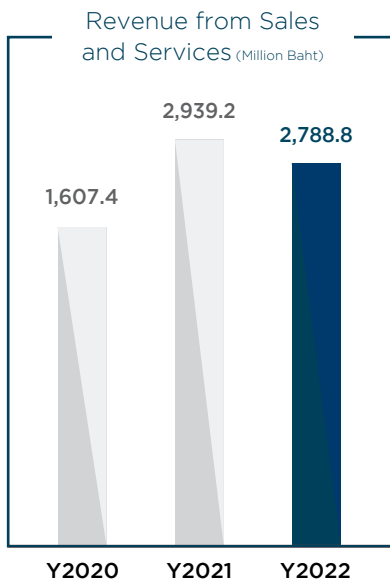
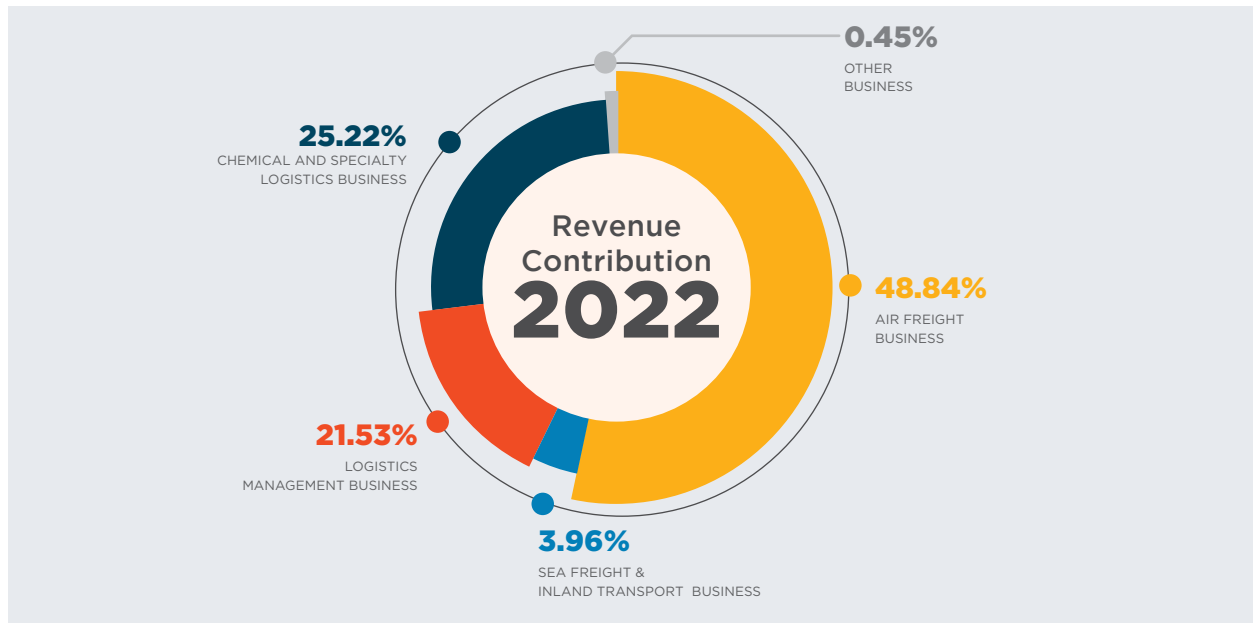


FINANCIAL HIGHLIGHT

SUMMARY OF KEY FINANCIAL STATISTICS		Y 2020	Y 2021	Y 2022
STATEMENTS OF INCOME		Million Baht		
Revenue from Sales and Services		1,607.4	2,939.2	2,788.8
Gross Profit		334.1	527.2	611.5
SG&A Expenses		333.2	362.9	438.1
Net Profit for the period		162.5	367.0	795.7
STATEMENTS OF FINANCIAL POSITION		Million Baht		
Total Assets		2,406.0	2,939.4	3,679.7
Total Liabilities		1,114.9	1,204.7	1,008.0
Total Equities		1,291.1	1,734.7	2,671.7
STATEMENTS OF CASH FLOWS		Million Baht		
Net Cash generated from (used in) Operating Activities		75.1	111.2	359.1
Net Cash from (used in) Investing Activities		(230.8)	11.8	(124.8)
Net Cash receipts from (used in) Financing Activities		3.9	(69.2)	138.2
KEY FINANCIAL RATIO				
Gross Profit Margin	%	20.8%	17.9%	21.9%
Net Profit Margin	%	10.1%	12.5%	28.5%
Earnings per share ^{1/}	Baht	0.27	0.60	1.25
Return on Equity (ROE) ^{2/}	%	12.6%	24.3%	36.1%
Current Ratio	X	0.9x	1.3x	2.1x
Average Collection Period	Days	105.4	76.7	86.3
Average Payment Period	Days	104.4	60.7	62.4
Debt to Equity Ratio (D/E ratio)	X	0.9x	0.7x	0.4x

Remarks :

- ^{1/} EPS (Earnings per share) is calculated by dividing net profit for the period by weighted average total number of common shares for the period
- ^{2/} Return on Average Equity



Part 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

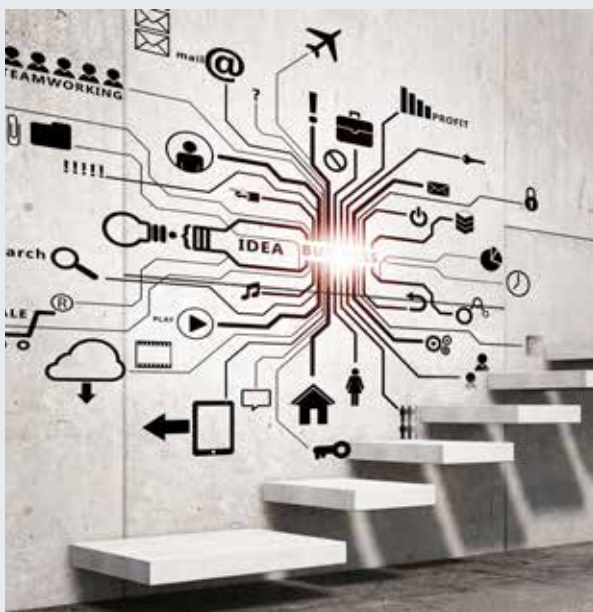
analyzed and economic conditions, which have impact on the Company's business, are assessed to enable the Company to operate appropriately and competitively. Such process will lead the Company to achieving its objectives. In addition, the Board of Directors and sub-committees oversee that the Company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

OUR VISION

THE LEADING THAI LOGISTICS GROUP IN ASIA THROUGH "LOGISTICS AND BEYOND"

OUR MISSION

INTEGRATING VALUES TO BE "THE RIGHT SOLUTION, THE RIGHT PARTNER" FOR ALL STAKEHOLDERS AND FOR SUSTAINABLE GROWTH



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 (TLG) (the “Company”), including its subsidiaries and associated companies (the “Group of 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 2022, the Group received customer satisfaction at “Very Good” level, with average score of 88.95 percent.

The businesses of a group of companies are operated by the Company, its subsidiaries and its associated companies with the total of 20 companies within the group company. The businesses of the Company can be divided into 4 main business units.

AIR FREIGHT BUSINESS

- 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 50.35% by the Company
- SAL Group (Thailand) Company Limited (SAL), a joint venture held 22.50% by the Company

SEA FREIGHT AND INLAND TRANSPORT BUSINESS

- Triple i Maritime Agencies Company Limited (TMA), a subsidiary held 99.99% shares by the Company
- ECU Worldwide (Thailand) Company Limited (ECU), an associate held 43.00% by the Company
- CK Line (Thailand) Company Limited (CKT), an associate held 42.00% by the Company
- TSL Logistics Company Limited (TSL), an associate held 50.99% by the Company

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

- Makesend Express Company Limited (MAKESEND), an associate held 30.00% by the Company
- Galaxy Ventures Company Limited (GV), an associate held 30.00% by the Company
- Sabuy Speed Company Limited (SBS), an associate held 18.00% by the Company

CHEMICAL AND SPECIALTY LOGISTICS BUSINESS

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

REVENUE STRUCTURE OF THE COMPANY AND ITS SUBSIDIARIES

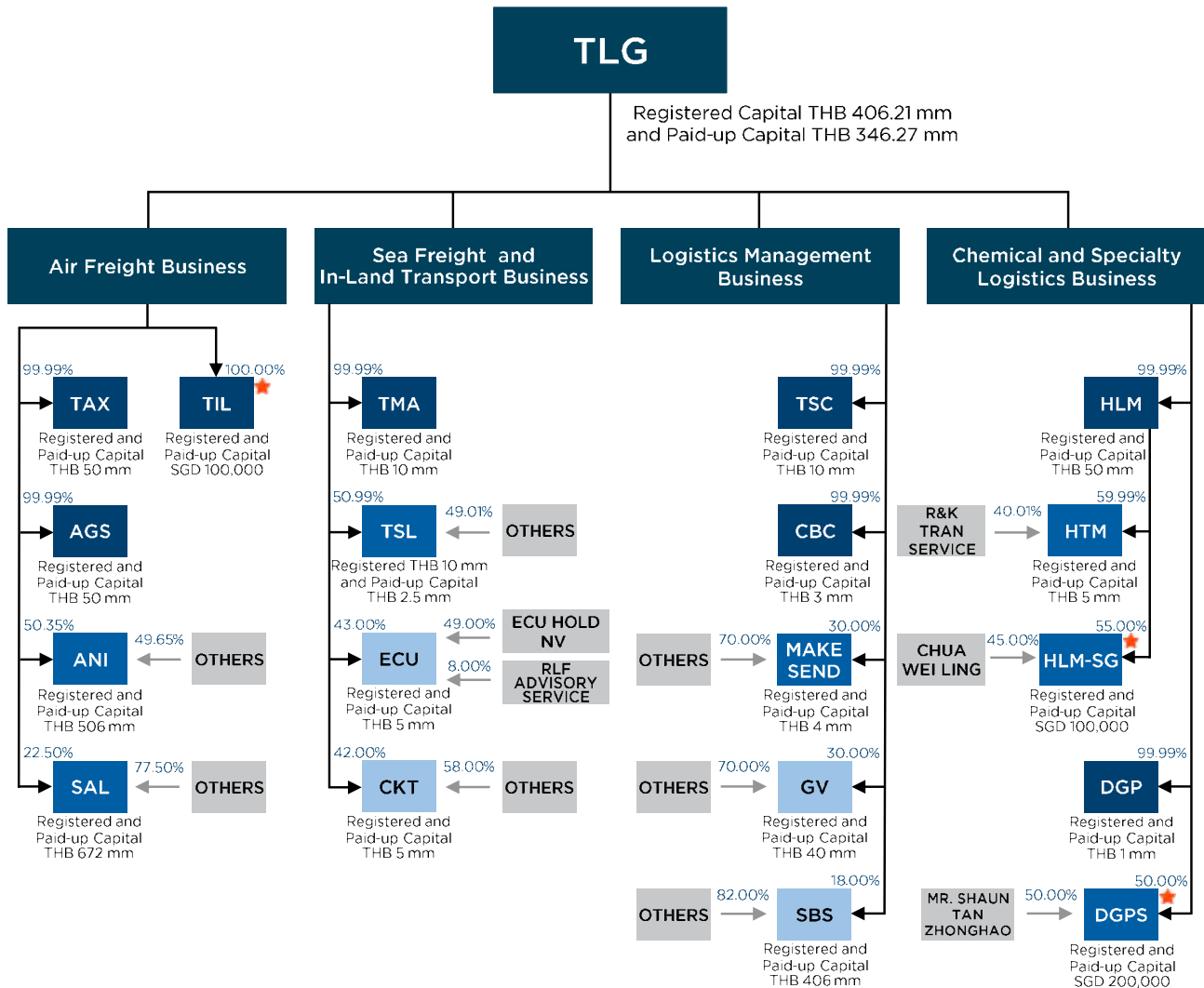
Revenues from sales and services	Consolidated Financial Statements					
	31 December 2020		31 December 2021		31 December 2022	
	Revenue (Baht million)	% of total revenue	Revenue (Baht million)	% of total revenue	Revenue (Baht million)	% of total revenue
1. Air freight business	912.3	54.48%	1,639.9	54.43%	1,428.9	48.84%
2. Sea freight and inland transport business	48.8	2.91%	106.5	3.53%	115.8	3.96%
3. Logistics management business	176.3	10.53%	485.4	16.11%	629.7	21.53%
4. Chemical and specialty logistics business	523.0	31.23%	766.0	25.42%	737.9	25.22%
5. Others ^{1/}	14.3	0.85%	15.0	0.50%	13.1	0.45%
Total revenues ^{2/}	1,674.7	100.0%	3,012.8	100.00%	2,925.4	100.00%
Total revenues after Inter-Co Transactions	1,607.4		2,939.2		2,788.8	

Remarks :

^{1/} Others : Revenues from other types of management consists of service fees from transport of personnel, office lease and service income.

^{2/} Total Revenues before Inter-Co Transaction

Business Structure and Shareholding Structure, 31 December 2022



Note : Individual and juristic persons jointly invested in iii are business partners only.
None of these persons have personal relationship with director and/or management of the company.

= Subsidiaries = Joint Venture = Associated ★ = Oversea Companies



SECURITIES INFORMATION AND SHAREHOLDERS

As of 31 January 2023, the Company has its registered capital of 406,205,126.50 Baht dividing into ordinary shares of 812,410,253.00 shares with a par value at 0.50 Baht each and paid-up capital of 369,348,947.00 Baht dividing into 738,697,894.00 shares with a par value at 0.50 Baht each.

Below is the list of major shareholders as of 31 January 2023

No.	Name of Shareholder	Number of Shares	Percentage (%)
1	Group Family - Dalal	146,219,441	19.79
	1.1 Mr. Tipp Dalal ^{/1}	118,486,108	16.04
	1.2 Mrs. Marguerite Linda Dalal	27,733,333	3.75
2	Group Family - Nobnomtham	113,057,380	15.30
	2.1 Mr. Viraj Nobnomtham ^{/2}	106,817,380	14.46
	2.2 Ms. Nittaya Sanguankongvilai	6,240,000	0.84
3	Mr. Teeranit Isarangkul	35,399,732	4.79
4	Ms. Pavasut Jotikasthira	32,390,000	4.38
5	Mr. Chalernsak Karnchanawarin ^{/3}	29,040,605	3.93
6	Mr. Jirod Panacharas ^{/4}	26,958,671	3.65
7	Dr. Pongsak Thammathataree	26,681,299	3.61
8	Mr. Sura Kanittaweekul	23,372,666	3.16
9	Thai NVDR Company Limited	16,677,437	2.26
10	Mr. Thanut Thatayanon ^{/5}	12,533,275	1.70
11	Mr. Chalermchai Mahagitsiri	11,733,333	1.59
12	Mrs. Darunee Rakpongpi boon ^{/6}	7,993,970	1.08
13	K Mid Small Cap Equity RMF	7,277,273	0.99
14	Mr. Sumate Thitiphuree	6,815,000	0.92
15	Other Shareholders	242,547,812	32.85
	Total	738,697,894.00	100.00

Remark :

^{/1} Mr. Tipp Dalal holds the positions of Director, Member of the Investment Committee, Chairman of Management Committee and Chief Executive Officer.

^{/2} Mr. Viraj Nobnomtham holds the positions of Director, Member of the Investment Committee, Member of Management Committee, Member of the Nomination and Remuneration Committee, Chairman of the Risk Management Sub-Committee and Chief Financial Officer.

^{/3} Mr. Chalernsak Karnchanawarin holds the positions of Director, Member of Management Committee and Member of the Risk Management Sub-Committee.

^{/4} Mr. Jirod Panacharas holds the positions of Director, Member of Management Committee and Member of the Corporate Governance and Sustainable Development Committee.

^{/5} Mr. Thanut Thatayanon holds the positions of Director, Member of the Investment Committee, Member of Management Committee, Member of the Corporate Governance and Sustainable Development Committee and Member of the Risk Management Sub-Committee.

^{/6} Mrs. Darunee Rakpongpi boon holds the positions of Director, Member of the Investment Committee, Member of 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 Company has issued and offered the warrant to purchase the Company's newly issued ordinary share no. 1 ("III-W1") of up to 152,326,944 units to the existing shareholders (Rights Offering) at no cost at the allocation ratio of 4 existing ordinary shares to 1 unit of warrant and the exercise ratio of 1 unit of warrant shall be entitled to purchase 1 newly issued ordinary share at the exercise price of Baht 6.00 per share, as the capital reserve of future investment of the Company. The term of the warrant was 3 years following the issuing date which was on 14 May 2020 and the exercise period was on the last business day of every 6 months following the issuing date. In the previous, the Company has organized the exercises of 5 times as follows : the exercise no. 1 was on 30 November 2020, the exercise no. 2 was on 31 May 2021, the exercise no. 3 was on 30 November 2021, the exercise no. 4 was on 31 May 2022 and the exercise no. 5 was on 30 November 2022. At present, there is a remaining III-W1 of 69,102,228 units for the last exercise which will be organized on 12 May 2023. However, on 7 December 2022, the Company has adjusted the exercise ratio and exercise price to protect interest of the warrant holders in accordance with the terms and conditions of warrants due to the Company has offered its newly issued shares to the existing shareholders in proportion to their shareholding at the offering price which was lower than the market price during the period of 26-30 December 2022 whereby the adjustment ratio was 1 unit of warrant shall be entitled to purchase 1.01007 newly issued ordinary share at the new exercise price of 5.94021 per share.

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	2022
Dividend per share (Bath)	0.10	0.40	0.55
Dividend payout ratio (%)	47.20	50.79	83.69

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

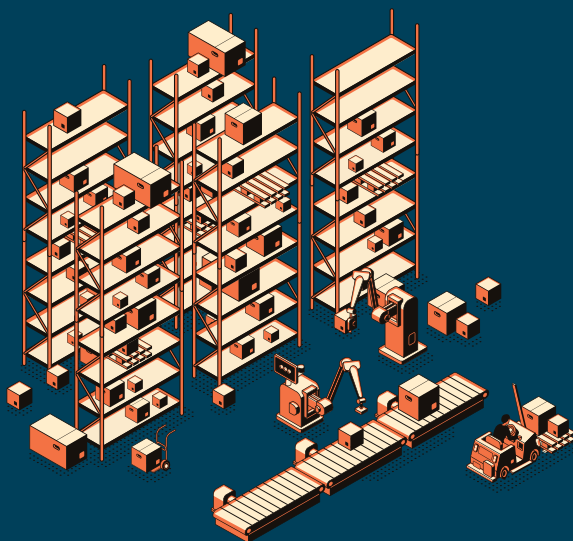
Triple i Logistics Public Company Limited and its subsidiaries and associated companies (collectively, the “Group”) is Thailand’s leading integrated logistics service provider which offers domestic and international freight services, including air freight, sea freight and inland transport, warehouse management, and product distribution for general and specialized products such as chemicals and dangerous goods. The business is categorized into 4 core business units and a business development unit with details as set out below.



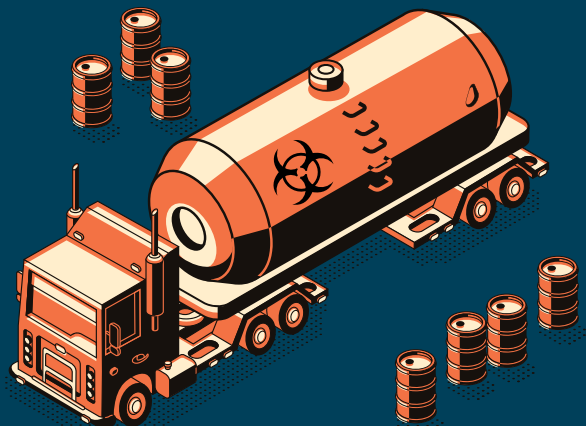
AIR
FREIGHT
BUSINESS



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)

General sales agent for airlines is a business with high potential and can be developed into a business with continuous growth. To be appointed as an agent for airlines, a company must be recognized with readiness and expertise, and must have a reliable air freight network. Hence, unlike international air freight forwarding business, there are only a few companies who have capabilities to act as an agent for airlines.

The Group represents airlines in selling cargo space and other operations relating to air freight business. At present, the Group is representing more than 20 leading airlines such as Hong Kong Airlines, Vietnam Airlines, All Nippon Airways, and Air Canada.

1.2 WHOLESALE AIR FREIGHT FORWARDER

Air freight is a highly competitive business because there are many air freight forwarders in the market. With no service differentiation, there is high price competition. The capabilities of the service provider depend on procurement of competitive freight costs. Nevertheless, there is continuous growth in the air freight business. Therefore, the business has potential for development if an appropriate strategy is formulated.

The Group provides domestic and international wholesale air freight, including customs clearance services for import and export, and trucking services for picking up and delivering goods between airports and customers for small international freight forwarders. The Group also provides air mail and postal parcel delivery for Thailand Post Company Limited (Thailand Post). In addition, the Group has expanded its international air freight service to customers who are e-Commerce freight forwarders to support the expansion of the e-Commerce business, which has a continuous high growth rate.

In the year 2022, the Group has expanded its transshipment and cross-border freight services, connecting both Air to Air cargo and Truck to Air cargo.

1.3 AIR CARGO TERMINAL SERVICE

Air cargo terminal service is a business that requires specialized expertise and must be operated in accordance with the standards determined by relevant agencies, both domestically and internationally. However, it is a business with high potential because the volume of cargo transported through Thailand's airports each year amounts to millions of tons and is growing steadily.

The Group offers general cargo service and international express cargo service at Don Mueang Airport, which is currently authorized by Airports of Thailand Public Company Limited (AOT). The Group is an international cargo service provider with a total service area of more than 6,200 square meters.

TARGET CUSTOMERS

Target customers of air freight business can be divided into groups according to service :

1. **GENERAL SALES AGENT FOR AIRLINES**
 - International freight forwarders
 - Partner airlines
2. **WHOLESALE AIR FREIGHT FORWARDER**
 - International freight forwarders
 - Domestic freight forwarders
 - Mail carriers
 - e-Commerce freight forwarders
 - Customers of transshipment and cross border freight services
3. **AIR CARGO TERMINAL**
 - Airlines
 - Business operators who require air cargo terminal
 - Customers of express cargo

MARKETING STRATEGY

Air freight business focuses on expanding the existing customer base and securing new customers. The business is also expanded to find new sources of income through expansion into related businesses, details of which are as set out below.

1. EFFECTIVE COST MANAGEMENT

Since airlines around the world are unable to operate as normal at a level before the Covid-19 outbreak, the Group must manage costs, including cost of sales and administrative expenses.

2. EXPANSION INTO RELATED LOGISTICS SERVICES

As the aviation business situation is still unable to return to normal like before the pandemic, the Group, therefore, expanding into logistics services related to air freight for find new sources of income and create growth for the Group

- To expand the express cargo center at Don Mueang Airport to service customers who require express cargo, particularly in small quantities and small items such as e-Commerce products.
- To expand transshipment and cross-border transportation services from Cambodia via Thailand to the United States and Europe, in the forms of both Air to Air cargo and Truck to Air cargo, from the existing services from Myanmar to Phuket Airport and Suvarnabhumi Airport in order to transfer shipments to destinations.

3. ADJUSTMENT TO EARN ALTERNATIVE INCOME

The Group continues to provide on-demand charter flights by selecting routes that are in high demand and profitable to replace international air

freight services on certain routes that are unable to provide normal services.

4. IMPROVEMENT ON SERVICE QUALITY

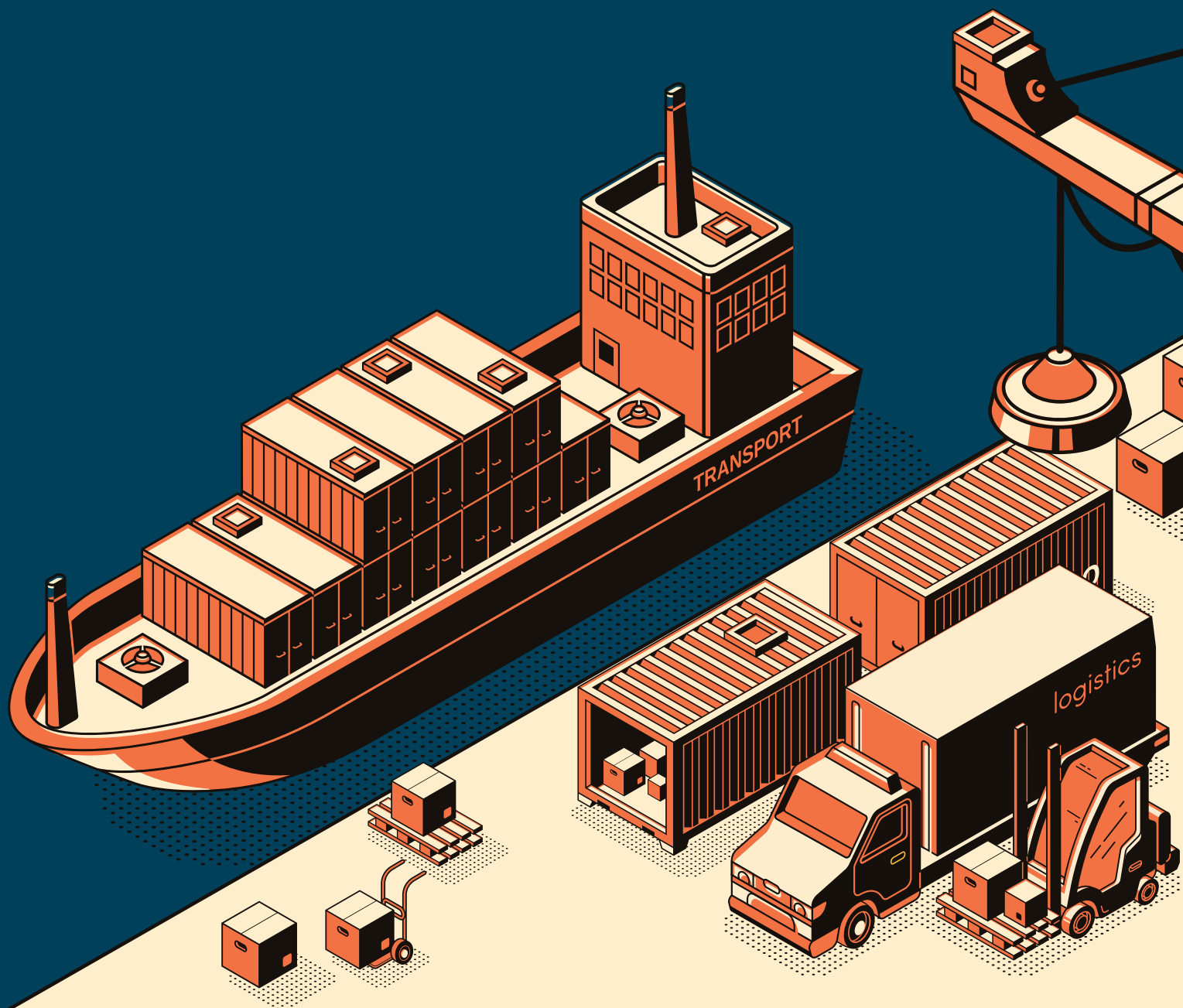
The Group focuses on providing quality services at a reasonable price with an emphasis on punctuality and safety. The Group has been certified for quality and efficient management with details as follows :

- TAC has received ISO 9001 : 2015 certification for general sales agent for airlines since 2015 until present.
- TAC has received a Regulated Agent Certificate by complying with the requirements of civil aviation security measures since 2015 until present.
- TAX has received ISO 9001 : 2015 certification for international air freight forwarding service since 2015 until present.
- AGS has received a Regulated Agent Certificate by complying with the requirements of civil aviation security measures since 2018 until present.
- AGS has received ISO 9001 : 2015 certification for international warehousing services since 2018 until present.

In addition, the Group has organized operation trainings in accordance with the standards and requirements of airlines for employees on a regular basis. The relevant government agencies, such as the Civil Aviation Authority of Thailand and sent employees to attend various training courses with IATA such as Professional Skill for Dangerous Goods Instructor, Aviation Security Awareness, Train the Trainer, Initial Dangerous Goods CAT.6 and Safety Management System in order to apply the knowledge and arrange training courses for other employees to increase efficiency in providing services according to international standards.



SEA FREIGHT AND INLAND TRANSPORT **BUSINESS**



2. SEA FREIGHT AND IN-LAND TRANSPORT BUSINESS

2.1 SHIPPING LINE AGENCIES

This is a niche market that has good potential to generate profit such as routes for transporting goods to secondary ports of Japan (Japan Outport), focusing on petrochemical products, agricultural products, and ready-to-eat food. On other existing routes with services provided by the Group, the volume of freight continues to increase. However, the competitive situation may create price reduction by competitors, for example, during the low season, there may be price negotiations from customers with high delivery frequency.

The Group operates as a sales agent for shipping lines and provides sea freight services by using container system, Full Container Load (FCL) service by selling freight to target groups such as international freight forwarders (3PL), common consolidator, importers and exporters. The Group also provides other services relating to sea freight for shipping lines, including container management and related services such as outsourcing labor for managing containers at the port (Stevedoring) and providing container yard for shipping lines.

At present, the Group acts an agent for CK Line under the management of CKT, which is a joint venture between the Group and CK Line of South Korea. The routes offer sea freight services between North Asian countries and Southeast Asian countries. There are routes available between Thailand and other countries such as Vietnam, China, South Korea, Japan, Hong Kong, Taiwan and Indonesia. Other related services such

as container management service at the port and coordination on bringing ships into the port.

2.2 SEA FREIGHT FORWARDER - LESS THAN CONTAINER LOAD (LCL SERVICE)

At present, there are many international sea freight service providers who offer less than container load service. There are more than 30 local NVOCC operators, most of whom specialize in providing services in a particular market. The other group is a group of large global and regional NVOCC players with less than 10 players in the group, but the group can provide a wide range of services and has service coverage worldwide. As a result, large global and regional service providers have a combined market share of 30% to 40%.

ECU Worldwide (Thailand) Co., Ltd. (ECU) is a joint venture between the Company and ECU Worldwide, a global LCL service provider to international freight forwarders with network members in all regions of the world. As a result, ECU has been a leading service provider at national and global levels, covering both quantity and volume of LCL service in Thailand for more than 24 years. Currently, there are 70 direct service routes from Thailand to countries around the world, both inbound and outbound and continuous transport routes through a network of major seaports of ECU Worldwide which serve as centers for sea distribution to more than 530 destinations, with more than 2,400 direct routes around the world.



2.3 INLAND CONTAINER TRANSPORT

Inland container transport is a supplementary business of shipping line agency business, from providing port to port transport service to multimodal transport service. The business focuses on providing inland transport by container system which has been expanded to include customs clearance at the port, transport of the container from the port to the destination in the country and neighboring countries as required by the customer (Cross Border Service), and domestic transport service by tractor trucks.

In the year 2017, TMA introduced inland transport business by tractor trucks, offering container transport services for imports and exports. It has expanded its domestic transport services to B2B transport services by flatbed tractors, 6-wheeler vans, 10-wheeler vans, and other special vehicles as required by customers. In the year 2021, TMA began to trial domestic rail freight service, a route from Lat Krabang Station to Sa Kosi Narai Station in Ratchaburi Province.

TARGET CUSTOMERS

Target customers of sea freight and in-land transport can be divided into groups according to service :

1. SHIPPING LINE AGENCIES AND INLAND CONTAINER TRANSPORT

- Exporters and importers whose products are transported to countries with service coverage by CK Line
- International freight forwarders and third-party logistics company (3PL)
- Customers who are the Group's subsidiaries
- Customers who are exporters and importers who transport goods from port to factory or from factory to factory
- Customers who use domestic rail freight services

2. SEA FREIGHT FORWARDER - LESS THAN CONTAINER LOAD (LCL SERVICE)

- Multi-national freight forwarders who are global accounts of ECU Worldwide
- Local freight forwarders who provide international freight services
- Licensed customs brokers
- Exporters who are target customers
- Companies which provide packing

services for tourists (Packing Company/ Packing House) who want to transport goods, especially handicrafts purchased from Thailand to their home countries

MARKETING STRATEGY

1. SHIPPING LINE AGENCIES AND INLAND CONTAINER TRANSPORT

1) PROVISION OF SERVICES ON ROUTES WITH FEW SERVICE PROVIDERS (NICHE MARKET)

The Group focuses on providing sea freight services on routes where there are few service providers to avoid price competition. It also reduces the risk of imbalance in the demand and supply of sea freight services.

2) COOPERATION OF THE SUBSIDIARIES

TLG has affiliated companies as ECU and HLM which provide international freight forwarding services that can provide services to customers using the services of TMA and CKT for both sea freight and in-land transport.

3) MULTIMODAL TRANSPORT

The Group has developed its services from port to port to multimodal transport, which has enabled the Group to expand the scope of services, including customs clearance at the port and transport from the port to destinations within the country and neighboring countries (Cross Border Service) as required by customers to connect and expand the services, covering both sea freight and in-land transport.

4) DEVELOPMENT OF INLAND CONTAINER TRANSPORT BUSINESS

The Group will focus on expanding inland container transport to support customers who use the service of shipping lines represented by the Group and customers of the Group's subsidiaries, including expanding to customers of other shipping lines. It will also conduct a feasibility study on expansion of the business into container depot services.

5) QUALITY AND CUSTOMER FOCUS DEVELOPMENT

The Group focuses on improving service quality, increasing competitiveness, and creating customer satisfaction. As a result, the Group has been certified for quality and efficient management as follows :

- TMA has received ISO 9001 : 2015 certification for international freight forwarding service provider from 2017 until present.
- CKT has received ISO 9001 : 2015 certification for international sea freight service using container system from 2017 until present.

6) EXPANSION INTO NEW FORM OF TRANSPORT SERVICE

By providing domestic rail freight service as an alternative for customers. In the future, rail freight service will become more important if Thailand develops a transport infrastructure to connect domestic freight routes to neighboring countries. At present, the Group provides domestic rail freight services on the route from Lat Krabang Station to Sa Kosi Narai Station and is considering introducing other potential routes in the future.

2. SEA FREIGHT FORWARDER - LESS THAN CONTAINER LOAD (LCL SERVICE)

• LEADING SERVICE PROVIDER WITH A GLOBAL NETWORK

ECU is one of the world's leading service providers of sea freight without its own ships with expertise in providing LCL services through ECU Worldwide's network that exists around the world and serving under one brand. There is a sales team that can support customers globally, regionally, and nationally under a policy that focuses on meeting customer satisfaction. In the year 2022, new routes to Karachi, Chittagong, Istanbul, and Port Klang have been introduced and the Group is considering opening additional routes on a regular basis.

- **UNDERSTANDING THE NEEDS OF SPECIFIC CUSTOMERS TO PROVIDE EFFICIENT SERVICES FOR THOSE SPECIFIC GROUPS**
ECU Worldwide conducts qualitative research by interviewing specific groups (Focus Group). The interviews are conducted with global and regional freight forwarders, which are target customers, to understand the customers' needs and provide efficient services.

• IMPROVING SERVICE QUALITY

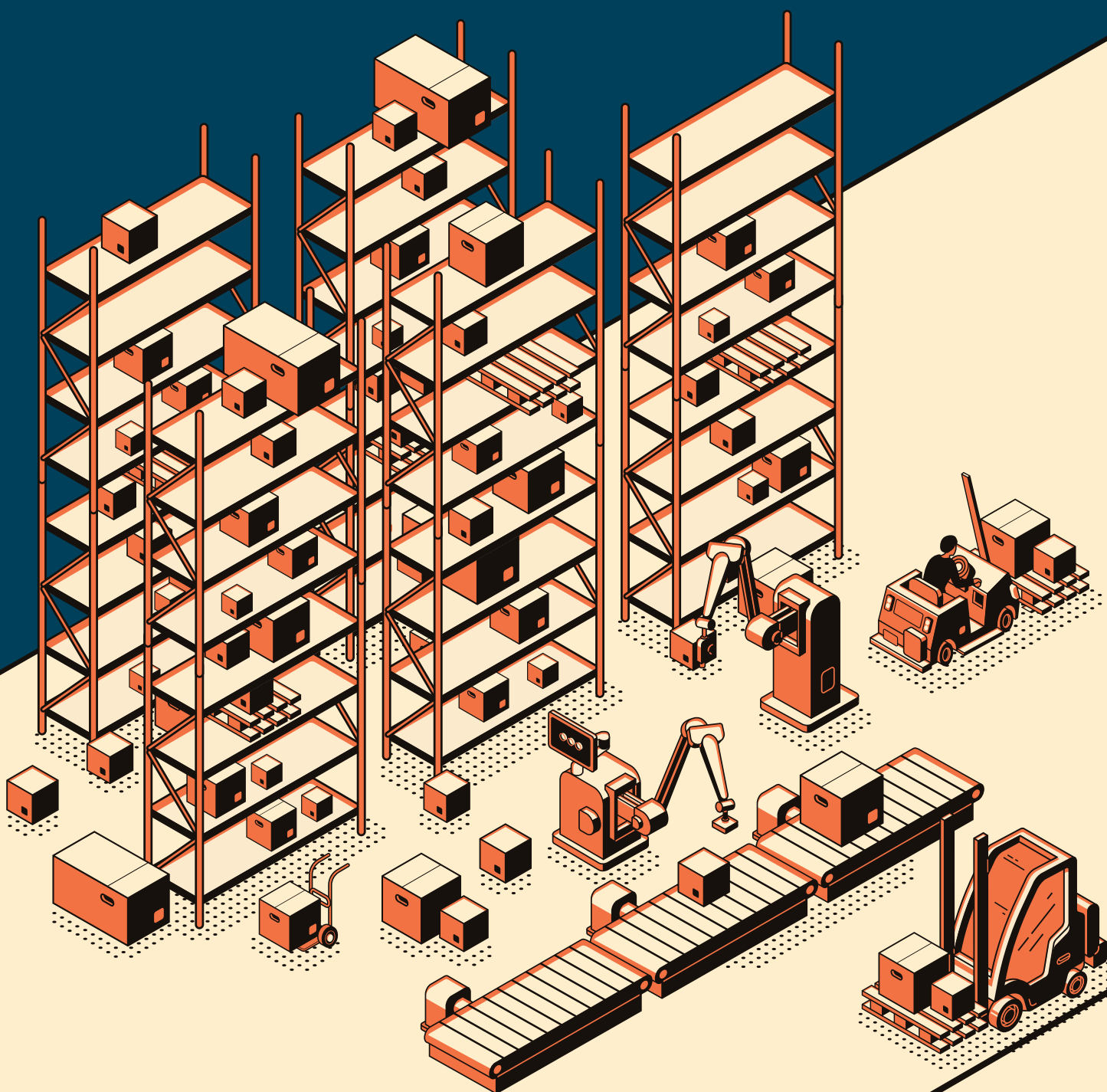
ECU Worldwide has developed an information technology system that is convenient and flexible. It is the first NVOCC service provider to provide a connection to INTTRA, a web portal that provides various services of many leading shipping lines, allowing customers to book freight through online system. This system significantly increases overall freight efficiency and quality.

- **FAST DELIVERY AND SERVICES ARE RESPONSIVE TO THE NEEDS OF CUSTOMERS**
ECU continually focuses on introducing direct shipping routes to serve customers and improving the services to become faster and more convenient. Ports and packing and sorting stations have been organized in various areas such as the warehouse at Klong Toey Port, the warehouse at Lat Krabang Packing and Sorting Station to facilitate customers who are exporters and importers.

In the year 2019, ECU started using Topaz system effectively within the organization. It developed and improved the system to be in line with the business in Thailand. In the year 2021, a digital platform ECU360 was introduced for usage and provision of access to customers. In the year 2022, ECU has developed a new version of the platform with additional features that respond to more customers' needs. The features include transactions through the edi system to support customers who want online access to shorten the operation time, reduce errors from manual system, and increase work efficiency for maximum benefits to customers.



LOGISTICS MANAGEMENT **BUSINESS**



3. LOGISTICS MANAGEMENT BUSINESS

3.1 INTERNATIONAL LOGISTICS SERVICE

The Group provides international logistics services, including air freight, sea freight, and cross-border transportation, directly to importers and exporters. The services include customs clearance and acting as an agent in handling documents for importers and exporters, and provision of advice on tax benefits and procedures in applying for the FDA.

3.2 WAREHOUSE AND DISTRIBUTION INCLUDING FULFILLMENT SERVICE TO SUPPORT ONLINE BUSINESS, E-COMMERCE AND SOCIAL COMMERCE

At present, there are many integrated logistics service providers in the market, including large operators, multinational companies, and many Thai operators who provide similar services. Hence, the Group must position itself in a clear direction to make it easier to communicate and efficiently compete with competitors.

The Group operates a full range of domestic logistics and distribution services, including receipt of goods from factories, seaports or airports to be delivered or stored in warehouses, warehouse rental services, and inventory management services for importers and exporters in a B2B manner. The Group also provides fulfillment and Last-Mile delivery services to support online business, e-Commerce, and social commerce in the form of B2C and C2C. At present, the Group has warehouses and distribution centers with a total area of 3,296 square meters, located in Bangna-Trad Km.19, which is a high potential area for logistics industry in Thailand.

TARGET CUSTOMERS

Target customers of logistics management business can be divided into groups according to service :

1. INTERNATIONAL LOGISTICS SERVICE

Target customers are importers and exporters, focusing on importers of industrial products and consumer products such as telecommunication and computer products, clothing, cosmetics, food, medicine, and medical supplies etc.

2. DOMESTIC LOGISTICS MANAGEMENT SERVICE

The main target customers are importers and distributors of consumer goods with relatively high values. The Group focuses on customers who have demand for warehouse service, inventory management service, and domestic distribution service. The target customers can be divided into 5 groups, consisting of restaurant operators who have branches in department stores, distributors of information technology and office equipment, distributors of sports equipment, manufacturers and distributors of health and beauty products, and distributors of apparels such as clothes and fashion bags.

MARKETING STRATEGY

1. PROVISION OF ONE-STOP SERVICE

The Group focuses on being a one-stop service provider, covering all logistics processes. The strengths of TLG as a specialist in international logistics and TSC as a specialist in domestic logistics management are emphasized to connect the services and be able to offer effective solutions and competitive logistics costs for customers.



2. EXPANSION OF CUSTOMER BASE TO INCREASE SOURCES OF INCOME AND REDUCE RISKS

The international logistics service focuses on expanding the new customer base to diversify sources of income and diversify business risks. The Group increases the variety of products and focuses on providing logistics services for imports and exports via air freight and sea freight.

3. FOCUSING ON DIFFERENTIATING LOGISTICS PRODUCTS

The Group focuses on creating service differentiation by using its expertise in efficient logistics management, from planning transport, storage and distribution according to orders, analyzing data to solve problems for customers in order to reduce costs or fixing problems to make the operations run smoothly. The Group aims to become a leading logistics service provider for the targeted product groups.

4. FOCUSING ON FULFILLMENT AND LAST-MILE DELIVERY SERVICES TO SUPPORT CONTINUOUS GROWTH IN ONLINE BUSINESS, E-COMMERCE, AND SOCIAL COMMERCE

The Group has developed a fulfillment service (iFulfillment) by integrating a conveyor system and an automated sorting system, and a Last-Mile delivery system (iDelivery) to respond to continuous growth in online business, e-Commerce, and social commerce. It particularly focuses on providing services to customers in health and beauty products and food supplements in which the Group has expertise. The Group also developed fulfillment services to support more real-time orders and a data integration system for important customers and trade partners with transactions through all channels (Omni Channel).

5. FOCUSING ON ICOMMERCE SERVICE IN THE FORM OF E-COMMERCE ENABLER, A SERVICE WHICH HELPS CUSTOMERS IN ENTERING THE WORLD OF ONLINE SALES EFFICIENTLY

In addition to the abovementioned iFulfillment and iDelivery services, the Group will focus on helping customers expand their online marketing channels through iCommerce service, which is e-Commerce, enabler service that is part of digital marketing and offers integrated marketing solutions such as on-line brand strategy and planning, shop-in-shop management, on-line marketing and omni channel, reach

management, and product information service (Back-end Administration) etc.

6. CONTINUOUS ONLINE MARKETING OF VARIOUS SERVICES

In the past year, the Group has changed the names of its various services with details as set out below.

- iFulfillment for fulfillment service
- iDelivery for first and Last-Mile delivery
- iProject for turnkey integrated logistics services such as equipment installation, improvement of branch offices or storefronts, or one-stop logistics services for a specific business such as hospitals etc.
- iCommerce for assistance to business operators in conducting their business online, e-Commerce and social commerce

The Group aims to carry out a plan for online marketing to continuously reach target customers and promote brand image of various services to reach and expand the customer base to achieve growth and sustainable business.

7. CONTINUOUS IMPROVEMENT OF SERVICE QUALITY

The Group focuses on providing quality services with punctuality and safety. The Group efficiently manages the quality of services, which have been certified with the below standards.

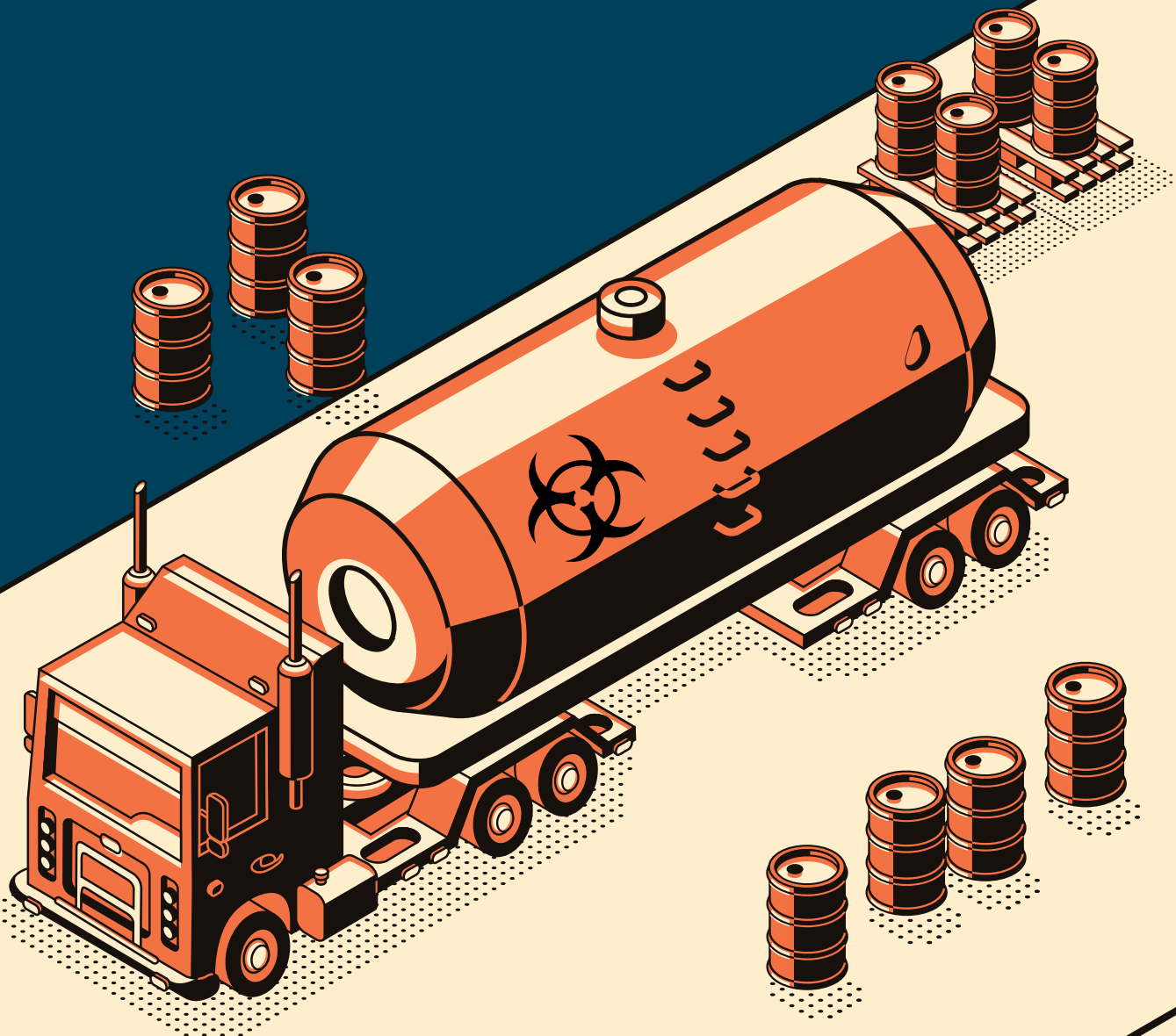
- TLG has received ISO 9001 : 2015 certification for international freight forwarding service since 2016 until present.

8. EXPAND OF CUSTOMER BASE WITH GROWTH POTENTIAL

Domestic warehousing and distribution for the B2B group and fulfillment and last-mile delivery services for the B2C group. The Group continues to focus on expanding the customer base in health and beauty products, dietary supplements, food, medicine and medical supplies, and e-Commerce customers with growth potential.



CHEMICAL AND SPECIALTY LOGISTICS **BUSINESS**



4. CHEMICAL AND SPECIALTY LOGISTICS BUSINESS

4.1 HAZARDOUS AND DANGEROUS GOODS LOGISTICS INTEGRATOR

The Group is a leader in providing end-to-end supply chain and dangerous goods and chemicals logistics integrator with a wide range of services as set out below.

- International freight forwarding services of chemicals and dangerous goods by sea and air according to international dangerous goods logistics regulations by sea and air.
- Chemicals and dangerous goods logistics by tank containers (ISO-Tank Container).
- Customs clearance for imports and exports.
- Warehouse and inventory management services for chemicals and dangerous goods. At present, there is a special warehouse for chemicals and dangerous goods located in the Frasers Logistics Park on Bangna-Trad Road Km. 39, Chachoengsao Province with a total area of 30,000 square meters. The warehouse can support demands for dangerous goods storage, including ambient storage and air-conditioned storage.
- Domestic logistics and distribution services and transport from warehouse to foreign country.
- Training and consultancy services on management of hazardous and dangerous goods.
- In the year 2022, the Group was appointed by Marken Limited, Singapore, a world-class logistics service provider for the pharmaceutical industry to act as a sales representative for temperature-controlled pharmaceutical logistics service provider in Thailand.

4.2 DANGEROUS GOODS PACKAGING SOLUTION PROVIDER

The Group distributes dangerous goods packaging and provides dangerous goods packing services used in air freight in accordance with Dangerous Goods Regulations by Air of the International Civil Aviation Organization (ICAO) and the International Air Transport Association (IATA). The Group has launched the DG-to-GO service to support an urgent loading of dangerous goods on-site, at factory or business premise, to immediately deliver such dangerous goods to the airport.

TARGET CUSTOMERS

Target customers of chemical and dangerous goods logistics can be divided into groups according to service :

1. HAZARDOUS AND DANGEROUS GOODS LOGISTICS INTEGRATOR

Hazardous and dangerous goods logistics integrator focuses on providing integrated services to key target groups, most of whom are in the chemical industry, including manufacturers, importers, distributors, and users of chemicals in production and trade. More than 90% of the Group's customer base is multinational corporations, most of which are companies from Europe, the United States, Japan, Korea, and China. While most companies in Thailand are small companies (SMEs) or distributors.

The Group provides a one-stop service to most of the customers who are multinational corporations. If there is a large volume of work, there will be a bidding to compete for service and a service contract will be signed for a period of 1-3 years, particularly for the area of dangerous goods warehouse and logistics.





2. DANGEROUS GOODS PACKAGING SOLUTION PROVIDER

Another important target customer group is logistics service providers who use dangerous goods packing, declaration, and packaging labeling services in accordance with International Dangerous Goods Regulations by Air of ICAO and IATA. In addition, DGP focuses on serving customers in chemical industry, which focus on delivering samples of newly developed chemicals to new market segments to expand the customer base to a larger and wider market, customers in automotive industry, which focus on using high-quality packaging standards, and customers in pharmaceutical industry, which are increasingly conducting clinical trials to develop new drugs and medicines that support medical needs for the Covid-19 outbreak over the past 2-3 years.

MARKETING STRATEGY

1. ONE-STOP SERVICE FOR CHEMICAL AND SPECIALTY LOGISTICS AND BECOMING A LEADING DISTRIBUTOR OF DANGEROUS GOODS PACKAGING AND PROVIDER OF DANGEROUS GOODS PACKING SERVICE AT REGIONAL AND GLOBAL LEVELS

A key strategy is to provide end-to-end supply chain logistics services for chemicals and dangerous goods (End-to-end Supply Chain and Logistics Dangerous Goods Integrator), which is an integrated and one-stop services, focusing on meeting the needs of customers in the diverse and specialized chemical industry by emphasizing on specialized knowledge and experience.

2. CONTINUOUS AND SUSTAINABLE DEVELOPMENT OF STANDARDS AND INTERNAL WORK PROCESSES OF THE ORGANIZATION

The Group has a mechanism to develop internal service processes to support continuous and systematic total quality control and management. It has also developed the systems to operate in the dimensions of occupational health and safety, environment, security, sustainability, and improvement on service process to cover an integrated quality management system. HLM and DGP have received the below certifications.

- HLM has received ISO 9001 : 2015 certification for quality management system standards since 2011 until present.
- DGP has received ISO 9001 : 2015 certification for quality management system standards since 2019 until present.
- HLM received certification for warehouse services that comply with good hygiene standards in food production or Good Hygiene Practices (GHP) in the year 2022.

HLM is an organization that received the Prime Minister's Export Award (PM Export Award) from the Department of International Trade Promotion and the Thai Chamber of Commerce Business Ethics Standard Test Award from the Thai Chamber of Commerce. HTM also received the quality standards for truck transportation or Q-Mark from the Department of Land Transport, Ministry of Transport.

HLM received a platinum level assessment certificate for establishment of occupational safety and health management system standard, a project for development of business premise according to the occupational safety and health management system standard by the Thailand Institute of Occupational Safety and Health (Public Organization) (T-OSH), Ministry of Labour. The Group continues to focus on the development of excellence in the management

of safety, occupational health, environment, and security by operating the business in accordance with the concept of Responsible Care®. The Group takes responsibilities and promote sustainable development for all dimensions of the business operations.

3. HAVING A CLEAR STRATEGIC STANDPOINT AND KNOWLEDGE AND EXPERTISE IN CHEMICALS AND DANGEROUS GOODS LOGISTICS

The Group has a very clear strategic positioning which is to focus on being a dangerous goods logistics specialist. This communicates in-depth understanding of the services provided by the Group to its main target customers, which are mostly multinational corporations in the chemical industry. The Group emphasizes on important elements of doing business with 3 values :

- 1) Chemical knowledge
- 2) Logistics expertise
- 3) Safety excellence

4. BEING AN IMPORTANT PART IN DRIVING RELATED INDUSTRIES, PROVIDING KNOWLEDGE AND PARTICIPATING IN THE NETWORK OF AGENCIES, AND IMPLEMENTING CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

The Group places importance on participation in the network of agencies, including government sectors, private associations, educational institutions, and societies. It also implements corporate social responsibility activities in order to create a business network and help promote the image of the organization as an organization with continuous technical knowledge and expertise and build confidence for customers who choose to use the service for business sustainability in the long run. The relevant activities include :

- Participating in meetings and giving opinions on policies for the development of strategic plans, regulations, laws, and announcements of government agencies responsible for regulating the chemical and logistics sectors.
- Acting as a specialist, consultant, member of committee and sub-committee, and independent academic to provide comment on research, report, legal framework, and supervisory directions by the government sector towards the operations of related sectors in an integrated manner.
- Holding important positions in associations to significantly drive uplifting of management in industrial sectors such as international freight forwarding and logistics, chemical industry, occupational safety, health and environment management through affiliated agencies and associations.
- Being a lecturer to provide knowledge to government sectors, private organizations, associations, and educational institutions, and society, both domestically and internationally, to promote and raise the level of knowledge of stakeholders in correctly applying the knowledge to business operations and governance in accordance with international management guidelines.

The above factors have created a good corporate image for the Group's business operations, as well as creating credibility and confidence from business operators in logistics and chemical and dangerous goods industry who are increasingly choosing the Group's dangerous goods logistics services.



BUSINESS DEVELOPMENT UNIT

After being listed on the Stock Exchange of Thailand, the Group continuously focuses on business expansion and development of new logistics services, both domestically and regionally. The objectives of this direction are to become a new source of income for the Group and diversify business risks to be consistent with vision and strategies of being a leader in providing integrated logistics services in the region. In the past, the Group has invested in various businesses to expand logistics-related businesses to cover logistics needs in all dimensions, which is a sustainable growth plan under the concept of “Logistics and Beyond”.

1. BUSINESS RELATED TO AIR FREIGHT SERVICES

REGIONAL GENERAL SALES AGENT FOR AIRLINES

- In the year 2019, the Company invested in Around Logistics Management Co., Ltd., Hong Kong, which currently represents more than 20 airlines. Such cooperation has generated good returns to the Group. The Group has, therefore, expanded cooperation with partners to become a leader in GSA for airlines business in the region by restructuring the shareholding of air freight business and having the head office in Thailand under Asia Network International Co., Ltd. (ANI) with a network covering Thailand, China, Hong Kong, Singapore, Vietnam, Myanmar, Malaysia, and Cambodia, each of which is an international production and distribution base. This is to increase business competitiveness.
- In the year 2021, the Group invested in Asia GSA (M) Sdn. Bhd. through ANI and will make additional investments in 2022, which is a significant investment that will make ANI a leading GSA for airlines in the region. It is also an opportunity to expand the network of sales agents for airlines in other regions in the future. At the same time, the Company had restructuring of general sales agent for airlines business. The restructuring includes disposal of all shares in Triple i Cargo Co., Ltd. (TAC)

to Asia Network International Co., Ltd. (ANI) and the company plans to list ANI shares on the Stock Exchange of Thailand.

GROUND AND PASSENGER HANDLING SERVICES

- In the year 2019, the Company invested in SAL Group (Thailand) Co., Ltd. (SAL), a joint venture company with Airports of Thailand Public Company Limited (AOT), which has established AOT Ground Aviation Services Co., Ltd. (AOTGA) to provide ground and passenger services to airlines and air cargo terminal. This is to expand the scope of services and increase the capabilities of the Group's existing warehouse business. Currently, AOTGA provides services at Don Mueang Airport and Phuket International Airport. In the year 2022 AOTGA has introduced cleaning services for 6 airports under AOT's supervision.

2. BUSINESS RELATED TO SEA FREIGHT AND INLAND TRANSPORT

RAIL FREIGHT SERVICE

- In the year 2022, the Company and Sitthi Logistics Laos Co., Ltd. jointly established TSL Logistics Co., Ltd. (TSL) to develop international rail freight service, which connects rail freight service between China-Laos-Thailand.

3. BUSINESS RELATED TO LOGISTICS MANAGEMENT, WAREHOUSE AND DISTRIBUTION SERVICES

DOMESTIC LOGISTICS SERVICE FOR E-COMMERCE BUSINESS

- In the year 2021, the Group focuses on developing the capabilities of logistics services for e-Commerce and social commerce customers by developing a new type of logistics service which is a domestic freight in the form of ‘Super Express’ to meet the upcoming demand for transport of goods that focuses on speed. Therefore, the Group has invested in Makesend Express Co., Ltd. (MAKESEND), which operates a Same-day delivery services.

- In the year 2021, the Company invested in A.T.P. Friend Service Co., Ltd. (SHIPSMILE), which sells franchises to business operators in parcel delivery services, acting as points of collection of domestic parcels for leading parcel delivery companies. The objective of investment is to provide logistics services to e-Commerce and social commerce customers.
- Subsequently in the year 2022, SHIPSMILE has been restructured and become an entity under Sabuy Speed Co., Ltd. (SBS), which is Dropped-off business, acting as points of collection for leading logistics companies such as Orange Express, Thailand Post, NINJA, Lazada express, Shopee Xpress, True e-Logistics, and DHL etc., with more than 18,500 branches nationwide. As a result of such restructuring, SHIPSMILE will have a larger business base and market share and the scope of services will be expanded to become more diverse and comprehensive.

4. BUSINESS RELATED TO CHEMICAL AND SPECIALTY LOGISTICS SERVICES

CHEMICAL AND DANGEROUS GOODS PACKAGING SERVICES

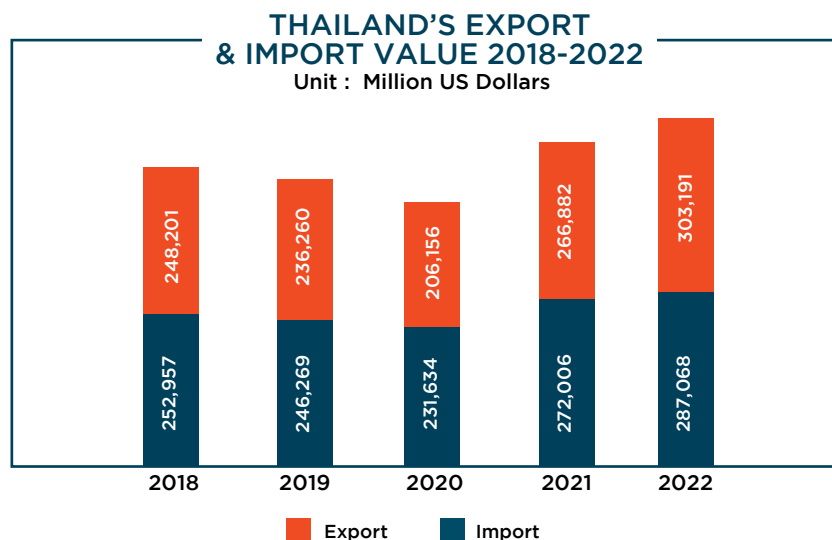
- In the year 2018, the Company invested in DG Packaging Pte., Ltd. (DGPS), Singapore which distributes packaging and provides packing services for chemicals and dangerous goods used in international transportation to the chemical industry around the world. The objective of investment is to expand the scope of chemical and dangerous goods logistics services to the regional level. Such investment is considered complementary to packaging business and logistics for pharmaceutical industry, vaccines, and clinical specimens. In the year 2022, DGPS has started developing an online distribution channel for dangerous goods packaging to reach more diverse and extensive customer groups.





INDUSTRY COMPETITION IN 2022 AND BUSINESS OUTLOOK FOR 2023

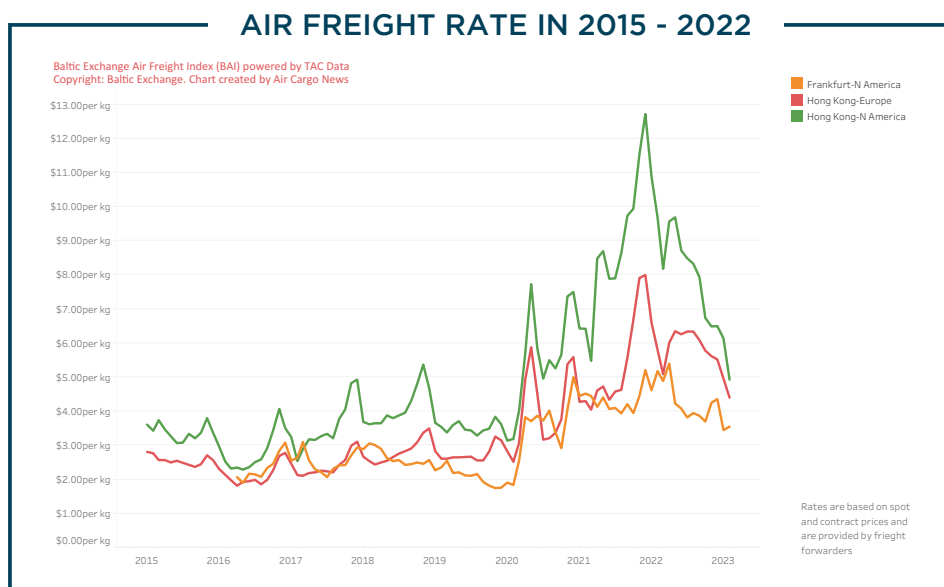
In 2022, Thailand's international trade reached a total value of 590,259 million US dollars, a 9.5% increase from 2021. Thai exports was reportedly 303,191 million US dollars, an increase of 5.5%. During the same period, the imports value totaled US\$ 287,068 million, an increase of 13.6% compared to the previous year. These increases were mainly due to the economic expansion of trading partners as the COVID-19 epidemic situation improved.



Source : Information and Communication Technology Center Office of the Permanent Secretary,
Office of the permanent Secretary Ministry of Commerce

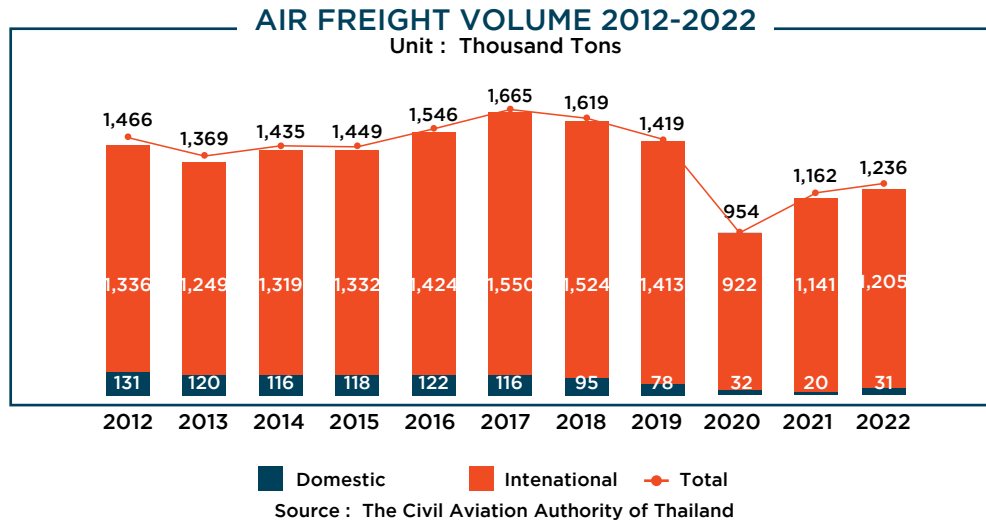
LOGISTIC INDUSTRY COMPETITION IN 2022

1. AIR FREIGHT AND RELATED BUSINESSES



Source : <https://www.aircargonews.net/data-hub/airfreight-rates-tac-index/> and TAC Data

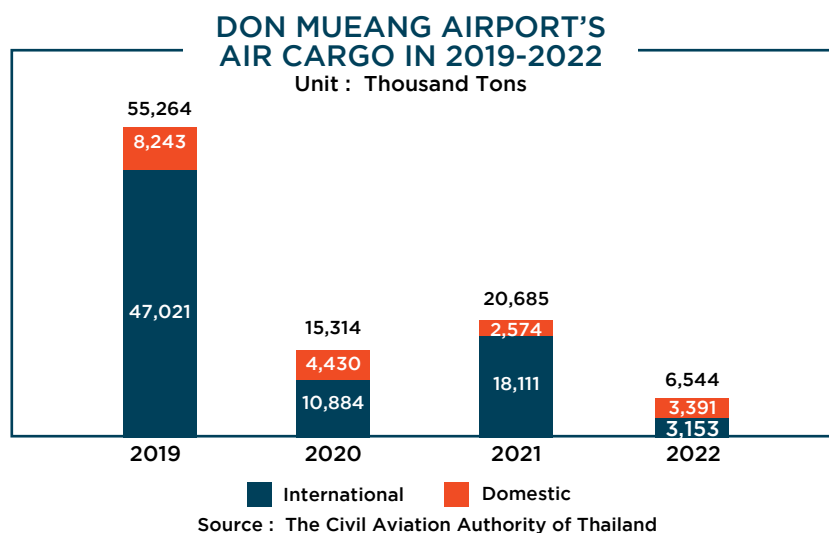
Throughout 2022, air freight rates had been volatile. In the first half of the year, many countries still had strict pandemic control measures due to the ongoing COVID-19. This resulted in limited air transport supply which failed meet cargo demands. As a result, air freight rates remained high during the period. However, the situation began to improve during the second half of the year with Thailand fully opened to international travel in 2022 which experienced gradual increase in air transport supply along with freight capacity. Together with the concerns of economic slowdown, this resulted in downward trend air freight rate.



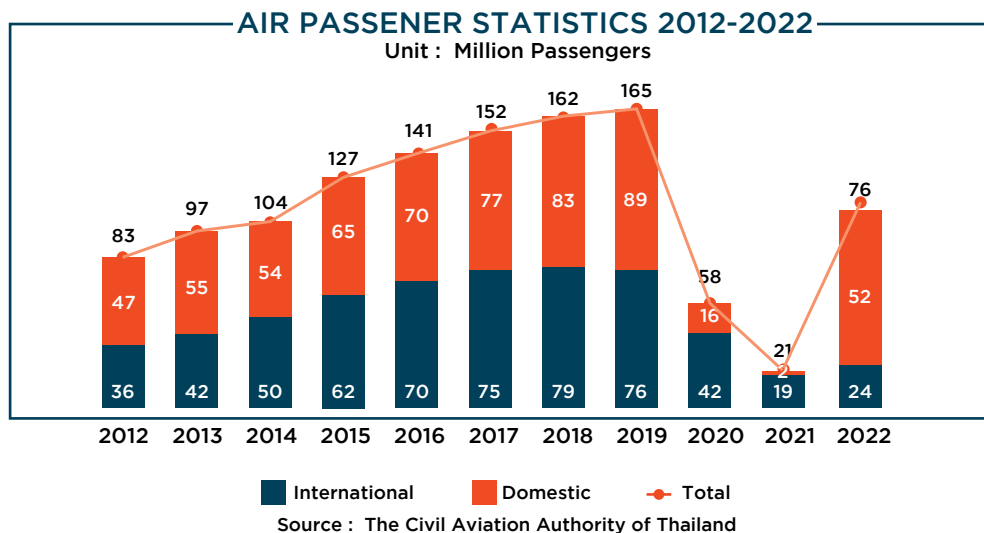
Air freight volume data from 2012 to 2022 showed that the growth rate of air freight in Thailand had been fluctuating. During the period of 2012-2019, the average growth rate of air freight (CAGR) was 0.24% per year under normal circumstances. However, the outbreak of COVID-19 caused airlines around the world to suspend their operations between 2020 until the middle of 2022. As a result, in the year 2022, the air freight volume was 1,236,375 tons, which was an increase of 6.4% from 2021. This increase is divided into international air freight of 1,204,946 tons, an increase of 5.6%, and domestic air freight of 31,429 tons, an increase of 53.5% from the previous year.

It is noteworthy that the volume of air freight both domestically and internationally is on an increasing trend. This growth is due to an increase in cargo capacity following an increase in the number of domestic and international flights, especially as a result of the country's opening-up policy in the second half of the year, which has led to an increase in demand for cargo transportation.

In 2022, the Group handled air cargo of 8,595 tons of air cargo, which is a 37% decrease from the year 2021 with the transport volume of 13,675 tons. This decrease is due to the reduction of the charter flights used by the Group.

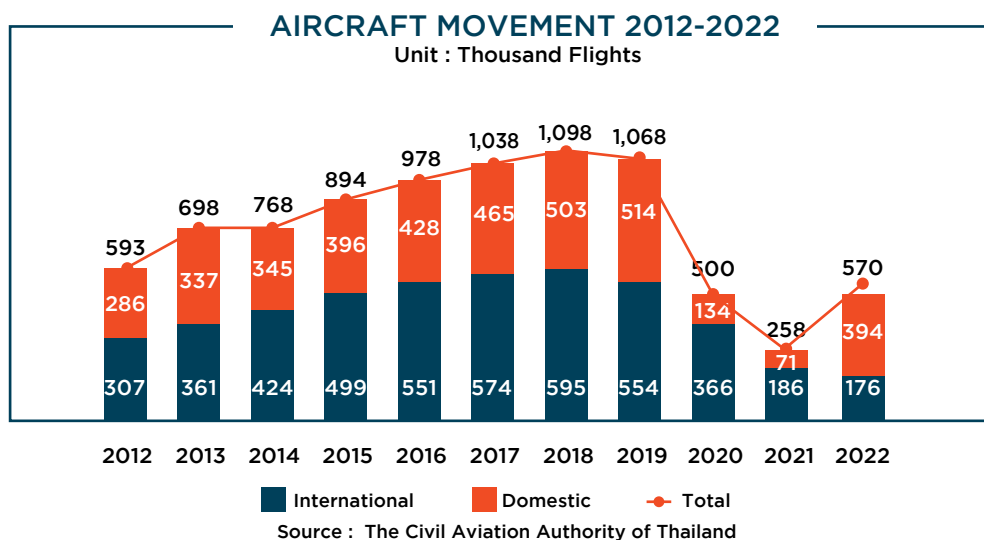


According to the statistics of air cargo handled at Don Mueang Airport from 2020 to 2022, it was observed that air cargo handled has significantly decreased due to the COVID-19 epidemic, resulting in a shortage of cargo capacity. In 2022, Don Mueang Airport handled 6,544 Thousand Tons of air cargo, which was a 68.4% decrease from the previous year. The international freight declined to 3,153 Thousand Tons, which is 82.6% less than that of 2021. This reduction is due to the major airlines moving their international cargo service bases to Suvarnabhumi Airport. However, it was found that domestic air freight was 3,391 Thousand Tons, representing an increase of 31.7% from the previous year. This is due to the recovery of domestic flights, resulting in more air cargo capacity. In 2022, the Group transported 4,434 tons of cargo through Don Mueang Airport, accounting for 67.7% of the total market share of cargo at Don Mueang Airport.



Based on the statistics of the total number of passengers across the country in the pre-epidemic period, it was found that from 2012 to 2019, the overall number of passengers grew steadily, with an average Compound Annual Growth Rate (CAGR) of 10.24% per year. This growth was divided into international passengers, which grew at an average of 9.43% per year, and domestic passengers, which grew at an average of 11.23% per year. However, during 2020-2021, the number of passengers dropped significantly as airlines around the world were unable to operate due to the pandemic.

In the second half of 2022, Thailand opened its borders to international tourists, which has led to the country's aviation and tourism industries beginning their recovery. As a result, the overall number of passengers has increased significantly, with 75.81 million passengers recorded, representing an increase of 262.0% from the previous year. Of these passengers, 24.27 million were international passengers, representing an increase of 1,426.4%, while 51.55 million were domestic passengers, representing an increase of 161.6%. Domestic passengers accounted for 68.0% of the total air passenger, while international passengers accounted for 32.0% of the traffic.

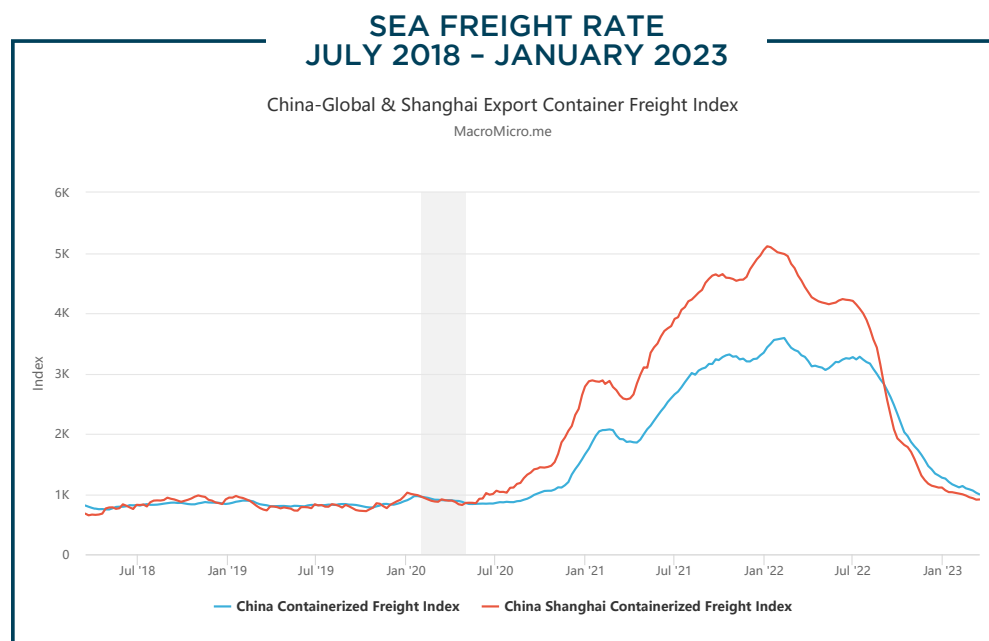


From 2012 to 2019, the overall number of flights in Thailand had a Compound Annual Growth Rate (CAGR) of 8.75% per year, with international flights growing at a rate of 8.73% per year and domestic flights growing at a rate of 8.78% per year. Following the policy to open the country to tourists, there was a significant increase in the number of flights, resulting in a total of 570,360 flights in 2022, a 121.1% increase from the previous year. Of these flights, 176,652 were international flights, representing an increase of 147.1%, while 393,708 were domestic flights, representing an increase of 111.1%. In the second quarter of 2022, the government implemented measures to fully open the country, and with the open-country policy of countries around the world, the volume of domestic and international flights is expected to continue to increase until 2024.

Currently, The Group has been investing in ground handling services for aircraft and passengers' business at Don Mueang Airport and Phuket Airport. In 2022, both airports had a total of 178,152 flights, an increase of 153.1% from the previous year. Of these, 134,455 were international flights, representing an increase of 494.6%, while 43,697 were domestic flights, representing an increase of 113.3%.

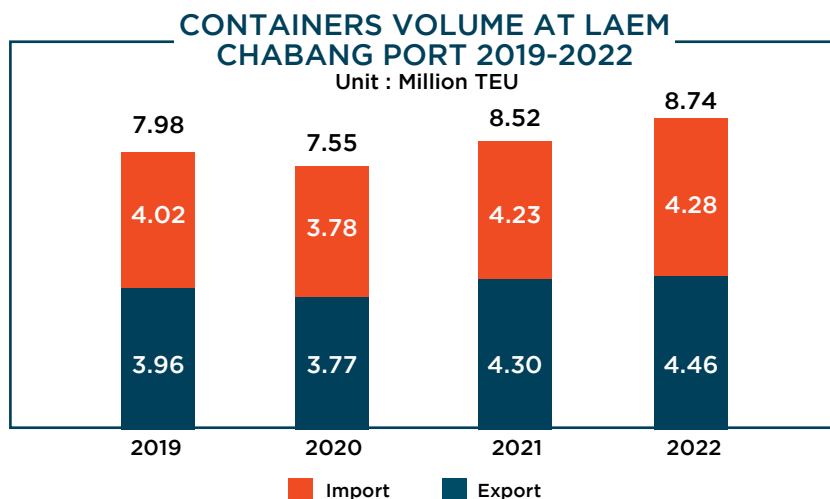
The increasing number of passengers and flights has had a positive effect on the company's investment in ground handling services for aircraft and passengers' business. In 2022, the AOT Ground Aviation Services Company (AOTGA), in which the Company has invested through SAL, generated a net profit of 241.7 million baht, turning from the previous year's operating results loss of 106.5 million baht.

2. SEA FREIGHT BUSINESS



Source : <https://en.macromicro.me/charts/947/commodity-ccfi-scfi>

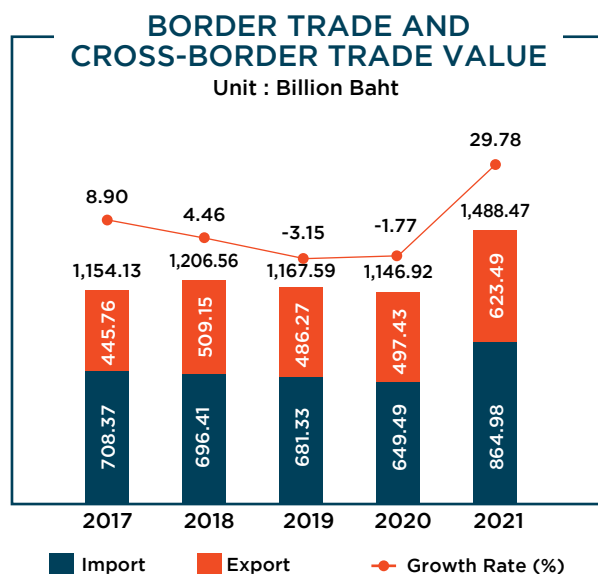
In 2021, there was a severe crisis of container shortage that continued into the first half of 2022. The problem was caused by empty containers left in many major ports, particularly in the US, Europe, and Australia. As a result, freight rates remained high, similar to the rates in 2021. However, in the second half of the year, the container shortage was resolved, leading to supply of sea freight capacity increase. Coupled with concern about the global economic slowdown leading to demand of cargo transportation decrease, that factors resulting sea freight rates decreased to a level similar to before the pandemic.



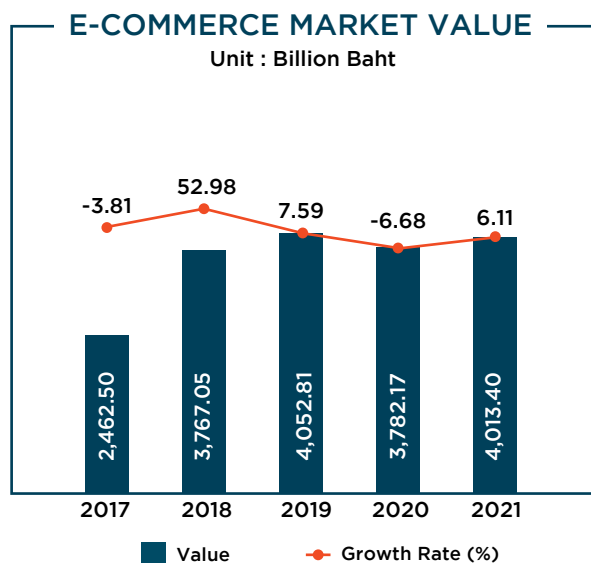
Source : Bangkok Shipowners and Agents Association

The overall volume of sea freight through Laem Chabang Port, the main port for international freight, in 2022 was 8.74 million TEU, which is a 2.6% increase compared to 2021. This increase is due to the economic expansion of major trading partners and the relaxation of epidemic control measures resulting in increased demand for products. As for the Group, the volume of international sea freight was 9,502 TEU, which is a 1.8% increase compared to the previous year.

3. LAND LOGISTICS AND RELATED BUSINESS



Source : Department of Foreign Trade

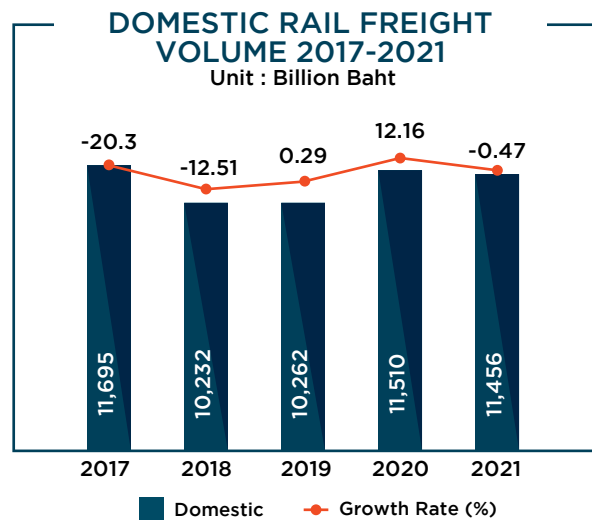


Source : Electronic Transactions Development Agency (ETDA)

The demand for land transport is expected to rise due to increased production volumes and the growth of e-Commerce. The COVID-19 pandemic initially led to a slowdown in production, but demand has since increased, especially for Last-Mile delivery services, as consumers increasingly use online channels to order goods. The value of e-Commerce business in Thailand reached 4,013.40 billion baht in 2021, an increase 3,782.17 billion baht from the previous year which is 6.11%. The relaxation of import-export control measures at border checkpoints also contributed to the expansion of border and cross-border trade, which reached a value of 1,488.47 billion baht in 2021, up 29.78% from 2020.

According to the TTB Economic Analysis Center, the parcel delivery business is expected to continue growing in 2022 as economic activities recover from the pandemic. The market value of the parcel delivery business is estimated to be around 9.6 billion baht as people increasingly purchase products through online channels.

As for The Group's warehouse and distribution businesses, its warehouse and distribution center is currently located at Bangna-Trad km. 19 with a total space of 3,296 square meters which is a strategic location for logistics in Thailand. The facility features a centralized conveyor system, automatic sorting system, and integrated Last-Mile delivery connection service to respond to the continuous growth of online business and e-Commerce.

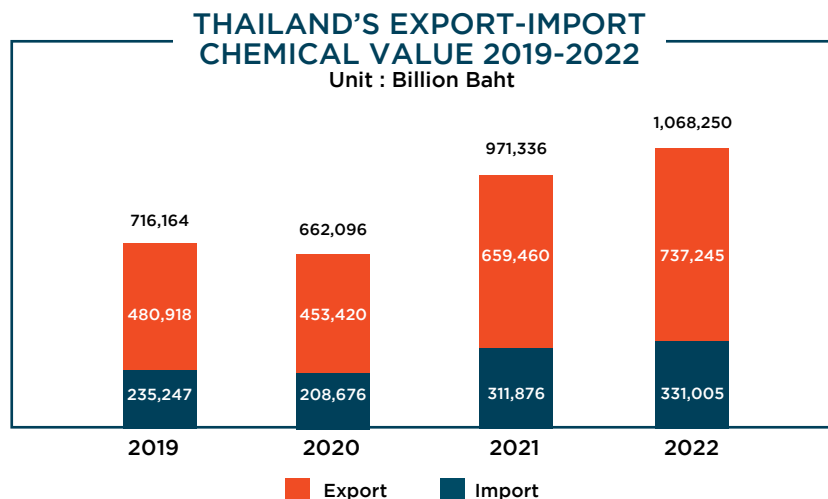


Source : State Railway of Thailand and the Customs Department Processed by Ministry of Transport

In 2021, rail freight transport volume was reportedly 11,456 thousand tons, a slight decrease of 0.47% from 11,510 thousand tons in 2020. The domestic rail freight market remained relatively stable, although there is still a need for further development of rail infrastructure and transportation facilities to support seamless delivery of goods, especially in light of the growth of e-Commerce. trade. Many entrepreneurs have perceived rail transport as being unable to meet the demand for convenient and fast deliveries to consumers. Consequently, the type of goods transported by rail has been limited.

However, the Group has launched a trial domestic rail freight service in 2022 on the Lat Krabang Station - Sa Kosi Narai Station in Ratchaburi province as an alternative option for customers. The Group is also exploring other potential routes to expand the service.

4. CHEMICALS AND DANGEROUS GOODS LOGISTIC BUSINESSES



Source : Center for information technology and communications, Office of the permanent Secretary Ministry of Commerce

The chemical industry has consistently experienced high annual growth rates and is considered the main industry in Thailand's import and export sectors. Being the upstream industry of every industry in the manufacturing sector, the chemical industry has significantly contributed to the country's economy.

According to statistical data, chemicals are one of the most important commodities in Thailand's international trade (flagship products), with a trade value of more than 1,068,250 million baht in 2022, an increase of 10% from the previous year. Chemical exports were worth 737,245 million baht, an increase of 11.8%, while imports were worth 331,005 million baht, a 6.1% increase with chemical products ranked as the 4th largest import products and 8th largest export products of Thailand.

The chemical industry still has a high demand for dangerous goods packaging and related logistics services in 2022, particularly due to the growth of the chemical industry, the recovery of the global automotive industry, and clinical trials for the pharmaceutical industry. This has led to an increase in the volume of commodities and chemicals classified as dangerous goods, thereby increasing the demand for services in this field.

The Group's chemical and dangerous goods logistics business primarily focuses on providing end-to-end logistics solutions and covers a wide range of logistics services for manufacturers, traders, and users of chemicals and dangerous goods, including multinational chemical companies which accounted for 90% of the Group's customers.

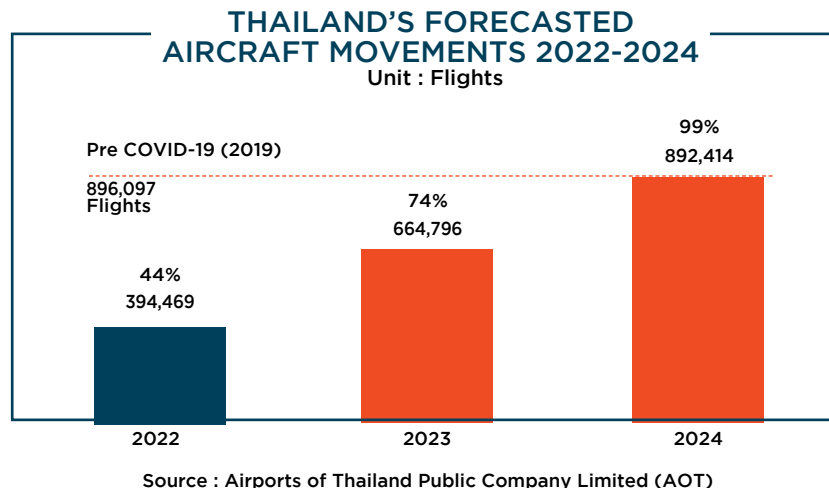
The logistics business for chemicals and dangerous goods is unique in that few competitors in the market can provide end-to-end logistics services currently offered by the Group. Competitors may only provide certain logistics services, or those who provide complete logistics services may lack specific expertise in chemicals and dangerous goods. Moreover, the regulatory context in this industry is more stringent, including legal requirements, safety, occupational health, environment, and security. Therefore, it is crucial to select a logistics service provider that has specific knowledge, capabilities, and can respond well to the needs of the chemical industry, including providing packaging, transportation, storage, and distribution of chemicals and dangerous goods domestically and internationally in compliance with the dangerous goods transportation requirements for all modes of transport (sea, air and land).



BUSINESS TRENDS IN 2023

Thailand's exports in 2023 have potential for growth, especially in the food group, rubber products, electronics, textiles, and other sectors. These industries are expected to drive export growth in the upcoming year. Additionally, opportunities for Thai exports can be found in the Asian, ASEAN, and Middle Eastern markets, which are all important export markets. It is important to monitor the US and European markets, as they may still present opportunities for growth as the economic condition in the two markets are in a downward trend.

1. AIR FREIGHT AND RELATED BUSINESSES



With the COVID-19 epidemic subsiding and the country opening up to tourists, airlines around the world are increasing the number of flight routes and frequencies. Airports of Thailand Public Company Limited estimates that the number of flights in 2023 will recover to 74% of the flight volume in 2019. By 2024, the aviation business is expected to match the pre-pandemic period. This recovery will benefit the air freight business both domestically and internationally, with more routes and freight capacity made available to customers comparing to the previous year. This is also expected to benefit the cargo general sale agent business of the Group. It will also benefit the Group's warehouse business in airports and related logistics along with the Group's joint investments at Don Mueang and Phuket airports' ground handling service will directly benefit from the increase in air transport activities.

2. SEA FREIGHT BUSINESSES

The 2022 Review of Maritime Transport by the United Nations Conference on Trade and Development (UNCTAD) forecasts a potential slowdown in the global maritime transport industry in 2023 due to economic turbulence, the war in Ukraine, and constraints from protracted supply chains, along with economic slowdown and inflation. Global maritime trade is expected to grow at an average of 1.4% between 2022 and 2023, down from a 3.2% growth in 2021, with the total volume of shipments at 11 billion tones, a decrease of 3.8% from 2020.

The National Shippers Council of Thailand (TNSC) forecasts a decrease in the international freight and container situation in 2023, mainly on the main routes of the United States and Europe due to slower demand for imported goods. This situation will lead to a continued downward trend in the freight rate direction in 2023, with competition mainly focused on price competition to increase market share and bargaining power in procuring lower freight costs.

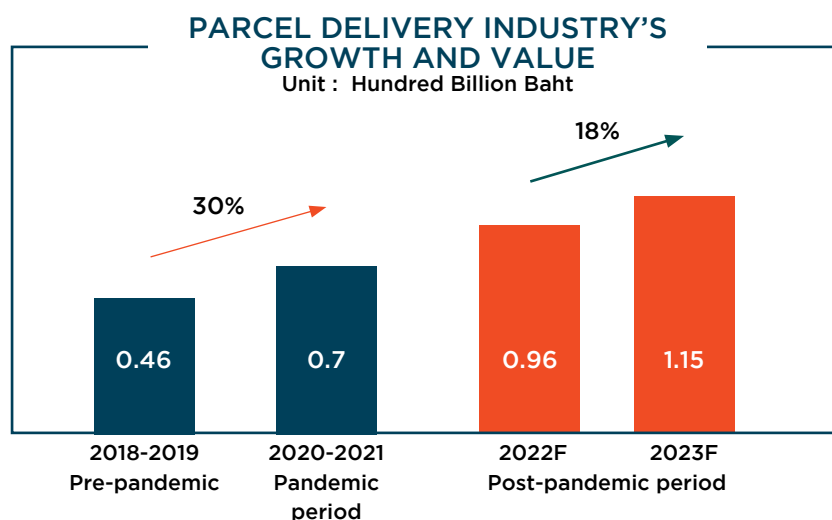
The resolving of the container shortage crisis and the return to the pre-pandemic condition will see the oversupply in the sea freight capacity and container availability. The competition in the market will mainly be on price competition in order to compete for cargo volume to increase market share and bargaining power in procuring lower freight costs.

3. LAND LOGISTICS AND RELATED BUSINESSES

The land logistics business is primarily focused on customers who are importers and exporters of essential consumer products and food. Due to the current global economic situation and the expected slowdown in Thai exports, it is projected that the demand for land transport will decrease in 2023. In response, price competition strategies will become more prevalent. With oil prices stable at more than 30 baht/liter, companies need to focus on expanding new customer groups and using price as a competitive strategy to achieve maximum utilization and reduce overall costs.

Kasikorn Research Center predicts that the e-Commerce market will experience slower growth in 2023, with an expansion of approximately 4-6% reaching a market value of 606,000-618,000 million baht. This is the lowest growth rate compared to the average growth over the past three years, attributed to the essential product group such as fresh food, dry food, beverages, and personal belongings that saw an increase in online spending during the pandemic. Consumers will continue to spend more online due to behavioral changes in the New Normal era. However, fashion, health, and beauty products purchased online may not grow as fast due to limited consumer purchasing power.

Given these conditions, potential e-Commerce entrepreneurs may need to look for new markets and expand their online marketing channels, such as cross-border e-commerce, which can meet the needs of more customers abroad. Major online platform providers have already begun expanding the cross-border e-Commerce market to support SME in expanding their markets abroad.



Source : TTB Bank Research Center

According to TTB Bank Research Center, the parcel delivery business is projected to be valued at 115 billion baht in 2023, a growth rate of 18% due to the expansion of the e-commerce market. However, this growth may not be as high as in the past due to increased competition and customers' increasing choices to buy products from different channels. The Electronic Transactions Development Agency (EDTA) reports that Thailand has had the highest B2C e-Commerce market value in ASEAN over the past 6 years.

Given the pressure of increasing competition, parcel delivery operators need to focus on providing high-quality service standards that create a positive impression on users to encourage repeat business. Additionally, expanding services to niche markets, such as On-Demand Delivery Service and temperature-controlled transportation, can help better meet the diverse needs of customers. Forming partnerships with online department stores and small entrepreneurs can also help expand services to a wider range of customers.

This trend is expected to benefit the Group, in which the Company has invested in SABUY SPEED offers integrated parcel pick-up point services with over 18,500 branches nationwide. The Group also provides temperature-controlled transportation services for general cargo and products that require specialized transportation, such as chemicals products.

4. CHEMICALS AND DANGEROUS GOODS LOGISTICS

The importance of managing chemicals and dangerous goods throughout their lifecycle has significantly increased in recent years, as indicated by data on accidents in various establishments including the government agencies, the chemical industry association and related industries, the private sector, the educational sector, and the stakeholders and other parties. This has led to increased efforts by all stakeholders to improve chemical safety management. The government has enforced rules, regulations and requirements for businesses to comply with international guidelines, and has also established a framework for business operations in chemicals and dangerous goods operations.

The criteria for classification of dangerous goods have changed, leading to an increase in the number of dangerous goods each year, and innovation growth in the use of certain types of dangerous goods in industries such as lithium batteries used in the automotive industry for electric vehicles, which has an exponential growth rate will contributed to the growth of the dangerous goods packaging industry and related logistics.

As a result, many logistics operators are increasingly interested in operating a logistics business for chemicals and dangerous goods, requiring specialized expertise in service work, knowledge and management of safety, occupational health and environment, as well as the ability to adapt to changes in regulations and practices. These factors will be crucial for the industry trend and future competition.





ASSETS OF BUSINESS OPERATION

FIXED ASSETS

As of 31 December 2022, 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 164,252,788 the details are as follows :

Type/Nature of Assets	Net Book Value (Baht)	Type of Ownership	Encumbrances
Consolidated Financial Statements			
Lands	33,432,000	Owner	-
Buildings and Building Improvements	49,932,186	Owner/ Operating Lease	-
Machinery and Equipment	19,078,427	Owner	-
Vehicles and Equipment	13,912,345	Owner	-
Furniture and Fixture	3,733,409	Owner	-
Office Equipment	21,564,357	Owner	-
Construction in progress	22,600,064	Owner	-
Total	164,252,788		

Details of locations and purpose of possession of core assets for operating of business of the Group as of 31 December 2022 are as follows :

1. LANDS AND LAND IMPROVEMENTS

Company	Location	Area	Purpose of Possession	Type of Ownership	Encumbrances
TLG	628 Triple i Building, 3 rd 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. BUILDINGS AND BUILDING IMPROVEMENTS

Company	Location	Area	Purpose of Possession	Type of Ownership	Encumbrances
TLG	628 Triple i Building, 3 rd 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 th 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

3. VEHICLES AND EQUIPMENT

Company	Location	Area	Purpose of Possession	Type of Ownership	Encumbrances
TLG	628, Triple i Building, 3 rd Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok	2 sedan cars	For Business Operation	Owner	None
TAX	Cargo Terminal, Suvarnabhumi - Don Mueang Airport	6 5	Freight Services	Owner	None
TAX	Cargo Terminal, Suvarnabhumi - Don Mueang Airport	4 2	Freight Services	Owner	None
HLM	628, Triple i Building, 4 th Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok	1	For Business Operation	Owner	None
TMA	628, Triple i Building, 2 nd Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok	2	For Business Operation	Owner	None
TMA	280 Moo.6 Phuchaosamingprai Road, Samrong-Tai, Prapadaeng District, Samutprakarn Province	8	For Business Operation	Owner	None
TMA	280 Moo.6 Phuchaosamingprai Road, Samrong-Tai, Prapadaeng District, Samutprakarn Province	13	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, 2022, the Group had the insurance coverage amount under such insurances of Baht 2,638.00 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	176.0
TAX	Transportation Specialist Legal Liability Insurance Policy	1. Cargo Liability	TAX	20 per time
		2. Customs Liability	TAX	2 per time
		3. Third-party Liability	TAX	20 per time
		4. Errors and Omissions	TAX	4 per time
AGS TAX	Industrial All Risks Insurance	1. International Cargo and Domestic Cargo, Don Mueang Airport Liability	AGS TAX	6 per time
		2. Building Liability		
		3. Cargo Liability		
		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

Company	Type of Insurance	Insured Assets	Beneficiary	Insurance Coverage (Million Baht)
HLM	Transportation Specialist Legal Liability Insurance Policy	1. Cargo Liability	HLM	10 per time
		2. Customs 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. Customs 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 consists 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 2022, there was a total of 3 meetings of the Investment Committee and all members participated all meetings. The Investment Committee performed its duties as stipulated in the Investment Committee Charter. The key performances of duties include :

1. The committee reviewed the shareholding structure in the drop-off business by disposing shares in A.T.P. Friend Services Co., Ltd. (SHIPSMILE).
2. The committee reviewed the restructuring of the general sales agent for airlines business and related acquisitions to prepare Asia Network International Co., Ltd. (ANI) for listing on the Stock Exchange of Thailand.
3. The Investment Committee has followed up on the results of the projects invested by the Company, both domestically and internationally and gave recommendations on the Company's business development and investments.
4. The committee reviewed the Investment Committee Charter for the year 2022 to be presented at the Board of Directors' meeting.

At every meeting, the Investment Committee reviewed the feasibility of investment project and discussed, provided comments and opinions which were beneficial to the Company, covering investment structure, cash flow structure, advantages and disadvantages of each investment, and value and return on investment of each project, in line with the strategic direction and investment direction of the organization. The committee also considered the Company's financial impact, project risks, key legal issues, and compatibility in doing business with business partners and reported such considerations to the Board of Directors.

Mr. Woodtipong Moleechad
Chairman of the Investment Committee



RISK MANAGEMENT SUB-COMMITTEE REPORT

Triple i Logistics Public Company Limited values corporate risk management. The Risk Management Sub-Committee has a role to play in determining, reviewing the enterprise-wide risk management policy, supervising and monitoring risk management plans, as well as encouraging cooperation in risk management at all levels of the organization to ensure that the Group has complete risk management in all main activities which are in line with the strategic direction and goals of the risk management plan in order to 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 :

Name	Position	Meeting Attendance
1. 1. Mr. Viraj Nobnomtham	Chairman Member of the Risk Management Sub-Committee	4/4
2. Mr. Thanut Thatayanon	Member of the Risk Management Sub-Committee	4/4
3. Mr. Chalernsak Karnchanawarin	Member of the Risk Management Sub-Committee	4/4
4. Mrs. Darunee Rakpongpi boon	Member of the Risk Management Sub-Committee	4/4
5. Ms. Wiyada Sa-arj*	Member of the Risk Management Sub-Committee	3/3

Remark : * Ms. Wiyada Sa-arj was appointed on 14 February 2022 in place of Mr. Teeranit Isarangkul.

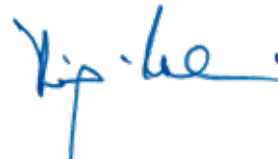
In 2022, the Risk Management Sub-committee has performed its duties as assigned by the Board of Director and in accordance with the Risk Management Charter. The substances are summarized as follows :

1. Consider the risk factors affecting the achievement of the organization's strategic goals by carefully considering the risks, which covers the 5 key risks of the Company's operations : namely (1) Strategic Risk (2) Financial Risk (3) Organization and Operation Risk (4) Technology Risk (5) External Risk. The evaluation of crucial organizational risks and its impact of the operations has been conducted by the Risk Management Sub-Committee.

In the year 2022, following the Company's participation in the Thai Private Sector Collective Action Against Corruption (CAC), the Risk Management Sub-Committee reviewed organizational and operational risks and recommended to include operational risks that may lead to corruption as one of the main risks of the business to allow key departments of the core businesses to conduct corruption risk assessment at least once a year.

2. Consider the emerging risks that can significantly impact on the Company's goals or operation in the future. The Risk Management Sub-Committee has considered the following risk aspects as below :
 - 2.1 Cyber Security Risk : as the reliance on technology and digital operation across business sectors has been on the rise, the Company has increasingly been aware of cyber threats that can affect the Company's operation. As such, the Company has implemented the security measures and network systems for data security to ensure the capabilities and readiness to counter cyber threats (Cyber Resilience Capabilities). Moreover, the Company has devised Business Continuity Plans (BCP) to ensure the uninterrupted operation amid crisis or emergency regarding information technology.

- 2.2 Personal Data Protection Risk : The Company complies with the PDPA (Personal Data Protection Act, B.E. 2562 (2019)). The Company is fully aware and respects the importance of personal data. Living up to the trust of users, the Company has implemented the Personal Data Policy to clarify the details and supervise the collection, usage or disclosure of data access, transfer of data, and analysis of personal data to the related parties such as customers, suppliers, and associates. In addition, the Company has appointed a Data Protection Officer to supervise the operations to ensure that the Company's operations are in accordance with the law.
- 2.3 ESG Risk : The Company focused on the management of environmental, social and governance (ESG risks), which may have many factors and causes, such as climate change, human rights issues and regulatory compliance. The company is committed and aware of the risks from changing in laws, regulations, requirements related to safety, health and environmental management by monitoring various issues that may cause risks and impacts on its operations.
3. Consider the revision of Risk Management Sub-Committee Charter and proposed to the Management Committee for approval.
4. Report risk management results to the Management Committee, the Audit Committee and the Board of Directors.



Mr. Viraj Nobnomtham
Chairman of the
Risk Management Sub-Committee



RISK MANAGEMENT SUB-COMMITTEE REPORT

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 2022, 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 Sub-Risk Management 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 2022, 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, Singapore, Malaysia, 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.

In 2022, after the Covid-19 pandemic situation has been resolved, the freight charges for both air freight and sea freight have been dropped periodically from the earlier that they have been increased significantly during the Covid-19, and

the freight charge has tended to adjust to a normal level. Thus, the Group has planned and adjusted ourselves to in line with the current situation by managing the risk from the reduction of freight charges and closely monitoring the freight charges and it has also focused on expanding new customers in sector that their products are less affected by the economic slowdown such as foods, fruits, etc., in order to increase the volume of goods transportation to compensate the freight charges that have decreased, 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.

In 2021, the Group has established a new business unit, namely the Business Development Business Unit of which the new business unit will be responsible for investment plans in various related businesses to diversify investment risks and respond to rapidly changing situations and industry conditions. During the year 2022, the Group through this new business unit, has resolved to enter into the collaboration arrangement with Sitthi Logistics Laos Co., Ltd. (Sitthi) to jointly develop business as an international rail freight forwarder, which will be part of enhancing business growth in the form of Beyond Traditional Logistics Service according to the vision of the Group and the Group has cooperated with Sabuy Technology Public Company Limited in restructuring the drop-off business to expand the business and strengthen the network by restructuring Shipsmile under Sabuy Speed Company Limited (SBS) of which SBS is a domestic parcel delivery service provider consisting of 7 brands of convenience delivery companies and more than 18,500 branches covering the country. The Group has completed the restructuring of shareholding of the air freight business group and is preparing to bring ANI to raise funds on the Stock Exchange of Thailand, which is expected to be completed by 2023.

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 2022, the Group incurred payment for damages to its customers in the amount of Baht 0.91 million or representing 0.03% 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, and Asia GSA (M) Sdn. Bhd. of the air freight business group which represents airlines in many countries such as China, Vietnam, Hong Kong, Singapore, Malaysia, Myanmar, Cambodia, and Thailand, which is in the process of preparing to be listed on the Stock Exchange of Thailand on behalf of ANI.

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.

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 2021 - 2022, the Group's revenues from services in foreign currencies accounted for 25.8% and 16.3% 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 2022 consolidated financial statements has a slight foreign exchange loss of Baht 5.1 million.

MANAGEMENT RISK

Risk of major shareholders having influence over determination of policies and business operations. As of 31 December 2022, the executives and management committee of the Group held shares of 45.03% 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 10 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.

2.3 RISKS RELATED TO FUTURE BUSINESS OPERATIONS (EMERGING RISK)

ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS (ESG RISK)

Nowadays, the world has focused on the management of environmental, social and governance (ESG risks), which may have many factors and causes, such as climate change, human rights issues and regulatory compliance, etc. Therefore, the Group as a one of the business organizations that prioritize environmental, social and governance management, which is committed and aware of the risks from change in laws, regulations, requirements related to safety, health and environmental management by monitoring various issues that may cause risks and impacts on its operations.

In order to reduce the impact of its operations on the environment, the Group plans to reduce the consumption of energy and utilities, reduce the amount of waste, and promote nature conservation and energy conservation activities for efficient use of resources. In the year 2021 and continues to the present The Group has initiated a reduction in energy consumption and air pollution by its associate company, Makesend, a same-day delivery service provider has promoted a clean energy and reduced service costs and planned to expand activities that can assist the environment

management, including installing charging stations for electric vehicles, using clean energy vehicles and transportation services that help reduce greenhouse gas emissions by encouraging all sectors of the Group to comply with this measure as well.

As for the social risks, the Group has always been aware of and given importance to employees, who are the Group's key assets and core values, with fair welfare and have make plans for employees' opportunities and career path. In addition, the Group is also aware of the fair treatment of partners as well to strengthen the sustainability and continuity of business operations and for governance risks, the Group has adhered to the good corporate governance principles for the operations including transparency, participation, or accountability, to reduce the risk of misconduct or conflicts of interest both at the corporate and social levels.

RISK FROM THE COVID-19 PANDEMIC SITUATION AND EMERGING DISEASES

During the year 2020 to 2021, it was the challenging years for doing business due to the Covid-19 pandemic that affected the economy and society around the world resulting in the impact to the Group, business partners and customers' productivities and increasing the limitations in doing business in overall. However, the Board of Directors and executives of the Group had risk management of the situation by closely monitoring the situation as well as providing measures such as Business Continuity Plan (BCP), including various measures as follows :

- 1) Measures supporting the hygiene of employees and customers by requiring employees to work at home and encourage online meetings.
- 2) Strict hygiene measure, such as all employees and visitors, must wear a mask, screening of employees, customers and visitors before entering the office building, work areas or to use the service in the area, providing alcohol gel services at various points and social distancing measure in all areas, including cleaning the central area such as canteen, toilet, elevators on a regularly basis to prevent infection.

GEOPOLITICAL TENSIONS

The Group has considered the preparation of the business continuity plan to address the geopolitical tensions for the Russian-Ukraine War or the conflict between China and the United States and has developed business collaboration with its business partners to build confidence in providing effective services throughout the business value chain.

RISK OF CLIMATE CHANGE, NATURAL DISASTERS AND OTHER UNFORESEEN EVENTS

The Group has considered the preparation of the business continuity plan to address natural disasters and other unforeseen events by considering assessing business impacts from climate change and creating a plan to reduce the impact and to develop to reduce the impact of climate change.

RISK OF CYBER SECURITY AND VIOLATION OF PRIVACY DATA

The Group has considered the improvement of cyber security measures and violation of privacy data to meet the international standards and in accordance with the applicable laws.

RISK OF ADVANCED TECHNOLOGY DEVELOPMENT

The Group has increased its investment in technology and artificial intelligence systems to increase efficiency and reduce business costs, including the development of employees in the field of knowledge and technology related to business in order to create value for employees and reduce the cost of business in the future.

RISK OF CHANGES IN CUSTOMER BEHAVIOUR

The Group regularly conducts the monitoring, assessing, and ensuring the market demand and trends to adjust business strategies and its services to meet the change in customers' needs to be able to maintain competitiveness.



Driving Business for Sustainability



Sustainability Management Policy and Goals

Triple i Logistics Public Company Limited (the Company) and its subsidiaries and associated companies (the Group) realizes the importance of good corporate governance and one of the Group's important goals is to strive for sustainable development of the organization. Therefore, the Company has established a sustainable development policy in accordance with Environment, Social, and Governance (ESG) as guidelines for business operations. The Company also strengthens its structure and management system to grow and develop into a stable and sustainable organization that covers all aspects including economic, social, and environmental aspects.

In addition, the Company has established sustainability management goals to be consistent with the direction of business operations and corporate strategies and in compliance with the laws and regulations relating to sustainability issues in 3 aspects, namely economic and corporate governance, social, and environmental aspects. The goals are consistent with the

Sustainable Development Goals (SDGs) of the United Nations (please refer to the full version of Sustainable Development Policy at <https://investor.iii-logistics.com/en/home> under the topic of Corporate Governance).

Sustainability Management Goals

The Company has applied the concept of sustainable organizational development into the heart of the operation process and integrated operational plans for connection to create a balance in the dimensions of economy, society, and environment throughout the business value chain to achieve sustainable development, which will bring maximum benefits to all groups of stakeholders. The Group has strategies for sustainable organizational development, creating values in the business value chain, and for increasing business competitiveness in 3 areas : environmental development, social development, and economic and good governance development. In the year 2022, the Company has established a framework for sustainable development of the organization to drive the business for sustainability by the year 2027. There are 3 strategies under the framework :

- **Economic strategy :** Continuous development and improvement of the business to keep pace with global changes (Megatrend) and respond to business changes (Business Resilience), consisting of the following important development issues :
 - o Creating business opportunities for sustainable growth and adjusting business strategies to be in line with megatrends (Business Development and Resilience)
 - o Development of innovation and creation of technology for efficient services that are responsive to customers' needs (Innovation and Operational Excellence) with implementation of internationally recognized standards
 - o Building confidence and satisfaction by delivering valued products and services to customers (Customer and Product Stewardship)
 - o Supply chain management and development of capability and efficiency in business operations in the long run (Supply Chain Management)
 - o Enterprise risk management
 - o Creating values and culture of the organization according to the principles of good corporate governance (Corporate Governance)
- **Social Strategy :** The Group's actions in developing new skills and enhancing competencies and skills of human resources. The Group is ready to create engagement with its stakeholders (People Excellence).
 - o Creating an environment for good quality of life (Employee Management)
 - o Promoting and improving human resource competencies and skills (Employee Development)
 - o Creating workflows and delivery of products and services with safety awareness (Occupational Health and Safety)
 - o Promoting participation with all sectors in caring for the community and society (Community Engagement)
- **Environmental Strategy :** The Group's operations deliver valued products and services based on the optimum use of resources (Value Consumption). The strategy consists of the following important development issues :
 - o Reducing greenhouse gas emissions (GHG Emission)
 - o Energy conservation in buildings (Energy Management)
 - o Environmental Management
 - Water Management
 - Waste Management
 - o Supervision and monitoring of legal compliance throughout the business value chain (ESG Compliance)

In the year 2022, the Group organized a corporate sustainability development course, which emphasized on building a foundation for understanding sustainability within the organization and workshop activities on the topic "Strategies and sustainable organizational development at the executive level" and "Preparation of sustainability reports at the operational level" according to the Global Reporting Initiative (GRI Standard 2021), including building understanding of sustainable development according to the UN SDG.



Sustainability strategies of Triple i Logistics

**Business Resilience**

Develop and improve the business to keep up with the changing world (Mega Trend)

Value Consumption

Be aware of the cost-effective use of resources and maximize benefits

People Excellence

Raise work competency and skills of human resources and create engagement with stakeholders

Sustainable development issues of Triple i Logistics

Business Development

Create business opportunities for sustainable growth, while adjusting business strategies to cope with Mega Trend

Innovation and Operational Excellence

Seeking technology and innovation to enhance business competitiveness

Supply Chain Management

Efficient and effective supply chain management

Customer and Product Stewardship

Build confidence and satisfaction by delivering valued products and services to customers

Enterprise Risk Management

Manage corporate risks in all dimensions to create business continuity

Corporate Governance

Create and cultivate corporate culture based on good corporate governance principles

GHG Emission

Reduce emissions of greenhouse gas generated from business operations

Energy Management

Increase the efficiency of energy conservation

Environmental Management

Manage the environment and utilize resources efficiently towards becoming a green office

ESG Compliance

Supervise and monitor legal compliance throughout the business value chain

Employee Management

Raise work competency and skills of human resources and create engagement with stakeholders

Employee Development

Human resource management to strive for excellence

Occupational Health and Safety

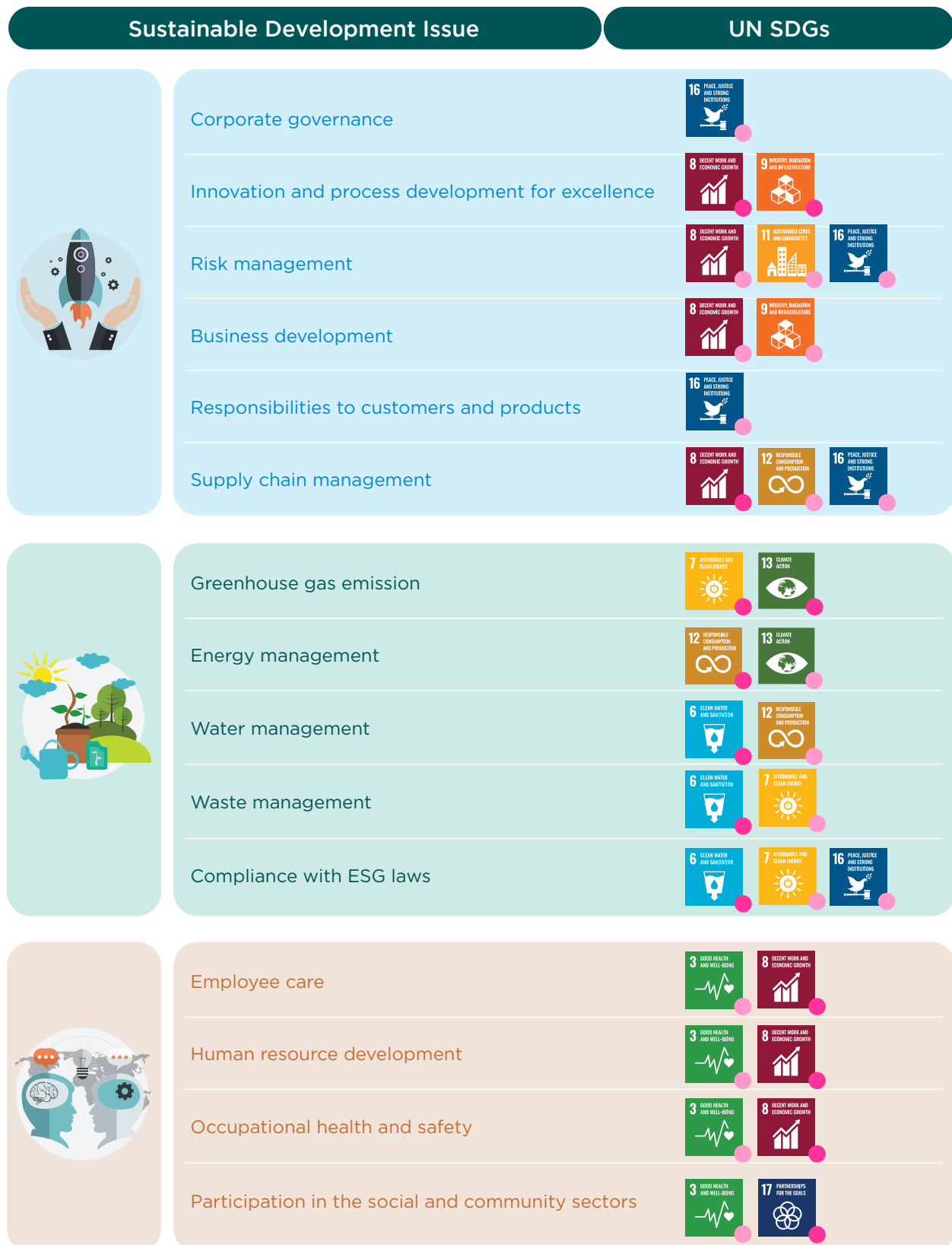
Create work processes with safety awareness

Community Engagement

Promote participation with all sectors in caring for the community and society




Connections between sustainable development issues of Triple i Logistics and UN SDGs





● = Direct impact

● = Indirect impact

Triple i Logistics and Sustainable Development Goals

Sustainability Strategy	ESG Development Issue	Organizational Indicators	
		Qualitative	Quantitative
 Business Resilience Develop and improve the business to keep up with the changing world (Mega Trend)	Business development	Economic value from business development	<ul style="list-style-type: none"> The Company's market value in the year 2024 of not less than Baht 20,000 million
	Innovation and workflow excellence	Monetary value from innovation and process improvement	<ul style="list-style-type: none"> Investment in innovations that promote the development of work processes to be more efficient, increasing by approximately Baht 3 million/year during 2023-2025.
	Supply chain management	Proportion of coverage in supply chain management	<ul style="list-style-type: none"> Supplier risk assessment process with significant ESG risk of 100% in the year 2027 Supplier due diligence with significant ESG risk of 100% in the year 2027 Upgrading supplier with significant ESG risk of 100% in the year 2027
	Responsibilities to customers and products	The percentage of customer satisfaction with the Company's products and services	<ul style="list-style-type: none"> Customer satisfaction level with products and services at 95% within the year 2027
	Creating economic value for stakeholders	Monetary value of income distribution among stakeholders	<ul style="list-style-type: none"> Dividend payment ratio from net profit of not less than 40% in every operating year The proportion of distribution of economic value to stakeholders is not less than 25% of the revenue in the year 2027 (calculated from dividends, expenses to suppliers and contractors (excluding main suppliers), employee wages, finance cost to financial institutions, expenses paid to the government, and investment in community and social development).
	Good corporate governance and business ethics	Proportion of coverage of good corporate governance and business ethics	<ul style="list-style-type: none"> Good corporate governance rating at Level 5 The number of significant complaints regarding corporate governance is zero. Certification of the Thai private sector's participation in the fight against corruption Certified as Thailand Sustainability Investment THSI (SET)
	Risk management	Coverage ratio of the ESG risk management system	<ul style="list-style-type: none"> Implementation of ESG risk management system covering 100% of the Group
	Business continuity management	Proportion of business continuity management within the organization	<ul style="list-style-type: none"> Number of training sessions for corporate-level business continuity plan of 1 time per year

Sustainability Strategy	ESG Development Issue	Organizational Indicators	
		Qualitative	Quantitative
 <p>Value Consumption Be aware of cost-effective use of resources and maximize benefits</p>	Greenhouse gas	Proportion of corporate greenhouse gas emissions	<ul style="list-style-type: none"> 5% reduction in corporate greenhouse gas emissions by the year 2027 compared to the year 2022 as the base year
	Energy management	Proportion of coverage of the energy management system	<ul style="list-style-type: none"> 5% reduction in corporate energy usage by the year 2027 compared to the year 2022 as the base year
	Environmental management	Proportion of coverage of the environmental management system	<ul style="list-style-type: none"> Green office certification at excellent level in the year 2027
	Compliance with the laws related to society, environment, and corporate governance	Events of non-compliance with laws and regulations in social, environmental and governance areas	<ul style="list-style-type: none"> The number of incidents of non-compliance with laws and regulations in social, environmental and governance areas is zero
 <p>People Excellence Improve work competency and skills of human resources and create engagement with stakeholders</p>	Employee care	Quality of life of employees in the organization	<ul style="list-style-type: none"> Employee engagement level of more than 70% by the year 2027 Zero significant human rights and equality complaints Turnover rate must be less than 8% by the year 2027
	Human resource development	Quality of skill development of employees in the organization	<ul style="list-style-type: none"> The number of training hours of employees is at least 40 hours per person/year by the year 2027.
	Occupational health and safety in the workplace	Proportion of coverage of occupational health and safety system in the workplace	<ul style="list-style-type: none"> Occupational health and safety system covers all units in every group of companies. Frequency of lost time injuries among employees and contractors is zero.
	Participation in the community and social activities	Participation in the community and social activities project	<ul style="list-style-type: none"> Number of social activities 10 projects/year

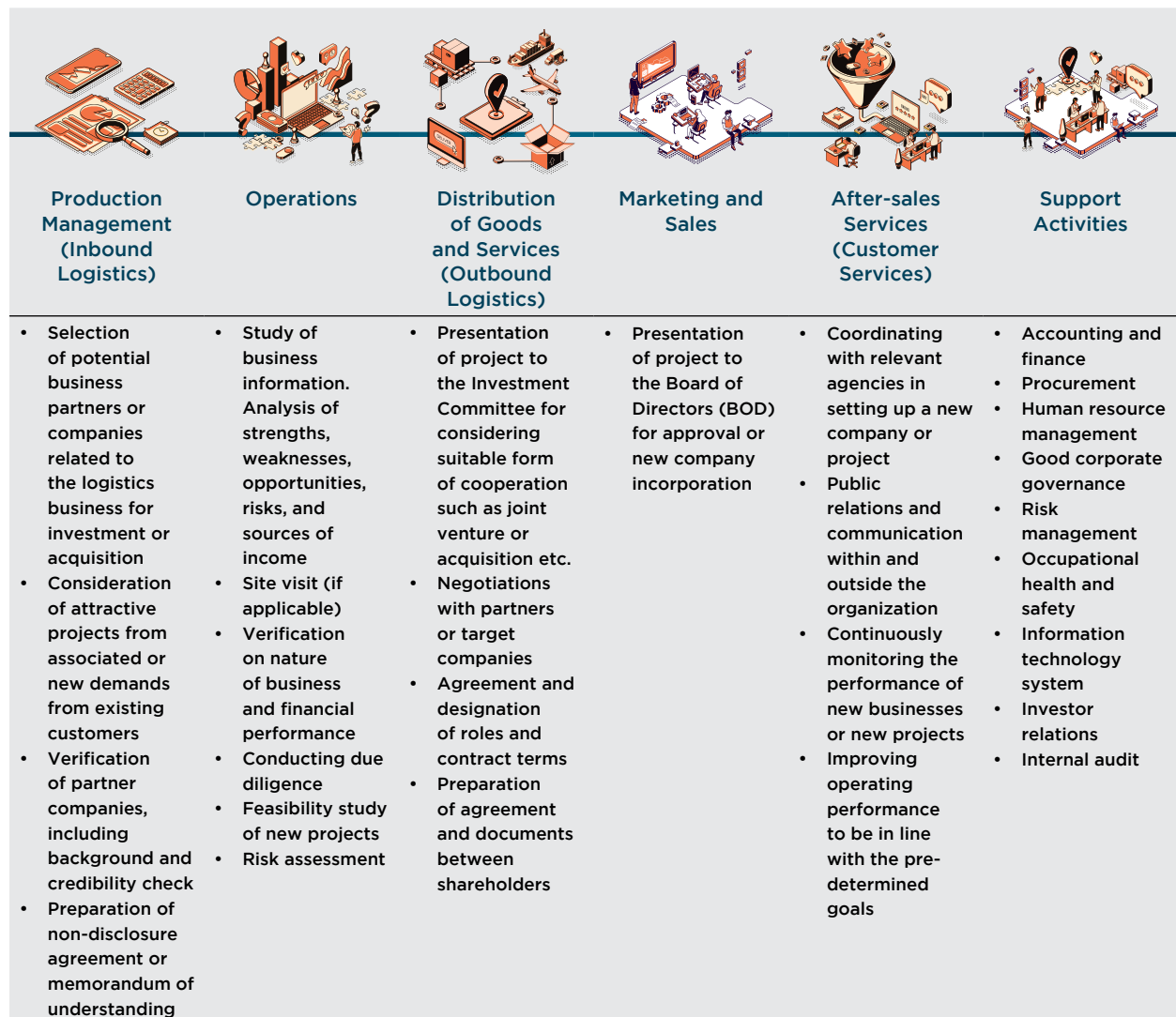
MANAGING THE IMPACT ON STAKEHOLDERS IN THE VALUE CHAIN

VALUE CHAIN

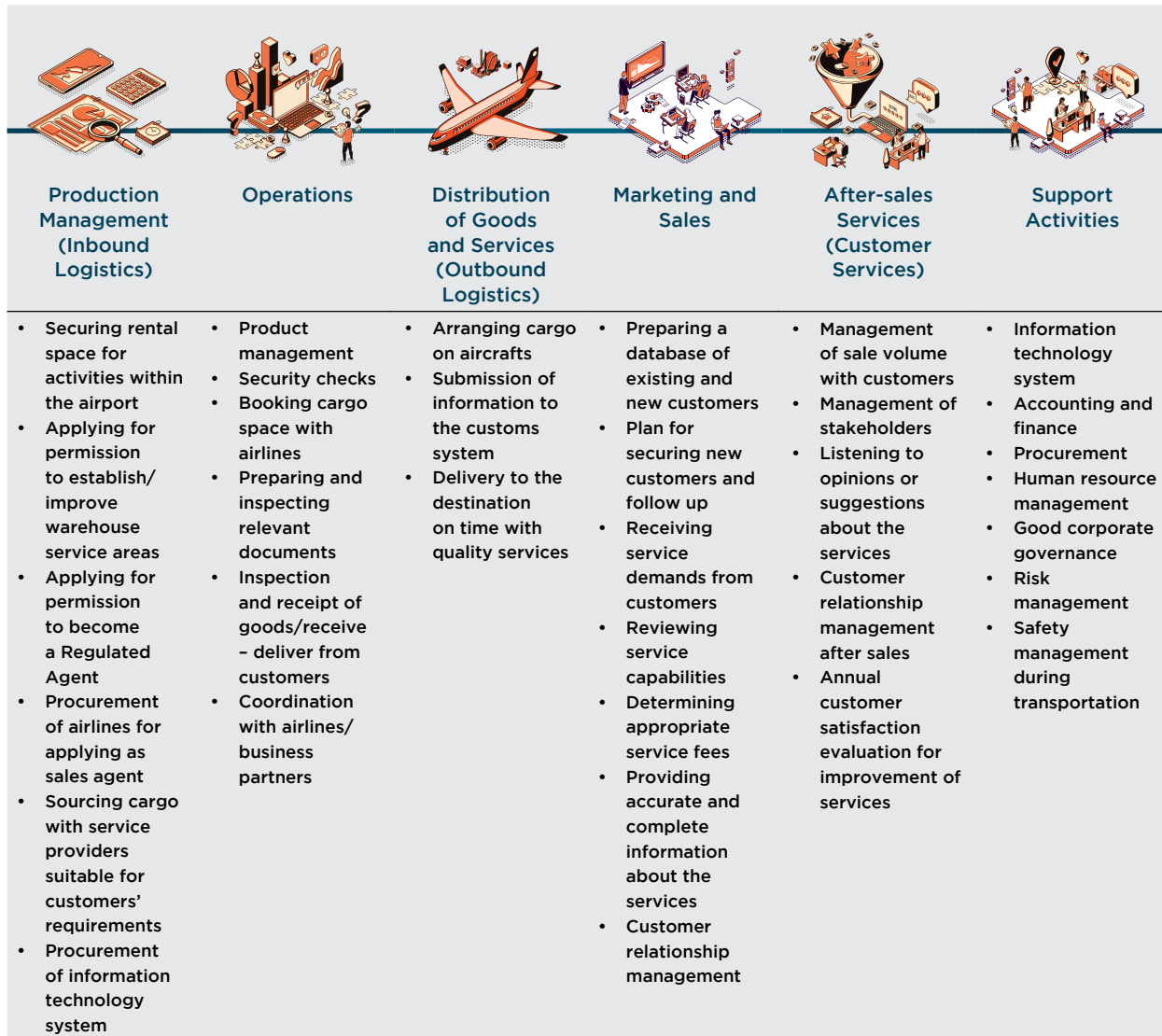
Triple i Logistics Public Company Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) realize the importance of relationship of stakeholders, that is important in activities relating to upstream to downstream business operations. The Group is committed to creating value for products and services to meet expectations of all stakeholders. In this regard, the Group has established guidelines for managing the impact on stakeholders in the value chain to achieve sustainable development and create balance in economic, social, and environmental aspects throughout the supply chain and bring maximum benefits to all groups of stakeholders.

The Group operates its business by giving importance to the participation of stakeholders, as well as managing the sustainability of activities throughout the value chain. The activities are classified into 2 main activities, namely primary activities and support activities. The value chain has been analyzed and classified into 6 groups :

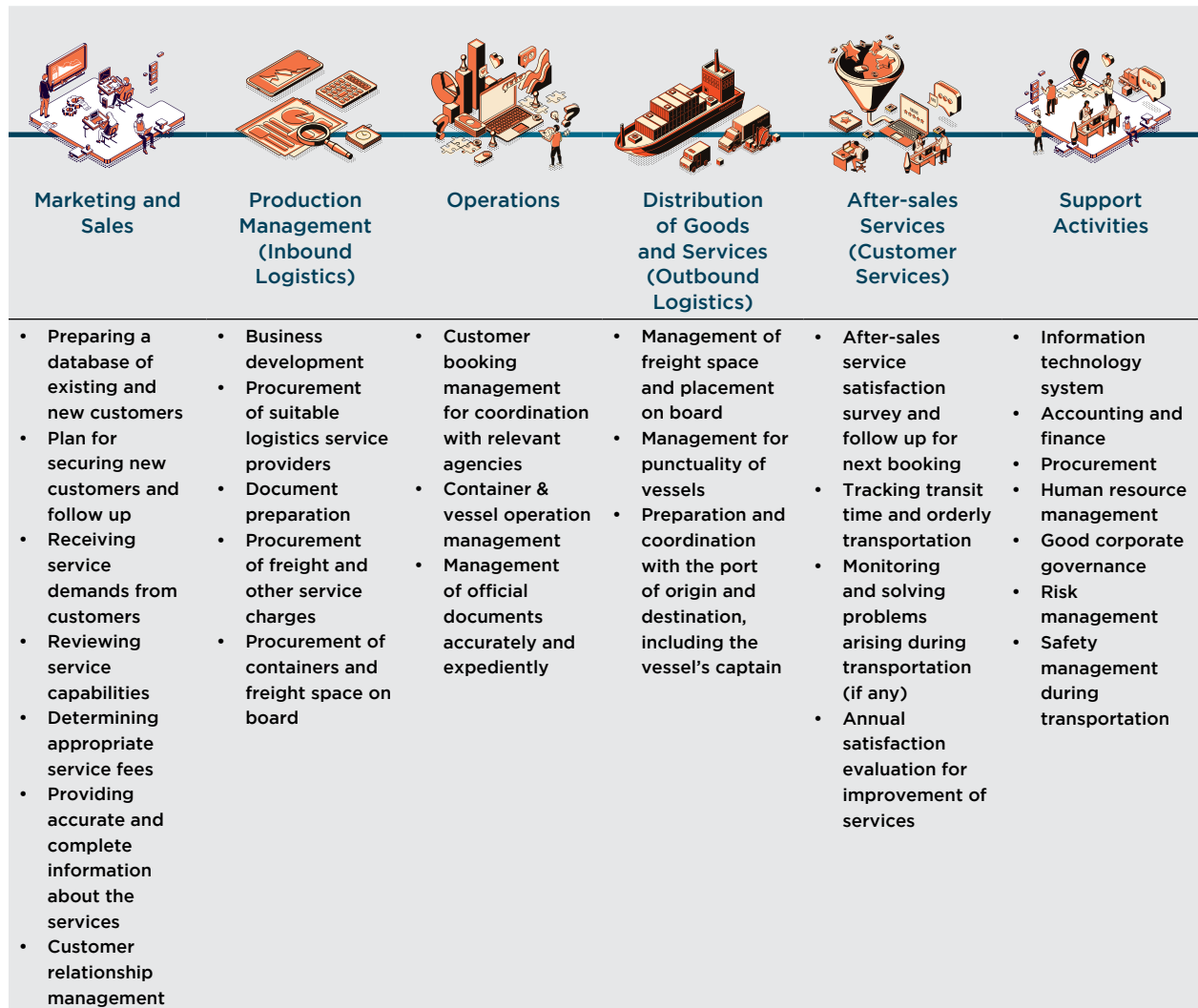
1. Value Chain of Triple i Logistics Public Company Limited (Holding Company)



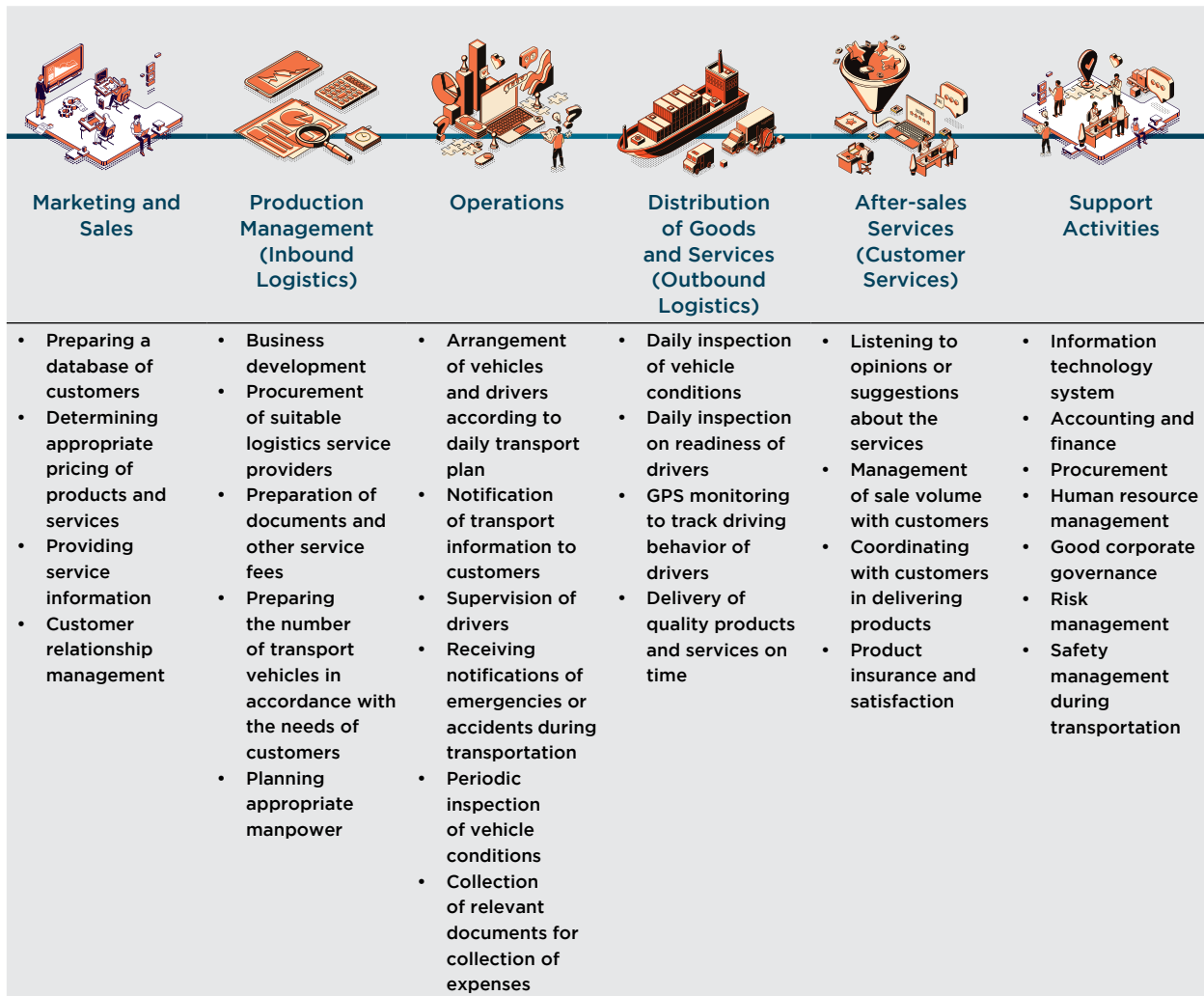
2. Value Chain of Air Freight Business



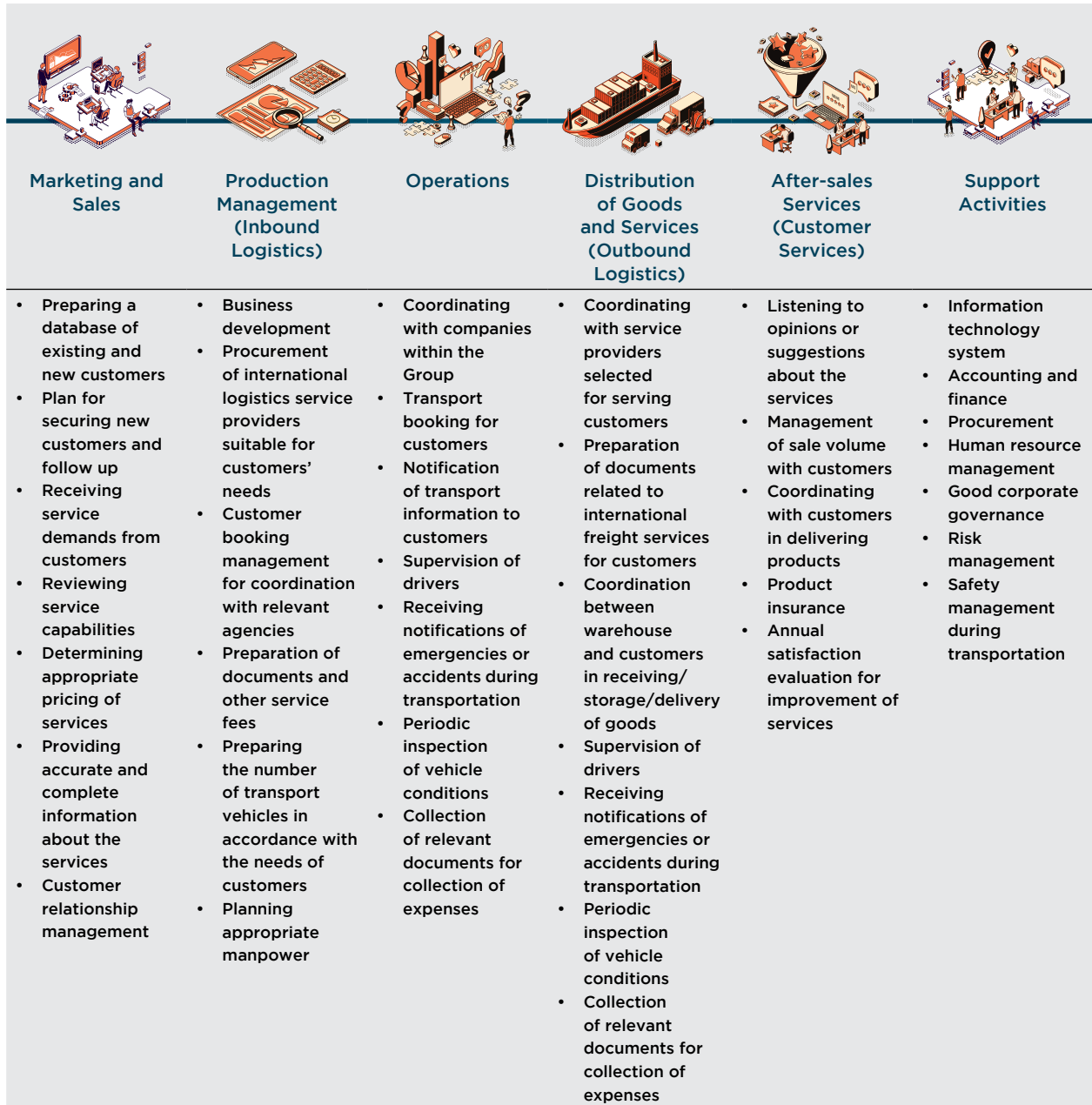
3. Value Chain of Sea Freight Business



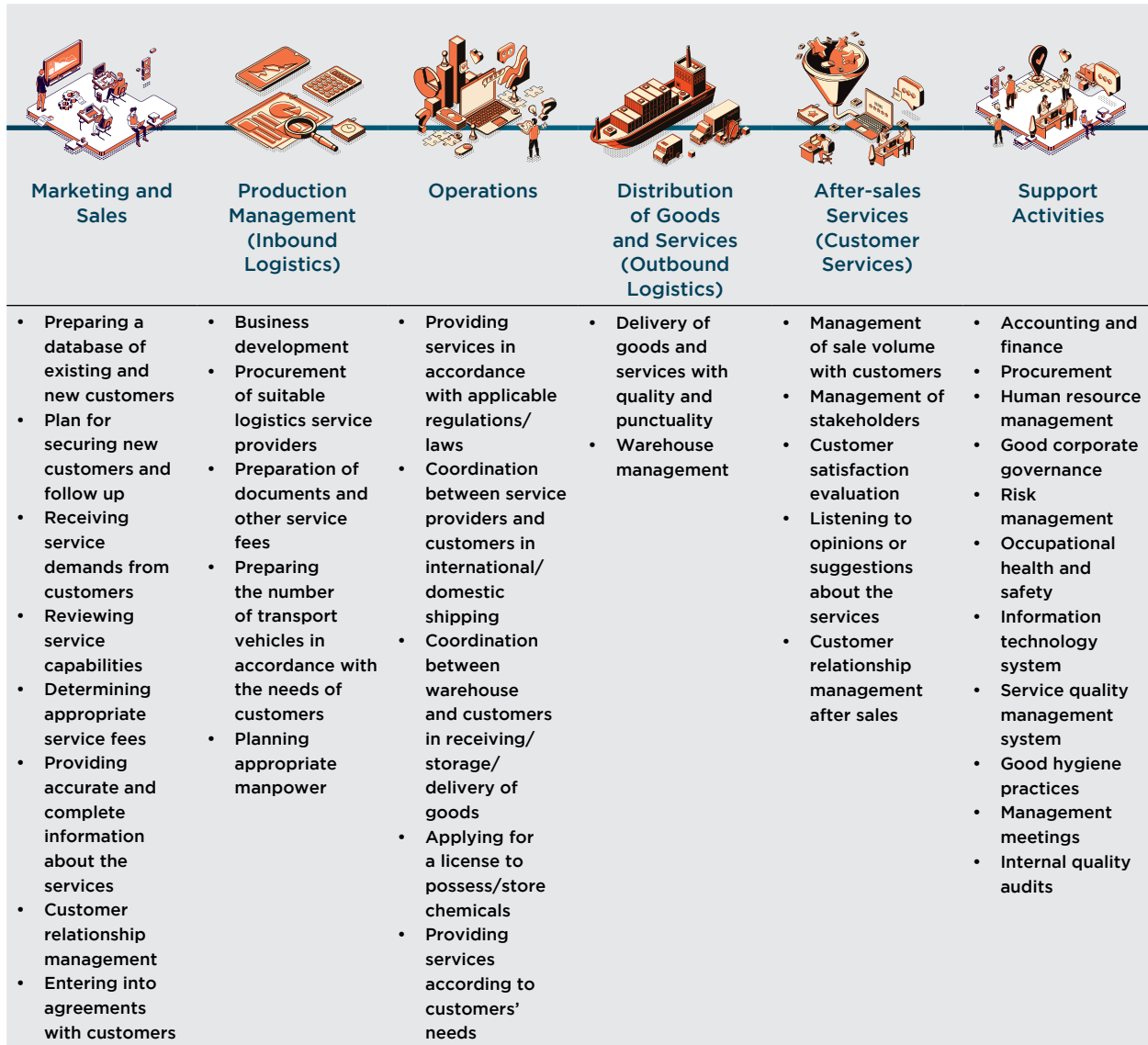
4. Value Chain of Inland Transport Business



5. Value Chain of Logistics Management Business



6. Value Chain of Chemical and Specialty Logistics Business



STAKEHOLDER ANALYSIS IN THE VALUE CHAIN

Triple i Logistics Public Company Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) has established a Management Framework : Stakeholder Analysis by considering guidelines set forth in the GRI Standard 2021. Each department is responsible for analyzing stakeholders involved in their own operations and value chain of the Group. The analysis results obtained from each department are analyzed to classify each group of stakeholders.

STAKEHOLDER ANALYSIS PROCESS

IDENTIFICATION OF STAKEHOLDERS

Based on the relationship involved in the Group's value chain

IDENTIFICATION OF ORDER OF THE COMPANY'S IMPACT TO STAKEHOLDERS

Evaluation from impacts and opportunities that occur in economic, social, and environmental aspects

IDENTIFICATION OF DEGREE OF INFLUENCE OF STAKEHOLDERS ON THE GROUP

Evaluation of degree of influence from other factors such as operations, rules and regulations, and reputation

GROUPING OF STAKEHOLDERS









Stakeholders are classified according to the level of impact on the Group, stakeholders, and the level of influence they have on the Group



STAKEHOLDER PRIORITIZATION

Identification of appropriate participation approach for each stakeholder group such as interview or workshop etc.

In the year 2022, the Group has classified stakeholders into 10 groups, namely employees, customers, suppliers, communities, shareholders, business partners, creditors, government agencies and state enterprises, media and competitors, the details of which are as set out below.

GUIDELINES FOR DEALING WITH STAKEHOLDERS

Stakeholder	Participation channels	Issues that are important to stakeholders	Related sustainable development issues
1. Employees 	<ul style="list-style-type: none"> Internal communications Monthly staff meetings Online communication and e-mail Human resources meeting of the Group Annual employee engagement survey Provision of channels for receipt of complaints 	<ul style="list-style-type: none"> Business directions Operating performance of the Company Business ethics of the Company Quality of life of employees Appropriate compensation, welfare, and benefits Good working environment Development of employees' capabilities 	<ul style="list-style-type: none"> Corporate governance Business ethics Anti-corruption Innovation and product development Employee care Human resource development Occupational health and safety in the workplace
2. Customers 	<ul style="list-style-type: none"> Annual customer satisfaction survey Organizing customer relations/marketing activities Visit and meeting with customers Online/e-mail communications 	<ul style="list-style-type: none"> Risk and crisis management Customer relationship management Environmental management Responding to customers' complaints 	<ul style="list-style-type: none"> Responsibility towards customers and products Innovation and product development Greenhouse gas Environmental management such as water, energy, and waste Compliance with the laws
3. Suppliers 	<ul style="list-style-type: none"> Online/e-mail communications Visit and meeting Channels for receipt of recommendations or complaints 	<ul style="list-style-type: none"> Corporate governance Business ethics Equality in doing business Transparent and fair procurement process 	<ul style="list-style-type: none"> Supply chain management Corporate governance Anti-corruption Human rights Occupational health and safety in the workplace Compliance with the laws
4. Communities 	<ul style="list-style-type: none"> Organizing community relations activities Communication via online media/e-mail Other communication channels to receive advice or complaints 	<ul style="list-style-type: none"> Good relationship with the community Compliance with social and environmental laws Improving quality of life of the community and society Creating a network to jointly develop community and society 	<ul style="list-style-type: none"> Community involvement Social activities Compliance with the laws
5. Shareholders 	<ul style="list-style-type: none"> Annual general meeting of shareholders Communication via online media/e-mail 	<ul style="list-style-type: none"> Business growth Continuous business development Innovation and technology development Risk management 	<ul style="list-style-type: none"> Corporate governance Economic value creation Risk management and business continuity management Compliance with the laws
6. Business partners 	<ul style="list-style-type: none"> Meetings with business partners/investors Communication via online media/e-mail Disclosure or reporting as required 	<ul style="list-style-type: none"> Fair and transparent business operations Cooperation in business development Continuous development of new businesses Innovation and technology development 	<ul style="list-style-type: none"> Business ethics Economic value creation Risk management Business continuity management Innovation and product development
7. Creditors 	<ul style="list-style-type: none"> Meeting with creditors Company visits Communication via online media/e-mail 	<ul style="list-style-type: none"> Compliance with terms and conditions of loans and debentures Risk management 	<ul style="list-style-type: none"> Business ethics Economic value creation Risk management and business continuity management
8. Government agencies and state enterprises 	<ul style="list-style-type: none"> Co-sponsoring projects organized by the public sector Participation in working groups of government agencies Company visits Disclosure or reporting as required 	<ul style="list-style-type: none"> Compliance with relevant laws and regulations Disclosure of information with transparency Creating economic value 	<ul style="list-style-type: none"> Community involvement Social activities Compliance with the laws Corporate governance Anti-corruption

Stakeholder	Participation channels	Issues that are important to stakeholders	Related sustainable development issues
9. Media 	<ul style="list-style-type: none"> Public relations/press releases Exclusive interviews as requested by the media Disclosure or reporting as required 	<ul style="list-style-type: none"> Receiving complete, accurate, and timely information Disclosure of true and accurate information Good media practices 	<ul style="list-style-type: none"> Corporate governance Anti-corruption Community involvement Social activities
10. Competitors 	<ul style="list-style-type: none"> Meetings at various organizations involved in the industry Working together as a network according to government policies 	<ul style="list-style-type: none"> Fair competition Compliance with the laws 	<ul style="list-style-type: none"> Corporate governance Challenges and opportunities Business ethics Anti-corruption

ASSESSMENT OF MATERIAL SUSTAINABILITY DEVELOPMENT ISSUES

Issues critical to sustainability are assessed to prioritize according to a management framework based on Global Reporting Initiative (GRI) Standards, considering the impact on Triple i Logistics Public Company Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) and the impact on stakeholders, which covers economic, environmental, and social issues in which stakeholders are interested and have expectations. The assessment results of material sustainability development issues are reviewed and approved by the Corporate Governance Committee on an annual basis.

ASSESSMENT PROCEDURES OF MATERIAL ISSUES

1. IDENTIFICATION OF MATERIAL ISSUES OF STAKEHOLDERS AND ORGANIZATIONS

The Group collects material issues from both internal and external stakeholders through appropriate channels for each group of stakeholders such as meetings, questionnaires, engagement surveys etc. In addition, the Group has summarized issues that are important to business operations from the opinions of the Board of Directors and management of the Group in the meetings, such as corporate risks, as well as opportunities and challenges that have both positive and negative impacts on the Group’s business such as the trend of changing global and regional economy etc.

2. CLASSIFICATION OF MATERIAL ISSUES

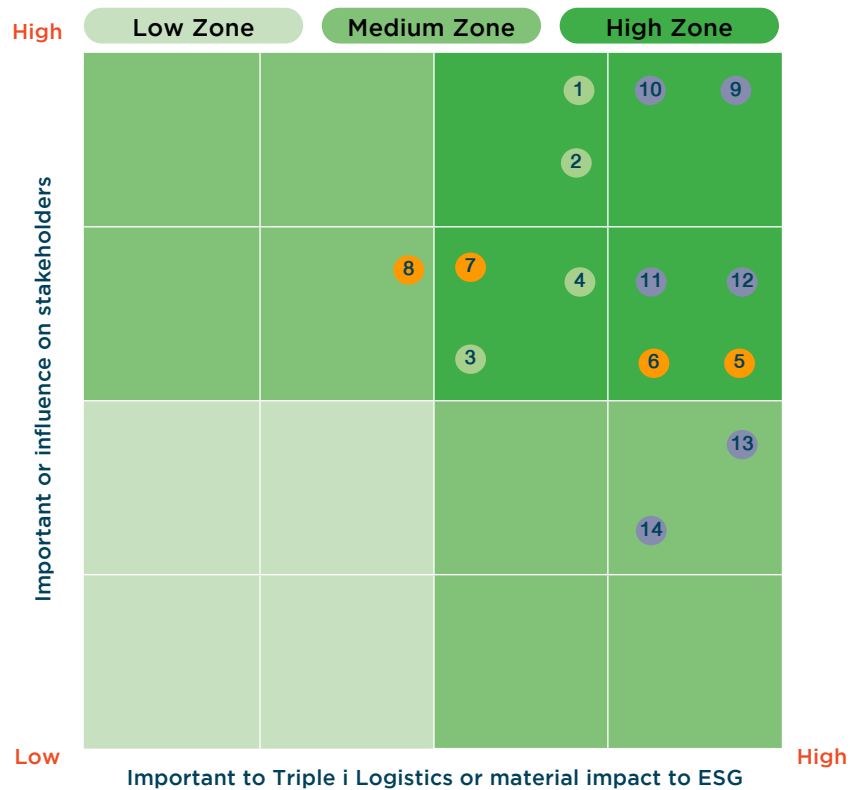
The Management Committee, executives, employees, and corporate sustainability consultants work together to group and prioritize the sustainability issues of the Group. The factors for consideration are the level of impact of the Group’s operations on the economy, society and environment and the level of influence on the assessment and decision making of stakeholders on various issues with reference to Global Reporting Initiative Standards (GRI standards 2021). Issues are defined in the Materiality Matrix (X-axis), which shows the impact of the Group’s operations on the economy society and environments and Issues are defined in the Materiality Matrix (Y-axis), which shows the level of influence that affects the assessment and decision-making of stakeholder groups.

The year 2022 was the first year in which the Group identified and prioritized sustainability issues based on the Group’s sustainable organizational development framework and GRI Standards 2021 to obtain accurate and clear material sustainability issues. There were a total of 14 material issues.

3. VERIFICATION OF MATERIAL ISSUES

The Management Committee, executives, employees, and corporate sustainability development consultants jointly consider and agree on material sustainability issues and prioritize material issues and have established guidelines for stakeholders’ responses in various issues and assigned relevant agencies to take further actions. The assessment indicators have been determined for performance assessment, which are linked to performance assessment of relevant executives and employees.

MATERIALITY MATRIX OF THE GROUP FOR THE YEAR 2022 - 2025



Triple i Logistics Materiality 2022-2025



<div>E</div> <div>Environment</div>	<div>S</div> <div>Social</div>	<div>G</div> <div>Governance</div>
Value Consumption	People Excellence	Business Resilience
1. GHG Emission 2. Energy Management 3. Environmental Management 4. ESG Compliance	5. Employee Management 6. Employee Development 7. Occupational Health and Safety 8. Community Engagement	9. Business Development 10. Innovation and Operational Excellence 11. Supply Chain Management 12. Customer and Product Stewardship 13. Enterprise Risk Management 14. Corporate Governance

ENVIRONMENTAL SUSTAINABILITY MANAGEMENT

ENVIRONMENTAL POLICY AND GUIDELINES

In order to achieve business goals and in accordance with the business strategy for sustainable growth with the concept of “Logistics and Beyond” that focuses on strengthening the existing business group by expanding the customer base and business alliances to increase competitiveness including creating new sources of revenues through the extension of related businesses both domestically and internationally to cover future logistics needs in all dimensions.

The Group has established the Group’s environmental policies and practices in line with the Sustainable Development Policy that focuses on the Group’s process of delivering the value of products and services basis of resource utilization for maximum benefit (Value Consumption) in environmental management, including Greenhouse Gas Emission Reduction (GHG Emission) Energy Conservation in Buildings (Energy Management), Conservation of Water Resources (Water Management), Waste Management at the source according to the 3Rs (Waste Management) and supervising and monitoring legal compliance throughout the business value chain (ESG Compliance), as well as engaging with other sectors of society in organizing activities to maintain and improve the quality of the environment.

The Group therefore has established guidelines for resource utilization and environmental management as follows :

- Manage the use of resources in all work processes for maximum efficiency by reducing environmental impacts in every step of the business value chain.
- Take care, protect and conserve the environment surrounding the work area in accordance with the law, including compliance with national and international standards, criteria and certification.
- Define objectives, targets and action plans that focus on promoting resource efficiency and maximizing the benefits of the Group’s operations.
- Manage the environment arising from the Group’s operations as required by law.
- Manage waste according to the 3Rs principles, namely reduce, reuse, and recycling to reduce waste generation and environmental impact.
- Comply with laws related to energy, environment and climate management and continuously improve performance and energy consumption in line with best practices.
- Raise awareness and corporate culture in protecting and maintain the quality of the environment for employees and stakeholders of the organization.
- Communicate, disseminate and publicize the Group’s environmental policies and practices to employees and stakeholders of the organization through various activities of the Group.
- Prepare a report summarizing the implementation of the Company’s environmental policies and practices and disclose information to stakeholders annually.

In 2022, the Group has organized workshops on environmental management for employees to be able to work in accordance with the Group's sustainability policies and practices, including the Group's sustainable development strategy and framework, business value chain analysis, stakeholder group analysis, key sustainable development issues analysis, and setting sustainable development goals both qualitatively and quantitatively in economic dimensions and good corporate governance, environment and social dimensions. In addition, the Group also provides training on environmental management knowledge, including compliance with environmental laws related to the Company's business operations, energy management, basic knowledge of greenhouse gases, water resource management, waste management in offices and warehouses according to the 3Rs, etc. The goals and indicators for environmental management of the Group are as follows :

Sustainable development issues and environmental dimension	Goals and indicators	Key performances
 Greenhouse gases	<ul style="list-style-type: none"> The rate of GHG emissions is reduced by 5% by year 2027 compared to the base year 2022. 	<ul style="list-style-type: none"> Training on basic knowledge of greenhouse gas management. Collect greenhouse gas data to support the preparation of carbon footprint for organization reports.
 Energy management	<ul style="list-style-type: none"> The rate of energy consumption in the organization is reduced by 5% by year 2027 compared to the base year 2022. 	<ul style="list-style-type: none"> Prepare a plan to reduce energy consumption in office buildings and warehouses. Choose to use energy-saving electrical equipment. Solar cells are installed to reduce electricity consumption in the office building.
 Environmental management	<ul style="list-style-type: none"> Excellent Green Office Certification 2027 	<ul style="list-style-type: none"> Organize training on environmental management knowledge and guidelines for green office certification.
 Water management	<ul style="list-style-type: none"> The water consumption rate in the organization is reduced by 5% by year 2027 compared to the base year 2022. 	<ul style="list-style-type: none"> Survey leak points in the head office building and warehouses. Choose water-saving products and sanitary ware. Install a sensor at the faucet to control water usage.
 Waste management	<ul style="list-style-type: none"> Employees have 100% waste separation according to the 3Rs in the warehouse and office areas in year 2027. 	<ul style="list-style-type: none"> Encourage the group companies to sort waste according to the 3Rs principle. Garbage bins are arranged according to type of waste to increase the amount of waste reusable. Reduce paper usage by using e-Documents within the Group and with customers. Using a paperless system.
 Compliance with social, environmental and governance laws	<ul style="list-style-type: none"> The number of incidents of non-compliance with social, environmental and governance laws and regulations is zero. 	<ul style="list-style-type: none"> Follow the new laws that are announced each year to ensure that the Company's operations always comply with the laws.

ENVIRONMENTAL PERFORMANCE

(1) ENERGY MANAGEMENT

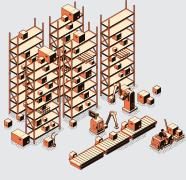







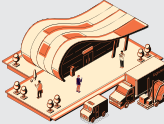
The Group is committed to using energy with maximum efficiency throughout the business chain, with the goal of conserving energy in the head office building, warehouse and delivery process of the group companies as part of reducing greenhouse gas emissions, guidelines for energy conservation of the Group are applied from energy management principles under the Energy Conservation Promotion Act. B.E. 2535 (as amended) and to develop personnel of the Group to be responsible for energy with knowledge and ability to efficiently manage energy in the organization.

The Company's approach to energy conservation consists of 8 steps as follows :

1. Establishment of a working group on energy management
2. Assessment of the preliminary management site
3. Establish energy conservation policy and disseminate publicity
4. Evaluation of energy conservation potential
5. Set energy conservation goals and plans, including training plans
6. Implementation of the plan and auditing and analyzing the implementation of the goals
7. Monitor and evaluate the energy management system
8. Review, analysis, correction of the system

In 2022, the Group mainly uses electricity for the head office building and warehouse areas. With the determination to use resources efficiently, there are energy management projects that can save electricity expenses as follows :

Areas	2022 Annual energy management activities or projects	
General warehouse 	<ul style="list-style-type: none"> The use of transparent sheets to be installed as natural light channels on the roof of the warehouse building, divided into 2 rows along the length of the warehouse. Turning off lights and air conditioners for 1 hour (12.00-13.00) every working day. Maintenance of air conditioners requires regular cleaning and dust removal on the condenser and evaporator coils 4 times per year. Sponsorship of 145 travel fuel saving online meetings. Using e-Document to reduce the use of paper in preparing meeting documents. 	
Chemical warehouse 	<ul style="list-style-type: none"> The use of transparent sheets to be installed as natural light channels on the roof in every room of the warehouse building, divided into 4 rows along the length of the warehouse. Turning off lights and air conditioners 1 hour (12.00-13.00) every working day. Maintenance of air conditioners requires regular cleaning and dust removal on the condenser and evaporator coils 2 times per year. Sponsorship of 311 travel fuel savings online meetings . Considering of replacing metal halide blubs from 400-watt to 200-watt LED bulbs in the warehouse. The project will start in 2023. 	

Areas	2022 Annual energy management activities or projects		
Warehouse at Don Mueang Airport 	<ul style="list-style-type: none"> The use of 20 LED bulbs (spotlight type) size 10 watts in the warehouse since 2018. The use of transparent sheets to be installed as natural light channels on the roof in every room of the warehouse building, totaling 72 sheets. Turn off the lights when not in use. and put a warning sign around the air conditioner control button “Do not turn on the air conditioner before working hours. And turn off the air conditioner before lunch break and before work”. Prepare a plan and process for cleaning and maintenance of air conditioners at least twice a year. There is a meeting on safety and effective use of resources, especially saving electricity every 1-month meeting cycle. Using e-Document to reduce the use of paper in delivering airline documents to customers. 		
Head office building 	<ul style="list-style-type: none"> Bringing electricity from solar panels to use in various points of the head office building. Including parking areas, corridors under the building and outside the building and at the top of the building. The amount of light from solar cells is divided into 60 bulbs of 45-watt solar cells, 15 bulbs of 200-watt solar cells and solar bulbs. Cell size 300 watts, 15 tubes (using 12 hours a day). Maintenance of air conditioners requires regular cleaning and dust removal on the evaporator and evaporator coils 2 times a year. Use of LED light bulbs in the office area on the 3rd floor of the head office building. Divided into 24 55-watt LED bulbs, 4 18-watt LED bulbs and 89 7-watt LED bulbs, making in 2022 the 3rd floor office had 2,108 units of electricity consumption, a decrease of 2% compared to 2021. that uses 2,150 units of electricity. Reduction of light bulbs in the office area on the 4th floor of the head office building from 138 36-watt long fluorescent tubes to 97 18-watt LED bulbs from 2020. Reduction a ceiling hole light bulb fin the office area on the 4th floor of the head office building from 60 13-watt LED incandescent bulbs, reduced to 9 watts since 2020. In September 2022, on the 7th floor of the head office building, a double roof with insulation was installed. to reduce noise and heat entering the building After the installation is complete, found that In October-December 2022, the office area on the 7th floor consumed 6,418 units of electricity, a decrease of 6 percent compared to the same period in 2021 that consumed 6,831 units Reduction of light bulbs in the office area on the 4th floor of the head office building from 138 36-watt long fluorescent tubes to 97 18-watt LED bulbs from 2020. Reduction a ceiling hole light bulb fin the office area on the 4th floor of the head office building from 60 13-watt LED incandescent bulbs, reduced to 9 watts since 2020. 		

Performance Result	2020	2021	2022
Total electricity consumption (kWh)	2,029,724	1,895,088	1,075,667
Diesel fuel consumption (liters per year)	45,878	77,820	59,460
Gasoline fuel consumption (liters per year)	11,927	7,642	6,386
Gasohol fuel consumption (liters per year)	12,345	9,545	10,050
Electricity saving rate (percentage)	*	6.63%	43.24%

Remark : * represents in 2022 is the base year for calculating electric saving

(2) WATER MANAGEMENT



The Group places importance on managing the use of water resources in the head office building and warehouse buildings of the group of companies. This is in line with the United Nations Sustainable Development Goal 6, which is water and sanitation management with sustainable management of water resources, taking into account the impacts of climate change on people. interests, such as water shortages flooding, etc.

In 2022, the Group has determined that water conservation is one of the key issues in environmental management and is part of raising the level of office buildings to be certified green building standards by government agencies in the future and starting to work on policy drafting and setting guidelines for water conservation and taking care of watershed areas and natural water sources as follows :

Inspection and maintenance period (Year 2022 onwards)	Efficiency improvement and treatment period (Year 2024 onwards)	Conservation of natural water sources (Year 2027 onwards)
<ul style="list-style-type: none"> • Raising awareness among employees through workshops on water leakage surveys and water use in both company buildings and employees' homes. • Inspection and maintenance of water leakage points in utility systems in the head office building and warehouse buildings. • Inspect and improve the adequacy of drainage systems, flood protection systems, water production systems and wastewater treatment systems in the head office building and warehouse buildings. 	<ul style="list-style-type: none"> • Selecting environmentally friendly products to be used in the repair and maintenance of the head office buildings and warehouse buildings. 	<ul style="list-style-type: none"> • Organizing activities to promote the conservation of natural water sources at least once a year (during the rainy season) such as restoring watershed forests or mangrove forests with government agencies in the provinces where the Group's projects are located, etc.

Since the location of the Group is not located next to a public water source but water sources used in the Group is mainly purchased from local government agencies and state enterprises such as the Metropolitan Waterworks Authority for use in the head office building and warehouse buildings and various cleaning processes. The used water from various parts of the Group will be sent to the wastewater treatment system to treat wastewater from buildings in accordance with the effluent standard from the building before being discharged from the head office building and warehouse building. The Group regularly measures the quality of wastewater at the factory at least 12 times per year conducted by STS Green Co., Ltd. and it has been certified according to standards No. TIS. 17025-2561 (ISO/IEC 17025 : 2017).

In 2022, there was a total water consumption of 5,683 cubic meters per year. The Group has inspected and maintained water leakage points in the utility system in the head office building and the warehouse, found 2 leakage points and have been corrected. As a result, the Group reduced water loss by 15 cubic. In addition, the Group has activities to manage water mainly in the area of offices and warehouses. It is committed to using resources efficiently as follows :



Areas	2022 Annual water management activities or projects	
General warehouse 	<ul style="list-style-type: none"> Water leakage inspection activities in the system, which found 2 leakages in September, have been corrected and resulted in the warehouse reducing water loss by 15 cubic meters. Installation of water-saving campaign signs in the areas of sinks and toilets. <div>   </div>	
Chemical warehouse 	<ul style="list-style-type: none"> Water leakage inspection and maintenance activities in the building, without any leakage points. Installation of water-saving campaign signs in the areas of sinks and toilets. Change the faucet system to an automatic faucet and reduce the water flow rate from the tub and toilets. <div>   </div>	
Head office building 	<ul style="list-style-type: none"> Inspection and maintenance of water leakage points in the utility system within the office building without any leakage. Installation of water-saving campaign signs in the areas of sinks and toilets. Change the faucet system to an automatic faucet. <div>   </div>	

Remark: The data of Warehouse at Don Mueang Airport is not recorded because the areas and public utility is in possession of Don Mueang Airport.

Performance Result	2020	2021	2022
Total water consumption (m ³ per year)	5,963	4,661	5,683
Amount of water consumption that reduces water loss from the leakage point (m ³ per year)	ND	ND	15
Rate of water saving (%)	ND	ND	0.26

Remark : ND= No reporting because the company started planning and collecting environmental management data in 2022 for the first year.

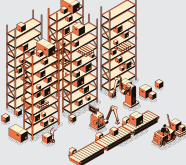


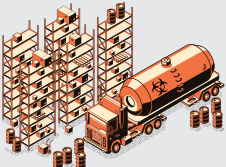
(3) WASTE MANAGEMENT



The Group emphasizes waste management to reduce environmental impact according to the laws by adhering to the 3Rs principles of waste management, namely reducing waste by reducing its use (Reduce), reusing waste (Reuse) and reusing (Recycle). Most of the waste generated is waste generated from offices and common areas which are classified as general waste that must comply with relevant laws and regulations, namely the Public Health Act B.E. 2535.



In 2022, the Group is committed to reducing waste at source, sorting and collecting, and sending it to be disposed of properly. The waste management methods of the Group are as follows.

Areas	2022 Annual waste management activities or projects
General warehouse 	<ul style="list-style-type: none"> Arrangement of garbage bins, sorted by type and type of waste generated according to the 3Rs principle. The designation of the responsible person in charge of the collection area with the internal contact number displayed at the industrial waste and solid waste collection area. Placing mandatory signs or prohibition signs, or fire protection according to occupational health and safety in the waste collection area. Preparation of an emergency plan, a diagram showing fire extinguishers and chemical spill protection installations in industrial waste and solid waste storage areas. Reuse of waste packaging in the sorting process in the warehouse to reduce waste. <div style="display: flex; justify-content: space-around;">   </div>
Chemical warehouse 	<ul style="list-style-type: none"> Arrangement of garbage bins, sorted by type and type of waste generated according to the 3Rs principle. Placing signs indicating the type of solid waste and industrial waste attached to the storage containers. Providing labels showing types and types of waste and industrial waste (Labeling) at the collection containers and storage areas for industrial waste and general waste. Placing mandatory signs or prohibition signs or fire prevention signs according to occupational health and safety principles in waste collection areas such as no smoking signs, personal protective equipment signs, etc. Preparation of a plan showing the location of waste and industrial waste storage containers within the building according to the work manual relating to SD-HLM-WH-009 Warehouse Good Hygiene Management Chart (DG3/5 and DG4/1) Chemical contaminated waste will be sorted and stored within the warehouse for disposal once a year. Assignment of responsibility according to Document QP-HLM-MR-014, GHPs Codex Fundamental Program Control Procedures. Preparation of emergency plans, diagrams showing installation points for fire extinguishers and chemical spill prevention equipment in industrial waste and solid waste storage areas. According to the details of the emergency plan, including : <ul style="list-style-type: none"> QP-HLM-ES-002 Emergency Incident Response Plan Operating Procedures (Warehouse) QP-HLM-ES-003 Emergency Response Plan Procedures (Office) QP-HLM-ES-005 Emergency Response Plan Operating Procedures (Transport Vehicles) Firefighting equipment/PPE installation point according to FM- HLM-ES-005, Bangwua warehouse layout document form Details on the use of PPE according to WI-HLM-ES-002, Personal Protective Equipment Operation Manual.

Areas	2022 Annual waste management activities or projects
	<ul style="list-style-type: none"> • Training from the EHS department Waste management training at least once a year for relevant staff. • Preparation of an environmental action plan. along with a monthly performance report (SHE working committee) presented through the Company's Dashboard for employees to acknowledge. These include electricity consumption, paper consumption, and toilet paper and hand towel consumption. • Activities to reduce the use of toilet paper. and reduce the use of A4 paper. • Waste recycling project in the group of plastic wrap, cardboard, scrap wood from pallets. <div data-bbox="560 465 866 685"></div> <div data-bbox="882 465 1189 685"></div>
<p>Warehouse at Don Mueang Airport</p> 	<ul style="list-style-type: none"> • Arrangement of garbage bins, sorted by type and type of waste generated according to the 3Rs principle. • Installation of safety and security signs at the entrance to the warehouse. • Preparation of an emergency plan (WI-SS-01), fire extinguisher installation plan, equipment, including preparation of protective equipment in case of chemical spills in the designated area. • Maintaining the cleanliness of the warehouse area by assigning supervisors in each department to inform employees to help each other be responsible for storing locations suitable for operations, separating materials and waste for reuse or separation to recycle and have a campaign about cleaning (Big Cleaning Day) regularly. <div data-bbox="560 965 866 1184"></div> <div data-bbox="882 965 1189 1184"></div>
<p>Head office building</p> 	<ul style="list-style-type: none"> • Arrangement of garbage bins, sorted by type and type of waste generated according to the 3Rs principle. • Organization of waste separation activities for employees through PET TO PPE activities by accepting donations of PET plastic bottles from staff at the head office, collecting and delivering to Thammasat University's Less Plastics project to produce a set of PPE for delivery to medical personnel of which 5,670 plastic bottles have been donated, representing a set of PPE. about 315 sets. • Planning to segregate more types of waste for reuse. • A project to promote the use of cloth bags in the distribution of New Year's gift sets to customers. and use cloth bags in the activity to share the steaming bags which is a community relations activity to distribute rice and dry nutrients to people in the community to reuse and reduce the use of plastic bags. • Delivery of tree wreaths instead of flower wreaths so that recipients can use it to further reduce waste generation and promote activities that are environmentally friendly. <div data-bbox="560 1559 866 1778"></div> <div data-bbox="882 1559 1189 1778"></div>



Performance Result	2022	2021	2022
Total waste consumption (tons per year)	37.18	42.21	154.25
Number of waste management projects according to 3Rs (projects per year)	ND	ND	7

Remark : ND= No reporting because the company started planning and collecting environmental management data in 2022 for the first year.

(4) Management to reduce the greenhouse gas problem

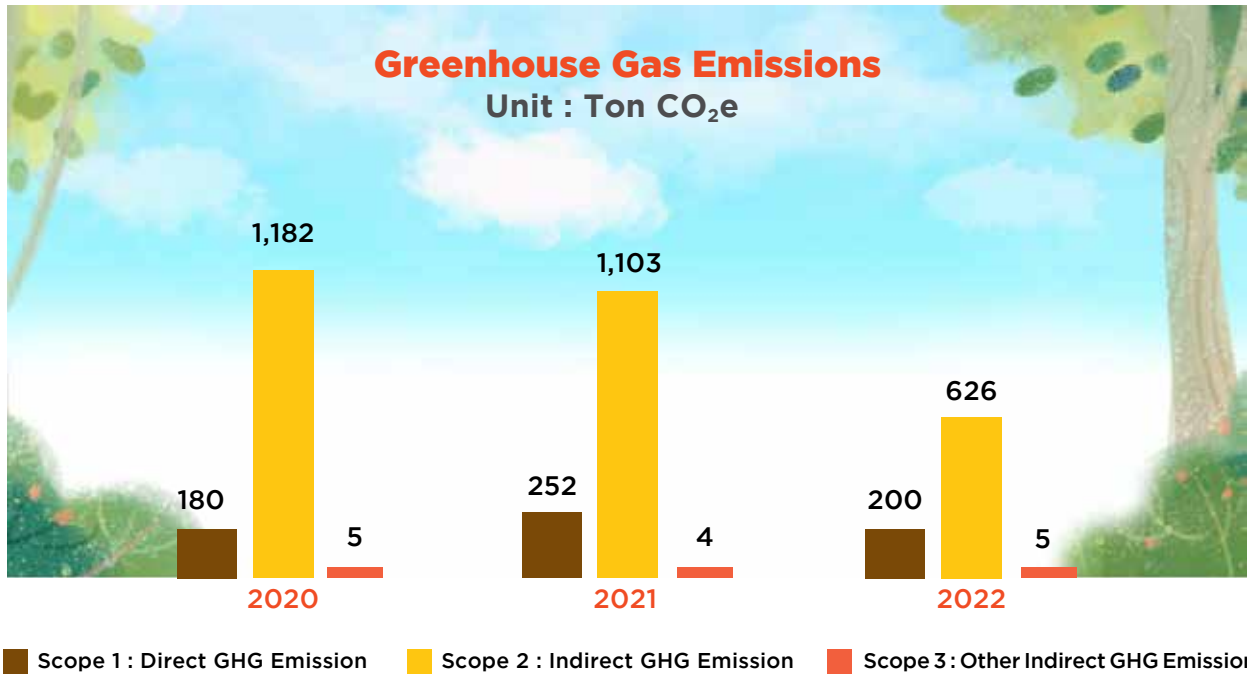


In respect of the Greenhouse Gas Emissions Management, the Group is in the initial stage of collecting data for use in planning operations according to the Carbon Footprint of Organization assessment guideline in accordance with the principles of Thailand Greenhouse Gas Management Organization (Public Organization).

For the year 2022, the Group has collected energy and fuel consumption data to calculate basic data on the Group's greenhouse gas emissions. The guidelines for assessing the carbon footprint of the organization of the Thailand Greenhouse Gas Management Organization (Public Organization) has set objectives to assess the major sources of greenhouse gas emissions of the organization. The Group has determined the scope of greenhouse gas emissions caused by the activities of the organization as follows :

Company's area	Company activities		
	Scope 1	Scope 2	Scope 3
Head office building	Moving burning	Electricity consumption in the head office building	White paper consumption
Warehouse and common areas	Stationary burning Moving burning Use of refrigerants	Electricity consumption in warehouses and central areas, guardhouses, public lights, cafeterias	Water consumption

Greenhouse Gas Emissions	UNIT	2020	2021	2022
Scope 1 : Direct GHG Emission	Ton CO ₂ e	180	252	200
Scope 2 : Indirect GHG Emission	Ton CO ₂ e	1,182	1,103	626
Scope 3 : Other Indirect GHG Emission	Ton CO ₂ e	5	4	5



In 2022, the Group focuses on managing to reduce greenhouse gas problems, therefore, has prepared a plan to reduce greenhouse gas emissions as follows :

- Trial project of 21 electric motorcycles in parcel delivery service during January-June 2022.
- Installation of 2 electric vehicle charging stations, in the process of drafting a plan to expand additional charging points to support renewable energy use.
- Organized the Triple i Green Space activity to raise awareness of environmental conservation and fill the green space near employees by distributing 400 beautiful plants and easy-to-care air purification plants for employees to plant on their desks or in their residences.



SUSTAINABILITY MANAGEMENT IN SOCIAL DIMENSION

SOCIAL POLICY AND GUIDELINES

The Group is committed to conducting business along with social and community responsibilities, taking into account the principles of human rights and fair and equitable treatment of stakeholders including the compliance with legal requirements or other requirements as well as relevant international practices that are consistent with the Sustainable Development Goals (SDGs) of the United Nations. The Company has set up an operating framework as part of the corporate sustainable development policy, business ethics, and human rights policy in order to develop and build a foundation of social and community responsibility on an ongoing and sustainable basis. (You can further review this policy on <https://investor.iii-logistics.com/th/home> under topic “Corporate Governance”)

SOCIAL PERFORMANCE

- **SUPERVISION AND EMPLOYMENT**

The Group has a policy to take care of all employees equally and covers employees in the group, whether it is about welfare, appropriate compensation, health and safety of everyone, including the well-being and employee’s family, as detailed below.

1) LABOR PRACTICES AND HUMAN RIGHTS RESPECT

The Group adheres to the principle of being an organization with ethics and good governance in recruiting and hiring employees to work with the Group, selecting persons to be hired in various positions in the organization with fairness, taking into account the appropriate qualifications of the position along with educational qualifications, experience, knowledge, abilities and good moral conduct. By such selection, the Group considers equality and equal freedom, does not violate fundamental rights and does not discriminate, whether it is race, nationality, religion, language, skin color, sex, age, education, physical condition or social status, as well as establishing guidelines to prevent the Company from engaging in human rights violations such as child labor and forced labor. The Group has sent money to the fund for the promotion and development of the quality of life of the disabled according to the legal requirements. In addition, the Group has set up a fair and transparent recruitment process by comparing the qualifications for each job position to select the most qualified person. In 2022, the Group had a total of 476 employees.

The Group recognizes that employees are the most valuable resource of the organization and therefore focuses on promoting a good working culture and atmosphere and treating employees equally. Therefore, all employees will not be terminated without reasonable grounds unless the employee commits a serious disciplinary breach according to the Company’s rules and regulations. As a result, the Group has clear procedures and practices with transparency, fairness and legality without discrimination.



In addition, the Group has a clear channel for grievances regarding labor practices in order to receive complaints from executives and employees, along with being fair to all parties and providing protection to employees who complain about labor practices. All complaints will be fairly considered by Human Resources' executives, or a committee appointed by the Company to consider such complaints and such complaints will be reported to relevant departments for acknowledgment and keeping the information confidential. In 2022, the Group has no complaints about labor practices among employees related to the Company and its subsidiaries.

NUMBER OF EMPLOYEES

Number of Employees (Person)	2020	2021	2022
Total	627	593	476*
Female	214	268	216
Male	413	325	260

Note : * The number of employees in 2022 has decreased significantly from the previous year. This is due to the reorganization of the Group of companies during 2021-2022 to be more compact and agile under the strategy of sustainable organization development in a social dimension (People Excellence).

2) EMPLOYEE COMPENSATION AND WELFARE

The Group manages remuneration, welfare, and other benefits to all employees equally and fairly as appropriate for their responsibilities, nature of work, qualifications, professions, knowledge, abilities and performance are important by giving employees compensation and welfare that are suitable for economic conditions, such as salary, overtime wage, bonuses, provident fund contributions and other welfare such as emergency loans, wedding subsidies, health insurance, accident insurance, employee uniforms, etc.

In addition, in order to motivate the performance of employees to achieve the Group's goals, the Group has adopted guidelines for evaluating the performance of employees on the basis of competency and considering the performance according to the Key Performance Index which is concrete to be used as a tool for managing variable remuneration according to performance as well.

In 2022, the Company has paid compensation to employees (excluding executives) in the amount of Baht 227.72 million. In addition to compensation, the Company has also established a provident fund according to the Provident Fund Act. The Company has contributed money to the employer according to the employment term of employees in the amount of 3%, 5% and 8% for employees who have an employment term less than 3 years, from 3 years but less than 10 years and from 10 years or more, respectively, of salary of employees participating in the provident fund. Employees can choose to pay contributions to the provident fund at the rate of 3-15% of each employee's salary. Currently, there are 392 employees participating in the provident fund, representing 82.35 percent of the total number of employees.

3) EMPLOYEE TRAINING AND HUMAN RESOURCE DEVELOPMENT

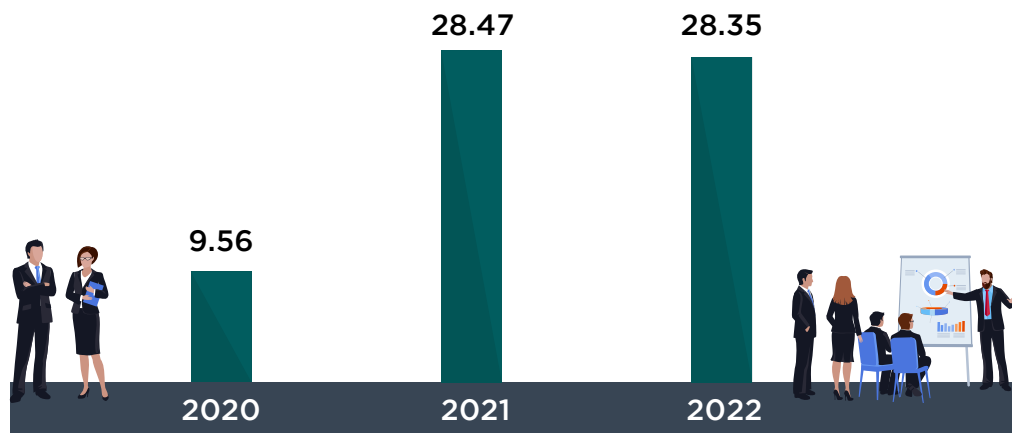
The Company promotes the development of employees' potential and competence by setting up a human resource development policy and foreseeing the competency model which is a tool that allows personnel to measure their potential, skills, knowledge, capabilities as necessary to be a guideline for development and promotion of potential opportunities for career advancement and growing with the Group as well as cultivate the attitude good values, morals and ethics in operations. In addition, the Group also supports training and seminars within the organization such as the "Air Cargo Basic Course" course, "Marine Cargo Insurance" course, "Personal Information Handling (PDPA in Action)" course, "Basic Understanding on Corporate Sustainability (ESG) course." etc., as well as supporting external training seminars such as the "Developing the Future People" course, the "Create a Cargo Business Strategy with Business Model Canvas & Design Thinking" course, the "Digital Transformation in HR" course and the "Thai Cargo Academy" etc. In 2022, the Group is in the process of preparing a plan to develop employees' work skills that focuses on developing the potential of employees (Competency Profile) to be connected with the job duties (functional competency) which will lead to the planning of annual training for employees in the form of developing skills in working by learning how to work in new ways (Up-Skill) or developing more advanced work skills to be able to work in a new way for the organization (Re-Skill). The Company organizes training courses for both executives and employees to enhance their skills and potential in work. The average number of training hours or knowledge development activities for both executives and employees was 28.35 hours per person per year and the average training cost was 2,635.65 baht per person per year.

Remark: For those who are interested in more details about the list of training courses or other issues related to personnel development, you can read more in the 2022 Sustainability Report that the Group has prepared and published on the Company's website.



TRAINING HOURS OF EMPLOYEES DURING 2020 - 2023

Unit : hours/per person per year



Note : Number of training hours in the year 2020 is at a low level due to the severe impact of the COVID-19 outbreak throughout the year.

4) SAFETY, OCCUPATIONAL HEALTH AND GOOD WORKING ENVIRONMENT

The Group gives an importance to the management of safety, occupational health and working environment of employees and covers stakeholders in the business chain of the Group according to the Company's sustainable development policy. The Group has established guidelines for work safety at the corporate level through policies and management standards, manuals and regulations, and legal requirements related to occupational health and safety, as well as auditing and analyzing the effectiveness of occupational health and safety operations, aiming to be an organization that is free from accidents and injuries from work (Zero Accident), taking into account the safety of employees at all levels, including operators. The occupational health and safety management is in line with national and international laws and standards, as well as regularly assessing and reviewing all-round safety risks, as well as improving and developing systems and control measures and safety continually. In 2022, the Group's performance is as follows :

- 1) Arranging training courses for basic firefighting and fire evacuation drills every year, both at the head office and at the warehouse.

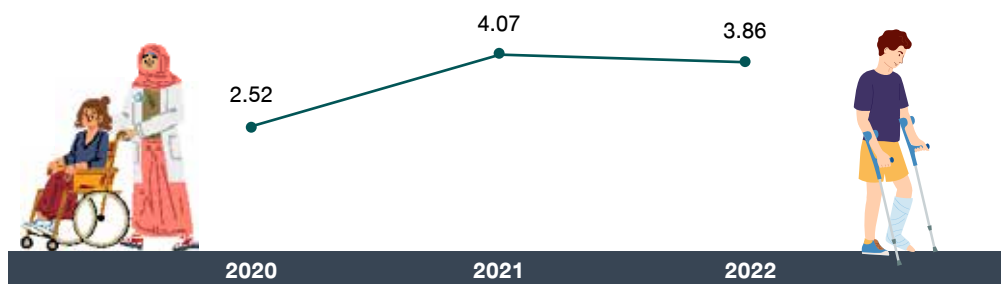


- 2) Organizing training courses on first aid and resuscitation for people who are about to stop breathing or whose heart is about to stop beating to return to a normal pulse (CPR) for employees at the warehouse.



- 3) Occupational safety, health and working environment statistics from work-related death statistics and lost time injury frequency rates from operations of the Group's companies during 2020 - 2022. It was found that the frequency of lost time injuries in 2020 was 2.52, in 2021 was 4.07 and in 2022 was 3.86, a decrease of 0.20 from 4.07 in the previous year and there was no death from work. In addition, the Group has also collected data on accidents both from work and from the work area/work environment in order to bring those data into consideration for further prevention measures.

Lost Time Injuries Frequency Rate (LTIFR)



Remark: For those who are interested in more details about Safety, occupational health and good working environment, you can read more in the 2022 Sustainability Report that the Group has prepared and published on the Company's website.

5) TAKING CARE OF EMPLOYEES' QUALITY OF LIFE

The Group focuses on taking good care of the lives and well-being of employees by providing health insurance for employees to relieve the burden of expenses in case of illness as well as the establishment of a provident fund for employees to have savings upon retirement. The Group also provides various forms of welfare or benefits which exceed what is required by laws.

The Group places great importance on taking care of and improving the quality of life of its employees, therefore giving employees the opportunity to participate in giving suggestions to employers in terms of welfare management, inspecting, controlling, taking care of the welfare that the employer provides to employees and guidelines for welfare arrangements that are beneficial for employees as well. Employees can submit their comments through the respective company's Human Resource departments, after which the respective company's Human Resource departments, which form a working group, will jointly discuss the welfare/benefits/regulations affecting the Group's employees and bring the resolutions of the meeting to report or propose according to the procedure to the executives for consideration in order to maximize the benefits to all relevant stakeholders.

In addition, the Group is in the process of drafting a human resource management plan of the Group covering the promotion of employees' physical and mental health according to the concept of 8 happiness at work "HAPPY WORKPLACE" under the project name "B- Happy" to create a balance between work and personal life of employees, resulting in better health and quality of life for employees, making the company a happy organization and able to grow sustainably, ready to cope with future changes in the future.

6) ENHANCEMENT OF EMPLOYEE ENGAGEMENT TOWARDS THE ORGANIZATION

The Group places great importance on building good bonds between employees and the organization as employees are important resources who will deliver the value of the Group's products and services to customers and related stakeholders. Therefore, employees are regarded as valuable resources of the Group and represent a good corporate image and play a part in helping the Company achieve stable and sustainable success.

The Group has set up activities or actions to encourage employees to bond with the Group as follows :

- Organizing various activities that create bonds with employees such as New Year's parties, making merit in important Buddhist festivals, offering water to the executives, etc.
- To publicize various news for employees to understand and arrange communication channels to reach employees appropriately so that employees can receive information and news thoroughly and feel that the Group pays attention to providing information to employees including opening a channel for employees to ask for information at any time.
- For the preparation of employee engagement surveys to the organization in 2022, the company requires that it be reviewed, revised to be in line with the sustainable organization development strategy in order to improve employee care to create a better bond further and in year 2022, there is no concrete survey results, which progress will be reported later.

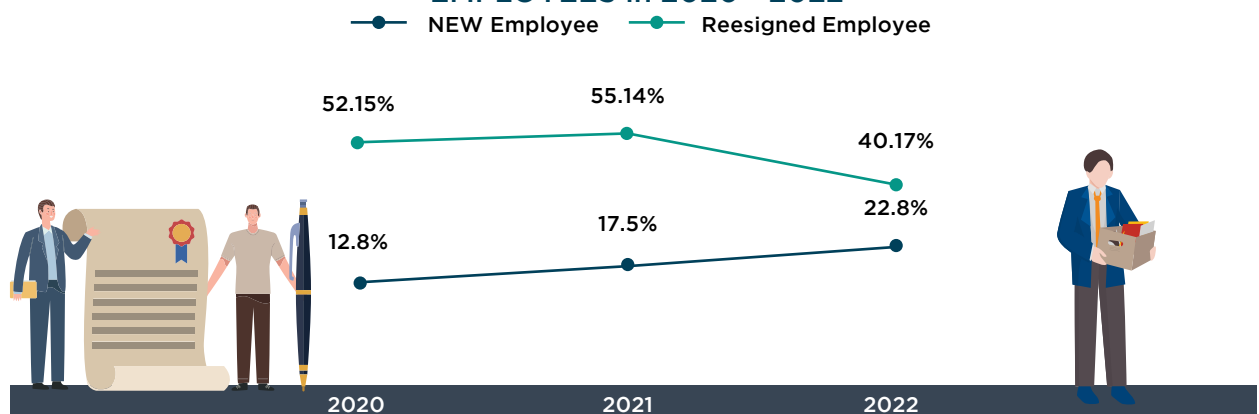
However, the Group has set a target of employee engagement level of more than 70% by 2027 as part of the Group's sustainability strategy.

NUMBER OF NEW EMPLOYEES AND RESIGNED EMPLOYEES IN 2020 - 2022

Number of New Employees (Person)	2020	2021	2022
Total	80	104	108
Female	19	46	45
Male	61	58	63
Number of Resigned Employees (Person)	2020	2021	2022
Total	327	327	190
Female	45	94	42
Male	282	233	148

Remark :: For those who are interested in more details about number of employees by gender and type of employment contract, number of new employees and resigned employees by gender and age, number of employees by area of operations, new employees by gender and age, employee turnover by gender and age including new employees and resigned employees by area and full-time employee benefits, you can read more in the 2022 Sustainability Report that the Group has prepared and published on the Company's website.

RATE OF NEW EMPLOYEES AND RESIGNED EMPLOYEES in 2020 - 2022



Remark : After the reorganization of the Group in year 2022, the employee turnover rate of the Group has a tendency to decrease and is expected to continue to decline.

• RELATIONSHIP MANAGEMENT AND RESPONSIBILITY FOR CUSTOMERS

CUSTOMER RELATIONSHIP MANAGEMENT

The Company aims to develop products and services to upgrade the business to keep up with global changes (Megatrend) continuously and adjust business all the time (Business Resilience) while responding to the expectations of stakeholders, focusing on quality and standardized services to create maximum satisfaction. The Company gives importance to providing quality products and services according to the standards set by customers and regularly improving its services to ensure that customers receive quality products and services that meet their needs. The Company has set guidelines for taking care and treating customers by emphasizing on providing services and delivering services or delivering products to customers as follows :

- The delivery of products and services must meet the quality of the customer's needs.
- The delivery of goods and services must be secure from the time they are taken from the initial stage to the customer.
- The preparation for providing services must be sufficient to meet the needs of customers as agreed.
- Providing services from knowledgeable and competent staff who are ready to solve customer problems accurately and promptly.
- The Operations throughout the business chain must meet the company's standards and customer expectations in accordance with the code of business ethics and good corporate governance.

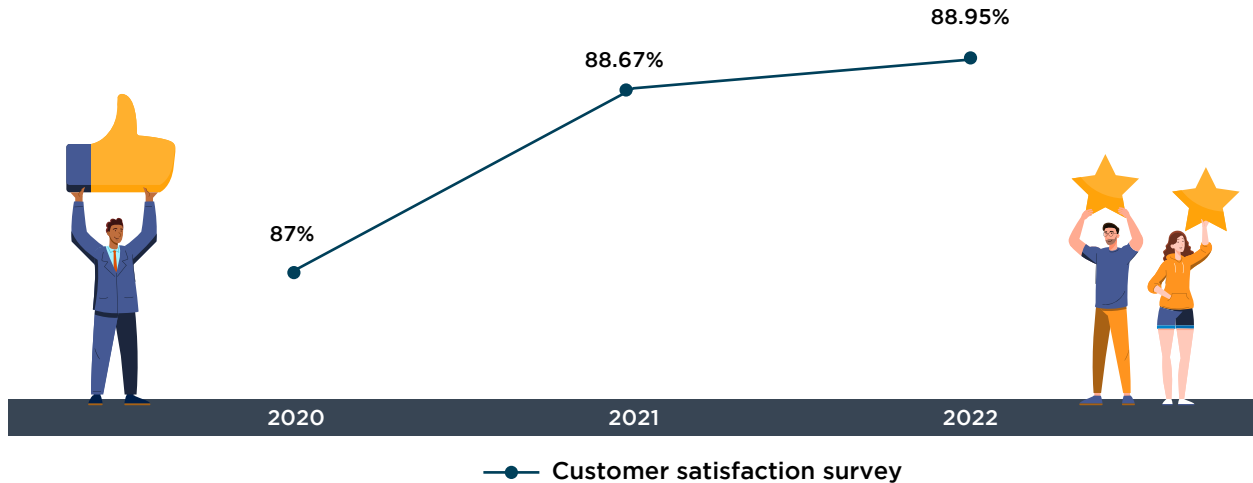
In addition, the Company also has a variety of approaches to build customer relationship (CRM) that are suitable for the context of the type of business, such as regular visits to customers, meetings with customers, developing collaborative processes for flexibility including sending officers to provide information and fix problems that arise in order to build confidence and create customer satisfaction.

In order to continually develop products and services for higher efficiency and to gain confidence in the security of customers' personal information, the Company has mechanisms for management and guidelines as follows :

1. **Complaint handling process**, customers can complain about the quality of goods and services, delivery and after-sales service by telephone, e-mail or website. The Group has a system to record customer complaints, has a fixed time frame, and a system to follow up on corrections, preparation of investigation reports to find out the cause and solution, including responding to complaints to customers within the specified time by establishing a clear responsible department to ensure that all customer complaints are resolved within the specified time.
2. **Customer Satisfaction Surveys**, by sending questionnaires to customers, and staffs of the Customer Relationship Management Department are sent out to conduct one-on-one interviews with customers in order to know specific customer problems and needs and to strengthen good relationships with customers regularly.
3. **Customer personal information protection**, customer-related information will only be used to improve the service, and customer personal information will be protected from access by unauthorized third parties. In the event that the Group's employees need to know information in order to provide services or analyze it, they must comply with strict confidentiality requirements by operating in accordance with the personal data protection guidelines of customers, which are in accordance with the Personal Data Protection Policy (PDPA).

In 2022, the Group received customer satisfaction rate of 88.95% with no significant customer complaints. The Group's target in 2027 is at 95%.

CUSTOMER SATISFACTION SURVEY

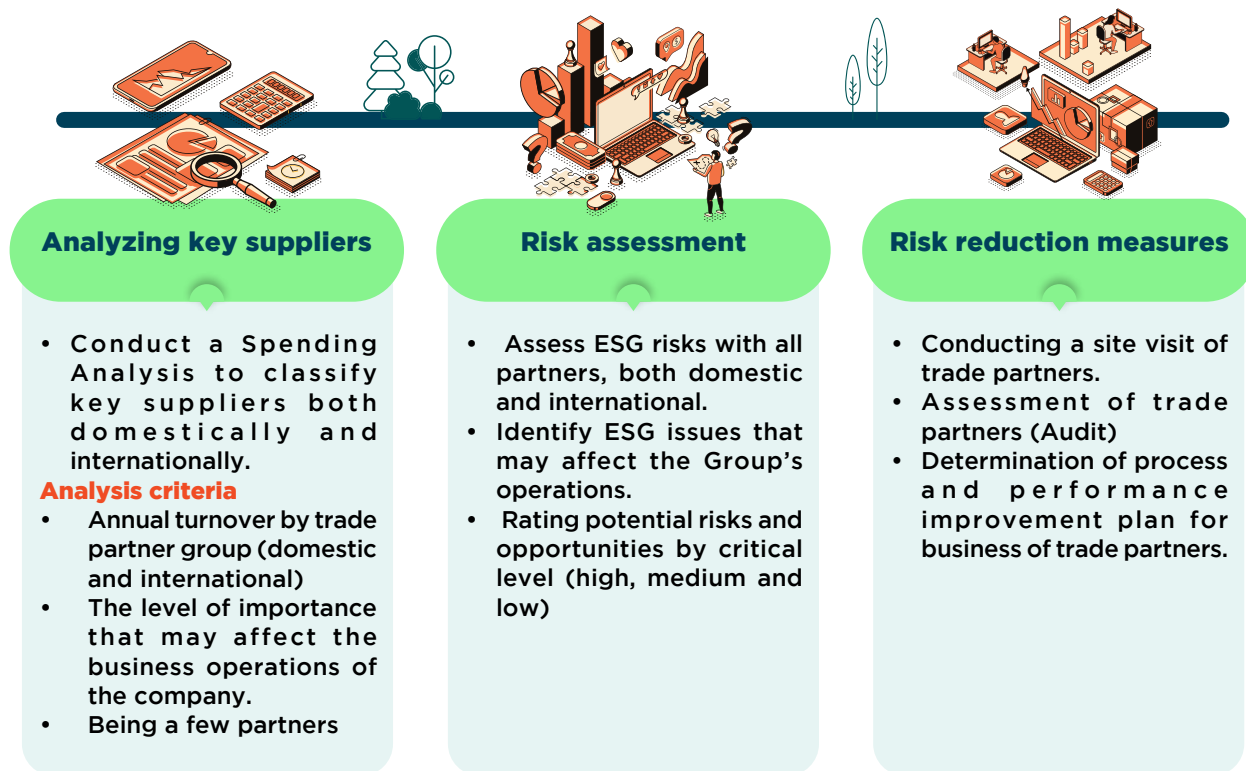


• SUPPLY CHAIN MANAGEMENT

The Group has made supply chain management a key issue for sustainable development by emphasizing and promoting economic growth together with suppliers, promoting responsible use of resources and being environmentally friendly as well as focusing on the procurement of goods and services with domestic partners and partners in the operating area of the Group first. In 2022, the Group has analyzed the guidelines for preparing the criteria and guidelines for Triple i's supply chain management as follows :

- Drafting Green Purchasing Guideline, starting with the product and service selection process of "Group of Fixed Assets" in important new trade partners, which are defined as qualifications for important new trade partners as follows :
 - o Environmental management certification (ISO 14001) is required for essential goods/services.
 - o Environmental management of products delivered to the Group is in place.
 - o Various environmental activities are initiated by producers or suppliers of products and services for the Group.
 - o There is a reduction in carbon dioxide and various packaging parts in the transportation of the Group's products.
- Drafting communication and public relations plans for key new trading partners in year 2023.
- Organizing activities to enhance the potential of partners for maximum work efficiency and have trained before starting work in various courses such as occupational health and safety training in safe driving, training on vehicle condition inspection that is suitable for Working, training on transportation according to quality standards for truck transportation services (Q mark), etc.
- Drafting training plan for Green Procurement principles for purchasing staff by environmental experts, the Pollution Control Department, the Ministry of Natural Resources and Environment in order to be able to work according to the specified principles in year 2023.

SUPPLY CHAIN RISK ANALYSIS PROCESS



However, the Group has implemented a framework for Triple i's supply chain management operation plan. In 2022, the Group has carried out the preparation phase by studying and analyzing risks in the supply chain in the analysis of key customers, reviewing and drafting appropriate criteria for grouping business partners and assessing to identify key suppliers as well as study and draft sustainability risk assessment guidelines for suppliers (Supplier ESG Due Diligence) including a partner assessment form or Triple i Vendor Assessment Survey (VAS) and drafting a communication process that is suitable for all groups of the Group's partners.

Remark : For those who are interested in more details about Triple i Supply Chain Management Action Plan, you can read more in the 2022 Sustainability Report that the Group has prepared and published on the Company's website.

• RESPONSIBILITIES FOR SUPPLIERS, CREDITORS, COMPETITORS.

The Group has established the Supply Chain Management in order to develop potential and efficiency in long-term business cooperation with stakeholders related to the Group's business operations. The Group adheres to fair contractual practices with partners, adheres to anti-corruption measures, respects property rights or proprietary rights of business partners, does not take advantage of business partners and there are plans to encourage business partners to carry out social responsibility activities together with the Group as well as complying with the agreements made with creditors in various areas. In the event that the Group is unable to pay debts on schedule, the Company will notify creditors to jointly find solutions. The management guidelines are as follows :

CREDITORS AND DEBTORS

The Group will strictly comply with the terms and conditions with creditors, control payments to creditors on time, comply with all terms and conditions, as well as build relationships and treat creditors based on the principle of fairness, reliability and mutual trust, as well as having a duty to build relationships and treat debtors based on honesty, mutual trust, as well as being responsible, paying attention to the conditions that made an agreement with the debtor.

COMPETITORS

The Group will operate business under the rules of fair competition, will not seek competitors' confidential information by dishonest or inappropriate means and will not do anything that violates the intellectual property rights of other persons or competitors.

• HUMAN RIGHTS

From the Group's value chain, it is necessary to work with key stakeholder groups such as customers, business partners and partners of diverse races, religions and languages. Therefore, the Group has drafted and announced the Human Rights Policy. The Group's operational guidelines focus on rights, freedom, equality and human dignity without discrimination based on gender, race, religion or skin color in order to prevent and avoid human rights violations of employees, customers, business partners, contractors, communities, including vulnerable groups such as children, women, the elderly, people with disabilities, etc.

In 2022, the Group has established measures to reduce and control risks that may occur in human rights and communicated to raise awareness among all stakeholders about the importance of human rights, the result of this performances are as follows :

- Zero significant human rights violations with no complaints of unfair employment or any form of discrimination or harassment or work safety.
- Providing channels for all groups of stakeholders to file complaints about operations or human rights impacts through the Group's website and complaint boxes set up at the organization's offices with remedial measures to alleviate or remedy the impact fairly.
- Drafting human rights assessment plans for the Group's employees. The goal is to set a minimum score of 80% and the coverage ratio of the assessment at 100% by the year 2027.
- Communicating with directors, executives and employees at all levels in the Group to have greater awareness and understanding of human rights through internal communication channels regularly. All new employees must pass a training and comprehension test and receive a score of at least 80%.



• PARTICIPATION IN COMMUNITY AND SOCIAL DEVELOPMENT

The Group is committed to conducting business with community and social responsibility by emphasizing reducing environmental impacts and avoiding operations that may have a negative impact on the quality of life of the surrounding communities. In 2022, there were no significant complaints from communities on social or environmental issues. The Group participates in improving the quality of life and promoting participation with the community through activities such as :

SOCIAL AND ENVIRONMENTAL ACTIVITIES (CSR AFTER PROCESS)

MEDICAL ASPECT

1) **Blood donation activity** in 2022, the Group has invited employees in the organization to donate blood to save human lives, create pride in being a donor and realize self-worth. There were 9 employees of the group donating blood at the National Blood Centre, Thai Red Cross Society on 27 December 2022. Total amount of blood was donated 3,150 CC. From year 2023 onwards, the Group has set a goal to donate blood at least twice a year according to the common intention of employees.



2) **Support activities for medical units** the Group has donated 32 sets of foam mattresses for bedridden patients to Siriraj Hospital and donated money to support the work of the Medical Unit, Chulalongkorn Hospital and Thai Red Cross Society, in the amount of Baht 983,600.

EDUCATION ASPECT

1) **Triple i school tour activity** co-sponsored educational equipment, sports equipment, and school supplies, as well as organizing recreational activities for kindergarten and primary school students under the BMA in communities near the head office, amounting to 2 schools, namely Wat Pariwat School and Prathomnonsee Primary School. There were 457 students participating in activities during the year-end happy festival on 12-13 December 2022.





- 2) **Activity table support activity** delivered to Tha Phloeng Mueang Ae Tha Mai Nong Maklua Witthaya School, Kalasin Primary Educational Service Area Office, Kalasin Province, which was affected by the flood until the equipment inside the school was damaged.

ARTS AND CULTURE ASPECT

- 1) **TRIPLE I X ART STORY project** to create calendars and New Year's gifts for 2023, choosing works designed by autistic designers from "ART STORY", a social business of children and autistic groups under the Autism Foundation. Thailand to support equality and promote careers for people with autism by bringing the design work to create a calendar and New Year's gift set 2023, totaling 7,950 pieces, to be delivered to customers, partners and business partners as gratitude to encourage a group of autistic artists to create good works for society.



WELL-BEING OF SOCIETY AND COMMUNITY ASPECT

- 1) **Pun Tong Ai Im Activity** There were representatives of the Group's employees visiting and handing of 100 Ai Im Bangs containing rice and dry food to share kindness during the New Year's Eve festival in December 2022 to communities near the head office. There are more than 80 households who have been beneficiaries from this project which is a product from "Jai Fah Project", a project to help HIV-infected patients under the supervision of Wat Phra Bat Namphu, Lopburi Province.

- 2) **Support Snack Box Activity** from Yim Su's café to meetings, seminars and workshops of the Group to provide opportunities to create careers, generate income and disseminate the work of disabled people under the Universal Foundation For Persons With Disabilities.





RELIGIOUS ASPECT

- 1) **Activity to support drinking water for temples in the community** Donated drinking water to 4 community temples near the headquarters, namely Wat Pariwat, Wat Dan, Wat Dok Mai and Wat Khlong Mai, totaling 4,800 bottles for distribution to Buddhists who participated in the New Year praying activities at the said temples.

ENVIRONMENTAL CONSERVATION ASPECT

- 1) **Triple i Green Space Activity** Raising awareness of environmental conservation and add freshness by adding green areas 400 easy-to-care pots of beautiful plants and air-purifying plants are distributed to employees to grow in their offices or to grow in their homes.



- 2) **Activities to support the use of tree wreaths** The recipients can continue to plant and use it to reduce the burden of waste generation and raise awareness of being environmentally friendly.

- 3) **PET TO PPE Activity throughout the year 2022**, the Group took part in the “Separate Bottles to Help Doctors” project, accepting PET plastic bottle donations from employees at the head office to be delivered to the “Less Plastics” group of Thammasat University for recycling to produce a set of PPE and pass it on to medical personnel. A total of 5,670 plastic bottles were donated, representing approximately 315 sets of PPE. 315 sets of PPE were donated, representing approximately 315 sets of PPE.



In addition, the Group has carried out social activities to target groups who are stakeholders that affect the main business operations of the group of companies with the aim of enhancing knowledge development of all relevant sectors. Those stakeholders are customers, partners, employees of the Group, educational institutions, training institutions, government agencies, associations and private sectors in matters such as Training on the Transport of Dangerous Goods and Regulations for the Transport of Dangerous Goods by air, sea and road, Globally Harmonized Chemical Classification and Labeling, Chemical Risk Assessment, Training on Regulatory Frameworks, Chemical Management Laws in Thailand, Logistics and Supply Chain Management, International Trade and International Trade Regulations, etc. In the past year, the Group's representatives participated as speakers in various forums, agencies and industry sectors, which can be summarized as follows :

- Representative of the Group serves as a secretary general of the Thai International Freight Forwarders Association (TIFFA) in driving the association's strategic plan for the year 2021-2023 and as a lecturer for driving manpower development in Thailand logistics.
- Representatives of the Group holding the positions as consultants in the Chemical Industry Group, the Federation of Thai Industries and is the chairman of the Responsible Care® Group, Chemical Industry Club, the Federation of Thai Industries. In addition, the representatives of the Group also serve as committee members in the Hazardous Substances Logistics Association (HASLA) to drive the association's important operations and serve as members of the sub-committee for Controlled Science and Technology Professional Practices, Production, Control and Management of Hazardous Chemicals, the Council of Science and Technology Professionals (CSTP)
- Representative of the Group holding the position of Advisor to the Management Committee of Safety, Occupational Health and Environment Center, Chulalongkorn University, emphasizing participation in disseminating logistics knowledge to educational institutions, universities, including being a Lecturer for International Transport and Business School (ITBS), a Training Unit in Logistics, Supply Chain and Transport and International Trade under the Thai International Freight Forwarders Association (TIFFA).

For those who are interested in more details about participation with society as part of driving Thailand's logistics industry towards Logistics 4.0 according to the government policy, you can read more in the 2022 Sustainability Report that the Group has prepared and published on the Company's website.

• Business and social innovation development

Within the year 2025, the Group has set a target to invest in business and social innovation development that promotes work processes to be developed to be more efficient at Baht 3 million per year and/or has at least a number of projects to improve work processes of more than 4 projects per year from all business groups. The Group has mainly applied technology with the objective to improve or increase the efficiency of the work processes of the 4 main business groups of the organization to create integration and connection of both internal and external information with commercial partners to increase the ease of access to information necessary for employees' operations faster and able to respond quickly to the needs of stakeholders in the value chain. The Group has operating results in terms of innovation and technology as follows :



Group Companies	Innovations and technologies implemented in 2022 and continuing today
Air Freight Business	<ul style="list-style-type: none"> Using an information program system called “CF11” used to reduce the steps of the work process. The CF11 program will import data from various departments to collect data, thus obtaining accurate and fast information. It reduces operating procedures and time and can increase operational efficiency. Using a software system called “Cyber Freight 365” that can display the desired information and perform operations through the website as well as being able to store various data on the Cloud and can perform operations anywhere, anytime, whether via mobile devices or tablets easily and quickly and can view data in real-time format, also reduce the use of paperless and support E-Document system such as E-Invoice, E-AWB, and E-Tax invoice/E-Receipt etc.
Sea Freight & Inland Transport Business	<ul style="list-style-type: none"> Working through the WISEPAQ system supports customer services in various forms such as creating a database of customers and partners (Party Manage), preparing a quotation (Quotation), issuing a reservation for a vessel (Booking), issuing B/L & D/O documents, container management (Inventory), creation of import-export vessel account information to submit in the Customs Department’s paperless system, invoice preparation, and various reports. for use in analyzing operating results and planning business in the future, including helping to reduce the amount of waste caused by the use of paper. It can save time and reduce electricity consumption in the work process as well.
Logistics Management Business	<ul style="list-style-type: none"> Use the information program system called “CF11” as well as the Air Freight Business group. “Return management” project helps increase work efficiency and reduce problems in delivering products to customers. “Reduce the use of paper, changing details from 1 sheet per 1 order to 1 sheet for multiple orders and improving the picking process to support Wave Picking” project to reduce paper consumption and increase work efficiency. “Improve the Fulfilment Process (Pick & Pack) by centralizing the Fulfilment Station through a conveyor belt connection and automatic product sorting system” project, enabling the Group to reduce operating costs. “Development of the system to support Bill of Materials (BOM) and preparation of illustrations of the product package” project, improving the operation to be faster, more accurate and more efficient.





Management Discussion and Analysis

Executive Summary

In the year 2022, the Group made outstanding achievements, recording a new-high profit of Baht 795.7 million or 116.8% growth compared to the previous year. The total revenues in the year 2022 were Baht 2,788.8 million, resulting in a new high record for two consecutive years. Such success was due to growth of the core business, which could maintain profitability level and had good cost management. In addition, the Group generated good returns from consistent investments in new businesses since the Group raised funds from the stock market. Particularly this year, the Group effectively managed investment in general sales agent for regional airline business, responding to the Group's strategic needs and creating satisfactory and profitable acquisition. All these successes were due to the Group's operations under the business strategy for sustainable growth with the concept of "Logistics and Beyond" that focuses on strengthening existing business groups and adding new sources of income from related businesses, both domestically and internationally.

Analysis of the Group's consolidated performance in the year 2022

Unit : Million Baht	2021	2022	% Change + / (-)
Revenues from sales and services	2,939.2	2,788.8	(5.1%)
Costs of sales and services	2,412.0	2,177.3	(9.7%)
Gross profit	527.2	611.5	16.0%
Gross profit margin (%)	17.9%	21.9%	4.0%
Other income	73.7	89.6	21.5%
Selling expenses	84.9	61.0	(28.2%)
Administrative expenses	278.0	377.0	35.6%
Gain on exchange rates - net	5.9	5.1	(13.0%)
Finance costs	28.0	33.7	20.1%
Share of profits from investments in associates and joint ventures	213.0	624.0*	192.9%
Earnings before interest, taxes, depreciation, and amortization (EBITDA)	557.1	981.7	76.2%
Net profit for the year	367.0*	795.7	116.8%
Net profit margin (%)	12.5%	28.5%	16.0%

Remarks * The Company recorded gain from revaluation of investment in Asia GSA (M) in the amount of Baht 321.7 million because of the Company acquisition of 20% shareholding in Asia GSA (M) at the beginning of the year 2022 at a price lower than fair value, comparing to acquisition of the remaining 80% shareholder at the end of the year 2022, which is in line with the restructuring plan of air freight business and filing for listing on the Stock Exchange of Thailand.

In respect of operating performance in the year 2022, the Group had a total revenue of Baht 2,788.8 million, a decrease of 5.1% from the same period of last year. This was mainly due to a decrease in revenues from the air freight business. In the fourth quarter of the year 2022, the Group generated higher revenues from the business through offering charter flight service. The Group's gross profit was Baht 611.5 million, an increase of 16.0% from the same period of last year. The air freight business was able to maintain profits at the same level as the previous year, while the logistics management business and the chemicals and dangerous goods logistics business generated profits from both air and ocean freight services.

In terms of selling and administrative expenses, the Group was able to control expenses at a level similar to the same period of the previous year, with lower selling expenses. The selling expenses have decreased due to reduction in expenses of the air freight business unit. The expenses of air freight business unit have been managed in accordance with the provision of services, while the administrative expenses increased as a result of the provision for bad debts and doubtful accounts of an airline in the amount of Baht 33.2 million since the airline was in the process of filing a business rehabilitation petition. The additional amount of the provision for bad debts and doubtful accounts has been set aside for debts under collection in the amount of Baht 34.7 million in Quarter 4/2022. However, the Group expects that, after the Covid-19 situation has been improved and the economy has recovered, debtors would be able to resume repayment of debts because they are still in business operations.

Share of profits from investment in associates and joint ventures in the year 2022 was Baht 624.0 million, an increase by over 192.9% compared to the previous year, due to growth in ANI's earnings, additional acquisition by ANI in Asia GSA (M), and returns from AOT Ground Aviation Services Co., Ltd. (AOTGA) invested by the Group through SAL Group (Thailand) Co., Ltd. Such investment generated loss in the same period of the previous year, while year 2022, it provided share of profits of over Baht 26.2 million. In Quarter 4/2022, the Group recorded a gain from revaluation of investment in Asia GSA (M) in the amount of Baht 321.7 million.

The Group's net profit in the year 2022 was Baht 795.7 million or 116.8% growth from the same period of the previous year. This was due to the Group's ability to maintain the level of profitability in the core businesses and the Group generated outstanding results from investments in related businesses, both domestically and internationally.

Financial Position Analysis

Unit : Million Baht

Statement of Financial Position Highlights	31 December 2021	31 December 2022	Increase (Decrease)	%
Key items of assets				
Cash and cash equivalents	168.1	540.0	371.8	221.2%
Trade and other receivables	801.4	517.9	(283.5)	(35.4%)
Investments in associates and joint ventures	1,450.3	2,160.7	710.4	49.0%
Total assets	2,939.4	3,679.7	740.3	25.2%
Key items of liabilities				
Trade and other payables	488.3	256.2	(232.1)	(47.5%)
Long-term loans from financial institutions	375.0	569.3	194.3	51.8%
Total liabilities	1,204.7	1,008.0	(196.7)	(16.3%)
Key items of shareholders' equity				
Issued and paid-up share capital	310.4	346.3	35.9	11.6%
Share premium	771.4	1,166.4	395.0	51.2%
Retained earnings (losses)	530.8	1,043.6	512.8	96.6%
Total equity	1,734.7	2,671.7	937.0	54.0%

Total assets

As of 31 December 2022, the Company's total assets was Baht 3,679.7 million, an increase from that as of 31 December 2021 by Baht 740.3 million. This was mainly due to additional investment in ANI in the amount of Baht 300 million in January 2021 to acquire the business of Asia GSA (M) Snd. Bhd., representing 20% shareholding and increase in cash from proceeds from exercise of warrants in the amount of Baht 430.9 million.

Cash and cash equivalents

As of 31 December 2022, the Company's cash and cash equivalents was Baht 540.0 million, an increase from business operations and proceeds from exercise of warrants in the year 2022 in the total amount of Baht 430.9 million.

Trade and other receivables

Trade and other receivables consisted of trade receivables from logistics activities, prepaid expenses, accrued income, other receivables, trade receivables from related parties, and dividend receivables from related parties. As of 31 December 2021 and 31 December 2022, the Company's trade and other receivables were Baht 801.4 million and Baht 517.9 million respectively, a decrease of Baht 283.5 million or 35.4% compared to the previous year.

Most of trade receivables – other businesses were overdue for less than 3 months. As of 31 December 2021 and 31 December 2022, the Company's average collection period slightly increased to 76.7 days and 86.3 days respectively. This was in line with the average collection period of the Group.

In addition, the Company has a policy for an allowance for doubtful accounts by considering the overdue period and financial status of customers. The allowance for doubtful accounts at the end of 2021 and 2022 was set at 2.7% and 12.9% of other trade receivables respectively. In the year 2022, the Company has set aside allowance for doubtful account of a large customer based on a conservative basis. The customer is still in operation, but it is in the process of restructuring the business and debts.

Investments in associates and joint ventures

As of 31 December 2021 and 31 December 2022, the Company's investments in associates and joint ventures were Baht 1,450.3 million and Baht 2,160.7 million respectively. The increase was mainly due to significant growth in the air freight business, Asia Network International Co., Ltd. (ANI). At the beginning of 2022, the Company additionally invested in ANI, totalling Baht 300.8 million. The consideration was made in cash. In addition, the investment in ANI during the end of 2022 has resulted in revaluation of the investment's fair value and caused an increase in the value of investment.

Total liabilities

As of 31 December 2022, the Company's total liabilities was Baht 1,008.0 million, a decrease from that as of 31 December 2021 by Baht 196.7 million, which was mainly due to repayment of short-term loans.

Trade and other payables

As of 31 December 2022, the Company's trade and other payables was Baht 256.2 million, a decrease from the end of last year by Baht 232.1 million. This was in line with the normal operating performance with a slightly lower income.

Short-term and long-term loans from financial institutions

As of 31 December 2022, the Company had no short-term loans from financial institutions, while at the end of last year, the Company's short-term loans from financial institutions amounted to Baht 120.0 million. The Group's long-term loans from financial institutions, which were utilized for investments in other businesses, were Baht 569.3 million, an increase from the previous year by Baht 194.3 million. This was in line with the Company's investment plan. The Company invested in additional shares of ANI in January 2022. The average repayment period of the long-term loans was 5 years.

Shareholders' equity

As of 31 December 2022, the Company's shareholders' equity was Baht 2,671.7 million, an increase by Baht 937.0 million from that as of 31 December 2021 in line with the operating performance in the year 2022 and capital increase as a result of exercise of warrants in the amount of Baht 430.9 million. In the year 2022, the Group paid dividends at the rate of Baht 0.45 per share in aggregate, totaling Baht 282.3 million.

In the year 2022, the Company's also paid an interim dividend of Baht 0.15 per share, totaling Baht 96.1 million.

The capital increase and allocation of newly issued shares to existing shareholders proportionately (Rights Offerings) were approved by the Extraordinary General Meeting of Shareholders No. 1/2022 held on 29 November 2022. The offering price was Baht 12.00 per share. The allocation ratio was 15 existing ordinary shares to 1 newly issued ordinary share. The share subscription period was from 26 to 30 December 2022. The Company was able to allocate 46,165,510 newly issued ordinary shares with the proceeds from the Rights Offerings amounting to Baht 553.99 million.

Key Financial Ratios

	Consolidated financial statements		
	2020	2021	2022
Current ratio	0.9	1.3	2.1
Debt to equity ratio (D/E)	0.9	0.7	0.4
Interest bearing debt to equity ratio (IBD/E)	0.6	0.4	0.2

The Group's key financial ratios indicated that the Company still had good liquidity and was able to manage cash efficiently. The current ratio was 2.1 times, while the debt to equity (D/E) ratio was 0.4 times. The interest-bearing debt to equity ratio (IBD/E) was 0.2 times. These ratios showed that the Company had a strong financial position and the ability to borrow money for investments in the future.

Liquidity Analysis

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

	Consolidated financial statements		
	2020	2021	2022
Net cash generated from (used in) operating activities	75.1	111.2	359.1
Net cash generated from (used in) investing activities	(230.8)	11.8	(124.8)
Net cash generated from (used in) financing activities	3.7	(69.2)	138.2
Net increase (decrease) in cash and cash equivalents	(152.0)	53.8	372.5
Cash and cash equivalents at the beginning of the year	262.5	110.5	168.1
Exchange gains (losses) on cash and cash equivalents	(0.0)	3.8	(0.6)
Cash and cash equivalents at the end of the year	110.5	168.1	540.0

Cash flows from operating activities

In the year 2021 and 2022, Company had net cash generated from operating activities in the amount of Baht 111.2 million and Baht 359.1 million respectively. This was in line with the performance which generated most cash flows from operations and the Company's ability to collect payments from debtors.

Cash flows from investing activities

In the year 2021, the Company had net cash generated from investing activities in the amount of Baht 11.8 million from the sale of investment and the restructuring of A.T.P. Friend Services Co., Ltd. to hold shares in Sabuy Speed Co., Ltd. In the year 2022, the Group had net cash generated from investing activities in the amount of Baht 124.8 million from investing in joint ventures at the beginning of the year in the amount of Baht 300.8 million, but the Group received dividends from such investment of over Baht 167.2 million.

Cash flows from financing activities

In the year 2021, the Company had net cash used in financing activities in the amount of Baht 69.2 million from repayments on short-term and long-term loans from financial institutions in the amount of Baht 440.0 million and Baht 120.0 million respectively. The Company had proceeds from short-term and long-term loans from financial institutions in the amount of Baht 430.0 million and Baht 105.0 million respectively. In the year 2021, the Company paid dividends in the amount of Baht 121.0 million.

In the year 2022, the Group had net cash from financing activities in the amount of Baht 138.2 million. This was mainly due to the exercise of warrants and the Group received proceeds from such exercise of over Baht 430.9 million. The Group made repayments on long-term loans from financial institutions in the amount of Baht 105.8 million and repayments on short-term loans from financial institutions in the amount of Baht 670.0 million.

Factors or events that may significantly affect the financial position or operations in the future (Forward Looking)

1. Fluctuation and decrease in air freight and sea freight charges

The global economic slowdown from international trades and the Russo-Ukrainian War have caused a decrease in the demand for products. As a result, freight charges tend to decrease, particularly sea freight charges, which have been affected by the contraction in demand. However, excess cargo supply has caused freight charges to rapidly decrease. While there was a similar impact on air freight charges, the decrease in air freight charges was lower than the decrease in sea freight charges. However, the Group could manage costs of the main business of the Group, including general sales agent for airlines and international freight forwarding services, and generated profits from collecting service fees from customers.

2. Impacts from politics, war, and riots

Domestic and international geopolitical tensions have affected market demand, reducing the demand for consumption and causing fluctuations in prices of products and fuels. This factor may affect the Group's pricing and cost of services.

3. Risks from technology advancement

Today's advanced development of technology and artificial intelligence systems for the purpose of increasing efficiency and reducing the cost of doing business may change the existing behaviour of customers or trade partners to use more services. However, the Company places importance on such matter and plans to increase investment in technology and artificial intelligence businesses, as well as bringing artificial intelligence systems to help in the business operations, which will reduce cost of services. The Company also promotes and develops the capabilities of employees to have knowledge of innovation and technology related to the business.

4. Trends, factors, and environmental and social impacts

The Company places importance on sustainability, that may affect the operations of the organization, and stakeholders by analyzing internal and external factors, trends, directions, and impacts on the environment, society, and governance (Environmental Social and Governance Dimension : ESG), in terms of both positive and negative impacts on all groups of stakeholders. In the year 2022, the Company has given importance to the environment. It is committed to reducing the impact of its operations on the environment. It plans to reduce energy and utility consumption and waste and promotes activities to preserve nature and conserve energy to make efficient use of resources. The Company has also installed a charging station for electric vehicles to promote clean energy and reduce greenhouse gas emissions.

Management's Viewpoints on Trend and Strategy for Year 2023

The global economy tends to slow down due to various factors. Such situation is expected to affect international trade, including Thai exports. However, the Office of the National Economic and Social Development Council or NESDC estimates that the Thai economy in 2023 will expand by 3.2%, supported by continuing recovery of the tourism sector and domestic demand, while exports will contract by 1.6%. Freight costs are likely to decrease, especially sea freight costs due to the economic slowdown and oversupply of freight capacity. Thai Baht currency in 2023 will be volatile due to inflation and tight monetary policies around the world. Hence, it would be more difficult for international business operators to manage foreign exchange risk.

In the year 2023, it is expected that the number of foreign tourists traveling to Thailand will reach 28 million, an increase of 151% from the previous year, which will increase revenues from tourism and related services such as airline and ground handling services, both passenger and cargo services.

Business plan for the 4 core business units

The Group will focus on expanding its customer base to increase market share and increase its competitiveness by adding a variety of logistics services to the existing services to meet the needs of all target groups of customers. The Company will also implement efficient cost management. The international freight service will be focusing on expanding the volume of freight to compensate for the decline in freight rates, particularly sea freight. The Group has a plan to expand to a new customer base, especially groups with growth potential, including the green energy industry group that is supported by the government, products that are less affected by the economic recession and essential goods such as consumer goods, medicine and medical supplies, and export products with production base located in Thailand such as electronic parts and automobile parts. In respect of chemical and dangerous goods logistics service, the Group plans to expand the warehouse space to accommodate the increasing volume of products in the future.

Business plan for business development unit

The Group continues to develop its business to seek opportunities to generate returns from new sources of income. In the year 2023, the Company will focus on new business development, covering additional logistics needs according to the business expansion strategy “Logistics and Beyond.”

- **Beyond Boundary :** Transforming from Thailand’s leading integrated logistics service provider into Asia’s leading logistics service provider with the strongest network and business base in the region by expanding the scope of representation of leading airlines covering the Asian region. The Group recently invested in Asia GSA (M) for an additional of 80% shareholding from previous shareholding of 20%. After the transaction, the Group has 100% shareholding in Asia GSA (M), holding through Asia Network International (ANI). As a result, the Group will record all profit sharing from Asia GSA (M) in the first quarter of 2023. In addition, the Group will continue with its plan for ANI to raise funds in the Stock Exchange of Thailand, which is expected to be completed within 2023.
- **Beyond Traditional Logistics Service :** Developing new business models and services in addition to existing services, such as ground handling services covering both cargo and passenger services. At present, AOTGA currently provides services at Don Mueang and Phuket International Airports. The recovery of the tourism industry is expected to have a continuous positive impact on AOTGA’s business this year. In the past year, the Group has started a trial domestic cargo train service and provided train cargo service on the route connecting Thailand to Laos – China. In addition, the Group currently plans to provide train cargo service on the route from Thailand to Malaysia.
- **Beyond Traditional Platform :** Developing logistics services in an online digital platform to support the exponential growth of the e-commerce market and increase the capabilities by expanding the scope of the Group’s domestic and international logistics services. The business includes same day delivery service and parcel collection point service for domestic cargo. The Group also plans to extend to related services, which are in the Group’s areas of strength, with start-up groups operating e-Commerce and e-Logistics businesses in which the Group has previously invested.
- **Beyond Existing Expertise :** Continuing its expertise in specialized logistics. In the year 2023, the Group plans to develop a super express airfreight service.





Financial Positions and Operating Performance

Key Financial Information

Statements of Financial Position

Item	Consolidated financial statements					
	31 December 2020		31 December 2021		31 December 2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Assets						
Current Assets						
Cash and cash equivalents	110.5	4.6%	168.1	5.7%	540.0	14.7%
Trade and other receivables, net	433.2	18.0%	801.4	27.2%	517.9	14.1%
Short-term loans to related parties	1.3	0.1%	14.4	0.5%	25.0	0.7%
Inventories	1.4	0.1%	1.4	0.0%	1.6	0.0%
Other current assets	5.8	0.2%	52.5	1.8%	9.0	0.2%
Non-current assets classified as held-for-sale	32.8	1.4%	-	0.0%	-	0.0%
Total current assets	585.0	24.3%	1,037.8	35.2%	1,093.5	29.7%
Non-current assets						
Investments in associates	87.0	3.6%	265.2	9.0%	244.5	6.6%
Investments in joint ventures	1,151.5	47.9%	1,185.1	40.3%	1,916.3	52.1%
Financial assets measured at fair value through other comprehensive income	0.0	0.0%	0.0	0.0%	0.0	0.0%
Property, plant and equipment, net	202.8	8.4%	191.1	6.5%	161.1	4.4%
Right-of-use assets, net	219.8	9.1%	121.3	4.1%	82.1	2.2%
Intangible assets, net	13.9	0.6%	14.8	0.5%	10.7	0.3%
Deferred tax assets	18.7	0.8%	11.3	0.4%	21.7	0.6%
Retentions	14.7	0.6%	14.9	0.5%	13.8	0.4%
Other non-current assets	112.6	4.7%	97.9	3.3%	136.0	3.7%
Total non-current assets	1,821.0	75.7%	1,901.6	64.7%	2,586.2	70.3%
Total assets	2,406.0	100.0%	2,939.4	100.0%	3,679.7	100.0%

Item	Consolidated financial statements					
	31 December 2020		31 December 2021		31 December 2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Liabilities and equity						
Current liabilities						
Short-term loans from financial institutions	130.0	5.4%	120.0	4.1%	-	0.0%
Trade and other payables	313.9	13.0%	488.3	16.6%	256.2	7.0%
Current portion of long-term loans from a financial institution, net	90.0	3.7%	105.8	3.6%	171.0	4.6%
Current portion of lease liabilities	64.1	2.7%	52.2	1.8%	39.1	1.1%
Derivatives liabilities	-	0.0%	0.0	0.0%	-	0.0%
Income tax payables	0.5	0.0%	27.6	0.9%	33.1	0.9%
Other current liabilities	21.6	0.9%	35.7	1.2%	31.4	0.9%
Total current liabilities	620.1	25.8%	829.6	28.1%	530.8	14.4%
Non-current liabilities						
Long-term loans from financial institutions	300.0	12.5%	269.2	9.1%	398.3	10.8%
Lease liabilities, net	148.6	6.2%	69.6	2.4%	44.5	1.2%
Employee benefit obligations	27.4	1.1%	23.4	0.8%	25.4	0.7%
Decommissioning provision	6.8	0.3%	7.1	0.2%	7.8	0.2%
Derivatives liabilities	9.5	0.4%	4.6	0.2%	0.7	0.0%
Other non-current liabilities	2.5	0.1%	1.2	0.0%	0.3	0.0%
Total non-current liabilities	494.8	20.6%	375.1	12.7%	477.2	13.0%
Total liabilities	1,114.9	46.3%	1,204.7	40.8%	1,008.0	27.4%

Item	Consolidated financial statements					
	31 December 2020		31 December 2021		31 December 2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Equity						
Share capital						
Authorised share capital	383.7		380.8		406.2	
Issued and paid-up share capital	304.7	12.7%	310.4	10.5%	346.3	9.4%
Share premium, net	708.6	29.5%	771.4	26.1%	1,166.4	31.7%
Surplus arising from business combination under common control	30.7	1.3%	30.7	1.0%	30.7	0.8%
Surplus arising from share-based payments	22.8	0.9%	22.8	0.8%	22.8	0.6%
Premium on treasury shares	-	0.0%	58.5	2.0%	58.5	1.6%
Discount from changes in shareholding of subsidiary	(0.2)	(0.0%)	(0.2)	(0.0%)	(0.2)	(0.0%)
Retained earnings (losses)						
Appropriated - Legal reserve	39.0	1.6%	50.2	1.7%	52.3	1.4%
Appropriated - Treasury share reserve	40.1	1.7%	-	0.0%	-	0.0%
Unappropriated	199.4	8.3%	480.6	16.3%	991.2	26.9%
Less Treasury shares	(40.1)	(1.7%)	-	0.0%	-	0.0%
Other components of equity	(13.9)	(0.6%)	10.4	0.4%	3.7	0.1%
Equity attributable to owners of the Company	1,291.1	53.7%	1,734.7	59.0%	2,671.7	72.6%
Non-controlling interests	-	0.0%	-	0.0%	-	0.0%
Total equity	1,291.1	53.7%	1,734.7	59.0%	2,671.7	72.6%
Total liabilities and equity	2,406.0	100.0%	2,939.4	100.0%	3,679.7	100.0%

Statements of Comprehensive Income

Item	Consolidated financial statements					
	31 December 2020		31 December 2021		31 December 2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenues						
Revenues from services	1,590.0	98.9%	2,918.1	99.3%	2,764.7	99.1%
Revenues from sales	17.4	1.1%	21.1	0.7%	24.1	0.9%
Cost of services	(1,269.0)	(78.9%)	(2,406.7)	(81.9%)	(2,170.6)	(77.8%)
Cost of sales	(4.3)	(0.3%)	(5.3)	(0.2%)	(6.7)	(0.2%)
Gross profit	334.1	20.8%	527.2	17.9%	611.5	21.9%
Other income	57.0	3.5%	73.7	2.5%	89.6	3.2%
Selling expenses	(67.1)	(4.2%)	(84.9)	(2.9%)	(61.0)	(2.2%)
Administrative expenses	(254.4)	(15.8%)	(276.3)	(9.4%)	(347.1)	(12.4%)
Loss from impairment on financial assets	(11.7)	(0.7%)	(1.7)	(0.1%)	(30.0)	(1.1%)
Other gain (loss), net	(0.8)	(0.0%)	5.8	0.2%	5.1	0.2%
Finance costs	(31.4)	(2.0%)	(28.0)	(1.0%)	(33.7)	(1.2%)
Share of profits from investments in associates and joint ventures	135.4	8.4%	213.0	7.2%	624.0	22.4%
Profit before income tax	161.1	10.0%	428.8	14.6%	858.4	30.8%
Income tax	(12.7)	(0.8%)	(61.8)	(2.1%)	(62.7)	(2.3%)
Profit for the year	148.4	9.2%	367.0	12.5%	795.7	28.5%
Other comprehensive income (expenses) :						
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	(30.6)	(1.9%)	-	0.0%	-	0.0%
Remeasurement of post-employment benefit obligations	-	0.0%	6.4	0.2%	-	0.0%
Share of other comprehensive income of associates and joint ventures accounted for using the equity method	-	0.0%	1.3	0.0%	-	0.0%
Income tax relating to items that will not be reclassified subsequently to profit or loss	6.1	0.4%	(1.3)	(0.0%)	-	0.0%
Total items that will not be reclassified subsequently to profit or loss	(24.5)	(1.5%)	6.4	0.2%	-	0.0%

Item	Consolidated financial statements					
	31 December 2020		31 December 2021		31 December 2022	
	Million Baht	%	Million Baht	%	Million Baht	%
Items that will be reclassified subsequently to profit and loss						
Gain (loss) from changes in fair value of cash flow hedge	(0.6)	(0.0%)	4.8	0.2%	3.9	0.1%
Cash flow hedge reserve reclassified to profit or loss	-	0.0%	-	0.0%	0.7	0.0%
Currency translation differences on financial statements	(1.4)	(0.1%)	2.9	0.1%	(0.1)	(0.0%)
Share of other comprehensive income of joint ventures accounted for using the equity method	2.0	0.1%	17.6	0.6%	(10.4)	(0.4%)
Income tax relating on items that will be reclassified subsequently to profit or loss	0.1	0.0%	(1.0)	(0.0%)	(0.9)	(0.0%)
Total items that will be reclassified subsequently to profit or loss	0.2	0.0%	24.3	0.8%	(6.8)	(0.2%)
Other comprehensive income (expenses) for the year, net of tax	(24.3)	(1.5%)	30.7	1.0%	(6.8)	(0.2%)
Total comprehensive income for the year	124.1	7.7%	397.7	13.5%	788.9	28.3%
Profit (loss) attributable to :						
Owners of the Company	162.5	10.1%	367.0	12.5%	795.7	28.5%
Non-controlling interests	(14.1)	(0.9%)	-	0.0%	-	0.0%
	148.4	9.2%	367.0	12.5%	795.7	28.5%
Total comprehensive income (expense) attributable to :						
Owners of the Company	138.2	8.6%	397.7	13.5%	788.9	28.3%
Non-controlling interests	(14.1)	(0.9%)	-	0.0%	-	0.0%
	124.1	7.7%	397.7	13.5%	788.9	28.3%
Earnings (loss) per share attributable to owners of the parent :						
Basic earnings (loss) per share (Baht per share) ^{/1}	0.273		0.605		1.250	

Remark : ^{/1} 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		
	2020	2021	2022
	Million Baht	Million Baht	Million Baht
Cash flows from operating activities			
Profit before income tax	161.1	428.8	858.4
Adjustments for :			
Depreciation and amortisation	101.2	100.3	89.6
Share of profit from investments in associates and joint ventures	(135.4)	(213.0)	(624.0)
Impairment loss on investments in an associate	-	-	1.9
Impairment loss on short-term loans to a related party	-	-	14.5
Impairment loss on deposit	-	-	20.2
(Gain) loss on disposal of investments in a subsidiary, associates, and joint ventures	(44.0)	(52.1)	(83.3)
(Gain) loss from disposal and written-off of equipment	0.6	(2.0)	(1.1)
(Reversal of) employment benefit obligations	(0.4)	3.6	3.3
Loss from impairment on financial assets	11.7	1.7	30.0
(Gain) loss on foreign exchange rate	4.4	(5.7)	(6.6)
Loss from changes in fair value of derivatives	0.2	0.0	0.7
Gain from lease termination and modification	(0.5)	(4.5)	(0.9)
Interest income	(0.8)	(1.2)	(1.2)
Expense on share-based payments	0.9	-	-
Finance costs	31.4	28.0	33.7
Profit from operating activities before adjustment of changes in operating assets and liabilities	130.4	283.9	335.2
Changes in working capital			
Operating assets decrease (increase)			
Trade and other receivables	49.7	(297.5)	275.2
Inventories	(0.1)	0.0	(0.3)
Other current assets	0.1	(46.5)	23.4
Retentions	18.3	(0.2)	(4.6)
Other non-current assets	20.9	21.9	41.4
Operating liabilities increase (decrease)			
Trade and other payables	(101.5)	175.0	(225.4)
Other current liabilities	(14.0)	14.0	(4.1)
Employee benefit obligations paid	(1.3)	(1.3)	(0.7)
Other non-current liabilities	(7.8)	(1.4)	(0.9)
Cash flows from operations	94.7	147.9	439.2
Income tax paid	(19.6)	(36.7)	(80.1)
Net cash generated from (used in) operating activities	75.1	111.2	359.1

Item	Consolidated financial statements		
	2020	2021	2022
	Million Baht	Million Baht	Million Baht
Cash flows from investing activities			
Interest income received	0.9	1.2	1.0
Proceeds from disposal of equipment	0.5	1.8	22.4
Proceeds from disposal of non-current assets classified as held-for-sale	-	34.7	-
Payments for purchases of equipment and intangible assets	(29.0)	(18.3)	(26.6)
Proceeds from disposal of investments in a subsidiary, net of cash in a subsidiary	136.4	-	-
Proceeds from disposal of investments in associates and joint ventures	-	-	32.4
Proceeds from dissolution of a joint venture	-	1.4	-
Payments for investments in subsidiaries	(163.5)	-	-
Payments for investments in associates and joint ventures	(273.9)	(186.1)	(302.1)
Cash decreased from disposal of a subsidiary	-	-	(19.1)
Proceeds from short-term loans to related parties	14.9	70.0	4.5
Payments for short-term loans to related parties	(5.0)	(83.1)	(4.5)
Dividends received from associates and joint ventures	87.9	190.2	167.2
Net cash generated from (used in) investing activities	(230.8)	11.8	(124.8)
Cash flows from financing activities			
Interest paid	(31.3)	(27.7)	(33.3)
Proceeds from short-term loans from financial institutions	485.0	430.0	550.0
Repayments of short-term loans from financial institutions	(355.0)	(440.0)	(670.0)
Payments for lease liabilities	(53.5)	(62.4)	(51.3)
Proceeds from long-term loans from a financial institution	199.4	105.0	300.0
Repayments of long-term loans from a financial institution	(109.4)	(120.0)	(105.8)
Proceeds from resales of treasury shares	-	98.6	-
Payments for treasury shares	(40.1)	-	-
Proceeds from exercise of warrants	-	68.5	430.9
Dividends paid	(91.4)	(121.0)	(282.3)
Net cash generated from (used in) financing activities	3.7	(69.2)	138.2
Net increase (decrease) in cash and cash equivalents	(152.0)	53.8	372.5
Cash and cash equivalents at the beginning of the year	262.5	110.5	168.1
Exchange losses on cash and cash equivalents	(0.0)	3.8	(0.6)
Cash and cash equivalents at the end of the year	110.5	168.1	540.0

Key Financial Ratios

Key Financial Ratios	Unit	Consolidated financial statements		
		2020	2021	2022
Liquidity Ratio				
Current ratio	(times)	0.9	1.3	2.1
Quick ratio	(times)	0.9	1.2	2.0
Cash flow liquidity ratio	(times)	0.1	0.2	0.6
Account receivable turnover	(times)	3.5	4.8	4.2
Average collection period	(days)	105.4	76.7	86.3
Inventory turnover ^{1/}	(times)	3.2	3.8	4.3
Average inventory turnover ^{1/}	(days)	113.6	94.9	84.6
Account payable turnover	(times)	3.5	6.0	5.8
Payment period	(days)	104.4	60.7	62.4
Cash Cycle ^{2/}	(days)	1.1	16.0	23.9
Profitability Ratio				
Gross profit margin	%	20.8%	17.9%	21.9%
Operating profit margin	%	11.6%	15.2%	31.0%
EBITDA margin	%	18.3%	19.0%	35.2%
Other profit margin	%	3.4%	2.4%	3.1%
Cash to profit margin	%	50,383.3%	86.9%	245.9%
Net profit margin	%	9.8%	12.2%	27.6%
Return on equity ^{3/}	%	12.6%	24.3%	36.1%
Efficiency Ratio				
Return on assets	%	8.3%	17.1%	27.0%
Return on fixed assets ^{4/}	%	75.7%	126.3%	317.5%
Asset turnover	(times)	0.7	1.1	0.9
Financial Policy Ratio				
Debt to equity ratio	(times)	0.9	0.7	0.4
Interest coverage ratio	(times)	9.3	19.9	29.2
Debt service coverage ratio (Cash Basis)	(times)	0.1	0.2	0.5
Dividend payout ratio ^{5/}	%	37.0%	67.4%	49.2%

Remarks :

^{1/} Inventories is not a significant item to the Group's business as it focuses on provision of services.

^{2/} Exclusive of average inventory period which is not a significant item to the Group's business.

^{3/} Profit to average shareholders' equity.

^{4/} 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).

^{5/} 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	:	406,205,126.50 Baht dividing into ordinary shares of 812,410,253 shares with a par value at 0.50 Baht each
Paid-up Capital	:	346,266,192 Baht dividing into 692,532,384 shares with a par value at 0.50 Baht each
Head Office	:	628 Triple i Building, 3 rd Floor, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120
	Telephone Number	: 0-2681-8700
	Facsimile	: 0-2681-8701
	Website	: www.iii-logistics.com
The CEO Office	:	Telephone Number : 0-2681-8700 Ext. 100, 101
and Company Secretary	:	Facsimile : 0-2681-8701
	:	e-mail : secretary@iii-logistics.com
Investor Relations	:	Telephone Number : 0-2681-8700 Ext. 103, 104
	:	Facsimile : 0-2681-8701
	:	e-mail : ir@iii-logistics.com

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. Ms. Sukhumaporn Wong-ariyaporn CPA Registration No. 4843

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.	Triple i Air Express Co., Ltd. (TAX) Address : 628, 6th 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 air freight	Baht 50,000,000	Baht 100	Baht 50,000,000	99.99
2.	Triple i International Pte., Ltd. (TIL) 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
3.	Asia Network International Co., Ltd. (ANI) Address : 628, 6th Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel. : 02-681-7900 Fax. : 02-681-7901	General sales agent for airlines	Baht 505,813,900	Baht 25	Baht 505,813,900	50.35
4.	Asia Ground Service Co., Ltd. (AGS) Address : 628, 6th Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel. : 02-681-5888 Fax. : 02-681-5889	Warehouse management and ground handling services	Baht 50,000,000	Baht 100	Baht 50,000,000	99.99
5.	SAL Group (Thailand) Co., Ltd. (SAL) Address : 628, 6th 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 672,200,000	Baht 100	Baht 672,200,000	22.50

Sea Freight and Inland Transport Business

No.	Subsidiaries	Business	Registered capital	Par value per share	Paid-up capital	Percentage of investment
1.	Triple i Maritime Agencies Co., Ltd. (TMA) Address : 628, 2nd 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 sea freight and inland transportation	Baht 10,000,000	Baht 100	Baht 10,000,000	99.99
2.	ECU Worldwide (Thailand) Co., Ltd. (ECU) Address : 628, 5th Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel. : 02-681-8555 Fax. : 02-681-8265	Management of international sea freight	Baht 5,000,000	Baht 100	Baht 5,000,000	43.00
3.	CK Line (Thailand) Co., Ltd. (CKT) Address : 628, 3rd Floor, Triple i Building, Soi Klab Chom, Nonsee Road, Chongnonsee, Yannawa, Bangkok 10120 Tel. : 02-681-8711 Fax. : 02-681-5811	General sales agent for shipping lines	Baht 5,000,000	Baht 100	Baht 5,000,000	42.00
4.	TSL Logistics Co., Ltd. (TSL) Address : 628 Triple i Building 3rd Floor, Soi KlabChom, Nonsee Road, Chongnonsee Sub-district, Yannawa District, Bangkok 10120 Tel. : 02-681-5888 Fax. : 02-681-5889	International Railway Freight Agent	Baht 10,000,000	Baht 10	Baht 2,500,000	50.99

Logistics Management Business

No.	Subsidiaries	Business	Registered capital	Par value per share	Paid-up capital	Percentage of investment
1.	Triple i SupplyChain Co., Ltd. (TSC) Address : 628, 6th 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 10,000,000	Baht 100	Baht 10,000,000	99.99
2.	Cross Border Couriers Co., Ltd. (CBC) Address : 628, 7th 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.	Makesend Express Co., Ltd. (MAKESEND) Address : 628 Triple i Building 3rd Floor, Soi KlabChom, Nonsee Road, Chongnonsee Sub-district, Yannawa District, Bangkok 10120 Tel. : 02-681-5888 Fax. : 02-681-5889	Local parcel delivery service	Baht 4,000,000	Baht 10	Baht 4,000,000	30.00
4.	Galaxy Ventures Co., Ltd. (GV) Address : 69 Ratchadaphisek Road, Wong Sawang, Bang Sue, Bangkok 10800 Tel. : 02-430-0596 Fax. : -	Investment in other companies	Baht 40,000,000	Baht 10	Baht 40,000,000	30.00
5.	Sabuy Speed Co., Ltd. (SBS) Address : 230 Bang Khun Thian-Chai Thalae Road, Samae Dam Sub-district, Bang Khun Thian, Bangkok 10150 Tel. : 02-009-0555 Fax. : -	Drop-off service and inland transportation	Baht 406,097,560	Baht 10	Baht 406,097,560	18.00

Chemical and Specialty Logistics Business

No.	Subsidiaries	Business	Registered capital	Par value per share	Paid-up capital	Percentage of investment
1.	HazChem Logistics Management Co., Ltd. (HLM) Address : 628, 4th 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.	DG Packaging (Thailand) Co., Ltd. (DGP) Address : 628, 4th 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
3.	Hazchem Logistics Management Pte., Ltd. (HLM-SG) (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
4.	HazChem TransManagement Co., Ltd. (HTM) (Joint Ventures held by HLM) Address : 628, 4th 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
5.	DG Packaging Pte., Ltd. (DGPS) Address : 56 Loyang Way #05-01 Loyang 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

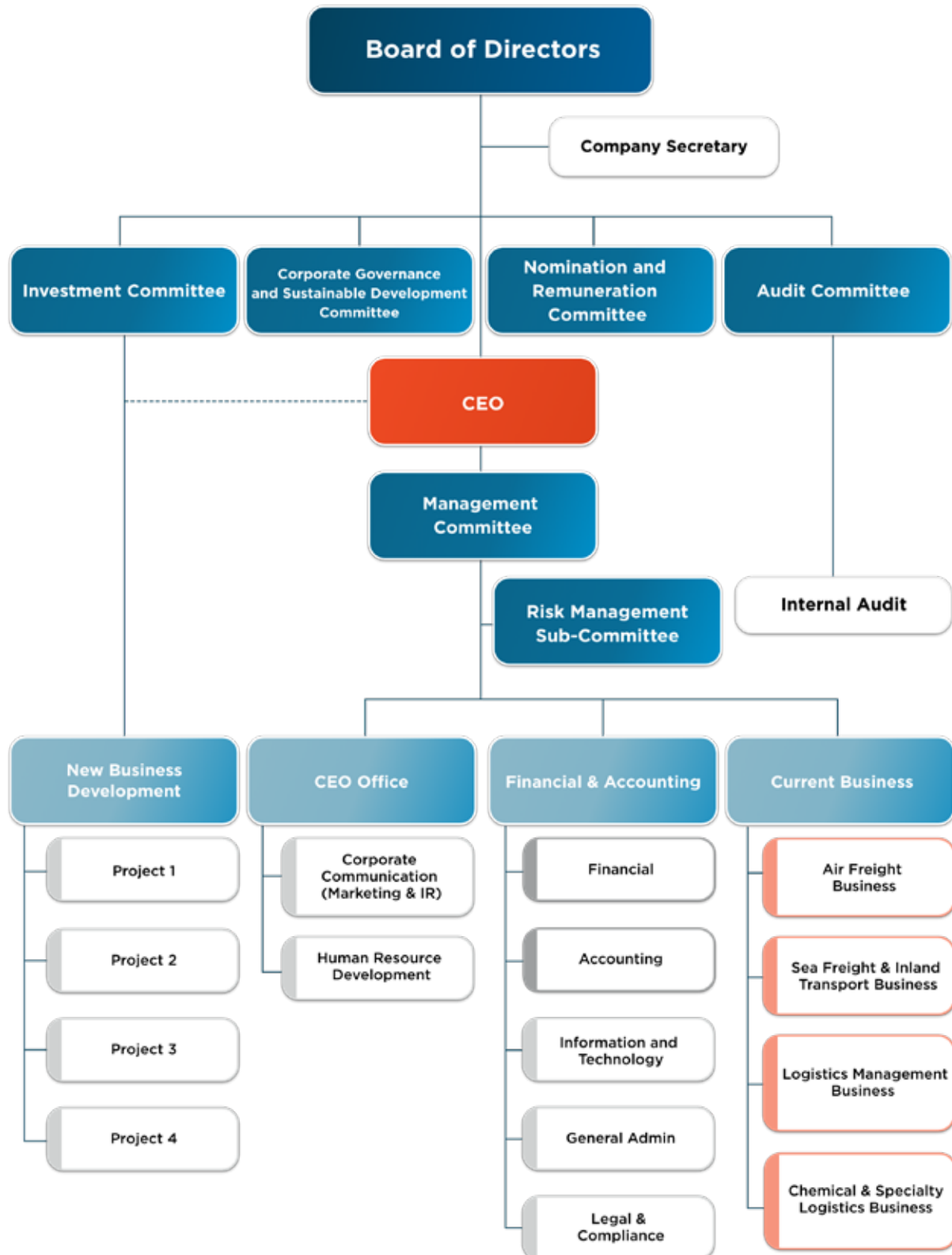
As of 31 December 2022, the Company and its subsidiaries did not have any ongoing legal disputes which may affect assets of the Company or its subsidiaries in the amount of greater than 5% of the shareholders' equity and there is no dispute that significantly affects the business operations of the Company and its subsidiaries.

Part 2 | Corporate Governance





Management Structure



Remark : ■ = Executive Director

According to Board Resolution, the Effective Date is 21 February 2023



Board of Directors



Mr. Krirkkrai Jirapaet
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 / CEO
Mr. Viraj Nobnomtham
Director / CFO



Mr. Thanut Thatayanon
Director
Mrs. Darunee Rakpongpi boon
Director /
Company Secretary



Mr. Jirod Panacharas
Director
Mr. Chalerm Sak Karnchanawarin
Director





MR. KRIRKKRAI JIRAPAET

AGE 79 YEARS

CHAIRMAN OF THE BOARD /
INDEPENDENT DIRECTOR

Appointed as director

on 15 March 2017, 24 April 2019 (The 1st re-elected),
19 April 2022 (The 2nd re-elected)
(%) Share Possession* as of 31 January 2023

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 (Direct & Indirect)

- 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 the board /
Independent Director,
QTC Energy PCL.
- 2016 - 2022 : Chairman of Advisers to Banpu PCL.
- 2008 - 2016 : Chairman of the board /
Independent Director, Banpu PCL.

Positions in Non Listed Companies

-

Positions in Other Organizations

- 2017 - Present : Honorary Chairman /
Thai Institute of Directors (IOD)
- 2015 - Present : Member of Council of State
- 2005 - 2022 : Deputy Chairman of UTCC Council
- 2014 - 2015 : Member of National Reform Council

* Includes holding by spouse and minor children



MR. WOODTIPONG MOLEECHAD

AGE 74 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 2018(The 1st re-elected),
20 April 2021 (The 2nd re-elected)
(%) Share Possession* as of 31 January 2023

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)
- Anti-Corruption for Executive Program (ACEP) Class 15/2015, Thai Institute of Directors (IOD)
- Director Certification Program Update (DCPU) Class 3/2015, Thai Institute of Directors (IOD)
- Advanced Audit Committee Program (AACP) Class 44/2022, Thai Institute of Directors (IOD)

Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies / Affiliated Companies (Direct & Indirect)

- 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

- 2022- Present : Chairman of the Board /
Independent Director /
Chairman of the Audit Committee,
International Network System PCL.
- 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

- 2022 - Present : Chairman of the Board /
Independent Director /
Chairman of the Audit Committee,
Supreme Distribution (Thailand) Co., Ltd.
- 2003 - 2009 : Deputy Managing Director,
Thailand Post Co., Ltd.

Positions in Other Organizations

-

* Includes holding by spouse and minor children



MR. APICHART CHIRABANDHU

AGE 64 YEARS

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

Appointed as director

on 15 March 2017, 20 April 2020 (The 1st re-elected),
19 April 2022 (The 2nd re-elected)
(%) Share Possession* as of 31 January 2023

Changes in number of Shares during the year -

Relationship between the executive -

Educations

- Bachelor of Laws, Ramkhamhaeng University
- Diploma, The National Defense 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 (Direct & Indirect)

2017 - Present : Director / Independent Director /
Member of the Audit
Committee / Chairman of the
Corporate Governance
and Sustainable Development
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 57 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 1st re-elected), 20 April 2021 (The 2nd re-elected)

(%) Share Possession* as of 31 January 2023

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 (Direct & Indirect)

- 2017 - Present : Director / Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee, Triple i Logistics PLC.
- 2021 - Present : 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.
- 2014 - Present : Director, Creative Power Co., Ltd.
- 2015 - 2022 : Director, IFAC Advisory Co., Ltd.

Positions in Other Organizations

-

* Includes holding by spouse and minor children



MR. TIPP DALAL

AGE 57 YEARS

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

Appointed as director

Appointed as director on 15 March 2017, 24 April 2018
(The 1st re-elected), 20 April 2021 (The 2nd re-elected)
(%) Share Possession* as of 31 January 2023
19.79

**Changes in number of Shares during the year
(-1,300,000 Shares)**

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 Defense College Class 63,
The National Defense Course
- The Rule of Law for Democracy Class 10, College of the
Constitutional Court

Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies / Affiliated
Companies (Direct & Indirect)

- | | | |
|----------------|---|--|
| 2017 - Present | : | Director / Chairman of the Management
Committee / CEO,
Triple i Logistics PLC. |
| 2021 - Present | : | Member of the Investment Committee,
Triple i Logistics PLC. |
| 2022 - Present | : | Director, Sabuy Speed Co., Ltd. |
| 2022 - Present | : | Director, TSL Logistics Co., Ltd. |
| 2022 - Present | : | Director, SAL Group (Thailand) Co., Ltd. |
| 2021 - Present | : | Director, A.T.P. Friend Services Co., Ltd. |
| 2020 - Present | : | Director, Galaxy Ventures Co., Ltd. |
| 2019 - Present | : | Director, Superior GSA Pte., Ltd. |
| 2019 - Present | : | Director, JPK Asia (Myanmar) Co., Ltd. |
| 2019 - Present | : | Director, Excel Air (Cambodia) Co., Ltd. |
| 2019 - Present | : | Director, JPK Asia (Thailand) Co., Ltd. |
| 2019 - Present | : | Director, Around Logistics Management
Co., Ltd. |

- | | | |
|----------------|---|---|
| 2018 - Present | : | Director, DG Packaging Pte., 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. |
| 2015 - Present | : | Director, Excel Air (Guangzhou)
Co., Ltd. |
| 2014 - Present | : | Director, HazChem Trans Management
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
Co., Ltd. |
| 2012 - Present | : | Director, GSA Asia Cargo Co., Ltd. |
| 2011 - Present | : | Director, CK Line (Thailand) Co., Ltd. |
| 2010 - Present | : | Director, DG Packaging (Thailand)
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 Management
Co., Ltd. |
| 1996 - Present | : | Director, Triple i Maritime Agencies
Co., Ltd. |
| 2020 - 2020 | : | Director, AOT Ground Aviation
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 57 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 / CFO

Appointed as director

on 15 March 2017, 24 April 2019 (The 1st re-elected)

19 April 2022 (The 2nd re-elected)

(%) Share Possession* as of 31 January 2023

15.30

**Changes in number of Shares during the year
(+1,052,000 Shares)**

Relationship between the executive -

Educations

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

Certifications

- 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)
- TLCA CFO Professional Development Program (TLCA CFO CPD) 1/2022 "Upgrading the quality of financial reports of Thai listed companies", Thai Listed Companies Association (Online Training)
- TLCA CFO Professional Development Program (TLCA CFO CPD) 3/2022 "PDPA for accounting and finance", Thai Listed Companies Association (Online Training)
- TLCA CFO Professional Development Program (TLCA CFO CPD) 4/2022 "Understanding digital assets and CFO's roles", Thai Listed Companies Association (Online Training)

Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies / Affiliated Companies (Direct & Indirect)

- 2017 - Present : Director / Member of the Management Committee / Member of the Nomination and Remuneration Committee / Chairman of the Risk Management Sub-Committee / CFO, Triple i Logistics PLC.
- 2021 - Present : Member of the Investment Committee, Triple i Logistics PLC.
- 2022 - Present : Director, TSL Logistics Co., Ltd.
- 2022 - Present : Director, AOT Ground Aviation Services Co., Ltd.
- 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 : Director / Managing Director, ECU Worldwide (Thailand) Co., Ltd.
- 2004 - Present : Director, HazChem Logistics Management Co., Ltd.
- 1996 - Present : Director, Triple i Maritime Agencies Co., Ltd.

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 53 YEARS

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

Appointed as director

Appointed as director on 15 March 2017, 24 April 2019
(The 1st re-elected), 20 April 2021 (The 2nd re-elected)
(%) Share Possession* as of 31 January 2023

1.70

Changes in number of Shares during the year -

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 (Direct & Indirect)

- 2017 - Present : Director / Member of Management Committee / Member of the Corporate Governance and Sustainable Development 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, CK Line (Thailand) Co., Ltd.
- 2007 - Present : Director / Managing Director, Triple i Maritime Agencies Co., Ltd.
- 2009 - 2022 : Managing Director, CK Line (Thailand) Co., Ltd.

Positions in Other Listed Companies

-

Positions in Non Listed Companies

-

Positions in Other Organizations

- 2022 - Present : Sub-committee, ASEAN and Logistics Committee, The Federation of Thai Industries
- 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 52 YEARS

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

Appointed as director

Appointed as director on 15 March 2017, 24 April 2018
(The 1st re-elected), 20 April 2020 (The 2nd re-elected)
(%) Share Possession* as of 31 January 2023

1.08

**Changes in number of Shares during the year
(+275,818 Shares)**

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 (Direct & Indirect)**

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 50 YEARS

DIRECTOR /
MEMBER OF THE MANAGEMENT COMMITTEE /
MEMBER OF THE CORPORATE GOVERNANCE
AND SUSTAINABLE DEVELOPMENT
COMMITTEE

Appointed as director

on 15 March 2017, 24 April 2019 (The 1st re-elected), 19 April 2022 (The 2nd re-elected)

(%) Share Possession* as of

3.65

Changes in number of Shares during the year -

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 (Direct & Indirect)

- 2017 - Present : Director / Member of Management Committee / Member of the Corporate Governance and Sustainable Development 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 46 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 1st re-elected)
(%) Share Possession* as of 31 January 2023

3.93

Changes in number of Shares during the year
(+1,988,212 Shares)

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)
- The Climate Action Programme for the Chemical Industry (CAPCI) : Training of Trainers (ToT) "Sustainable Chemistry and Climate Change" organized by the German Agency for International Cooperation (GIZ)

Working Experiences for the past 5 years

Positions in Company / Joint Venture Companies / Affiliated Companies (Direct & Indirect)

- 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

- 2023- Present : Director, Executive Committee of Center for Safety, Health and Environment of Chulalongkorn University : SHECU
- 2020 - Present : Chairman, Responsible Care Management Committee of Thailand : RCMCT, Chemical Industry Club : CIC, the Federation of Thai Industries : FTI
- 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
- 2020 - 2022 : Advisor, Executive Committee of Center for Safety, Health and Environment of Chulalongkorn University : SHECU

* Includes holding by spouse and minor children

BOARD OF DIRECTORS

The Board of Directors plays an important role in overseeing the Company's business operations by focusing on maximizing benefits for shareholders, employees, customers, and taking into consideration stakeholders and related parties. The Board of Directors also promotes operating the business with good governance so that the work process of the executives and employees can be transparent and examinable. As of 31 December 2022, the Board of Directors consists of 10 members as follows :

Name - Surname		Position
1.	Mr. Krirkkrai Jirapaet ^{/1}	Chairman of the Board / Independent Director
2.	Mr. Woodtipong Moleechad ^{/2}	Vice Chairman of the Board / Independent Director / Chairman of the Audit Committee/ Chairman of the Investment Committee
3.	Mr. Vipoota Trakulhoon ^{/3}	Director / Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee / Member of the Investment Committee
4.	Mr. Apichart Chirabandhu ^{/4}	Director / Independent Director / Member of the Audit Committee / Chairman of the Corporate Governance and Sustainable Development Committee / Member of the Nomination and Remuneration Committee
5.	Mr. Tipp Dalal	Director / Member of the Investment Committee / Chairman of the Management Committee / CEO
6.	Mr. Viraj Nobnomtham	Director / Member of the Nomination and Remuneration Committee / Member of the Investment Committee / Member of Management Committee / Chairman of the Risk Management Sub-Committee / CFO
7.	Mr. Thanut Thatayanon	Director / Member of the Investment Committee / Member of the Management Committee / Member of the Corporate Governance and Sustainable Development Committee / Member of the Risk Management Sub-Committee
8.	Mrs. Darunee Rakpongpi boon ^{/5}	Director / Member of the Investment Committee / Member of the Management Committee / Member of the Risk Management Sub-Committee / Company Secretary
9.	Mr. Jirod Panacharas	Director / Member of the Management Committee / Member of the Corporate Governance and Sustainable Development Committee
10.	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).

^{/1} 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.

^{/2} 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.).

^{/3} Mr. Vipoota Trakulhoon is an independent director with knowledge and experience in accounting and financial statements review.

^{/4} Mr. Apichart Chirabandhu is an independent director with knowledge and experience in laws.

^{/5} 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).

COMPOSITION OF THE BOARD OF DIRECTORS

The Board of Directors consists of the number of directors as determined by the shareholders' meeting and there must be at least 5 directors. At least 3 directors or one-third of the total number of directors (whichever is higher) must be independent directors. The Board of Directors consists of people with knowledge, expertise, and experience that can be beneficial to the Company. The directors must fully dedicate their time and effort. The Board of Directors has determined that a director can hold a directorship in no more than 5 companies listed on the Stock Exchange of Thailand. In this regard, the holding of office as an independent director shall have its term not more than 9 years, except the case where such extension to the term is deemed as beneficial to the Company.

AUTHORIZED DIRECTORS TO BIND THE COMPANY

The authorized directors to bind the Company are Mr. Tipp Dalal, Mr. Viraj Nobnomtham, Mr. Thanut Thatayanon, Mr. Jirod Panacharas and Mrs. Darunee Rakpongpi boon, any two of five 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 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
 - Annual Financial Statements
 - 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
2. To give the authority to the sub-committees from time to time.
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 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.

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.

- 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 between the Company's Chairman and Chief Executive Officer.
- 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.
- 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.

ROLES AND RESPONSIBILITIES OF THE COMPANY'S CHAIRMAN

- 1) 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.
- 2) To ensure that all directors have participation in promoting of organization culture with ethics and good corporate governance principle.
- 3) To determine agendas of Board of Directors' meeting by seeking consultation with the Chairman.
- 4) 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.
- 5) To promote good relationship between executive directors and non-executive directors, managements and the Board of Directors.

ROLES AND RESPONSIBILITIES OF 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.

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.

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 the independent director shall have its term not more than 9 years, except the case where such extension to the term is deemed as beneficial to the Company. 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

DIVERSITY OF THE BOARD OF DIRECTORS

The Board of Directors realizes the benefits of board diversity and has prepared a form showing the composition and overall qualifications (Skill Matrix) to determine the qualifications of directors to be recruited. The Board of Directors considers lacking necessary skills and qualifications suitable and in consistent with the composition and structure of the Board of Directors, in line with the Company's strategic business plan, without limiting gender, age, race, religion or any other distinction.

Director's Name			Diversity		The Board of directors		Skill / Experience / Expertise						
			Gender	Age	Independent Directors	Executive Directors	Logistics	Business Management	Finance and Accounting	Economics	Legal	Political	Marketing
1.	Mr. Krirkkrai	Jirapaet	M	80	/				/	/			
2.	Mr. Woodtipong	Moleechad	M	75	/		/		/				
3.	Mr. Vipoota	Trakulhoon	M	65	/					/			
4.	Mr. Apichart	Chirabandhu	M	57	/			/	/				/
5.	Mr. Tipp	Dalal	M	57		/	/	/					
6.	Mr. Viraj	Nobnomtham	M	57		/	/	/	/				
7.	Mr. Thanut	Thatayanon	M	53		/	/	/	/				
8.	Mrs. Darunee	Rakpongpi boon	F	52		/	/	/					/
9.	Mr. Jirod	Panacharas	M	50		/	/	/					/
10.	Mr. Chalernsak	Karnchanawarin	M	46		/	/	/					

¹ Proficiency in each area is based on educational background, work experience, and the assessment of the directors' specific expertise.

SUB-COMMITTEE OF THE COMPANY

To review critical operations carefully and efficiently, the Board of Directors has established sub-committees as follows :

1. AUDIT COMMITTEE

As of 31 December 2022, 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 Audit Committee who has the knowledges and experiences in relation to the review of financial statements and Ms. Sichon Chotveerasatanont acts as the secretary of the Audit Committee

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.

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.

2. CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE

As of 31 December 2022, the Corporate Governance and Sustainable Development Committee consists of 3 persons as follows :

Name - Surname		Position
1. Mr. Apichart	Chirabandhu*	Chairman of the Corporate Governance and Sustainable Development Committee
2. Mr. Thanut	Thatayanon	Member of the Corporate Governance and Sustainable Development Committee
3. Mr. Jirod	Panacharas	Member of the Corporate Governance and Sustainable Development Committee

Remark : * Independent Director

COMPOSITION AND NOMINATION OF THE CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE

The Corporate Governance and Sustainable Development 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 and Sustainable Development Committee to chair the Corporate Governance and Sustainable Development Committee.

SCOPE OF AUTHORITY AND RESPONSIBILITIES OF THE CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT COMMITTEE

- 1) The committee prepares good corporate governance policy, business ethics and work practices, anti-fraud and corruption policy, and sustainability policy in line with the laws and regulations of government agencies and organizations that are responsible for supervising the Company, such as the Stock Exchange of Thailand (SET) and the Securities and Exchange Commission (SEC) and present such policies to the Board of Directors for consideration and approval.
- 2) The committee determines policies and guidelines for promoting innovations, doing business with social and environmental responsibility, and sustainable development planning.
- 3) The committee proposes good corporate governance practices and practices related to anti-fraud and corruption and sustainability management to the Board of Directors. The committee also provides advice and recommendations to the Board of Directors on good corporate governance and various practices related to anti-fraud and corruption and sustainability management.
- 4) The committee supervises the performance of duties by executives and employees to be in accordance with the good corporate governance policy, anti-fraud and corruption policy, and sustainability policy. The committee also reviews and evaluates compliance with good corporate governance and sustainability policy with directors and management and provides

- recommendations on the implementation of such policies.
- 5) The committee reviews good corporate governance policy, business ethics and work practices, anti-fraud and corruption policy, sustainability policy and related practices at least once a year and ensures that they are up to date. The review was based on reference to the UN Global Compact (UNGC), international practices, laws and regulations of government agencies and organizations that are responsible for supervising the Company, such as the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission. The revised policies and practices are proposed to the Board of Directors for consideration and approval.
 - 6) The committee reports performance, assessment results of compliance with good corporate governance policy, anti-fraud and corruption policy, sustainability policy, and important issues related to good corporate governance, anti-fraud and corruption, social and environmental responsibility, and sustainability management to the Board of Directors at least once a year.
 - 7) The committee supervises and monitors the progress of the performance of sub-committees established by the Good Corporate Governance and Sustainable Development Committee, including providing necessary recommendations and support.
 - 8) The committee coordinates with sub-committees and working groups in considering matters related to good corporate governance, anti-corruption, social and environmental responsibility, and sustainability management and provides advice as necessary.
 - 9) The committee encourages the Company to have adequate and continuous communications with directors, executives, employees at all levels, and related parties to realize and understand good corporate governance policy and practices, business ethics and work practices, anti-fraud and corruption policy, sustainability policy, and related guidelines.
 - 10) The committee organizes an annual performance assessment of the Board of Directors, individual directors, and committees.
 - 11) The committee reviews the Charter of the Good Corporate Governance and Sustainable Development Committee at least once a year and proposes the charter to the Board of Directors for approval.
 - 12) The committee approves the sustainability report and proposes the report to the Board of Directors for approval prior to public disclosure.
 - 13) The committee performs any act as assigned and deemed appropriate by the Board of Directors.

3. NOMINATION AND REMUNERATION COMMITTEE

As of 31 December 2022, 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

COMPOSITION AND NOMINATION OF 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.

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.

4. INVESTMENT COMMITTEE

As of 31 December 2022, 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

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.

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. MANAGEMENT COMMITTEE

As of 31 December 2022, the Management Committee consists of 6 persons as follows :

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

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 Committee to act in accordance with the Charter of the Risk Management 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.

6. RISK MANAGEMENT SUB-COMMITTEE

As of 31 December 2022, 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. Thanut	Thatayanon	Member of the Risk Management Sub-Committee
3. Mr. Chalernsak	Karnchanawarin	Member of the Risk Management Sub-Committee
4. Mrs. Darunee	Rakpongpi boon	Member of the Risk Management Sub-Committee
5. Ms. Wiyada	Sa-arj*	Member of the Risk Management Sub-Committee

Remark : *Ms. Wiyada Sa-arj held the position of member of the Risk Management Sub-Committee in place of Mr. Teeranit Isarangkul. on 14 February 2022 onwards.

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.

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) The committee is authorized to delegate its duties to executives or employees to perform specific tasks on its behalf as appropriate.
- 8) The committee is authorized to engage external consultants and other experts and consultants as the Risk Management Sub-Committee deems appropriate at its discretion.
- 9) To review the charter of the Risk Management Sub-Committee which changing significantly for the approval of the Management Committee.

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) The Company Secretary retains and submits copies of the reports on conflict of interest as reported by directors or executives to the Chairman of the Board of Directors and the Chairman of the Audit Committee within seven (7) days from the date of receiving the report by the Company.
- 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.

BOARD OF DIRECTORS' MEETING

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

- 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.
- 2) The Board of Directors should fully devote their time, dedication, and attention to the operations of the Company and be ready to attend the meeting. At least half of the total number of directors must attend the meeting to constitute a quorum. At the time of voting, at least two-thirds of the total number of directors must be present at the meeting. If any director is unable to attend the meeting, he must inform the Chairman of the Board of Directors of his absence in writing.
- 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.
- 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) 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.
- 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.

INDEPENDENT DIRECTORS' MEETING

In the year 2022, the Company held one meeting of the independent directors on 15 November 2022. The meeting was for independent directors only and there were no executive director or executive attending the meeting. This was to allow independent directors to independently discuss issues or express opinions on the Company's operations. There was a discussion on directions of the development of the succession plan of senior executives. After the meeting, the results of the meeting were reported to the Board of Directors and senior executives for their acknowledgment.

MEETING ATTENDANCE RECORD OF THE BOARD OF DIRECTORS FOR THE YEAR 2022

The Board of Director sets meeting schedule for the whole year in advance and inform all directors at the beginning of the year. In 2022, Meeting Attendance Record are as follows :

Name of Directors	Board of Directors			Audit Committee			Corporate Governance and Sustainable Development Committee			Nomination and Remuneration Committee			Investment Committee			Annual General Meeting
	Physical Meeting	e-Meeting	Total	Physical Meeting	e-Meeting	Total	Physical Meeting	e-Meeting	Total	Physical Meeting	e-Meeting	Total	Physical Meeting	e-Meeting	Total	
1. Mr. Kirkkrai Jirapaet	8/8	-	8/8	-	-	-	-	-	-	-	-	-	-	-	-	1/1
2. Mr. Woodtipong Moleechad	8/8	-	8/8	6/6	-	6/6	-	-	-	-	-	-	3/3	-	3/3	1/1
3. Mr. Vipoota Trakulhoon	7/8	-	7/8	5/6	1/6	6/6	-	-	-	1/2	1/2	2/2	2/3	1/3	3/3	1/1
4. Mr. Apichart Chirabandhu	5/8	3/8	8/8	5/6	1/6	6/6	1/3	2/3	3/3	1/2	1/2	2/2	-	-	-	0/1
5. Mr. Tipp Dalal	8/8	-	8/8	-	-	-	-	-	-	-	-	-	3/3	-	3/3	1/1
6. Mr. Viraj Nobnomtham	7/8	1/8	8/8	-	-	-	-	-	-	1/2	1/2	2/2	2/3	1/3	3/3	1/1
7. Mr. Thanut Thatayanon	6/8	2/8	8/8	-	-	-	1/3	2/3	3/3	-	-	-	3/3	-	3/3	1/1
8. Mrs. Darunee Rakpongpiboon	7/8	1/8	8/8	-	-	-	-	-	-	-	-	-	2/3	1/3	3/3	1/1
9. Mr. Jirod Panacharas	7/8	1/8	8/8	-	-	-	1/3	2/3	3/3	-	-	-	-	-	-	1/1
10. Mr.Chalemsak Kamchanawarin	6/8	2/8	8/8	-	-	-	-	-	-	-	-	-	-	-	-	1/1

Remarks : Number of Attendance / Number of Meeting

Name - Surname		Management Committee		
		Physical Meeting	e-Meeting	Total
1. Mr. Tipp	Dalal	8/8	-	8/8
2. Mr. Viraj	Nobnomtham	8/8	-	8/8
3. Mr. Thanut	Thatayanon	5/8	3/8	8/8
4. Mrs. Darunee	Rakpongpi boon	8/8	-	8/8
5. Mr. Jirod	Panacharas	8/8	-	8/8
6. Mr. Chalernsak	Karnchanawarin	8/8	-	8/8

Remark : Number of Attendance / Number of Meeting\

Name - Surname		Risk Management Sub-Committee		
		Physical Meeting	e-Meeting	Total
1. Mr. Viraj	Nobnomtham	3/4	1/4	4/4
2. Mr. Thanut	Thatayanon	1/4	3/4	4/4
3. Mr. Chalernsak	Karnchanawarin	3/4	1/4	4/4
4. Mrs. Darunee	Rakpongpi boon	3/4	1/4	4/4
5. Ms. Wiyada	Sa-arj*	2/3	1/3	3/3

Remark : Number of Attendance / Number of Meeting

*Ms. Wiyada Sa-arj held the position of member of the Risk Management Sub-Committee in place of Mr. Teeranit Isarangkul on 14 February 2022 onwards

DIRECTOR'S REMUNERATION

The Company has determined a policy for considering director remuneration by assigning the Nomination and Remuneration Committee to consider forms and criteria for payment of director remuneration, taking into account fairness and appropriateness and reflecting duties, responsibilities, and success in performing duties in line with the Company's operating results. The committee also considers the director remuneration of other companies listed on the Stock Exchange of Thailand in the same or similar industry. The Nomination and Remuneration Committee uses the survey results of the Thai Institute of Directors Association for consideration and comparison on an annual basis. The remuneration is presented to the shareholders' meeting for approval. The guidelines for considering the remuneration are as follows :

- 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.
- 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.

TYPE OF REMUNERATION

1. Monthly remuneration to reflect the duties and responsibilities of directors
2. Meeting allowance to reflect the work of directors and to motivate directors to perform their duties consistently
3. Other compensation such as bonus

Remark : Monthly remuneration, meeting allowance, and other compensation are paid to independent directors only.

The Annual General Meeting of shareholders 2022 has resolved to approve the determination of remuneration of directors for the year 2022 as follows :

1.1 MONETARY REMUNERATION

1. Director's remuneration Monthly remuneration, payment on monthly basis as follows :
 - Chairman 40,000 Baht per month
 - Vice - Chairman 30,000 Baht per month
 - Director 25,000 Baht per month
2. Meeting allowance, payment on attendance basis as follows :
 - Chairman 30,000 Baht per meeting
 - Vice - Chairman 20,000 Baht per meeting
 - Director 15,000 Baht per meeting
3. 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
4. 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 the Nomination and Remuneration Committee 10,000 Baht per meeting
5. Corporate Governance and Sustainable Development Committee, payment on attendance basis as follows :
 - Chairman of the Corporate Governance and Sustainable Development Committee 15,000 Bath per meeting
 - Member of the Corporate Governance and Sustainable Development Committee 10,000 Bath per meeting
6. 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 addition to remuneration in the form of monthly remuneration and meeting allowance, the 2022 Annual General Meeting of Shareholders resolved to approve the remuneration in the form of bonus for the year 2022 at the rate of 1.25 percent of the net profit in the year 2022 in the total amount of not exceeding Baht 4,000,000. The bonus payment shall be paid after the operating performance for the year 2022 has been certified by the auditor.

In year 2022, the payment of directors' remuneration can be summarized as follows :

Name of Directors		Year 2022
		Remuneration (Baht)
1. Mr. Krirkkrai	Jirapaet	2,080,000
2. Mr. Woodtipong	Moleechad	1,630,000
3. Mr. Vipoota	Trakulhoon	1,305,000
4. Mr. Apichart	Chirabandhu	1,325,000
5. Mr. Tipp	Dalal ^{/1}	-
6. Mr. Viraj	Nobnomtham ^{/1}	-
7. Mr. Thanut	Thatayanon ^{/1}	-
8. Mrs. Darunee	Rakpongpi boon ^{/1}	-
9. Mr. Jirod	Panacharas ^{/1}	-
10. Mr. Chalernsak	Karnchanawarin ^{/1}	-
Total		6,340,000

Remark : ^{/1} 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 -

REMUNERATION POLICY FOR CHIEF EXECUTIVE OFFICER AND SENIOR MANAGEMENT

The Board of Directors has assigned the Nomination and Remuneration Committee to consider the remuneration of the Chief Executive Officer in the form of short-term remuneration such as salary, bonus, and provident fund by considering the performance of the Chief Executive Officer and compare them with the Company's short-term and long-term strategies and goals, the details of which are as set out below.

- **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.

In addition, the remuneration of top executives is determined by the Chief Executive Officer on an annual basis. The remuneration shall be in accordance with the principles and policies set by the Nomination and Remuneration Committee. The Chief Executive Officer will review the appropriateness of the criteria currently in use, including reviewing all forms of remuneration such as regular compensation, performance-based compensation, considering the practices in the same or similar industry, and determine appropriate criteria to achieve expected and fair results.

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 2020, 31 December 2021 and 31 December 2022 are as follow :

	2020	2021	2022
Number (Person)	7	7	7*
Total Remuneration (Million Baht)	48.28	66.78	78.73

*Mr. Teeranit Isangkul resigned from managing director's company from 31 January 2022 onwards.

EMPLOYEES

The number of employees of the Company (exclusive of the executives) dividing into each company as of 31 December 2020, 31 December 2021 and 31 December 2022 are as follows :

Business Line	Number of Employees (Person)		
	31 December 2020	31 December 2021	31 December 2022
Air Freight Business	311	247	136
Sea Freight and Inland Transport Business	22	22	22
Logistics Management Service Business	84	91	94
Chemical Specialty Logistics Service Business	210	233	224
Total	627	593	476

REMUNERATION OF EMPLOYEES (EXCLUSIVE OF THE EXECUTIVES)

In the year 2020, 2021 and 2022, the Company paid employee compensation (excluding executive compensation) in the amount of Baht 174.62 million, Baht 221.35 million and Baht 227.72 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 2020 - 2022 are as follows :

Employee Welfare	2020	2021	2022
Contributions to provident fund (Baht)	6.33	6.87	6.18
Total number of participating employees (Persons)	443	437	392
Proportion of employee participation in the fund (%)	70.65	73.69	82.35

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

HUMAN RESOURCES POLICY

The Company believes that people are the most valuable resource in the organization, therefore, it aims to develop the organization to be a learning organization in order to develop employees to be professional and proactive. The Company has set up a competency model for use in human resource management and development and has set guidelines for an individual development plan by providing training in and development of various skills that are necessary for performance. In addition, the Company also supports training and seminars within the organization such as the Air Cargo Basic Course, the Marine Cargo Insurance Course, the Personal Data Privacy Course (PDPA in Action), the Basic Understanding on Corporate Sustainability (ESG) course and the How to Be a Leader Course as well as training and seminars outside the organization, such as the Developing the Future People Course, the Basic Financial Course for New Accountants, the Business Model Canvas & Design Thinking Course, the In-depth NPAs in Revenue and Assets Course, the Digital Transformation in HR Course and the Thai Cargo Academy Course, etc.

In 2022, the Company organized 136 internal and external employee training courses with an average number of training hours for employees of 28.35 hours/person/year and a total of 451 employees attended seminars (excluding repeated heads), which has a total cost of training and development of employees, amounting to Baht 909,495.78. For senior executives, the Company has established a succession plan to reduce the risk or impact of the lack of continuity in the management of the Company, which is very important and necessary for the organization to prepare for the future because these things strengthen the foundation of confidence and trust to customers and business partners in the professionalism of the Company.

SIGNIFICANT LABOR DISPUTE IN THE PAST THREE YEARS

- None -

OTHER IMPORTANT INFORMATION

List of persons in charge of the Company's accounting, internal audit, and head of compliance.

The person supervising accounting	Mr. Prayudth Uasereevong
Internal Audits	Mr. Wiwat Limnantasilp
Compliance Manager	Ms. Chaweewan Kraiwas

*The information on persons responsible for the roles is set out under Attachment 2 of this 56-1 One Report.

Head of investor relations

Name - Surname :	Mrs. Darunee Rakpongpi boon
Tel :	0-2681-8700 Ext. 103,104 Fax : 0-2681-8701
e-mail :	ir@iii-logistics.com

AUDIT FEES

For the financial year 2020-2022, 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)
2020	PricewaterhouseCoopers ABAS Ltd.	6,615,000	-
2021	PricewaterhouseCoopers ABAS Ltd.	4,700,000	-
2022	PricewaterhouseCoopers ABAS Ltd.	4,390,000	20,000

* Remark: In 2022, the Company has Other fees totalling Baht 20,000 for the performance of work in accordance with mutually agreed methods in relation to revenue from warehouse services.



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 2022 the Nomination and Remuneration Committee held 2 meetings in total. All Remuneration Committee participated in 2 meetings. 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. As of 31 December 2022, the Board of Directors consisted of 10 members in total, including 4 independent directors and 6 executive directors. The size and composition of the Board of Directors are appropriate to the organization. The Board of Directors has knowledge, expertise, and experience from various fields such as political science, economics, finance and accounting, business administration, law, logistics management, and marketing to support the business operations of the organization.
2. To formulate the policies for reviewing the rules for determining monetary remuneration and non-monetary remuneration for the Directors, Committees' Members, Chief Executive 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 2022 and proposed the matter to the Board of Directors and the Annual General Meeting of shareholders for approval. The Committee has considered the remuneration to be suitable for the duties and responsibilities. Success in performing duties was linked to operating performance and other relevant environmental factors. The committee also compared the remuneration rates with those of other companies in the same or similar industry. In the year 2022, the Nomination and Remuneration Committee determined the remuneration for the year 2022 in the amount of not exceeding Baht 6,340,000 and the shareholders' meeting has approved the remuneration as proposed.
5. The committee evaluate the Chief Executive Officer's performance for the year 2022 and informed to the Board of Directors

6. The committee consideration remuneration for the Chief Executive Officer by considering performance evaluation results of the Chief Executive Officer for the year 2022.
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 2022 and proposed to the Board of Directors for consideration.

The Nomination and Remuneration Committee has duly performed its duties in accordance with prudence integrity with good governance principle by adhering to the benefit of all stakeholders.



Mr. Vipoota Trakulhoon
Chairman of the Nomination and
Remuneration Committee



Corporate Governance and Sustainable Development Committee Report

The Corporate Governance and Sustainable Development 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 and Sustainable Development Committee (Independent Director) |
| 2. | Mr. Thanut Thatayanon | Member of the Corporate Governance and Sustainable Development Committee |
| 3. | Mr. Jirod Panacharas | Member of the Corporate Governance and Sustainable Development Committee |

In 2022, the Corporate Governance and Sustainable Development Committee held 3 meetings in total and all members attended all meetings. The committee also performed its duties can be highlighted as follows :

1. The Corporate Governance and Sustainable Development 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. CAC has approved the Company's status as a member of the Thai Private Sector Collective Action Coalition Against Corruption on 16 March 2022.
2. The Corporate Governance and Sustainable Development Committee considered and approved the corporate governance plan for the year 2022 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 2022 at "Excellent" level for the fourth 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 2023 Annual General Meeting of Shareholders in advance during 18 November – 31 December 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 the Charter of the Good Corporate Governance Committee for the year 2022 by revising the name of the committee and the appropriateness of the contents of the charter to cover environmental, social and governance aspects and presented the revised charter to the Board of Directors for consideration and approval.
5. The Corporate Governance and Sustainable Development Committee oversees the performance of executives and employees in accordance with the good corporate governance policy and the anti-fraud and corruption policy. The committee monitored complaints about fraud and corruption and, in the year 2022, there were no complaints regarding fraud and corruption.
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 committee acknowledged the plan for preparation of the Company's 2022 Sustainability Report and made suggestions for the management to incorporate sustainability issues as part of formulating strategies and annual plan.

8. The Good Corporate Governance and Sustainable Development Committee encouraged the Company to organize social responsibility and sustainable development activities. The committee also approved the plan for corporate social responsibility activities, which covers both community relations management and sustainable development. The committee encouraged the Company to participate in various activities that help develop communities around the Company's service areas. The activities covered areas including education, occupational health of the community, religion, culture and traditions, and environmental conservation such as, giving out cactus and air-purifying plants for employees to grow at their work desks or at home, giving out new year gifts to the community with "I'm Full Bag", donating blood at the Red Cross Society, and donating drinking water to temples for use during New Year prayers etc.

The Board of Directors, executive and employees at all levels recognize the importance of conducting business on the basis of honesty, transparency, and against all forms of corruption. The Company is therefore committed to monitor the Company's operation to ensure that its operation is in accordance with the good corporate governance principles and business ethics to develop and enhance the Company's good corporate governance to be efficient and effective in order to build confidence among shareholders and all groups of stakeholders of the Company as well as to develop the Company towards sustainable growth.



Mr. Apichart Chirabandhu

Chairman of the Corporate Governance and
Sustainable Development Committee



GOOD CORPORATE GOVERNANCE AND CORPORATE GOVERNANCE OPERATIONS

GOOD CORPORATE GOVERNANCE POLICY

Triple i Logistics Public Company Limited (TLG) (the “Company”), including its subsidiaries and associated companies (the “Group of Companies”) 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 2022, 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 The Company has implemented and promoted the fundamental rights of shareholders in respect of the meeting of shareholders with details as follows :

BEFORE THE MEETING

- Promote the rights of shareholders to continually hold annual meetings. The 2022 Annual General Meeting of Shareholders was held on 19 April 2022 at 2.00 p.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/iiiillogistics>.
- Provide an opportunity for shareholders to propose meeting agendas and names of persons to be appointed as directors in advance from 24 December 2021 to 31 January 2022 (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 2022 Annual General Meeting of Shareholders.

- Disseminate the resolutions of the Board of Directors' meeting regarding the determination of the date of the 2022 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 2022, and the invitation letter to the meeting was sent to shareholders by post on 25 March 2022 (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 (e-Documents) 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 2022 Annual General Meeting of Shareholders, 9 directors attended the meeting out of the total of 10 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 2022 Annual General Meeting of Shareholders, the Company published the meeting resolutions on 19 April 2022.
- Shareholders can view the recordings of the 2022 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 on 29 April 2022.

Moreover, the Company has resolved to convene the Extraordinary General Meeting of Shareholders No. 1/2022 on 29 November 2022 at 2.00 p.m. at Surasak 1 Room, 11th Floor, Eastin Grand Hotel Sathorn, 33/1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120 for consideration and approval of the following agendas :

- 1) To consider approving SUPERIOR GSA PTE., LTD. the Company's subsidiary, to invest in the shares of ASIA GSA (M) SDN. BHD. And the entering into other transactions related to such investment by Asia Network International Company Limited, the Company's subsidiary, constituting an asset acquisition transaction and connected transaction between a subsidiary and the subsidiary's connected person
- 2) To consider approving the restructuring GSA Business of the Company group whereby the Company will dispose of Triple i Asia Cargo Co., Ltd. to Asia Network International Co., Ltd.
- 3) To consider approving the decrease of the Company's registered capital by Baht 53.50 from the original registered capital of Baht 380,817,359.50 to the registered capital of 380,817,306.00 by deducting 107 undistributed ordinary shares with the par value of Baht 0.50 per share
- 4) To consider approving the amendment to Clause 4 of the Memorandum of Association of the Company to reflect the decrease of the registered capital of the Company
- 5) To consider approving the increase of the Company's registered capital in an additional amount of Baht 25,387,820.50 from the original registered capital of Baht 380,817,306.00 to the registered capital of Baht 406,205,126.50 by issuing 50,775,641 new ordinary shares with the par value of Baht 0.50 per share
- 6) To consider approving the amendment to Clause 4 of the Memorandum of Association of the Company to reflect the increase of the registered capital of the Company
- 7) To consider approving the allocation of 50,775,641 capital increase ordinary shares of the Company with the par value of Baht 0.50 per share

The Extraordinary General Meeting No. 1/2022 has resolved to approve the acquisition and disposal of assets of which this transaction does not fall into the connected transaction according to the SET regulations but it shall be deemed as the connected transaction between a subsidiary and connected person of subsidiary according to the Company's Articles of Association, therefore, the Company has performed the following activities :

1. It has prepared reports and disclosed information in relation to the Company's transactions to the Stock Exchange of Thailand immediately after the Board of Directors has resolved to approve the transaction, the said information has been reviewed by the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission (the Office of the SEC) on the sufficiency of the information before delivering it to the shareholders.
2. It has appointed an independent financial advisor which is approved by the Office of the SEC to perform various duties including giving opinions as specified in the Notifications on Acquisition and Disposal of Assets and connected transactions of subsidiaries. In this regard, the Company has provided the Independent Financial Advisor's opinion report to the shareholders for consideration along with the invitation letter to the shareholders' meeting. The opinions of the Independent Financial Advisor are as follows :
 - Advantages, disadvantages, and risks of entering into the transaction.
 - Reasonableness and benefits of entering into the transaction
 - Appropriate valuation method for entering into the transaction.
 - Transaction is reasonable or not.
3. It has convened the Extraordinary General Meeting of shareholders to consider and approve the transaction of the Company. The Company has circulated the invitation letter, information memorandum on the transaction of the Company and the report of the independent financial advisor's opinion to the shareholders at least 14 days in advance.
4. It has published the minutes of the meeting, which recorded complete details of the meeting, including meeting resolutions, voting results, and shareholders' questions for each agenda on the Company's website within 14 days after the date of the meeting and informed the shareholders through the notification system of the Stock Exchange of Thailand.



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 2022, 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 24 December 2021 to 31 January 2022, 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 2022 Annual General Meeting of shareholders, the Board of Directors has nominated 2 Independent Directors consisting of Mr. Woodtipong Moleechad and Mr. Vipoota Trakulhoon to serve as the proxy of shareholders who may not be able to attend the meeting.
3. The Company has delivered the proxy form (e-Documents) as specified by the Ministry of Commerce together with the invitation letter for every shareholder meeting (Form A., Form B. and Form C.)
4. 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.
5. The publication of the invitation letter in Thai and English versions, meeting documents and proxy forms on the Company's website on 17 March 2022. The invitation letter was sent to shareholders by the registered mail on 25 March 2022 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.
6. 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 :

Shareholders 	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 any way that infringes or limits the rights of shareholders.
Employees 	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.

Customers 	<p>Deliver services and products that meet standards, meet the needs of customers with reasonable price & 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>
Trade Partners 	<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>
Creditors/ Debtors 	<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>
Competitors 	<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>
Society, Community and Environment 	<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 2022 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 that occurred during the year and answered questions.

In the year 2022, the Company has performed its investor relations activities in various manners to meet and provide information to related parties on various occasions as follows :

- Analyst meeting, a total of 5 times.
- Listed companies to meet investors activity (Opportunity Day), a total of 3 times, on 18 May 2022, 8 September 2022 and 10 November 2022.
- Arrangements for analysts, retail investors and institutional investors to visit the Company’s executives to inquire about company information (Company Visits), a total of 13 times.
- Conference meeting for investors (Conference call), a total of 8 times Company’s roadshow, a total of 2 times.
- Press Conference for the disclosure of earnings in the year 2022 and the business direction in 2023, a total of 4 times.

SIGNIFICANT CHANGES AND DEVELOPMENTS RELATED TO GOOD CORPORATE GOVERNANCE

Triple i Logistics Public Company Limited (the “Company”), including its subsidiaries and associated companies (the “Group of Companies”) has been working on good corporate governance to continuously develop and enhance the good corporate governance system to increase the efficiency of corporate governance in accordance with the Good Corporate Governance Code for Listed Companies (CG Code) and other international principles to lead the organization towards sustainable growth. The Company has regularly reviewed its policies, principles, and practices of good corporate governance in accordance with the rules, notifications and corporate governance guidelines of the SEC and the SET. In 2022, the Company has carried out various activities which can be summarized as follows:

SIGNIFICANT CHANGES AND DEVELOPMENTS REGARDING THE REVIEW OF POLICIES, GUIDELINES, CHARTER OF THE BOARD OF DIRECTORS AND SUB-COMMITTEES.

1. The Board of Directors has reviewed and revised the policies, guidelines, and charters of the Board of Directors and sub-committees to be appropriate and consistent with the Company’s business operations as follows:
 - Good Corporate Governance Policy
 - Personal Data Protection Policy
 - Whistleblower Policy and Guidelines for Protection of Fraud and Corruption Whistleblowers
 - Related Party Transaction Policy
 - Conflict of Interest Prevention Policy
 - Charter of the Board of Directors
 - Charter of the Corporate Governance and Sustainable Development Committee
2. The Board of Directors places importance on operations to create sustainable growth for the business under the concept of environmental considerations, social responsibility and management according to the principles of good governance (Environment Social Governance), including the company aims to be one of the sustainable stocks of the Stock Exchange of Thailand (Thailand Sustainability Investment (THSI)), therefore it has prepared in various related areas, including the determination of related policies as follows:
 - Sustainable Development Policy
 - Human Rights Policy
 - Tax Policy
3. It has considered and improved the name of the Good Corporate Governance Committee to ensure that it is appropriate and consistent with the contents of the charter covering environmental and social governance (Environment Social Governance).
4. It has considered and improved the performance assessment form for the Board of Directors and sub-committees, both as a group and individually, to be used as an assessment form for the performance of the Board of Directors and sub-committees for the year 2022.
5. The Board of Directors recognizes and gives importance to the development of corporate governance in regard to the responsibilities of the Board of Directors by determining a policy regarding the minimum number of quorums for voting in the Board of Directors’ meeting. The number of directors shall not be less than two-thirds of the total number of directors. Therefore, the Board of Directors Charter has been revised to be in line with good corporate governance practices in accordance with the guidelines of the Corporate Governance Survey of Thai Listed Companies of the Thai Institute of Directors.
6. It has provided the Company information for assessment by external agencies as follows: Corporate Governance Report of Thai Listed Companies 2021: CGR which has been assessed by the Thai Institute of Directors of which in year 2022, the Company has received a rating of 94% and was ranked 5 stars (Excellent).

ACTIONS RELATED TO FRAUD AND CORRUPTION

The Company places importance on supervising compliance with anti-fraud and corruption guidelines to ensure transparency and fairness and build trust among stakeholders. Therefore, the Company has announced its intention to become a member of the Thai Private Sector Collective Action Against Corruption (CAC) on 23 February 2021, in which the Company has been certified as a member of the Private Sector Collective Action Coalition Against Corruption in Thailand. (CAC) on 16 March 2022 from the Thai Institute of Directors (IOD).

IMPLEMENTING GOOD CORPORATE GOVERNANCE PRINCIPLES FOR LISTED COMPANIES IN 2017

The Company has given importance to the implementation of the good corporate governance principles for listed companies 2017 (Corporate Governance Code 2017: CG Code 2017) determined and announced by the Securities and Exchange Commission (SEC). In 2022, the Corporate Governance Committee has reviewed the principles of good corporate governance for listed companies for the year 2017 at the Corporate Governance Committee Meeting No. 3/2022 held on 27 October 2022 and proposed them to the Board of Directors for consideration and acknowledgement.

ACTIONS RELATED TO SUSTAINABLE DEVELOPMENT

The Company is committed to conducting business sustainably through operational excellence and transparency with the ultimate goal of creating corporate sustainability for the long-term benefits of stakeholders throughout the value chain of the Company. The Company places great importance on operating business with social responsibility, good corporate governance to achieve the continuous economic growth and environmental consciousness. The Company therefore provides practical training on sustainable organizational development for directors, executives and employees of the Company to realize the importance of sustainable development.

COMPLIANCE WITH GOOD CORPORATE GOVERNANCE PRINCIPLES IN OTHER MATTERS

The evaluation of the organization of the Annual General Meeting (AGM Checklist) by Thai Investors Association to allow listed companies in Thailand to organize the shareholders' meeting to be in line with the international standards through the criteria used in the assessment covering various procedures in the shareholders' meeting of which the Company has received 100 scores from the AGM Checklist Scoring.



Report on Key Performance of Corporate Governance

Summary of performance of the Board of Directors for the year 2022

1. Determination of policies, directions, and business strategies

The Board of Directors has reviewed and determined policies, directions, and strategies for the Company's business operations. The Board of Directors, together with the management team, has also reviewed the Company's vision, mission, and strategic plan to be in line with its business goals. In the year 2022, the Company realized the importance and applied sustainable growth as part of the considerations in determining goals and directions of the Company's business to become a sustainable growth organization through "Logistics & Beyond".

2. Nomination and Appointment of Independent Director

As of 31 December 2022, the Company has 4 independent directors out of the total of 10 directors. They are independent from the Company's management and major shareholders. The Company's policy is to appoint at least one-third of the total number of directors and there must be at least 3 independent directors in accordance with the regulations of the Securities and Exchange Commission.

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 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 advisors 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.

3. Nomination and selection of directors

The Board of Directors has assigned the Nomination and Remuneration Committee to nominate and screen a suitable person to be appointed as the Company's director. The nomination might be through consideration of the former director, nomination from shareholder, using recruitment companies, selecting persons from the director pool, or allowing each director to nominate an appropriate person etc. The Nomination and Remuneration Committee will consider various important factors, which can be summarized as follows :

- 1) A person who is appropriate, fully qualified, and does not have prohibited characteristics as specified under the laws.
- 2) Having expertise in areas requisite as the Company's directors by taking into account the diversity in the structure of the Board of Directors (Board Diversity) and compare them with the Board Skill Matrix in order to recruit people with knowledge, competence, and diverse experiences without limiting or discriminating against gender and race or any other difference in order to complete the composition of the Board of Directors and be consistent with the Company's business strategy.
- 3) Ability to fully dedicate time. For director who will be re-appointed for another term, the consideration may be based on the performance during the tenure and the number of companies in which the director holds positions suitable to the nature or business conditions of the Company and must not exceed 5 listed companies.

- 4) In the case of appointing an independent director, the Nomination and Remuneration Committee will consider the independence of a person nominated as an independent director and such person must have qualifications as specified in the announcement.

In respect of the nomination of directors to be elected as directors to replace those whose terms have expired at the annual general meeting of shareholders, the Company has invited shareholders to nominate a person to be elected as a director in advance via the Company's website. The Nomination and Remuneration Committee will select qualified candidates for the Board of Directors' consideration. Those who have been approved by the Board of Directors will be included in the list to be proposed to the annual general meeting of shareholders, subject to the criteria determined by the Company.

4. Nomination and Appointment of Directors and High-Level Executives

4.1 Appointment of directors in replacement of directors retiring by rotation

The appointment of directors shall be in accordance with the methods as specified in the Company's Articles of Association. The Nomination and Remuneration Committee will select and present the list of suitable persons to the Board of Directors' meeting in accordance with the nomination criteria to consider and approve to propose the names of such persons to the shareholders' meeting for further approval. The shareholders' meeting shall elect directors in accordance with the following criteria and methods :

- Each 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 directors 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.
- 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.

At the 2022 Annual General Meeting of Shareholders, 4 directors were due to be retired by rotation. The shareholders' meeting resolved to approve the reappointment of such directors for another term :

- | | | | |
|----|--------------|-------------|----------------------|
| 1. | Mr. Kirkkrai | Jirapaet | Independent director |
| 2. | Mr. Apichart | Chirabandhu | Independent director |
| 3. | Mr. Viraj | Nobnomtham | Director |
| 4. | Mr. Jirod | Panacharas | Director |

4.2 Appointment of directors in replacement of vacant positions in cases other than due to expiration of the term

The Nomination and Remuneration Committee will select and nominate a qualified person who has no prohibited characteristics as specified under the Public Limited Company Act and the laws on securities and exchange to the Board of Directors' meeting to consider appointing such director to replace the vacant positions with a vote of not less than three-fourths (3/4) of the total votes of the remaining directors. The person who becomes a replacement director will be in the position of director only for the remaining term of the director whom he replaces.

5. Development of directors

The Board of Directors recognizes the importance and encourages directors to participate in training courses or seminars and increase knowledge relating to their performance of duties.

Training statistics of directors in the year 2022

Name of Directors		Training/Seminar attended in year 2022
1. Mr. Krirkkrai	Jirapaet	- Training on “Environmental management and sustainability (ESG) for directors and executives”
2. Mr. Woodtipong	Moleechad	- Advanced Audit Committee Program (AACP), Class 44/2022 by the Thai Institute of Directors Association - Training on “Environmental management and sustainability (ESG) for directors and executives”
3. Mr. Vipoota	Trakulhoon	- Training on “Environmental management and sustainability (ESG) for directors and executives”
4. Mr. Apichart	Chirabandhu	- Training on “Environmental management and sustainability (ESG) for directors and executives”
6. Mr. Tipp	Dalal	- Training on “Environmental management and sustainability (ESG) for directors and executives”
7. Mr. Viraj	Nobnomtham	- Training on “Environmental management and sustainability (ESG) for directors and executives” - TLCA CFO Professional Development Program (TLCA CFO CPD) No. 1/2022 on “Upgrading the quality of financial reports of Thai listed companies” via online system by the Thai Listed Companies Association - TLCA CFO Professional Development Program (TLCA CFO CPD) No. 3/2022 on “PDPA for accounting and finance” via online system by the Thai Listed Companies Association - TLCA CFO Professional Development Program (TLCA CFO CPD) No. 4/2022 on “Understanding digital assets and CFO’s roles” via online system by the Thai Listed Companies Association
8. Mr. Thanut	Thatayanon	- Training on “Environmental management and sustainability (ESG) for directors and executives”
9. Mrs. Darunee	Rakpongpi boon	- Training on “Environmental management and sustainability (ESG) for directors and executives” - Webinar on “Preparing for PDPA enforcement for company secretary” by the Thai Listed Companies Association - Webinar on “Integrating ESG into Business Strategy” by the Thai Listed Companies Association
10 Mr. Jirod	Panacharas	- Training on “Environmental management and sustainability (ESG) for directors and executives”
11. Mr. Chalernsak	Karnchanawarin	- Training on “Environmental management and sustainability (ESG) for directors and executives” - Climate Action Programme for the Chemical Industry (CAPCI) : Training of Trainers (ToT) “Sustainable Chemistry and Climate Change” organized by the German Agency for International Cooperation (GIZ)

6. Performance Assessment of the Board of Directors, Sub-Committee and Chief Executive Officer

Corporate Governance and Sustainability Development 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 performance assessment forms of the Board of Directors and sub-committees are divided into 2 types as follows :

- 1) Performance assessment form for the Board of Directors and sub-committees to assess the performance of the committee as a group
- 2) Performance assessment form for individual performance of the Board of Directors and sub-committees to assess the performance of each director and member of the sub-committees

6.1 Assessment Method

- To provide the Assessment Form to all directors every year by the Company Secretary.
- 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.

6.2 Performance assessment of the Board of Directors as a group

Assessment criteria

- Structure and qualifications of the Board of Directors
- Roles, duties, and responsibilities of the Board of Directors
- Board meetings
- Performance of the Board of Directors
- Relationship with management
- Director development

6.3 Performance assessment of the Board of Directors on an individual basis

Assessment criteria

- Personal qualifications
- Readiness for performance of duties
- Participation in meetings
- Roles, duties, and responsibilities
- Relationship with the Board of Directors and management

The performance assessment criteria are divided into 5 levels : 0 = Strongly Disagree or no action on that matter; 1 = Disagree or little action on that matter; 2 = Agree or some action on that matter; 3 = Moderately Agree or good action on that matter; 4 = Strongly Agree or excellent action on that matter. The assessment will be calculated as a percentage of the full score in each item. More than 80 percent = excellent, more than 60 percent = good, more than 40 percent = fair, and less than or equal to 40 percent = need improvement.

6.4 Performance Assessment of the Board of Directors and Sub-Committee

The performance assessment of the sub-committees covers important areas such as structure and qualifications, preparation and conduct of meetings, roles, duties, and responsibilities of every sub-committee.

In the year 2022, the results of performance assessment of the Board of Directors and sub-committees as a group and the results of performance assessment of the Board of Directors and sub-committees on an individual basis can be summarized as follows :

Performance Assessment	Results (%)
Board of Directors	
Board of Directors (Group basis)	100
Board of Directors (Individual basis)	100
- Board of Directors (Independent Director)	100
- Board of Directors (Executive Director)	100
Sub-Committees	
Audit Committee	100
Good Corporate Governance and Sustainable Development Committee	100
Investment Committee	100
Management Committee	100
Risk Management Sub-Committee	100

The Board of Directors and every sub-committee has performed their duties and responsibilities with knowledge and competence in accordance with the scope of duties and responsibilities assigned under the charter and consistent with good corporate governance. The assessment results on a group basis and individual basis were at an excellent level. The Company Secretary prepared a report on the assessment results of the Board of Directors and every sub-committee and presented the report to the Board of Directors at the Board of Directors' Meeting No. 1/2023 held on 21 February 2023.

6.5 Performance Assessment of the Chief Executive Officer (CEO)

The Board of Directors has assigned the Nomination and Remuneration Committee to assess the performance of the Chief Executive Officer according to the pre-determined assessment criteria on an annual basis. The Nomination and Remuneration Committee prepares a performance assessment form for the Chief Executive Officer, which covers four main topics :

- 1) Financial performance vs Budget
- 2) Strategic performance
- 3) People skill performance
- 4) Leadership skill performance

In the year 2022, the Chief Executive Officer (CEO) has overall performance in the "Excellent" or equivalent to an average score of 99 percent, whereby the CEO has performed his duties with knowledge and competence in accordance with the scope of duties and responsibilities assigned under the charter and consistent with good corporate governance. In this regard, the Company Secretary prepared a report on the assessment results and presented to the Board of Directors at the Board of Directors' Meeting No. 1/2023 held on 21 February 2023.

7. SUCCESSION PLAN

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.

The Board of Directors realizes the importance of preparing a succession plan for the Chief Executive Officer and high-level executives to ensure that the Company can continue its business. The Nomination and Remuneration Committee is assigned to consider the criteria and review the succession plan for the Company's top executives and report to the Board of Directors for acknowledgment on an annual basis.



PROMOTING GOOD CORPORATE GOVERNANCE, CODE OF CONDUCT AND ANTI-FRAUD AND CORRUPTION

CODE OF CONDUCT

In order to comply with the Good Corporate Governance Policy of Triple i Logistics Public Company Limited (TLG) (the “Company”), including its subsidiaries and associated companies (the “Group of Companies”), the Board of Directors therefore requires the Company to prepare a Code of Conduct that is in line with good corporate governance principles, namely the Good Corporate Governance Code for Listed Companies 2017 (CG Code) of the Office of the Securities and Exchange Commission (“SEC”), the Criteria for Corporate Governance Assessment of Thai Listed Companies (CGR) and the Thai Private Sector Collective Action Against Corruption (CAC), which defines the scope of the standards of conduct that the Company’s personnel should perform in business operations by requiring directors, executives, employees and related persons to adhere to the Company’s common values along with the Company’s regulations and rules with the expectation that the management and operation will be transparent, clear, fair, efficient, uphold the honor and dignity worthy of the confidence and trust of business partners, customers, and the general public as a clear guideline for conducting business and developing into a sustainable organization. However, the Company encourages and supports personnel to adhere to the code of conduct in conducting business by communicating to employees through various channels such as disclosure on the website, new employee orientation, annual review training, etc.

The Code of Conduct contains important contents covering the following matters :

- | | |
|---|--|
| 1. Best practices for directors, executives, and consultants | 8. Compliance with laws, regulations, rules, policies, and the Company’s guideline |
| 2. Best practices for employees | 9. Use of assets, data, information technology and intellectual property of the Company, including maintenance |
| 3. Human rights and treatment of employees | 10. Customer treatment and product quality/marketing communication |
| 4. Community, society, environment, health, and safety | 11. Treatment of contract parties (partners and creditors) |
| 5. Receiving or giving property or any other benefit that may motivate a decision in any direction. | 12. Treatment of commercial competitors |
| 6. Conflict of interest of the entry into transaction of the Company | 13. Penalties |
| 7. Trading of the Company’s securities and the use of inside information of the Company | |

The Company has set up procedures for investigating and considering penalties for those who misbehave in business ethics by clearly specifying responsible persons in each step, as well as providing measures for whistleblowing or complaints. If an act of unethical nature is found and measures to protect and maintain confidentiality, including setting guidelines to prevent recurrence of unethical misconduct, the Internal Audit Department and/or Legal and Corporate Governance Department of the Company will follow up and review the Company’s operational processes to verify the accuracy and completeness and follow up to ensure that the policies and guidelines are regularly revised every year to be in line with the relevant laws and regulations as necessary and appropriate. In 2022, the Company did not find any misconduct against the Code of Conduct of directors, executives and employees.

In addition, the Company has promoting the directors, executives and employees to realize the importance of transparent, fair and verifiable business operations, therefore organizing a training course on “Knowledge about Good Corporate Governance, Business Ethics and Anti-Corruption in the Organization” for the year 2022 in the form of online learning for the directors, executives and employees of the Company for acknowledgment and implementation. The Directors, executives and employees have participated in the aforementioned training for 100 percent and they also signed an acknowledgment and agreement that they would comply with the Company’s policy.

(You can review Code of Conduct in full version at <https://investor.iii-logistics.com/th/home> under the topic of corporate governance)

ANTI-FRAUD AND CORRUPTION

The Company is committed to conducting business with transparency and fairness as well as building confidence and trust among business partners and customers. The Company is committed to conducting business with transparency and fairness as well as building confidence and trust among business partners and customers. The Company has set policies and guidelines for anti-fraud and corruption, including other relevant policies and criteria in writing in the form of a manual of the anti-fraud and corruption measures to promote, support, and supervise to achieve strict anti-fraud and corruption measures with a sense of honesty in working without fraud and corruption, which is an important factor in the business operation of the Company to develop into a sustainable organization.

The Company was certified as a member of the Thai Private Sector Collective Action Against Corruption in the first quarter of 2022. In addition, the Company encourages customers, business partners and trade alliances of the Company to join the network in the anti-corruption alliance of the private sector in Thailand against corruption by sending invitation letters to customers and business partners of the Company in December 2022

For key anti-fraud and anti-corruption activities in 2022, the Risk Management Sub-Committee has added operational risks related to corruption as one of the main risks of the business so that the department of core businesses conduct corruption risk assessments at least once a year so that the Company has an appropriate risk management system that can monitor and effectively manage fraud and corruption risks. The results of such risk assessment shall be reported to the Board of Directors for acknowledgment.

The Company supports and promotes knowledge and understanding of business ethics, anti-fraud and corruption policies, as well as related policies for directors, executives and employees. Therefore, it has organized a training course on “Knowledge about Good Corporate Governance, Business Ethics and Anti-Corruption in the Organization” for the year 2022 in the form of online learning for the executives and employees of the Company for acknowledgment and implementation. The Directors, executives and employees have participated in the aforementioned training for 100 percent, and they also signed an acknowledgment and agreement that they would comply with the Company’s policy.

In addition, the Company has communicated important measures regarding giving or receiving gifts during festivals as a guideline for operations in accordance with the above policies. The Company has reviewed the Anti-Fraud and Corruption Policy as well as related policies annually in order to be suitable for the Company’s current business operations.

The Anti-Fraud and Corruption Policy includes the following important contents :

1. Not conducting or participating in all forms of fraud and corruption both directly and indirectly and shall conduct business accurately and straightforwardly and every operation shall be in accordance with the good corporate governance.
2. Being politically neutral, not doing anything that is aligned with or supporting any political party or anyone with political power.

3. Establish appropriate and regular internal controls to prevent employees from engaging in improper conduct or risking fraud and corruption.
4. Anti-fraud and corruption training for the Board of Directors, executives and employees at all levels to promote honesty and responsibility in performing their duties including showing the commitment of the Company against all forms of fraud and corruption.
5. There is a human resource management process that reflects the commitment to anti-fraud and corruption measures and there are various communication channels so that employees and stakeholders can report suspicious clues to monitor every clue that has been reported.
6. Any action that violates or does not comply with the Anti-Fraud and Corruption Policy, whether directly or indirectly, is considered an offense under the relevant charter or disciplinary action and will be considered a penalty according to the regulations of the Company and the group of companies or legal punishment.

(You can review Anti-Fraud and Corruption Policy in full version at <https://investor.iii-logistics.com/th/home> under the topic of corporate governance)

WHISTLEBLOWING AND PROTECTION FOR WHISTLEBLOWERS OF FRAUD AND CORRUPTION

WHISTLEBLOWER POLICY AND GUIDELINES FOR PROTECTION OF FRAUD AND CORRUPTION WHISTLEBLOWERS

The Company encourages employees and third parties to provide information to report any misconduct or fraud and corruption. that occurred in the Company. It has established a mechanism to protect those who cooperate with the company in anti-fraud and corruption, such as notifying clues or providing information, including rejecting fraud and corruption to ensure that the fraud and corruption such action will not cause the informant to suffer and damage. The Company has established channels for whistleblowing/complaints through one of the following channels :

COMPLAINT RECIPIENT

Chairman of the Board of Directors/Chairman of the Audit Committee/Chairman of the Corporate Governance and Sustainable Development Committee/Chief Executive Officer and Managing Director and/or Corporate Governance Manager

COMPLAINT CHANNEL

- Complaint by letter : Triple i Logistics Public Company Limited, No 628, 3rd Floor, Triple I Building, SoiKlabChom, Nonsee Road, Chongnonsee Sub-district, Yannawa District, Bangkok 10120
- Complaint by email : whistleblowing@iii-logistics.com
- Complaint by oral : Corporate Governance Manager
- Complaints and suggestions box
- Website : www.iii-logistics.com

COMPLAINT HANDLING PROCESS

When notified of misconduct or fraud and corruption, the Legal and Compliance Department, which is a whistleblower unit, collects information related to whistleblowing or complaints of fraud and corruption to assess and verify the information obtained initially with the Internal Audit Department. If it is found that the information received has reasonable grounds that there may be misconduct or fraud and corruption, the investigation process will be conducted in accordance with the policies and criteria set by the Company.

If the investigation finds that there is an act of misconduct or fraud and corruption, the penalty will be determined based on the severity of the facts and the damage caused in accordance with the work regulations and employment conditions of the Company and it may be punished as required by laws if the action is considered as an offense under the laws.

The meeting of the Audit Committee's meeting and/or the Corporate Governance and Sustainable Development Committee will receive a summary report on misconduct or fraud and corruption at least once a quarter.

MEASURES OF PROTECTION AND CONFIDENTIALITY

The Company requires information of whistleblowers or related witnesses are protected by concealing their names or personal information in confidentiality according to the Company's requirements for confidentiality and security of documents, access is limited to those responsible for investigating complaints as well as those receiving information from performing duties related to complaints of which it shall have a duty to keep information, complaints and evidence documents of complainants and informants confidential and will disclose information as necessary for work or in accordance with only where required by laws.

The Company will protect informants of misconduct or fraud and corruption, including those who cooperate or assist in investigations with good faith and may consider additional protection as appropriate. In this regard, the Company will consider the severity and importance of the complained matter. In addition, the Company will not demote, punish or give negative consequences to employees or executives who reject fraud and corruption, even if such action causes the Company to lose business opportunities.

The Company has provided a summary report on receiving reports of misconduct or fraud and corruption to the Audit Committee and/or the Corporate Governance Committee and the Board of Directors regularly at least twice a year in order to monitor the implementation of such policies.

In the year 2022, the Company has not been notified of misconduct or fraud and corruption, including any other complaints.

MONITORING THE IMPLEMENTATION OF POLICIES AND GUIDELINES FOR GOOD CORPORATE GOVERNANCE

1. SUPERVISION OF PREVENTION OF CONFLICTS OF INTEREST

The Company has established a policy to prevent conflicts of interest based on the principle that any decision in conducting business activities must be in the best interests of the Company and its shareholders and should avoid any action that may cause a conflict of interest with the following important principles :

- 1) Directors, executives and employees must not operate a business that competes with the Company either directly or indirectly.
- 2) Directors, executives and employees must not take any action that may cause conflicts between their own interests and the interests of the Company or actions that create obligations related to the Company either directly or indirectly.
- 3) Directors, executives and employees shall not use or allow others to use their positions either directly or indirectly to seek benefits from the Company.
- 4) Directors, executives and employees of the Company must not participate in the consideration and approval of transactions that they have conflicts of interest. In the event that it is necessary to get involved, it shall report to the supervisor immediately.
- 5) Directors, executives and employees will not use confidential information of the Company to seek personal benefits and/or those involved.

In 2022, the Company monitored, supervised and inspected various operations to ensure compliance with the guidelines on the prevention of conflicts of interest. The Audit Committee has reviewed, supervised and commented on connected transactions or transactions that may have conflicts of interest of the Company on a quarterly basis based on reasonableness and taking into account the interests of stakeholders and the interests of the Company, including sufficient disclosure of information in accordance with the requirements of the Stock Exchange of Thailand. In the past, the Company did not find any abnormal transactions.

The Company has communicated and promoted knowledge and understanding about the prevention of conflicts of interest to directors, executives and employees of the Company for executives and employees to acknowledge and implement. Therefore, the aforementioned policy is set in the training course in the topic of “Knowledge about Good Corporate Governance, Business Ethics and Anti-Corruption in the Organization” for the year 2022 in the form of online learning for the executives and employees of the Company for acknowledgment and implementation. The Directors, executives and employees have participated in the aforementioned training for 100 percent, and they also signed an acknowledgment and agreement that they would comply with the Company’s policy.

(You can review Conflict of Interest Prevention Policy in full version at <https://investor.iii-logistics.com/th/home> under the topic of corporate governance)

2. SUPERVISION OF THE USE OF INSIDE INFORMATION OF THE COMPANY

The Company has established policies and procedures to supervise directors and executives, including those holding executive positions in accounting or finance at the level of department manager or equivalent, as well as employees of the Company in using inside information of the Company which it has not been disclosed to the public for personal gain, including securities trading in accordance with the laws and good corporate governance principles. The company has published guidelines on preventing the use of inside information to seek benefits for directors, executives and employees, and has also taken measures to prevent the use of inside information to seek benefits.

(You can review Insider Information Prevention Policy in full version at <https://investor.iii-logistics.com/th/home> under the topic of corporate governance)

ACTIONS TO PREVENT THE USE OF INSIDER INFORMATION

- 1) The Company communicates and educates directors, executives and auditors, including those holding executive positions in accounting or finance who are department manager or higher or equivalent of the Company to realize the duty to report changes in the holding of the Company’s securities by themselves, their spouses and minor children to the Securities and Exchange Commission via electronic system within 3 days after the change.
- 2) Notify directors, executives and related persons in writing when the black-out period of the Company’s securities is reached before disclosing any important information that may affect the Company’s share price so that the information will be widely publicized first.
- 3) The Company discloses the holding of the Company’s securities by directors and executives in the annual report. In addition, the Board of Directors has stipulated that directors, executives, and related personnel must report their securities holdings whenever there is a change. The company secretary has also been assigned to summarize reports on asset holdings and changes in asset holdings to the Board of Directors’ meeting for acknowledgment on a regular basis.
- 4) The Company has communicated and promoted knowledge and understanding about the policy to prevent the use of inside information of the Company to directors, executives and employees of the Company for executives and employees to acknowledge and implement. Therefore, the aforementioned policy is set in the training course in the topic of “Knowledge about Good Corporate Governance, Business Ethics and Anti-Corruption in the Organization” for the year 2022. The Directors, executives and employees have participated in the aforementioned training for 100 percent, and they also signed an acknowledgment and agreement that they would comply with the Company’s policy.

However, in 2022, the Company did not find any wrongdoing by directors and executives regarding the misuse of inside information.

REPORT OF SECURITIES HOLDINGS OF DIRECTORS AND EXECUTIVES

According to the Company's policy to prevent the use of inside information by requiring the directors and executives of the Company to report changes in the holding of the Company's securities to the Board of Directors' meeting, including requiring the directors and executives of the Company to prepare and report their holdings securities holding, it shall notify the Securities and Exchange Commission via electronic system within 3 days after the change in securities trading as well as notify the company secretary for acknowledgment in order to compile and summarize reports on securities holdings and propose to the Board of Directors' meeting for acknowledgment as follows :

Name-Surname	Position	No. of Ordinary Shares			Shareholding (%)	No. of Warrants (III-WI)			Warrants Holding (%)
		As of 1 January 2022	Change of Number of Holding Shares	As of 31 December 2022		As of 31 December 2021	Change of Number of Holding Warrants	As of 31 December 2022	
1. Mr. Krirkkrai Jirapaet	Chairman/ Independent Director	-	-	-	-	-	-	-	-
2. Mr. Woodtipong Moleechad	Vice Chairman/ Independent Director	-	-	-	-	-	-	-	-
3. Mr. Apichart Chirabandhu	Independent Director	-	-	-	-	-	-	-	-
4. Mr. Vipoota Trakulhoon	Independent Director	-	-	-	-	-	-	-	-
5. Mr. Tipp Dalal	Director/ Chief Executive Officer	111,159,386	(1,300,000)	109,859,386	15.86%	375,000	-	375,000	0.25%
6. Mr. Viraj Nobnomtham	Director/ Chief Financial Officer	98,197,074	1,052,600	99,249,674	14.33%	-	-	-	-
7. Mr. Thanut Thatayanon	Director	11,600,591	-	11,600,591	1.68%	-	-	-	-
8. Mrs. Darunee Rakpongpi boon	Director	7,123,275	275,818	7,399,093	1.07%	275,818	(275,818)	-	-
9. Mr. Jirod Panacharas	Director	24,952,484	-	24,952,484	3.60%	15	-	15	-
10. Mr. Chalernsak Karnchanawarin	Director	24,952,484	1,988,121	26,940,605	3.89%	1,988,121	(1,988,121)	-	-

3. SUPERVISION OF THE COMPANY AND SUBSIDIARIES

POLICY ON SUPERVISION OF OPERATIONS OF SUBSIDIARIES COMPANIES

The Company has established a policy for supervision and management of subsidiaries. The objective is to determine both direct and indirect measures and mechanisms to enable the Company to supervise and manage the business of its subsidiaries companies, including monitoring the subsidiaries and to comply with the measures and procedures and mechanisms that can be defined as if it were the Company's own departments and are in accordance with the Company's policies, including the Public Company Laws, the Civil and Commercial Codes, the Securities Laws, and related laws, as well as relevant notifications, regulations, and rules of the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand in order to maintain the benefit of the Company's investments in such subsidiaries companies and to require any transactions or actions that are significant or affect the financial position and operating results of the Company subsidiaries are subject to approval from the Board of Directors or the shareholders' meeting of the Company (as the case may be). The Company's directors are responsible for arranging the meeting of the Board of Directors of the Company and/or the Company's shareholders' meeting to consider and approve such matters before the subsidiaries hold their own meetings of the Board of Directors and/or shareholders for approval before making a transaction or taking action on that matter.

The Board of Directors has the authority and responsibility to supervise the management structure and business operations of the Company, including the management of subsidiaries companies in accordance with the business plans, goals and strategies of the Company, including disclosure of financial status and operating results making a connected transaction and the acquisition or disposition of assets to the Company which must adhere to the principles of good corporate governance and the policies of the Company as well as the relevant rules and regulations of the Capital Market Supervisory Board, the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.

However, the Board of Directors will supervise by authorizing directors and/or executives to represent subsidiaries companies in accordance with the Company's shareholding proportion. The appointment or nomination of a person to be a director and/or executive in a subsidiary or associated company shall be approved by the Board of Directors' meeting. The directors and executives appointed as representatives of subsidiaries companies must perform their duties in accordance with the Company's policies and in line with the Company's approval authority assigned by the Board of Directors.

(You can review Policy on Supervision of Operations of Subsidiaries Companies in full version at <https://investor.iii-logistics.com/th/home> under the topic of corporate governance)

INVESTMENT POLICY IN SUBSIDIARIES, ASSOCIATED COMPANIES AND RELATED COMPANIES ARE AS FOLLOWS :

The Company will invest in subsidiaries, associated companies and related companies with the objectives of operating a logistics business in the same manner with the main business of the Company or similar businesses or activities that support the Company's business by focusing on investing in businesses with growth potential and consistent with the goals and strategic plans for business expansion, as well as generating good returns on investment. Approval of investments in subsidiaries, associated companies and related companies shall be in accordance with the Notification of the Capital Market Supervisory Board re : Rules for Significant Transactions Eligible for Acquisition or Disposal of Assets and the Notification of the Stock Exchange of Thailand re : Disclosure of Information and Practices of Listed Companies in Acquisition or Disposal of Assets B.E. 2547. In respect of investing in the aforementioned businesses, the Company has a policy to invest in a sufficient proportion to be able to participate in management and setting business guidelines for subsidiaries, associated companies and related companies.

However, the Company may consider investing in other businesses that are not the Company's current core business, but the investment must be in line with the business conditions, policies, goals, business growth directions and strategic plans of the Company.

(You can review Investment policy in subsidiaries, associated companies and related companies in full version <https://investor.iii-logistics.com/th/home> under the topic of corporate governance)

4. PRIVACY DATA PROTECTION POLICY

The Company recognizes the importance of privacy data protection, therefore, has established a privacy data protection policy by explaining how the Company treats personal information such as collection, storage, use and disclosure, including rights of the owner of the personal information for disclosing to the owner of such information and the general public, the company communicates and disseminates the privacy data protection policy through the Company's website.

The Company gives importance to transferring knowledge to employees of all departments in the Company that collect personal data to comply with personal data protection laws to ensure that employees have knowledge and understanding and are ready to protect the rights of others as well as take care of their own rights in personal data correctly in accordance with the laws. The Company has organized a training to educate employees regarding the Personal Data Protection Law (PDPA) via online system in the second quarter of 2022, including communicating and publicizing the announcement of the use of cookies and the announcement of privacy in the use of CCTV for the employees acknowledgement.

(You can review Privacy Data Protection Policy in full version at <https://investor.iii-logistics.com/th/home> under the topic of corporate governance)

5. POLICY ON SECURITY OF COMPUTER SYSTEMS AND INFORMATION TECHNOLOGY

The Company focuses on the use of information technology systems to be effective and safe according to the computer and information security policy by setting up a department to directly supervise the security of computer systems and information technology to monitor and inspect the practices of various departments on a regular basis to ensure that the security of the Company's computer systems and information technology is in accordance with the criteria set by the Company and it can be used continuously at all times.

GUIDELINES FOR THE USE OF INFORMATION TECHNOLOGY SYSTEMS

1. Use the information technology system including various information contained in the system for the benefit of the company by avoiding use in matters that are not related to work or may affect the efficiency of the system.
2. Do not use the system to access or transmit information that is contrary to good morals related to gambling, affecting national security or violating the rights of others.
3. Use the system properly according to the authorization, keep and do not allow others to use the password to access the system.
4. Avoid manually installing computer programs, modifying system settings that may affect security. If you encounter problems or encounter abnormalities in use, contact your IT administrator.

PERFORMANCE IN 2022

1) IMPROVEMENT OF OPERATIONAL PROCESS

- Review of the access to the information system (Server) of the person in charge as specified by the group of companies.
- Improving the process of reviewing rights and controlling access to the information system as defined in the Authorized Control User of the information system.
- Improving and modifying the work process of the Work From Home (WFH) system to be in line with the current situation of the pandemic of the Coronavirus 2019 (Covid-19).

2) INFORMATION TECHNOLOGY AND NETWORK

- Auditing and controlling the operation of backup systems, databases, and database restoration testing of each group of companies.
- Disaster Recovery Test (DR Site), which includes information technology emergency management drills of affiliated companies and verification of backup records of disaster recovery test results, operating system information and performance summary

- Improving the network of information connections between the warehouses of the group companies.
- Development of CCTV systems for the security of the warehouses of the group companies.
- Consideration of improvement of virtual machine (VM), including improvement of operating system to support cloud based system.
- Consideration of upgrading operations in traffic information management system of information and technology system (Log Management System) and Network Monitoring Management System.
- Consideration of improving the internet cable structure in the Company's head office building.

3) SOFTWARE MANAGEMENT

- Developing Cyber 365 for companies in the Air Freight Business Unit and the Chemicals and Dangerous Goods Transportation Business Unit, and implementing a cloud-based operating system for operations, including the development of stings in addition to linking information and technology systems in the form of BIG data to order to be able to analyse such data.
- Development of internal data connection systems of each group of companies' information and technology systems.

4) HUMAN RESOURCES

- Organizing internal training and develop knowledge of information systems for employees in affiliated companies, such as E-signature training and Google Meet training courses.
- Arranging IT employees to take external training regarding the Advanced Power Query course to prepare employees who require to use the Power BI system and the Power BI Desktop for Business Analytics course for basic use for providing knowledge to employees who require to use the Power BI system.

6. RESPECTING THE PRIVACY RIGHTS AND PROTECTING THE PERSONAL INFORMATION OF CUSTOMERS

The Company places great importance on respecting privacy rights and protecting customer personal information by adhering to compliance with relevant regulations and keeping customer information safe including applying as necessary to the scope of customer consent and in 2022, the Company prepares and publishes a privacy data protection policy and cookie notice, along with various forms and notices to request a consent on personal data from data subjects as well as determining the right to access and use customer data according to the responsibility of the departments and in 2022 there was no significant complaint related to the violation of customer privacy.

7. HUMAN RIGHTS RESPECT

The Company is aware of respect for human rights in every aspect of every person as well as society and community according to the laws of each country and treaties that each country has obligations to comply with it and the Company has also established a human rights policy for all the Board of Directors, executives and employees to adhere to and comply with laws and international principles related to business operations, consisting of the respect of right to collective bargaining, the freedom of association, the equal remuneration, the prevention of discrimination, the protection against anti-harassment in both sexual and non-sexual, the human trafficking, the forced labor and child labor and related other rights. The Company also places particular emphasis on the rights of Vulnerable Groups, including children, persons with disabilities, women, minorities, immigrants, indigenous peoples, local communities, migrant workers or workers employed through third parties, LGBTQ people and the elderly in all their activities in the Company's operating area.

In 2022, the Company did not find any complaints regarding human rights violations or non-compliance with human rights laws or practices.

(You can review Human Rights Policy in full version at <https://investor.iii-logistics.com/th/home> under the topic of 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, Triple i Logistics Public Company Limited (“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. 3/2022 held on 10 May 2022, No. 4/2022 held on 9 August 2022, No. 5/2022 held on 8 November 2022 and No. 1/2023 held on 21 February 2023. The Board of Directors 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 has arranged for a good and effective internal control system. This matter has been addressed in the Good Corporate Governance Policy. The Board of Directors has supervised the operations of the Group to be effectively in line with its goals and objectives and the applicable laws, regulations, and requirements. 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 These include sales process and customer service, information system administration, preparation for the implementation of the Personal Data Protection Act B.E. 2562 (2019) (PDPA), assessment of the internal control framework (COSO 2013), process and measures to prevent and control the spread of the Covid-19, public health for enterprises, and human resources management process. 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 2022. 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 2022. 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

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 Directors and executives of the Company must prepare a report on their own or any related individuals' interests when taking office for the first time. Any changes made to interest information must be reported to the Chairman of the Board of Directors, the Chairman of the Audit Committee, and/or the company secretary. This information will be used to comply with requirements on related party transactions and to prevent conflicts of interest.
- 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 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	50.53% held by TLG
Triple i Asia Cargo Company Limited	TAC*	99.99% 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
DG Packaging Pte., Ltd.	DGPS	50% shares held by TLG
Excel Air (Cambodia) Company Limited	ECA- KH*	32% 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
Sabuy Speed Company Limited	SBS	18% shares held by TLG
TSL Logistics Company Limited	TSL	50.99% 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 :

- (a) directors or executives of the Company.
- (b) major shareholders of the Company.
- (c) controlling persons of the Company.
- (d) 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.
- (e) 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 2022, 2021 and 2020 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.
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 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 director (acting as the Vice Chairman of the Board, Independent Director and the Chairman of the Audit 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 of Independent Directors of the Company).
CK Lines Company Limited (“CKL”)	A company engages in sea freight business, and it is a major shareholder holding of 30% in CKT.

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 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
Transaction between TLG and ANI					
ANI borrowed from TLG					
• Loan	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	Beginning 4,450,000 Increase - Decrease (4,450,000) Ending -	On 30 June 2017, 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. The interest rate charged under the entry into promissory note transaction between the Company and the Group companies was at market rate and did not create any financial burden for the Company. At present, the principal and interest have been repaid in full.
• Interest received	176,666	176,666	59,353	On 27 July 2022, ANI has repaid loan and interest under the said loan to TLG in full.	
Transactions between TLG and ECU					
ECU borrowed from TLG					
• Loan	Beginning 9,000,000 Increase 5,000,000 Decrease (14,000,000) Ending -	Beginning - Increase 70,000,000 Decrease (70,000,000) Ending -	Beginning - Increase 20,000,000 Decrease (20,000,000) Ending -	On 23 March 2022, ECU has entered into the promissory note with TLG as its working capital for short-term business in the amount of Baht 20,000,000 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.
• Interest received	9,714	629,425	35,967	On 4 April 2022, ECU has repaid the loan and interest to TLG in full.	

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
Transactions between TLG and MAKESEND					
MAKESEND borrowed from TLG					
• Loan	Beginning Increase Decrease Ending	- Beginning 10,000,000 - Decrease 10,000,000 Ending	- Beginning Increase Decrease Ending	On 3 August 2021, 18 August 2021, 26 August 2021, 14 September 2021, 27 October 2021, 23 November 2021 and 28 December 2021, 28 January 2022, 1 March 2022, 28 March 2022, 26 April 2022, 13 May 2022, 30 May 2022 and 29 June 2022, MAKESEND has entered into the promissory note with TLG as its working capital for short-term business in the amount of Baht 14,500,000 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 loan agreement has been approved by the Audit Committee on 9 November 2021, 22 February 2022, 10 May 2022, 9 August 2022, 8 November 2022, and 21 February 2023. At present, it has paid interest at the reasonable rate.
• Interest received	-	110,674	715,146		
• Accrued interest	Beginning Increase Decrease Ending	- Beginning 110,674 (110,674) - Decrease Ending	- Beginning Increase Decrease Ending	- 14,500,000 715,146 (582,593) 132,553	
				MAKESEND has paid the interest under the promissory note to TLG on the last day of every month.	

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 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
<p><u>Transaction between TLG and ECA-KH</u></p> <p>ECA-KH requested for a letter of guarantee from a financial institution by using TLG's credit of its letter of guarantee.</p> <ul style="list-style-type: none"> • Fee for a letter of guarantee 	9,353	17,530	459,933	<p>ECA-KH entered into a letter of guarantee with a financial institution for a credit amount of Baht 45,993,275.34 by using TLG's credit of its letter of guarantee. ECA-KH 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 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
Transactions between TLG and ECU					
ECU leases office space from TLG					
• Office rental and service expenses	3,934,314	3,848,657	3,902,140	On 1 February 2022, 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 22 February 2022 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.
• Rent receivable	Beginning 396,999 Increase 4,170,655 Decrease (4,181,332) Ending 386,322	Beginning 386,322 Increase 5,088,269 Decrease (5,104,207) Ending 370,384	Beginning 370,384 Increase 4,126,684 Decrease (3,782,748) Ending 714,320		
Transactions between TLG and CKT					
CKT leases office space from TLG					
• Office rental and service expenses	2,196,162	2,232,670	2,206,031	On 1 January 2022, 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 22 February 2022 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.
• Rent receivable	Beginning 29,067 Increase 2,323,433 Decrease (2,327,122) Ending 25,378	Beginning 25,378 Increase 2,362,497 Decrease (2,362,055) Ending 25,820	Beginning 25,820 Increase 2,328,626 Decrease (2,331,194) Ending 23,252		
Transactions between TLG and TLP					
• Office rental and service expenses	2,107,478	2,142,305	168,960	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. At present, the lease agreement has been terminated on 31 January 2022.	The transaction has been considered and approved by the Audit Committee on 24 February 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.

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 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
Transactions between TLG and ECU					
Sea Freight					
• Freight and other fees	1,818,399	130,155,683	167,652,032	TLG paid sea freight to ECU. This transaction is a	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.
• Freight and other fees payable				normal commercial transaction and charged at the	
Beginning	62,034	160,608	Beginning	rate based on the market mechanism.	
Increase	3,144,542	140,572,043	Increase		
Decrease	(3,045,968)	(122,320,923)	Decrease	(198,016,999)	
Ending	160,608	18,411,728	Ending	1,180,577	
Commission shares in referring customers					
• Commission fees	5,691,637	37,945,464	30,759,222	TLG referred customers from overseas to use freight	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.
• Commission fees payable				services with ECU and received shared profits from	
Beginning	2,378,948	1,857,443	Beginning	the income received at the rate based on the market	
Increase	6,090,022	40,601,647	Increase	mechanism.	
Decrease	(6,611,527)	(32,745,964)	Decrease	(40,074,508)	
Ending	1,857,443	9,713,126	Ending	2,550,986	
Sea Freight					
• Freight fees	-	25,360,000	85,840,000	ECU has paid the sea freight fees to TLG which is	The Audit Committee has resolved that such transaction was reasonable and increase the efficiency of the Group.
• Freight fees receivable				considered as normal business transaction with the	
Beginning	-	-	Beginning	fees rate is based on the market mechanism.	
Increase	-	26,196,500	Increase		
Decrease	-	-	Decrease	(115,679,800)	
Ending	-	26,196,500	Ending	1,200,000	
Drinking Water Fee					
• Drinking Water fees	660	2,010	885	The price is equal to the price paid by TLG to supplier which is the average cost per bottle.	The Audit Committee considered that the sale of drinking water under the Group's brand and the price charged at the actual cost was considered as normal business.
Transaction between TLG and CKT					
Sea Freight					
• Freight and other fees	91,247	10,222	51,418	TLG paid sea freight to CKT. This transaction is a	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.
• Freight payable				normal commercial transaction and charged at the	
Beginning	-	-	Beginning	rate based on the market mechanism.	
Increase	91,247	10,222	Increase		
Decrease	(91,247)	(10,222)	Decrease	(404,093)	
Ending	-	-	Ending	5,200	

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
Drinking Water Fees					
• Drinking water fees	1,350	1,800	900	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.
Transaction between TLG and ANI					
Spring Mineral Water					
Drinking Water Fees					
• Drinking water fees	77,250	42,000	114,750	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.
• Drinking water fees receivable	Beginning 21,668	Beginning 22,471	Beginning -		
	Increase 82,658	Increase 44,940	Increase 121,523		
	Decrease (81,855)	Decrease (67,411)	Decrease (102,263)		
	Ending 22,471	Ending -	Ending 19,260		
Transaction between TLG and ANI					
TLG provided accounting advisory services to ANI					
• Advisory fees	-	-	1,050,000	TLG provides management services in ANI, which is a joint venture in which TLG holds shares, in order to reduce redundancies in management and to control costs, ANI hires TLG to manage and prepare accounts for ANI.	The Audit Committee has resolved that such transaction was considered as the supporting transaction for the Group to reduce redundancies in management and to control costs of which the fees charged was reasonable.
Transaction between TLG and TSL					
TLG provided accounting advisory services to TSL					
• Advisory fees	-	-	60,000	TLG provides management services in TSL, which is a joint venture in which TLG holds shares, in order to reduce redundancies in management and to control costs, TSL hires TLG to manage and prepare accounts for TSL.	The Audit Committee has resolved that such transaction was considered as the supporting of administration of the Group of TLG transaction to reduce redundancies in management and to control costs of which the fees charged was reasonable.
• Advisory fees Receivable	Beginning -	Beginning -	Beginning -		
	Increase -	Increase -	Increase 64,200		
	Decrease -	Decrease -	Decrease -		
	Ending -	Ending -	Ending 64,200		

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
Transactions between HLM and ECU					
Forwarding fees					
• Fees	14,678	10,570	172,473	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.
Logistic services for chemical and hazardous goods					
• Fees	-	-	13,090	It is a service in case ECU has a customer who needs a complete logistics service for chemicals and dangerous goods in Thailand, ECU will use the service. The service fee rate 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.
• Account Receivable	Beginning	Beginning	Beginning		
	Increase	Increase	Increase		
	Decrease	Decrease	Decrease		
	Ending	Ending	Ending		
Transactions between HLM and CKT					
Bill of lading paid by CK for HLM's customer					
• Service fees	110,481	180,418	208,186	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 to support administrative of HLM group, to reduce repetitive management and to control expenses. The service fee is reasonably charged.
Transactions between HLM and HTM					
Provision of management services					
• Service fees	1,427,000	1,572,640	1,545,000	HLM provides management services in HTM, an associate company owned by HLM, in order to reduce duplication of management and to control costs, thus, HTM engages HLM to manage and conduct accounting for HTM.	The Audit Committee considered this transaction and is of the view that the transaction is to support administrative of HLM group, to reduce repetitive management and to control expenses. The service fee is reasonably charged.
Transportation and Distribution of dangerous goods and chemical					
• Service fees	43,725,898	48,429,758	52,273,835	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.
• Service fee payable	Beginning	Beginning	Beginning		
	Increase	Increase	Increase		
	Decrease	Decrease	Decrease		
	Ending	Ending	Ending		

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
Transactions between HLM and HLM-SG					
Transportation and Distribution services for hazardous and chemical goods					
• Service fees	2,186,225	6,164,556	6,791,053	HLM-SG engages in the business of transportation	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 fees payable	334,752	166,007	1,137,843	of hazardous and chemical goods in Singapore. If	
	Beginning	Beginning	Beginning	HLM has customers who wish to transport chemical	
	Increase	Increase	Increase	and hazardous goods in Singapore, HLM will engage	
	Decrease	Decrease	Decrease	HLM-SG since it is a direct agent of HLM.	
	Ending	Ending	Ending		
Integrated Logistics services for chemical and hazardous					
• Service incomes	1,391,272	1,098,523	3,341,448	This transaction is the service provided in the case	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 fees receivable	2,490,649	397,078	136,257	where HLM-SG has customers who require integrated	
	Beginning	Beginning	Beginning	logistics services for chemical and hazardous goods	
	Increase	Increase	Increase	in Thailand. HLM-SG will use HLM's services, a parent	
	Decrease	Decrease	Decrease	company of HLM-SG.	
	Ending	Ending	Ending		
Transaction between HLM and DGPS					
Transportation and distribution services for hazardous and chemical goods					
• Service fees	3,757,907	4,211,486	4,257,853	DGPS engages in selling and packaging services for	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 fees payable	62,292	1,559,947	1,817,248	hazardous and chemical goods in Singapore. If HLM	
	Beginning	Beginning	Beginning	has customer who need to use packaging services	
	Increase	Increase	Increase	for hazardous and chemical goods in Singapore, HLM	
	Decrease	Decrease	Decrease	will use the services from DGPS which is the direct	
	Ending	Ending	Ending	agent of HLM.	
Transaction between HLM and TSL					
Railway service fee					
• Railway Service fees	-	-	76,260	TSL conducts railway transportation service business	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.
				and logistic business. HLM has used TSL services in transporting and distributing dangerous goods and chemicals.	

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion	
	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022			
Transaction between DGP and DGPS						
Hazardous and Chemical goods box fee						
• Cost of box	2,538,818	2,295,769	3,555,963	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.	
• Packing fee						
Beginning	-	Beginning	-	DGP		
Increase	2,538,818	Increase	2,295,769	DGP		
Decrease	(2,538,818)	Decrease	(2,295,769)	Decrease		
Ending	-	Ending	-	Ending		
Transportation fees						
• Transportation fee	-	-	5,794	DGP provided the transportation services to DGPS at the market rate.	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.	
Revenues from goods						
• Revenues	-	-	7,013	This selling price is equal to the cost payable by DGP to supplier which is the average cost per unit.	The Audit Committee considered that this transaction is a sale of water bottles with the Group's brand affixed and the selling price is equal to the actual cost which is considered as a normal business transaction.	
• Account Receivable						
Beginning	-	Beginning	-	DGP		
Increase	-	Increase	7,504	DGP		
Decrease	-	Decrease	(75)			
Ending	-	Ending	7,429			
Advertisement fees of IATA						
• Advertisement fees	29,173	31,239	33,787	DGP has paid the advertisement fee for the group companies relating to the sale of packages of DGPS to 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.	
Transaction between DGP and HTM						
Transportation and Distribution services for hazardous and chemical goods						
• Transportation fees	23,814	75,403	85,726	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 any persons who may have conflicts in interest. The price is charged at the market rate.	

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
Packaging services for hazardous and chemical goods					
• Packaging fees	60,150	566,558	100,350	DGP has 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.
Administration services					
• Service incomes	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.
Hazardous and chemical goods packages					
• Revenues from packages	-	19,730	8,650	DGP has provided the packages to HTM at the market rate.	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.
Transactions between DGP and ECU					
Hazardous and Chemical goods packaging services					
• Packaging service incomes	3,500	6,900	12,980	DGP has provided packaging services 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.
Transactions between TAX and ECU					
Air freight service					
• Service incomes	3,814,205	8,974,364	13,279,834	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 and considered a normal commercial transaction charged at the market rate.
• Service fees receivable	Beginning 1,735,687 Increase 3,814,205 Decrease (3,907,508) Ending 1,642,384	Beginning 1,642,384 Increase 8,974,364 Decrease (10,051,534) Ending 565,215	Beginning 565,214 Increase 13,279,834 Decrease (13,689,396) Ending 155,653		

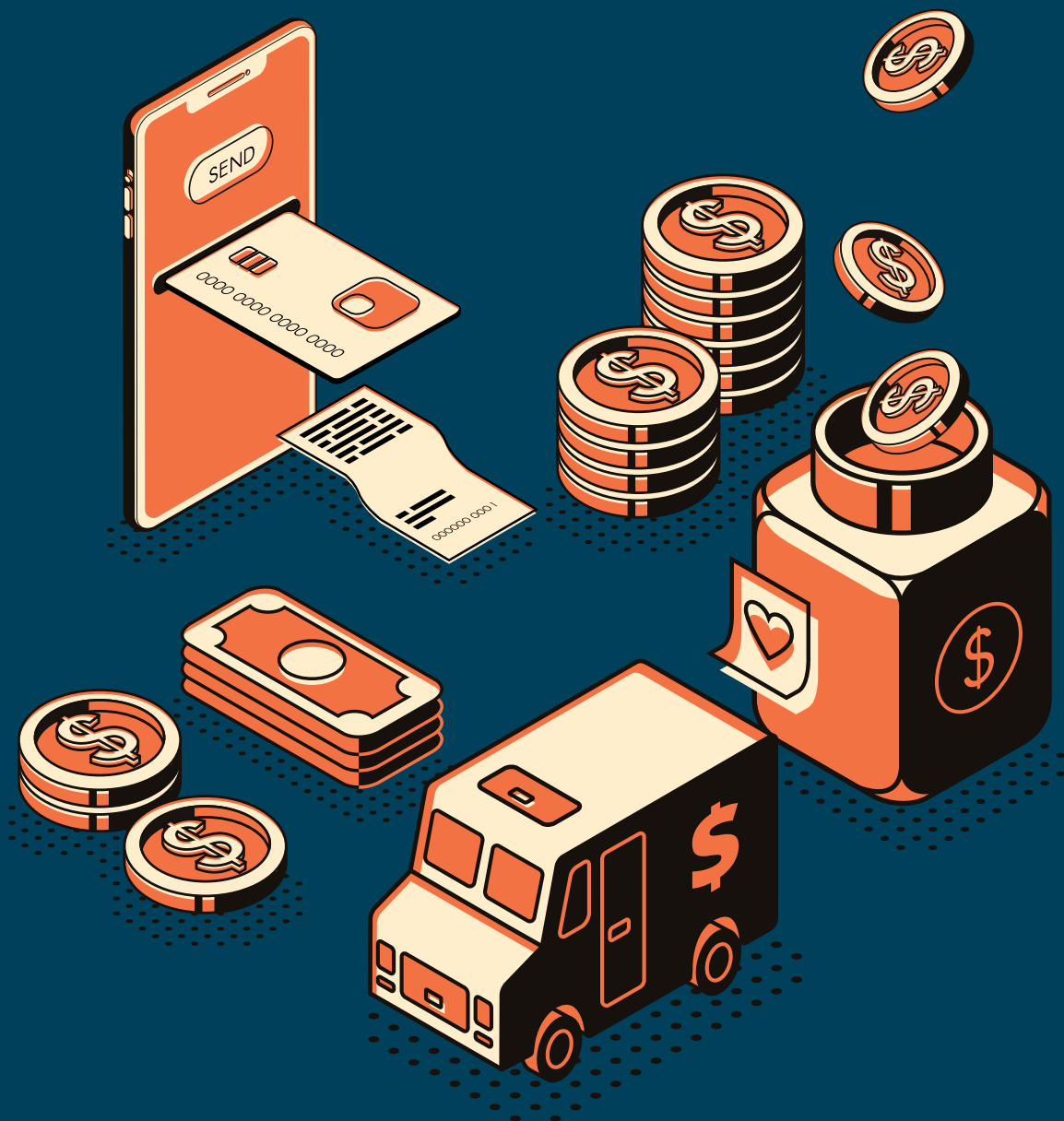
Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
Transactions between TAX and ANI					
Lease and service					
• Rental and service income	1,740,184	1,772,033	546,092	TAX has entered into a lease agreement with 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 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.
• Rental and service fee receivable	2,011	153,517	131,286		
	Beginning	Beginning	Beginning		
	Increase	Increase	Increase		
	Decrease	Decrease	Decrease		
	Ending	Ending	Ending		
	(1,588,678)	(1,794,264)	(678,103)		
	153,517	131,286	4,835		
Air freight service					
• Service incomes	5,984,647	9,294,274	19,862,411	TAX is an 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 Chili. 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.
• Service fees receivable	2,765,786	612,617	811,108		
	Beginning	Beginning	Beginning		
	Increase	Increase	Increase		
	Decrease	Decrease	Decrease		
	Ending	Ending	Ending		
	(8,137,816)	(9,095,783)	(17,641,641)		
	612,617	811,108	3,031,878		
Transactions between TAX and TLP					
Air freight service					
• Service incomes	1,117,096	1,277,821	460,582	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.
Air freight service					
• Service incomes	134,699,335	313,830,131	2,058,975	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.
Transactions between TAC and MAKESEN					
Equipment and Space Services					
• Service fees	-	248,000	9,000	TAC has provided equipment and office space to MAKESEN. 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 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
Transactions between TMA and CKT					
Administrative service					
• Service incomes	2,413,807	2,216,615	2,155,691	TMA has provided management services for maritime	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.
• Service fees receivable	221,021	208,709	189,675	business to CKT. The service fee rate is charged and based on the market mechanism.	
	2,413,807	2,216,615	2,155,691		
	(2,426,119)	(2,235,649)	(2,154,237)		
	208,709	189,675	191,129		
Trailer trucking services					
• Service incomes	308,000	520,800	506,600	TMA has provided trailer trucking services to CKT.	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 fees receivable	33,600	30,800	58,800	The service fee rate is charged and based on the market mechanism.	
	308,000	383,400	506,600		
	(310,800)	(355,400)	(531,800)		
	30,800	58,800	33,600		
Imports and Exports services of container by sea					
• Service fee	190,883	400,496	263,211	CKT has provided imports and exports services of	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	2,600	24,968	53,300	containers by sea to TMA as a normal service. The service fee rate is charged and based on the market mechanism.	
	190,883	400,496	263,211		
	(168,515)	(372,164)	(315,211)		
	24,968	53,300	1,300		
Transactions between TMA and ECU					
Trailer trucking services					
• Service income	364,100	43,800	853,000	TMA has provided trailer trucking services to ECU.	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	-	-	-	The service fee rate is charged and based on the market mechanism.	
	364,100	43,800	853,000		
	(364,100)	(43,800)	(848,000)		
	-	-	5,000		
Imports and exports services of container by sea					
• Service fees	2,826,280	17,586,556	19,809,038	TMA has provided imports and exports services of	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 fees receivable	-	2,392,205	3,825,376	containers by sea to ECU. The service fee rate is charged and based on the market mechanism.	
	2,826,280	17,586,556	19,809,038		
	(434,075)	(16,153,385)	(23,107,926)		
	2,392,205	3,825,376	526,488		

Transaction	Size of transaction			Nature of transaction	Audit Committee's opinion
	Fiscal year ending 31 December 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
Using Imports and Exports services of container by sea <ul style="list-style-type: none"> Service fees 	-	1,523,038	77,301	ECU has used imports and exports services of containers by sea of TMA. 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.
Transactions between TMA and G3					
Trailer trucking services <ul style="list-style-type: none"> Service incomes Service fees receivable 	1,750,630 Beginning 263,508 Increase 1,750,630 Decrease (1,916,427) Ending	1,166,300 Beginning 97,711 Increase 1,166,300 Decrease (1,176,180) Ending	807,660 Beginning 87,831 Increase 497,300 Decrease (502,520) Ending	TMA has provided trailer trucking services according to service orders. 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.
Transactions between TMA and CKL					
Container transport service <ul style="list-style-type: none"> Service incomes Service fees receivable 	1,758,682 Beginning - Increase 1,758,682 Decrease (1,708,282) Ending	1,574,160 Beginning 50,400 Increase 1,574,160 Decrease (1,475,680) Ending	1,794,320 Beginning 148,880 Increase 232,080 Decrease (288,720) Ending	TMA has provided the container transportation service to CKL. 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.
Sea Port services <ul style="list-style-type: none"> Service incomes Service fees receivable 	2,866,418 Beginning - Increase 2,866,418 Decrease (2,723,418) Ending	3,337,197 Beginning 143,000 Increase 3,337,197 Decrease (3,063,997) Ending	2,561,589 Beginning 416,200 Increase 742,500 Decrease (895,300) Ending	TMA has provided the towing service for ships including documents' management relating to TMA as the agent to CKL. 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.
Using Imports and Exports services of container by sea <ul style="list-style-type: none"> Service fees Service fees payable 	2,407,122 Beginning - Increase 2,407,122 Decrease (1,583,008) Ending	25,821,003 Beginning 824,114 Increase 25,821,003 Decrease (16,456,738) Ending	18,678,563 Beginning 10,188,379 Increase 8,044,322 Decrease (17,792,171) Ending	TMA has used imports and exports services of container by CKL. 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 2020	Fiscal year ending 31 December 2021	Fiscal year ending 31 December 2022		
Transaction between TSC and BIZ					
Income from warehouse storage services					
• Service incomes	521,237	18,238	227,860	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 fees receivable	-	20,674	7,100		
	Beginning	Beginning	Beginning		
	Increase	Increase	Increase		
	Decrease	Decrease	Decrease		
	500,563	(31,812)	(206,579)		
	Ending	Ending	Ending		
	20,674	7,100	28,381		
Transaction between TSC and MAKESEND					
Revenue from Transportation services					
• Service incomes	-	508,947	425,311	MAKESEND has provided transportation services to TSC's customers with 4-wheels vehicles and 6-wheels vehicles. 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.
• Account Payable	-	-	186,631		
	Beginning	Beginning	Beginning		
	Increase	Increase	Increase		
	Decrease	Decrease	Decrease		
	-	(322,316)	(588,923)		
	Ending	Ending	Ending		
	-	186,631	23,019		
Transaction between TSC and SHIPSMILE					
Transport Services					
• Service incomes	-	38,900	1,868	SHIPSMILE has 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 between AGS and Symphony					
High-Speed Internet Service					
• Service fees	319,220	469,800	475,080	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.
• Account Payable	-	30,344	41,890		
	Beginning	Beginning	Beginning		
	Increase	Increase	Increase		
	Decrease	Decrease	Decrease		
	(319,220)	(458,254)	(477,381)		
	Ending	Ending	Ending		
	30,344	41,890	39,589		
Transaction between AGS and SAL					
Consulting fees					
• Consulting incomes	-	400,000	600,000	AGS has provided 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	-	-	53,500		
	Beginning	Beginning	Beginning		
	Increase	Increase	Increase		
	Decrease	Decrease	Decrease		
	-	(346,500)	(600,000)		
	Ending	Ending	Ending		
	-	53,500	53,500		

Part 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 2022, the Audit Committee held 6 meetings and participated in all 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 2022, 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 2022, 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 2023 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 2022 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. This included assigning the Internal Audit Department to review measures and practices to be appropriate and prevent fraud and inappropriate behavior that may occur in the work systems 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 and the emphasis is placed on oversight and compliance with anti-fraud and corruption guidelines 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 2023, 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 :

- | | | |
|----|----------------------------------|---|
| 1. | Miss. Sukhumaporn Wong-ariyaporn | Certified Public Accountant No. 4843 and/or |
| 2. | Mr. Chaisiri Ruangritchai | Certified Public Accountant No. 4526 and/or |
| 3. | Miss 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 2022 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 Reporting

The Board of Directors is responsible for the separate financial statements of the Triple i Logistics Public Company Limited (“The Company”) and the consolidated financial statements of the Company and its subsidiaries as well as the financial information stated in the Company’s Annual Report. These financial statements are prepared in accordance with Accounting Standards and Financial Reporting Standards promulgated by the Federation of Accounting Professions and including generally accepted accounting principles. Appropriate accounting policies are chosen and consistently applied, estimates and underlying assumptions are prudently made, and significant information is adequately disclosed in the Notes to the financial statements to ensure that the financial statements are reliable and beneficial to 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 Annual Report under Report of the Audit Committee section.

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 2022 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.

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 2022, 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 2022;
- 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 including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the TFAC Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the 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>Purchase price allocation (PPA) for acquisition of an associate</p> <p>Refer to Note 15.1 'Investments in associates' to the consolidated and separate financial statements.</p> <p>During the year 2021, the Company purchased shares of A.T.P. Friend services Co., Ltd. ("Shipsmile") which operates in drop-off business. The purchase is made three times on 9 March 2021 at 30% in an amount of Baht 106.20 million, on 10 August 2021 at 8% in an amount of Baht 28 million, and on 1 December 2021 at 5% in an amount of Baht 18.75 million. Total ownership interests of the Company in Shipsmile are 43% and total amount of investment is Baht 152.95 million. The Company presents the investment in Shipsmile as an associate. As at 31 December 2021, the Company is in the process of determining fair value of the net assets acquired for preparing purchase price allocation ("PPA").</p> <p>In the first quarter of 2022, the Company engaged an external valuation expert to complete PPA of investment in Shipsmile. The fair value of net assets acquired is Baht 33.14 million, compared with the total consideration paid of Baht 152.95 million. Thus, goodwill of Baht 119.81 million is recognised as part of the investment in an associate. The fair value of assets acquired includes intangible assets - franchise agreements of Baht 20.31 million.</p> <p>I focused on the PPA for an acquisition of an associate because the measurement of fair value of net assets acquired involved significant judgement by management, especially fair value of franchise agreements which is calculated based on expected future cash flow. The key assumptions were revenue per agreement, number of years used for the calculation and discount rate.</p>	<p>I carried out the following procedures to evaluate the PPA for acquisition of investment in an associate:</p> <ul style="list-style-type: none"> - assessed the competence, knowledge and experience of the external valuation expert engaged by management. - assessed the appropriateness of the procedures used to determine the fair value of the net assets acquired from acquisition of an associate. - read the report from the external valuation expert to determine whether management and the external valuation expert appropriately identified the assets acquired from acquisition of an associate. - assessed the appropriateness of the measurement of the fair value of franchise agreements by performing the following procedures: <ul style="list-style-type: none"> • compared number of franchise agreements used to calculate the fair value with the actual number of franchise agreements of Shipsmile. • compared expected revenue per agreement against the actual historical revenue per agreement. • compared the number of years used for the calculation with the remaining period of franchise agreements. • Engaged valuation expert of my firm to assess the reasonableness of the valuation technique and discount rate. - tested the calculation of the PPA and goodwill arising from the business combination. <p>As a result of these procedures, I determined that the PPA for acquisition of an associate is reasonable based on supporting evidence.</p>



Key audit matter

How my audit addressed the key audit matter

Purchase price allocation (PPA) for acquisition of a joint venture

Refer to Note 15.2 'Investments in joint ventures' to the consolidated and separate financial statements.

During the year 2021, the Group restructured the General Sales Agent (GSA) Business for Airlines. The Company disposed investments in GSA companies of which the Company directly and indirectly held to Asia Network International Co., Ltd. ("ANI"), a joint venture. The Company received the consideration for disposal of those companies by newly issued ordinary shares of ANI. As a result, there are changes in total direct and indirect equity interest of each company in the GSA business. The fair value of equity interest of the Company decreased by Baht 55.76 million and an increase in interest in investment in a joint venture would be considered as a purchase of a joint venture. As at 31 December 2021, the Company is in the process of determining fair value of the net assets acquired for preparing purchase price allocation ("PPA").

In the third quarter of 2022, the Company engaged an external valuation expert to complete PPA of acquisition of a joint venture. The fair value of net assets acquired is Baht 25.81 million, compared with the fair value of a decrease of equity interest of 55.76 million. Thus, goodwill of Baht 29.95 million is recognised as part of the investment in a joint venture. The fair value of assets acquired includes intangible assets - airline relationships of Baht 14.91 million.

I focused on the PPA for an acquisition of a joint venture because the measurement of fair value of net assets acquired involved significant judgement by management, especially fair value of airline relationships which is calculated based on expected future cash flow. The key assumptions were revenue growth rate, number of years used for the estimation and discount rate.

I carried out the following procedures to evaluate the PPA for acquisition of investment in a joint venture:

- assessed the competence, knowledge and experience of the external valuation expert engaged by management.
- assessed the appropriateness of the procedures used to determine the fair value of the net assets acquired from acquisition of a joint venture.
- read the report from the external valuation expert to determine whether management and the external valuation expert appropriately identified the assets acquired from acquisition of a joint venture.
- assessed the appropriateness of the measurement of the fair value of airline relationships by performing the following procedures:
 - compared revenue growth rate and gross profit margin against the actual historical performance and expected growth of an industry.
 - compared the number of years used for the estimation with the historical average period of airline agreements.
 - engaged valuation expert of my firm 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 acquisition of joint ventures is reasonable based on supporting evidence.



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.

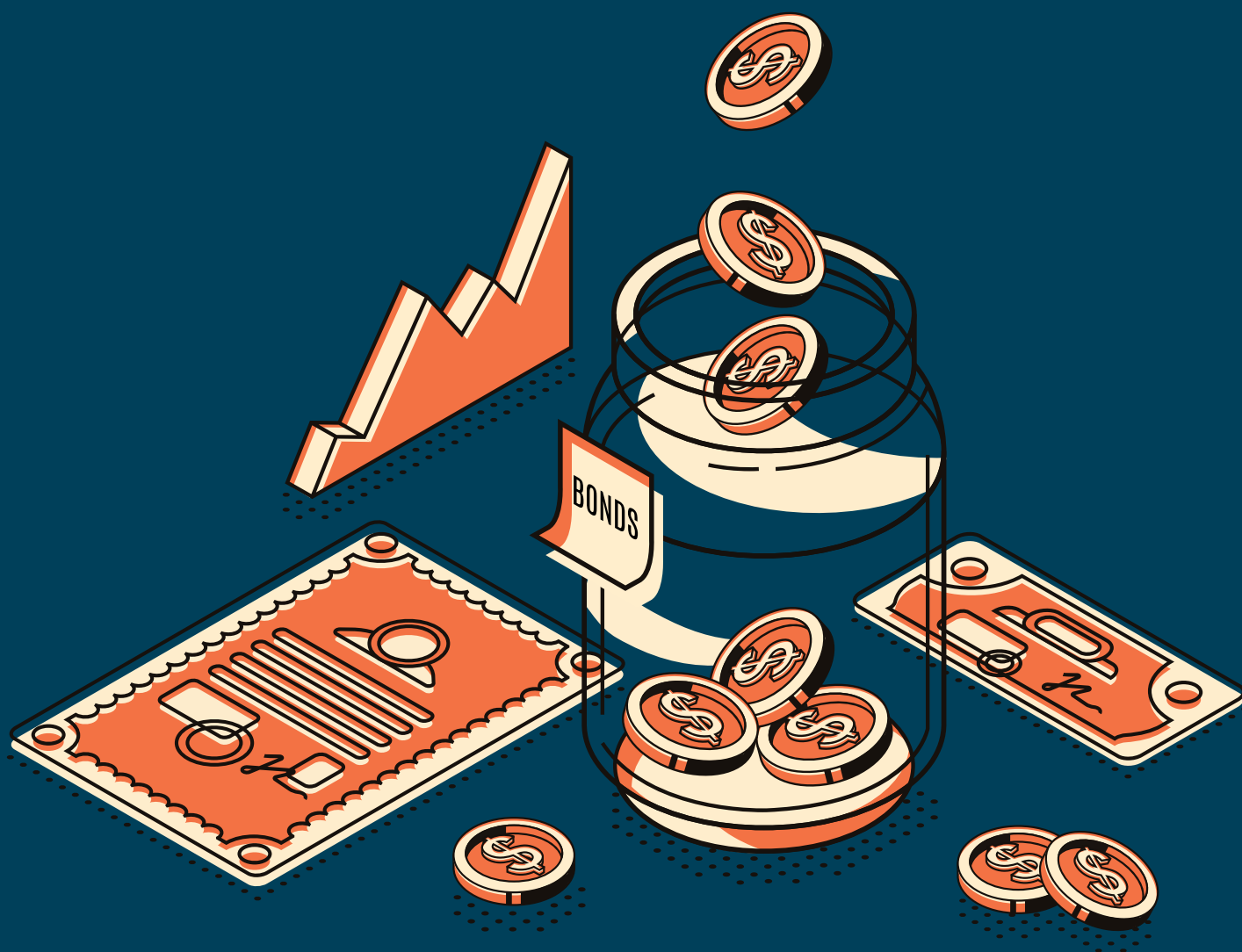
From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law 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.

S. Wap. nityaporn

Sukhumaporn Wong-ariyaporn
 Certified Public Accountant (Thailand) No. 4843
 Bangkok
 21 February 2023

Consolidated and Separate Financial Statements





Statements of Financial Position (continued)

Triple i Logistics Public Company Limited
As at 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		Baht	Baht	Baht	Baht
Assets					
Current Assets					
Cash and cash equivalents	10	539,955,864	168,108,157	374,656,248	53,914,908
Trade and other receivables, net	11	517,860,367	801,356,595	276,183,829	328,401,689
Short-term loans to related parties, net	36.5	25,000,000	14,450,000	148,500,000	195,450,000
Inventories		1,717,886	1,372,071	-	-
Other current assets	13	8,978,057	52,519,577	343,669	42,388,602
Total current assets		1,093,512,174	1,037,806,400	799,683,746	620,155,199
Non-current assets					
Investments in subsidiaries	14	-	-	177,948,670	157,948,570
Investments in associates	15.1	244,450,182	265,205,314	240,150,215	231,472,563
Investments in joint ventures, net	15.2	1,916,275,857	1,185,098,991	1,484,006,646	1,185,431,646
Financial assets measured at fair value through other comprehensive income	16	13,250	13,250	-	-
Investment properties, net	17	-	-	70,805,221	73,138,069
Property, plant and equipment, net	18	161,105,531	191,102,395	28,725,305	29,218,602
Right-of-use assets, net	19	82,136,205	121,259,633	5,649,868	4,069,367
Intangible assets, net	20	10,654,037	14,841,470	16	211,199
Deferred tax assets	21	21,685,569	11,268,986	8,321,028	2,167,746
Retentions		13,832,462	14,948,390	1,625,540	2,393,270
Other non-current assets	22	136,068,832	97,871,112	178,065,264	12,027,973
Total non-current assets		2,586,221,925	1,901,609,541	2,195,297,773	1,698,079,005
Total assets		3,679,734,099	2,939,415,941	2,994,981,519	2,318,234,204

The accompanying notes are an integral part of these consolidated and separate financial statements.



Statements of Financial Position (continued)

Triple i Logistics Public Company Limited
As at 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Liabilities and equity					
Current liabilities					
Short-term loans from financial institutions	24.1	-	120,000,000	-	120,000,000
Trade and other payables	23	256,176,996	488,319,582	63,257,176	68,072,884
Current portion of long-term loans from a financial institution	24.2	171,000,000	105,750,000	171,000,000	105,750,000
Current portion of lease liabilities	19	39,093,852	52,212,118	1,609,779	1,922,355
Derivatives liabilities	7	-	2,668	-	2,668
Income tax payables		33,077,128	27,611,117	21,819,234	25,757,647
Other current liabilities	25	31,494,770	35,723,930	4,501,798	10,824,651
Total current liabilities		530,842,746	829,619,415	262,187,987	332,330,205
Non-current liabilities					
Long-term loans from a financial institution	24.2	398,250,000	269,250,000	398,250,000	269,250,000
Lease liabilities - net	19	44,517,698	69,641,825	3,308,546	2,080,635
Employee benefit obligations	26	25,449,959	23,379,954	4,299,064	3,830,935
Decommissioning provision		7,845,825	7,052,304	64,405	61,822
Derivatives liabilities	7	739,839	4,640,029	739,839	4,640,029
Other non-current liabilities		399,500	1,168,000	703,879	843,379
Total non-current liabilities		477,202,821	375,132,112	407,365,733	280,706,800
Total liabilities		1,008,045,567	1,204,751,527	669,553,720	613,037,005

The accompanying notes are an integral part of these consolidated and separate financial statements.



Statements of Financial Position (continued)

Triple i Logistics Public Company Limited
As at 31 December 2022

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2022	2021	2022	2021
		Baht	Baht	Baht	Baht
Liabilities and equity (continued)					
Equity					
Share capital	27				
Authorised share capital					
812,410,253 ordinary shares at a par value of Baht 0.50 each					
(2021 : 761,634,719 ordinary shares at a par value of Baht 0.50 each)		406,205,127	380,817,360	406,205,127	380,817,360
Issued and paid-up share capital					
692,532,384 ordinary shares at a par value of Baht 0.50 each					
(2021: 620,709,975 ordinary shares at a par value of Baht 0.50 each)		346,266,192	310,354,988	346,266,192	310,354,988
Share premium	27	1,166,374,676	771,351,427	1,166,374,676	771,351,427
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	27	58,481,254	58,481,254	58,481,254	58,481,254
Discount from changes in shareholding of subsidiary		(187,500)	(187,500)	-	-
Retained earnings					
Appropriated - Legal reserve	30	52,300,000	50,200,000	40,700,000	38,100,000
Unappropriated		991,278,099	480,555,178	690,850,639	507,866,516
Other components of equity		3,693,789	10,427,045	-	(3,712,024)
Equity attributable to owners of the Company		2,671,688,532	1,734,664,414	2,325,427,799	1,705,197,199
Non-controlling interests		-	-	-	-
Total equity		2,671,688,532	1,734,664,414	2,325,427,799	1,705,197,199
Total liabilities and equity		3,679,734,099	2,939,415,941	2,994,981,519	2,318,234,204

The accompanying notes 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 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Revenue from services		2,764,695,120	2,918,113,876	539,150,935	407,253,060
Revenue from sales		24,090,629	21,106,786	-	-
Cost of services		(2,170,599,756)	(2,406,737,205)	(375,497,995)	(298,648,863)
Cost of sales		(6,662,665)	(5,310,167)	-	-
Gross profit		611,523,328	527,173,290	163,652,940	108,604,197
Dividend income	36.1	-	-	321,301,765	334,839,530
Other income	31	89,594,135	73,718,670	242,580,027	204,962,683
Selling expenses		(60,979,822)	(84,905,743)	(19,136,054)	(16,267,869)
Administrative expenses		(347,115,880)	(276,325,363)	(177,706,511)	(87,620,430)
Reverse (loss) from impairment on financial assets		(29,959,396)	(1,714,255)	540,756	(1,455,729)
Other gains (losses), net		5,094,089	5,856,320	6,712,274	3,878,771
Finance costs	32	(33,664,176)	(28,034,522)	(29,402,193)	(20,167,758)
Profit before share of profits from investments in associates and joint ventures and income tax		234,492,278	215,768,397	508,543,004	526,773,395
Share of profits from investments in associates and joint ventures	15.1, 15.2	623,954,440	212,997,774	-	-
Profit before income tax		858,446,718	428,766,171	508,543,004	526,773,395
Income tax	34	(62,787,998)	(61,811,731)	(40,623,082)	(40,175,227)
Net profit for the year		795,658,720	366,954,440	467,919,922	486,598,168
Other comprehensive income:					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Remeasurement of post-employment benefit obligations	26	-	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)	-	(374,587)
Total items that will not be reclassified subsequently to profit or loss		-	6,413,167	-	1,498,349
<i>Items that will be reclassified subsequently to profit and loss</i>					
Gain from changes in fair value of cash flow hedge		3,900,089	4,821,842	3,900,089	4,821,842
Cash flow hedge reserve reclassified to profit or loss		739,939	-	739,939	-
Currency translation differences on financial statements		(96,606)	2,887,483	-	-
Share of other comprehensive income of associates and joint ventures accounted for using the equity method		(10,348,674)	17,589,046	-	-
Income tax relating on items that will be reclassified subsequently to profit and loss		(928,004)	(964,368)	(928,004)	(964,368)
Total items that will be reclassified subsequently to profit or loss		(6,733,256)	24,334,003	3,712,024	3,857,474
Other comprehensive income for the year, net of tax		(6,733,256)	30,747,170	3,712,024	5,355,823
Total comprehensive income for the year		788,925,464	397,701,610	471,631,946	491,953,991

The accompanying notes are an integral part of these consolidated and separate financial statements.



Statements of Comprehensive Income (continued)

Triple i Logistics Public Company Limited
For the year ended 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Profit attributable to:					
Owners of the Company		795,658,720	366,954,440	467,919,922	486,598,168
Non-controlling interests		-	-	-	-
		<u>795,658,720</u>	<u>366,954,440</u>	<u>467,919,922</u>	<u>486,598,168</u>
Total comprehensive income attributable to:					
Owners of the Company		788,925,464	397,701,610	471,631,946	491,953,991
Non-controlling interests		-	-	-	-
		<u>788,925,464</u>	<u>397,701,610</u>	<u>471,631,946</u>	<u>491,953,991</u>
Earnings per share					
Basic earnings per share	35.1	1.2499	0.6049	0.7351	0.8021
Diluted earnings per share	35.1	1.1212	0.5478	0.6594	0.7265

The accompanying notes 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 2022

		Consolidated financial statements																Other components of equity									
																		Other comprehensive income									
Notes	Issued and paid-up ordinary shares		Surplus arising from business combination under common control		Surplus arising from share-based payments		Premium on treasury shares		Discount from changes in subsidiary shareholding		Retained earnings				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		Total equity attributable to owners of the Company		Non-controlling interests		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	
Opening balances as at 1 January 2021																											
	Exercise of warrants	304,653,888	706,639,327	30,726,984	22,755,038	-	-	-	-	(187,500)	39,000,000	40,089,186	199,357,830	(40,089,186)	(3,442,371)	(2,895,089)	(7,869,498)	(13,906,958)	1,291,038,609	-	-	1,291,038,609	-	-	-	1,291,038,609	
26	Resale of treasury shares	5,701,100	62,712,100	-	-	-	-	-	-	-	-	-	-	40,089,186	-	-	-	-	68,413,200	-	-	68,413,200	-	-	-	68,413,200	
27	Transfer treasury share reserve	-	-	-	-	58,481,254	-	-	-	-	-	-	-	-	-	-	-	-	96,570,440	-	-	96,570,440	-	-	-	96,570,440	
27	Dividends paid	-	-	-	-	-	-	-	-	-	-	(40,089,186)	40,089,186	-	-	-	-	-	-	-	-	-	-	-	-	-	
29		-	-	-	-	-	-	-	-	-	-	(121,059,445)	(121,059,445)	-	-	-	-	-	-	-	-	-	(121,059,445)	-	-	(121,059,445)	
30	Legal reserve	-	-	-	-	-	-	-	-	-	9,200,000	-	(9,200,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	
30	Legal reserve of subsidiaries	-	-	-	-	-	-	-	-	-	2,000,000	-	(2,000,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive income for the year - restated		-	-	-	-	-	-	-	-	-	-	-	373,367,607	-	2,887,483	17,589,046	3,857,474	24,334,003	397,701,610	-	-	397,701,610	-	-	-	397,701,610	
Closing balance as at 31 December 2021																											
		310,354,988	771,351,427	30,726,984	22,755,038	58,481,254	-	-	-	(187,500)	50,200,000	-	480,555,178	-	(554,888)	14,693,957	(3,712,024)	10,427,045	1,734,664,414	-	-	1,734,664,414	-	-	-	1,734,664,414	
Opening balances as at 1 January 2022																											
- previously reported		310,354,988	771,351,427	30,726,984	22,755,038	58,481,254	-	-	-	(187,500)	50,200,000	-	480,941,773	-	(554,888)	14,693,957	(3,712,024)	10,427,045	1,745,051,009	-	-	1,745,051,009	-	-	-	1,745,051,009	
Effect from purchase price allocation from investments in an associate and joint ventures		-	-	-	-	-	-	-	-	-	-	-	(10,386,595)	-	-	-	-	-	-	-	-	(10,386,595)	-	-	-	(10,386,595)	
Opening balances as at 1 January 2022																											
- restated		310,354,988	771,351,427	30,726,984	22,755,038	58,481,254	-	-	-	(187,500)	50,200,000	-	480,555,178	-	(554,888)	14,693,957	(3,712,024)	10,427,045	1,734,664,414	-	-	1,734,664,414	-	-	-	1,734,664,414	
28	Exercise of warrants	35,911,204	395,023,249	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	430,934,453	-	-	430,934,453	-	-	-	430,934,453	
29	Dividend paid	-	-	-	-	-	-	-	-	-	-	-	(282,335,799)	-	-	-	-	-	(282,335,799)	-	-	(282,335,799)	-	-	-	(282,335,799)	
30	Legal reserve	-	-	-	-	-	-	-	-	-	2,600,000	-	(2,600,000)	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Legal reserve of the disposed subsidiary	-	-	-	-	-	-	-	-	-	(500,000)	-	-	-	-	-	-	-	(500,000)	-	-	(500,000)	-	-	-	(500,000)	
Total comprehensive income for the year		-	-	-	-	-	-	-	-	-	-	-	795,658,720	-	(96,606)	(10,346,674)	3,712,024	(6,733,256)	798,925,464	-	-	798,925,464	-	-	-	798,925,464	
Closing balance as at 31 December 2022																											
		346,266,192	1,166,374,676	30,726,984	22,755,038	58,481,254	-	-	-	(187,500)	52,300,000	-	991,278,099	-	(651,464)	4,345,283	-	3,693,789	2,671,686,532	-	-	2,671,686,532	-	-	-	2,671,686,532	

The accompanying notes 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 2022

Separate financial statements																					
Other components of equity																					
Other comprehensive income																					
		Surplus arising from share-based payments				Premium on treasury shares				Retained earnings				Gain (loss) from changes in fair value of cash flow hedge				Treasury shares		Total	
		Share premium		Baht		Baht		Baht		Baht		Baht		Baht		Baht		Baht		Baht	
		Baht		Baht		Baht		Baht		Baht		Baht		Baht		Baht		Baht		Baht	
Notes		Issued and paid-up ordinary shares		Share premium		Surplus arising from share-based payments		Premium on treasury shares		Appropriated - Legal reserve		Appropriated - Treasury share reserve		Unappropriated		Treasury shares		Total		Total equity	
		Baht		Baht		Baht		Baht		Baht		Baht		Baht		Baht		Baht		Baht	
Opening balance as at 1 January 2021		304,653,888		708,639,327		22,755,038		-		28,900,000		40,089,186		109,940,258		(40,089,186)		(7,569,498)		1,167,319,013	
Exercise of warrants		5,701,100		62,712,100		-		-		-		-		-		-		-		68,413,200	
Resale of treasury shares		-		-		-		58,481,254		-		-		-		40,089,186		-		98,570,440	
Transfer treasury share reserve		-		-		-		-		-		(40,089,186)		40,089,186		-		-		-	
Dividend paid		-		-		-		-		-		-		(121,059,445)		-		-		(121,059,445)	
Legal reserve		-		-		-		-		9,200,000		-		-		-		-		-	
Total comprehensive income for the year		-		-		-		-		-		-		488,096,517		-		3,857,474		491,953,991	
Closing balance as at 31 December 2021		310,354,988		771,351,427		22,755,038		58,481,254		38,100,000		-		507,866,516		-		(3,712,024)		1,705,197,199	
Opening balance as at 1 January 2022		310,354,988		771,351,427		22,755,038		58,481,254		38,100,000		-		507,866,516		-		(3,712,024)		1,705,197,199	
Exercise of warrants		35,911,204		395,023,249		-		-		-		-		-		-		-		430,934,453	
Dividend paid		-		-		-		-		-		-		(282,335,799)		-		-		(282,335,799)	
Legal reserve		-		-		-		-		2,600,000		-		(2,600,000)		-		-		-	
Total comprehensive income for the year		-		-		-		-		-		-		467,919,922		-		3,712,024		471,631,946	
Closing balance as at 31 December 2022		346,266,192		1,166,374,676		22,755,038		58,481,254		40,700,000		-		690,850,639		-		-		2,325,427,799	

The accompanying notes 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 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Cash flows from operating activities					
Profit before income tax		858,446,718	428,766,171	508,543,004	526,773,395
Adjustments for:					
Depreciation and amortisation		89,541,412	100,255,704	12,472,367	9,772,237
Share of profit from investments in associates and joint ventures	15.1, 15.2	(623,954,440)	(212,997,774)	-	-
Impairment loss on investments in an associate	15.2	1,856,019	-	9,000,000	-
Impairment loss on short-term loans to a related party	36.5	14,500,000	-	14,500,000	-
Impairment loss on deposit	13	20,241,906	-	20,241,906	-
Gain on disposal of investments in a subsidiary, associates and joint ventures	31	(83,304,024)	(52,077,997)	(168,989,687)	(136,318,022)
Gain from disposal and written-off of equipment		(1,077,264)	(2,024,253)	(10,411)	-
Employment benefit obligations	26	3,295,744	3,615,462	468,129	622,333
(Reversal) loss from impairment on financial assets		29,959,396	1,714,255	(540,756)	1,455,729
Gains (losses) on foreign exchange rate		(6,598,530)	(5,657,548)	(8,502,046)	(4,361,381)
Loss from changes in fair value of derivatives		737,171	2,668	737,171	2,668
Gain on lease termination and modification		(880,970)	(4,515,948)	-	-
Interest income	31	(1,179,454)	(1,203,302)	(9,698,821)	(9,183,406)
Dividend income		-	-	(321,301,765)	(334,839,530)
Finance costs	32	33,664,176	28,034,522	29,402,193	20,167,758
Profit from operating activities before changes in working capital		335,247,860	283,911,960	86,321,284	74,091,781
Changes in working capital					
Operating assets decrease (increase)					
Trade and other receivables		275,142,272	(297,527,871)	151,574,293	(134,918,083)
Inventories		(345,815)	18,250	-	-
Other current assets		23,382,232	(46,481,156)	21,803,027	(41,963,950)
Retentions		(4,578,707)	(208,839)	767,730	(515,000)
Other non-current assets		41,448,590	21,863,125	1,956,098	1,124,336
Operating liabilities increase (decrease)					
Trade and other payables		(225,400,275)	175,037,298	(3,396,350)	47,186,495
Other current liabilities		(4,147,446)	13,980,857	(6,322,852)	7,222,080
Employee benefit obligations - paid		(721,500)	(1,446,084)	(139,500)	-
Other non-current liabilities	26	(870,319)	(1,280,332)	-	-
Cash flows from operations		439,156,892	147,867,208	252,563,730	(47,772,341)
Income tax paid		(80,028,086)	(36,685,038)	(51,642,785)	(9,707,163)
Net cash generated from (used in) operating activities		359,128,806	111,182,170	200,920,945	(57,479,504)

The accompanying notes are an integral part of these consolidated and separate financial statements.



Statements of Cash Flows (continued)

Triple i Logistics Public Company Limited
For the year ended 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Interest received		1,067,573	1,188,884	10,034,908	8,800,369
Proceeds from disposal of equipment		22,351,238	1,806,173	26,187	-
Proceeds from disposal of non-current assets classified as held-for-sale		-	34,705,200	-	-
Payment for purchases of equipment and intangible assets		(26,625,049)	(18,267,643)	(7,009,919)	(6,847,231)
Proceeds from disposal of investments in associates and joint ventures	15.1, 15.2	32,440,597	-	32,440,597	-
Proceeds from dissolution of a joint venture	15.2	-	1,430,616	-	-
Payment for investments in subsidiaries	14	-	-	(55,000,000)	(5,000,000)
Payment for investments in associates and joint ventures	15.1, 15.2	(302,075,000)	(186,137,500)	(302,075,000)	(215,137,500)
Cash decreased from disposal of a subsidiary	14	(19,084,816)	-	-	-
Proceeds from short-term loans to related parties	36.5	4,450,000	70,000,000	157,950,000	203,216,300
Payment for short-term loans to related parties	36.5	(4,500,000)	(83,100,000)	(125,500,000)	(165,100,000)
Dividend received from subsidiaries		-	-	56,500,000	81,230,061
Dividend received from associates and joint ventures		167,157,057	190,204,214	162,028,593	178,509,912
Net cash generated from (used in) investing activities		(124,818,400)	11,829,944	(70,604,634)	79,671,911

The accompanying notes are an integral part of these consolidated and separate financial statements.



Statements of Cash Flows (continued)

Triple i Logistics Public Company Limited
For the year ended 31 December 2022

	Notes	Consolidated financial statements		Separate financial statements	
		2022 Baht	2021 Baht	2022 Baht	2021 Baht
Cash flows from financing activities					
Interest paid		(33,364,127)	(27,743,489)	(29,399,611)	(20,165,176)
Proceeds from short-term loans					
from financial institutions	24.1	550,000,000	430,000,000	550,000,000	430,000,000
Repayment on short-term loans					
from financial institutions	24.1	(670,000,000)	(440,000,000)	(670,000,000)	(440,000,000)
Payment for lease liabilities		(51,315,482)	(62,410,107)	(3,082,695)	(3,090,956)
Proceeds from long-term loans					
from a financial institution	24.2	300,000,000	105,000,000	300,000,000	105,000,000
Repayment of long-term loans					
from a financial institution	24.2	(105,750,000)	(120,000,000)	(105,750,000)	(120,000,000)
Proceeds from resales of treasury shares	27	-	98,570,440	-	98,570,440
Proceeds from exercise of warrants	28	430,934,454	68,413,200	430,934,454	68,413,200
Dividends paid		(282,277,119)	(121,026,255)	(282,277,119)	(121,026,255)
Net cash generated from (used in) financing activities		138,227,726	(69,196,211)	190,425,029	(2,298,747)
Net increase in cash and cash equivalents		372,538,132	53,815,903	320,741,340	19,893,660
Cash and cash equivalents at the beginning of the year		168,108,157	110,488,033	53,914,908	34,021,248
Exchange gains (losses) on cash and cash equivalents		(690,425)	3,804,221	-	-
Cash and cash equivalents at the end of the year		539,955,864	168,108,157	374,656,248	53,914,908
Non-cash transactions					
Acquisition of right-of-use assets under lease liabilities	37	15,863,047	24,143,095	3,690,000	-
Dividend receivable	10	125,246,460	102,957,666	233,746,460	139,805,568
Dividend payable		65,063	36,475	65,063	36,475
Acquire interest in a joint venture by exchanging shares, net	15.2	10,500,000	52,077,997	10,500,000	136,318,022
Acquire interest in an associate by exchanging shares, net	15.1	(1,808,187)	-	9,650,000	-
Receivable from disposal of a subsidiary	14, 22	96,547,363	-	167,993,390	-

The accompanying notes 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 2022

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	
			2022 %	2021 %
<u>Direct subsidiaries</u>				
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
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

The consolidated and separate financial statements were authorised by the Board of Directors on 21 February 2023.

2 Significant events during the current period

2.1 Additional Investment in Asia Network International Co., Ltd. (“ANI”) – joint venture

In January 2022, the Company invested in newly issued ordinary shares of ANI in the amount of Baht 10.50 million by exchanging the 50% shares of GSA Cargo Network (Myanmar) Co., Ltd. (“GCN-MM”) that the Company holds with ANI at a total value of Baht 10.50 million. In addition, the Company invested in additional ordinary shares of ANI in the amount of Baht 300.80 million paying by cash to ANI to use as the source of fund for the acquisition of Asia GSA (M) Sdn. Bhd., a holding company investing in General Sales Agent Business (“GSA”) in Malaysia, Singapore, and Vietnam (Note 15.2).

2.2 Restructuring the drop-off business group

In May 2022, the Company restructured the drop-off business group by selling its 43.00% shares in A.T.P. Friend Service Co., Ltd. (“Shipsmile”) to Sabuy Speed Co., Ltd. (“SBS”), at the value of Baht 180.60 million. The Company received cash of Baht 18.00 million and 7,309,756 shares of SBS at the value of Baht 22.24 per share, totalling Baht 162.60 million, which account for 18.00% of the registered and paid-up capital of SBS (Note 15.1).

2.3 Restructuring the General Sales Agent business group

On 28 December 2022, the Company sold total own shares of Triple i Asia Cargo Co., Ltd (“TAC”) in an amount of 349,998 shares, represents 99.99% of fully paid-up share capital of TAC to ANI, at the value of Baht 167.99 million (Note 14).

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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 2022 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 2023 that are relevant to the Group and have not been early adopted by the Group.

- a) **Amendment to TAS 16 - Property, plant and equipment** clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) **Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- e) **Amendment to TFRS 3 - Business combinations** clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.
- d) **Amendment to TFRS 9 - Financial Instruments** clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

The Group's management assesses and concludes that these financial reporting standards will not have material impact to the Group.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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 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 2022

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 2022

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 2022

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 2022

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 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 2022

5.9 Property, plant and equipment

Land is stated at historical cost less any accumulated impairment losses (if any). 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.

5.10 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.

5.11 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.

5.12 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 2022

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.

5.13 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

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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.

5.14 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.

5.15 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 substantively 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

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

5.16 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. 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.

5.17 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

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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.

5.18 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.

5.19 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.

5.20 Revenue recognition

Revenues 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.

Revenues 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 recognises 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 recognises revenues from the freight forwarding services over the contract term.

Sales of goods

The Group recognises 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

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

5.21 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.

5.22 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

5.23 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

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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 is exposed to foreign exchange risk from future commercial transactions and net monetary assets and liabilities that are denominated in a currency that is not the entity's functional currency. The Group seeks to reduce this risk by entering into forward exchange contracts when it considers appropriate.

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			
	2022		2021	
	US Dollar Thousand Baht	Singapore Dollar Thousand Baht	US Dollar Thousand Baht	Singapore Dollar Thousand Baht
Cash and cash equivalents	1,870	-	111	-
Trade and other receivables, net	1,809	-	81	-
Trade and other payables	(127)	-	(9)	(1)
Foreign currency forwards				
- Purchase of foreign currency trading	-	-	(1)	-

	Separate financial statements	
	2022	2021
	US Dollar Thousand Baht	US Dollar Thousand Baht
Cash and cash equivalents	127	1
Trade and other receivables, net	99	5
Trade and other payables	(55)	(5)
Foreign currency forwards		
- Purchase of foreign currency trading	-	(1)

The changes in exchange rate do not have significant impact to the Group's net profit.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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.

The reconciliation of gain (loss) from changes in fair value of cash flow hedge presented in other components of equity for the year ended 31 December is as follows:

	Consolidated and Separate financial statements	
	2022	2021
	Thousand Baht	Thousand Baht
Opening balance 1 January	(3,712)	(7,570)
Less: Change in fair value of hedging instrument recognised in OCI	3,900	4,822
Add: Reclassified from OCI to profit or loss	740	-
Add: Deferred tax	(928)	(964)
Closing balance 31 December	-	(3,712)

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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
	Within 1 year	1 - 5 years	Over 5 years	Within 1 year	1 - 5 years	Over 5 years			
As at 31 December 2022	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	(% p.a.)
Financial assets									
Cash and cash equivalents	-	-	-	535,958	-	-	3,998	539,956	0.05 - 0.50
Short-term loans to related parties	25,000	-	-	-	-	-	-	25,000	4.60 - 5.47
	25,000	-	-	535,958	-	-	3,998	564,956	
Financial liabilities									
Long-term loans from a financial institution	60,000	60,000	-	96,000	353,250	-	-	569,250	4.10 - 4.42
Lease liabilities	-	-	-	39,094	44,518	-	-	83,612	4.10 - 4.17
	60,000	60,000	-	135,094	397,768	-	-	652,862	
	Consolidated financial statements								
	Fixed interest rates			Floating interest rates			Non-Interest bearing	Total	Interest rate
	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	(% p.a.)
Financial assets									
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	
Financial liabilities									
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	

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

	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			
As at 31 December 2022	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Financial assets									
Cash and cash equivalents	-	-	-	374,656	-	-	-	374,656	0.10 - 0.25
Short-term loans to related parties	148,500	-	-	-	-	-	-	148,500	4.60 - 5.47
	148,500	-	-	374,656	-	-	-	523,156	
Financial liabilities									
Long-term loans from a financial institution	60,000	60,000	-	96,000	353,250	-	-	569,250	4.10 - 4.42
Lease liabilities	-	-	-	1,610	3,309	-	-	4,919	4.10
	60,000	60,000	-	97,610	356,559	-	-	574,169	
	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			
As at 31 December 2021	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Financial assets									
Cash and cash equivalents	-	-	-	53,915	-	-	-	53,915	0.05 - 0.10
Short-term loans to related parties	181,000	-	-	14,450	-	-	-	195,450	4.10 - 5.47
	181,000	-	-	68,365	-	-	-	249,365	
Financial liabilities									
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	4.10
	61,012	122,991	-	165,750	149,250	-	-	499,003	

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	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Interest rate - increase 1% *	3,261	2,986	3,938	3,578
Interest rate - decrease 1% *	(3,261)	(2,986)	(3,938)	(3,578)

* Holding all other variables constant

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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
- Loans to related parties
- Retentions

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, management assesses 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.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Floating rate				
Expiring within one year				
- Bank overdraft	74,000	47,000	35,000	5,000
- Promissory note	740,000	320,000	740,000	320,000
	814,000	367,000	775,000	325,000

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	1 - 5 years	Over 5 years	Total	Carrying amount
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Contractual maturities of financial liabilities					
As at 31 December 2022					
Non-derivatives					
Trade and other payables	256,177	-	-	256,177	256,177
Other current liabilities	7,327	-	-	7,327	7,327
Lease liabilities	43,031	45,562	-	88,593	83,612
Long-term loans from a financial institution	179,537	448,044	-	627,581	569,250
Other non-current liabilities	-	-	400	400	400
Total non-derivatives	486,072	493,606	400	980,078	916,766
Derivatives					
Interest rate swap	570	179	-	749	740
Total	486,642	493,785	400	980,827	917,506
	Consolidated financial statements				
	Within 1 year	1 - 5 years	Over 5 years	Total	Carrying amount
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Contractual maturities of financial liabilities					
As at 31 December 2021					
Non-derivatives					
Short-term loans from financial institutions	120,000	-	-	120,000	120,000
Trade and other payables	488,320	-	-	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
Total non-derivatives	778,826	365,672	1,168	1,145,666	1,110,025
Derivatives					
Interest rate swap	3,135	2,445	-	5,580	4,640
Total	781,961	368,117	1,168	1,151,246	1,114,665

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

As at 31 December 2022

Non-derivatives

Trade and other payables	63,257	-	-	63,257	63,257
Other current liabilities	1,840	3,583	-	5,423	4,918
Lease liabilities	179,537	448,044	-	627,581	569,250
Other non-current liabilities	-	-	704	704	704

Total non-derivatives

Derivatives

Interest rate swap

Total

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
63,257	-	-	63,257	63,257
1,840	3,583	-	5,423	4,918
179,537	448,044	-	627,581	569,250
-	-	704	704	704
244,634	451,627	704	696,965	638,129
570	179	-	749	740
245,204	451,806	704	697,714	638,869

As at 31 December 2021

Non-derivatives

Short-term loans from financial institutions	120,000	-	-	120,000	120,000
Trade and other payables	68,073	-	-	68,073	68,073
Lease liabilities	2,048	2,186	-	4,234	4,003
Long-term loans from a financial institution	118,953	284,164	-	403,117	375,000
Other non-current liabilities	-	-	843	843	843

Total non-derivatives

Derivatives

Interest rate swap

Total

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
120,000	-	-	120,000	120,000
68,073	-	-	68,073	68,073
2,048	2,186	-	4,234	4,003
118,953	284,164	-	403,117	375,000
-	-	843	843	843
309,074	286,350	843	596,267	567,919
3,135	2,445	-	5,580	4,640
312,209	288,795	843	601,847	572,559

6.2 Capital management

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.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

The following table shows fair values of financial assets and liabilities by category.

Consolidated financial statements						
	Level 1		Level 2		Level 3	
	2022	2021	2022	2021	2022	2021
	Baht	Baht	Baht	Baht	Baht	Baht
Assets						
Financial assets measured at fair value through other comprehensive income	-	-	-	-	13,250	13,250
Liabilities						
Foreign currency forward contracts	-	-	-	2,668	-	-
Interest rate swap	-	-	739,839	4,640,029	-	-
Separate financial statements						
	Level 1		Level 2		Level 3	
	2022	2021	2022	2021	2022	2021
	Baht	Baht	Baht	Baht	Baht	Baht
Liabilities						
Foreign currency forward contracts	-	-	-	2,668	-	-
Interest rate swap	-	-	739,839	4,640,029	-	-

There was no transfer between such levels during the year.

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 17.

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 26.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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 recognises 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 involves significant judgment by management and the appropriateness and reliability of information and assumptions.

d) 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.

e) 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	Operates as an integrated logistics services provider, both air and sea for local and overseas.
Chemical and hazardous goods logistics	Operates as a services provider for sea, air, rails, and in-land, both local and overseas including warehouse management and distribution for chemical and hazardous goods.
Other management services	Provides office rental and other management services.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

	Consolidated financial statements							
	2022							
	Air freight	Sea and in-land freight	Logistics management	Chemical and hazardous goods logistics	Other management services	Total before elimination	Elimination	Total after elimination
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Revenue from sales and services	1,428,850	115,828	629,693	737,905	13,148	2,925,424	(136,638)	2,788,786
Cost of sales and services	(1,237,780)	(89,638)	(458,960)	(518,676)	(11,576)	(2,316,630)	139,368	(2,177,262)
Segment profit	191,070	26,190	170,733	219,229	(1,572)	608,794	2,730	611,524
Other income								89,594
Selling expenses								(60,980)
Administrative expenses								(347,116)
Loss from impairment on financial assets								(29,959)
Other gains (losses), net								5,094
Finance costs								(33,664)
Share of profits from associates and joint ventures								623,954
Profit before income tax								858,447
Income tax								(62,788)
Profit for the year								795,659
Timing of revenue recognition								
At a point in time	-	-	73,601	37,466	-	111,067	(2,056)	109,011
Over time	1,428,850	115,828	556,092	700,439	13,148	2,814,357	(134,582)	2,679,775
Total revenue	1,428,850	115,828	629,693	737,905	13,148	2,925,424	(136,638)	2,788,786

The Group has aggregate overseas revenues from the entity incorporated in Singapore, amounting to Baht 102.01 million. (2021: Baht 47.32 million).

Major customers of the Group

In 2022 and 2021, 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

Triple i Logistics Public Company Limited
For the year ended 31 December 2022

	Consolidated financial statements									
	2021									
	Air freight Thousand Baht	Sea and in-land freight Thousand Baht	Logistics management Thousand Baht	Chemical and Hazardous goods logistics Thousand Baht	Other management services Thousand Baht	Total before elimination Thousand Baht	Elimination Thousand Baht	Total after elimination Thousand Baht		
Revenue from sales and services	1,639,897	106,547	485,392	766,032	14,950	3,012,818	(73,597)	2,939,221		
Cost of sales and services	(1,447,012)	(77,564)	(365,148)	(568,918)	(11,053)	(2,469,695)	57,647	(2,412,048)		
Segment profit	192,885	28,983	120,244	197,114	3,897	543,123	(15,950)	527,173		
Other income								73,719		
Selling expenses								(84,906)		
Administrative expenses								(276,325)		
Loss from impairment on financial assets								(1,714)		
Other gains (losses), net								5,856		
Finance costs								(28,035)		
Share of profits from associates and joint ventures								212,998		
Profit before income tax								428,766		
Income tax								(61,812)		
Profit for the year								366,954		
Timing of revenue recognition										
At a point in time	-	-	70,596	35,354	-	105,950	(2,134)	103,816		
Over time	1,639,897	106,547	414,796	730,678	14,950	2,906,868	(71,463)	2,835,405		
Total revenue	1,639,897	106,547	485,392	766,032	14,950	3,012,818	(73,597)	2,939,221		

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

10 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Cash on hand	224	225	-	-
Cheques on hand	3,774	8,075	-	-
Deposits at financial institutions				
- current accounts	70,994	15,814	518	507
- savings accounts	464,964	143,994	374,138	53,408
	539,956	168,108	374,656	53,915

11 Trade and other receivables, net

11.1 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Trade receivables - other parties	322,073	551,455	19,998	102,776
<u>Less</u> Expected credit loss	(41,700)	(15,020)	(1,824)	(2,365)
Trade receivables - other parties, net	280,373	536,435	18,174	100,411
Trade receivables - related parties (Note 36.3)	22,081	20,324	2,748	12,868
Other receivables - other parties	3,636	5,045	2,938	-
Other receivables - related parties (Note 36.3)	1,585	24,572	11,997	40,535
Accrued income	60,426	67,347	3,588	4,042
Prepaid expenses	10,073	36,941	2,281	28,791
Advance payable	14,440	7,735	712	1,949
Dividend receivable - related parties (Note 36.4)	125,246	102,958	233,746	139,806
	517,860	801,357	276,184	328,402

Outstanding trade receivables as at 31 December can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<u>Trade receivables - other parties</u>				
Current	222,816	391,541	10,081	56,436
Overdue:				
Not over 3 months	60,607	108,550	8,537	43,073
3 - 6 months	1,987	18,860	480	2,446
6 - 12 months	1,983	21,852	79	-
Over 12 months	34,680	10,652	821	821
	322,073	551,455	19,998	102,776
<u>Less</u> Expected credit loss	(41,700)	(15,020)	(1,824)	(2,365)
	280,373	536,435	18,174	100,411
<u>Trade receivables - related parties</u>				
Current	20,341	18,879	2,748	12,823
Overdue:				
Not over than 3 months	1,053	1,407	-	45
3 - 6 months	593	38	-	-
6 - 12 months	94	-	-	-
	22,081	20,324	2,748	12,868

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

11.2 Impairments of trade receivables

The loss allowance for trade receivables is as follows:

Consolidated financial statements						
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	More than 12 months Thousand Baht	Total Thousand Baht
As 31 December 2022						
Gross carrying amount						
- trade receivables						
- other parties	222,816	60,607	1,987	1,983	34,680	322,073
Loss allowance	2,315	2,723	253	1,729	34,680	41,700
Consolidated financial statements						
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	More than 12 months Thousand Baht	Total Thousand Baht
As 31 December 2021						
Gross carrying amount						
- trade receivables						
- other parties	391,541	108,550	18,860	21,852	10,652	551,455
Loss allowance	1,258	1,046	264	1,800	10,652	15,020
Separate financial statements						
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	More than 12 months Thousand Baht	Total Thousand Baht
As at 31 December 2022						
Gross carrying amount						
- trade receivables						
- other parties	10,081	8,537	480	79	821	19,998
Loss allowance	66	612	246	79	821	1,824
Separate financial statements						
	Not yet due Thousand Baht	Up to 3 months Thousand Baht	3 - 6 months Thousand Baht	6 - 12 months Thousand Baht	More than 12 months Thousand Baht	Total Thousand Baht
As at 31 December 2021						
Gross carrying amount						
- trade receivables						
- other parties	56,436	43,073	2,446	-	821	102,776
Loss allowance	646	726	172	-	821	2,365

The reconciliation of loss allowance for the year ended 31 December is as follows:

	Consolidated financial statements		Separate financial statements	
	Trade receivables		Trade receivables	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Loss allowance as at 1 January	15,020	15,155	2,365	909
Increase in loss allowance recognised in profit or loss during the year	29,959	1,714	(541)	1,456
Receivable written off during the year	(2,522)	(1,849)	-	-
Decrease from disposal of a subsidiary	(757)	-	-	-
As at 31 December	41,700	15,020	1,824	2,365

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Financial assets				
Financial assets at amortised cost				
- Cash and cash equivalents	539,956	168,108	374,656	53,915
- Trade and other receivables, net	604,334	764,415	441,896	299,610
- Short-term loans to related parties	25,000	14,450	148,500	195,450
- Deposit	-	40,000	-	40,000
- Retentions	13,832	14,948	1,626	2,393
- Other non-current assets	-	30,206	-	-
Financial assets at fair value through other comprehensive income (FVOCI)	13	13	-	-
Financial liabilities				
Liabilities at amortised cost				
- Short-term loans from financial institutions	-	120,000	-	120,000
- Trade and other payables	256,177	488,320	63,257	68,073
- Other current liabilities	7,313	2,645	-	-
- Long-term loans from a financial institution	569,250	375,000	569,250	375,000
- Lease liabilities, net	83,612	121,854	4,918	4,003
- Other non-current liabilities	400	1,168	704	843
Derivative financial instruments				
- Foreign currency forwards	-	3	-	3
- Interest rate swap under hedge accounting	740	4,640	740	4,640

13 Other current assets

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Undue input value added tax	2,002	5,749	344	1,510
Refundable value added tax	805	1,191	-	879
Deposit	20,242	40,000	20,242	40,000
Others	6,171	5,579	-	-
	29,220	52,519	20,586	42,389
<u>Less</u> Allowance for impairment of other current assets	(20,242)	-	(20,242)	-
	8,978	52,519	344	42,389

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

14 Investments in subsidiaries

The details of investments in subsidiaries as at 31 December are as follows:

			Shareholding		Separate financial statement	
			Direct and indirect		Cost	
	Nature of business	Country of incorporation	2022 %	2021 %	2022 Thousand Baht	2021 Thousand Baht
<u>Direct subsidiaries</u>						
Asia Ground Service Co., Ltd.	Air freight forwarder	Thailand	100.00	100.00	50,000	25,000
Triple i Air Express Co., Ltd.	Air freight forwarder	Thailand	100.00	100.00	50,500	50,500
Triple i Asia Cargo Co., Ltd.	Air freight forwarder	Thailand	-	100.00	-	5,000
HazChem Logistics Management Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00	50,500	50,500
Triple i Supplychain Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00	10,000	10,000
Triple i Maritime Agencies Co., Ltd.	Sea freight forwarder	Thailand	100.00	100.00	10,299	10,299
DG Packaging (Thailand) Co., Ltd.	Selling packages and providing packing services	Thailand	100.00	100.00	1,100	1,100
Cross Border Couriers Co., Ltd.	Integrated logistics services provider	Thailand	100.00	100.00	3,000	3,000
Triple i International Pte. Ltd.	Air freight forwarder	Singapore	100.00	100.00	2,550	2,550
					177,949	157,949

The movement of investments in subsidiaries during the year is as follows:

	Separate financial statements	
	2022	2021
	Thousand Baht	Thousand Baht
Net book value as at 1 January	157,950	152,950
Addition	55,000	5,000
Disposal of investment	(35,000)	-
Net book value as at 31 December	177,950	157,950

Addition

On 23 December 2022, the Company made additional investment in Triple i Asia Cargo Co., Ltd., a subsidiary, that increased its share capital by issuing 300,000 ordinary shares at a par value of Baht 100. The Company fully paid the investment of Baht 30.00 million. The Company's shareholding proportion in the subsidiary remains unchanged.

On 23 December 2022, the Company made additional investment in Asia Ground Service Co., Ltd., a subsidiary, that increased its share capital by issuing 250,000 ordinary shares at a par value of Baht 100. The Company fully paid the investment of Baht 25.00 million. The Company's shareholding proportion in the subsidiary remains unchanged.

Disposal of investment

On 12 October 2022, the Board of Directors' Meeting No. 6/2022 approved and proposed to the Extraordinary Shareholders' Meeting to consider approving the disposal of Triple i Asia Cargo Co., Ltd., ("TAC"), holding by the Company in the proportion of 99.99, to ANI in the value of Baht 168 million. The Company will receive a payment of 550,798 shares of ANI's newly issued ordinary shares, at the price of Baht 305 per share (par value of Baht 25 per share), totalling Baht 168 million. The Company disposed and lost control in TAC on 28 December 2022. Investment in TAC is reclassified from subsidiary to joint venture through investment of ANI at the 52% interest.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

Detail of disposal of investment in TAC in the separate financial statements is as follows:

	Separate financial statements
	Thousand Baht
Selling price of disposal investment	167,993
Investment value in TAC at cost method	(35,000)
Gain on disposal of investment (presented in other income)	132,993

In the consolidated financial statements, the Company lost 48% equity interest in TAC and the remaining 52% equity interest has been changed from direct holding to indirect holding by ANI. The detail is as follow.

	Consolidated financial statements
	Thousand Baht
Consideration received	
Carrying amount of its interest in TAC 52% - indirect holding	50,204
Fair value of its interest in TAC 48% - disposal	46,343
Total	96,547
<u>Less</u> Net assets of TAC at the date when control was lost	(30,160)
Gain on disposal of investment (presented in other income)	66,387

Detail of net assets decreased from the disposal of TAC is as follows:

	28 December 2022 Thousand Baht
Cash and cash equivalents	19,085
Trade and other receivables, net	6,360
Property, plant and equipment, net	2,077
Right-of-use assets	1,452
Intangible assets, net	1,054
Deferred tax assets	1,186
Other assets	31,844
Trade and other payables	(5,962)
Other liabilities	(26,936)
Total net assets	30,160

As at 31 December 2022, ANI has not yet issued ordinary share to settle the disposal of in TAC. The Company presents the amount of consideration from the disposal of TAC as receivable in other non-current assets (Note 22).

Dividend paid

The Board of Director's Meeting No. 1/2022 on 31 March 2022 of Triple i International Pte. Ltd. approved the interim dividend payment to the shareholders of USD 4.55 per share for 100,000 shares, totalling USD 455,000 or Baht 15.00 million approximately. The dividends of Baht 10.50 million were paid on 31 March 2022 and the remaining of Baht 4.50 million were paid on 24 June 2022.

The Board of Director's Meeting No. 1/2022 on 22 November 2022 of HazChem Logistics Management Co., Ltd. approved the interim dividend payment to the shareholders of Baht 100 per share for 500,000 shares, totalling Baht 50.00 million. The dividends of Baht 10.00 million will be paid on 31 January 2023 and the remaining of Baht 40.00 million will be paid in 2023.

The Board of Director's Meeting No. 1/2022 on 22 November 2022 of DG Packaging (Thailand) Co., Ltd. approved the interim dividend payment to the shareholders of Baht 400 per share for 10,000 shares, totalling Baht 2.00 million. The subsidiary will pay the dividends in 2023.

The Board of Director's Meeting No. 3/2022 on 22 December 2022 of Triple i Maritime Agencies Co., Ltd. approved the interim dividend payment to the shareholders of Baht 25 per share for 10,000 shares, totalling Baht 2.50 million. The subsidiary will pay the dividends in 2023.

The Board of Director's Meeting No. 3/2022 on 22 December 2022 of Triple i Air Express Co., Ltd. approved the interim dividend payment to the shareholders of Baht 20 per share for 500,000 shares, totalling Baht 10.00 million. The subsidiary will pay the dividends in 2023.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

The Board of Director's Meeting No. 2/2022 on 31 December 2022 of Triple i International Pte. Ltd. approved the interim dividend payment to the shareholders of USD 15.92 per share for 100,000 shares, totalling USD 1,591,000 or Baht 55.00 million approximately. The subsidiary will pay the dividends in 2023.

15 Investments in associates and joint ventures

The amount recognised in the statement of financial position is as follows:

As at 31 December	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Associates	244,450	265,205	240,150	231,472
Joint ventures	1,916,276	1,185,099	1,484,007	1,185,432
	2,160,726	1,450,304	1,724,157	1,416,904

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	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Associates	22,274	37,696	-	-
Joint ventures	601,681	175,302	-	-
	623,955	212,998	-	-

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	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Associates	(4)	589	-	-
Joint ventures	(10,345)	17,001	-	-
	(10,349)	17,590	-	-

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited
For the year ended 31 December 2022

15.1 Investments in associates

	Nature of business	Country of incorporation	Shareholding		Consolidated financial statements				Separate financial statements	
			Direct and indirect		under equity method		Investment value		Cost	
			2022 %	2021 %	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht		
Direct associates										
CK Line (Thailand) Co., Ltd	International maritime shipping agency	Thailand	42.00	42.00	10,635	14,368	2,100	2,100		2,100
ECU Worldwide (Thailand) Co., Ltd.	International freight forwarder	Thailand	43.00	43.00	10,033	15,117	2,365	2,365		2,365
Excel Air (Cambodia) Limited	Air freight agency	Cambodia	-	32.00	-	2,154	-	-		972
Galaxy Ventures Co., Ltd.	Holding company	Thailand	30.00	30.00	70,499	71,425	73,085	73,085		73,085
A.T.P. Friend Services Co., Ltd.	Pick up point service and domestic freight	Thailand	-	43.00	-	162,141	-	-		152,950
Sabuy Speed Co., Ltd.	Pick up point service and domestic freight	Thailand	18.00	-	153,283	-	162,600	-		-
					244,450	265,205	240,150	231,472		

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

The movements of investments in associates are as follows:

	Consolidated financial statements		Separate financial statements	
	Investment under equity method		Investment under cost method	
	Thousand Baht		Thousand Baht	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Opening net book value - previously reported	268,509	87,001	231,473	75,522
Purchase price allocation of investment in an associate a)	(3,304)	-	-	-
Opening net book value - restated	265,205	87,001	231,473	75,522
Change of investment status from restructuring of General Sales Agent business	-	(3,649)	-	-
Increase from acquisition of associates	-	155,950	-	155,950
Changes from restructuring of drop-off Business b)				
- Increase in equity interest in investment	150,839	-	162,600	-
- Decrease in equity interest in investment	(152,647)	-	(152,950)	-
Share of profits from investments in associates	22,274	41,000	-	-
Share of other comprehensive income	(4)	853	-	-
Disposal of investment c)	(2,717)	-	(973)	-
Dividend income d)	(38,500)	(12,646)	-	-
Closing net book value	244,450	268,509	240,150	231,473

The details of movements during the year 2022 are as follows:

a) Purchase price allocation of investment in an associate - A.T.P. Friend Services Co., Ltd. ("Shipsmile")

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. ("Shipsmile") which operates under the Shipsmile brand from the existing shareholders of 10,200 shares, representing 30.00% of the total registered and paid-up share capital. On 8 April 2021, the Company paid 105 million and 30.00% of share capital was transferred to the Company. Transaction cost of Baht 1.20 million was included in cost of investment in associate.

On 10 August 2021, the Board of Directors' Meeting No. 7/2021 approved an additional investment in Shipsmile for 2,720 shares, totalling Baht 28.00 million from the existing shareholders. The addition resulted in an increase in the Company's interest from 30.00% to 38.00%. 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.

On 1 December 2021, the Board of Directors' Meeting No. 9/2021 approved an additional investment in Shipsmile for 1,700 shares, totalling Baht 18.75 million from the existing shareholders. The addition resulted in an increase in the Company's interest from 38.00% to 43.00%. 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.

In the first quarter of 2022, the Company has completed the purchase price allocation of investment in Shipsmile. Detail is as follows:

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

Fair value of assets and liabilities acquired at the acquisition date is as follows:

	8 April 2021 (30.00%) Thousand Baht	1 September 2021 (8.00%) Thousand Baht	1 December 2021 (5.00%) Thousand Baht
Cash and cash equivalents	26,510	4,356	7,221
Trade and other receivables	4,244	1,679	1,093
Intangible assets - franchise agreements	14,170	3,779	2,362
Other assets	1,088	1,347	799
Trade and other payables	(20,474)	(1,795)	(1,582)
Other liabilities	(2,036)	(1,284)	(4,276)
Deferred tax liabilities	(2,833)	(756)	(472)
Fair value of net assets	20,669	7,326	5,145
The consideration of investment comprises of			
Payment on acquisition date	105,000	28,000	18,750
Transaction costs	1,200	-	-
Total	106,200	28,000	18,750
Goodwill (include in investments in associate)	85,531	20,674	13,605

According to TFRS 3 Business Combinations, the effect from purchase price allocation will be adjusted retrospectively to the acquisition date. The Company has identifiable intangible assets from the purchase of investment, franchise agreements totalling Baht 20.31 million. The franchise agreements will be amortised based on the average remaining useful life of the contract approximately 3 years. This results in a decrease of share of profit from investments in associates as previously recognised in previous year of Baht 3.30 million.

The effects from purchase price allocation from business combination are disclosed in Note 15.3

b) Restructuring of Drop-off Business

On 10 May 2022, the Board of Directors Meeting No. 3/2022 approved the restructuring of the drop-off business by selling its 43.00% shares in Shipsmile to Sabuy Speed Co., Ltd. ("SBS"), at the value of Baht 180.60 million. The Company received cash of Baht 18.00 million and 7,309,756 shares of SBS at the value of Baht 22.24 per share, totalling Baht 162.60 million, which account for 18.00% of the registered and paid-up capital of SBS. The Company has executed this transaction on 1 June 2022. As a result of this transaction, the shareholding of SBS in Shipsmile increased to 100% and the Company still has 18.00% indirect equity interest in Shipsmile.

In the separate financial statements, the Company had gain a total of Baht 27.65 million, which is presented as other income. Detail is as follows:

	Separate financial statements Thousand Baht
Consideration received	
Cash	18,000
Value of SBS's shares	162,600
Total	180,600
Carrying value of investment in Shipsmile at cost method	152,950
Gain on disposal of investment (presented in other income)	27,650

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

In the consolidated financial statements, the Company has lost 43.00% equity interest in Shipsmile. The Company receives cash and 18.00% of SBS's ordinary shares, which consists of 18.00% indirect equity interest in Shipsmile and equity interest in other companies in SBS Group. Detail is as follows:

	Consolidated financial statements
	Thousand Baht
Consideration received	
Cash	18,000
18.00% equity interest in Shipsmile which the Company previously held at equity method	63,899
18.00% equity interest in other companies in SBS Group	86,940
Total	168,839
Carrying value of investment in Shipsmile at equity method	152,647
Gain on disposal of investment (include in other income)	16,192

The portion (18%) of carrying value of net assets acquired of SBS excluding Shipsmile at the acquisition date is as follows:

	Value at the acquisition date Thousand Baht
Cash and cash equivalents	9,510
Trade and other receivables	5,442
Other current assets	570
Other non-current assets	462
Trade and other payables	(9,611)
Other current liabilities	(729)
Carrying value of net assets	5,644
<u>Less</u> Non-controlling interests	(1,525)
Carrying value of net assets acquired	4,119
The consideration comprises of	
Fair value of a given 25.00% of investment in Shipsmile	104,940
<u>Less</u> cash received	(18,000)
Total	86,940
Goodwill (estimate) - include in investments in associates	82,821

As at 31 December 2022, the Company is in 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.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

c) Disposal of investment in Excel Air (Cambodia) Limited ("ECA-KP")

On 1 April 2022, the Company entered into an agreement to sell all ECA-KP shares to a private company ("buyer"), totalling USD 32,000. The Group has ceased to recognise its interest in ECA-KP from 1 April 2022.

Detail of disposal of investment in ECA-KP is as follows:

	Consolidated financial statements
	Thousand Baht
Selling price of disposal of investment	973
Carrying value of investment in ECA-KP at equity method	2,717
Loss on disposal of investment	(1,744)
	Separate financial statements
	Thousand Baht
Selling price of disposal of investment	973
Carrying value of investment in ECA-KP at cost method	973
Gain on disposal of investment	-

d) Dividend received from associates

On 18 May 2022, the Board of Directors' Meeting No. 1/2022 of ECU Worldwide (Thailand) Co., Ltd. approved the interim dividend payment to the shareholders of Baht 600 per share for 50,000 ordinary shares, totalling Baht 30.00 million. The Company received the dividend as proportion of 43.00% shareholding, amounting to Baht 12.90 million on 30 May 2022.

On 29 May 2022, the Extraordinary Shareholders' Meeting No.1/2022 of CK Line (Thailand) Co., Ltd. approved the interim dividend payment to the shareholders of Baht 400 per share for 50,000 shares, totalling Baht 20.00 million. The Company received the dividend as proportion of 42.00% shareholding, amounting to Baht 8.40 million on 31 May 2022.

On 1 December 2022, the Board of Directors' Meeting No. 2/2022 of ECU Worldwide (Thailand) Co., Ltd. approved the interim dividend payment to the shareholders of Baht 800 per share for 50,000 ordinary shares, totalling Baht 40.00 million. The Company received the dividend in the proportion of 43% shareholding, totalling Baht 17.20 million. The dividend will be received within 2023.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited
For the year ended 31 December 2022

Summary of financial information of significant associates

Set out below is 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.		Sabuy Speed Co., Ltd.	
	2022	2021	2022	2021	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Current portion								
Cash and cash equivalents	83,432	978	8,312	12,434	-	149,536	30,664	-
Other current assets (exclude cash)	85,797	353,747	599	-	-	25,645	131,412	-
Total current assets	169,229	354,725	8,911	12,434	-	175,181	162,076	-
Current liabilities	140,935	316,942	114	76	-	116,807	131,993	-
Non-current portion								
Investments in associates and joint ventures	-	-	19,498	224,416	-	-	-	-
Non-current assets	7,333	8,705	12	4,666	-	46,198	63,998	-
Total non-current assets	7,333	8,705	19,510	229,082	-	46,198	63,998	-
Other non-current liabilities	12,294	11,332	223	3,492	-	6,130	2,842	-
Net assets	23,333	35,155	28,084	237,948	-	98,441	91,309	-
Less Non-controlling interests	-	-	-	-	-	-	3,569	-
Total	23,333	35,155	28,084	237,948	-	98,441	87,740	-

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited
For the year ended 31 December 2022

Summarised statements of comprehensive income

	ECU Worldwide (Thailand) Co., Ltd.				Galaxy Ventures Co., Ltd.				A.T.P. Friend Services Co., Ltd.				Sabuy Speed Co., Ltd.			
	2022		2021		2022		2021		2022**		2021*		2022***		2021	
	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	1,294,814	1,226,805	-	-	-	-	-	-	250,983	735,196	551,855	-	-	-	-	-
Net profit (loss) for the year	58,178	44,462	(3,084)	(9,435)	(22,175)	29,842	13,577	-	-	-	-	-	-	-	-	-
- owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other comprehensive income	-	328	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	58,178	44,790	(3,084)	(9,435)	(22,175)	29,842	13,577	-	-	-	-	-	-	-	-	-
- owners of the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend received	30,100	8,600	-	-	-	-	-	-	-	-	-	-	-	-	-	-

*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.

**For the year 2022, summarised statement of comprehensive income of A.T.P. Friend Services Co., Ltd. represents the information for the period from 1 January 2022 (date of Disposal) to 1 June 2022.

***For the year 2022, summarised statement of comprehensive income of Sabuy Speed Co., Ltd. represents the information for the period from 1 June 2022 (date of acquisition) to 31 December 2022.

The above information is included in the consolidated financial statements 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

Triple i Logistics Public Company Limited
For the year ended 31 December 2022

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.		Sabuy Speed Co., Ltd.	
	2022	2021	2022	2022	2022	2021*	2022	2022	2021	
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	
Opening net assets	35,155	10,364	237,948	237,383	98,441	68,599	74,162	-	-	
Net profit (loss) for the year	58,178	44,463	(3,084)	(9,435)	(22,080)	29,842	13,577	-	-	
Other comprehensive income (loss)	-	328	-	-	-	-	-	-	-	
Dividend paid	(70,000)	(20,000)	-	-	-	-	-	-	-	
Increase in share capital	-	-	-	10,000	-	-	-	-	-	
Net assets as at year end	23,333	35,155	234,864	237,948	76361	98,441	87,740	-	-	
Interest in associates (%)	43	43	30	30	43	43	18	-	-	
Carrying value	10,033	15,117	70,459	71,385	32,835	64,048	15,793	-	-	
Goodwill from purchase of investment	-	-	40	40	119,970	119,812	82,821	-	-	
Restructuring of Drop-off Business	-	-	-	-	(152,647)	-	54,668	-	-	
Total	10,033	15,117	70,499	71,425	-	183,890	153,283	-	-	

* The opening net assets of A.T.P. Friend Services Co., Ltd. represents the information as at 8 April 2021.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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.

	2022 Baht	2021 Baht
Aggregate carrying amount of individually immaterial associates	10,635	16,523
Aggregate amounts of the group's share of:		
Net profit	12,881	12,481
Other comprehensive income	(12)	448
Total comprehensive income	12,869	12,929

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited
For the year ended 31 December 2022

15.2 Investments in joint ventures

	Nature of business	Country of incorporation	Shareholding		Consolidated		Separate	
					financial statements		financial statements	
			2022	2021	Investment value under equity method		Cost	
			%	%	2022	2021	2022	2021
					Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
<u>Direct joint ventures</u>								
Asia Network International Co., Ltd.	Air freight forwarder	Thailand	50.35	55.24	1,406,853	690,812	1,016,471	705,171
DG Packaging Pte. Ltd.	Package and packaging	Singapore	50.00	50.00	281,833	274,665	271,198	271,198
Teleport (Thailand) Co., Ltd	Air freight agency	Thailand	-	50.00	-	13,340	-	5,000
SAL Group (Thailand) Co., Ltd.	Holding company	Thailand	22.50	25.00	217,042	191,036	195,063	195,063
Makesend Express Co., Ltd.	Domestic transportation and unloading services	Thailand	30.00	30.00	1,856	3,359	9,000	9,000
	Agent for import and export by rail-freights	Thailand	51.00	-	1,134	-	1,275	-
<u>Indirect joint ventures</u>								
Hazchem TransManagement Co., Ltd. (held by Hazchem Logistics Management Co., Ltd.)	Domestic freight forwarder	Thailand	60.00	60.00	5,454	4,527	-	-
GSA Cargo Network (Myanmar) Co., Ltd. (held by Triple i International Pte. Ltd.)	Air freight agency	Myanmar	-	50.00	-	3,947	-	-
Hazchem Logistics Management Pte. Ltd. (held by Hazchem Logistics Management Co., Ltd.)	Air freight forwarder for chemical goods	Singapore	55.00	55.00	3,960	3,413	-	-
					1,918,132	1,185,099	1,493,007	1,185,432
<u>Less Allowance for impairment of investment in a joint venture</u>					(1,856)	-	(9,000)	-
Investments in joint ventures, net					1,916,276	1,185,099	1,484,007	1,185,432

Allowance for impairment of investment in a joint venture is for Makesend Express Co., Ltd.

Even if the Company has shareholding interest more than 50.00% in some joint ventures, the Company does not have solely control power over those joint ventures. This is specified as a joint control in the joint venture agreements.

Even if the Company has shareholding interest less than 50.00% in some joint ventures, the Company has voting rights and joint control in the joint venture agreements.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

The movement of investments in joint venture is as follows:

		Consolidated financial statements		Separate financial statements	
		Investment under equity method		Investment under cost method	
		Thousand Baht		Thousand Baht	
		2022	2021	2022	2021
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Opening net book value - previously reported		1,192,181	1,151,462	1,185,432	989,926
Purchase price allocation of investment in joint ventures	a)	(7,082)	-	-	-
Opening net book value - restated		1,185,099	1,151,462	1,185,432	989,926
Addition	b)	304,984	30,188	312,575	30,188
Change from restructuring of General Sales Agent Business					
- Purchase investments from a subsidiary		-	-	-	29,000
- Change of investment status		-	3,649	-	-
- Decrease in equity interest in investment		-	(3,682)	-	(568,103)
- Increase in equity interest in investment		-	55,760	-	704,421
Share of profits from investments in joint ventures		601,681	182,384	-	-
Share of other comprehensive income		(10,345)	18,059	-	-
Disposal of investment	c)	(13,795)	-	(5,000)	-
Decrease in shareholding interest	d)	(190)	-	-	-
Dividend income	e)	(149,302)	(244,208)	-	-
Impairment of investment	f)	(1,856)	-	(9,000)	-
Dissolution		-	(1,431)	-	-
Closing net book value		1,916,276	1,192,181	1,484,007	1,185,432

The details of movements during the year 2022 are as follows

a) Purchase price allocation of investment in joint ventures - General Sales Agent Business ("GSA")

On 1 September 2021, the Company has acquired the General Sales Agent Business for Airlines (GSA) ("GSA Business Group Acquisition") 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 Acquisition 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 Acquisition 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).

In the third quarter of 2022, the Company has completed the purchase price allocation of GSA Business Group Acquisition. Detail is as follows:

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

Fair value of assets and liabilities at the acquisition date is as follows:

	1 September 2021 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
Intangible assets	14,910
Trade and other payables	(17,636)
Other current liabilities	(10,945)
Deferred tax liabilities	(2,005)
Fair value of net assets acquired	25,808
The consideration comprises of	
Fair value of the decrease in equity interest	55,760
Goodwill (include in investments in joint ventures)	29,952

According to TFRS 3 Business Combinations, the effect from purchase price allocation will be adjusted retrospectively to the acquisition date. The Company has identifiable intangible assets from the purchase of investment as airline relationships totalling Baht 14.91 million. The airline relationships will be amortised based on the average life of the airline relationships approximately 4.5 years. This results in a decrease of share of profit from investments in joint ventures as previously recognised in previous year of Baht 0.92 million.

The effect from ANI group on the completion of the purchase price allocation from business combination resulted in a decrease in previously recognised share profits from joint ventures of Baht 6.16 million.

The effects from purchase price allocation from business combination are disclosed in Note 15.3.

b) Additional investments in joint ventures

Asia Network International Co., Ltd. ("ANI")

From the restructuring of General Sales Agent Business ("GSA"), on 1 January 2022, the Company sold the 50% of its shares in GSA Cargo Network (Myanmar) Co., Ltd. ("GCN-MM") to ANI. To exchange this transaction, ANI issued 105,000 new ordinary shares at a fair value of Baht 100 per share, totalling Baht 10.50 million to the Company. This resulted in a gain of Baht 2.91 million in the consolidated financial information, representing the difference between the fair value and book value of the sold equity interest in GCN-MM. This also resulted in an 0.37% increase in the Company's shareholding interest in ANI from 55.24% to 55.61%.

On 11 January 2022, ANI issued 7,322,246 new ordinary shares at a fair value of Baht 100 per share, totalling Baht 732.22 million. The number of 3,008,000 share was allocated to the Company, totalling Baht 300.80 million, and 4,314,246 shares totalling Baht 431.42 million were allocated to the joint controller. The Company paid the increased share capital in cash. The joint controller exchanged share with the investment portion in Superior GSA Pte. Ltd. (a subsidiary of ANI). As a result, the Company's shareholding interest in ANI decreased by 5.26% from 55.61% to 50.35%.

The increase in ANI's capital of Baht 300.80 million was granted to Superior GSA Pte. Ltd. as loan to acquire Asia GSA (M) Sdn. Bhd. Superior GSA Pte. Ltd. paid Baht 300.80 million in cash and issued new ordinary shares at a fair value of Baht 432.87 million to Asia GSA (M) Sdn. Bhd.'s shareholder (a joint controller of ANI) to exchange shareholding interest in Asia GSA (M) Sdn. Bhd. which transferred to Superior GSA Pte. Ltd.

TSL Logistics Co., Ltd. ("TSL")

On 2 August 2022, the Company incorporated TSL Logistics Co., Ltd with the registered capital of Baht 10 million. The Company held 51.00% shares of the registered capital. The joint venture carries on business as an agent for import and export by rail-freights. TSL called for the paid-up 25.00% of ordinary shares on 5 October 2022 and the Company paid this collection on 11 October 2022.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

c) Disposal of investment in Teleport (Thailand) Co., Ltd ("TLP")

On 28 February 2022, the Company entered into an agreement to sell all TLP shares to a private company ("buyer"), totalling Baht 13.35 million. The Group has ceased to recognise TLP's interests from 28 February 2022.

Detail of disposal of investment in TLP is as follows:

	Consolidated financial statements
	Thousand Baht
Selling price of disposal of investment	13,346
Carrying value of investment in TLP at equity method	13,795
Loss on disposal of investment	(449)
	Separate financial statements
	Thousand Baht
Selling price of disposal of investment	13,346
Carrying value of investment in TLP at cost method	5,000
Gain on disposal of investment	8,346

d) Decrease in shareholding interest in SAL Group (Thailand) Co., Ltd.

On 31 August 2022, SAL Group (Thailand) Co., Ltd. ("SAL") increased its registered share capital from Baht 605.00 million to Baht 672.20 million by issuance of 672,000 ordinary shares of Baht 130 per share (par value of Baht 100 per share) to be offered to its existing shareholders in proportion to their existing shareholdings. However, the Company did not exercise its right to purchase the shares. This resulted in a decrease in the Company's shareholding interest in SAL from 25.00% to 22.50%. The Group had loss on decrease in shareholding interest in a joint venture of Baht 0.19 million presented in profit or loss.

e) Dividend received from a joint venture

DG Packaging Pte. Ltd.

On 1 April 2022, the Extraordinary Shareholders' Meeting of DG Packaging Pte. Ltd. approved the interim dividend payment to the shareholders of SGD 2.25 per share for 200,000 shares, totalling SGD 450,000. The dividend is for the Company at the proportion of 50.00% shareholding, amounting to SGD 225,000 or approximately of Baht 5.47 million. The Company received this dividend on 5 May 2022.

On 1 July 2022, the Extraordinary Shareholders' Meeting of DG Packaging Pte. Ltd. approved the interim dividend payment to the shareholders of SGD 2.25 per share for 200,000 shares, totalling SGD 450,000. The dividend is for the Company at the proportion of 50.00% shareholding, amounting to SGD 225,000 or approximately of Baht 5.67 million. The Company received this dividend on 1 August 2022.

On 1 October 2022, the Extraordinary Shareholders' Meeting of DG Packaging Pte. Ltd. approved the interim dividend payment to the shareholders of SGD 2.25 per share for 200,000 shares, totalling SGD 450,000. The dividend is for the Company at the proportion of 50.00% shareholding, amounting to SGD 225,000 or approximately of Baht 5.74 million. The Company received this dividend on 1 November 2022.

On 1 December 2022, the Extraordinary Shareholders' Meeting of DG Packaging Pte. Ltd. approved the interim dividend payment to the shareholders of SGD 2.25 per share for 200,000 shares, totalling SGD 450,000. The dividend is for the Company at the proportion of 50.00% shareholding, amounting to SGD 225,000 or approximately of Baht 5.74 million. The Company received this dividend on 27 December 2022.

On 23 December 2023, the Extraordinary Shareholders' Meeting of DG Packaging Pte. Ltd. approved the interim dividend payment to the shareholders of SGD 0.50 per share for 200,000 shares, totalling SGD 100,000. The dividend is for the Company at the proportion of 50.00% shareholding, amounting to SGD 50,000 or approximately of Baht 1.28 million. The Company received this dividend on 28 December 2022.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

Hazchem Transmanagement Co., Ltd.

The Board of Directors' Meeting No. 1/2022 on 22 November 2022 of Hazchem Transmanagement Co., Ltd. approved the interim dividend payment to the shareholders of Baht 100 per share for 50,000 shares, totalling Baht 5.00 million. The Company will receive the dividend as proportion of 60.00% shareholding, amounting to Baht 3.00 million in 2023.

Asia Network International Co., Ltd.

The Board of Directors' Meeting No. 7/2022 on 27 December 2022 of Asia Network International Co., Ltd. approved the interim dividend payment to the shareholders of Baht 12 per share for 20,232,556 shares, totalling Baht 242.79 million. The Company receives the dividend as proportion of 50.35% shareholding, amounting to Baht 122.25 million on 26 January 2023.

f) Impairment of investment in Makesend Express Co., Ltd.

Investment in Makesend Express Co., Ltd. has the recoverable amount lower than its carrying amount caused by the decrease in its operating results. The Company determined the recoverable amount using the present value of the future cash flow by considering the previous loss from operation, future expected loss and discounted cash flow model. The recoverable amount is lower than its carrying amount, therefore the Company recognised full amount of impairment loss on investment in a joint venture in the consolidated financial statements and the separate financial statements in the second quarter of 2022 in an amount of Baht 1.86 million and Baht 9.00 million, respectively, which is included in administrative expense.

Set out below is the summarised financial information of significant joint ventures which is accounted for using the equity method.

Summarised statements of financial position

As at 31 December	Asia Network International Co., Ltd.		DG Packaging Pte. Ltd.		SAL Group (Thailand) Co., Ltd.	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Current						
Cash and cash equivalents	1,352,699	605,943	38,951	32,617	102,803	17,245
Other current assets (not including cash)	690,013	677,771	62,268	63,195	2,863	1,841
Total current assets	2,042,712	1,283,714	101,219	95,812	105,666	19,086
Current liabilities	7,204,505	1,026,174	48,515	71,359	1,072	188
Non-current						
Non-current assets	8,238,955	1,414,188	89,428	94,016	655,068	558,518
Other non-current liabilities	45,426	48,754	57,159	47,833	-	17,766
Net assets	3,031,736	1,622,975	84,972	70,636	759,662	559,650
<u>Less</u> Non-controlling interest	(61,929)	51,519	-	-	2,986	3,460
Net assets of owners of the parent	3,093,665	1,544,840	84,972	70,636	756,676	556,190

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

Summarised statements of comprehensive income

For the year ended 31 December	Asia Network International Co., Ltd.		DG Packaging Pte. Ltd.		SAL Group (Thailand) Co., Ltd.	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021* Thousand Baht
Revenue	5,347,205	2,268,145	351,155	398,326	79	-
Depreciation and amortisation expenses	(58,647)	(15,244)	(5,625)	(4,905)	-	(2,202)
Interest income	5,377	244	-	-	-	26
Interest expense	(810)	(614)	(73)	(768)	-	-
Profit before income tax	1,165,517	211,797	72,236	67,832	112,651	(66,474)
Income tax expense	(77,931)	(64,971)	(11,552)	(11,688)	-	-
Profit for the year	1,087,586	146,826	60,684	56,145	112,651	(66,475)
Total comprehensive income	1,038,120	143,824	62,446	59,214	113,125	(66,475)
Profit for the year - owners of the Company	1,071,469	109,987	60,684	56,145	113,125	(65,957)
Other comprehensive income - owners of the Company	(22,576)	1,987	1,762	3,069	-	-
Total comprehensive income - owners of the Company	1,048,893	111,974	62,446	59,214	113,125	(65,957)
Dividend received from joint ventures	122,246	-	24,055	26,665	-	-

* 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.

The above information is included in the financial statements of joint ventures (which are not only part of the Group in the associates) and adjusted for differences between accounting policies of the Group and those of the joint ventures.

Reconciliation of summarised financial information

As at 31 December	Asia Network International Co., Ltd.		DG Packaging Pte. Ltd.		SAL Group (Thailand) Co., Ltd.	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021* Thousand Baht
Opening net assets	1,544,840	4,338	70,636	64,752	556,190	539,647
Profit for the year	1,071,469	113,295	60,684	56,145	113,125	(65,957)
Other comprehensive income (expense)	(22,576)	1,987	-	-	-	-
Dividends paid	(242,793)	-	(48,111)	(53,330)	-	-
Share increase	742,725	1,257,615	-	-	-	82,500
Currency translation differences	-	-	-	-	-	-
Net assets at the year end	3,093,665	1,544,840	84,971	70,636	669,315	556,190
Interest in joint ventures (%)	50.35	55.24	50.00	50.00	22.25	25.00
Carrying value	1,482,615	773,690	42,486	35,318	150,596	139,047
Goodwill from investment	29,952	29,952	239,347	239,347	-	51,988
Impact from restructuring	(105,714)	(112,830)	-	-	66,446	-
Total	1,406,854	690,812	281,833	274,665	217,042	191,036

* 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 2022

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:

	2022 Baht	2021 Baht
Aggregate carrying amount of individually immaterial joint ventures	10,548	28,587
Aggregate amounts of the group's share of:		
Net profit	2,905	29,039
Other comprehensive income	(15,387)	2,324
Total comprehensive income	(12,482)	31,363

15.3 Effect from purchase price allocation from business combination of an associate and joint ventures

During the nine-month period ended 30 September 2022, the Group has completed the purchase price allocation of investment in an associate - A.T.P. Friend Services Co., Ltd. (Note 15.1) and investment in joint ventures - GSA Business Group (Note 15.2). The Group retrospectively adjusts the effect from purchase price allocation from business combination to the acquisition date.

The effect from purchase price allocation from business combination to the consolidated statement of financial position as at 31 December 2021 and the consolidated statement of comprehensive income for the year ended 31 December 2021 is presented as follows:

	Previously reported Thousand Baht	Adjustment Thousand Baht	Restated Thousand Baht
Items in the consolidated statement of financial position as at 31 December 2021			
Investments in associates (Note 15.1)	268,509	(3,304)	265,205
Investments in joint ventures (Note 15.2)	1,192,181	(7,082)	1,185,099
Retained earnings - unappropriated	490,942	(10,387)	480,555
Items in the consolidated statement of comprehensive income for the year ended 31 December 2021			
Share of profits from investments in associates and joint ventures	223,385	(10,387)	212,998
Total comprehensive income for the year	408,088	(10,387)	397,701

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited
For the year ended 31 December 2022

16 Financial assets measured at fair value through other comprehensive income

The detail of financial assets measured at fair value through other comprehensive income as at 31 December is as follows:

Company	Nature of business	Country of incorporation	Shareholding, both direct and indirect		Consolidated financial statements	
			2022	2021	2022	2021
			%	%	Thousand Baht	Thousand Baht
Indirect investment						
Tiffa Logistics (2008) Co., Ltd.	Providing warehouse	Thailand				
(held by Hazchem Logistics Management Co., Ltd.)	services and packaging		0.27	0.27	13	13
					13	13

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

17 Investment properties, net

	Separate financial statements			
	Land	Building improvement	Buildings	Total
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January 2021				
Cost	32,517	51,671	15,786	99,974
<u>Less</u> Accumulated depreciation	-	(18,238)	(4,279)	(22,517)
Net book amount	32,517	33,433	11,507	77,457
For the year ended 31 December 2021				
Opening net book amount	32,517	33,433	11,507	77,457
Depreciation charges	-	(3,332)	(987)	(4,317)
Closing net book amount	32,517	30,101	10,520	73,138
As at 31 December 2021				
Cost	32,517	51,671	15,786	99,974
<u>Less</u> Accumulated depreciation	-	(21,570)	(5,266)	(26,836)
Net book amount	32,517	30,101	10,520	73,138
For the year ended 31 December 2022				
Opening net book amount	32,517	30,101	10,520	73,138
Additions	-	2,033	-	2,033
Depreciation charges	-	(3,379)	(986)	(4,365)
Closing net book amount	32,517	28,755	9,534	70,806
As at 31 December 2022				
Cost	32,517	53,703	15,786	102,006
<u>Less</u> Accumulated depreciation	-	(24,949)	(6,252)	(31,200)
Net book amount	32,517	28,755	9,534	70,806

As at 31 December, fair value of investment properties is as follows:

	Separate financial statement	
	2022	2021
	Thousand Baht	Thousand Baht
Land and building	131,863	131,863

The investment properties are 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 which is within level 2 of fair value hierarchy and replacement cost approach which is within level 3 of the fair value hierarchy.

Amounts recognised in profit and loss that are related to investment properties are as follows:

	Separate financial statement	
	2022	2021
	Thousand Baht	Thousand Baht
Rental income	3,986	4,535
Direct operating expense arise from investment properties that generated rental income	4,943	4,624

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited
For the year ended 31 December 2022

18 Property, plant and equipment, net

Consolidated financial statements										
	Land Thousand Baht	Buildings Thousand Baht	Building improvement Thousand Baht	Tool and equipment Thousand Baht	Vehicles and equipment Thousand Baht	Furniture and fixtures Thousand Baht	Office equipment Thousand Baht	Construction in progress Thousand Baht	Total Thousand Baht	
As at 1 January 2021										
Cost	33,432	26,871	69,036	59,058	57,187	29,252	86,235	41,834	402,905	
Less Accumulated depreciation	-	(7,787)	(30,567)	(38,564)	(38,007)	(23,647)	(61,497)	-	(200,069)	
	33,432	19,084	38,469	20,494	19,180	5,605	24,738	41,834	202,836	
For the year ended 31 December 2021										
Opening net book amount	33,432	19,084	38,469	20,494	19,180	5,605	24,738	41,834	202,836	
Addition	-	-	-	1,113	-	302	4,804	6,280	12,499	
Reclassify from right-of-use assets, net	-	-	-	4,339	-	-	3,911	-	8,250	
Disposal, net	-	-	-	-	(1,615)	(2)	(104)	-	(1,721)	
Write-off, net	-	-	-	(2)	-	(6)	(4)	-	(12)	
Depreciation charged	-	(1,540)	(4,734)	(9,145)	(4,337)	(2,310)	(8,683)	-	(30,749)	
Transfer in (out)	-	-	198	19,043	-	-	3,620	(22,861)	-	
Closing net book amount	33,432	17,544	33,933	35,842	13,228	3,589	28,282	25,253	191,103	
As at 31 December 2021										
Cost	33,432	26,871	69,203	87,768	54,405	29,354	99,634	25,253	425,920	
Less Accumulated depreciation	-	(9,327)	(35,270)	(51,926)	(41,177)	(25,765)	(71,352)	-	(234,817)	
Net book amount	33,432	17,544	33,933	35,842	13,228	3,589	28,282	25,253	191,103	

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited
For the year ended 31 December 2022

Consolidated financial statements																	
Land		Buildings		Building improvement		Tool and equipment		Vehicles and equipment		Furniture and fixtures		Office equipment		Construction in progress		Total	
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	Thousand Baht	Thousand Baht
For the year ended 31 December 2022																	
	33,432	17,544	33,933	35,842	13,228	3,589	28,282	25,253								191,103	
Opening net book amount	-	-	2,032	11,625	7,000	2,194	1,591	1,035								25,477	
Addition	-	-	-	(17,857)	(3,114)	(17)	(335)	-								(21,323)	
Disposal, net	-	-	-	-	-	-	(7)	-								(7)	
Write-off, net	-	(1,540)	(7,892)	(9,657)	(3,224)	(1,861)	(7,893)	-								(32,067)	
Depreciation charged	-	-	-	(1,854)	22	(171)	(74)	-								(2,077)	
Decrease from disposal of a subsidiary	-	-	-	980	-	-	-	(26,233)								-	
Transfer in (out)	-	-	25,523	-	-	-	-	-								-	
Closing net book amount	33,432	16,004	53,326	19,079	13,912	3,734	21,564	55								161,106	
As at 31 December 2022																	
Cost	33,432	26,871	93,937	73,247	45,546	28,482	65,730	55								367,300	
Less Accumulated depreciation	-	(10,867)	(40,611)	(54,168)	(31,634)	(24,748)	(44,166)	-								(206,194)	
Net book amount	33,432	16,004	53,326	19,079	13,912	3,734	21,564	55								161,106	

For the year ended

31 December 2022

Opening net book amount
Addition
Disposal, net
Write-off, net
Depreciation charged
Decrease from disposal of a subsidiary
Transfer in (out)

Closing net book amount

As at 31 December 2022

Cost
Less Accumulated depreciation

Net book amount

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

	Separate financial statements				
	Building Improvement	Office equipment	Furniture and fixtures	Vehicles	Construction in progress
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
As at 1 January 2021					
Cost	-	5,378	4,379	51	19,295
<u>Less</u> Accumulated depreciation	-	(3,341)	(3,634)	(29)	-
Net book amount	-	2,037	745	22	19,295
For the year ended 31 December 2021					
Opening net book amount	-	2,037	745	22	19,295
Addition	-	1,823	174	-	3,250
Reclassify from right-of-use assets, net	-	3,911	-	-	-
Depreciation charged	-	(1,677)	(351)	(10)	-
Closing net book amount	-	6,094	568	12	22,545
As at 31 December 2021					
Cost	-	13,878	4,553	51	22,545
<u>Less</u> Accumulated depreciation	-	(7,784)	(3,985)	(39)	-
Net book amount	-	6,094	568	12	22,545
For the year ended 31 December 2022					
Opening net book amount	-	6,094	568	12	22,545
Addition	-	366	2,136	2,500	-
Disposal, net	-	-	(16)	-	-
Transfer in (out)	22,545	-	-	-	(22,545)
Depreciation charged	(3,147)	(1,667)	(446)	(220)	-
Closing net book amount	19,398	4,793	2,242	2,292	-
As at 31 December 2022					
Cost	22,545	14,244	6,315	2,551	-
<u>Less</u> Accumulated depreciation	(3,147)	(9,451)	(4,073)	(259)	-
Net book amount	19,398	4,793	2,242	2,292	-

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

19 Right-of-use assets, net and lease liabilities

As at 31 December, the statements of financial position show the following amounts relating to leases:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Right-of-use assets				
Land	2,374	4,079	2,374	3,146
Warehouse	45,763	73,337	-	-
Machinery and equipment	26,004	30,973	-	-
Vehicles	7,257	11,416	3,276	923
Others	738	1,455	-	-
Total	82,136	121,260	5,650	4,069
Lease liabilities				
Current portion	39,094	52,212	1,610	1,922
Non-current portion	44,518	69,642	3,309	2,081
Total	83,612	121,854	4,919	4,003

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	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Depreciation charge of right-of-use assets:				
Land	1,455	1,672	1,080	994
Warehouse	33,412	40,292	-	-
Machinery and equipment	11,403	14,927	-	-
Vehicles	7,152	8,577	1,337	2,037
Others	851	890	-	-
Total	54,273	66,358	2,417	3,031
Addition of the right-of-use assets during the year	12,666	24,143	-	-
Decrease from disposal of a subsidiary (Note 14)	1,452	-	-	-
Total cash outflow for leases	61,082	73,551	3,334	3,368
Interest expense (included in finance cost)	4,162	7,803	222	236
Expense relating to short-term leases	2,371	2,067	-	-
Expense relating to leases of low-value assets	3,234	1,271	39	41

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

20 Intangible assets, net

	Consolidated financial statements		
	Computer software Thousand Baht	Assets under installation Thousand Baht	Total Thousand Baht
As at 1 January 2021			
Cost	25,373	3,249	28,622
<u>Less</u> Accumulated amortisation	(14,693)	-	(14,693)
Net book amount	10,680	3,249	13,929
For the year ended 31 December 2021			
Opening net book amount	10,680	3,249	13,929
Addition	441	3,619	4,060
Amortisation charged	(3,148)	-	(3,148)
Transfer in (out)	1,736	(1,736)	-
Closing net book amount	9,709	5,132	14,841
As at 31 December 2021			
Cost	27,550	5,132	32,682
<u>Less</u> Accumulated amortisation	(17,841)	-	(17,841)
Net book amount	9,709	5,132	14,841
For the year ended 31 December 2022			
Opening net book amount	9,709	5,132	14,841
Addition	33	170	203
Amortisation charged	(3,204)	-	(3,204)
Decrease from disposal of a subsidiary (Note 14)	(1,186)	-	(1,186)
Transfer in (out)	2,388	(2,388)	-
Closing net book amount	7,740	2,914	10,654
As at 31 December 2022			
Cost	24,855	2,914	27,769
<u>Less</u> Accumulated amortisation	(17,115)	-	(17,115)
Net book amount	7,740	2,914	10,654

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

	Separate financial statements Computer software Thousand Baht
As at 1 January 2021	
Cost	1,953
<u>Less</u> Accumulated amortisation	(1,358)
Net book amount	595
For the year ended 31 December 2021	
Opening net book amount	595
Amortisation charged	(384)
Closing net book amount	211
As at 31 December 2021	
Cost	1,953
<u>Less</u> Accumulated amortisation	(1,742)
Net book amount	211
For the year ended 31 December 2022	
Opening net book amount	211
Amortisation charged	(211)
Closing net book amount	-
As at 31 December 2022	
Cost	1,953
<u>Less</u> Accumulated amortisation	(1,953)
Net book amount	-

21 Deferred tax assets

Deferred tax assets comprise the following:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Deferred tax assets	21,686	11,269	8,321	2,168
	21,686	11,269	8,321	2,168

The movement of deferred income taxes is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
As at 1 January	11,269	18,651	2,168	8,218
Recognised in other comprehensive income	(928)	(2,236)	(928)	(1,339)
Recognised in profit or loss (Note 34)	12,399	(5,146)	7,081	(4,711)
Decrease from disposal of a subsidiary (Note 14)	(1,054)	-	-	-
As at 31 December	21,686	11,269	8,321	2,168

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

The movement of deferred tax assets is as follows:

	Consolidated financial statements			
	As at 1 January 2022	Recognised in other comprehensive income	Recognised in profit or loss	Decrease from disposal of a subsidiary
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
	As at 31 December 2022			
Deferred tax assets				
Allowance for doubtful accounts	2,970	-	5,431	(151)
Employee benefit obligations	4,676	-	485	(71)
Taxable loss carried forward	2,694	-	(613)	(832)
Derivative financial instrument	929	(928)	147	-
Allowance for impairment of loan to a related party	-	-	2,900	-
Allowance for impairment of deposit	-	-	4,048	-
Total	11,269	(928)	12,398	(1,054)
	Consolidated financial statements			
	As at 1 January 2021	Recognised in other comprehensive income	Recognised in profit or loss	As at 31 December 2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	2,990	-	(20)	2,970
Employee benefit obligations	5,481	(1,272)	467	4,676
Taxable loss carried forward	6,922	-	(4,228)	2,694
Derivative financial instrument	1,892	(964)	1	929
Fair value measurement of investments	1,366	-	(1,366)	-
Total	18,651	(2,236)	(5,146)	11,269
	Separate financial statements			
	As at 1 January 2022	Recognised in other comprehensive income	Recognised in profit or loss	As at 31 December 2022
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Deferred tax assets				
Allowance for doubtful accounts	473	-	(108)	365
Employee benefit obligations	765	-	94	850
Derivative financial instrument	929	(928)	147	148
Allowance for impairment of loan to a related party	-	-	2,900	2,900
Allowance for impairment of deposit	-	-	4,048	4,048
Total	2,167	(928)	7,081	8,321

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

	Separate financial statements			
	Recognised			As at 31 December 2021
	As at 1 January 2021	in other comprehensive income	Recognised in profit or loss	
	Thousand Baht	Thousand Baht	Thousand Baht	
Deferred tax assets				
Allowance for doubtful accounts	182	-	291	473
Employee benefit obligations	1,016	(375)	124	765
Taxable loss carried forward	3,761	-	(3,761)	-
Derivative financial instrument	1,892	(964)	1	929
Fair value measurement of investments	1,366	-	(1,366)	-
Total	8,217	(1,339)	(4,711)	2,167

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 9.69 million (2021 : Baht 12.06 million) in respect of taxable losses amounting to Baht 48.47 million (2021 : Baht 60.28 million) that can be carried forward against future taxable income.

The expiry dates of unused taxable losses are as follows:

	Consolidated financial statements	
	2022 Thousand Baht	2021 Thousand Baht
Expiring in 2022	-	9,147
Expiring in 2023	109	109
Expiring in 2024	54	54
Expiring in 2025	30,212	37,705
Expiring in 2026	26	13,261
Expiring in 2027	18,065	-
	48,466	60,276

22 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Receivable from disposal of investment - related party (Note 36.3)	96,547	-	167,993	-
Corporate income tax withheld	39,521	41,900	10,072	12,028
Value added tax receivable	-	25,766	-	-
Other advance	-	30,206	-	-
	136,068	97,872	178,065	12,028

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

23 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Trade payables - other parties	94,169	229,172	3,936	2,314
- related parties (Note 36.3)	14,267	69,790	2,163	22,101
Other payables - other parties	15,535	12,121	8,998	126
- related parties (Note 36.3)	40	-	-	250
Accrued expenses - other parties	131,716	176,472	47,633	41,826
- related parties (Note 36.3)	450	764	527	1,456
	256,177	488,319	63,257	68,073

24 Borrowings

24.1 Short-term loans from financial institutions

As at 31 December 2021, short-term loans from financial institutions of Baht 120 million represent promissory notes from financial institutions, which are 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.

24.2 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	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Current portion of long-term loans from a financial institution	171,000	105,750	171,000	105,750
Non-current portion of long-term loans from a financial institution	398,250	269,250	398,250	269,250
Total	569,250	375,000	569,250	375,000

Movement of long-term loans from a financial institution for the year ended 31 December is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
As at 1 January	375,000	390,000	375,000	390,000
Increase during the year	300,000	105,000	300,000	105,000
Repayments during the year	(105,750)	(120,000)	(105,750)	(120,000)
As at 31 December	569,250	375,000	569,250	375,000

Long-term loans from a financial institution, which are denominated in Thai Baht, have floating interest rate, so fair value of loans approximates the carrying value.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

Long-term loans for the year ended 31 December are as follows:

	Principle		2022 Thousand Baht	2021 Thousand Baht	Interest rate	Repayment terms	
	Baht	Objective				Principal repayment	Interest repayment
Loan 1	300,000	Purchasing other company's shares	120,000	180,000	THBFIX6M plus margin	20 periods (every 3 month) first repayment on January 2020	Monthly
Loan 2	150,000	Purchasing other company's shares	60,000	90,000	MLR - 1.40%	20 periods (every 3 months) first repayment on February 2021	Monthly
Loan 3	105,000	Purchasing other company's shares	89,250	105,000	MLR - 2.40%	20 periods (every 3 months) first repayment on April 2022	Monthly
Loan 4	105,000	Purchasing other company's shares	300,000	-	MLR - 1.30%	20 periods (every 3 months) first repayment on April 2022	Monthly
			569,250	375,000			

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.

25 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Withholding taxes payable	4,737	5,432	1,060	1,780
Value added tax payable	6,424	4,575	1,958	-
Undue output value added tax	13,006	22,035	1,484	9,045
Guarantees	7,314	2,645	-	-
Others	14	1,037	-	-
	31,495	35,724	4,502	10,825

26 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
As at 31 December				
Statement of financial position				
Retirement benefits	23,357	21,364	4,299	3,831
Other long-term benefits	2,093	2,016	-	-
	25,450	23,380	4,299	3,831
Profit or loss				
Retirement benefits	2,998	3,307	468	622
Other long-term benefits	298	309	-	-
	3,296	3,616	468	622
Other comprehensive income				
Remeasurement for retirement benefits	-	6,362	-	1,873

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

26.1 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	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Present value of funded obligations	23,357	21,364	4,299	3,831
Liability in the statement of financial position	23,357	21,364	4,299	3,831

The movement in the defined benefit obligations during the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
As at 1 January	21,364	25,545	3,831	5,082
Current service cost	2,579	3,130	392	541
Past service cost	-	(249)	-	-
Interest cost	419	426	76	81
Decrease from disposal of a subsidiary	(289)	-	-	-
	2,709	3,307	468	622
Remeasurements:				
Gain from change in financial assumptions	-	(5,483)	-	(760)
Experience gain	-	(879)	-	(1,113)
	-	(6,362)	-	(1,873)
Benefit payments	(715)	(1,125)	-	-
As at 31 December	23,358	21,365	4,299	3,831

The principal actuarial assumptions used as at the date of the consolidated and separate statements of financial position are as follows:

	2022	2021
Discount rate (%)	0.51% - 3.59%	0.51% - 3.59%
Salary increment rate (%)	5.00% - 6.00%	5.00% - 6.00%
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%

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

Sensitivity analysis

Change in assumption		Consolidated financial statements		Separate financial statements	
		Impact on defined benefit obligation		Impact on defined benefit obligation	
		Increase (decrease) in obligation		Increase (decrease) in obligation	
2022	2021	2022	2021	2022	2021
		Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Discount rate	Increase 1%				
	Decrease 1%				
Salary increment rate	Increase 1%				
	Decrease 1%				
Staff turnover rate	Increase 20%				
	Decrease 20%				

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.

The weighted average duration of the employee benefit obligations for the consolidated and separate financial statements was 15.1 years (2021: 15.1 years).

Expected maturity analysis of undiscounted retirement benefits is as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Maturity within				
Less than 1 year	1,873	2,007	-	-
Between 1 - 2 years	1,105	2,103	848	-
Between 2 - 5 years	5,000	3,015	-	848
Over 5 years	63,168	66,678	11,647	11,647
	71,146	73,803	12,495	12,495

26.2 Other long-term benefits

The amount recognised in the statement of financial position is as follows:

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
Present value of funded obligations	2,093	2,016	-	-
Liability in the statement of financial position	2,093	2,016	-	-

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

Change in other long-term benefit obligation for the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
At 1 January	2,016	1,862	-	-
Current service cost	276	377	-	-
Interest cost	22	26	-	-
Decrease from disposal of a subsidiary	(67)	-	-	-
Remeasurement:				
Gross from change in financial assumptions	-	(23)	-	-
Experience gain	-	(71)	-	-
	231	309	-	-
Benefit payments	(155)	(155)	-	-
At 31 December	2,092	2,016	-	-

The principal actuarial assumptions used as at the date of the consolidated and separate statements of financial position are as follows:

	2022	2021
Discount rate	0.51% - 3.59%	0.51% - 3.59%
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 of actuarial assumptions is as follows:

	Consolidated financial statements			
	Change in assumption		Impact on other long-term benefits	
			Increase (decrease) in obligation	
	2022	2021	2022 Thousand Baht	2021 Thousand Baht
Discount rate	Increase 1%	Increase 1%	(80)	(86)
	Decrease 1%	Decrease 1%	85	90
Staff turnover rate	Increase 20%	Increase 20%	(262)	(225)
	Decrease 20%	Decrease 20%	322	274

27 Share capital

Movements of share capital for the year ended 31 December 2022 and 2021 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 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 28)	-	-	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	-
Decrease in share capital	(107)	(54)	-	-	-	-	-
Increase in share capital	50,775,641	25,387,821	-	-	-	-	-
Exercise of warrants (Note 28)	-	-	71,822,409	35,911,204	395,023,249	-	-
As at 31 December 2022	812,410,253	406,205,127	692,532,384	346,266,192	1,166,374,676	58,481,254	-

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

2022

On 29 November 2022, the Extraordinary Shareholders' Meeting No. 1/2022 approved the decrease of the Company's registered capital of Baht 54 from the authorised share capital of Baht 380,817,360 to Baht 380,817,306 by reducing 107 registered ordinary shares with the par value of Baht 0.50 per share. In addition, the meeting also approved the increase of the Company's registered share capital of Baht 25,387,821 from the authorised share capital of Baht 380,817,306 to Baht 406,205,127 by issuing 50,775,641 new ordinary shares at the par value of Baht 0.50 per share in order to accommodate the allocation of shares to the existing shareholder in the proportion of 15 existing shares to 1 newly issued share at the offering price Baht 12 per share. The change in authorised share capital was registered with the Ministry of Commerce on 13 December 2022.

2021

On 20 April 2021, the 2021 Annual General Meeting of Shareholders approved the decrease of the Company's registered capital 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.

28 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

2022

For the year ended 31 December 2022, the warrants holder exercised their warrant of 71,822,409 units to purchase 71,822,409 ordinary shares of Baht 6.00 per each totalling Baht 430,934,454. The Company has received all amount of payment in 2022. As at 31 December 2022, the outstanding share options are 69,102,228 warrants which will be expired in 2023.

2021

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 received all amount of payment in 2021. As at 31 December 2021, the outstanding share options are 140,924,637 warrants which will be expired in 2023.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

29 Dividends paid

2022

On 19 April 2022, the 2022 Annual General Meeting of Shareholders approved the payment of dividend to ordinary shareholders at the rate of Baht 0.40 per share, totalling Baht 247.15 million. The Company has already paid an interim dividend on 21 October 2021 at the rate of Baht 0.10 per share. The Company paid the remaining dividend of Baht 0.30 per share, totalling Baht 186.21 million on 17 May 2022.

On 9 August 2022, the Board of Directors' Meeting No.5/2022 approved an interim dividend payment at Baht 0.15 per share for the operating results from 1 January 2022 to 30 June 2022. The number of ordinary shares eligible to receive dividend totalling Baht 96.13 million. The dividends were paid to the shareholders on 9 September 2022.

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 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 dividends were paid to the shareholders on 21 October 2021.

30 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.

31 Other income

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Rental income	116	486	-	-
Interest income	1,179	1,203	9,699	9,183
Management fee	3,100	4,584	56,000	56,000
Gain on disposal of asset	1,658	2,037	10	-
Gain on restructuring and disposal of investments (Note 14, 15.1, 15.2)	83,304	52,078	168,990	136,318
Others	237	13,331	7,881	3,461
	89,594	73,719	242,580	204,962

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

32 Finance costs

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Interest expense on:				
- Loans from a financial institution	29,202	19,940	29,177	19,929
- Lease liabilities	4,162	7,803	222	236
- Others	300	292	3	3
	33,664	28,035	29,402	20,168

33 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Freight cost	1,654,494	1,935,023	266,616	222,183
Employee benefit expenses	325,450	329,629	80,578	65,088
Depreciation and amortisation	89,541	100,256	12,472	9,772
Losses on write-off of assets (Note 18)	21	12	-	-
Loss from impairment of financial assets (Note 11)	29,959	1,714	(541)	1,456
Expenses related to leases	19,632	15,722	122	68
Utility expenses	30,500	30,968	11,354	10,173
Professional and other fees	69,789	54,089	52,639	27,418
Repair and maintenance expenses	12,941	13,901	2,570	2,153

34 Income tax expense

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Current tax on profit for the year	75,187	56,666	47,704	35,465
Deferred income taxes (Note 21)	(12,399)	5,146	(7,081)	4,710
	62,788	61,812	40,623	40,175

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.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

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	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Profit before income tax	858,447	428,766	508,543	526,773
Tax calculated at a tax rate of 17% or 20% (2021 : 17% or 20%)	187,176	119,052	101,709	105,355
Tax effects of:				
Share of profit from investments in associates and joint ventures	(124,791)	(44,677)	-	-
Revenues exempted from income tax	-	(14,746)	(64,260)	(66,968)
Expenses additionally deductible for tax purpose	(2,962)	(3,506)	(19)	(383)
Non-tax deductible expenses	5,308	4,211	3,193	2,171
Utilisation of prior period's tax loss for which deferred tax asset had not been recognised	(3,347)	(1,641)	-	-
Current period's tax loss for which deferred tax asset had not been recognised	4	2,652	-	-
Prior period's tax loss for which reversed deferred tax asset in this year	1,400	467	-	-
Income tax expense	62,788	61,812	40,623	40,175

The weighted average applicable tax rate for the year ended 31 December 2022 for the consolidated financial statements was 7.31% (2021: 14.42%) and for the separate financial statements was 7.99% (2021: 7.63%). 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.

35 Earnings per share

35.1 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	
	2022	2021	2022	2021
Net profit attributable to owners of the Company (Thousand Baht)	795,659	366,954	467,920	486,598
Weighted average number of ordinary shares (shares)	636,571	606,644	636,571	606,644
Basic earnings per share (Baht per share)	1.2499	0.6049	0.7351	0.8021

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

35.2 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 are exercised.

The Group calculates diluted earnings per share as if warrants are exercised. The warrants are issued to shareholders as detailed in Note 28.

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Net profit attributable to owners of the Company (Thousand Baht)	795,659	366,954	467,920	486,598
Total number of ordinary shares for basic earnings per share calculation (shares)	636,571	606,644	636,571	606,644
Add weighted average number of shares to be issued as if warrants were exercised (shares)	73,082	63,168	73,082	63,168
Number of ordinary shares for diluted earnings per share calculation (shares)	709,653	669,812	709,653	669,812
Diluted earnings per share (Baht per share)	1.1212	0.5478	0.6594	0.7265

36 Related party transactions

There are 2 major shareholders who are directors of the Company whose aggregate shareholding portion is 30.19 per (2021 : 33.73%).

The following transaction is carried out with related parties:

36.1 Service income

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Service income				
Subsidiaries	-	-	13,500	9,040
Associates	148,987	91,174	117,144	64,017
Joint ventures	25,973	16,455	5,491	621
	174,960	107,629	136,135	73,678
	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Rental income and related services:				
Subsidiaries	-	-	6,615	6,287
Associates	6,108	6,081	6,108	6,081
Joint ventures	244	2,142	244	2,142
	6,352	8,223	12,967	14,510

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

Revenue from management fee:

Subsidiaries
Associates
Joint ventures

Consolidated financial statements		Separate financial statements	
2022	2021	2022	2021
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
-	-	56,000	56,000
2,100	2,160	-	-
1,000	2,424	-	-
3,100	4,584	56,000	56,000

Dividend income:

Subsidiaries
Associates
Joint ventures

Consolidated financial statements		Separate financial statements	
2022	2021	2022	2021
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
-	-	136,500	92,000
-	-	38,500	10,700
-	-	146,302	232,140
-	-	321,302	334,840

36.2 Purchases of services

Purchases of services from:

Subsidiaries
Associates
Joint ventures

Consolidated financial statements		Separate financial statements	
2022	2021	2022	2021
Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
-	-	29,565	9,515
168,451	132,339	167,750	130,166
93,623	399,259	-	-
262,074	531,598	197,315	139,681

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

36.3 Outstanding balances from service income and purchase of services

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Trade receivables				
Subsidiaries	-	-	197	81
Associates	3,350	17,426	2,551	12,787
Joint ventures	18,731	2,898	-	-
	22,081	20,324	2,748	12,868
Other receivables				
Subsidiaries	-	-	10,412	16,980
Associates	738	23,519	738	23,519
Joint ventures	847	1,053	817	36
	1,585	24,572	11,997	40,535
Receivables from disposal of investment				
Joint ventures	96,547	-	167,993	-
Trade payables				
Subsidiaries	-	-	977	3,689
Associates	1,187	18,599	1,186	18,412
Joint ventures	13,080	51,191	-	-
	14,267	69,790	2,163	22,101
Other payables				
Subsidiaries	-	-	-	250
Associates	40	-	-	-
	40	-	-	250
Accrued expenses				
Subsidiaries	-	-	527	1,456
Joint ventures	450	764	-	-
	450	764	527	1,456

36.4 Dividend receivables

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Dividend receivables				
Subsidiaries	-	-	111,500	42,000
Associates	-	4,300	-	4,300
Joint ventures	125,246	98,658	122,246	93,506
	125,246	102,958	233,746	139,806

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

36.5 Short-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Subsidiaries	-	-	123,500	181,000
Joint ventures	39,500	14,450	39,500	14,450
	39,500	14,450	163,000	195,450
<u>Less</u> Allowance for impairment of loan to a joint venture	(14,500)	-	(14,500)	-
	25,000	14,450	148,500	195,450

Short-term loans to related parties carry interest at the rates of 4.10% - 5.47% per annum (2021: 4.10% - 5.47% per annum) and are due at call.

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Opening balance	14,450	1,350	195,450	233,566
Additions during the period	4,500	83,100	125,500	165,100
Received during the period	(4,450)	(70,000)	(157,950)	(203,216)
Increase from changing status of Loan to a subsidiary to loan to a joint venture	25,000	-	-	-
<u>Less</u> Allowance for impairment	(14,500)	-	(14,500)	-
Closing balance	25,000	14,450	148,500	195,450

36.6 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 to key management is as follows:

	Consolidated financial statements		Separate financial statements	
	2022 Thousand Baht	2021 Thousand Baht	2022 Thousand Baht	2021 Thousand Baht
Salaries and other short-term benefits	68,208	68,534	33,209	23,111
	68,208	68,534	33,209	23,111

36.7 Guarantee

The Company has bank guarantees of Baht 457.02 million for related parties (Note 38.1). (2021: Baht 400.07 million).

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

37 Reconciliation of liabilities arising from financing activities

Reconciliation of liabilities arising from financing activities is as follow:

			Non-cash transactions		
	1 January 2022 Thousand Baht	Cash flows (net) Thousand Baht	Addition Thousand Baht	Lease termination and modification Thousand Baht	31 December 2022 Thousand Baht
Consolidated financial statements					
Short-term loans from financial institutions	120,000	(120,000)	-	-	-
Long-term loans from a financial institution	375,000	(194,250)	-	-	569,250
Lease liabilities	121,854	15,863	(51,315)	(2,790)	83,612
Separate financial statements					
Short-term loans from financial institutions	120,000	(120,000)	-	-	-
Long-term loans from a financial institution	375,000	194,250	-	-	569,250
Lease liabilities	4,003	(3,083)	3,690	309	4,919

			Non-cash transactions		
	1 January 2021 Thousand Baht	Cash flows (net) Thousand Baht	Addition Thousand Baht	Lease termination and modification Thousand Baht	31 December 2021 Thousand Baht
Consolidated financial statements					
Short-term loans from financial institutions	130,000	(10,000)	-	-	120,000
Long-term loans from a financial institution	390,000	(15,000)	-	-	375,000
Lease liabilities	212,689	(62,410)	24,143	(52,568)	121,854
Separate financial statements					
Short-term loans from financial institutions	130,000	(10,000)	-	-	120,000
Long-term loans from a financial institution	390,000	(15,000)	-	-	375,000
Lease liabilities	7,094	(3,091)	-	-	4,003

38 Commitments

38.1 Bank guarantees

As at 31 December 2022, 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 457.02 million and Baht 98.93 million, respectively (31 December 2021: Baht 400.07 million and Baht 311.46 million, respectively).

38.2 Financial instruments

38.2.1 Foreign exchange forward contracts

Foreign exchange forward contracts hedge risks from fluctuation in foreign exchange rates. The Group has no foreign exchange forward contract as at 31 December 2022.

As at 31 December 2021, the settlement period on open forward contracts is within 1 year. Fair values of foreign exchange forward contract are disclosed in Note 7.

Notes to the Consolidated and Separate Financial Statements

Triple i Logistics Public Company Limited

For the year ended 31 December 2022

38.2.2 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 2022 are as follows:

Principal amount	Interest income rate swap in agreements	Interest expense rate swap in agreements	Termination date
Baht 135,000,000	<u>Interest income rate from swap contracts</u> Floating rate 6 month THB-THBFIX plus 1.6% <u>Interest expense rate from swap contracts</u> Floating rate 6 month THB-THBFIX plus 1.6% (offsetting deal)	Fixed rate 4.1% per annum	31 October 2024

Fair values of interest rate swaps is disclosed in Note 7.

39 Events after the reporting period

1) Increase of the Company's registered capital

The Extraordinary Shareholders' Meeting No. 1/2022, held on 29 November 2022, approved the increase of the Company's registered capital of Baht 25.39 million from the authorised share capital of Baht 380.82 million to Baht 406.21 million, at a par value of Baht 0.50 per share by allocating 50,775,641 newly issued ordinary shares to the existing shareholders in proportion at the offering price of Baht 12 per share. The period of subscription was between 26 - 30 December 2022. After the subscription period, the Company was able to allocate 46,165,510 ordinary shares to shareholders. The Company has already registered the increase of share capital for 46,165,510 shares at a par value of Baht 0.50 per share, totalling Baht 23.08 million with the Ministry of Commerce on 4 January 2023. The increased shares were fully paid on 4 January 2023.

2) Additional investment in Asia Network International Co., Ltd. ("ANI")

On 6 January 2023, the Company invested in newly issued ordinary shares of ANI at the offering price of Baht 305 per share, by cash of Baht 800 million to support the on-going acquisition of Asia GSA (M) Sdn. Bhd. by ANI.

In addition, the Company received 550,798 newly issued ordinary shares of ANI at the price of Baht 305 per share, totalling Baht 168 million from ANI for a disposal of 349,998 ordinary shares of TAC (Note 14).

3) Dividend received from DG Packaging Pte. Ltd. - a joint venture

On 9 January 2023, the Extraordinary Shareholders' Meeting of DG Packaging Pte. Ltd. approved the interim dividend payment to the shareholders of SGD 0.75 per share for 200,000 shares, totalling SGD 150,000. The dividend is for the Company at the proportion of 50.00% shareholding interest, amounting to SGD 75,000 or approximately of Baht 1.86 million. The Company received this dividend on 1 February 2023.

4) Dividend payment by the Company

On 21 February 2023, the Board of Directors' Meeting No. 1/2023 proposed to the 2023 Annual General Meeting of Shareholders to consider and approve the dividend payment, from the annual operating results of the year 2022, to all ordinary shareholders of 738,697,894 shares at the rate of Baht 0.55 per share, totalling Baht 391.61 million. The Company has already paid interim dividends on 9 September 2022, at the rate of Baht 0.15 per share. Therefore, the Company will pay the rest of Baht 0.40 Baht per share, totalling Baht 295.48 million.

5) Investment in SAL Group (Thailand) Co., Ltd.

On 21 February 2023, the Board of Directors' Meeting No. 1/2023 approved the additional investment in the newly issued ordinary shares in SAL Group (Thailand) Company Limited, offered in proportion, in which the Company holds 22.50% of interest, total investment of Baht 36.0 million.

Part 4 | Attachment





Attachment 1 INFORMATION OF THE BOARD OF DIRECTORS, EXECUTIVES CONTROLLING PERSONS.

1

2

3

4

Company	Mr. Tipp Dalal	Mr. Viraj Nobnomtham	Mr. Jirod Panacharas	Mr. Thanut Thatayanon	Mrs. Darunee Rakpongpiboon	Mr. Krirkkrai Jirapaet	Mr. Woodtipong Moleechad	Mr. Vipoota Trakulhoon	Mr. Apichart Chirabandhu	Mr. Chalermasak Karnchanawarin	Mr. Shaun Tan Zhonghao	Ms. Waraporn Chaiyarach	Mrs. Darika Laowattana	Ms. Wiyada Sa-ari
Triple i Logistics Public Company Limited	D, M, SH, X, IC	D, M, SH, RE, IC	D, M, SH, CG	D, M, SH, CG, IC	D, M, S, SH, IC	C, ID	VC, ID, AC, IC	D, ID, AC, RE, IC	D, ID, AC, RE, CG	D, M, SH	-	-	-	-
Subsidiary Company														
Triple i Air Express Company Limited	D	D	-	-	-	-	-	-	-	-	-	-	-	D
Asia Ground Service Company Limited	D	D	-	-	-	-	-	-	-	-	-	-	-	D
Triple i Maritime Agencies Company Limited	D	D	-	D, M	-	-	-	-	-	-	-	-	-	-
Triple i SupplyChain Company Limited	D	D	D	-	-	-	-	-	-	D	-	-	-	-
Cross Border Couriers Company Limited	D	D	-	-	-	-	-	-	-	-	-	-	-	-
DG Packaging (Thailand) Company Limited	D	-	D, M	-	-	-	-	-	-	D	D	-	-	-
HazChem Logistics Management Pte., Ltd.	D	D	D, M	-	-	-	-	-	-	D, M	-	D	D	-
Triple i International Pte., Ltd.	D	D	-	-	-	-	-	-	-	-	D	-	-	-
Associated Company (Direct & Indirect)														
Asia Network International Company Limited	D	D	-	-	-	C, ID	-	-	-	-	-	-	-	-
CK Line (Thailand) Company Limited	D	D	-	D	-	-	-	-	-	-	-	-	-	-
ECU Worldwide (Thailand) Company Limited	-	D, M	-	-	-	-	-	-	-	-	-	-	-	-
HazChem TransManagement Company Limited	D	-	D, M	-	-	-	-	-	-	D	-	-	-	-

[illegible]

	Mr. Tipp Dalal	Mr. Viraj Nobnomtham	Mr. Jirod Panacharas	Mr. Thanut Thatayanon	Mrs. Darunee Rakpongpiboon	Mr. Kirikkrai Jirapaet	Mr. Woodtipong Moleechad	Mr. Vipoota Trakulhoon	Mr. Apichart Chirabandhu	Mr. Chalermsak Karnchanawarin	Mr. Shaun Tan Zhonghao	Ms. Waraporn Chaayarach	Mrs. Darika Laowattana	Ms. Wiyada Sa-ari
GSA Asia Cargo Company Limited	D	-	-	-	-	-	-	-	-	-	-	-	-	-
JPK Asia (Myanmar) Company Limited	D	-	-	-	-	-	-	-	-	-	-	-	-	-
Related Company														
Millcon Steel Public Company Limited	-	-	-	-	-	-	-	D	D, ID, AC, RE, CG	-	-	-	-	-
Thai Vegetable Oil Public Company Limited	-	-	-	-	-	-	-	D, ID, AC	D, ID, AC	-	-	-	-	-
AC Worldwide Company Limited	-	-	-	-	-	-	-	-	D, SH	-	-	-	-	-
Southern Rocks Company Limited	-	-	-	-	-	-	-	-	SH	-	-	-	-	-
Spring Mineral Water Company Limited	-	-	-	-	-	SH	-	-	-	-	-	-	-	-
Qtc Energy Public Company Limited	-	-	-	-	-	C, D, ID	-	-	-	-	-	-	-	-
Business Alignment Public Company Limited	-	-	-	-	-	-	C, ID	D, ID, AC	-	-	-	-	-	-
Creative Power Company Limited	-	-	-	-	-	-	-	D, SH	-	-	-	-	-	-
Kobelco Millcon Steel Co., Ltd	-	-	-	-	-	-	-	D	-	-	-	-	-	-
IFAC Advisory Company Limited.	-	-	-	-	-	-	-	SH	-	-	-	-	-	-
Symphony Communication Public Company Limited	-	-	-	-	-	-	C, ID, AC, RE, CG	-	-	-	-	-	-	-
International Network System Public Company Limited	-	-	-	-	-	-	C, ID, AC	-	-	-	-	-	-	-

	Mr. Tipp Dalal	Mr. Viraj Nobnomtham	Mr. Jirod Panacharas	Mr. Thanut Thatayanon	Mrs. Darunee Rakpongpi boon	Mr. Krirkrai Jirapaet	Mr. Woodtipong Moleechad	Mr. Vipoota Trakulhoon	Mr. Apichart Chirabandhu	Mr. Chalernsak Karnchanawarin	Mr. Shaun Tan Zhonghao	Ms. Waraporn Chaiyarach	Mrs. Darika Laowattana	Ms. Wiyada Sa-ari
Supreme Distribution (Thailand) Company Limited	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sky ICT Public Company Limited	-	-	-	-	-	-	-	D, ID, AC	-	-	-	-	-	-
AOT Ground Aviation Services Company Limited	-	D	-	-	-	-	-	-	-	-	-	-	-	-
Sammitr Green Power Company Limited	-	-	-	-	-	D	-	-	-	-	-	-	-	-

- Remark:
- C - Chairman
VC - Vice Chairman
IC - Investment Committee
D - Director
M - Managing Director
ID - Independent Director
AC - Audit Committee
RE - Nomination and Remuneration Committee
 - The information as ending on 31 December 2022
- CG - Corporate Governance Committee
X - Chief Executive Officer
S - Company Secretary
A - Chairman of Advisers
SH - Shareholders

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
1. Wiwat Limnantasilp (The person who is responsible for the internal audit) KPS Audit Co., Ltd. 2 December 2017	Educational qualifications <ul style="list-style-type: none">- Bachelor's degree in Business Administration Accounting, Faculty of Business Administration, Ramkhamhaeng University	- none -	-	2015 - present	Managing Director	KPS Audit Company Limited/ Internal Audit and Consulting Services Business
	Related training <ul style="list-style-type: none">- Executive of Internal Unit Certificate, Class no.1, the Federation of Accounting Professions- Thailand Internal Audit Certificate (CPIAT), Class no.12, the Member of the Institute of Internal Auditors Thailand (IIAT)- Anti-Corruption : The Practical Guided Tools and Techniques for the audit manager- Assessing business risk for internal audit- Quality management System Auditor/Lead Auditor Training Course- Certificate QMS ISO9001 : 2000/2008/ISO/IEC27001 : 2005 Training Course- QMS Internal Audit Training Course- Effective Internal Control for Success IPO” organized by the Stock Exchange of Thailand- Latest Internal Control Framework : COSO2013, the Federation of Accounting Professions- New Way of Reporting of Audit- Risk Assessment for Planning of Audit- Value Creation and Enhancement for Listed Companies with the New COSO 2017 Enterprise Risk Management (ERM)- Faculty of Commerce and Accountancy cooperate Stock Exchange of Thailand, Interactive Dashboard by Power BI Desktop	2015 - 2017	Internal Audit Manager	Ivelt Group Company Limited/ The business provides auditing, internal audit, and consulting services.		
			2011- 2015	Internal Audit Manager	Thaicom Public Company Limited/ telecommunication business	

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 28 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 Kraiwas (Compliance Manager)	49	- Bachelor Degree in Law, Payap University	- none -	-	2021 - Current	Compliance Manager	Triple i Logistics Public Company Limited
		- Master Degree of Public Administration, Graduate School of Public Administration, Burapha University					
		- Diploma in International Trade Law, Thammasat University					
		- Certificate of personal data protection law for employees in agencies and business organizations, Chulalongkorn University					
							Transportation & Logistics

Responsibilities :

1. To review, amend, and provide opinions on draft agreements, contracts, and all relevant legal documents and ensure that the Company operates its business according to the regulations and practices.
2. To prepare the Company's regulations, contracts for the Company's employees, and legal documents as assigned. To prepare contracts, agreements or other legal documents with trade partners, counterparties within the country and/or government agencies.
3. To advise the Company's departments on compliance such as work procedures and business process to comply with legal requirements or the Company's policies.
4. To advise departments within the Company regarding rules, regulations, and consultations related to the laws.
5. To perform duties as a central unit responsible for planning compliance so that the Company has the necessary regulations and determine the directions of work practices by personnel in the organization. To prepare work procedures that comply with the relevant laws and regulations, whereby the works can be monitored and examined in a proper manner.

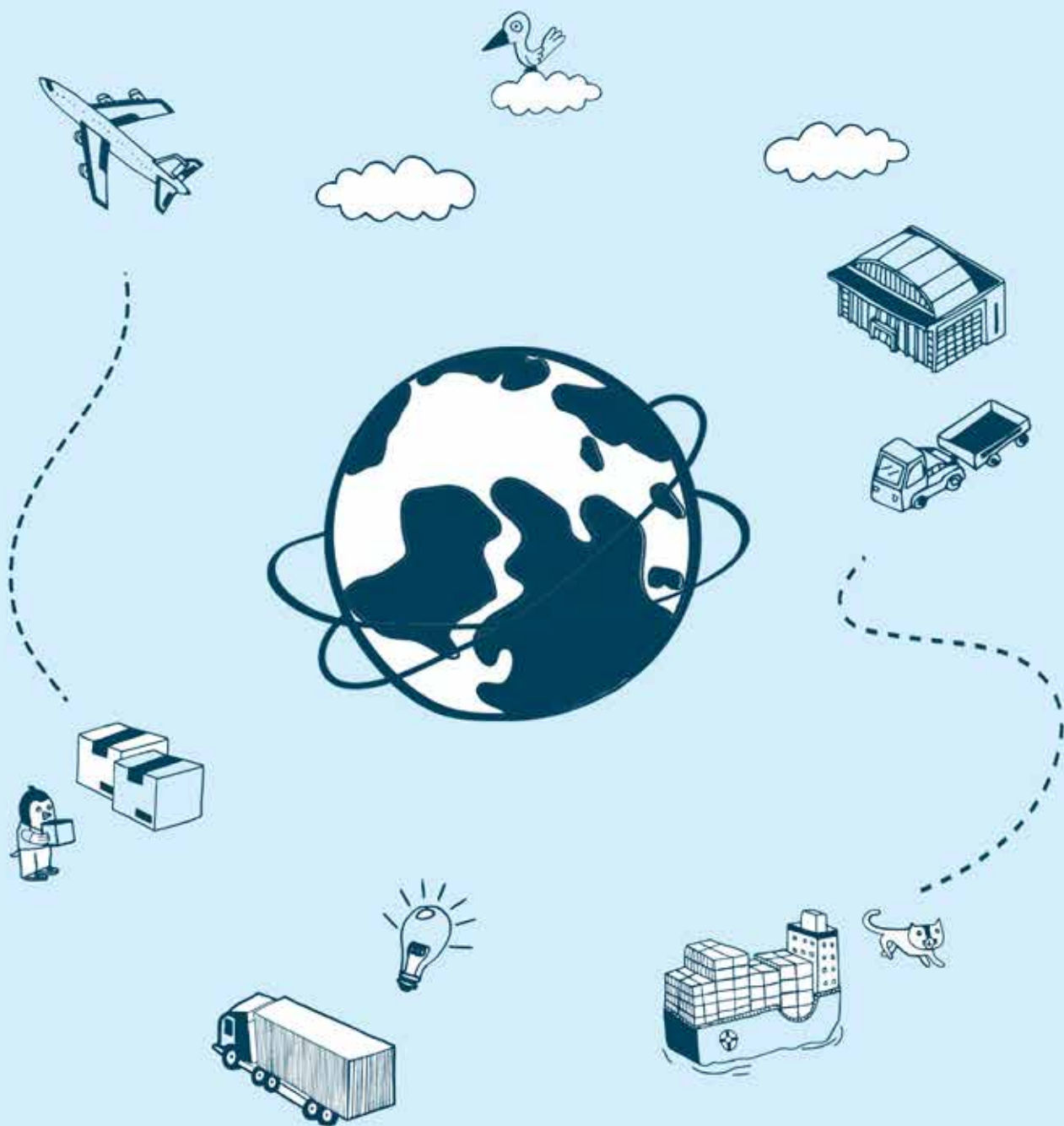


Attachment 3 BUSINESS ASSETS AND DETAILS ON ASSET VALUATION

BUSINESS ASSETS AND DETAILS ON ASSET VALUATION

- none -





Triple i
LOGISTICS

Triple i Logistics Public Company Limited
628 Triple i Building 3rd Floor, Soi Klab Chom, Nonsee Road,
Chongnonsee, Yannawa, Bangkok 10120

www.iii-logistics.com